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NUCLEAR REGULATORY COMMISSION

Docket No. 50-424/425-OLA-3 EXHIBIT NO. Int. 114
In the matter of Georgia Power Co. et al., Vogtle Units 1 & 2
 Staff Applicant Intervenor Other
 Identified Received Rejected Reporter CR DOCKE
Date 05-17-95 Witness Strickland USNF



Georgia Power

C. K. McCoy
Vice President, Nuclear
Vogtle Project

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OFFICE OF SECRETARY
DOCKETING & SERVICE
BRANCH

July 31, 1994

Mr. James Lieberman
Director, Office of Enforcement
U. S. Nuclear Regulatory Commission
Washington, D. C. 20555

RE: Demand for Information (DFI) Regarding Thomas V. Greene, Georgie R. Frederick, Harry Majors, and Michael W. Horton; Docket No. 59-424/50-425; License Nos. NPF-68/NPF-81; EA 90-036

Dear Mr. Lieberman:

This letter responds to the May 9, 1994 Demand for Information concerning the actions of four individuals associated with the Vogtle Electric Generating Plant (VEGP) in finalizing a June 29, 1990 cover letter for a revision to Licensee Event Report (LER) 90-006. It appears to Georgia Power Company ("GPC") that the Demand for Information is based primarily on conversations of these employees with a VEGP Technical Assistant (formerly the acting VEGP Assistant General Manager - Plant Support).

GPC has reviewed the relevant June 29, 1990 conversations. In addition, it has discussed the matter with several individuals who materially participated in these conversations but were never contacted by the NRC since the NRC investigative efforts began in June, 1990. Based on their recollections and observations, and the facts and circumstances surrounding the June 29, 1990 cover letter, GPC has concluded that each individual subject to this DFI was honest and diligent in his actions, and each employee intended to provide the NRC with an accurate and complete LER cover letter.

Two observations are essential to an understanding of the June 29, 1990 conversations. First, the original LER 90-006 provided to the NRC followed an on-site verification effort by Technical Support personnel, including Messrs. Webb and Odom. They had been tasked by the acting VEGP Assistant General Manager to review control logs and develop a list of start attempts. In the June 29th conversations they took issue with the acting VEGP Assistant General Manager's statements.^{1/} They viewed the June 29 letter as accurate, and conveyed their

^{1/}Many of their statements are not reflected in the transcript developed by the NRC. Enclosed is GPC's transcript of the conversations, which provides a much fuller rendition of

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opinions to both Messrs. Greene and Frederick.

A second critical observation is that Mr. Frederick had been told by his fellow auditors that Control Room logs were an inadequate source for the development of an accurate and complete diesel generator "start count". Even though Operations Department procedures for log keeping required that start times, stop times and other DG information be logged, this was not done. Mr. Frederick's knowledge of Control Room log inadequacies came from Mr. Norm Mosley, who had viewed Shift Supervisor logs in reaching this conclusion on or about June 12, 1990. As a result of this conclusion, Frederick, as well as Odom and Webb who reviewed the Control Room logs on April 19, 1990,² were convinced the Control Room logs provided an incomplete basis for making statements about diesel starts.

A. A description of the current positions and responsibilities for Messrs. Thomas V. Greene, Georgie R. Frederick, Harry W. Majors, and Michael W. Horton

Mr. Thomas V. Greene

Mr. Green is employed by Southern Nuclear Operating Company, Inc. ("Southern Nuclear") in Birmingham, Alabama as Manager - Nuclear Engineering and Licensing Support (Vogtle) and is responsible for engineering and licensing support as well as emergency planning and fuel coordination. In that capacity he interprets and translates NRC requirements and commitments into licensee standards, acts as a primary interface with the NRC on behalf GPC, and provides assistance to the VEGP on questions of interpretation. A full description of his responsibilities, including management of engineering support organizations and emergency planning, is set forth in the VEGP Final Safety Analysis Report (Rev. 4, April 1994), Section 13.1.1.2.1.9.

statements made.

²Odom: "They didn't have any failures. We counted them." Tape 186, GPC Transcript, p. 5 (Attachment 1).

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Mr. Georgie R. Frederick

Mr. Frederick is the Manager of Maintenance of the VEGP. He directs and plans maintenance activities with the assistance of other departments. Reporting to him are maintenance superintendents, plant engineering supervisors, and the instrumentation and control ("I&C") superintendent. In this management position he is responsible for the upkeep of plant equipment and testing, calibration, surveillance and repair of I&C systems.

Mr. Harry Majors

As a Project Engineer in the Vogtle Project's Birmingham office since 1988, Mr. Majors works in the licensing and compliance areas. In that position he reports to the Licensing Manager (Vogtle) and is assigned tasks in support of the VEGP. These assignments include offering advice to assure that engineering, operations and management of VEGP is informed of and responds to licensing requirements and opinions concerning compliance with NRC regulations. Mr. Majors is an interface between the VEGP site, the corporate office and the NRC to assure that proposed changes or modifications to the plant's activities properly take into account regulatory obligations and safety analyses. His experience in foreign and domestic nuclear licensing dates back to 1972.

Mr. Michael W. Horton

Since April, 1993, Mr. Horton has been a Project Manager located in Birmingham, Alabama and employed by Southern Nuclear, which provides support services for the Farley, Hatch and Vogtle nuclear plants. In that position he has worked on industry initiatives, including cost-effectiveness analysis and organizational "re-engineering." Mr. Horton earned a Senior Reactor Operating license for the VEGP in January, 1993; his license lapsed after his transfer to Birmingham. Examples of his current activities include coordinating Electric Power Research Institute computer-based training programs, review of work control practices and also recommending changes to those practices for effectiveness and efficiency.

B. An explanation of why, notwithstanding being notified that the June 29, 1990 letter failed to clarify the April 9, 1990 letter that it referenced and that it included erroneous root causes for the difference between the April 19, 1990 letter and June 29, 1990 DG start counts, Mr. Greene, as a voting member

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of the PRB, approved the inaccurate and incomplete June 29, 1990 submittal.

GPC has concluded that Mr. Greene exhibited a good faith, open and responsive effort to address and resolve concerns expressed to him on June 29, 1990. His actions demonstrate that he was not indifferent to the concerns. Rather, he used diligent means to logically approach the concerns and attempt to resolve them. Specifically, Mr. Greene solicited specific proposed changes from the concern-holder (the Technical Assistant and former acting Assistant Plant General Manger). For example, his first and immediate response to the expression of the concern was "how would you change the letter?" (Attachment 2, Tape 187, GPC Transcript, p. 10, line 50.) Later he again asked the Technical Assistant "tell me how you would change the letter." (Tape 187, NRC Transcript insert, p. 25, line 11; Attachment 2, p. 27, line 1.) Similarly, Greene directly asked the Technical Assistant what he thought the cause of the LER error was. In response, he was told by the Technical Assistant that he "did not know why mistakes were made." (NRC Insert, p. 26, lines 10-13; Attachment 2, p. 28, lines 16-19.) The responses to his questions were neither precise nor particularly helpful.

Greene also resolved the principal concern of the Technical Assistant. Specifically, Greene repeatedly heard the Technical Assistant state the following concerns: failure to use the Technical Assistant's May 8, 1990 draft revision of the LER; and the change in "basis" from "successful starts" to "valid test". (Tape 187 NRC Insert p. 9, lines 16-33; p. 10, lines 30-37; p. 11, lines 1-6; p. 13, lines 8-25; p. 14, lines 30-33; or Attachment 2, p. 10, lines 24-43; p. 11, lines 41-52; p. 12, lines 1-3; p. 14, lines 32-50; p. 16, lines 10-14.) Greene focuses on these concerns, and expresses the opinion that "we all counted correctly," referring to the various revisions of the LER. At this point in the conversation Greene apparently obtained assurances that, except for the last line of the June 29 letter, the cover letter was not wrong (NRC Insert p. 15, lines 25-28 or Attachment 2, p. 16, line 49, p. 17, line 4).

In attempting to identify the concerns of the Technical Assistant, Greene also exhibited appropriate actions. He assured himself that the Technical Assistant had no concern with the actual start count numbers in the revised LER. (Tape 187, NRC Insert p. 10, line 6, lines 13-22; Attachment 2, p. 11, lines 4-5, lines 16-19.) He assured himself that the Technical Assistant knew "exactly how" the revised LER DG start numbers were obtained. (NRC Insert, p. 10, lines 23-29) When he realized that telephone conversations were inadequate, he asked the participants of the call to come to the office in which he is located. (Insert p. 11, 22-25, p. 12, lines 17-19; Attachment 2, p. 12, lines 28-34, lines 43-47). He apparently resolved the Technical Assistant's concern about a definition of the end of the test program for the original LER, by changing the word "discrepancy" to "difference" to contrast the original LER with the

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revised LER cover letter data. (NRC Insert, p. 20, lines 12-15; p. 23, lines 23-28 or Attachment 2, p. 21, lines 46-48; p. 25, lines 16-21.) This satisfies the Technical Assistant, in that his May 8 LER draft revision was not being implicitly viewed as inaccurate (NRC Insert p. 21, lines 34-39; Attachment 2, p. 23, lines 22-27). Finally, Greene explored the role of record keeping practices in the development of the original LER with the corporate office licensing engineer (Mr. Majors), the Technical Assistant (Mr. Mosbaugh), the Supervisor - SAER (Mr. Frederick), and individuals who participated in the finalization of the LER (Webb and Odom) and was informed that the Engineering Support Manager (Mr. Horton) concurred with the revised LER cover letter.²⁷

Mr. Greene exercised reasonable management judgment in examining the conf positions presented to him on whether record keeping contributed to the original LER's e. Greene had not been involved in the underlying events. He was, however, provided with detailed factual information by the Supervisor - SAER who had participated in a special review of the matter (Tape 187, NRC Insert p. 15, line 29 through p. 16, line 22; or Attachment 2, p. 17, lines 5-45). He was informed that the SAER audit was the basis for a relevant statement (NRC Insert p. 22, lines 10-33 or Attachment 2, p. 23, line 45 through p. 24, line 15). He was informed that the SAER audit's number of starts are correct by agreement with Technical Support's numbers. He observed that the Technical Assistant was factually incorrect: 1) that the Operations Department numbers were not "just added to" for the LER and 2) that the Technical Support data review was not after the LER was submitted to the NRC (Insert P. 16, lines 35-43; p. 17, lines 4-15 or Attachment 2, page 18, lines 10-43). He was told by the Technical Assistant that personnel errors were the source of the LER mistakes, but is also told that the Technical Assistant "did not know why mistakes were made." (Tape 187, p. NRC Insert, p. 26, lines 10-13 or Attachment 2, p. 28, lines 16-19.) In previous discussions, the Technical Assistant does not directly answer when Greene poses the direct question "based on that, why is the statement incorrect?" (P. 17, lines 29-34 or Attachment 2, p. 19, lines 8-12). Weighing the position of the Technical Assistant against the well-articulated opinion of the others before him, Greene adopted the opinion of the SAER auditor which was supported by the statements of others. This was a reasonable decision on his part.

Greene is obviously motivated to provide an explanation of the count error that is true and "that's usable" to the NRC. No question should exist as to Mr. Greene's motivation, nor his substantial, good faith efforts to assure that the cover letter of the LER was accurate and complete in addressing the causes for the difference between the original LER diesel start counts

²⁷Tape 187, NRC Insert p. 5-7 or Attachment 2, p. 7, line 50 through p. 8, line 3.

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and the start counts in the June 29, 1990 letter.

With respect to the June 29, 1990 letter's clarification of the April 9, 1990 letter, Greene appears to be informed that the "18" starts in the April 19th LER was the same number as in the April 9 letter and that the cause of this error was also record keeping practices. (Tape 187, NRC Insert p. 25, line 34, p. 26, lines 6-14 or Attachment 2, p. 27, lines 47-48 and p. 28, lines 9-14.) Moreover, GPC has confirmed that Technical Support employees viewed the errors in the April 19 LER and April 9 letter as resulting from a common cause -- record keeping practices. This negated the need for Greene to identify different causes of the errors in the two different documents.

Mr. Greene terminated the discussions with the Technical Assistant only after the Technical Assistant acknowledged that he did not know why mistakes were made, and restated his original concern that his revision to the LER was not being used. GPC now knows that this concern was based upon the Technical Assistant's belief that substantial delays occurred in correcting the LER in order to "cover up" allegedly careless personnel errors made by the Unit Superintendent and the VEGP General Manager. Exhibit 5, p. 189-202. Mr. Greene, in contrast, was focused on whether the draft LER revision and the associated cover letter presented to him on June 29th were accurate and complete. Mr. Greene reasonably believed that he had assured that they were.

C. An explanation of why, notwithstanding his direct knowledge that the observations stated in the audit report were inappropriately being used to identify the root causes for differences between the April 19, 1990 LER and the June 29, 1990 DG start counts, and his being notified that the correct root cause for the difference was personnel error, Mr. Frederick failed to address this concern prior to issuance of the June 29, 1990 letter.

George Frederick was aware that the SAER audit was narrow in scope. He had also been informed by the Technical Assistant that he should speak to the Unit Superintendent and VEGP General Manager about the development of the original start count data. (Exhibit 98, p. 24).⁴ The NRC is incorrect, however, in concluding that Mr. Frederick thought that the SAER audit was being inappropriately used or that it had not identified the true root cause for different

⁴Exhibit references are to exhibits of NRC Office of Investigations Report 2-90-020, unless otherwise indicated.

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DG start counts. In addition, contrary to an implicit assumption of the Demand for Information, Mr. Frederick had discussed the development of the LER statement with George Bockhold. Frederick, at the time of his OI interview, did not recall this discussion, and the VEGP General Manager was not asked by the NRC investigators about any such discussions. The VEGP General Manager remembers discussing the source of the Unit Superintendent's start count with Mr. Frederick (i.e. Control Room logs) and the General Manager's understanding of the beginning point of the start (i.e. comprehensive test program of the control systems, that is, sensor calibration and logic testing prior to test start sequences).

A fuller examination of Mr. Frederick's actions in May and June, 1990 provides a better understanding of his diligent and honest efforts on June 29, 1990. First of all, Mr. Frederick took issue with the connotation of the "comprehensive test program" described by the Technical Assistant (PRB minutes of May 8, 1990, No. 90-66; Exhibit 5, p. 230-232; Exhibit 40, p. 33-46; p. 36, line 24; p. 37, line 12; p. 42, lines 2-8). Second, Mr. Frederick, prior to the SAER audit results commented to the PRB that "he felt the diesel start numbers in the original LER were incorrectly included because of various problems/confusion with the surveillance and operator logs and the trending information recorded by Engineering Support." (PRB 90-81 minutes, p. 5 of 5, June 8, 1990.) Similarly, the completeness of records was an identified weakness prior to the commission of the SAER audit (May 11, 1990 memorandum from J.M. Randolph to G.A. McCarley, p. 2, Attachment 3). Third, on June 11th, Frederick informed the Technical Assistant that the records were incomplete because his manager in Birmingham, had told him that other start records existed beyond those in the Control Room. (Tape 159, pages 5-9, June 11, 1990, Attachment 4).

These preliminary beliefs of record keeping weaknesses were confirmed by his SAER audit. As stated by Frederick:

I think the major contributing - my personal opinion is the contributing factors are the sloppy processing from the Control Room to your engineers, OK. It took something like 24 days to get several of those [diesel generator start data] sheets to them. And the other one was the fact that the log had never been updated (Tape 187, NRC Insert p. 6, lines 10-15).

Frederick's personal opinion of record keeping, therefore, was heartfelt. On June 12, 1990, the lead auditor assisting Frederick (Mr. Norm Mosley) reviewed the Control Room logs, specifically the Shift Superintendent logs. Without reviewing the Unit Control logs (the other set of Control Room logs used by the Unit Superintendent on or about April 6 and Technical Support personnel on April 19), Mosley concluded that the Control Room logs were inadequate

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to develop an accurate and complete start count. As stated in the audit report,

"the Unit 1 Shift Supervisor's log was reviewed for the time period March 20 through June 12, 1990. . . . The level of detail recorded in the S/S log varied. . . . Comparison with the other sources of information (test data sheets and Diesel Start Log) determined that in addition to some entries not being complete as noted above, not all EDG starts had been logged in the S/S log. (See attachments A and B for comparison data). As the other sources provided more complete documentation of each EDG test, the Unit Control Log was not reviewed to determine if the referenced requirement had been met. The redundant requirement may need to be reviewed to determine if it serves a useful purpose or is merely a burden on the Control Room staff." Exhibit 43, p. 4.

When told by the Technical Assistant on June 29 that both Control Room logs should be checked, Mr. Frederick strongly voiced his conclusion that the logs were inadequate. His blunt observation (see, Exhibit 72, p. 44, line 13) demonstrates sincerity. Furthermore, the Technical Assistant had previously acknowledged record keeping flaws, both in regard to data sheets not being generated every time the diesel was started, and the Control Room logs not being accurate (Exhibit 98, Tape 160, P. 24; see also, Exhibit 5, Pages 240-1; and Attachment 4, Tape 159, p. 29 -- The Operations Department control logs "are accurate, but there's a little error them. I caught a little error in them. OK? But they are accurate.")

GPC observes that Mr. Frederick was applying a narrow scope audit to repetitive attempts of different individuals to accurately count diesel generator starts. He was aware of the April 19 LER, the May 8, 1990 LER revision draft, and a June 12, 1990 revision. As he viewed it, the question which he was attempting to answer concerned different counts in various GPC statements over time:

Frederick: "If we did everything we were supposed to by our procedures, why would a reasonable person not be able to add the numbers up . . . more than one reasonable person able to not add the numbers up and come to the same answer?" Exhibit 98, Tape 160, p. 27, Attachment 5).

Thus, Frederick knew, the corporate office had no confidence in the numbers developed for diesel starts (Tape 186, Insert P. 2, lines 5-6, June 29, 1990). The answer to Mr. Frederick's question is the same as today: sole reliance on Control Room logs would be prone to error, and a single source document, retrievable, updated to include all start attempts would provide reasonable assurance of accurate and complete representations concerning DG starts. In short,

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the condition of the relevant documentation as examined by the SAER group justified Frederick's strong opinion that record keeping practices caused different count numbers by different counters at different times. A second cause, as he had personally observed since May 8th, was the lack of a common definition of "comprehensive test program."^{2/}

The NRC finds fault that Frederick did not recreate, through investigation, the prior start counts used by GPC in correspondence. For example, the NRC faults the failure of Frederick to include an assessment of the performance of the Unit Superintendent and VEGP General Manager, the individuals who were responsible for the initial count. As stated previously, while the audit report does not include these individuals in the list of persons contacted during the audit, the VEGP General Manager did discuss with Frederick the factual basis (i.e. Control Room logs) used by the Unit Superintendent in developing the start count. This knowledge, combined with the knowledge imparted by Mr. Mosley (and confirmed by the Technical Assistant's statement) that the Control Room logs were inaccurate, reasonably led Frederick to the conclusion that record keeping practices were a contributing cause to the LER's error. Assigning an unspecified "personnel error" as the cause of the LER inaccuracy would have been based upon speculation, an opinion expressed without detailed factual support, and clear disregard for his own actual knowledge, information and belief.

In response to the Notice of Violation, GPC acknowledges that the SAER audit, by not specifically examining the development of the April 9th data, contributed to GPC's failure to identify the April 9th letter as an error (Violation D, Example 1). GPC understands and totally appreciates the reason for the approach chosen by the SAER group. As Frederick explained to the Technical Support Manager on June 12, independence in the SAER audit was required. The SAER group was:

. . . . not starting with somebody else's data. We're generating our own, so that we don't sit around trying to justify someone else's numbers, because that biases you one way or the other . . . It's better to go with your own objective number and then sit down and compare the two and figure out why they don't match. I think we are going to find out that we . . . should have filled out a [data] sheet every time it started up, and they probably didn't (Tape 160, P. 28).

^{2/}The NRC should note that Mr. Frederick found fault with the original LER approximately a month before he was assigned to develop a "start count" which would form the basis of revised LER. His criticism of the May 8, 1990 LER revision's definition of the "comprehensive test program" shows independence and willingness to identify error.

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This approach was in accordance with Mr. Frederick's instructions from his Manager, Mark Ajluni:

Ajluni: Are you still doing this independently?

Fredericks: You bet. We haven't finished yet either. We've been working on it since the wee hours of the morning.

Ajluni: OK. Well, you need to continue doing this independent of the effort that they are doing down there [in Technical Support for the LER revision].

Frederick: I know.

Ajluni: OK.

(Tape 160, P. 38-39.)

This independence also carried over to the actual task level, including an avoidance of reliance on hearsay (Exhibit 40, p. 38).

Finally, the NRC should consider the ultimate work product of Frederick. Frederick did obtain a "correct" documented count without a recreation of historic attempts. The Technical Support group agreed with the results (Tape 187, June 29, [Attachment 2, p. 11, lines 37-39] - "Tom Webb is here with me and he has gone over the same numbers from the same records. He agrees with those numbers.")

The conversations of June 29, 1990 when viewed, in whole, show that Frederick was not indifferent to the concerns expressed by the Technical Assistant. He was expansive and precise in explaining the audit report and the logic of his opinion:

The audit report does not say why we made an error. The audit report says what the conditions were that existed when we wrote the LER. As a matter of fact, the audit report says that several of the start pages that have to be forwarded to the engineer were still being processed by Operations and had been processed for 24 days and still hadn't been sent to them yet. So I don't know how anybody counted them because nobody knew where they were. . . . If the log had been up-to-date, they [the counters] wouldn't have had to go to those sheets of paper. . . . That's all the audit report says. The log wasn't -- there was no log to go to. . . . I think, Mike, we're unwilling to face the truth

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if we don't say that the fact that we didn't do our record keeping right probably caused us to make the mistake (emphasis supplied).

Frederick was also attentive to the statements of others. For example, he attempts to expound upon the Technical Assistant's concern for the benefit of Mr. Greene:

The problem -- what Allen is talking about is where someone down at corporate has looked at the audit report and made a decision on attributing a root cause to why we made the mistake. . . . And Allen feels that that's not a true statement or its not completely true. I don't know what Allen's talking about. I don't know what other cause he means. Allen's going to have to tell you what it is. I don't know what cause we're talking about otherwise. (Tape 187, Attachment 2, p. 11, lines 16-2.)

This passage demonstrates Mr. Frederick's awareness of the difference of professional opinion. It also demonstrates his willingness to sharpen issues over which a difference of opinion exists, in this case an opinion which takes issue with his own opinion.

Frederick's opinion was supported by others. Foremost, was the concurrence of Technical Support personnel actually involved in the underlying event. As Odom stated "We couldn't tell in a lot of cases what was going on" when verification efforts were attempted on April 19 because of the Control Room log conditions. "I can tell you from the past that in doing diesel Special Reports we always had a hard time getting the material." (Tape 187, Attachment 2, p. 19, lines 14-16) Here was an opportunity for the Technical Assistant to come forward with his detailed information and analysis, as well as the knowledge which he had from his personal involvement with the LER verification efforts on April 19. He did not convey to Mr. Frederick the inclusion of problem starts in the 19 "successful starts" for the 1B (Exhibit 3, P. 6 of 14; Tape 172). He apparently did not provide Frederick with his analysis from the April 30 - May 2 time frame which he had provided to Bockhold confirming the inaccurate statement. He did not tell Frederick that the specific error of the Unit Superintendent was counting 18 (instead of a correct 11) or was including starts where the diesel actually tripped. (See Exhibit 5, p. 187-188). Yet, this is the sort of detailed information which might have swayed Frederick's professional opinion.

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D. An explanation of why, notwithstanding his being notified that the June 29, 1990 cover letter to the revised LER failed to clarify the April 9, 1990 letter and that the April 9, 1990 letter was different from the April 19, 1990 LER errors, Mr. Majors failed to address these concerns prior to the issuance of the June 29, 1990 letter.

Mr. Majors principal task was to assure the new numbers in the revised LER were accurate. GPC is unaware of any evidence indicating that Majors was tasked to explain any "error" in the April 9, 1990 letter. Nor did the NRC ever ask Majors about the relationship of his tasks and the April 9 letter referenced in the cover letter to the LER revision. The NRC should also reexamine the relevant conversation between Mr. Majors and site personnel. Mr. Majors was not informed of a "clear failure" of the June 29 letter to address the April 9, 1990 letter. The Technical Assistant, after discussion and apparent resolution of his concerns, provided Mr. Majors with a "comment". The exchange is very brief. In substance, Majors explains that he does not believe that there are errors in the April 9 letter, because it is based on the April 9 presentation in Region II in which "each individual start" is identified on transparencies. In this conversation the Technical Assistant asks Mr. Majors why the corporate office does not believe errors were made in the April 9 letter, rather than informing Mr. Majors that the VEGP General Manager intended for the cover letter to correct the error in the April 9 letter, and that this approach was necessary to complete an action item developed at the PRB. (Exhibit 5, p. 195). As with his other discussions with co-workers, the Technical Assistant did not detail his opinion that the Unit Superintendent had included problem starts in the 19 "successful starts" of the 1B diesel (Exhibit 3, P. 6 of 14; Tape 172) or explain that his April 30, 1990 memorandum, provided to the VEGP General Manager, established that the April 9 letter was incorrect. Instead, the Technical Assistant cryptically told Mr. Majors that the April 9 letter was "consistent" with the overlay "but I think its also false." In this context, the statements of the Technical Assistant did not trigger Mr. Majors to pursue a concern in response to a "comment."

When Mr. Majors was aware of substantive disagreement concerning the last sentence in the first paragraph of the June 29, 1990 cover letter, he addressed the matter in a forthright, open and expansive manner. He explained the basis for the numbers of starts, including the change of the number from 11 to 12, and highlighted the specific page of the SAER audit report on which the revised number of successful starts was based. The cover letter, he confirmed, was going to address the previous LER error. He not only explained the facts on which the sentences were based, but also the logic behind the statements. He agreed with the Technical Assistant that the new LER has changed "apples to oranges" in using Reg. Guide terminology.

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Majors correctly interpreted the SAER audit report to explain the reason why GPC got different numbers by failing to accurately count in the beginning, as compared to now. He also expressed his management's expectation in discussing another sentence, stating "So obviously if there is a problem with it (the statement), George [Hairston] would want to know about it."

These actions of Majors shows his due regard for concerns which are sufficiently articulated so as to be identifiable. Mr. Majors should not be faulted for his performance in any respect, since he was provided no reasonable factual basis for concluding that the April 9 letter was in error and was not provided an opportunity to substantively deal with a "clear failure" of the June 29 cover letter.

E. An explanation of why, notwithstanding his disagreement with the statement that DG record keeping practices were the cause for the error in the April 9, 1990 letter, Mr. Horton, as a voting member of the PRB, approved the June 29, 1990 letter.

The NRC's conclusion that Mr. Horton disagreed that DG record keeping practices were the cause for the error on April 9, 1990 letter at the time the June 29 letter was approved is simply wrong. Observe the exchange between Mr. Frederick and Mr. Horton:

Frederick: Your log was out-of-date the day we wrote the LER.
Horton: Oh, OK.
Mosbaugh: That irrelevant.
Horton: If that's the justification, I'll buy that.
Frederick: Well, its true.
Horton: Is that the root cause here?
Frederick: That's part of it.

* * * * *

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Frederick: Hey Mike, if the log had been up-to-date, they wouldn't have had to go to those sheets of paper.

Horton: I don't disagree.

After further discussion, Horton clearly was not concerned that the statement to be made in the June 29 letter was false. Rather, he merely believed that characterizing the Engineering Support diesel log as "a problem" was unfair given the historic use of the log. As he stated:

I don't disagree, but I think we are introducing a new variable that is not part of the program currently, and I don't consider that necessarily a problem. It's just an enhancement we need to go make to the program. . . . The program in question is the methodology of getting the log updated. . . . I don't see that [the proposed statement in the cover letter] as a material false statement, [PRB Secretary]. . . . I disagree with it personally, but I am not interested in arguing about it right now. (Tape 187, Attachment 2, p. 7, lines 13-16, 22-23, 27-28, 32-34.)

On first impression, it would appear that Horton has agreed to include a statement in a letter to the NRC, even though he disagrees with "it" personally. However, a fuller review of the associated conversation demonstrates that Horton was only disagreeing with the characterization of his program (i.e., the Engineering Support diesel start log) as having a "problem." Since the updating of the log has been questioned, Horton asks whether the SAER audit has also identified "a corresponding corrective action required." Upon being assured that the SAER audit had recommended a change in the way business is conducted or Engineering Support procedures would be changed to have more specific guidance, Horton observes that "there is your corrective action then." The bottom line for Mr. Horton was "let's send it." The bottom line of GPC's analysis is that Horton did not view the LER cover letter's statement as false, but disagreed with "fault" assigned to his program, when only an enhancement was being proposed.

F. An Explanation of the Corrective Actions Taken, or Planned by the Licensee to Address Each of these Individual's Performance Failures.

The corrective actions taken by GPC on a general level, including GPC's reemphasis of accurate and complete communications with the NRC, are sufficient to address any perceived performance failures by these four individuals. GPC also observes that a Demand for

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Information is an enforcement mechanism which has a telling impact on affected individuals. Substantial publicity has resulted from the enforcement action, including an identification of these individuals in industry media. In short, a sanction has been meted out, notwithstanding GPC's views of the underlying merits of these allegations.

H.[Sic] Given the violation of NRC requirements, an explanation as to why NRC should have confidence that the Licensee, with the involvement of Messrs. Greene, Frederick, Majors and Horton, will in the future conduct licensed activities in accordance with all NRC requirements, including the requirement of 10 C.F.R 50.9, "Completeness and Accuracy of Information."

Mr. Thomas Greene

Mr. Greene has performed capably in the employment of GPC for many years. He has personal rapport with his co-workers and his NRC counterparts. His actions in this case are fairly viewed as a reasonable, responsive effort to address concerns by balancing differences of professional opinions. The matter presented to him involved an extraordinary situation: multiple, not entirely clear concerns from an employee whose position Mr. Greene had reassumed. The employee had brought action against GPC for the act of Mr. Greene reassuming his former position. The employee had submitted detailed allegations to the NRC which called into question matters much broader than the accuracy of statements which Mr. Greene was addressing. We are confident that Mr. Greene is very cognizant of the need for a more formal handling to resolve concerns of a disgruntled employee in such an extraordinary situation. We are also confident that he will continue to ascribe to his exceedingly high professional standards of conduct, including an openness in communications with NRC representatives that extend well beyond factual matters, and includes operational philosophies and responsiveness to NRC concerns.

Mr. Georgie Frederick

Mr. Frederick has contributed to nuclear safety in civilian and military programs for his entire career. He has a reputation as honest, straight forward, and responsible. He has earned a Senior Reactor Operator license, and has performed admirably as the manager of the VEGP Maintenance Department. His forthright manner can be attested to by the NRC Resident Inspectors, who frequently work with Mr. Frederick on current issues. His actions in this matter demonstrate a clear willingness to find fault with the performance of the licensee, and stand by that finding. He did not base his opinion on conclusory statements of others and took

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that harder road of supporting his personal belief. That belief was well founded, even if the NRC were to conclude that it was in error.

Mr. Frederick's actions on June 29, 1990 obviously do not capture the very significant contributions which he has made to the VEGP over the last four years. The fuller record reflects improvement in the Maintenance Department as reflected in GPC's Systematic Assessment of Licensee Performance observations of a "1" performance rating:

"Overall maintenance and surveillance activities were very effective. Maintenance activities did not result in any reactor trips or unplanned outages.

* * * *

Maintenance management increased focus on the reduction of corrective maintenance through a strong preventive and predictive maintenance program, efforts to effectively diagnose the root cause of recurring maintenance problems, and by effectively using opportunities to perform maintenance. . .

* * * *

Improvements this assessment period were noted in the predictive and preventive maintenance programs, in the reduction of maintenance backlog, and the general material condition of the plant. . .

* * * *

. . . Various maintenance areas throughout the plant were improved. Cleanliness and access control to the hot shop and hot tool room were improved. These areas were previously identified as poorly controlled. . ." NRC SALP (Inspection Report No. 50-424/425, 93-01), March 1, 1993.

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He was recognized as trustworthy and honest in 1990^{6/}, an opinion shared by GPC. Nothing which GPC has observed since that time has changed GPC's opinion.

Mr. Harry Majors

As explained in response to this Demand for Information, GPC has not identified any performance failure by Mr. Majors in this matter. He was provided little clue that a substantial, underlying concern was harbored by the Technical Assistant on June 29, 1990. The internal communication between site and corporate personnel on June 29, 1990 indicate the type of openness and communication desirable in a large organization which, by necessity, must fashion certain correspondence to the NRC based on broad input from multiple disciplines. All involved employees must share their knowledge and understanding to assure accurate and complete statements to the NRC. This Mr. Majors did in a candid, cooperative manner on June 29, 1990. GPC is convinced that had the site recommended a substantive change to the draft LER cover letter, Mr. Majors would have fully responded with additional modification of the document. Since these events, Mr. Majors has exhibited the same diligence in supporting the development of NRC correspondence, working diligently with his counterparts at the VEGP site. Full assurance exists that he will continue to comply with all NRC requirements, including 10 C.F.R. 50.9.

Mr. Michael W. Horton

As reflected in GPC's response to this DFI, Michael Horton fulfilled his obligations on June 29, 1990. Moreover, this Demand for Information is the first opportunity which Mr. Horton has had to address these matters. GPC believes that the NRC will understand, based upon the additional information provided, that Mr. Horton was not agreeing to the inclusion of false statements in the June 29, 1990 GPC correspondence to the NRC. At the time of these events, Mr. Horton was the Engineering Support Manager at the VEGP. For much of 1990 Mr. Horton reported to the acting Assistant Plant General Manager, who testified that Mr. Horton could be trusted to fully raise issues with the NRC and "reveal the whole truth to the NRC." September 11, 1990 Deposition, DOL Case No. 90-ERA-58, pp. 112-114, pp. 119-121. GPC agrees, and is confident that Mr. Horton will continue to display appropriate regard for NRC requirements associated with licensed activities in his day-to-day work.

Please feel free to contact me should you desire additional information regarding this

^{6/}September 11, 1990 deposition, DOL Case No. 90-ERA-58, pp. 112-114, pp. 119-121.

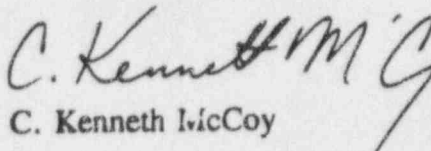
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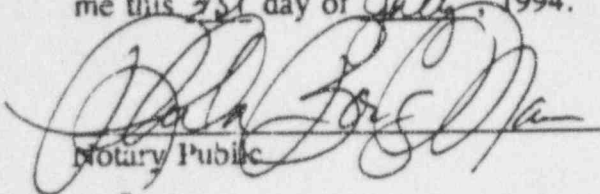
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matter. This response to the Demand for Information has been developed after substantial inquiry under the supervision of me and other GPC officers. The response was reviewed by certain individuals familiar with these events for accuracy and completeness. While I do not have personal knowledge of all the facts as stated, I and others have thoroughly reviewed and evaluated the information. Based on all these efforts, I have high confidence of the response's accuracy. The information provided in this response is true and correct to the best of my knowledge and belief. I am available to provide any clarification, expansion or verification which you should require. Mr. C. Ken McCoy states that he is the Vice President-Vogtle Project and is authorized to execute this letter on behalf of Georgia Power Company.

Sincerely,


C. Kenneth McCoy

Sworn to and subscribed before
me this 31st day of July, 1994.


Notary Public

My Commission Expires:

Notary Public, Fulton County, Georgia
My Commission Expires January 29, 1996.

[NOTARIAL SEAL]

xc: Georgia Power Company
Mr. J. Beasley, Jr.
Mr. M. Sheibani
NORMS

U.S. Nuclear Regulatory Commission
Mr. S. D. Ebnetter, Regional Administrator
Mr. D.S. Hood, Licensing Project Manager, NRR
Mr. B.R. Bonser, Senior Resident Inspector, Vogtle
Assistant General Counsel for Hearings and Enforcement