

1 On Behalf of the NRC:

2

3 VIRGINIA VAN CLEAVE, Investigator
4 Nuclear Regulatory Commission
5 Office of Investigations, Region IV
6 611 Ryan Plaza Drive
7 Arlington, Texas

8 DARYL M. SHAPIRO, Esquire
9 Nuclear Regulatory Commission
10 Office of General Counsel
11 One White Flint North
12 Rockville, Maryland

13

14 On behalf of the Witness:

15

16 WILLIAM E. BAER, Esquire
17 Newman & Holtzinger
18 1615 L Street, Northwest
19 Washington, D.C. 20036

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PROCEEDINGS

[9:20 a.m.]

MS. VAN CLEAVE: For the record, this is an
 interview of William J. Jump, [REDACTED]
 [REDACTED] Date of birth, [REDACTED]. He R
^{WJT} ¹⁵ ~~was~~ employed by Houston Lighting and Power, South Texas
 Project.

The date is July 16, 1992, and the time is 9:20
 a.m.

Present at this interview are myself, Virginia Van
 Cleave, Investigator for the Nuclear Regulatory Commission,
 Office of Investigations; Daryl Shapiro, Attorney for NRC,
 Office of General Counsel; and William Baer, Attorney with
 Newman and Holtzinger.

This interview is being tape recorded by court
 reporter Tom Whiteside.

Whereupon,

WILLIAM J. JUMP,

a witness, was called for examination by an Investigator for
 the NRC and, having been first duly sworn, was examined and
 testified as follows:

EXAMINATION

BY MS. VAN CLEAVE:

Q I have some initial questions that we are going
 through regarding Mr. Baer's presence here.

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WJT

1 Does your employer require you to have an attorney
2 present when you talk to the NRC?

3 A No.

4 Q Is Mr. Baer acting as your personal
5 representative?

6 A Yes.

7 Q Did you select him personally, or did your company
8 select him for you?

9 A I selected him.

10 MS. VAN CLEAVE: Mr. Baer, who is your employer?

11 MR. BAER: Newman and Holtzinger.

12 MS. VAN CLEAVE: Are you acting as Mr. Jump's
13 personal representative?

14 MR. BAER: Yes.

15 MS. VAN CLEAVE: Does your firm represent any
16 other party associated with the South Texas Project?

17 MR. BAER: Yes, Houston Lighting and Power Company
18 and the other individuals subpoenaed by OI in the course of
19 its investigation.

20 MS. VAN CLEAVE: So you personally represent the
21 other parties at this ^{WTT} ~~side~~ ^{site} that we, or I, will be
22 interviewing during the course of this investigation, is
23 that correct?

24 MR. BAER: Yes.

25 MS. VAN CLEAVE: And you personally represent

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WTT

1 Houston Lighting and Power with respect to this interview?

2 MR. BAER: That's correct.

3 MS. VAN CLEAVE: Do you believe a potential
4 conflict of interest could arise during the course of this
5 interview?

6 MR. BAER: It is possible that a conflict of
7 interest could arise. At this time, I don't foresee such a
8 conflict.

9 MS. VAN CLEAVE: If such a conflict does arise,
10 what will you do?

11 MR. BAER: I will stop the interview, inform Mr.
12 Jump of the potential conflict, and we will discuss how to
13 proceed at that point.

14 BY MS. VAN CLEAVE:

15 Q Mr. Jump, do you understand that Mr. Baer
16 represents other parties associated with the South Texas
17 Project?

18 A Yes, ma'am.

19 Q What is your understanding of who will pay Mr.
20 Baer's fee?

21 A Houston Lighting and Power.

22 Q What is your understanding of who will pay Mr.
23 Baer's fee if the licensee decides not to continue to have
24 the attorney represent you?

25 MR. BAER: I am not sure that is an understandable

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1 question.

2 MS. VAN CLEAVE: It is on the form.

3 MR. BAER: If they have me not represent him
4 anymore, then nobody needs to pay my fee because I won't be
5 representing him.

6 MS. VAN CLEAVE: All right.

7 If Houston Lighting and Power decides that you
8 would not be representing Mr. Jump, then you would not be
9 representing him, is that accurate?

10 MR. BAER: Yes, and, therefore, there would be no
11 fee for representing him because I wouldn't do it.

12 BY MS. VAN CLEAVE:

13 Q With that understanding, do you still want Mr.
14 Baer as you representative?

15 A Yes.

16 MR. SHAPIRO: You wouldn't do it pro bono?

17 MR. BAER: If there is a conflict, I can't. That
18 is the problem.

19 Actually, for the record, our understanding is, if
20 he doesn't want me, and decides to go and get his own
21 counsel, he can propose that to the company and they will
22 decide at that time whether to do that.

23 MS. VAN CLEAVE: All right.

24 MR. SHAPIRO: That is true for all the
25 interviewees?

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- 1 MR. BAER: That's true.
- 2 BY MS. VAN CLEAVE:
- 3 Q What is your position here at South Texas?
- 4 A General manager of nuclear licensing.
- 5 Q And how long have you had that position?
- 6 A It has been about a year-and-a-half.
- 7 Q Since the Spring of '91, approximately?
- 8 A Yes.
- 9 Q And were you employed by HL&P prior to that time?
- 10 A Yes, I was.
- 11 Q What was your position then?
- 12 A Maintenance manager.
- 13 Q And how long did you hold that position?
- 14 A Since September of '88.
- 15 Q How long have you worked here on site at South
- 16 Texas?
- 17 A It will be almost four years.
- 18 Q And were you an employee of HL&P the whole time?
- 19 A Yes.
- 20 Q And have you worked for HL&P prior to 1988?
- 21 A No.
- 22 Q Who is your supervisor? *EACH REFERENCE TO "MR. Phall"*
herein should be a reference to
- 23 A My immediate supervisor is Mr. ~~Phall~~. *"Mr. Donald P. Hall".*
- 24 Q And who was your immediate supervisor in February
- 25 of 1992? *WJT*

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WJT

1 A Mr. Phall.

2 Q So you reported to Mr. Phall rather than the plant
3 manager or Mr. Kinsey, is that correct?

4 A That's correct

5 Q You have a direct line to Mr. Phall?

6 A Yes.

7 Q As, of course, you are aware, we are here to look
8 into the circumstances surrounding Mr. Thomas Saporito's
9 access revocation and termination from the South Texas site.

10 When did you first become aware of Mr. Saporito
11 and his concerns?

12 A When the 2.206 was presented to HL&P by Joe ~~Tapie~~ ^{Tapia WJT}
13 He took it to Warren Kinsey's office. Warren Kinsey
14 immediately called me because, as the manager of nuclear
15 licensing, I get involved in the interface with the NRC, and
16 he instinctively realized this 2.206 was an interface with
17 the NRC.

18 I went to his office, and met Joe ~~Tapie~~ ^{Tapia WJT}, Warren
19 Kinsey, and Mr. Phall, and was given a copy of the 2.206 at
20 that time.

21 Q Was anyone else present?

22 A No.

23 MR. SHAPIRO: Do you have a date on that, do you
24 recall?

25 THE WITNESS: I would have to look at my records,

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WJT

1 but it was February, like the 12th.

2 BY MS. VAN CLEAVE:

3 Q Your affidavit states it was February 11th, is
4 that an accurate representation of the events?

5 A Yes.

6 Q Was that in the late afternoon, or do you recall?

7 A It was late afternoon.

8 Q You said you have been licensing manager for about
9 a year-and-a-half. Have there been any other 2.206
10 petitions filed here at the South Texas Project to your
11 knowledge?

12 A Not to my knowledge, definitely not while I have
13 been the licensing manager.

14 Q Was it Mr. Kinsey that gave you the 2.206?

15 A I believe I physically got it from Joe ^{Tapia WJJ}~~Tapia~~, but
16 it is when I went into the office, they had a copy that they
17 gave me.

18 Q Were you familiar with what a 2.206 was?

19 A No.

20 Q Was that explained by anyone to you?

21 A Briefly it was explained by Joe ^{Tapia WJJ}~~Tapia~~. With his
22 brief explanation, as well as reading the cover with the
23 2.206, I realized it was a petition.

24 Q What about Mr. Phall and Mr. Kinsey, did they seem
25 familiar with the 2.206 petitions in general?

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WJJ

1 A It would be hard to say because we really didn't
2 discuss whether or not they were familiar with the 2.206.

3 Q At that point, what was the next step?

4 A After I finished reading the 2.206, Joe ^{Tapia WJT} ~~Tapie~~
5 asked that the licensee provide any information that we
6 might have to the NRC, and he would get back to us later
7 regarding how we would go about doing that.

8 Don Phall told him that we would cooperate in
9 every manner. I am not sure if it was at that point in time
10 that Joe got up and left the room, but shortly thereafter
11 everyone, by that time, had concluded reading the 2.206, and
12 Mr. Phall asked Warren Kinsey and myself if we knew Mr.
13 Saporito, and we both replied that we had never heard the
14 name before.

15 Q At that point, did anyone attempt to check records
16 and see who Mr. Saporito was?

17 A Warren Kinsey got up and made a phone call. I am
18 not certain who he called, but I speculate he called
19 security to see if Mr. Saporito was employed, or his
20 services were contracted here on-site.

21 Q What did he determine?

22 A He didn't get an immediate answer. While he was
23 attempting to make that verification, Mr. Phall told me a
24 little bit more about ^{the WJT} 2.206, and basically that little bit
25 more was that it is a legal document, and that I needed to

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1 seek legal counsel. At that point in time, ^{he WJT} allowed me to go
2 back to my office to contact our regulatory lawyers.

3 Q So did Mr. Phall, say, assign the responsibility
4 of this 2.206 to you?

5 A Not at that point in time.

6 Q What was he asking you to do?

7 A He just wanted me to go get additional
8 clarification, and some advice on how to proceed with a
9 2.206.

10 Q With a 2.206 in general?

11 A Yes.

12 Q And you said you left then Mr. Kinsey's office?

13 A Yes.

14 Q Had Mr. Kinsey determined who Mr. Saporito was by
15 then?

16 A Not by the time I had left his office, no.

17 Q Had he accessed the computer, or called personnel,
18 or central processing to try and see who Mr. Saporito was?

19 A As I previously said, he made a phone call, and I
20 presume it was to security just based upon the conversation
21 that I heard, his side of the conversation, but I can't tell
22 you for sure.

23 Q So you returned to your office?

24 A Yes, ma'am.

25 Q And who did you contact?

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WJT

1 A Newman and Holtzinger.

2 Q And who with Newman and Holtzinger?

3 A I believe that I would have tried to get a hold of
4 Mr. Baer, but I do recall that whoever I asked for initially
5 was not immediately available. I ended up talking to Mr.
6 Newman, and I believe, eventually, Mr. Baer also got on the
7 line.

8 Q Is this all on February the 11th?

9 A Yes.

10 Q And what did you ask for, guidance, or --

11 MR. BAER: I want to interject here, to the extent
12 that you sought my advice, or we gave you any legal advice,
13 those are privileged conversations, and I will instruct you
14 not to answer those questions.

15 To the extent that we provided you with publicly
16 available information, you can talk about that.

17 BY MS. VAN CLEAVE:

18 Q Did you explain that you had a 2.206 petition to
19 Mr. Newman or Mr. Baer?

20 A Yes.

21 Q And did you ask for specific information regarding
22 how plants usually respond to this type of thing, you said
23 that you had not had one in your current position, or did
24 you mention Mr. Saporito by name, did you tell your
25 attorneys who had filed the petition?

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WJTJ

1 A Yes.

2 Q And did you send the 2.206 petition to the
3 attorneys by fax, or mail?

4 A Yes, I did. I can't recall if it was that night
5 or the next morning, because that night was getting pretty
6 late, and I am not real good with the fax machines, so I am
7 not ^{SURE WITH} if someone was around to fax it that night.

8 Q When you mentioned Mr. Saporito by name, did Mr.
9 Newman or Mr. Baer appear to be familiar with that name?

10 A Yes.

11 Q Did they give you any background information
12 regarding Mr. Saporito, prior history, former employer,
13 anything like that?

14 A Yes.

15 Q What did they tell you about Mr. Saporito?

16 A They were familiar with the name. They indicated
17 to me that he had worked at, at least, one other nuclear
18 power plant that I recall, and they had indicated that a
19 2.206, which was a matter of public record, had been filed
20 at that other nuclear power plant.

21 I, again, reiterated the purpose of my phone call
22 was to get some advice on how to handle our 2.206, and
23 specifically providing information to the NRC, to be
24 cooperative, and to pursue, as soon as possible, our
25 investigation into the various allegations that were on our

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WJTJ

1 2.206.

2 They indicated that they could provide some
3 assistance on that format, and how a letter could be
4 prepared and submitted to the NRC, and indicated that this
5 other nuclear power plant had gone through the same process,
6 and they had a copy that they could give me out of the
7 public document room of that submittal to the NRC.

8 Q And you provided me here with a copy of, I guess,
9 a fax from Florida Power and Light --

10 MR. BAER: The fax was from me.

11 MS. VAN CLEAVE: From you.

12 BY MS. VAN CLEAVE:

13 Q -- relating to Florida Power and Light documents.
14 There are a number of pages here, 20 pages, including the
15 cover sheet, and I have briefly reviewed this. It seems to
16 relate to a 2.206 filed by Mr. Thomas Saporito at Turkey
17 Point, and several supplements to that original 2.206.

18 Is this the document that was provided to you by
19 Mr. Baer?

20 A I believe so. Yes.

21 Q The date up there from the fax machine is February
22 12th, 1992, so it looks like you got that the next day.

23 Back to February the 11th, you then became aware
24 that Mr. Saporito had previously filed 2.206s at, at least,
25 one other plant. Was there any information provided to you

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WJT

1 regarding Mr. Saporito having filed any such petitions or
2 DOL complaints at any other plants?

3 A Your question is, did I receive any information
4 from Newman and Holtzinger regarding 2.206 or DOL
5 proceedings at other plants?

6 Q Yes.

7 A That night, I am not certain whether we discussed
8 any other plants or not. I do remember discussing Florida
9 Power and Light, but I can't recall that night, on the 11th,
10 discussing any other places.

11 Q Did you receive any other information from Mr.
12 Newman or Mr. Baer regarding ^{how WJT} ~~now~~ to proceed on the 2.206 and
13 general responses?

14 MR. BAER: Again, to the extent that we gave you
15 legal advice on how to proceed with that, that is privileged
16 attorney-client communication, and I direct you not to
17 answer.

18 BY MR. SHAPIRO:

19 Q Did you receive any other documents from Newman
20 and Holtzinger concerning 2.206 petitions?

21 A The night of the 11th or on the 12th, I don't
22 recall getting any other documents other than what I was
23 most interested in at the time, and that was formulating a
24 plan that would culminate in a submittal to the NRC.

25 Q Did you ask for examples of a response to 2.206

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WJT

1 petitions, is that what you were looking for?

2 A Yes.

3 Q I want to jump back just for one second. How did
4 you describe the 2.206 petition filed here when you
5 contacted counsel, did you describe it in great detail, or
6 did you say, "We got one of these?"

7 A I am sure that I read passages from the 2.206.
8 Whether I read the whole thing, I can't recall, but the
9 substance of the 2.206 was discussed.

10 Q I am curious why you felt it necessary to tell
11 your counsel who the petitioner was?

12 A At that point in time, I didn't have any reason
13 not to tell my counsel who the petitioner was.

14 Q My question is, if you were seeking advice, or an
15 instruction, or guidance on how to respond to this, why was
16 it necessary to tell them who the petitioner was?

17 A I am not certain I felt it was necessary, but, as
18 I said, I didn't see any reason not to tell them.

19 Q If you could just answer this question yes or no,
20 the substance of your contact with Newman and Holtzinger was
21 to get advice from counsel on how to go through the formal
22 procedural requirements in responding to a 2.206 petition?

23 A That's correct.

24 Q I don't want to know what they said, I just want
25 to know that.

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WJJ

1 BY MS. VAN CLEAVE:

2 Q Did you specifically ask that Mr. Saporito's 2.206
3 petition and/or the response to that petition be sent to
4 you?

5 A I asked Newman and Holtzinger to provide me with a
6 copy of a similar submittal to the NRC so that I could see
7 how it was formatted, and what would be acceptable to the
8 NRC.

9 The 2.206 of 10 CFR is not very explicit in
10 regards to what would be expected of the licensee in regards
11 to a submittal, and I was interested in seeing what past
12 practice would look like so that as I formulated our plan,
13 it would culminate in the development of a submittal similar
14 to what the NRC had seen in the past.

15 Q Did you specifically ask for Mr. Saporito's 2.206
16 petition and/or the response by Florida Power and Light to
17 Mr. Saporito's 2.206 petition?

18 A On that night of the 11th, I don't recall
19 specifically asking for that one. What I was interested in
20 was any submittal to the NRC.

21 Q Did you specifically ask for it on the 12th, it
22 was not received until the afternoon?

23 A I may have on the 12th, yes.

24 Q Why?

25 A Again, because I wanted an example of a submittal

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1 to the NRC so that I could provide the NRC with what was
2 acceptable in format and content and depth so that as I was
3 formulating the plan to be responsive to the NRC's request
4 on the 2.206 supplied here at the South Texas Project, I
5 would end up with a product that the NRC felt was in-depth
6 and responsive.

7 Q Mr. Saporito's 2.206 petition had a lot to do with
8 security, and some other aspects. I have not read the
9 Florida Lighting and Power 2.206, so I don't know if it had
10 anything to do with similar issues.

11 But if you were interested in a generic response
12 to a 2.206, why not ask for some example that addresses
13 security issues, or something similar to what Mr. Saporito's
14 concerns were, did you ask for that or did you just ask for
15 Mr. Saporito's 2.206?

16 A Again, when I made the phone call on the night of
17 the 11th, I was interested in getting an example of the
18 format.

19 Q Or the 12th because this, again, was sent on the
20 12th. According to the time up here, it was about 3:00
21 o'clock in the afternoon, so that left you also with the
22 morning of the 12th.

23 So in either of those time periods, did you ask
24 for an example that might relate more to the type of
25 concerns that Mr. Saporito had, which were a lot of security

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WJT

1 concerns, or did you specifically ask for Mr. Saporito's
2 response?

3 A Again, the initial request was an example. I may
4 have asked specifically for Saporito's 2.206 submittal by
5 Florida Power and Light after I became aware of it.

6 MR. SHAPIRO: Why?

7 THE WITNESS: Just as an example of what the NRC
8 would expect from a licensee in regards to the depth of
9 information that they would want provided on an
10 investigation. In some cases, the NRC looks for a statement
11 of fact that the investigation had taken place, and that you
12 can come to the site and review our files. In other cases,
13 the NRC is interested in very detailed information, and that
14 is what I was seeking. I wanted to see what kind of
15 response historically had been submitted to the NRC.

16 BY MS. VAN CLEAVE:

17 Q Would that not speak to the type of concerns more
18 than to Mr. Saporito himself?

19 A In regards to what I was looking for, it could
20 have gone either way in regards to getting an example of a
21 licensee's submittal.

22 Q You have provided me with a number of documents
23 that you said were in your files. Did you receive any other
24 2.206 examples from Newman and Holtzinger?

25 I did not see any here.

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WJT

1 A I believe I may have seen one other 2.206
2 submittal by a licensee. If I am not mistaken, it was
3 another Florida Power and Light submittal responding to a
4 2.206.

5 Q Was it another 2.206 filed by Mr. Saporito?

6 A I don't recall.

7 Q Do you have a copy of it?

8 A No, I don't.

9 Q Did you receive it from Newman and Holtzinger?

10 A I am not certain, but more than likely I would
11 have.

12 Q Why don't you have a copy of it?

13 A I didn't keep it for my files. It was something
14 that I would review just to look at, again, in my quest to
15 determine what kind of format would be acceptable to the NRC
16 in order to respond to this 2.206.

17 Q Why did you keep Mr. Saporito's 2.206 if you
18 didn't keep the other one, if you are only interested in
19 generic issues of how to respond?

20 A That is what I kept in my file in order to go back
21 and reference what we had done. Why I didn't keep the other
22 one, I don't know.

23 Q You are here telling me you don't remember if that
24 was Mr. Saporito's also?

25 A No, I don't.

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WJT

1 Q After you spoke with your counsel on February
2 11th, did you return to Mr. Kinsey's office?

3 A Could you repeat that?

4 Q After you spoke to counsel on February 11th, did
5 you return to Mr. Kinsey's office?

6 A I received a note that Mr. Phall wanted to see me,
7 so I went to Mr. Phall's office.

8 Q And who was present?

9 A There were several people that were present. I
10 can't remember all the people. The subject of the meeting,
11 though, was to discuss the initial ground rules as to what
12 we were going to do in regards to the 2.206.

13 Q To the best of your recollection, who was present?

14 A I believe Warren Kinsey was there. I can't
15 remember if John ^{Odom WJT} ~~Edem~~ was actually in the meeting. I don't
16 recall seeing him over there, but I think John was in the
17 meeting. I do not believe Tommy Jordan was in the meeting.
18 He was in a meeting that we had the next morning, and Mr.
19 Phall and myself. I believe that was it. There were four
20 of us.

21 Q Was the responsibility for responding to the 2.206
22 distributed, shall we say, among the four of you, or who was
23 charged with the responsibility for responding to the 2.206,
24 and handling Mr. Saporito's concerns?

25 A That night, it was more or less evenly distributed

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WJTJ

1 amongst the people who were there based upon our
2 responsibilities and our titles.

3 It wasn't until the next morning that we had a
4 meeting that did include Tommy Jordan, where the assignment
5 was given to me to coordinate all the aspects of the 2.206
6 allegations, the investigations into the allegations.

7 Q Did you tell Mr. Kinsey and Mr. Phall and Mr. ~~Edem~~ ^{Adem WJT}
8 what you had learned from counsel regarding the fact that
9 Mr. Saporito had filed such petitions at Florida Power and
10 Light?

11 A I am not certain I did. Mr. Phall was more
12 interested in what I heard, or what I had been told in
13 regards to what the process was to respond to a 2.206.

14 Q Did he ask you whether or not you were going to
15 get some examples of how to respond, or anything like that?

16 A I don't believe so.

17 Q By that time, did it seem that they knew who Mr.
18 Saporito was?

19 A If you are inquiring as to whether or not he knew
20 he was employed here, or his services were contracted, yes,
21 it was evident that they knew he was a contractor here on-
22 site.

23 Q Did you see Mr. Saporito's nuclear security file,
24 or central file, I don't know the exact name of it, his
25 personnel file?

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11-T-T

1 A We call it the nuclear file.

2 Q Did you see Mr. Saporito's nuclear file there at
3 that time?

4 A It was after that meeting.

5 Q But, I mean, had someone called for it at that
6 point?

7 Did you see it on Mr. Phall's desk, or Mr.
8 Kinsey's desk?

9 A No.

10 Q Did anyone reference that they had called for the
11 nuclear security file? ^{WJT}

12 I guess, Mr. ^{Odom WJT} ~~Edem~~, he is the head of human
13 resources, would he --

14 A Mr. ^{Odom WJT} ~~Edem~~ had the file, but he did not have the
15 file in Mr. Phall's office.

16 Q But he indicated that he had the file?

17 A Yes.

18 Q Did you have any discussion as to who Mr. Saporito
19 was, and what he did, and what his access was at that point?

20 A It was discussed that he was an ^{of WJT} INC tech, contract
21 ^{of WJT} INC tech. I believe, in that meeting, the information was
22 also revealed that he had just recently gotten his
23 unescorted access.

24 Q What does "unescorted access" mean, does that mean
25 that he would have access to all areas in the plant?

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1 A No.

2 Q What does that mean?

3 A Unescorted access means that you do not need to be
4 escorted as a visitor inside the protected area. It means
5 you have unescorted access.

6 It does not mean, though, that you would have
7 unescorted access to all vital areas within the protected
8 area. You do have access to all non-vital areas within the
9 protected area, but there are only selected vital areas
10 based upon your need to know, or need to perform a task
11 within that vital area.

12 I couldn't tell you, based upon my memory, what
13 vital areas Mr. Saporito's unescorted access provided him.
14 I would have to review the nuclear file to tell you that.

15 Q So that varies according to the individual's
16 position, or need to be in certain areas?

17 A That's correct.

18 BY MR. SHAPIRO:

19 Q Does the badge that they have to wear around the
20 plant indicate where you have to go and where you can't go?

21 A No.

22 Q So someone who had unescorted access --

23 A Let me rephrase that. There are two types of
24 unescorted access badges. You have a green badge, that
25 means that you have unescorted access to the protected area,

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1 but no access to any vital areas.

2 The red badge indicates that you have unescorted
3 access to the protected area, and access to at least one
4 vital area, maybe all vital areas.

5 Q But it wouldn't indicate which vital areas?

6 A No.

7 Q Did Saporito have a red badge, or what was the
8 other color?

9 A Green.

10 Q Do you know if he had a red or a green badge?

11 A I believe he had a red badge, but I would have to
12 review the nuclear file. Being an ^{WJT}INC tech, he would almost
13 have to have a red badge in order to access some of the
14 areas that would include job assignments that he might get.

15 Q So you would have to go to the nuclear, so there
16 is a form then that shows what access he would have?

17 A Yes, and it specifically lists each vital area,
18 and whether or not he has access to that vital area in Unit
19 1 and Unit 2, and then there is a security group of vital
20 areas that would be checked off yes or no.

21 MR. SHAPIRO: Okay.

22 BY MS. VAN CLEAVE:

23 Q You said that there was a subsequent meeting on
24 the morning of February 12th. What was the purpose of that
25 meeting?

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1 A Two-fold, one is to regroup, ensure that everybody
2 was working toward the common goal of collecting the
3 information necessary to respond to the NRC, and then as
4 equally important, if not more important, is to ascertain
5 the validity of the allegations, and if, indeed, something
6 was wrong, quickly take corrective action.

7 Also, at that meeting was where Mr. Phall
8 announced to everyone that I was the project manager that
9 would pull together all of the investigations involving each
10 allegation.

11 Q How many people were present, or who was present
12 at this meeting?

13 A I think I listed it on the affidavit, and I can't
14 remember it exactly off the top of my head.

15 It is not listed on there.

16 As I previously said, I am reasonably sure that
17 Tommy Jordan was in that morning meeting, because I don't
18 think he was in the February 11th meeting in the afternoon.
19 It is important that Tommy be involved because he is the
20 general manager of the quality assurance.

21 I believe Warren was there, Warren Kinsey, myself,
22 I believe John ^{Colom} ~~Coem~~ ^{WJT} was there, and Mr. Phall. It was
23 conducted in his office.

24 Q Was anyone from security there such as Mr.
25 ~~Balcomb?~~

Each reference to "Balcomb"
herein should be a reference
to "Richard Balcom". ^{WJT}

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1 A I do not believe so. I think Warren Kinsey would
2 have been representing security.

3 Q Did you take any notes of either of these meetings
4 on the 11th or the 12th of February?

5 A No.

6 Q You knew that you were being charged with
7 responding to Mr. Saporito's 2.206, but you didn't take any
8 notice of instructions, or did you receive any instructions?

9 A The reason I didn't take any notes is that there
10 were very few instructions issued. Number one, I was the
11 project manager charged with pulling together a plan in
12 order to get the investigations completed as soon as
13 possible.

14 Along the way, if I discovered that the
15 allegations were substantiated to immediately start a
16 process of implementing corrective actions to correct any
17 deficiencies found, and then culminating with the issuance
18 of a letter to the NRC with our findings, and that request
19 was within 30 days.

20 Q Did Mr. Phall ask you to report to him, or keep
21 him apprised of the progress you were making in responding
22 to the 2.206?

23 A In a very summary fashion. He did not want to
24 know all the details. If something significant was
25 uncovered, he wanted to know that. If there was any safety

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1 significant items that he charged me with all the aspects of
2 the investigation, and aside from any summary briefings, no,
3 there were no directions beyond that.

4 Q Did you devise any type of plans as to how you
5 were going to proceed?

6 A What I did, and what we have done in the past on
7 other big projects is, I immediately went to my area, got
8 with one of my direct reports who is in my licensing
9 division --

10 Q Who was that?

11 A His name is Wayne Harrison.

12 -- discussed with him the task before us. By that
13 time, I had taken the 2.206 petition, and in the meeting on
14 the 11th, the night of the 11th, we had discussed that it
15 was very important to get all the facts, and get all the
16 details, but it was also extremely important to keep Mr.
17 Saporito's name confidential to ensure that no one would
18 take any repercussions, or discriminate against him.

19 So what I did is, take the petition, got copies of
20 the petition from the people that had it the night before,
21 and I kept the one copy with his signature on it, and made a
22 copy and whited it out so that any ones that I pass out
23 later would not have his signature on them. I believe it
24 also had his address, and I whited that out.

25 So then I sat down with Wayne Harrison, and gave

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1 him a copy of that, let him read it and absorb it, told him
2 that what we needed to do was to take each allegation, sit
3 down and figure out which group was best suited to do a
4 detailed investigation, and report back to us with their
5 findings.

6 We quickly ascertained who should be involved, and
7 called a meeting together of representatives from those
8 organizations. We sat down and charged them with individual
9 investigations. I don't believe any of them had the 2.206.
10 We charged them just with the individual paragraphs or
11 allegation to go do the investigation.

12 In a nutshell, that was the plan.

13 Q Did you prepare anything in writing?

14 A No.

15 Q So you just kind of farmed out the various aspects
16 of the 2.206 to certain individuals, and then they were to
17 report back to you?

18 A Report back to Wayne Harrison or myself.

19 Q And were they to put their responses in writing,
20 or was this just all going to be verbal?

21 A Most of it, at this stage, was not drafting any
22 response or anything else, it was collecting documents,
23 looking for facts and figures to either substantiate, or not
24 substantiate the specific allegations.

25 For example, one of the allegations that I can

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1 remember off the top of my head had to do ^{with WJT} training, and a
2 specific lesson plan, and whether it contained something or
3 didn't contain something. I believe it was maintenance
4 training. So that individual went and got the actual
5 material so that we could sit down with that individual,
6 review it, and bounce it against that one particular
7 paragraph that talked about it.

8 Wayne and I kept all of the allegations within the
9 2.206 to ourselves, but kept the information coming in so
10 that we could formulate on each individual topic whether or
11 not we could find information to substantiate the
12 allegation.

13 This is prior to the time of actually putting pen
14 to paper to write the response to the NRC.

15 Q What was your specific role, then?

16 A Coordinating it, project manager, staying attuned
17 day-in and day-out to what we were finding, and, again,
18 charged by Mr. Phall, if we found a safety significant item,
19 to take prompt and swift corrective action, and let him know
20 about the safety significant items.

21 Quickly into this, we ran into a problem. The
22 problem was that many of the allegations had no specific
23 details. It was very difficult for us to charge somebody to
24 go out and collect the information so that we could sit down
25 collectively. We used the project manager, they, as the

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1 experts to review the documents, or whatever the allegation
2 involved, to ascertain if there was any validity to the
3 allegation.

4 So we started developing a series of questions
5 that would further clarify the specific allegations where we
6 needed more information.

7 Q Questions that you wanted to ask Mr. Saporito, or
8 questions of whom?

9 A Yes.

10 Q Mr. Saporito?

11 A Either Mr. Saporito or anybody that would be able
12 to lend us more specific information.

13 Q Who else would that be?

14 A At that point in time, Mr. Saporito was the only
15 one I was aware of that could provide us that information.
16 The questions also were used with technical experts, as an
17 example, someone who would be in that particular area, or
18 particular field.

19 Q When did you decide someone needed to interview
20 Mr. Saporito?

21 A Once we got to the point where we basically ran
22 out of the ability to pull additional information in on the
23 specific allegations that did not provide us enough detail
24 to go out and further our investigation. That was the point
25 in time that we decided that we needed to take these

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1 questions that we had been developing, and have someone sit
2 down with Mr. Saporito, and see if he would be willing to
3 give us additional information to answer those questions as
4 well as any additional information that he would want to
5 provide to further our knowledge to dig into the specific
6 allegations and come up with the facts.

7 Q Did you select someone to interview Mr. Saporito?

8 A Yes, I did.

9 Q And who did you select?

10 A Mr. ~~Sink~~, he is our speak-out investigator. The *Each reference to "Sink" herein should be a reference to "Cink" WJT*

11 reason behind selecting him is because he is an expert at
12 interviewing people, and getting information.

13 Q When did you first met with Mr. Sink to discuss
14 Mr. Saporito's issues?

15 A I believe it was February 20th.

16 Q Your affidavit says it was February 20th, is that
17 accurate?

18 A Yes.

19 Q Had you spoken with either Mr. Sink or his
20 supervisor, Mr. ~~Boner~~, *Bohner WJT* about Mr. Saporito prior to that
21 time?

22 A Mr. ~~Boner~~ *Bohner WJT* was one of the individuals that we had
23 collecting information. Mr. Sink, though, was not involved
24 with the preliminary investigation that I have just
25 mentioned to you.

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1 Q So you met with Mr. Sink on February 20th, what
2 did you tell him?

3 A I told him that we had received allegations that
4 were made to the NRC. The NRC requested us to do an
5 investigation and provide them as much detail as we could,
6 and told him that we had run dry on several of the
7 allegations. Either they didn't give us enough detail to
8 further our investigation, to pull the facts and details
9 together, or we did have some specifics.

10 We went and collected the information, reviewed
11 it, and didn't understand what the allegation really meant
12 in relation to that specific document, and that we had
13 developed a series of questions, asked him to review those
14 questions, and showed him the 2.206 petition.

15 He asked for some time to review it, and I got
16 back with him a little while later, and there were some
17 documents listed in the 2.206 that he wanted a copy of, and
18 I went and got those for him, a maintenance procedure that
19 training was conducted on, the planner's guide.

20 Initially, I didn't give him the 2.206. He asked
21 for that also, and I gave that to him.

22 Q Did you give Mr. Sink a time period when you
23 wanted Mr. Saporito interviewed?

24 A I told him the urgency of getting the information
25 because we needed to collect all the facts we possibly

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1 could, particularly in light of the depth of information
2 that had previously been provided to the NRC on 2.206s. I
3 was very interested in getting that information so that we
4 could start drafting our response as well as if there were
5 any safety significant items out there, I wanted to get
6 those identified as soon as possible so that we could take
7 corrective action.

8 He understood the situation, and quickly prepared
9 himself for the interview, and said that he would be willing
10 to interview the guy that day.

11 Q Did you specifically ask him to interview Mr.
12 Saporito that day?

13 A I told him it would be very helpful to us, but I
14 told him if he didn't feel he could prepare himself that I
15 could wait.

16 Q And Mr. Sink, as I understand, did talk to Mr.
17 Saporito on February 20th, is that correct?

18 A Yes, he did.

19 Q Did he then meet with you regarding the results of
20 his interview of Mr. Saporito?

21 A I can't remember if he met with me, or he called
22 me on the phone. He must have met with me because he gave
23 me back the questions.

24 Q What did he tell you?

25 A Basically that Mr. Saporito had come in, I can't

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1 remember the amount of time he spent with Mr. Saporito, but
2 the conclusion was, Mr. Saporito was not going to provide
3 him any additional information.

4 Q Why not?

5 A I believe Mr. Saporito indicated that this 2.206
6 had been filed with the NRC, and that the NRC was
7 investigating it, and that he didn't want to compromise an
8 NRC investigation. I believe that was the primary reason
9 that he gave to Mr. Sink for not answering any of the
10 questions.

11 Q By that time, Mr. Saporito had met with the NRC
12 and provided the NRC representatives with some specifics.
13 Did he become aware of that?

14 A No.

15 Q Did Mr. Sink mention that, that Mr. Saporito had
16 said that he had met with the NRC already?

17 A No.

18 Q Did you infer that from what Mr. Sink said?

19 A No.

20 Q So your belief was that Mr. Saporito was referring
21 only to the filing of the 2.206 with the NRC?

22 A That's correct.

23 Q I am going to go back up to the 12th?

24 A Okay.

25 Q You received this fax from Newman and Holtzinger,

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1 and it is the 2.206 response concerning Mr. Saporito's
2 petitions at Florida Power and Light. At least one of them,
3 I don't know how many others he may or may not have filed,
4 but this does relate to Florida Power and Light and Mr.
5 Saporito.

6 Did you review Mr. Saporito's nuclear file?

7 You said I could call it a nuclear file, is that
8 proper terminology?

9 A Yes.

10 Q Did you then review Mr. Saporito's nuclear file?

11 A The night of February 11th, after I talked to
12 counsel, and had the meeting with Mr. Phall, I stepped
13 outside of Mr. Phall's office after the meeting, and John
14 ^{Odum WJT}~~Edem~~ had the nuclear file, and I stood there and reviewed
15 the nuclear file. I probably spent ten minutes looking at
16 it.

17 Q What was the purpose of Mr. ^{Odum WJT}~~Edem~~, or whoever it
18 was that asked for the nuclear file, what was the purpose of
19 obtaining that file?

20 A I am not certain who requested Mr. ^{Odum}~~Edem~~ to get the
21 file. I wasn't privy to that conversation. I can tell you
22 why I looked at the file.

23 Q Why did you look at the file?

24 A Because I had not yet been made project manager of
25 the whole 2.206, but based upon the meeting I had just

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1 walked out of, I instinctively understood that I needed to
2 know all the information that I could gather regarding the
3 allegations, and one of the questions in my mind is, this
4 individual had just received unescorted access, and the
5 number of allegations, and the types of allegations -- you
6 have to understand, at this point in time, I had no idea how
7 much difficulty I would have in investigating each one of
8 the specific allegations. I had just gotten the 2.206.

9 One of the things I was inquisitive about was how
10 someone could collect all that information in that short
11 period of time, so I reviewed the file.

12 Q How is reviewing his nuclear security file going
13 to tell you that?

14 A Because I had no idea how long he had been
15 escorted, or anything else, and that nuclear file would tell
16 me that.

17 Q But you had stated earlier that you knew that
18 somebody determined that he had just received unescorted
19 access, so by that time you were aware that he had only had
20 unescorted access for six days, or eight days, or a short
21 time?

22 A I believe it was only one day. In fact, if I am
23 not mistaken, he got unescorted access the same day that the
24 2.206 was filed.

25 Q That it was ^{filed WJJ} ~~filed~~, or that you got it?

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1 A That we got it. That is what I meant to say.

2 BY MR. SHAPIRO:

3 Q I think I asked this question, but you could then
4 just look in the files and find one page that showed what
5 kind of unescorted access he had, and look at that and see
6 then what vital areas he could go into, and what he
7 couldn't, and that would answer then your question as to how
8 he --

9 A But that wouldn't tell me how long he had been on-
10 site. That was the question in my mind, not how long he had
11 had unescorted access because --

12 Q Or where?

13 A I was aware of the fact he had just recently
14 gotten that, and I believe it was the same day, or the day
15 before. My question was, how long had he been on-site.

16 Q What in the file would tell you that?

17 A The initial application for unescorted access,
18 when employment started --

19 Q And you simply

20 A -- or in this case, services contracted.

21 Q And you could just tell that right from the face
22 of the form, the date of the application?

23 A Not on that specific form.

24 Q Not that one, but if you looked through other
25 forms, and you saw the date of application, or a copy of

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1 this contract?

2 A Right.

3 BY MS. VAN CLEAVE:

4 Q I am looking at the nuclear plant access
5 authorization form, and according to the dates here, he was
6 authorized unescorted access on February 11th, 1992, but he
7 was not issued a badge, it doesn't appear, until February
8 12th, 1992, which would have been the next day.

9 Do you recall where you got the information or the
10 impression that he had already been issued unescorted
11 access?

12 A I believe I heard that before I saw the file, but
13 when I saw the file, it was obvious that he had just gotten
14 his unescorted access approved -- that would probably be a
15 better term -- because that is what they mean by February
16 11th, but he didn't get his badge until the 12th.

17 You look at the badge transaction form, and that
18 would show you the signature of the date it was approved,
19 and then it is not uncommon for a badge to be produced that
20 same day, but if it is in the afternoon, it won't be
21 produced until the next morning.

22 Q So you wanted to know how long he had been on-
23 site, is that what you said?

24 A Right. I know that may seem funny, but in some
25 cases, there is a lot of reasons people may be escorted for

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1 an extended period of time. In other cases, they may be
2 escorted for only a matter of a couple of weeks before they
3 get unescorted access. A lot of it has to do with
4 background investigation, and complications that may arise
5 from that.

6 Q I am afraid that I wasn't paying a ^{lot} ~~to~~ ^{WJT} of
7 attention. I was reviewing these records here. What did
8 you say in the file would tell you when he arrived on-site?

9 A Probably the easiest way to find out would be the
10 request for unescorted access. It is a specific form called
11 Request for Unescorted Access. The purpose of the form is
12 to give you baseline information on the individual, and also
13 indicates to the access authorization people that some
14 responsible person on site wants an individual to actually
15 have access.

16 Q I see that form.

17 A You can't just ask for access on your own. There
18 has to be a reason, and someone -- it is either going to be
19 contractor services, or employ your ability to perform a
20 task.

21 MR. SHAPIRO: And it says, "Anticipated start
22 date," so that would then tell you when he got on-site, or
23 roughly when he got on-site?

24 THE WITNESS: Right.

25 BY MS. VAN CLEAVE:

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1 Q So you spent ten minutes or so reviewing his whole
2 file, and what did the file include?

3 A The file had what they call the ^{PAAF WJT}~~path~~ form, the
4 Personnel Access Authorization Form, I think, is the correct
5 title. I believe it had the badge transaction form in it.
6 It had a screening form. It had interview notes from the
7 screening form. It probably had the FBI fingerprint sheets
8 in it, but I couldn't swear to that. If it did, they would
9 have been in a sealed envelope within the file.

10 Q Did you take any notes from the review of the
11 file?

12 A No. I was standing up in the hall at the time,
13 and just had the file open, and flipped through the pages,
14 and looked at the pertinent information on each form.

15 Q And then what did you do with the file?

16 A Gave it back to John ^{Odom WJT}~~Odom~~.

17 Q That was on February 11th?

18 A Yes, the night of the 11th.

19 Q When was the next time you looked at that file?

20 A I don't believe I have looked at the file since
21 then.

22 Q You don't think you looked at his nuclear security
23 file, or personnel file, or any other file that they might
24 keep on-site here?

25 I am not familiar with how many files you might

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1 have on various individuals, but --

2 A I don't believe for contractors they have a
3 personnel file. I think all the pertinent information that
4 would be necessary, you know, is in the access authorization
5 or the nuclear file for access authorization. No, I haven't
6 reviewed any other files, and I don't believe any other
7 files exist.

8 Q What about the nuclear security file, adjudication
9 file, is there a separate file for adjudication, or is that
10 included in the central processing or nuclear file?

11 A If they have a separate file for adjudications, I
12 didn't review it, have not reviewed it, and I don't believe
13 they have a separate file for adjudications. I think they
14 keep track of adjudications, but I think any forms of
15 suitability or unsuitability are kept in the nuclear file.
16 In fact, that is probably one of the forms I looked at that
17 night, a form for suitability. He wouldn't have gotten
18 unescorted access if it hadn't been signed.

19 Q So included in the nuclear file was the access
20 form, and I guess if there had been, at that point, any
21 question -- I think you said there were some interview
22 notes, or some notes with background?

23 A On the screening form, I believe it is on the back
24 of the screening form, it is like ruled paper where they can
25 write notes.

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1 Q In other words, the employee or the contractor,
2 his notes, is that what you are saying?

3 A No.

4 Q All right.

5 A The form has all the pertinent information that is
6 filled in by the contractor or employee, but I believe it is
7 the back of the screening form there is a place for the
8 interviewer to record his or her notes because, when an
9 employee or contractor has submitted the screening form,
10 they are eventually interviewed by a background investigator
11 to ask questions regarding the questions on the screening
12 form, and any pertinent information that may be given during
13 that interview is usually recorded on the back of that form.

14 Q By "background investigator" do you mean the
15 Wackenhut Corporation people, or do you mean somebody here?

16 A Somebody here.

17 Q Who would that be?

18 A They worked for security at the time, and they are
19 located over in the central processing facility so that, as
20 people fill out the screening form, they try to get them
21 right at that point in time and go through the questions to
22 make sure that they understand what the questions are.

23 Q You reviewed the file and, if I understand your
24 testimony, it is that you did not see that file again, is
25 that correct?

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1 A That's correct.

2 Let me put it this way, I didn't review the file
3 again. I do remember one point in time where I saw the
4 file.

5 Q The folder?

6 A The folder, but I didn't review the contents of
7 it.

8 Q And you said you did not take any notes during
9 your review of the file?

10 A No.

11 Q Did you make a copy of any of the documents in the
12 file?

13 A No.

14 Q You have the 2.206 here from Newman and Holtzinger
15 that you received on February 12th that relates to Mr.
16 Saporito.

17 I didn't see the DOL decision in the records you
18 gave to me. Did you, at some point, receive a DOL decision
19 regarding Mr. Saporito versus Florida Power and Light?

20 A And ATI.

21 Q And ATI?

22 A Yes, I did.

23 Q When did you receive that?

24 A The morning of the 20th.

25 Q From whom?

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1 A From Newman and Holtzinger.

2 Q From whom with Newman and Holtzinger?

3 A Specifically, Bill Baer.

4 Q Was Mr. Baer on-site at that time?

5 A On Februrary 20th, yes.

6 Q When had Mr. Baer arrived on-site?

7 A On February 20th.

8 Q On-site for that week?

9 A I am not certain. At least the day before, it
10 could have been earlier. I recall him being there on the
11 19th.

12 Q Mr. Baer was here at some point during that week,
13 wasn't he?

14 A Yes.

15 Q Was he here just to provide general guidance on
16 your response to the 2.206 petition?

17 A Yes.

18 Q Was anyone else here from Newman and Holtzinger?

19 A Jack Newman was here. I don't know if he was here
20 for the full duration that Mr. Baer was, I don't believe he
21 was, but he was here during that week.

22 Q How did you determine -- I have not reviewed this
23 2.206 response -- how did you determine that there was a DOL
24 complaint filed by Mr. Saporito against anyone?

25 A Through Newman and Holtzinger's public

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1 information.

2 Q When you say "Newman and Holtzinger" can you be a
3 little more specific, like the individual?

4 A In discussions with Mr. Baer.

5 Q So you determined that Mr. Saporito had filed a
6 DOL complaint against Florida Power and Light and ATI
7 through discussions with Mr. Baer, is that correct?

8 A Yes, ma'am.

9 Q Did you then ask for a copy of the DOL decision?

10 A We had several conversations that discussed that
11 as well as other documents, and I requested from Mr. Baer,
12 at least on two occasions, a copy of specifically the DOL
13 case for Florida Power and Light and ATI.

14 Q Why?

15 A The reference of ATI kept coming up, and I had no
16 recollection at all, when I had reviewed Mr. Saporito's
17 nuclear file, of seeing any reference to ATI, in fact, I
18 didn't even know what ATI was.

19 Nucs are great for acronyms, and it drives me
20 crazy when I don't understand what the acronym stands for,
21 so it caught me, and I didn't see any acronym listed on his
22 nuclear file.

23 Q So you stood in the hallway for ten minutes the
24 evening of February 11th, didn't take any notes, didn't make
25 a copy of the file, have not reviewed the file since

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1 February 11th, and recognized that Mr. Saporito had not
2 named ATI on his forms. Is this correct?

3 A That's correct.

4 Q When did Mr. Baer provide the DOL decision to you?

5 A The morning of the 20th of February.

6 Q And you got the DOL decision, and you looked at
7 it?

8 A Yes.

9 Q Again, let me ask you one more time, I am still
10 unclear, why did you ask for this DOL decision, what does
11 this have to do with responding to Mr. Saporito's 2.206?

12 A It had nothing to do with responding to Mr.
13 Saporito's 2.206. It has to do with a whole other issue.

14 As a manager in a nuclear power facility, I am
15 charged with ensuring that I continually observe my
16 employees for behavior. If I become aware of any derogatory
17 information, I am required to report that information. If I
18 am aware of any safety significant activities going on on-
19 site, I am required to notify the proper people, and
20 investigate it, and get it resolved correctly and promptly.

21 During our conversations, I had heard this acronym
22 ATI several times, did not recall that. In fact, from my
23 recollection of the nuclear file, the employment history was
24 very concise, and clean on the screening form. That is why
25 I requested Mr. Baer, on at least two occasions, to give me

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1 a copy of it.

2 The reason I wanted a copy of it was to confirm
3 what this ATI really was, and familiarize myself with what
4 had transpired, and whether or not I needed to pursue
5 providing that information to someone who would investigate
6 it and determine if it was derogatory information.

7 MR. SHAPIRO: I missed something.

8 BY MR. SHAPIRO:

9 Q If you are talking with counsel about responding
10 to the 2.206 petition, and you learn about the result of
11 that petition, or related to the petition that DOL case?

12 A Right.

13 Q I understood you to say, and I might have missed
14 something, that after you read or at least learned the title
15 of the DOL case that ATI was something you didn't
16 understand?

17 A I asked legal counsel what ATI stood for, and they
18 told me it was a company, I believe a school. I think it
19 may have even been categorized as a trade school.

20 Q Here is my problem. You are concerned about any
21 derogatory information. Why would someone's filing a DOL
22 complaint concern you?

23 Why would you want to look at that further?

24 A The DOL case, itself, had no bearing or relevance
25 to me, particularly in what I have been charged to do in

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1 regards to getting the facts and details on the specific
2 allegations here at the South Texas Project as named on the
3 2.206.

4 Q Right.

5 A So the DOL document, in and of itself, has nothing
6 to do with the investigation. I wanted to see, with my own
7 eyes, the document to ascertain what the relationship was of
8 Mr. Saporito to ATI, because I had no recollection in the
9 brief review of his nuclear file of any employment with any
10 other company.

11 BY MS. VAN CLEAVE:

12 Q So did counsel tell you that ATI was a former
13 employer of Mr. Saporito?

14 A They may have or, based upon the fact that it was
15 a DOL case against Florida Power and Light and ATI, I may
16 have assumed that he worked for ATI. I can't tell you
17 specifically, but one way or the other I came to the
18 conclusion that he worked for ATI, and that was my concern.

19 The reason I wanted the document is so that I
20 could look at it to confirm, indeed, he was employed by ATI
21 and, to the best of my recollection, that was not on his
22 screening form in the nuclear file.

23 BY MR. SHAPIRO:

24 Q You looked at the nuclear file because you wanted
25 to know what vital areas he had access to, and how long he

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1 had been here to formulate this 2.206 petition?

2 A I really was never interested in what vital areas
3 he had access to. That is more ^{your WJT} ~~you~~ question than mine. I
4 was more interested in how long he has been on-site, and in
5 the process of reviewing that document, the nuclear file,
6 and looking at the pages within the nuclear file, one of the
7 things I came across was the screening form where they are
8 required to put down previous employment history.

9 Q Why would you really look at that if you just
10 wanted to know how long he was on-site?

11 A I told you the reason why I started to look
12 through the nuclear file but, in the process of going
13 through it, I looked at every page in that nuclear file.

14 Q And on the 20th, when ATI struck you as something
15 you had never heard of, did you go back to the nuclear file?

16 A No, I did not.

17 BY MS. VAN CLEAVE:

18 Q Your affidavit says you reviewed his access
19 authorization file in order to determine what areas of the
20 plant he could access, is that untrue?

21 A It is not untrue, but that is not the specific
22 reason why I wanted to look at the file.

23 Q That is what it says. This is your affidavit, is
24 it not?

25 A Yes, ma'am.

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1 Q That is what it says, "I had reviewed his access
2 authorization file in order to determine what areas of the
3 plant he could access."

4 A What those words mean to me is when could he
5 access the plant, the vital areas that he had access to in
6 relation to the specific allegations, I can't think of one
7 where that would have any bearing or be germane. I would
8 have to go back and review it again, and look at the
9 allegations, but the specific vital areas, the key was when
10 did he have access and, more importantly, how long had he
11 been on-site.

12 BY MR. SHAPIRO:

13 Q I understand, but I am still confused as to why
14 you would go through the whole file in such detail that nine
15 days later, when you learned or heard ATI, you knew it
16 wasn't in the file?

17 A That is two questions in one. Let me answer the
18 first one, why would I go through every page, the reason was
19 that I wanted to go through every page to see what was in
20 that file to ascertain exactly when, or try to ascertain,
21 when he started,^{WJT} to satisfy my curiosity as to how someone
22 could collect all this information in what could have been a
23 very short period of time, or could have been a long time
24 because, as I told you, time varies depending upon the
25 individual as to how long they may have been on-site.

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1 The other reason, why would I notice on a
2 screening form is --

3 Q Why would you take the time to look at such detail
4 if all you wanted to know was when he got there?

5 A When I had discussed with Newman and Holtzinger,
6 as I told you, just like an hour before I had looked at the
7 nuclear file, Florida Power and Light had been mentioned, so
8 it was quite easy, as I was going down through the screening
9 form, to see Florida Power and Light, and to note the amount
10 of time that Mr. Saporito had worked for Florida Power and
11 Light.

12 It was also easy for me nine days later to
13 remember that I didn't recall seeing any other employment
14 before or after Florida Power and Light that bore any
15 resemblance to ATI.

16 BY MS. VAN CLEAVE:

17 Q Florida Power and Light was mentioned by your
18 counsel. Was ATI on February the 11th?

19 A No. Not to my recollection.

20 Q So only Florida --

21 A That was in subsequent conversations.

22 Q So at that time, only Florida Power and Light ^{had WTT}~~had~~
23 been mentioned?

24 A Right.

25 The point I am trying to make with you is, as I

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1 went down through the file, that was information that I had
2 just been given, so I looked at specifically Florida Power
3 and Light, saw the amount of time, and I would have to
4 review the nuclear file again, but I think the next job
5 location after Florida Power and Light that was listed was
6 my old employer, Arizona Public Service, and that caught my
7 eye. That is reasonable. But I didn't recall seeing any
8 other employment, specifically not something like an
9 acronym, ATI.

10 Can we take a break?

11 MS. VAN CLEAVE: Sure.

12 We will go off the record here for just a few
13 minutes. It is about 10:40 a.m.

14 [Brief recess.]

15 MS. VAN CLEAVE: We are back on the record after a
16 short break. It is approximately 10:50 a.m. We took a
17 short break.

18 BY MS. VAN CLEAVE:

19 Q Mr. Jump, we were discussing your receipt of the
20 Florida Power and Light and ATI DOL complaint that Mr.
21 Saporito had filed.

22 During our break, I think you consulted with Mr.
23 Baer, did you have anything else you would like to say about
24 that, or any clarification of that issue?

25 A The only point is, I made the statement that the

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1 DOL document had no bearing to the 2.206 allegations.

2 The other thing that caught my interest in the
3 conversations is, the DOL case is litigation, and I was put
4 in charge of investigating all the allegations. As a
5 manager of this nuclear facility, I understood that other
6 proceedings, and other litigations are important, just like
7 the 2.206, so I was interested in making sure that we
8 complied with all rules and regulations, whether they were
9 the NRC, DOL, or anything else.

10 I was also interested in looking at the DOL
11 document from that aspect as well.

12 BY MR. SHAPIRO:

13 Q How would that document help you in that regard,
14 or how did you think it could provide information?

15 A Just to ensure that we handled the situation
16 properly, and in accordance with our procedures, and if the
17 DOL document would lend any information to me that would
18 assist in that endeavor. That is why I was interested in
19 it. Any litigation is serious, and so, as a secondary
20 reason, that is why I was interested in looking at that DOL
21 document.

22 The other thing I want to reiterate is, in
23 connection with why I would be interested in any kind of
24 litigation, or any bearing on that individual here at the
25 site is the charge that I previously mentioned that Mr.

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1 Phall gave us the night of the 11th, as well as reiterated
2 the morning of the 12th when he assigned me as a project
3 manager, and that was to ensure that we followed our
4 procedures to the letter, reviewed them every step of the
5 way, and that we treated Mr. Saporito with strict
6 confidentiality during our investigation, limited the number
7 of people who would know who his identity was because Mr.
8 Phall was extremely concerned that we treated this
9 individual very fairly, and respected his opinion and his
10 allegations, and didn't want to, in any shape, fashion, or
11 form, treat him in any discriminatory manner.

12 BY MS. VAN CLEAVE:

13 Q You have lost me. What did that have to do with
14 the DOL decision?

15 A Again, the DOL decision would possibly give me
16 some additional insight as to what kind of situations I
17 needed to be more cautious of. Learn from other people's
18 lessons is another way of categorizing it. I didn't want to
19 inadvertently put Mr. Saporito or HL&P into a situation that
20 would have been similar to the DOL circumstances that had
21 been discussed with me by Newman and Holtzinger.

22 BY MR. SHAPIRO:

23 Q Did you ask anyone at Newman and Holtzinger for
24 any other DOL cases that maybe could provide exactly the
25 guidance that you were looking for of what to do and what

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1 not to do, since that is, if I understand you correctly,
2 that is what you wanted it for?

3 A Right. We discussed several, but as far as
4 getting a copy, the reason that I --

5 MR. BAER: Be careful, I don't want you to talk
6 about any of the advice that we provided to you. Again,
7 that is privileged attorney-client communication.

8 THE WITNESS: The reason I specifically wanted a
9 copy of that one, though, is what I told you before the
10 break, and that is the title of the proceeding was against
11 Florida Power and Light, which I certainly understood, and
12 that was listed on his screening form.

13 The ATI is what caught my interest. I didn't
14 understand, like I said, initially what ATI was. When I
15 found out that it was a previous employer, to my
16 recollection that was not on the screening affidavit,
17 screening form.

18 BY MS. VAN CLEAVE:

19 Q How did you find out that that was a previous
20 employer?

21 A I think I said before the break, I am not certain
22 if that was in our conversations, or if I just concluded
23 that it had to be, once I was told what ATI was.

24 MR. SHAPIRO: Did we get the full name of ATI from
25 you yet, what it stands for?

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1 Does anyone know?

2 MR. BAER: I used to know.

3 MS. VAN CLEAVE: I probably have it somewhere.

4 THE WITNESS: It is something Technical Institute.

5 MS. VAN CLEAVE: That is all I know, too.

6 THE WITNESS: It is either Advanced or Applied

7 Technical Institute, something like that.

8 BY MS. VAN CLEAVE:

9 Q Here it just says ATI Career Training Center. I
10 don't think it specifies in the -- No, it doesn't. It just
11 says ATI Career Training Center.

12 A Again, to answer your question, I can't
13 specifically remember if I got that information in our
14 conversations, or once I was told what ATI was that I
15 concluded that this is a DOL case against Florida Power and
16 Light and ATI, it must be a previous employer.

17 Q Do you have a copy of the --

18 You are providing us a lot of documents. I didn't
19 see that DOL.

20 A The reason I didn't keep a copy of that in my
21 files is because I know where my copy is.

22 Q Where is your copy?

23 A It is in the nuclear file.

24 Q So you did not retain a copy of that?

25 A No, because I knew if I needed it I knew where I

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1 could go get it.

2 Q Let me recap here. South Texas has been on-line
3 for a number of years. They have had DOL filings, have they
4 not, against Houston Lighting and Power?

5 Have there been filings?

6 A DOL cases involving Houston Lighting and Power?

7 Q Yes.

8 A To my knowledge, yes, there have been previous
9 cases.

10 Q There have been previous cases. So as the
11 licensing manager, would you have access to any decisions
12 related to Houston Lighting and Power?

13 A I get access to those, not because I am
14 necessarily responsible for coordinating DOL cases, in fact,
15 there is an NGP-136 that specifies the responsibility of
16 various regulatory investigations. I, as the licensing
17 manager, am responsible for NRC investigations. The manager
of human resources is responsible under that particular
19 group policy for DOL investigations.

20 Q Who is that?

21 A John ^{Odum WJT} Edem.

22 The reason I have an interface with the DOL cases
23 is, when human resources receives a DOL case, or
24 notification of a case, they immediately notify me so that
25 I, in turn, can notify the region. The reason why we do

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1 that is, there is a reciprocal agreement between DOL and
2 NRC, but it never hurts to ensure that the region is aware
3 of the fact that a DOL case has been filed, just in case
4 there had been a slip up or a delay in the notification, and
5 that is my job to keep the NRC informed.

6 So I am usually aware of when one is filed, and
7 when one is closed.

8 Q So you are aware of what is involved in a DOL
9 complaint?

10 A I am aware of, usually, the substance of
11 allegations that are made on the initial filing of the DOL
12 case. As far as the process, though, and what takes place,
13 I am not aware of the proceedings of how DOL investigates
14 it, or how a decision is rendered, or anything like that.

15 Like I said, I am aware at the front end and the
16 back end.

17 Q But you have had access to other DOL cases, other
18 DOL decisions. I just can't --

19 Other than what you had stated earlier about
20 recognizing ATI's possibly being a former employer of Mr.
21 Saporito's, I still don't understand why you asked for that
22 specific DOL decision, you have seen DOL decisions, I can
23 only assume, so you know basically what they say?

24 A That is exactly why I asked for it, because I knew
25 that in that decision it would tell me the details of what

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1 is ATI, what was Mr. Saporito's involvement with ATI.

2 That document would tell me whether or not he
3 worked for ATI, what capacity he worked for them in. It
4 would give me details that I wanted to see in writing to
5 satisfy myself that, indeed, Mr. Saporito had previously
6 worked for ATI, and then to pursue, as I mentioned before, a
7 determination as to whether or not that was derogatory
8 information from what I remembered in reviewing the nuclear
9 file.

10 Q You said you requested it twice, at least twice,
11 from Mr. Baer, and he finally provided it to you on February
12 the 20th. Was there any reason for the delay?

13 A I think, after I requested it the first time, and
14 didn't receive it, I inquired as to where it was, and I
15 believe they just had forgotten my request. I can't
16 remember the exact reason, but it was not provided based
17 upon the first request.

18 Q So you received the DOL decision the morning of
19 February 20th, and then what did you do?

20 A I took it back to my office, sat down and quickly
21 went through the document to ascertain the things that I
22 just mentioned, that ATI was a previous employer, that Mr.
23 Saporito had filed a DOL case against not only Florida Power
24 and Light, but ATI as a previous employer.

25 I do remember having some difficulty. As I

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1 mentioned, I thought I would see in there specific dates of
2 employment, and I had some difficulty determining that.
3 Since I had most of the information I desired, I concluded
4 at that point in time that, unless my memory was wrong, that
5 information was not in the nuclear file.

6 So I contacted security investigations, and asked
7 them to look into this document in relation to Mr.
8 Saporito's nuclear file to see if this document provided
9 derogatory information.

10 Q You said you had some difficulty determining the
11 dates. Did you ever ascertain the dates that he worked with
12 ATI when you reviewed that DOL decision?

13 A The dates eventually were ascertained, but off the
14 top of my head I can't remember if those dates were
15 specifically in the DOL document.

16 Q Would that not be significant?

17 A The reason I say the dates were eventually
18 ascertained is, eventually Mr. Saporito was interviewed, and
19 security investigations ascertained the dates of employment,
20 whether they did that through the interview or specifically
21 off the DOL document, I am not certain.

22 Q So you had a DOL decision that said that Mr.
23 Saporito worked for Florida Power and Light and worked for
24 ATI, and are you saying you couldn't determine even
25 approximately what the date was that he worked for ATI, even

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1 the year?

2 A I am telling you I can't recall. I do remember
3 that when I was looking at the DOL document, I had some
4 difficulty in ascertaining the specific dates. I believe it
5 listed the year in question. I may have eventually found
6 the specific dates in the DOL document. All I am relating
7 to you is what I specifically remember that morning when I
8 sat down and reviewed the document.

9 Q And on this screening affidavit, or the data form,
10 what employers are the individuals required to list?

11 Is there a certain time period that they have to
12 list their employer, about how many years are they required
13 to list their employers?

14 A I would have to look at the form to specifically
15 answer that question, but not having the form in front of me
16 I believe they are supposed to list the last five years.
17 The reason I believe that is, if I am not mistaken, the
18 regulation, NRC regulation, requires a background search of
19 five years, and so I am coming to the conclusion that the
20 form requires them to list five years' worth of previous
21 employment.

22 Q Did you believe that ATI fell in this five-year
23 time period?

24 A Yes.

25 Q Was there anything in the DOL decision that led

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1 you to that conclusion?

2 A It must have, or I wouldn't have proceeded.

3 To answer your question, if we go get the DOL
4 document, I will look through it and tell you, but the only
5 thing I can tell you right now is, I must have gotten enough
6 information that led me to believe that it was within the
7 five-year period.

8 Q So if you didn't have any information leading you
9 to believe that, your testimony is that you would not have
10 proceeded to contact nuclear security?

11 A No, I probably still would have contacted nuclear
12 security because, even though the regulation specifies five
13 years, if I am not mistaken, on the form we ask them for
14 previous employment, and I am not certain, as I stand here
15 today, if the form just says the last five years, or if it
16 requires ten years, or whatever.

17 Q Is this an action you would take with anyone?

18 A Yes.

19 Q If you found out that someone worked for a company
20 at some time period which is uncertain that you would
21 contact nuclear security, if you --

22 A You have to remember two things would have to
23 occur. One is, I would have to know what they had put down
24 on their screening form, and the reason why in Mr.
25 Saporito's case I knew what he put down on his screening

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1 form is because I had reviewed his nuclear file.

2 The second thing that would have to take place is
3 I would have to, either verbally or in written form, become
4 aware of something that would contradict that. The
5 contradiction, in and of itself, would potentially be
6 derogatory information.

7 If those two things came together, yes, I would
8 notify security and have the appropriate personnel do the
9 investigation to ascertain what was correct. That is my
10 obligation as a manager in a nuclear facility.

11 Q So you, based on your review nine days earlier,
12 believed ATI was not on Mr. Saporito's --

13 A I call it a screening form.

14 Q Okay.

15 -- screening forms, application -- I don't know
16 what to call it -- and when you got the DOL decision, ATI
17 appeared fairly clearly to have been a former employer of
18 Mr. Saporito, and you did not recall seeing that on his
19 screening forms.

20 You said you then contacted nuclear security. Who
21 did you contact?

22 A Mr. Watt Hinson.

23 Q Is that standard procedure?

24 A To contact him, specifically?

25 Q Rather than his supervisor, who I believe is Mr.

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WJJ

1 Balcomb?

2 A Typically it is because Watt Hinson was the
3 security investigator, and he typically is the one that
4 people would go to with derogatory type information.

5 Q Were there any other security investigators at
6 that time?

7 A Yes, but they worked for Watt Hinson.

8 Q Who works for Mr. Balcomb, is that correct?

9 A Yes.

10 Q So you are saying it was standard practice to go
11 to Mr. Hinson rather than Mr. Balcomb with information like
12 this?

13 A For me, yes, and I would assume for most people on
14 site they would go directly to Watt rather than to the
15 security manager.

16 Q Then, is Mr. Hinson usually the person that does
17 adjudication interviews?

18 A Yes, he or one of his investigators. He had at
19 least one other investigator that worked for him.

20 Q Who was that, is that Mr. ^{Office WJT} ~~Retino~~?

21 A Yes.

22 Q So did you call Watt, or did you go down to see
23 him?

24 A I called him.

25 Q Did he come to your office, or did you go to his

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1 office?

2 A He came to my office.

3 Q And did you then provide him with your copy of the
4 DOL decision which you have said is now in the nuclear
5 security file of Mr. Saporito?

6 A That's correct.

7 Q What did you tell Mr. Hinson?

8 A I told him that I had a document, which I gave
9 him, the DOL document, that indicated that this employee,
10 Mr. Saporito, had previously been employed by Florida Power
11 and Light and ATI, and that, to my recollection, his
12 screening form did not list ATI, and I wanted him to review
13 that and the document, the DOL document, to determine if
14 that was true, and then take appropriate action.

15 The other thing that I indicated to him is, since
16 the DOL document, in and of itself, is a form of litigation,
17 that on the screening form there also is a question
18 regarding previous or pending litigations, and that that
19 probably needed to be checked. I am not an expert on his
20 job, if there was anything else that he felt he needed to
21 check, it needed to be done.

22 BY MR. SHAPIRO:

23 Q Before referring this to security, you didn't go
24 verify what your recollection was of the file?

25 A No.

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1 Q Wouldn't that have saved time?

2 A It wouldn't have saved me time.

3 Q Just to go look at the file. You didn't go and do
4 that?

5 A No.

6 I wasn't trying to be flippant or anything by
7 saying that wouldn't have saved me time, I had other things
8 that I needed to get done, number one.

9 Number two, I am not an expert at doing that. Mr.
10 Hinson and his people are ^{WJTJ}an expert at doing that.

11 Last, but not least, the nuclear file is not in
12 this building. It is across site, and that kind of gets
13 back to the first thing, I had other appointments, and other
14 commitments that I needed to take care of. Mr. Hinson and
15 his people are much better at doing that than I. So that is
16 why I asked him to do it.

17 BY MS. VAN CLEAVE:

18 Q Was anyone else present during your conversation
19 with Mr. Hinson?

20 A No.

21 Q Do you remember when that took place, was that the
22 same day, the 20th?

23 A Yes, it was the 20th, because as soon as -- again,
24 part of my obligation of being a manager in a nuclear
25 facility, as soon as I become aware of potential derogatory

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1 information, I am required to take timely action.

2 In this case, I was going off my recollection but,
3 because I had a strong suspicion I was right, I needed ^{to WIT} get
4 that wrapped up pretty quick, either to get my recollection
5 squared away, or to proceed.

6 Q Did you give any instruction to Mr. Hinson about
7 when to interview Mr. Saporito?

8 A He asked me when this needed to be done, and I
9 told him that I would appreciate it if he got it wrapped up
10 by that afternoon. I don't recall if that imposed a problem
11 on him or not, but he said it would get it done by that
12 afternoon.

13 Q Why did you want it done that afternoon?

14 A Again, the NRC constantly grades me on timely
15 investigation, and timely corrective action. When something
16 of this serious nature, access authorization, is involved,
17 time is of the essence. You need too ascertain that you are
18 allowing trustworthy and reliable individuals into the
19 protected area. It is a very serious matter. It is not
20 something that you can just take your time about.

21 Q Mr. Saporito ended up being interviewed after his
22 normal working hours, is that usual, or is that common if
23 you find out information like this that someone would be
24 held over from their usual shift?

25 A You are talking about when Mr. Hinson interviewed

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WJT

1 him?

2 Q Yes.

3 A Is it normal, I can tell you that it has happened
4 in the past, but I am not going to tell you that -- normal
5 implies to me that over 50 percent of the time people are
6 held over, and that is not the case. Typically, interviews
7 happen during normal working hours, but there have been
8 cases in the past where people have been held over for
9 interviews, particularly on something this serious.

10 Q How serious did you view this?

11 A Any derogatory information that would tell you
12 that a person is not trustworthy or reliable is serious. If
13 you are allowing that individual into the protected area,
14 that is serious.

15 Q You have already stated that you thought you were
16 correct that ATI was not on there, you were pretty
17 confident, not 100 percent certain, but pretty confident
18 that ATI was not on his application.

19 So you viewed that as a serious matter that an
20 employer was not listed on an individual's screening forms,
21 is that correct?

22 A We are required by regulation to make those types
23 of checks, and anything that I am required to do by
24 regulation is important, yes.

25 Q Did you consult with anyone before you took this

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1 course of action, before you provided the DOL decision to
2 Mr. Hinson?

3 A I consulted with no one in HL&P.

4 Q Did you consult with anyone before you made this
5 decision to give the DOL?

6 A Yes.

7 Q Who did you consult with?

8 A Legal counsel.

9 Q So you consulted with --

10 Was that Mr. Baer?

11 A Yes.

12 Q Anyone else?

13 A Jack Newman may have been involved. I may have
14 discussed it with him as well.

15 BY MR. SHAPIRO:

16 Q Why would you even have to consult if this was
17 something that was your regulatory and managerial
18 responsibility to do, and it was so serious because it
19 involved access authorization, why did you even have to
20 think about it, it would seem to be an instinct, or an
21 automatic that you would have to refer this to security?

22 A Instincts get you in trouble in this business.

23 Q Forget instinct, it seems that it is an automatic
24 duty then, if I understood your testimony earlier, that you
25 had to send this to security?

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1 A It is automatic, and it is serious.

2 Q Why did you have to consult with anyone?

3 A It is serious if you are in any shape, fashion or
4 form discriminating against someone, and I wanted to ensure
5 that, based upon the scenario that I have just unveiled to
6 you, that it was on my memory, that that in no shape,
7 fashion or form would be discriminating against someone, and
8 that if I was not taking the appropriate action, I wanted to
9 ensure that I was counselled.

10 Q And after consultation, you did refer it to
11 security?

12 A Right, because I ascertained that my instincts
13 were correct, and I was following the program. I was
14 following the procedure, and I was doing exactly what the
15 NRC requires me to do. I wanted to ensure that I hadn't
16 forgotten something, or that I was indirectly, or
17 unknowingly discriminating against anyone.

18 BY MS. VAN CLEAVE:

19 Q So you wanted to ensure that you were not either
20 giving Mr. Saporito special treatment, or giving him
21 discriminatory treatment?

22 A That's true.

23 I keep going back to the night of the 11th, and
24 then the morning of the 12th, and my boss was very concerned
25 that inadvertently we might discriminate against the

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1 petitioner of the 2.206, and I wanted every step of the way
2 to ensure that I did not directly or inadvertently
3 discriminate against Mr. Saporito.

4 Q You have already testified that that would be your
5 usual procedure if you got such information to refer it over
6 to nuclear security, specifically Watt Hinson?

7 A Right.

8 See, if I had gone off and gotten the file myself,
9 that would have been different, because that would not have
10 been normal. What was normal was to have the appropriate
11 personnel do their job. Watt Hinson, that was his job, or
12 his people's job.

13 Q Did you ask that Mr. Hinson be the one to
14 interview Mr. Saporito?

15 A No, I didn't. In fact, I counselled him that he
16 needed to follow the procedures, and it is not abnormal for
17 Mr. Hinson to do interviews.

18 Q Mr. Hinson does a lot of adjudication interviews,
19 is this not correct?

20 A It is, yes.

21 The point I was trying to make is, he is not the
22 only one, but you are right, he does a lot of investigations
23 as well as interviews.

24 Q Did you ask him to get back with you with the
25 results of his interview of Mr. Saporito?

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1 A Yes, I did.

2 Q And did he do that?

3 A Yes.

4 Q Do you recall when that was?

5 A That was the afternoon of the 20th.

6 MR. BAER: I want to make sure that we are not
7 skipping some chronology here.

8 Let me go back and clarify. At that first
9 instance, did you ask him to interview Saporito?

10 THE WITNESS: No.

11 MR. BAER: What did you ask him to do, at that
12 point?

13 THE WITNESS: In the morning, when I gave Watt
14 Hinson the DOL report, and you had asked, specifically, what
15 did I charge him with doing, I told him my concerns about
16 ATI being listed as a previous employer, and the question
17 about past or pending litigation. I charged him with
18 anything else that he might ascertain in regards to
19 derogatory information, but those were the two, based upon
20 my recollection, that I wanted him to look at. Once he
21 finished that, to follow his procedures, and to let me know
22 what the results of that investigation were.

23 That meeting was in the morning, and when you had
24 asked

25 MR. SHAPIRO: The morning of the 20th?

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1 THE WITNESS: Yes.

2 When you asked if I asked for a completion on
3 that, my answer was, yes, I asked for a completion. I
4 wanted to know by that afternoon. The reason I wanted to
5 know by that afternoon is because this is a serious matter.
6 Watt did not indicate that that was going to pose an undue
7 burden, so he went ahead and did it.

8 Later on that afternoon, he called me back and
9 said that he had completed his investigation into looking at
10 the document and the nuclear files, and had some
11 information, but Mr. Balcomb was not available at that
12 particular point in time, he had not yet briefed Mr.
13 Balcomb, and asked if he could come and see me after he had
14 done that.

15 I said, sure, no problem, but I would like to
16 close this out before close of business. I can't remember
17 exactly what time, but sometime subsequent to that --

18 MR. BAER: Why are you so interested in getting it
19 done that day?

20 THE WITNESS: Again, I wanted to get it closed out
21 and ensure that something of that significance would be put
22 to bed expeditiously because, again, the NRC gauges me and
23 monitors me on a constant basis for my timely action on
24 something of that serious a nature, potentially safety
25 significant if I have some who is untrustworthy or

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1 unreliable that I have granted access to.

2 BY MS. VAN CLEAVE:

3 Q You believed that the fact that he may have left
4 off his employer could make him untrustworthy and
5 unreliable?

6 A Yes. Anytime someone omits information, one of
7 the potential conclusions is, they are not trustworthy or
8 reliable.

9 A little later after that, Watt Hinson called me
10 back up and said that Balcomb was still tied up but he would
11 be out of his meeting shortly, and asked if I had a minute
12 where he could come down and talk to me, and that Balcomb
13 would catch up with him.

14 I said, sure, so he came down to my office.

15 Is that the clarification?

16 Because you were asking about the interview, and
17 then --

18 Q I agree. Mr. Baer is right, I did skip right
19 between the review of the documentation to the interview.

20 So Watt came to your office, and Mr. Balcomb came
21 later?

22 A He came a little bit after Watt first got to my
23 office. He was delayed a little longer than he thought he
24 would be at the meeting.

25 Q Was there anyone else present?

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1 A No.

2 Q And what did Watt tell you?

3 A He indicated that in his review of the DOL
4 document, he had ascertained that ATI was a previous
5 employer, and that, indeed, my memory was correct, ATI was
6 not listed anywhere on the screening form as a previous
7 employer.

8 In regards to my question on our concern about the
9 question regarding previous litigation, or pending
10 litigation, the DOL case was not listed. What was listed
11 was something in reference to the NRC investigation, I
12 think, is the way it was listed on the screening form, at
13 Florida Power and Light, but no reference was made to the
14 DOL case.

15 I think he had a couple of other comments, but the
16 bottom line is, I don't think he found anything else in the
17 DOL document that was contrary to what Mr. Saporito had put
18 on his screening form.

19 Q Did he provide you anything in writing at that
20 time?

21 A Did Watt provide me anything in writing, no,
22 ma'am.

23 Q So this was a verbal communication?

24 A Yes.

25 Q And did you give Watt any further instruction?

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1 A No. The only thing -- he told me that, and then
2 Balcomb walked in, and he reiterated everything again to Mr.
3 Balcomb. Watt more or less waited for direction. It
4 certainly was not my place to give him direction. He worked
5 for Mr. Balcomb. Mr. Balcomb asked him a few questions for
6 clarification mainly, and Mr. Balcomb directed him, at that
7 time, to go interview the individuals^{WJT} to see if there was
8 any reason for the omission of details on his screening
9 form, or what the reasons were would be a better
10 categorization.

11 Q Did Mr. Balcomb make that determination after
12 consultation with you?

13 A I would not categorize it as consultation. He and
14 I discussed a couple of things, and one was procedural
15 requirements, and Watt Hinson advised Mr. Balcomb what the
16 procedures said in regards to a continuation of
17 investigation, and things like that, which include
18 interviewing the employee or contractor.

19 My only comment to that was, you need to follow
20 procedures. If you are not sure what the procedures say,
21 that is why we have procedures, go get it, read it, and
22 follow it.

23 Q At that point, was Mr. Hinson aware that Mr.
24 Saporito was a 2.206 petitioner?

25 A No.

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WJT

1 Q Was Mr. Balcomb aware of that?

2 A I am pretty sure Mr. Balcomb was aware of it.

3 Q Was that discussed?

4 A No.

5 Q Did Mr. Balcomb mention that in that meeting, that
6 this man is a 2.206 petitioner, is there anything different
7 that we need to do, or anything like that?

8 A No.

9 Q So Mr. Balcomb consulted with Mr. Hinson, and he
10 determined that -- did I understand you correctly -- based
11 on Mr. Hinson's statements, that the usual procedure was to
12 interview a person in this situation?

13 A Right. That's correct.

14 Q And did either you or Mr. Balcomb tell Mr. Hinson
15 when you wanted Mr. Saporito interviewed?

16 A Mr. Balcomb told Hinson to get the interview
17 scheduled as soon as possible, and preferably that
18 afternoon.

19 There were two reasons for that. One is the
20 serious nature of it and, number two is, Mr. Balcomb and I
21 were not going to be on-site the next day, and the next day
22 was a Friday. Where Mr. Balcomb and I were scheduled to go
23 is, we had to fly to Arlington for a meeting with the NRC,
24 and Mr. Balcomb wanted to get the details, and get it
25 decided one way or another, and not allow another three full

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WJF

1 days to go on before we had the information.

2 Q Is this the usual procedure, to your knowledge?

3 A To close out matters before a long period of time,
4 yes. We endeavor to do that in every possible case. Then
5 you add on, in addition to that, the serious nature of it,
6 and I would say in most cases I have spent many wee hours in
7 the morning out here at the site trying to close things out
8 because they couldn't wait until the next morning, or they
9 couldn't wait until Monday.

10 Q So Mr. Hinson was charged with interviewing Mr.
11 Saporito, is that correct?

12 A Mr. Hinson was directed by Mr. Balcomb to go ahead
13 and interview Mr. Saporito.

14 Q And Mr. Hinson did so, is that correct?

15 A Yes.

16 Q Did Mr. Hinson then subsequently brief you
17 regarding the results of that interview?

18 A Yes.

19 Q And who else was present?

20 A Mr. Balcomb, and Ricky Sink.

21 Q What did Mr. Hinson tell you that his interview
22 had disclosed, or determined?

23 A Briefly, that Mr. Saporito admitted he had worked
24 for ATI, and also admitted he had worked for at least two
25 other employers that he had not listed on his screening form

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1 which, up to that point in time, we didn't know anything
2 about them.

3 The issue of the litigation, Mr. Saporito admitted
4 the DOL case, and told Mr. Hinson that he didn't list it
5 because he didn't consider it a formal litigation, I believe
6 is what he told Mr. Hinson. I would have to review Watt's
7 notes to specifically tell you, but to the best of my
8 recollection that was the substance of the debrief.

9 Q Were there any other omissions, or misstatements,
10 anything else that Mr. Hinson related?

11 A I think there were a couple of others, but they
12 were very minor in nature, and not necessarily regulatory
13 driven, not regulatory requirements. There were some
14 amplifications, I think, is a better way of categorizing it.
15 The way Mr. Hinson categorized to us that he went through
16 the interview is, I think, you will find he gave the
17 screening affidavit or form to Mr. Saporito, and asked him
18 to review it in detail, was there any additional information
19 that he needed to add to it, and then after Saporito had
20 done that, Watt Hinson went through question by question,
21 and asked him the details of each one to ensure that he
22 understood the question, the entire details of the question.

23 That is when this information I previously
24 mentioned to you unfolded, or had been revealed.

25 Q What other employers were these, do you recall,

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WJT

1 type of employment, or --

2 A I believe both of the others were, he worked as a
3 general maintenance man, or maintenance manager at
4 hotel/motel facilities.

5 Q What time period?

6 Were these long-term employments?

7 A I believe they were in the relationship of two to
8 four or five months. The bottom line is, they weren't part-
9 time employment, they were full-time of a relatively short
10 duration, I believe two to six months each.

11 Q Did Mr. Hinson say whether or not Mr. Saporito
12 provided any reason for omitting these employments?

13 A Again, to the best of my recollection, I believe
14 what he said was that Mr. Saporito indicated that they were
15 of a short duration, and he just didn't feel that they were
16 necessary to list.

17 He also indicated that he had been terminated from
18 at least one, maybe both -- I will take it back -- one or
19 two of the three that he had not listed, the three including
20 ATI.

21 Q Terminated for cause do you mean?

22 A Yes.

23 Q You can just be laid off, and that could be --

24 A They weren't lay-offs.

25 Q -- termed a termination.

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WJT

1 A It wasn't categorized as laid off. In fact, in
2 one of them I specifically remember he indicated to Mr.
3 Hinson that there was a disagreement over something, and
4 that he was terminated for that disagreement.

5 Q Was there any other information provided by Mr.
6 Hinson at that time?

7 A Not that I can recall off the top of my head.
8 That was the substance of what he had found from his
9 interview.

10 Q And then what?

11 A Mr. Balcomb asked a few questions, and then,
12 again, checked ^{procedurally WJT} ~~procedures~~ what the requirements were.
13 The requirements clearly were that he, as the security
14 manager, made the decision of whether or not this
15 information that Watt had provided, Mr. Hinson, was an
16 omission of material fact.

17 Our procedure comes from a regulation that says,
18 if an applicant for unescorted access for any reason omits a
19 material fact that would have been considered in the initial
20 proceedings, and may have affected the granting of
21 unescorted access, that that individual's access needs to be
22 revoked.

23 Mr. Balcomb determined that this was an omission
24 of material fact, and made the decision to revoke access.

25 Q Did he make this decision with any input from

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1 anyone else, either you or Mr. Hinson, or anyone else?

2 A Several of the questions he asked Watt Hinson were
3 of a procedural nature, which I just explained, what is a
4 material fact, those types of things. Once that was all
5 clearly laid out and defined --

6 Q What is a material fact?

7 A Probably the best explanation I can give you is,
8 if you left out a comma, or let's say ATI was listed, but it
9 wasn't incorporated, or something like that, the
10 incorporation is not a material fact. It is not relevant to
11 the background screening or investigation.

12 If you leave off a previous employer, and you have
13 a reason to do that, namely that you have been terminated
14 for cause and you think that that may affect your ability to
15 gain unescorted access, that is a material fact. It is not
16 just any fact, it is a fact that is germane to the
17 decisionmaking process.

18 Q What other types of omissions could there be that
19 would be material?

20 A I am not an expert on this subject. All I just
21 explained to you is the best recollection of what I heard
22 Watt and Dick Balcomb talk about that night in my office.
23 In regards to further clarification of material fact, I
24 would have to get somebody in here that knows more about
25 that than I, or I would have to get the procedure to answer

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WJJ

1 your question.

2 BY MR. SHAPIRO:

3 Q What other omissions, if you became aware of,
4 would you consider serious, and then refer to security?

5 A Any fact that, in my belief, was information that
6 is germane to the decisionmaking process as to whether or
7 not you are going to grant someone unescorted access, and
8 there are eight different categories of information the NRC
9 requires that we look into.

10 You need to evaluate the facts that you have
11 gathered in those eight different areas, and if any of those
12 facts may have led you to deny unescorted access, then that
13 definitely is a categorization of material facts.

14 There may be other categorizations of material
15 fact, but that one I am confident of.

16 Q Can you think of any specific examples that would
17 strike you as germane, and that would bear on it, that if
18 someone didn't put on an application and you later found
19 out, that would be reason to revoke?

20 A Let's say I come across information that an
21 employee -- let's say I read it in the newspaper, or
22 something, that an employee of the South Texas Project, or I
23 happen to know the person is employed out here but it is not
24 listed that way in the newspaper, has been arrested for
25 gambling debts, and the Mafia is after them, yes, I would

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1 report that immediately to security because that is a
2 material fact of derogatory information that could lead to
3 coercion, and we have to be careful of coercion and how it
4 would relate to that person's reliability and
5 trustworthiness inside the protected area.

6 MR. BAER: Will, aren't people, in fact, required
7 to report themselves when certain of those kinds of things
8 happen?

9 THE WITNESS: There is a project requirement that
10 if you are arrested, you are required to report that to your
11 immediate supervisor, or access authorization within 72
12 hours. I was going to bring that up. That is a form of
13 self-reporting, and the reason why that is necessary is
14 because that type of information is not going to fall in
15 your lap. The employee has to take a responsibility to
16 notify us of that type of information.

17 There are ways we can find out about that, we
18 don't go out looking for it, but if we happen to stumble
19 across it, and if I know, for an example, one of my
20 employees did not report to me within 72 hours, and yet I
21 read it in the Bay City Newspaper, I would immediately turn
22 that over to access authorization, and if they found that
23 the employee didn't report it in 72 hours, then you need to
24 make a determination of why, and that would typically entail
25 interviewing the employee.

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WJT

1 BY MR. SHAPIRO:

2 Q What kind of past experience that would be left
3 off of these forms would strike you as material, not
4 something that would happen from post-employment, but
5 before, in addition to omitting an employment history where
6 you were terminated, what other examples would strike you as
7 material that you would then refer to security if you
8 stumbled on it similar to the way you did here?

9 A Educational requirements, people putting down that
10 they have more education than they actually possess. I
11 guess, you could have it the other way around, I guess
12 somebody could have a Ph.D., and they figure that you are
13 not going to hire them because he is too educated, and they
14 would leave that off, but typically it is the other way
15 around. They put down more education than they actually
16 possess.

17 Credit history, that is one of the eight things
18 the NRC requires us to check into.

19 BY MS. VAN CLEAVE:

20 Q What are the eight things?

21 A I would have to go get the procedure to tell you.
22 I can remember off the top of my head there is eight, but I
23 can't sit here and repeat all eight of them.

24 Q When you keep referring to procedures, what
25 procedures are you referring to?

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1 A In what connotation, we have procedures for just
2 about everything we do out here.

3 Q Yes, I know, but we have been discussing
4 procedures regarding the possible revocation or denial of
5 someone's access, so that is what we have been discussing
6 are those procedures?

7 A Right.

8 Q What is that?

9 A At the time, the procedure, I think, was IP7.03 or
10 5Q.

11 Q I was trying to see if I have that procedure with
12 me, and I don't know if I have that or not.

13 A Since then, the procedure's number has changed,
14 and I know what that number is. That is IP9.05Q It was
15 IP7.-something.

16 Q I don't have that. I have IP7.02Q8.0, which is
17 approval and maintenance of unescorted access. Would that
18 be it?

19 A That is probably it.

20 MR. BAER: Can you look at it and see whether that
21 is the one you were talking about?

22 THE WITNESS: Yes, this is an excerpt, it is not
23 the entire procedure, but it is a portion of IP7.02Q, and
24 that was the procedure that was effective at the time that
25 this all took place.

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1 BY MS. VAN CLEAVE:

2 Q Somewhere there is a list of eight criteria?

3 A It is in the regulation.

4 Q In the regulation.

5 Now, eight criteria that you take into account in
6 determining whether or not a person is suitable for access
7 to a nuclear site, is that what you mean?

8 A Yes.

9 Q You don't mean eight criteria regarding willful
10 omission, or falsification of material on your application,
11 this is eight things. I am not sure if it might not be
12 these?

13 A No, there is a lot more than eight listed there.

14 Q I know there are twelve here.

15 A Yes.

16 Q One of them is a psychological evaluation,
17 carrying of firearms, failure to cooperate in a company
18 investigation --

19 A I think they have a few more listed there that are
20 germane to company policy than the specific eight that are
21 referenced in the regulation.

22 Q And is this the procedure that you were, or HL&P
23 was following when they were reviewing Mr. Saporito's
24 screening forms to be sure that this procedure was complied
25 with?

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1 A That is the procedure that Dick Balcomb and Watt
2 Hinson used in the determination that night, yes.

3 Q And it says, the following criteria shall be
4 considered in determining suitability for unescorted access,
5 twelve things are listed including willful omission or
6 falsification of material information submitted in support
7 of employment or request for unescorted access authorization
8 to protected area, or protected and vital areas.

9 To your knowledge, is there anything in the
10 procedure to define material, or provide any further
11 guidance regarding granting or denying someone's access?

12 A I don't know.

13 Q Do you know whether they were relying on any other
14 procedures, anything else other than this?

15 This is fairly general. It doesn't define
16 material information, and it also says --

17 MR. BAER: Sort of like the regulations.

18 BY MS. VAN CLEAVE:

19 Q It says, "Shall be considered," and there are
20 twelve things. Is there anything specific that, to your
21 knowledge, was utilized, or is utilized by nuclear security
22 in determining access suitability?

23 A That night in my office, I am almost positive I
24 walked out of my office to my reference library, pulled out
25 my set of IPs and brought it back in, and we opened it up to

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1 that IP.702Q, refreshed, not my memory, but because they
2 were talking procedural, and because I charged them with
3 following the procedures, I am pretty sure I got that
4 procedure and laid it out on the table, and they looked
5 through it.

6 I don't recall them -- I don't even recall them
7 looking for the definition of material, which was your
8 previous question, so I don't know if it is in the procedure
9 or not. There were no other procedures in my office at that
10 point in time. I don't know if security has more detailed
11 procedures that implement an IP.

12 An IP is a pretty high-level document. It is
13 called an interdepartmental procedure. Frequently,
14 departments that implement an interdepartmental procedure
15 will have department specific procedures that tell that
16 department how to implement the IP. I don't know if
17 security has that or not.

18 I am trying to be as responsive to your question
19 as I can.

20 Q You said, I think, if I understood you correctly,
21 that Mr. Hinson discussed what was material?

22 A I remember Balcomb and Hinson discussing the issue
23 of material fact or material information, and in that
24 discussion, they were trying to determine whether or not
25 this information was material to the situation, to the

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1 decision at hand.

2 Q And did Mr. Hinson provide a recommendation to Mr.
3 Balcomb regarding Mr. Saporito's access?

4 A I don't specifically recall.

5 Q Did you?

6 A No. It was not my place to make a recommendation.

7 Q Was the decision made then right then to revoke
8 Mr. Saporito's access?

9 A Yes.

10 Q And who made that decision?

11 A Mr. Balcomb.

12 Q Did he consult with anyone else, did he make a
13 telephone call, did he contact anybody other than -- I think
14 you said there were four of you present, did he consult with
15 anyone else?

16 A No.

17 Q Did he mention consulting with anyone else before
18 making a decision?

19 A I believe it was immediately after he announced
20 his decision, he indicated that he needed to discuss it with
21 his boss, Warren Kinsey. Presented with that, I asked him
22 to hold that thought for a minute, and I got up and left my
23 office to think about whether or not he really needed to do
24 that.

25 Again, to collect my thoughts to make sure that I

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1 mentally went through to think if there was anything else
2 that we needed to do because, again, I needed to ensure that
3 we took everything into account for Mr. Saporito's case,
4 ensure that I in no shape, fashion, or form was treating him
5 special or different, or discriminating against him.

6 So I walked down the hall thinking about that as
7 well as who was responsible for this whole thing, it was me.
8 I had been charged with the responsibility of the entire
9 2.206, so I went back and told Balcomb he didn't need to
10 contact Warren Kinsey and inform him, he had informed
11 management and he informed me that I was responsible for the
12 2.206, and this was related to it.

13 He felt comfortable with that, and he and Mr.
14 Hinson then left my office, and went to process the paper
15 work to revoke the unescorted access of Mr. Saporito.

16 Q Did you consult with anyone when you exited your
17 office for those few minutes?

18 A Legal counsel.

19 Q You did contact legal counsel. Was this Mr. Baer,
20 or Mr. Newman, or both, or someone else?

21 A Specifically Mr. Baer.

22 Q It was Mr. Baer. You did consult with him.

23 You stated on several occasions emphatically that
24 you are not that familiar with the adjudication process,
25 that Mr. Hinson and Mr. Balcomb, that is their department.

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W J J

1 Why did you feel compelled to decide whether or not Mr.
2 Balcomb should or should not notify his supervisor, or his
3 boss?

4 A First of all, procedurally, he was not required to
5 do it. Nowhere in the procedures does it require him to
6 notify his immediate boss of his decision. The procedure
7 clearly says that it is his decision to make.

8 I have reiterated numerous times the importance of
9 following the procedures, ensuring that in no shape,
10 fashion, or form did we discriminate against Mr. Saporito.
11 So there was no need for him to follow through and do that,
12 number one.

13 Number two, I was named as the project manager.
14 It was my responsibility. I had identified the initial
15 derogatory information. I had done my duty not only as the
16 project manager for this investigation, but my obligation as
17 a manager in a nuclear power facility to see it to its
18 logical conclusion.

19 Last, but not least, I am a direct report of Mr.
20 Phall, so if he felt compelled to identify it to someone in
21 upper management, that was me. I was not only the project
22 manager, I am part of executive management by the fact that
23 I am a direct report of Mr. Phall.

24 Last, but not least, I fulfilled specifically what
25 the procedures required.

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1 Q Were you concerned that if Mr. Balcomb notified
2 Mr. Kinsey there might be a different result?

3 A No.

4 Q He stated that he usually does, you didn't want to
5 deviate. You have said several times you did not want to
6 deviate from the standard procedures.

7 A The procedural requirements.

8 Q He usually consults Mr. Kinsey, why not allow him
9 to do so?

10 A I saw no need for it and, as I said, there was no
11 procedural requirement for it.

12 Q And did Mr. Balcomb in any way indicate that he
13 still wished to consult with Mr. Kinsey?

14 A No. In fact, if he had insisted, there is nothing
15 I could have done to stop him. He doesn't work for me. He
16 doesn't report in my chain of command. I have no influence
17 over the security manager.

18 He simply asked, and when I got back in my office
19 I told him there was no need to do it. He didn't seem upset
20 about it or anything. As I have reiterated, I couldn't have
21 stopped him if he wanted to do it anyway. There would have
22 been nothing stopping him from leaving my office, going to
23 his office and calling Warren Kinsey.

24 Based upon that fact, I believe he felt
25 comfortable that he, based upon previous practice of

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1 notifying someone in upper management, I had taken that
2 responsibility, and he felt comfortable with that.

3 Q You said previous practice was to notify Mr.
4 Kinsey, isn't that what you said, not just someone in upper
5 management?

6 A The reason behind that is because Warren Kinsey is
7 upper management, and also his line manager. That is his
8 direct line.

9 If Warren Kinsey hadn't been around, the previous
10 security manager, or Dick Balcomb, they would have notified
11 someone in upper management was my understanding.

12 Q And are you considered upper management?

13 A Insomuch as I report directly to Mr. Phall, yes.

14 Q So do you hold a position that is higher than Mr.
15 Balcomb's, even though he does not report to you, I
16 understand that, but do you hold a position that is higher
17 than his?

18 A At the time, title-wise, he and I both had the
19 same title, department head, specifically department
20 manager.

21 In the hierarchy of HL&P, you have division
22 managers, directors, department heads or department
23 managers, general managers, vice presidents, and group vice
24 presidents. So, title-wise, Dick Balcomb and I had the same
25 title, department manager.

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1 Reporting relationship wise, Dick Balcomb reported
2 to a vice president, who reported to the group vice
3 president. I, as a department head, report directly to the
4 group vice president.

5 Sometimes it gets confusing, and what we have
6 coined, this is a Navy term anyway, those people that report
7 directly to the group vice president are called direct-
8 reports. So from a reporting relationship, I reported to a
9 higher level than Dick Balcomb, even though we had the same
10 title.

11 Q What is the bottom line of all that, were you
12 above him?

13 A You asked me if I was considered executive
14 management, and I am trying to be responsive and explain,
15 from that connotation, yes.

16 Q You said you were on a comparable level with Mr.
17 Balcomb title-wise?

18 A No, the same level. The same level, department
19 manager.

20 Q That is what I said, comparable level, right?

21 MR. BAER: It could compare and be either higher
22 or lower.

23 BY MS. VAN CLEAVE:

24 Q You are the same title?

25 A The same title.

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1 Q But you report to Mr. Phall, does that make you a
2 higher level than Mr. Balcomb?

3 A Yes.

4 Q Did you tell Mr. Balcomb that you had consulted
5 with legal counsel, and it was your belief that there was no
6 reason for him to contact Mr. Kinsey?

7 You did not tell him you consulted with legal
8 counsel?

9 A I don't recall. I am sitting ^{WJT} ~~here~~ ^{here} thinking, and
10 I don't recall. I really don't.

11 Q Was there any concern by Mr. Balcomb that this
12 individual being a 2.206 petitioner that he wanted to be
13 absolutely certain he made the right decision, was that
14 expressed in any way, because I think you have said Mr.
15 Balcomb knew that?

16 A Yes, he did. I am reasonably confident he knew
17 that, and Watt Hinson did not know it. I don't recall that
18 coming up.

19 Are you guys interested in lunch?

20 Q Not at the moment. It is only 12:00 o'clock.

21 A I understand, but it has been about an hour and
22 twenty minutes since we took our last break, that is why I
23 was asking.

24 Q Let me finish with this meeting here, okay?

25 A Okay.

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WJT

1 Q Did you give him a direct order to proceed, that
2 he had the authority by procedure to make this decision, the
3 decision was his and he didn't need to consult Mr. Kinsey,
4 did you tell him that?

5 A I didn't give him a direct order. I reminded him
6 to follow the procedures, which I am not sure was necessary,
7 but that was my mission in life, to make sure we followed
8 procedures, and when I came back in the office regarding the
9 question of whether or not he should call Kinsey, I told him
10 he didn't have to call Kinsey for all the reasons I have
11 previously mentioned.

12 Q And Mr. Balcomb said all right, is that correct?

13 A Yes.

14 Q And Mr. Balcomb decided to revoke Mr. Saporito's
15 access?

16 A He decided to do that before all this took place,
17 but --

18 Q I got the impression that wasn't necessarily a
19 final decision because he said he usually consulted with Mr.
20 Kinsey?

21 A Again, I will reiterate, the procedure is clear
22 that the security manager makes the decision.

23 Q I have forgotten the answer, I think I asked you
24 this already, did Mr. Hinson make any recommendation?

25 A As to whether or not to revoke?

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1 Q Yes.

2 A I don't recall. He may have, but, again, I think
3 the reason I don't recall is because it is not germane to
4 the actual decision that was made, that was Mr. Balcomb's
5 decision.

6 Did he seek some advice from Watt Hinson, I
7 previously said yes. Whether Watt Hinson offered, or Dick
8 Balcomb requested, "What would you do in this situation," I
9 don't think so, but I don't really recall.

10 Q Had you had any discussion previously with Mr.
11 Balcomb about how you believed Mr. Saporito's case should be
12 handled?

13 MR. BAER: Are you talking about aside from
14 earlier in the afternoon?

15 MS. VAN CLEAVE: Yes.

16 MR. BAER: By his case, do you mean the 2.206
17 investigation, or access authorization?

18 MS. VAN CLEAVE: I am only talking about the
19 access authorization here. I don't know what input Mr.
20 Balcomb had on the 2.206. I assume he had some since Mr.
21 Saporito had some security concerns, but I am talking about
22 this specific issue.

23 THE WITNESS: There were two people in security
24 that knew about the 2.206, and it only stands to reason that
25 Dick Balcomb knew about it because of the number of

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1 allegations that had to do in the security area, and then he
2 had one other individual that reported directly to him that
3 was collecting information and doing investigation to either
4 substantiate or give us additional information to act upon
5 on the allegations.

6 MR. SHAPIRO: Who was the second person?

7 THE WITNESS: Rex Moore. He was one of the guys
8 that, remember earlier I told you we had representatives
9 from each department pulling together information for us.

10 I can tell you there were no conversations between
11 Dick Balcomb and I regarding Mr. Saporito on how the 2.206
12 investigation was going to turn out, or anything else
13 because, on the 20th, I didn't know how it was going to turn
14 out.

15 So anytime between the 11th and the 20th, we were
16 still in a mode of trying to collect additional information,
17 and in ^{many WJJ} ~~may~~ cases trying to even figure out what some of the
18 allegations meant. There was no specific information.

19 Maybe if you re-categorized your question --

20 BY MS. VAN CLEAVE:

21 Q What I asked was, did you have any discussion with
22 Mr. Balcomb, and perhaps I should have been more specific,
23 on February 20th regarding the possible discrepancies
24 between Mr. Saporito's screening forms and the DOL decision,
25 or the usual procedure in a situation like this?

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1 You said you met with Mr. Balcomb and Mr. Hinson
2 together at one time?

3 A Right. I never met with Mr. Balcomb alone.

4 Q Did you meet with Mr. Balcomb at any time during
5 that day to discuss the situation with Mr. Saporito?

6 A No. To my recollection, there were only three
7 times I saw Dick Balcomb that day, the first time was after
8 Watt Hinson had concluded his investigation but not yet
9 performed the interview, he debriefed both Balcomb and I,
10 and that is when Balcomb made the decision to interview
11 Saporito.

12 The second time I saw Balcomb was when the
13 interview was complete, and Ricky Sink and Watt Hinson came
14 up to my office, and they debriefed Dick Balcomb and myself,
15 and we just concluded talking about that meeting.

16 The third time I saw him was before I went home, I
17 walked down to that end of the building, the security ^{end,} ~~and~~ ^{WJJ}
18 this end of the building, to check on, Watt had said that
19 Saporito left the interview and asked a question, and the
20 question, I think, had something to do with, should I report
21 to work tomorrow, and Watt said, ^{WJJ} "I am not your line
22 management, plus I don't make the decisions regarding
23 whether or not you are going to have your access granted, or
24 whatever, by all means come back at your normal reporting
25 time, ^{WJJ} and that stuck in my head, so I walked down to see if

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1 they were still here, and they were.

2 They were filling out the paperwork in accordance
3 with the procedure to revoke the access, and I asked what
4 Mr. Saporito would see when he came in the next morning.

5 They said, he will go in the badge house, and they will say,
6 ^{WJT}Your badge is on hold. ^{WJT}

7 I said, ^{WJT}Is someone going to be notified so that
8 Mr. Saporito won't be inconvenienced and he is standing out
9 there in the guard house not knowing what is going on? ^{WJT}

10 We quickly devised a game plan which was pretty
11 simple. Watt Hinson, the next morning -- because you have
12 to remember, Dick Balcomb and I weren't going to be here the
13 next day. The next morning we weren't coming to the site,
14 we were flying up to Arlington, Texas. We all agreed that
15 Watt would make some phone calls bright and early the next
16 morning so that maintenance would be notified, and that they
17 would start the exit interview process, so that Mr. Saporito
18 wouldn't be inconvenienced.

19 Those are the only three times I saw him, Dick
20 Balcomb.

21 Q So you are saying, no, you did not have any other
22 discussions with Mr. Balcomb regarding Mr. Saporito's
23 possible omission of information on those forms, is that
24 correct?

25 A That is the best of my recollection.

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1 Q Did you at any time give him any recommendation as
2 to how you believed he should proceed?

3 A No. Other than, follow your procedures.

4 Q You said you consulted with Mr. Baer on at least a
5 couple of occasions on that day. Did you consult anyone
6 else before any of these actions were taken, such as Mr.
7 Phall, who you have mentioned several times as being the
8 individual you report to?

9 A No.

10 Q You did not contact Mr. Phall regarding this
11 situation?

12 A No.

13 Q Did you talk to anybody else about this?

14 A Not to my recollection, no.

15 Q Was there any discussion before --

16 MR. BAER: That includes lawyers, too, I want to
17 make sure?

18 THE WITNESS: Other than the times I already told
19 you where I sought counsel.

20 BY MS. VAN CLEAVE:

21 Q Mr. Baer, right, I think you specifically
22 mentioned Mr. Baer?

23 A Right.

24 That answer specifically was for the access
25 authorization portion. I did talk to other individuals

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1 about our attempt to get additional information from
2 Saporito, i.e., Mr. Sink's attempt to interview him, because
3 I talked to Don ~~Boner~~^{Behner WJJ} and Tommy Jordan about that.

4 Q I am trying to look at this one specific area, the
5 access authorization, either revocation, denial, or whatever
6 was going to be determined, and the possible omission of
7 information from his employment forms, and they are kind of
8 tied together, so those two things.

9 You didn't have any discussion with anyone else,
10 is that what you said?

11 A Right.

12 Q Before Mr. Balcomb made the decision to revoke Mr.
13 Saporito's access, was there any discussion about whether or
14 not this would be consistent with action taken in other
15 cases, other similar cases here at South Texas?

16 A As I understand your question, have there been
17 similar --

18 Q That is not my question. My question was, were
19 there any discussions about whether or not revocation would
20 be consistent with action taken in similar cases in the
21 past?

22 A With anybody?

23 Q Yes, with anybody?

24 A Yes.

25 Q Okay.

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1 And what kind of discussions did you have?

2 A With legal counsel.

3 Q So you had discussion with Bill Baer?

4 A Yes.

5 Q Did you come back and impart this to Mr. Balcomb,
6 or Watt Hinson, those were the two people that, I guess,
7 were kind of in this decisionmaking process, I think Mr.
8 Sink was kind of standing over to the side, did you discuss
9 that with them?

10 A The consistency of these decisions?

11 Q Yes.

12 A No.

13 Q Did you seek any information from anyone as to
14 whether or not that would be consistent with past
15 procedures, or past practice, I guess, would be a better
16 term?

17 A That was explored, and I am trying to remember now
18 how, because I did have some information in regards to past
19 practice, what had taken place in the past, but in those
20 three meetings on the 20th that I am talking about with
21 Balcomb, I do not recollect any conversations regarding past
22 practice or anything like that. My major emphasis was
23 follow the procedures.

24 Q When did you look into this issue of past
25 practice?

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1 A Part of it came about because I knew, in my
2 efforts to continue a program that had started months before
3 the 2.206 was issued, and that was a regulatory mandate, I
4 guess, is the best word for the new access authorization
5 rule that had to be put into place by, I think, May 27th of
6 this year.

7 Our previous access program was reviewed and I had
8 seen results of what we had done, and I can make this a real
9 long story, but the short version is, because we were
10 changing the access authorization, I was privy to
11 information about what had previously taken place, and what
12 changes we were going to make to improve that process, and
13 that is where I had a lot of that knowledge.

14 Q You said that someone had done a study, is that
15 what you said?

16 A There were -- I don't think I said somebody had
17 done a study, I think what I said is, based upon looking at
18 what had been done under the old program, and the
19 procedures, the IP7.02Q, there was a draft of a new
20 procedure, in fact, I think it was an IP -- I guess it was,
21 it was tracked as IP9.05Q --

22 Q Looking at the procedure isn't going to tell you
23 what specifically done in similar cases. That procedure --

24 A No, but to understand the old procedure and the
25 new procedure, I have had conversations with people well

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1 before this 2.206 was ever issued in regards to what was
2 standard practice, what had we done, what we were embarking
3 upon, and ultimately my position, are we complying with the
4 new mandate, the access authorization rule.

5 Q And when was that going to go into effect?

6 A I think it was May 27th.

7 Q Of 1992?

8 A This year, yes. But it was a long evolution, and
9 we started working on it about a year ahead of time.

10 Q Did you see anything in writing about the practice
11 in the past, a number of adjudications in cases where
12 individuals had omitted information, or anything like that,
13 was any such report provided to you, or information provided
14 to you?

15 A No written report that I recall, and no study that
16 I recall back at that time. Verbal conversations, and then
17 my interface with the adjudication process when I was the
18 maintenance manager because, being the maintenance manager,
19 I had a number of people that ended up going through the
20 adjudication process, so I am familiar from that aspect
21 also.

22 Q Who did you talk to to familiarize yourself with
23 this, was that Mr. Hinson?

24 A Yes.

25 Q Anyone else?

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1 A Bill Randlett.

2 Q He was the former security?

3 A Security manager. The reason I would get involved
4 with Bill Randlett is because, as the maintenance manager,
5 any of my people that were going through the adjudication
6 process normally, I would end up dealing with Watt or Bill
7 Randlett, and Bill Randlett would be making the decision.

8 Q And what had you determined from these discussions
9 with these individuals regarding standard practice in the
10 past?

11 A That the old access authorization program was
12 reviewed on a case-by-case basis on its individual merits
13 case-by-case. The criteria was laid out in the procedure,
14 IP7.02, and traced back to the regulation, but they would
15 look at each case on a case-by-case basis.

16 Overall trends, I didn't see anything written, or
17 any statistical studies performed, or anything like that,
18 but, based upon my experience as the maintenance manager,
19 and the process of reviewing procedures, and talking to
20 people, and making sure that we were going to comply with
21 the access authorization rule, I came to the general
22 conclusion that omission of a material fact was one of the
23 stronger reasons for people to be denied access.

24 The reason I say stronger reason is, I can tell
25 you the other side of the coin, credit history, there

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1 weren't all that many, if any, people that were denied
2 access because of credit history. It wasn't until after all
3 this I found that there was at least one that was denied
4 because of credit history.

5 The bottom line is, I didn't see a study. It was
6 just my involvement with it as licensing manager, and
7 maintenance manager.

8 MR. SHAPIRO: That was enough to satisfy your
9 overall concern that you be consistent at following normal
10 policy that if they were going to invoke this action,
11 revocation of access, in your mind, that was consistent with
12 past practice?

13 THE WITNESS: Yes.

14 MS. VAN CLEAVE: Let's take a break right now.

15 It is 12:20 p.m., and we are going to take a short
16 break for lunch.

17 [Whereupon, at 12:20 o'clock p.m., the interviewed
18 recessed to resume at 1:00 o'clock p.m., the same day.]

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1 A F T E R N O O N S E S S I O N

2 [1:05 p.m.]

3 MS. VAN CLEAVE: We will go back on the record.

4 It is approximately 1:05 p.m., and we have taken a
5 short break for lunch, and we are going to resume
6 questioning Mr. Jump.

7 Whereupon,

8 WILLIAM J. JUMP,

9 the witness on the stand at the time of the recess, resumed
10 the stand and, having been previously duly sworn, was
11 examined and testified further as follows:

12 BY MS. VAN CLEAVE:

13 Q We were talking about the adjudication and the
14 decision to revoke Mr. Saporito's access, and I had another
15 couple of questions on that specific area. You have
16 reiterated over and over, and that is probably redundant,
17 that you wanted to be sure Mr. Saporito was treated like
18 everybody else.19 Are you always involved in adjudications of
20 employees?

21 A No.

22 Q Why were you still involved in this case, why were
23 you present during any discussions between Mr. Balcomb, Mr.
24 Hinson and security as to what to do with the information
25 that they received from Mr. Saporito?

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1 A Two reasons. One, I am the one that found the
2 potential derogatory information, and probably most
3 importantly is because I was the project manager over the
4 2.206 investigation, and part of that responsibility was to
5 ensure that Mr. Saporito was treated fairly by the
6 procedures, and that no special treatment or discriminatory
7 action would be taken against him.

8 Q But wouldn't you usually rely on the head of the
9 security department to follow his own procedures?

10 A That is true. I normally would. In this case, I
11 just took the extra effort to make sure that there was
12 nothing abnormal or discriminatory taken in this special
13 case.

14 Q So the morning of the 20th, you received the DOL
15 decision, and by the evening of the 20th, maybe ten hours
16 later, Mr. Saporito's access was revoked. Is that accurate?

17 A Yes.

18 Q Is that standard procedure?

19 Does nuclear security usually move that fast that
20 some information can come in, and within ten hours the
21 individuals access is either revoked or denied?

22 A Security has in the past, and will continue to
23 move that fast on derogatory information that affects
24 something of this critical nature, which is, namely,
25 unescorted access to the protected area.

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1 Q They have a backlog of adjudication cases, or at
2 least they did when I was here. What caused this one to
3 move to the forefront ahead of all these other cases?

4 A I believe the backlog of adjudications that you
5 are referring to require additional verification or
6 investigation with outside groups, or even with Federal
7 agencies in order to collect additional information for
8 verification of what the employee or contractor has told
9 them.

10 In this particular case, they held the interview
11 with the contractor to ascertain the derogatory information,
12 and they were provided with even additional derogatory
13 information during the interview. They did not need to get
14 additional information for verification from outside
15 agencies, or Federal agencies to conclude this particular
16 investigation.

17 Q So they relied on what Mr. Saporito, himself, told
18 them?

19 A That coupled with the information they had that I
20 had provided through the DOL documentation.

21 Q Do you know if it would be standard practice to
22 confirm information provided by an interviewee like this?

23 Mr. Saporito had said he worked for a hotel for a
24 couple of months, and he got into a disagreement about a
25 shower, and he was fired. I don't know what the other

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1 situation was, I don't know if we discussed that. Would it
2 be usual to confirm something like that?

3 Mr. Saporito has volunteered this during this
4 interview, and I don't see any indication that anyone
5 attempted to confirm his story. Would it be usual to try to
6 do that?

7 A I don't know. You would have to ask the security
8 manager, or security investigations.

9 Q You said you had reviewed the adjudication
10 procedure, or process with Mr. Hinson as part of the
11 changeover in your procedures. Did Mr. Hinson indicate to
12 you what he considered to be a material omission that might
13 lead to revocation or denial during these discussions that
14 you had with him?

15 A What specific time span are you referring to?

16 Q I think you said you had some discussions with him
17 in relation to switching over, and as of May 31st of '92 you
18 were changing the procedures, and you didn't give me a
19 specific time. You just said you had several discussions
20 with him prior to Mr. Saporito's filing a 2.206, but they
21 did involve discussion of the adjudication process.

22 So during that time, did you have any discussion
23 of what would lead to a denial or what would lead to a
24 revocation, what type of information he considered
25 significant, or anything like that?

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1 The procedures are very, very vague, very general.
2 They were, you said they changed, but they were.

3 A The conversations I had with Watt Hinson as well
4 as several other members of the security department during
5 that phase you referred to which spanned six to nine months
6 during that period of working on changing the access
7 authorization program to get into compliance with the access
8 authorization rule, I came across several conversations
9 about the criteria, the format, the process, and how we were
10 going to streamline it and make it more efficient.

11 As far as specific conversations about cases where
12 someone would be denied, or someone would be granted
13 continued unescorted access, there were very few of those.

14 As I had previously mentioned, though, when I was
15 maintenance manager, I had several cases where employees of
16 mine or contractors that worked in the maintenance
17 department were involved in the adjudication process, and
18 that is where I probably got most familiar with the types of
19 information, and the process which was done on a case-by-
20 case basis for each individual, and each circumstances
21 involving, and the type of information that was omitted, or
22 the criminal offense that may have occurred, because several
23 of these cases were on the 72-hour rule where an employee
24 would either notify he had been arrested, or in a couple of
25 cases, when I was in maintenance, they just failed to

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1 notify.

2 In those cases, it was pretty cut and dry, if they
3 didn't follow the procedure, and we found out about it
4 later, they were denied access.

5 But to specifically answer your question, did I
6 ever sit down and specifically discuss what types of
7 information you would deny somebody's access versus what
8 types of information you would normally allow someone to
9 stay, or you would deny their initial request, I don't
10 recall any conversations in that specific area.

11 What I have tried to relate to you is some of the
12 experiences I have had, and some of the conclusions I have
13 come to because of that experience, but the procedure
14 revision dealt more on the process, and streamlining it, and
15 my specific involvement was to ensure that what they ended
16 up with would, indeed, comply with the minimum criteria of
17 the access authorization rule that was made effective this
18 year.

19 BY MR. SHAPIRO:

20 Q There is something I don't understand. You stayed
21 involved after you referred it to security because you
22 wanted to ensure that all the actions taken regarding Mr.
23 Saporito, because he had filed a 2.206 petition, were
24 consistent with normal practice?

25 A Right.

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1 Q You repeatedly mandated that people follow normal
2 procedures exactly to the letter, and I think I understand
3 that is the reason you stayed involved, there were others,
4 but that is the primary reason.

5 Yet, when they got to the point where they were
6 going to invoke a sanction for this, you didn't say, "Well,
7 let me make sure what they are going to do is consistent
8 with what they have done in the past," you didn't make any
9 inquiry into, in like circumstances in the past, this is the
10 action we took.

11 You didn't feel the need to satisfy yourself there
12 that the licensee was acting in conformity with normal past
13 practice?

14 A No, I didn't feel there was a need to make that
15 verification of conformity to past practice.

16 Q Why?

17 A Because of the knowledge I had in reviewing the
18 procedures, and having talked to the people about the old
19 process, and the emphasis they placed upon the fact that it
20 was a case-by-case decision, which led me to believe that
21 each case was measured on its own merits, and it would be
22 extremely difficult to go back and try to make any direct
23 comparison of this particular case to any other cases that
24 had transpired in the past because, if you look at them
25 under a microscope, each one of them is different, and I was

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1 not aware of any studies that had categorized these into a
2 table, or any format by which I could go back and easily
3 ascertain whether or not this fit into a particular pattern.

4 So, if they are reviewed on a case-by-case basis,
5 there was no way for me to go back and make that kind of
6 comparison.

7 Q But based on your knowledge and your experience
8 here, the sanction they were going to impose was not
9 inconsistent, was not out in left field compared to what you
10 knew had happened in the past?

11 A That's correct.

12 Q So you didn't feel at all --

13 A If I felt that it was different, or I felt that it
14 was special treatment, or I felt that it was discriminatory,
15 that was the whole reason I wanted to sit in and listen to
16 that thought process, and also knowing that Dick Balcomb
17 knew this individual was a 2.206 petitioner, I did not want,
18 in any shape, fashion, or form, a conversation going on
19 about, ^{WJT} Well, we need to be real careful about this guy, ^{WJT} or
20 ^{WJT} This guy has hurt the project so, therefore, we are going
21 to get rid of him. ^{WJT}

22 They could go either way on that type of
23 conversation, and I wanted to make sure that that did not
24 happen.

25 Q Was there any discussion after the Hinson

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1 interview of Mr. Saporito on the 20th, any discussion at all
2 about how the sanction they were going to impose in this
3 case compared to sanctions they imposed in previous cases?

4 Was there any discussion at all between Hinson or
5 anyone else at that meeting?

6 A I don't remember any specific conversations about
7 direct comparisons to the specific circumstances that they
8 had discovered with the Saporito interview and prior cases.
9 I don't recall them bringing up any names, any dates or
10 places about this case is identical to Joe Blow, or Sally
11 Sue. I don't remember any conversations like that.

12 There was discussion about material fact, but I
13 don't recall it in the connotation of a direct analogy to a
14 previous case.

15 Q Or how about a group of cases, they didn't
16 discuss, well --

17 A Definitely not a group of cases.

18 Q Okay.

19 BY MS. VAN CLEAVE:

20 Q How about in general terms like, ~~well~~ ^{well} ~~stet~~ ^{stet}, usually
21 when somebody omits information from their data forms, we go
22 ahead and let access continue," or "We usually revoke," or
23 "We usually deny," or anything like that?

24 A Not to my recollection. Like I said, there was
25 some conversation between Balcomb and Hinson regarding the

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1 merits of this particular case, but no analogy back to a
2 group of cases, I don't recall any. I don't think there
3 were any to specific cases, because I don't recognize or
4 remember any names, and I think I would have.

5 The degree of the severity, I got the impression
6 that Balcomb part of his decisionmaking process was because
7 of the number of omissions, it wasn't just one, but it was
8 more than one, because that is the way the line of
9 discussion was.

10 I remember Mr. Balcomb questioning Hinson about
11 the number, but not in relation to past practice in this
12 specific case.

13 Q What appeared to be the bottom line at issue, the
14 reason for the action?

15 A That willful omission of material fact that was
16 omitted because it may have changed the original decision to
17 grant access. The reason I say may is because you don't
18 know, you don't know what the thought process would have
19 been under those circumstances because, again, it was a
20 case-by-case basis.

21 Q And what was specifically named as being the
22 material information?

23 A The failure to disclose previous employers. That
24 I know for a fact. It may have included, as well, the -- I
25 think I have it written on my affidavit.

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1 Do you have that?

2 I think it may have also included the terminations
3 from those previous employments that weren't listed.

4 MR. BAER: Does the form require you to
5 specifically list any cases of termination?

6 THE WITNESS: I believe it does. In fact, the
7 Florida Power and Light termination was specifically listed,
8 and Mr. Saporito on the screening form indicated that was
9 because of NRC investigations, or something like that.

10 BY MS. VAN CLEAVE:

11 Q Your affidavit says, "Mr. Balcomb determined the
12 omissions were widespread and material," but it doesn't
13 really go any further than that.

14 You have stated the discussion centered around
15 employment, is that correct?

16 A Yes.

17 It doesn't say. The omissions were the employment
18 history.

19 Q I am still unclear as to why a determination was
20 made that this was material, or so serious that action was
21 taken within ten hours of your reviewing the DOL decision.

22 A First of all, it was serious in nature because it
23 was an indication that someone would not supply information
24 and gained unescorted access to a nuclear facility by
25 withholding information.

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1 Then I have already discussed the second reason
2 why it took place in such a short time span, and that is, I
3 don't believe you are going to find that is uncommon, even
4 though we do have a backlog of adjudications. That backlog
5 primarily stems from the fact that it is extremely difficult
6 to take the statement of an individual and go verify that
7 statement through collection of school records, from the
8 FBI, from the National Personnel Records Center. They don't
9 give you information the same day you ask for it.

10 In fact, we have had a continuing problem with the
11 FBI and the National Personnel Records Center in getting it
12 in 180 days. Schools, they are not motivated to give us the
13 information. It is time consuming, and so those
14 adjudications do sit in the ^{queue with} ~~key~~ waiting for that information
15 to come in.

16 But those primarily come from a basis of verifying
17 an employee, what he said on his screening form, indeed, is
18 true. This was the exact opposite case. This was a case of
19 omitted information, and the determination of why would any
20 individual fail to comply with the instructions and put down
21 all that information. I think the answer lies in the fact
22 that at least one of those three that he didn't list he was
23 terminated from.

24 Q Do you have any idea of how often adjudications
25 result in unescorted access denial or revocation?

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1 A I previously said I have not seen a study that
2 would give me that information.

3 Q But do you have any idea?

4 I know you said you had some discussions with some
5 people. Do you have any idea how many of these actually
6 result in site revocation?

7 A No.

8 Q I reviewed 401 files, to be exact, and nine
9 resulted in escorted access revocation, and that doesn't
10 include Mr. Saporito. That is 2.24 percent. Only two of
11 those had anything to do with omission of information from
12 their application forms.

13 They had things to do, like, with arrested for
14 jumping bond for possession of controlled substances,
15 failing to show up for work for three days, things like
16 that.

17 However, when I reviewed all these files, I found
18 39 cases where employees omitted information, but access was
19 continued or granted. I could read all 39 of them, but I
20 won't. I will tell you that a lot of those had to do with
21 arrests that people did not mention.

22 This individual didn't list three arrests because
23 he forgot about them. His access was continued. When I say
24 "he" that is generic, it could be she. I don't know.

25 A I understand.

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1 Q This individual didn't list an arrest because it
2 just didn't come to mind, and access was continued.

3 This individual was arrested twice, and he just
4 didn't think much of it, so he didn't list it.

5 This individual didn't list it because he thought
6 it was a minor offense.

7 This individual had two arrests for drug
8 possession, and two for DWI, and didn't list any of those.
9 Nuclear security conducted an interview, but I was unable to
10 determine any explanation, however, they still granted him
11 access.

12 This individual didn't bother to mention that he
13 was arrested for employment fraud, but access was continued.

14 This individual did list three arrests, but he had
15 nine more that he didn't list because he couldn't remember
16 all those dates anyway, and his access was continued.

17 This individual was arrested for bribery and
18 conspiracy, and he said, "Well, he thought he received
19 immunity in exchange for testimony, so he didn't consider
20 that to be an arrest," and his access was continued.

21 I am going to skip all the rest of these arrests
22 down here to, this individual had unfavorable employment
23 history. He had three discharges for cause, and access was
24 granted.

25 This individual had two terminations for cause,

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1 and access was granted.

2 This individual didn't disclose an arrest, access
3 was initially denied, but it was reinstated.

4 I didn't list all 39, but I am trying to determine
5 how Mr. Saporito, who did not list employers, why you
6 considered that to be such a serious nature, and many of
7 these people were arrested, not just once but several times,
8 you did mention the more than once being a factor, and their
9 access was continued or granted.

10 Can you explain to me the discrepancy as I see it?

11 I see a discrepancy. Can you explain that to me,
12 what led to the decision that his omissions were so material
13 that his access was revoked within ten hours?

14 Can you explain that to me?

15 A Can I explain everything you have just mentioned,
16 no, I can't.

17 Q Were you aware of all this?

18 A As I stated previously, I was not aware of
19 specific cases, like you have just mentioned there. My
20 background and experience as the maintenance manager, and
21 being involved in the adjudication process for my specific
22 employees as well as contractors enlightened me. That
23 experience gave me some details.

24 But as far as an overall evaluation of a sample
25 like 401, I did not have that information available to me.

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1 In order to address what you are categorizing as an apparent
2 discrepancy or deviation, I can't explain that to you,
3 mainly because I was not directly involved with those
4 decisions.

5 The only thing I can tell is what I told you in
6 the past, the old access authorization program was conducted
7 on a case-by-case basis. They would look at the merits of
8 each individual case. They would look at the facts, whether
9 it was omission of detail, or whatever the circumstances
10 were, and they would make a decision.

11 Q You are saying it was subjective?

12 A I am saying it was on a case-by-case basis.

13 Q You have stated that his omissions were material?

14 A Right.

15 Q Do you have any idea why that was considered
16 material when failure to list several arrests in numerous
17 cases, apparently, was not determined to be material?

18 A The only thing I can tell you is that the
19 specifics of that thought process, you would have to talk to
20 Watt Hinson and Dick Balcomb about because they are much
21 more versed in it than I.

22 From what I observed when I listened to those
23 conversations is, Watt determined through the interview
24 process that this individual was not confused about what
25 needed to be put on the screening form. There was no bona

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1 fide reason for omitting that information from the file.

2 Where, in other cases, like of criminal cases, you
3 mentioned several times as you read your list, that people
4 would be arrested, and they would say they forgot to put it
5 down. I have heard during that process of where we were
6 trying to get the programs revised to meet the access
7 authorization rule, I would hear things like, people would
8 say that because their lawyer had told them it was deferred
9 adjudication, it wouldn't be on their record, examples like
10 that.

11 So those would be taken into consideration and, on
12 a case-by-case basis, they would accept that.

13 Q But the screening affidavit here says, "Have you
14 ever been arrested, indicted, or charged" --

15 A Right.

16 Q -- "with violating any" -- underlined -- "law,
17 regulation or ordinance." It doesn't say, "If the charges
18 were subsequently dropped, you don't have to list that?"

19 A Right.

20 MR. BAER: I would object to that here. You can
21 answer the questions, but what you are being asked to do is
22 speculate about a lot of cases you haven't looked at, and I
23 don't see the point of it.

24 MS. VAN CLEAVE: Well, the point I am trying too
25 determine how Mr. Saporito's case was judged to be material,

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1 the omissions of his information was judged to be material
2 in relation to others, and he did bring up the fact that
3 people had said that they had deferred adjudication, and
4 that there might be a misunderstanding.

5 To clarify that statement, I just read the
6 question here, and I was trying to see how there could be a
7 misunderstanding when the questions is fairly clear.

8 THE WITNESS: All I can say is what was relayed to
9 me during that process of ensuring that the new access
10 authorization procedures would comply with the rule.

11 As I have previously said, and I will say it
12 again, I am aware of very few specific cases, except those
13 cases I was involved with as the maintenance manager, and I
14 would get involved in those cases because they were my
15 employees, and I wanted to make sure that the process was
16 conducted correctly, and that those people were adjudicated.

17 The key here is to do the right thing, and that
18 hasn't changed since I came on this project four years ago.

19 BY MS. VAN CLEAVE:

20 Q Do you believe you did the right thing involving
21 Mr. Saporito?

22 A Yes, ma'am.

23 Q Have you ever met Mr. Saporito?

24 A No, I have not.

25 Q Have you ever talked to him?

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1 A No.

2 Q Have you ever received any communication from him?

3 A Not directly. Being the licensing manager, and
4 still in charge of the 2.206 investigation, correspondence
5 every once and a while is sent to Mr. Phall, and that comes
6 over to me.

7 Q But he hasn't had any direct contact with you, or
8 addressed anything to you?

9 A No.

10 BY MR. SHAPIRO:

11 Q You took great measures, and went to great lengths
12 to ensure, as you were directed to, that all the action
13 taken relating to the 2.206 petition, and later in the
14 access revocation, were consistent with normal practices.

15 You didn't have the benefit of this informal
16 study, or any study, for that matter, about how the utility
17 had adjudicated matters in the past.

18 Had you had this knowledge, had you known that of
19 approximately 400 cases nine resulted in unescorted access,
20 out of all the material omission cases, 39 resulted in
21 access continued, and two resulted in access denied, would
22 that have affected your input at the meeting following
23 Hinson's interview of Mr. Saporito?

24 MR. BAER: I am going to object to this. He is
25 not familiar with how that sample was done. He is

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WJJ

1 unfamiliar with any of those cases, and I think you are
2 asking him to speculate based on a premise that he hasn't
3 had any opportunity to examine or know the truth of.

4 MR. SHAPIRO: Let's rephrase it an easier way.

5 BY MR. SHAPIRO:

6 Q Had you had knowledge that the overwhelming like
7 cases, like to the Saporito Case, resulted in access
8 continued, would that have raised concerns when you found
9 out they were going to deny his access?

10 MR. BAER: Objection, again. That premise hasn't
11 been established. I don't know any such fact, and I am not
12 sure --

13 MR. SHAPIRO: This is a hypothetical question that
14 I think he is in a position to answer. If he had such
15 knowledge, would that have raised concerns that you were
16 acting inconsistent, "you" being the company?

17 THE WITNESS: Hypothetically, if the numbers in
18 the past showed that there was some inconsistency, I am
19 charged, as a manager of the nuclear power facility, to
20 discharge my responsibilities, and do what is right, what is
21 correct.

22 If I was aware of the fact, hypothetically, that
23 there were anomalies on a case-by-case basis in the past,
24 would that have affected my decision to do the right thing
25 that night, no.

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WJT

1 Would that have raised other concerns that I would
2 have had to have gone off and investigate and try to
3 rectify, yes.

4 Would that have had a bearing on what was
5 proceeding with the Saporito Case, no.

6 I will remind you, I didn't make the decision
7 anyway, but I would have made sure, though, that those
8 people that were charged procedurally with making the
9 decision did not get confused and, if they had that prior
10 knowledge, all I would have asked them is, comply with your
11 procedures, and do the right thing. What is the right thing
12 to do?

13 The regulations specify certain criteria. We have
14 taken that information and put it in our procedures. Do the
15 right thing.

16 MR. SHAPIRO: I don't want to go any further on
17 that now.

18 BY MS. VAN CLEAVE:

19 Q Have you attended any other meetings, other than
20 these we have already discussed, at which the issue of Mr.
21 Saporito's access revocation for omission of information
22 from his forms was discussed?

23 A Subsequent to February 20th?

24 Q Any, subsequent, prior, any other meeting?

25 We have discussed several.

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WJT

1 A Right.

2 Q Most of which, I think, were on the 20th.

3 A There have been discussions and meetings involving
4 the decision that took place the night of the 20th. I can
5 give you some examples, if you would like. The answer to
6 your question is, yes, there have been.

7 Q Any idea how many?

8 A Half a dozen.

9 Q Involving whom besides yourself?

10 A Dick Balcomb, Watt Hinson, legal counsel. In the
11 majority of these meetings, the subject matter was Mr.
12 Saporito's appeal of unescorted access, of that decision.

13 Q His appeal was denied, is that correct?

14 A That's correct.

15 Q Did you have any input into that decision?

16 A To deny?

17 Q Yes, his appeal?

18 A No. That is a decision made by the manager of the
19 security department, at that time.

20 Q Who made that decision?

21 A Dick Balcomb.

22 Q The meetings that you mentioned, was legal counsel
23 present at all these meetings?

24 A Not all of them.

25 Q Do you have any notes?

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W-J-T

1 A No.

2 Q You don't keep any notes of any of your meetings,
3 or conversations?

4 A No.

5 Q What was determined during those meetings?

6 A I want to make sure -- I do keep notes, but of
7 like NRC exit meetings, and things like that.

8 Q I haven't seen any notes so far. But you don't
9 have any notes, and did not make any notes, is that correct,
10 regarding these meetings?

11 A That's correct.

12 Q And you said there were, approximately, half a
13 dozen of them?

14 A Roughly.

15 Q Approximately?

16 A Yes.

17 Q The subject matter being Mr. Saporito's appeal, is
18 that correct?

19 A Yes.

20 Q Was there discussion about whether or not his
21 appeal should be granted?

22 A Not in any of the meetings I attended. The
23 conversation was more along the line of the procedural
24 process, and ensuring that the procedures were implemented
25 properly.

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WJT

1 As far as discussion of whether or not the appeal
2 should be granted or denied, I don't, off the top of my
3 head, remember being involved in any of those conversations.

4 Again, that was a decision not within my power,
5 ^{not WJT}~~not~~ should it have been.

6 Q No, but you said you were involved in the
7 discussion, or you were present, I should say, during the
8 discussions as to whether or not to revoke his access,
9 initially, you were present.

10 A Yes, I sat in on those. Right.

11 Q You said because you believed, since you had been
12 charged with responding to the 2.206 petition, you believed
13 you should be sure that he was treated fairly, et cetera, et
14 cetera, but you did not hold that belief regarding any
15 appeal that he might file?

16 A As I said, the majority of these meetings had to
17 do with the procedural process by which the appeal would be
18 conducted. I don't recall being in any meetings where we
19 discussed the pros or the cons of the case. I just didn't
20 happen to be in any of those. I am not sure there were any
21 of those.

22 Q That was my next question. Do you know if there
23 was any discussion about whether or not his appeal should be
24 granted?

25 A No.

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WJT

1 Q You don't know or, no, there wasn't?

2 A I don't know because, like I said, I don't recall
3 being in any of those meetings where that was discussed. It
4 was more along the lines of how does that process work, and
5 making sure that that is complied with up to and including
6 sending the letter out to Mr. Saporito with the results.

7 Q Did anyone ask you, such as Mr. Phall, how this
8 decision was reached?

9 A The decision on appeal?

10 Q No, the decision to revoke Mr. Saporito's access?

11 A The night of the 20th, the night that the decision
12 was made, as I earlier said, Dick Balcomb and Watt Hinson
13 left my office to go process the paper to do it, and I had a
14 couple of things I had to do in my office, and I called Mr.
15 Phall at his apartment in Bay City to notify him that a
16 contractor had his unescorted access denied.

17 He asked for what offense, and I said, ^{WJT} An
18 omission of material fact. ^{WJT} That was it.

19 BY MR. SHAPIRO:

20 Q Did you tell him it was the contractor who had
21 filed the 2.206 petition?

22 A I believe I said it was the 2.206 petitioner.

23 Q And he just said okay?

24 A He thanked me for providing him the information.
25 I felt it was my obligation to notify my boss.

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WJT

1 BY MS. VAN CLEAVE:

2 Q Is that standard?

3 A To notify my boss of a significant licensing
4 activity, yes.

5 Q So is revocation then considered a significant
6 licensing activity?

7 A Am I going to say that every revocation that Mr.
8 Phall is immediately notified, no, but the reason in this
9 case is because I, as the project manager, felt that I
10 needed to let Mr. Phall know about that revocation.

11 Q He didn't ask you for any details?

12 A I mentioned the only detail he asked for, and it
13 was the offense. I said, ^{WJT}omission of material fact ^{WJT}

14 BY MR. SHAPIRO:

15 Q Is that the first Mr. Phall was aware of anything
16 involving the access revocation?

17 A To my knowledge, it was.

18 Q He had no knowledge of the discrepancies that you
19 had stumbled on, or Hinson holding a hearing, or security
20 taking any action?

21 A I am reasonably confident he didn't know anything
22 about Watt Hinson conducting the interview, or the morning
23 of the 20th researching the information I had given him, and
24 then subsequently coming to the conclusion, and being told
25 by Dick Balcomb to interview Mr. Saporito.

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WJT

1 If he knew anything about it, he didn't know about
2 it from me.

3 BY MS. VAN CLEAVE:

4 Q So a decision was made to deny Mr. Saporito's
5 appeal. You said Mr. Balcomb made the decision. Was Mr.
6 Saporito then notified?

7 A Yes.

8 Q And do you know how he was notified?

9 A In writing.

10 Q Do you know who wrote the letter?

11 A I believe it is Dick Balcomb's signature on the
12 letter.

13 Q Denying his appeal?

14 A Yes. I would have to look at the letter to
15 confirm that, but I am reasonably confident that Dick
16 Balcomb signed it.

17 Q Has there been any discussions since that time
18 regarding his termination, or access revocation, or denial
19 of appeal, since that letter was sent out?

20 A None other than setting up interviews.

21 Q That is for the NRC?

22 A Right.

23 Q I guess DOL has been out here?

24 A Right.

25 Q Do you have anything further?

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WJI

1 A No.

2 MS. VAN CLEAVE: Thank you very much.

3 We will go off the record.

4 The interview is concluded.

5 [Off the record.]

6 MS. VAN CLEAVE: We will go back on the record.

7 I forgot to ask my two standard questions. Heaven

8 forbid.

9 I inadvertently forgot to ask my two standard
10 closing questions here.

11 MR. BAER: Could you repeat all your prior
12 testimony?

13 [Laughter.]

14 BY MS. VAN CLEAVE:

15 Q Mr. Jump, have I or Mr. Shapiro threatened you in
16 any manner, or offered you any rewards in return for your
17 statement?

18 A No.

19 Q Is there anything further you would like to add
20 for the record?

21 A Can I take a break and talk to my legal counsel
22 before I answer that last question?

23 Q Sure.

24 MS. VAN CLEAVE: Off the record again at 1:50 p.m.

25 [Discussion held off the record.]

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WJT

1 MS. VAN CLEAVE: We are back on the record.

2 It is approximately 1:55 p.m., and we took a short
3 break while Mr. Jump consulted with his counsel, Mr. Baer.

4 BY MS. VAN CLEAVE:

5 Q I believe the last question I had asked was, is
6 there anything further you would care to add for the record?

7 A Nothing further.

8 MS. VAN CLEAVE: This interview is concluded. It
9 is approximately 1:56 p.m.

10 [Whereupon, at 1:56 o'clock p.m., the interview
11 was concluded.]

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REPORTER'S CERTIFICATE

This is to certify that the attached proceedings before the United States Nuclear Regulatory Commission

in the matter of:

NAME OF PROCEEDING: William J. Jump

DOCKET NUMBER:

PLACE OF PROCEEDING: Bay City, Texas

were held as herein appears, and that this is the original transcript thereof for the file of the United States Nuclear Regulatory Commission taken by me and thereafter reduced to typewriting by me or under the direction of the court reporting company, and that the transcript is a true and accurate record of the foregoing proceedings.

Tern Whiteside

Official Reporter
Ann Riley & Associates, Ltd.

I have read the foregoing transcript, made and initialed any necessary corrections, and have signed my initials at the bottom of each page. This transcript ~~is the truth~~ to the best of my knowledge and belief.

accurately reflects my testimony

Some topics covered in this transcript are described in more detail in my April 2, 1992 affidavit. That affidavit was prepared shortly after the events in question when my memory was fresher. The affidavit was provided to the NRC at or before the time this transcript was made.

William J. Jump
Signature

9/16/92
Date