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UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

In the matter of:

TEXAS UTILITIES ELECTRIC COMPANY, et al

(Comanche Peak Steam Electric Station, Units 1 & 2) Docket No. 50-445 50-446

Deposition of: Robert George Spangler

Location: Glen Rose, Texas

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UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY & LICENSING BOARD

In the matter of:

TEXAS UTILITIES ELECTRIC

COMPANY, et al.

Companche Peak Steam Electric

Station, Units 1 and 2)

Glen Rose Motor Inn Glen Rose, Texas

July 9 , 1984

Deposition of: ROBERT GEORGE SPANGLER, called by examination by counsel for Intervenors, taken before Marilynn Nations, Court Reporter, beginning at 4:20p.m., pursuant to agreement.

Q.

APPEARANCES: 2 3 FOR THE NRC STAFF: 4 ORESTE RUSS PIRFO, Esq. Office of the Executive Legal Director 5 U.S. Nuclear Regulatory Commission Washington, D.C. 20555 6 7 FOR THE APPLICANT: 8 SANFORD L. HARTMAN, ESQ. Bishop, Liberman, Cook, Purcell & Reynolds 9 1200 17th Street NW 10 Washington, D.C. 20036 11 12 FOR THE JOINT INTERVENORS: 13 JANE SAGINAW, ESQ. Frederick M. Baron & Associates 14 8333 Douglas Avenue, Suite 1050 Dallas, Texas 75225 15 16 17

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MR. HARTMAN: We have a brief opening statement we would like to make.

My name is Sanford Hartman. I am a member of the law firm of Bishop, Liberman, Cook, Purcell & Reynolds, counsel for Texas Utilities Electric Company, applicant in this proceeding. I appear here today in that capacity and as an attorney for Mr. Archie Spangler, a TUGCO employee.

Before proceeding further I wish to point out that Mr. Spangler is appearing voluntarily and that he is not under subpoena.

Mr. Spangler's testimony has been requested from the applicant by CASE, intervenor in this proceeding on the topic testified in CASE's letter to Leonard W. Belter dated June 27, 1984, a copy of which has been marked for identification by the reporter and appended to the transcript of Mr. Vega's deposition as Exhibit A.

The applicants have already noted their objection to the deposition proceedures and schedule ordered by the Board and it attends no waiver objections by Mr. Spangler's appearance today.

MR. PURFO: I have a problem with your opening statement with regard to Mr. Kahler. Although you state that you are here in the capacity representing both the company and the witnesses personally, I have a little

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problem with how you can act in the capacity of a personal representative and a representative of the company.

Your representation notwithstanding, I think Staff's position is that you are not here as a personal representative of the witness but are here as an attorney for the utility.

MS. SAGINAW: Intervenors also take that position. Also I would like to reserve any other factual objections to that preliminary statement read into the record today.

Mr. Spangler, my name is Jane Saginaw and I represent the Intervenors in this case. I will be asking you questions today dealing with this report on allegations of cover-up and intimidation and it is dated August 19, 1983.

Before I get into that I would like to cover with you very briefly with your educational background.

EXAMINATION

BY MS. SAGINAW:

0 Where did you grow up?

an Antonio, Texas.

0 Did you go to high school there?

Á Yes, I did.

0 Where did you go to high school?

A Thomas Jefferson High.

1		Q	And when did you graduate?
2		A	1965.
3		Q	Let me ask you first did you bring your
4	resume	with yo	u today?
5		A	No, I did not.
6		Q	I am going to spend a little bit of time
7	then in	develo	ping your background.
8			Upon graduation in 1965 did you go to
9	college	?	
10		Α	Yes.
11		Q	Where did you go?
12		A	University of Texas at Austin.
13		Q	Did you enter directly after graduation?
14		A	Yes.
15		Q	And what was your major ET?
16		A	Electrical engineering.
17		Q	Did you go straight through?
18		A	Yes.
19		Q	Which means that you graduated in 1969?
20		A	I did; December of 1969.
21		Q	Did you go on for any graduate training?
22		A	No.
23		Q	So you now have a B.S. in electrical
24	enginee	ring?	
25		A	No. I have a master of science in mechanical

engineering. I did not continue and get that at that time, though. 3 Okay. Would you tell me when you went back 4 to school? 5 A January of '74. Did you go back to UT? 7 Yes, I did. 8 And you got a masters? A In mechanical engineering. 10 Q What did you do between 1969 and 1974 that 11 started in 1969? 12 A I graduated in December of '69, so in 1970 13 I went on active duty in the U.S. Army Corps of Engineers, 14 Second Lieutenant. Served on active duty for two years 15 until 1972. 16 May I back up for one minute? Did you work 17 while you were at school, undergraduate school at UT? 18 A Yes. 19 Where did you work? 20 City Public Service Board of San Antonio. You worked in San Antonio when you were in 22 school in Austin. 23 During the summers; I am sorry. A 24 0 Okay. 25 I dia t work while I was a student.

1	Q And what did you do in San Antonio in the
2	summers?
3	A Did a variety of jobs. It was a utility
4	program, you were assigned usually as a helper in various
5	divisions.
6	Q For instance?
7	I served as an electrician's helper and as
8	a power production department. Served as a helper in
9	the garage. Served as a helper these are various
10	summer assignments. Served as a helper in the radio
11	electronics shop.
12	Q And you would do that in the summers?
13	A Yes.
14	Q Every summer while you were attending UT
15	during the year?
16	A Yes.
17	Q Okay. You graduated in 1969; in 1970
18	you went into active duty. Where were you located?
19	A While I was on active duty?
20	Q Yes.
21	A My permanent station was Hawaii. I was
22	assigned to U.S. Army in Hawaii.
23	Q And how long were you there?
24	A About 18 months.
25	Q That would take us to mid-1972; is that

right? That's correct. And what did you do then? 4 After I was out processed from the service 5 I returned to work for City Public Service Board as an 6 engineer. In San Antonio? 8 Yes. What was your job title? Staff engineer? 10 Electrical engineer, I think. I'm not sure. 11 I don't recall exactly. 12 How would you describe your job description 13 there? Resume style. I am talking about generally. 14 A I did a variety of jobs while I was there. 15 Maintenence engineering -- or in the maintenance group, 16 overhaul recovery. And then I was an IANC engineer for 17 the new unit. 18 What is an INC? 19 IANC unit, controls. 20 Oh. 0 21 For a new unit that was coming on. 22 Did you work in that job until 1974 when 23 you went back to get a master's degree? 24 A Yes. 25 Same job description from 1972 to 1974?

1	A Well, it covered those three or four areas.
2	Q During that time did you have any opportunity
3	to work on any nuclear projects?
4	A No.
5	Q Okay. Then you went back to ET, Austin
6	in 1974 and how long did it take you to get your master's?
7	A I completed the master's program in December
8	of 1976.
9	Q Did you work while you were working on your
10	master's; did you work outside the school?
11	A Yes, I was a research assistant. In the
12	Nuclear Engineering Department.
13	Q What professor were you working under?
14	A Dr. E. Lynn Draper.
15	Q I am sorry. The first name?
16	A E. Lynn Draper.
17	Q And what was his specialty?
18	A Well, Dr. Draper had his Ph.D. in nuclear
19	engineering from Cornell, I think.
20	Q What kind of projects did you work on as a
21	research assistant for Dr. Draper?
22	A We did neutronics calculations for thermal
23	blankets around a hypothesized fueion reactor. We did some
24	cross section measurements for various materials such as
25	nickel. High energy cross sections for various materials

such as nickel and iron and structural type materials that you might use building a blanket. Was the nuclear engineering part of the 4 mechanical engineering? 5 Yes. The University of Texas does not give master's degrees in nuclear engineering. They give a 7 master's degree in mechanical engineering. 8 Did you specialize in nuclear engineering 9 within the area of mechanical engineering? 10 A Yes. 11 Did you have some sort of special -- is there 0 12 anything in your degree -- can you strike that? 13 How did you come about specializing in THE SALES BUILDING BUILDING BUILDING CHANGE 14 nuclear engineering; did you take more courses in that than 15 anything else? 16 That's correct. 17 And does your master's degree reflect that 18 your specaility is in nuclear engineering? 19 Yes, it does. 20 How does it do that? 0 21 By course content. 22 Okay. Now what happened in 1976 after 23 receiving your masters; where did you go to work? 24 I received my master's degree in December of 25 1976. In January of 1977 I went to work for the U.S. NRC.

1	Q	Okay. What did you do between		
2	A	December 1976 was cut		
3	Q	Was that in Washington that you went to work		
4	for the NRC	?		
5	A	No. Fort Worth.		
6	Q	In Fort Worth? I'm sorry.		
7	A	Region 4.		
8	Q	Region 4. Where is that located?		
9	A	Arlington, Texas.		
10	Q	And what was your job title there?		
11	A	Reactor inspector.		
12	Q	What did that involve?		
13	A	Inspections of operating reactor faciliites.		
14	Q	About how many different operating		
15	facilities would you have occasion to inspect?			
16	A	Well		
17	Q	Let's take the period of 1977 to 1978.		
18	A	Four.		
19	Q	Which ones were those?		
20	A	Fort Calhoun, Cooper Nuclear Station,		
21	Arkansas Nu	clear I, Fort St. Marie.		
22	Q	How long did you stay at the NRC?		
23	A	I think until April of 1981.		
24	Q	So between 1976 and 1978 you had occasion to		
25	inspect fou	r facilities. Was it the same kind of work until		

you left in 1981?

A Yes. Over that time period of '77 to 1981 those were the four facilities I had occasion to visit.

Q All right. I see. What other kind duties would you perform at the NRC besides this on site inspection?

A I would say that that was my job description.

I don't feel like there are -- you know, there are no other duties that I performed.

Q But you would only spend a certain amount of time actually at the sites; right?

A At that time it was prior to the resident program and we traveled about every other week. We would spend a week on site, engage in inspection activities, and return to the office and file the report.

Q So you would travel about half the time?

A About.

Q Were inspectors divided into different categories; in other was were there certain inspectors to look for safety and health violations and other inspectors that looked for other type of violations? How was that set up?

A Okay. The time I was there there were really I would say three categories. There was an operating reactor inspector which is up where I served. Construction. And then there was a group that was health physics related.

So as an operating reactor inspector what 2 kind of things would you look for on site? Compliance with operating technical 4 specifications. 5 Does that mean once a reactor was in commission you would see that everything was running smoothly? 8 A Once the plant had been licensed, given an 9 operating license, our job was to make sure that the plant 10 was operated in accordance with the technical specifications 11 which was an appendix to the operating license. 12 Did you ever do any inspections prior to 0 13 licensing? 14 No. That would be the construction 15 group. 16 Did you have occasion to deal with that 17 group? 18 Actually I need to -- operating reactors 19 also included startup and preopt testing which is prior to 20 licensing. So actually I particupated in startup and 21 preopt testing in addition to actual operating. 22 But you never participated in the actual 23 licensing procedure? An investigation for licensing 24 procedure? You would come in after when the license was 25 assured, afterwards, to see that everything was running

smoothly; is that right?

A Primarily yes. You have to understand during the preoperational phase which is prior to the OL being issued that items that are not satisfied during that phase of the activity can be carried as a license commission. So in that sense --

Q So there is a condition placed on licensing you would follow up on that?

A If it was related to preopt testing and we had implemented that condition on the license, yes.

Q Okay. And you worked in that capacity until April '81. What did you do then?

A l left the Commission and went to work for Johnson Controls as a senior project engineer.

O Is that in --

A This particular office was located in North Dallas.

Q Why did you decide to leave the Commission?

A The career opportunities available at the Commission involved relocation and I preferred to stay in this area and I had the opportunity to move to Johnson Controls and remain in the area, and I elected to do that.

Q When you went over to Johnson Controls did your job duties include -- withdraw that.

What were your job duties at Johnson Control?

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A As senior project engineer I was assigned to the Enrico Fermi Security System. I'm sorry; I --Enrico Fermi Security System. What is that? A Enrico Fermi is a Detroit Edison nuclear 7 plant and Johnson Controls had the contract for engineering 8 the site security system. 9 So you helped them in designing that? 10 Design and constructing it, yes. 11 So this is, again, after the plant was already 12 licensed you would come in? 13 A The site security system had to be implemente d 14 prior to the plant loading fuel. Its not really usually 15 contingent on the license, but you can't load fuel without it 16 If you didn't have that there would probably be a license 17 convention. 18 Q I'm not real familiar with what a security 19 system is in the context of a nuclear facility like this. 20 Are we talking about a security system -- tellime what kind 21 of security system it was. 22 The security system meets the requirements 23 of 10 CFR Part 73, I believe.

Q Can you tell me in general terms what that is?

Are you talking about safety on the plant? Are you talking

end 10a

about security --

A Physical protection of the facility from sabotours.

Q In your current position, auditors will report to you; is that right? Miss Anderson and Miss Spencer.

A The auditors report to D. L. Anderson.

Q And she reports to you?

A Yes. That's correct.

Q When she reports to you what is your responsibility? I take it -- correct me if I am wrong. She comes to you with draft audit reports; is that right?

A Yes. The first level of review for audit reports is the QA audit supervisor.

Q And you work with her on refining reports?

How do you -- what do you do when Miss Anderson comes to you with a draft report?

A My review is to determine if the findings are accurate and that the description of the findings is sufficient to support the deficiency.

Q So if she were to come to you with a report and you feel that it is necessary to go back and gather more informatin you would tell her that and she would go back into the field and develop more information in order to

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draw a strong conclusion one way or the other? Is that 2 right? To some extent. Normally it is a question 4 of going back to the audit team leader and having a little 5 more detail put in. It doesn't normally involve going back into the field. 7 Okay. Q 8 But it could. 9 More information to put in the report? 0 10 That's correct. A 11 Q How many audit reports have you had the 12 opportunity to review in your position? 13 I can't give you an exact count. A 14 Q Do they come in every day? 15 Yes. We normally will process two or three 16 audit reports a week. 17 0 And you have been there about what, 12 weeks? 18 Since the first of May. 19 0 Eight weeks. 20 Eight weeks. A 21 Q So you have seen about 24 reports, 22 approximately? 23 I am just asking you in real general terms. 24 I don't --25 I can't tell you. I can't tell you there

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1 were 10 or 24 or what. 2 Can you tell me where most of the report 3 you see you send back for more information or --MR. HARTMAN: I would like to object to 5 this line of questioning. The witness is here to discuss a report that he prepared. He assumed this job position well after the report was completed. 8 MS. SAGINAW: That's right. But he got his 9 present position or it is somewhat related to his activities 10 in this report. 11 MR. HARTMAN: I don't see that has been 12 established on the record yet. 13 BY MS. SAGINAW: 14 Mr. Cramer, when you got your position as 15 an auditor -- your present position, I suppose you 16 interviewed with Mr. Chapman for a while; is that right? 17 That's correct. 18 And did you discuss with him the findings in 19 your report of August 19? 20 A No. 21 You never discussed that? 22 A No. 23 What kinds of things did you discuss? 0

My previous experience, my knowledge of

Appendix B and the quality program.

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Q And you didn't consider this most recent report a significant part of your previous experience?

A I don't consider the report to have been recent at the time I interviewed, which was the last part of April. And, no, I don't particularly consider that report being significant from an esperience point of view. It was just a project, a task that was assigned that we accomplished.

Q Do you consider it to be fairly routine?

A No.

Q Just a special assignment that you were assigned to?

A Correct.

Q Were you ever told by anyone why you were picked to work on this report?

A Yes.

Q Who told you something about why you were picked?

A Mr. Taylor.

Q And what did he tell you?

A We were selected because of our independence from quality assurance, our previous experience and/or our availability.

Q You worked together at the time you were selected to work on this job?

Yes, we did 2 In what capac 3 Coworkers. He was also a sel A senior engineer. have forgotten his 5 exact job title. We were both senis englineers at the time. 7 So you and Keeley and Kahler all were kind 8 of a unit; you were used to working together, had worked together on other projects? 10 Well, we were used to working together in 11 the sense that we were coworkers reporting to Dick Kahler. 12 I don't recall that we worked on a particular task together 13 before. 14 Let's go into this report that was issued 15 August 19, 1983. Did you bring a copy of it with you? 16 No, I did not. 17 MS. SAGINAW: Can we go off the record for 18 one minute? 19 (Discussion off the record.) 20 BY MS. SAGINAW: 21 Ready? Okay. Do you have a copy of the 22 report before you now? 23 Yes, I do. 24 Is that your signature on the front page? 25 Yes, it is.

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Let's turn to page 1 of the report. The first paragraph states that you and Mr. Kahler and Mr. Keeley, along with four other people, attended a meeting on August 4 with Bill Clements. Apparently at that meeting you were told about this special assignment. What was your understanding at that time as to your job in developing this report?

It is here in the report in the next two paragraphs.

Yes. I can read the report. I want your own prsonal recollection of what you remember from that meeting.

Mr. Clements indicated to us as he says here that he had heard rumors that he wanted investigated. And he indicated that Mr. Kahler and myself and Keeley would be performing that investigation. And he further indicated and it says further on in these paragraphs that we were to interview all employees in confidence and advise them that -- in order to ascertain the truth to these rumors -advise them that if they did not care to discuss it with us that they could contact him or corporate management to discuss the problems.

Do you remember anything specifically about the rumors that he was talking about at that meeting?

The rumors were that there had been cover-up

or intimidation on the part of QA management. And that was the extent of the rumor as far as I know. 3 Q You don't remember him telling you anything 4 about what kind of coverup or what kind of intimidation or 5 what to be looking for or what kind of concerns he had? 6 No. 7 Do you remember if he did tell you some 8 details and you just can't recall them today? 9 No. At the time I don't think he himself 10 had that many details. 11 You just remember him telling you that he 12 had a hunch and because of that hunch he wanted you to go 13 out there and --14 No. He said he had heard rumors. 15 MR. HARTMAN: At this time I would like to 16 renew our objection to the use of hearsay in this deposition. 17 MS. SAGINAW: I am asking him his personal 18 knowledge about what he remembers about that. 19 MR. PURFO? I don't think it is hearsay. 20 Its not being offered for the proof of what Clements told 21 him. The question just goes as to what Clements told him. 22 Its not being offered for truth. 23 MR. HARTMAN: Do you agree that it is not 24 being offered for the truth? 25 MS. SAGINAW: I don't tink we have to get

that far. I am asking him for his personal recollection, what he remembers. 3 MR. HARTMAN. My objection is noted on the 4 record. 5 BY MS. SAGINAW: 6 At that time you met with -- well, Dave 7 Chapman, Tony Vega, Al Born, and Debra Anderson were at the 8 meeting. Have you ever worked with any of those people 9 prior to this project? 10 A No. 11 Did you know those people prior to the 12 project? 13 I had met them. As coworkers. 14 Had you not worked with them because they were 15 in an entirely different department? 16 That's correct. 17 In a memo that is attached to this report 18 there is a request by Mr. Kahler to Chapman for documents. 19 It is my understanding that these documents -- that this 20 document request was respected and that you and Mr. Kahler 21 were given access to documents within Mr. Chapman's 22 control. Did you ever go look at any of those documents? 23 Do you remember? 24 Yes. 25 What did you review?

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A Our primary review was the audit file 2 which consists of audit reports. 3 Q About how many audit reports would you 4 review, did you review for Mr. Chapman's office? Are we talking about hundreds of reports; are we talking about thousands, tens? A I think throughout the investigation or as a result of the investigation we reviewed in detail one audit report. And we looked at others. I don't recall how 10 many. 11 Q Was that the audit report that Mrs. Kessler 12 nad something to do with? 13 Yes, that's correct. 14 Q I believe your testimony was that you looked 15 at other reports but didn't review them in detail? 16 That's correct. 17 Why didn't you review the other reports in 18 detail? 19 A There was nothing in the investigation that 20 indicated that there was a need to. We selected those that 21 were involved in the discussions with the people we 22 interviewed. 23 Q I couldn't hear you. A We selected or reviewed in detail the r port

that was involved in the discussions with the people we

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interviewed.
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                  So you took the interviews and if the
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     interviews led you to believe that there was a problem with
     an audit report then you would go back and look at the audit
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     report?
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             A That's correct.
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             O You wouldn't review any audit report on your
8
     own?
             A
                    No. There were too many.
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                    Did you have helpers in reviewing those
11
     audit reports?
12
                    No.
             A
13
                    You and Mr. Kahler did it alone?
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                    Mr. Keeley and I.
             A
15
                    I'm sorry. Mr. Keeley.
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                    Yes.
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                    About how much time did you spend with those
             0
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     reports?
19
                   I don't know. We spent a great deal of time
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     with the one report that we were working on. The others,
     I don't know.
22
                   A day or two looking through them?
23
                    Possibly a dat.
24
                    You would remember if it were a large period
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     of time, and it wasn't a large period of time; right?
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That's correct. 2 Okay. Let's turn to page 2 of 12. It is entitled "Conduct of the Investigation." 4 Now, you just told me that you and 5 Mr. Keeley were the only people that looked at the audit report and the first paragraph of this page 2 indicates that you and Mr. Keeley were also the interview team. Were there any other people that helped you in conducting 0 those interviews? 10 No. 11 Did you have any helpers in any other aspect 12 of this in developing the information that went into this 13 report? 14 What do you mean, any other aspect? 15 Well, were there people that helped you in 16 reviewing documents or interviewing workers or reviewing 17 the interview, the answer that you got to interviews? 18 No. A 19 There were typists and that sort of thing? 20 A Clerical assistance, yes. 21 And that was it? 0 22 Yes. A 23 Okay. The report indicates that 23 24 individuuals were interviewed over a three-day period.

What job classifications did those 23 individuals fit into?

Vendor compliance inspectors, quality assurance auditors. And the count of 23 may also include 3 the QA supervisory personnel that were interviewed. I think 4 it does. 5 Were there other people other than -- strike 6 that. You interviewed 23 people you know; right? 8 You are certain that you had 23 interviews. Is it possible that you had more than that? 10 No. The 23 figure, as far as interviews is 11 concerned, if that figure doesn't include the supervisory 12 positions we may have interviewed as many as 26. I think 13 it does include the supervisory positions. 14 Q Other than the QA supervisory personnel wered 15 there other people outside of the 23 that you may have talke 16 to in connection with formulating the report? 17 A We interviewed no one outside of quality 18 assurance. 19 How were those interviews set up over the 20 three-day period? 21 A We had a list of personnel assigned in those 22 groups to the auditors and vendor compliance group, and we 23 contacted the -- I believe we contacted the supervisors of 24 the respective groups to set up an interview schedule.

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That would be by name and time.

Q And you assigned them a time to come talk
to you?
A Yes.
Q Did they come to your office?
A We met in the conference room. We
Q Where was the conference room?
A Brian Tower, 17th floor.
Q Was there anyone else present while you
were conducting the interviews?
A The only individuals there was no one
else present.
Q What were you going to say? The only
A The only individuals present were Gilbert
Keelley, myself and the interviewee.
Q So you and Keeley would conduct the
interviews together?
A That's correct.
Q And there would be one interviewee?
A That's correct.
Q What happened if someone couldn't make it
at the time you scheduled for them.?
A We rescheduled.
Q Would you again go through their supervisor
to reschedule?
A It did occur once or twice and I think we

just made arrangements with the individual. Q Did these 23 other people work in Brian 3 Tower also? Or do you want to break it down; some of them did and some of them didn't? 4 5 All but one individual interviewed worked out of Brian Tower. 7 And what group did that person fit into? 0 8 A He was a site QA supervisor. 0 A site --? 10 A site QA supervisor. A 11 0 So he came in for the interview that day? 12 A Actually we went to interview him at Comanche 13 Peak. 14 Q Is your office on the 17th floor? 15 A At that time it was, yes. 16 Was Mr. Kahler's office on the 17th floor 17 also? 18 A Yes. 19 Each day you would report back to Mr. Kahler for a briefing. What kind of things did you brief him about? 20 We would advise Mr. Kahler of any details 22 that we had found as a result of our interviews. We also addressed the question of whether or not the evidence at 23 24 the time was sufficient to discuss with Mr. Clements to meet our reportability requirements. 25

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Q So he would talk to you about the amount of information you need to meet a certain standard?

A No. This was a decision that was based on the experience of Mr. Keeley and myself and Mr. Kahler as a joint, and our concern was whether or not at any time we had sufficient information that would indicate to us that the item was reportable.

Q And how would you determine if you had enough sufficient information? Would you have some kind of discussion about what you were looking -- the amount of evidence that you would need, or was it kind of just --

A The issue here is whether or not the reportable under 5055E.

Q Did you discuss that standard when you had these meetings with Kahler?

A It is not a standard. It is a rule. 10CFR.

Q Did you discuss the rule?

A Yes, we discussed whether or not it is reportable under that rule.

Q And if it was reportable under that rule you felt it was something you needed to look into further?

A IF it was reportable under that rule we needed to contact Mr. Clements and ensure that he understood you know, our decision that was -- our opinion that it was reportable. Because you have a time limit to make that report.

Q I am not familiar with 55E. What sort of things fall under that?

A Items that are -- I can't quote you.
Q I don't mean that either.
A Items that are reportable under 5055E are typically things that would result in a significant failure.
For example, if you find -- it is usually easier to speak in terms of hardware. If you find a piece of hardware whose failure would negate its design function -- now, this is hardware that would be used to mitigate the consequences of an accident. Then it is possible that that may be reportable under 5055E. There is a list of decision points in the

Q Okay. I am not interested in the details of the regulation. I am just interested in the kind of process you went through in determining what was significant information. You felt that that really was a standard that you saw yourself up against?

A I wouldn't say it was a standard. We have to meet that rule. And if there had been a significant breakdown in the quality assurance program then we would have made a -- would have had to notify the NRC under Part 55E.

Q Was there any other rule or standard that you felt important to discuss when you developed this evidence?

A No. As a rule -- I don't know what you mean

regulations.

Q I am just talking about a general thing like a CFR provision. Let's take a CFR provision. Is there anything else?

A I don't believe there is any CFR provision that would be appropriate. That's correct.

MR. HARTMAN: Could I have a clarification of that question? Is that in terms of a reportability issue?

MS. SAGINAW: No. It was in terms of the information he was gathering when he was gathering information about harassment and intimidation. The testimony was that he didn't feel there was a standard or CFR rule that he needed to consult.

THE WITNESS: That's correct. The rule at issue is 5055E which is a reportability rule.

BY MS. SAGINAW:

Q Okay. As far as intimidation and harassment goes?

A I am not aware of any 10 CFR that specifically addresses intimidation or harassment.

Q So you just kind of went by your gut reaction of what would be -- well, as you say in the report, what weight of evidence that was significant enough to require some kind of further investigation or report to the NRC?

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MR. HARTMAN: We are mixing up two things.

That is different from the standard that they used when they prepared the report.

M3. SAGINAW: All right. Let me divide those two out.

BY MS. SAGINAW:

Q We have just discussed any CFR standard or rule that might be significant in dealing with determining whether there was any intimidation or harassment on the job in developing evidence for this report.

Now we are going to talk about this -- if you will refer to the second full paragraph, the last two sentences. I take it that word audit team there refers to the investigative team?

A It should read the investigative team.

Q Did not at any point during the interviews consider the weight of evidence to be significant enough to require a report to NRC. That's different from what we were just talking about when we were alking about instances of harassment and intimidation

A The point of that sentence is if there had been a significant breakdown of quality assurance program we would have had to meet the reporting requirements of 10 CFR 5055E.

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Q Right.

A At no time in the investigation did we consider the weight of evidence to indicate there had been a significant breakdown of the quality assurance program; therefore no report was necessary under 5055E.

Q Okay. That is the rule we were just discussing previously. Then we are also talking -- I am sorry. It has gotten a little confusing.

We were also talking about your determination of what was important enough evidence to be developed in determining whether there was harassment or intimidation.

Is that right?

A This report addresses intimidation and coverup. We did not set out to address the issue of
harassment. It was not raised.

Q It was not raised by whom?

A It was not raised by Mr. Clements as part of the directive. It was not raised by the interviewees as I recall at any time.

MR. HARTMAN: Could we have a clarification?

You are only talking about harassment; is that correct?

MS. SAGINAW: He is the one talking

about harassment.

MR. HARTMAN: Your question specifically was harassment. I want to clarify. Some people tend to use

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and intimidation interchangeably. Others don't. And I want us to be very clear about it.

MS. SAGINAW: I was talking about harassment and intimidation together.

MR. HARTMAN: Okay.

MS. SAGINAW: Your witness has just testified that he did not investigate harassment on the job site.

BY MS. SAGINAW:

Q Is that correct that Mr. Clements did not ask you to look into harassment?

A No. First off, we are not talking about the job site. We are talking about Dallas QA and that the charter we received did not include harassment which I consider to be different or separate from intimidation.

Now, I also indicated that in my opinion none of our interviews indicated that there was harassment. The term was never used.

Q Had you ever seen any indication of harassment would your charter have allowed you to look into that kind of charge?

A Well, our charter, what we felt our charter was, or at least I felt our charter to be, I should say, would be to discuss the incident with Mr. Kahler and more than likely we would then discuss it with Mr. Clements.

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There were a number of side issues related to the management type activities, use of personal vehicles for travel and reimbursement and things of that nature that fell out of the interview process that we did discuss with Mr. Clements. And certainly if harassment would have occurred we would have discussed that with him.

Q You would have discussed that?

A Yes. There is at least one other instance in the report where we did discuss at least two other incidents in the report where we did discuss issues with Mr. Clements as they came up in the interview process.

Q The next paragraph of the report says that two areas of concern were identified. How did you define these two areas of concern?

A Through the interview process.

Q What do you mean by through the interview process? How did you do that? You would take interviews?

A If I could refer you to one of the attachments to the report which is -- let me find it. It is Attachment 4 and it is the questions and each of our interviews was structured around this set of questions.

As we asked these questions issues, the two concerns eventually came to light, the two principle concerns came to light as a result of these questions.

Q My question to you is can you identify those

two areas of concern rather than other areas of concern.

Was it just what you considered to be something that needed looking into?

A You know, it was obvious from the interview process that when you ask someone the question had there been occasions where any of your findings or concerns were altered by anyone else to make them appear less significant, and in the discussion of that it led not only yours but, you know, are you aware of this having occurred at any time. And as a result of this particular question we were led very directly to the audit report in question.

Q Did you keep copies of the answers that you got to these questions?

A Yes.

Q Do you have them today?

A No.

Q Where are they now?

A We kept notes for each interviewee and with the -- when the report was written and finalized and we had responded to Mr. Clements for detail, we discarded the notes.

Q How did you discard them; just threw them away?

A Yes.

Q Was there ever any discussion of perhaps

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attaching some of the questionnaires to the report?

A No. We had indicated to the individuals that our interviews were in confidence. We numbered the reports and had a key and we kept those files separately.

Q So the --

A And the report itself contains all of the findings of the investigation. So there was no need to attach any written material, you know, any notes to the report.

Q You never thought that because there was a

code and not names that you could have attached them as substantive background to the report?

A No. The report stands on its own.

Q You didn't feel it was necessary to substantiate it in that way?

A No.

Q So you and Mr. Keeley and Mr. Kahler together came up with these two areas that you wanted to concentrate on; is that right?

A That's correct.

Q Was there ever any disagreement among the three of you as to whether something was important enough to look into?

A No. It was obvious.

Q It was always a completely unanimous

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A That's correct.

Q When you went to Mr. Kahler to discuss these two areas of concern with him did he give you any guidance as to how to go about investigating the areas that you identified?

A Yes. We discussed what we wanted to do, where we wanted to go, as a group. We exchanged ideas in that sense.

Q What was that exchange? What did you tell him and what did he tell you, for instance?

A We would indicate to him the con-ent of the interviews that we had had that day and related to him the problems that people had identified. In the case of this report, the one particular audit report that is done in detail here, all the auditors, as I recall, had something to say about it. So we discussed that. We discussed what they had said. We discussed how we could approach making a determination as to whether or not there had been some kind of a cover-up.

Q What kind of guidance did Mr. Kahler give you at that point?

A In this particular case it wasn't necessary for a lot of guidance to be given. Which you could so from the audit report.

The question was was there a QA coverup and on page 6 of 12 of the audit report we found that the audit file was historically correct, that the audit team's draft report was present and that all memorandums of differing professional opinions were present, that alterations were clearly marked, and that there was no indication that QA management had attempted to cover up any of the changes made to the draft report. They were there in the file.

Q And because you found that all the appropriate documents were in the file you concluded that there was no possibility of a coverup; is that right?

A In this particular case there was obviously no coverup.

Q Explain to me why that is obvious. It is not obvious to me that just because everything is in the files there couldn't be a coverup.

A You will have to explain to me what you mean by coverup, then.

Q Okay. Let's turn to page 3 -- 4. I am sorry. Of the report. s

The incident that you investigated because you felt that there coul' be a possible QA coverup; right?

A That's correct.

Q What led you to believe that it was possible

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that there was a coverup in this situation? Interviews with auditors. And what did they tell you. A When asked if they were aware of any 5 audit report, whether there had been any instance of QA 6 management coverup or altering audit findings, this report 7 was mentioned. Why did they think that; why did they think 9 there was a possibility of a coverup here? 10 I again refer you to the report. 11 You can just tell me off your own -- I 12 want to hear your testimony today, not the report. 13 My testimony is the report. 14 I want to hear from your memory what you 15 recall from the interviews. 16 Let me read the section of the report to 17 refresh my memory. 18 I prefer you to --19 MR. HARTMAN: I believe the witness is 20 allowed to refresh his memory. 21 MS. SAGINAW: He is allowed to refresh his 22 memory. 23 BY MS. SAGINAW: 24 Q I would like you to tell me in your own words. I do not want you to read the report into the record today. Thank you.

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It was our opinion, after interviewing all the auditors, that a great deal of partial truths existed within the 3 audit group concerning this particular report. 4 What do you mean by "partial truths"? 5 People who knew or understood some of the facts, 6 but all of them. 7 And as a result, there was a question in many 8 people's minds as to whether or not there had been a 9 coverup. 10 The individuals --11 What kind of coverup were they concerned that 12 there might have been? 13 A Let me answer that by saying that the -- the 14 individuals that were involved in the audit, the audit team, 15 were not satisfied with the way the audit report was 16 handled. And, of course, the auditors are coworkers and 17 they talk among themselves. 18 Q What did they tell you specifically about why 19 they weren't satisfied? 20 A I'm sorry. Who now? I --21 The interviewees. 22 A Okay. 23 They all indicated, when asked the question "Is 24 there a particular audit before you where this may have

occurred?," the answer was "This may have occurred in this

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case. I'm not sure, but I have heard things that lead me 2 to believe that it may have occurred in this case." So, everyone based their suspicion on hearsay? 4 Didn't interview anyone who knew anything firsthand? The audit team that was involved, of course, that 5 we interviewed -- and they had firsthand knowledge, at least 7 of that part of the activity. But the remaining auditors would only be involved by discussions with them. Did you directly contact Mrs. Kessler? 10 Yes, we did. 11 Was she working for TUGCO at the time that you 12 contacted her? 13 No. That's on page 6 of 12 of the audit report, 14 I think. 15 Q I'm familiar with section. 16 And we contacted Mrs. Kessler by phone. 17 How did you find her? 18 As I recall, either Ms. Spencer or Ms. Anderson assisted us, and they were -- one of the two of them, I 20 think, was aware of the fact that Ms. Kessler had gone to 21 work for someone else. 22 Q Do you know where she went to go work? 23 At -- yes, I -- it's in Nebraska, a boys' -- well, 24 it's one of these home for boys sort of thing, a foster type 25 home.

Did you call her directly after either Ms. Anderson or Ms. Spencer told you where you might be able to find her? Or did Ms. Spencer or Ms. Anderson call her? I believe we called her. A 6 They indicated where she could be found, Boys Town 7 in Nebraska. We just called the operator. I think Mr. Taylor made the initial contact. I believe he called the operator 10 and got a phone number for Boys Town, and we just located 11 her that way. 12 Do you know whether Ms. Anderson or Ms. Spencer 13 ever contacted her? 14 No, I don't know. 15 So, you think Mr. Kahler contacted her first? 0 16 I believe that to be the case. A 17 And then did you speak to her together? Q 18 A Mr. Keeley and myself and Mrs. Kessler. 19 And what kinds of things did you ask her? 0 20 We asked her the exact same questions that we 21 used for all other interviewees. And there's a handout and 22 some other things that we went over. 23 The only thing that we didn't do for her is we 24 were not able to show her a copy of the memo that had been

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written -- obviously.

But we did mail her a copy of that and the handout after we conducted the interview.

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Q Did you ever deviate at all from the questionnaire
-- these questions? I've been referring to it as a
questionnaire even though it's not a formal questionnaire.

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A Sure.

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O Did you ever deviate from that questionnaire at all? Or were those your standard questions that you asked everyone?

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A We deviated in the sense that we asked questions to get more information for things that were given to us as a result of those questions. But we did ask those questions of all individuals, except the last question, I believe, question 7, which is handwritten, that particular question was only asked of the QA audit group.

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And I believe the handwritten addition to question 4 was only asked of the QA audit group.

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Q And you initialed those questions and you authored them?

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Did you feel that those were important questions

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to be asked?

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A Yes. We felt -- they're a joint authorship between Mr. Keeley and myself. I happened to write them on the answer sheet and just initialed them so it could be obvious when and how they were added.

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4	Q When were they added?
2	A 8/12, as I note on that I question 4 of the
3	addition. It shows a clip.
4	Q Well, what about number 7?
5	A I believe 7 was also that same date. But it's
6	in reviewing this, I am not exactly sure of the dates
7	anymore as far as when we conducted each one of the
8	interviews.
9	Q So, you would ask Ms. Kessler these questions.
10	And then, did you ask her anything else? Did you
11	ask her any questions about the circumstances surrounding he
12	leaving TUGCO?
13	A Yes, as I recall, that's the basis for the
14	statement that her resignation was not related to it. I
15	believe we asked her directly if that was the case and she
16	said no.
17	Q Did you ask her why she did leav?
18	A We may have asked her that, yes. But it's hard
19	to recall.
20	Q You don't remember what her answer was?
21	A No.
22	Q You just asked her, kind of point out blank,
27	"Did you leave because"
24	A That's correct. We were very interesting in
25	knowing whether or not her resignation was a direct result o

this. 2 O And when she said "No," you just went on, you didn't ask her any more follow-up questions? A I can't answer that. I don't recall if we did or 5 not. I know we were particularly interested in that point. 8 Q Did you make any notes when you were talking to 9 Ms. Kahler? 10 A Oh, yes. Ms. Kessler. 11 Kessler. Q 12 A Yes. We made notes. 13 Q Okay. 14 And you don't have those -- do you have those 15 notes any more? 16 A No, we disgarded all of those. 17 Q Did you -- did you read those notes back to 18 Mr. Kahler? Did you report back what she said she said to 19 Mr. Kahler? A We didn't read the notes to Mr. Kahler, no, but 21 we did report to him what she had -- what the results of 22 our interview were. 23 Q Do you know whether Mrs. Kessler ever signed the audit report that was at issue here? 25 (Pause.)

She was the acting team leader.

A As I recall, Ms. Kessler did not sign the audit report.

Q Do you know why?

A I suspect because she did not agree with the findings, which was documented in her memo to file. And I think the report was signed for her by Mr. Vega.

Q By Mr. Vega?

A As I recall.

Q Did you think it was important in investigating this possible incident of coverup to look into those kinds of questions with her?

A What sort of questions?

Q About whether she ever signed it, why she did, and what the circumstances surrounding the signature of the report was? Any of the kinds of questions that I've been asking you?

A Oh, yes, we did cover those. I mean -- I didn't mean to lead you to believe that we were not. We did cover those.

And as I recall -- you know, she did not agree with the revised version of the report, and she was told, as I recall, that she didn't have to sign it unless she could document her disagreement with a memo to file, which she did do.

O Did she ever state to you that she thought there was a possibility of a coverup in that report? A No. 4 She didn't feel, as I recall, that there was any 5 coverup. 6 Did you ask her that, out front? 7 I don't recall if we did or not. I believe she was aware of the fact that the original report was in the audit file. She had access to that audit file. 11 Q Did you conduct interviews of Mrs. Kessler's coworkers? 13 A Yes. 14 On this team? 0 15 Yes. 16 How many -- how many coworkers were there? 0 17 You mean how many team members were there? A 18 How many team members. 0 19 One. 20 And what did that team member have to say about 21 the circumstances surrounding Mrs. Kessler's leaving? 22 What do you remember her saying? 23 I don't recall that we asked that team member 24 anything about Mrs. Kessler's leaving. 25 Did you ask the team member -- or what was -- what Q

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was the team member's response when you asked about the possibility of a coverup?

A He described this particular audit report and how it was handled and the fact that he was -- did not agree with it.

- Q That he did not agree with --
- A What the --
 - Q -- Mrs. Kessler's --
 - A No, he did not agree with the way the audit report was handled.
 - Q Did he say anything about having some kind of personality conflict with Mrs. Kessler?
 - A No, he did not.

Maybe we should clarify something here. The idea of coverup by QA management is not just altering this audit report. It is. But in a sense, it says are we not identifying findings that should be identified for the system that is the subject of the report?

And I think, in that sense, the individual felt that there may have been a coverup since he didn't agree with the way the report was changed.

For that matter, probably Mrs. Kessler.

- Q They agreed that there were some -- some things may not have been identified in the report?
 - A It's possible that they may have had that opinion,

yes. Does Mrs. Kessler's coworker currently work at Q 3 TUGCO? Do you know? 5 A No. 6 0 He does not. 7 Do you know the circumstances surrounding his 8 leaving? No, I have no direct knowledge of his resignation. 10 At the time that you interviewed him, was he 11 working there? 12 A Yes, he was. 13 Q Was he one of the people that told you about 14 problems on the job site -- or not -- I'm sorry. I referred 15 to the job site. Was he one of the people -- strike that. 16 (Pause.) 17 You told me that Ms. Kessler's coworker felt that 18 there may have been some things that were not identified in 19 the audit report that should have been. 20 Did he tell you anything else that he was concerned 21 about? 22 Yes. He indicated he had other concerns, but he 23 indicated that he did not care to discuss them with us. 24 And we asked if he would discuss them with the 25 vice president of nuclear. He said he would. And we told him

that we would so indicate to Mr. Clements. Q Do you know whether he ever did meet with 3 Mr. Clements? 4 A Yes, on page 8 of 12 of the audit reports, items 5 1 and 2 were discussed with Mr. Clements. 6 Q So, this person that -- that complained about 7 threats of physical and political harm is also the person 8 who indicated that there may have been something left out of 9 this audit report; it's the same individual? 10 A Yes. 11 0 And that individual no longer works for TUGCO? 12 A No. 13 Do you know where he is? Q 14 A Yes. 15 MR. HARTMAN: Could we go off the record at this 16 point? 17 MS. SAGINAW: Yes. 18 (Discussion off the record.) 19 MS. SAGINAW: Back on the record. 20 I would like to make a statement for the record 21 that the deposition of Mr. Spangler is going to be 22 discontinued until the terms of the protective order 23 concerning confidentiality is worked out between the lawyers 24 and -- questioning had gotten to such a point that the

Applicant's attorney felt that it could not continue without

jeopardizing some amount of confidentiality.

So, I'm going to discontinue the deposition until probably sometime tomorrow afternoon, when the protective order is issued.

MR. HARTMAN: It is also Applicant's understanding that at this point Intervenor is unable to continue with any cross -- any examination concerning the issue for which Mr. Spangler was called to testify.

MS. SAGINAW: I will not continue until I'm allowed to do under the terms of the protective order.

MR. HARTMAN: All right. Just so the record is clear, you're not continuing, you're not specifically saying you are unable to continue?

MS. SAGINAW: I'm not continuing until that time.

MR. HARTMAN: Thank you.

MR. PIRFO: I would just note for the record that my supervisor, as you will, in these depositions, Mr. Treby, has just been apprised by me, no more than five minutes ago, that there were discussions or a "ruling" being sought from the Board with regard to this confidentiality.

So, I suspect the Staff position might be significantly different than any purported agreement worked out between the Intervenor -- Intervenors and the Applicant.

MR. HARTMAN: I am sorry. I didn't understand that. And I'd like to clarify a point.

As I indicated earlier today, I don't believe that there's an understanding that we're going to the Board to get a ruling on this matter.

I believe the understanding is that we're going to be working out a protective order to which the parties would agree.

MS. SAGNIAW: Between the attorneys is what I understood.

MR. HARTMAN: Okay.

Well, then, my main question was -- I was mistaken all along, that a ruling was to be sought from the Board.

And Mr. Treby did not know anything about the -- any preevious discussions between private counsel.

MS. SAGINAW: Is he now going to partake in those discussions, do you know?

MR. HARTMAN: I assume that will be up to
Mr. Treby. I apprised him of what's been going on here,
and he stands ready to discuss it.

MS. SAGINAW: As a final matter, I'd just like the record to reflect that the deposition will not be continued because -- on any aspect of Mr. Spangler's cross-examination, because whenever an issue is reached where there is a possibility of confidentiality, the Applicant's attorney has voiced objections, so that meaningful cross-examination cannot take place.

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MR. PIRFO: I'll join -- the Staff will join in that objection or notation for the record, whatever.

MR. HARTMAN: The Applicant wishes to make clear, as they've indicated on several previous occasions, that we have urged the parties to continue with their examination to the extent it's possible to do and that the record in the case will speak for itself as to that point.

MR. PIRFO: Well, this party cannot continue until the Intervenors are done. So, that stands to reason.

(Whereupon, at 6:10 p.m., the deposition was adjourned, to be continued sine die.)

end 12

Robert George Spangler

CERTIFICATE OF PROCEEDINGS

This is to certify that the attached proceedings before the NRC COMMISSION

In the matter of:

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Date of Proceeding:

Place of Proceeding:

were held as herein appears, and that this is the original transcript for the file of the Commission.

Marilynn Nations

Official Reporter - Typed

Official Reporter - Signature

Interview with Ronnie Johnson

On June 7, 1984, at about 11:15 a.m. I met in my office with Ronnie Johnson to discuss the events of June 6 which led to allegations by Eddie Niedecken of intimidation by Bob Murray. Johnson is Construction Superintendent assigned to the Unit 1 Reactor Building Task Force.

Johnson stated that while making his rounds of the Reactor Building on Wednesday morning he learned there were about 22 hangers on 808' that were ready for primer coating but there was no Inspector assigned for the required in-process inspections. Johnson stated that applying the primer coating was a priority work item and needed to be done without delay after preparation because of the high humidity conditions. Johnson stated that he went to the QC trailer but there was no one there. He stated that he could not find one of the Lead Inspectors but he saw Eddie Niedecken. He asked Niedecken if he could do the inspection of primer coating but Niedecken said he was busy. Johnson stated that Bob Murray was present at this time. Johnson stated that he then asked Niedecken to move to the primer inspection. Johnson stated that he did not direct Niedecken to move. Niedecken did not want to be moved and raised objections. Johnson stated he then saw Jim Uehlein, a Lead Inspector and talked to him about moving Niedecken to inspect primer coating.

Johnson stated that Murray took Niedecken aside and talked to him but he does not know what was said.

Johnson stated that when he needs an Inspector for inspections he looks for a Lead Inspector. When he is unable to find a Lead Inspector he will ask an Inspector to do the inspections and normally the Inspector is cooperative and there is no problem.

Ex. 2- Johnson Pm. 42 7-9-84