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GOVERNMENT ACCOUNTABILITY PROJECT

1901 Que Street, N.W. Washington, D.C. 20009

202-232-8550

July 29, 1984
DOCKETED
USNRC

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Nunzio J. Palladino, Chairman
Thomas Roberts, Commissioner
James Asselstine, Commissioner
Frederick Bernthal, Commissioner
Lando Zech, Commissioner
U.S. Nuclear Regulatory Commission
1717 H Street, N.W.
Washington, D.C. 20555

LETTER OF REPLY
DOCKETING & SER.
BRANCH

Re: Diablo Canyon Nuclear Power Plant, Units 1 and 2
Docket Numbers 50-275 and 50-323 (2.206)

Dear Commissioners:

Through an administrative error, Attachment 1 to Mr. Timothy O'Neill's July 27, 1984 petition under 10 JFR 2.206 was not served on the Commission. It is enclosed. Please excuse any inconvenience due to this error. On Friday the document was delivered to the Office of Investigations, however, as an exhibit to Mr. O'Neill's July 27, 1984 affidavit in support of the petition. That affidavit also is enclosed. The Office of Investigations has the original.

This letter also is to notify the Commission that one, and possibly two, affidavits in support of Mr. O'Neill's petition will be executed on Monday, July 30. This submission will confirm the substantive contents of Mr. O'Neill's charges and provide further independent evidence of retaliation and a quality assurance breakdown at Diablo Canyon. Further, on Monday Mr. O'Neill will execute an affidavit refuting Pacific Gas and Electric's (PG&E's) public responses to his charges. Mr. O'Neill believes that PG&E and Bechtel engaged in crude misrepresentations to the public. Since the PG&E/Bechtel statements were not in a public forum, they may not involve material false statements. Clearly, however, public misrepresentations must be considered in any assessment of PG&E's corporate character and competence. If there ever is an accident at Diablo Canyon, the public must be able to rely on the accuracy of the utility's statements to the press.

All further affidavits executed on Monday will be shipped to the Commission immediately. On Tuesday, July 31, Mr. O'Neill will provide detailed evidence in support of his allegations to Mr. Meeks of the Office of Investigations. A court reporter will be present, and a transcript prepared.

The legal issues covered by Mr. O'Neill's petition include --
1) retaliation for performing quality assurance/quality control functions; and 2) deficient corporate character and competence, due to false statements and records, suppression of the mandatory disclosure system for quality assurance violations that may

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have been reportable under the emergency provisions of 10 CFR Part 21 and 10 CFR 50.55(e) due to their scope and safety significance; as well as repetitive violations that have perpetuated the quality assurance breakdown first discovered by the Nuclear Services Corporation (NSC) in 1977. These issues must be resolved prior to any commercial operating license decision. See, e.g., Union Electric Co. (Callaway Plant, Unit 1), ALAB-740, 17 NRC 343, 366 (1983); and Houston Lighting and Power Co. (South Texas Project, Units 1 and 2), CLI-80-32, 12 NRC 281 (1980), respectively. As a result, counsel will cooperate fully with the Office of Investigations to get relevant evidence promptly to the Commission. If desired, Mr. O'Neill and supporting witnesses will personally brief the Commission, in order to avoid any docketing delays.

Respectfully submitted,

Thomas Devine

Thomas Devine
Counsel for Mr. O'Neill

ATTACHMENT 1

1355 12th Street
Los Osos, CA 93402
July 24, 1984

Mr. Harold W. Karner, QA/QC Manager
Pullman Power Products Corporation
P. O. Box 367
Avila Beach, CA 93424

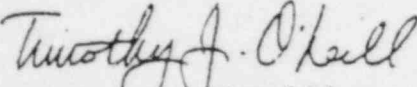
Dear Mr. Karner:

It is with sincere regret that I am forced to submit this letter of resignation, in protest of working conditions that do not provide the required freedom from harassment for me to perform my duties in accordance with Federal law. Recent events have indicated that my personal safety has been compromised, and I can no longer work in an atmosphere of harassment and intimidation.

Over the past year, I have seen quality problems at Diablo Canyon, and I have tried to work within the system as much as possible to resolve these problems. When it is obvious that the system is not responding, I have a legal responsibility to go outside of the system. As an inspector, I endeavored to work to the letter of our approved procedures, and if these seemed unworkable, I took steps to offer what I felt to be viable solutions. For these actions I have been physically harassed, verbally intimidated, and threatened with disciplinary action. The organizations participating in any or all of the above illegal activities include Pullman craft, craft management, engineering, quality assurance, quality control, PG&E quality control management via the Quality Hotline, and PG&E project engineering. These acts do not provide the organizational freedom mandated by 10CFR50, Appendix B, Criteria 1.

This action is taken neither lightly nor voluntarily. I would like to continue my employment at Diablo Canyon, as I feel I can make a quality difference; however under the present conditions this is not possible. Management must assume its legal responsibilities and provide sufficient organizational freedom for QC inspectors to perform their legally mandated duties without fear of harassment or reprisal.

Very truly yours,


Timothy J. O'Neill

P.S. Within 48 hours, I expect to receive by return mail the promised report on the distribution of my July 14, 1984 letter among the craft which it concerned (enclosed).

TO: K. FOELKER, QA/QC MANAGER
S. ENGLER, ASST. QA/QC MGR.
J. WATSON, SUPERVISOR
K. FOELKER, LEAD

FROM: T. O'NEILL, QC INSPECTOR

SUBJECT: UNAUTHORIZED USE OF FIRE EXTINGUISHER

THIS LETTER IS TO DOCUMENT, PER INSTRUCTIONS OF SUPERVISOR J. WATSON, THE INCIDENT DISCUSSED WITH LEAD K. FOELKER AND SUPERVISOR WATSON THE MORNING OF JULY 13, 1984.

ON TUESDAY, JULY 10, WHILE PERFORMING A QC WORKMANSHIP INSPECTION ON SUPPORT 4H-228R, I WAS SQUIRTED WITH A HAND-PUMP FIRE EXTINGUISHER BELIEVED TO BE PG+E # 107. THIS RESULTED IN MYSELF AND CONSTRUCTION DRAWING FOR SUPPORT 4H-228R BECOMING WET. REDUNED INFORMATION ON THE DRAWING WAS ALSO SMEARED, AS THE INK IS WATER-SOLUBLE. ON JULY 13, FIRE EXTINGUISHER WAS LOCATED ON ELEV. 55' AUX. II, IN THE STAIRWELL.

WHEN THIS INCIDENT OCCURED, I WAS LOCATED ON LINE 19^B, APPROXIMATELY 8' EAST OF K LINE, IN THE "DUCK POND" ON ELEV. 64', UNIT II AUXILIARY BUILDING. THE WATER STREAM FROM PUMP FIRE EXTINGUISHER WAS DIRECTED AT ME FROM ELEV. 55' PIPE TUNNEL, THROUGH THE WALL PENETRATION WHERE SUPPORT 4H-228R IS LOCATED.

CIRCUMSTANCES AND PERSONNEL IN THE AREA OF THE PIPE TUNNEL INDICATE THIS COULD BE A FORM OF RETALIATION FOR A HARASSMENT INCIDENT DOCUMENTED ON JUNE 6, 1984. ALTHOUGH INCIDENTS OF THIS TYPE MAY APPEAR TO BE MINOR HORSEPLAY, THEY BECOME SERIOUS WHEN THEY IMPEDE AN INSPECTOR IN THE PERFORMANCE OF INSPECTIONS, OR IF DONE IN RETALIATION. THIS LETTER SERVES NOTICE THAT I WILL NOT TOLERATE SUCH ACTS, AND THAT I EXPECT MANAGEMENT TO TAKE ANY STEPS DEEMED NECESSARY TO PREVENT RECURRENCE.

SHOULD FURTHER DISCUSSION OF THIS MATTER BE NECESSARY, I WILL BE AVAILABLE AT YOUR EARLIEST CONVENIENCE

TJO
7/24/84
Timothy J. O'Neill
7-13

AFFIDAVIT

My name is Timothy J. O'Neill. I am providing this affidavit freely and voluntarily without any threats⁸⁴ induce- A10:01
ments or coercion to Mr. Thomas Devine, who has identified himself to me as the legal director of the Government Accountability Project (GAP) and serves as my counsel for disclosures to the Nuclear Regulatory Commission (NRC), I have instructed Mr Devine to file my statement with the NRC Commissioners in support of a legal petition submitted on my behalf for corrective action at the Diablo Canyon Nuclear Power Plant.

I worked at Diablo Canyon from July 5, 1983 to July 24, 1984 as a quality control (QC) inspector for Pullman Power Products. I have ten years experience in the welding industry, including 2 years experience in quality assurance functions. My resume prior to Diablo Canyon is attached as Exhibit 1.

On Tuesday, July 24 I resigned my position, in protest of management intimidation and physical harassment that as a practical matter made it impossible to perform my legally-mandated responsibilities. Management would not let me perform those duties, even when required by an internal procedure. My resignation letter is enclosed as Exhibit 2.

To illustrate the severity of the repression on-site, in my belief I was harassed on 20 occasions since January 1984, including 14 times since the April 13, 1984 low power test vote on Unit 1. The retaliation was in response to my reports of quality assurance (QA) violations, including 12 which I believe Pacific Gas and Electric (PG&E) legally was required to report to the NRC within 48 hours due to their safety significance. Instead of reporting these severe

safety problems to the government, management tried to prevent me from documenting them at all through the QA system. Even worse, I found that I was the target, rather than the QA violations.

This extended to being the target of threats and physical violence, including being doused with water during an inspection and rope whipped immediately prior to my resignation.

The harassment got significantly more ugly after management copied and distributed my July 14 memorandum to QA/QC manager Karner on the fire extinguisher incident. On July 23 I overheard two construction workers behind me make statements that I believe to be directed against another inspector and myself. One worker stated loudly, in a manner so that we couldn't miss it: "My .44 from behind will take care of the both of them." I realized that it would be dangerous to continue working under these conditions.

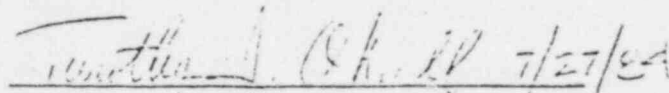
The next day I turned in my resignation to Mr. Karner. I was gone too soon. That morning a craft worker whipped me on the face with a rope during an inspection. He apologized after other personnel in the area warned him about harassment. After lunch, a supervisor requested my daily records. That morning the same supervisor lectured me for the amount of time I spent writing reports of QA violations. After turning in my resignation PG&E QC supervisor Ron Hobgood confiscated documents which I sought to disclose to the NRC Office of Investigations as evidence of illegality.

Through this statement, I adopt the substantive information contained in the petition filed today on my behalf by Mr. Devine. The QA violations covered in my 14 areas of requested reinspection are illustrative, not comprehensive.

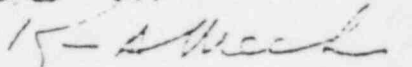
LICENSING THE PLANT IN THIS ATMOSPHERE WOULD BEHARD MANAGEMENT FOR INCITING CRIMINAL HARASSMENT, AND FOR ORDERING A CRIMINAL COVERUP.

Due to the NRC staff's previous practices this year of turning my affidavits over to the utility, violating my confidentiality and then sitting on problems that NRC investigator Isa Yin later recognized immediately as significant engineering deficiencies-- I will not submit a detailed affidavit. I will provide specific detailed supporting evidence to Mr. Yin and the Office of Investigations for every point in the petition and numerous other examples. My previous disclosures are enclosed as Exhibits 3-6.

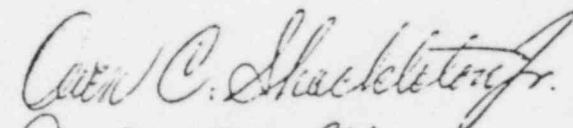
I have read the above three page statement and it is true, accurate and complete to the best of my knowledge and belief.


Timothy J. O'Neill

Signed in my presence on 7/27/84
at Walnut Creek, CA. at 2pm.


RONALD A. MEEKS
INVESTIGATOR

WITNESS


Director, OI:RV