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October 19, 1995

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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

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BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of

GEORGIA POWER COMPANY, *et al.*

(Vogtle Electric Generating Plant
Units 1 and 2)

)
) Docket Nos. 50-424-OLA-3
) 50-425-OLA-3
)
) Re: License Amendment
) (Transfer to Southern Nuclear)
)

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NRC STAFF RESPONSE TO INTERVENOR'S
MOTION TO ADMIT EXHIBIT II-247

I. INTRODUCTION

On October 5, 1995 Intervenor Allen Mosbaugh filed "Intervenor's Motion To Admit Exhibit II-247 (Transcript of Tape 99B)" (Intervenor's Motion). The Intervenor maintains that Exhibit II-247 provides necessary context to conversations contained in Georgia Power Company (GPC) Exhibit II-183, a different segment of tape 99 transcript previously admitted into evidence by the Board. See Intervenor's Motion at 2; Tr. at 13440 (September 8, 1995). The Intervenor identified Exhibit II-247 during his rebuttal case. Tr. at 14180 (September 15, 1995). For the reasons discussed below, the Staff does not oppose the Intervenor's Motion. Should the Board grant the Intervenor's Motion, the Staff requests that its alternate version of Intervenor's Exhibit II-247 (attached hereto and marked as Exhibit II-247A) also be received in evidence.

II. DISCUSSION

The Staff agrees with the Intervenor that the admission of Exhibit II-247 would be consistent with the prior practice in this case. Parties have been allowed to submit alternate versions of tape transcripts as necessary to provide proper context, and/or to reflect differences in words heard on the tape segments offered in evidence. *See, e.g.*, Tr. at 3326-27 (April 19, 1995); Tr. at 15471-72 (September 28, 1995).

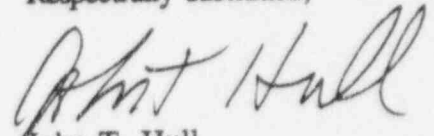
Consistent with this practice, Intervenor Exhibit II-4 and a GPC-Staff version marked as Intervenor Exhibit II-4A were admitted in evidence. Tr. at 15492 (October 6, 1995). These transcripts contain segments of May 8, 1990 conversations recorded on Tape 99.¹ The first two pages of Intervenor Exhibit II-4A overlaps the last page of Intervenor Exhibit II-247. These two exhibits contain a contiguous conversation regarding the reactions of GPC employees to the meeting recorded on GPC Exhibit II-183. Intervenor Exhibit II-4, referenced on page 10 of the Intervenor's pre-filed testimony, also concerns the reactions of GPC employees to the May 8, 1990 meeting in which GPC managers were told about the NRC's perceptions that a cavalier attitude existed at Vogtle. Intervenor Exhibit II-247 provides additional context for the conversation on Intervenor Exhibit II-4 and Intervenor Exhibit II-4A.

¹ The GPC-Staff version was prepared before mid-June of 1995. *See* Staff's letter to Michael Kohn and John Lamberski dated June 16, 1995, discussing status of tape transcript exhibits.

III. CONCLUSION

Inasmuch as Intervenor Exhibit II-247 provides additional context for conversations on admitted exhibits, the Staff does not oppose the Intervenor's Motion. Should the Board grant the Intervenor's Motion, the Staff requests that Exhibit II-247A also be received in evidence.

Respectfully submitted,



John T. Hull
Counsel for NRC Staff

Dated at Rockville, Maryland
this 19th day of October 1995

(Differences from Exhibit II-247 are in bold)

Date 5-8-90

[Walking sound: Allen enters room]

VOICE: (inaudible) didn't even want to talk.

HORTON: You were awful quiet Al. I didn't think like it was appropriate to say.

PARTON: That never stopped you before Horton

MOSBAUGH: McCoy wanted--- They are going to have to --- You can't get the kind of discussion **that's** needed in that kind of a situation ...

Voice: I know

MOSBAUGH: uh, that's fine, present it, talk about it but uh --

HORTON: The point was made. I mean the point was (Inaudible)

PARTON: Yeah, but you got -- You probably got like -- There were some supervisors in there, now he's sitting there with his boss five levels above. Should I open my mouth and ruin my career now or should I keep my mouth shut.
(laughter)

MANSFIELD: We got lots to say but not in that group.

MOSBAUGH: The uh, I think you're right. I think the people in that room, the people are afraid.

[Telephone conversation with Esther Dixon and Horton interrupts conversation, then conversation with Horton and security officer, and then with Gloria Walker and Horton]

HORTON: But anyway it'll be interesting to see what McCoy says to you guys. We'll probably talk about it at tomorrow morning's staff meeting. You've heard what we heard.

MOSBAUGH: I knew it was NRC-initiated. I just-- you can tell that they don't--like what I said in the staff meeting this morning--They don't do business that way.

HORTON: That's kind of rare, kind of odd that they would call McDonald himself.

MOSBAUGH: To call him to Washington? Yes, that's very rare-- extremely rare. That indicates a very serious condition. One that verges on either additional corrective action letters or one that verges on placing the plant on a problem list or that kind of level.

HORTON: Why all of a sudden do you reckon that this has occurred. I haven't, at my level, heard of any feelers or any precursors to this.

MOSBAUGH: Well, just look at the-- you look at events coming in. Events are coming in, bang, bang, bang, bang. The site area emergency, dropped rod, this fiasco during the outage, loose part, Unit 2 reactor trip, Unit 1 reactor trip, they're coming in too fast. Events are coming in too fast. They're on the other end of the red phone.

VOICE: And it keeps ringing.

MOSBAUGH: And it keeps ringing. And when you have several other things going on at the same time, that's in the background, OI's up there putting their report together, reviewing all their testimony . . .

HORTON: I think the IIT is bound to have something to do with this also. Some of their input surely got---

MOSBAUGH: They got all the testimony. OI's got all the testimony. Somebody's reading that over and saying "you mean the Plant Manager said that or the Ops. manager said that." You know I can see them doing that. Saying "my God, what kind of an attitude is that?" You know.

MANSFIELD: Do you disagree with anything they said?

VOICE: That McCoy said they said.

MOSBAUGH: No, I think it's all true, and the job for the plant is to figure out how to fix it.

MANSFIELD: Well we're not going to.

MOSBAUGH: It's extremely difficult to fix uh--

PARTON: You know this is really far-fetched--

MOSBAUGH: Because it's ingrained.

PARTON: --but it's perceptions and stuff like this like this where upper upper management comes in and replaces lots--

MOSBAUGH: Cleans house? If it gets too bad and they can't handle it? Yeah.

PARTON: They clean house not necessarily because people (inaudible) their jobs up because they got to (inaudible).

VOICE: They need the changes (inaudible).

HORTON: That's probably why that recruiter called me the other day and said they were looking for almost an entire plant management for some nuclear plant up north-- Duquesne Power and Light. They're looking for an engineering manager, an ops. manager, HP and engineering.

MOSBAUGH: The guy from Duquesne for Beaver Valley called you?

VOICE: (inaudible) a lot of people (inaudible).

HORTON: He didn't state the plant, I'm sure.

MANSFIELD: How did they propose we are going to fix this problem? Or is that not . . .

MOSBAUGH: The only corrective action from the meeting is the meetings here. Uh.

HORTON: If Ken was giving us the straight scoop, McDonald disagrees strongly with their opinion of the perception and there will be no corrective action. Other than appraising the plant staff that they have these perceptions, doing whatever the plant can do to fix it. McDonald (inaudible) totally disagreed.

MANSFIELD: You you know, if George or Ken, or Pat McDonald just took a random sampling of people and you'd end up in the office over there for a one on one discussion of our position on what the NRC said, I think it would really open his eyes.

PARTON: You know they keep having these meetings with the plant staff where they bring in all these people into one room and there ain't nobody going to speak their mind. Nobody's going to--

HORTON: (inaudible) The forum wasn't right to get what they wanted. I mean, McCoy even mentioned he was disappointed at yesterday's Ops meeting that there was not much said.

MANSFIELD: You know, this is not just-- You know, even the IIT guys that was here, one them said he could not believe that we had so much emphasis on schedule during the diesel generator testing. The outage schedule, not the schedule to get a diesel operable. I'm sure he told that to all his (inaudible).

MOSBAUGH: What? Kendall?

PARTON: Well, it just sounds like we got a (inaudible).

VOICE: (inaudible)

HORTON: You get back together with your team--

MOSBAUGH: Well you can be certain that it was said in the meeting that this would have a definite effect on the SALP. Uh, just, I, they didn't, uh I don't know--- They don't seem to get the flavor of the difference you know but I spoke up and said. Uh, Ken said "what's the difference"? You know he asked Harvey mainly. He said "what's the difference Harvey you know Unit 2 startup and for that matter of fact Unit 1 startup really got SALP one's, okay, in that situation and Unit 2 startup more so than Unit 1 got extremely high praises from the NRC." And so he said "so Harvey what's the difference"? And Harvey had a few things and talked about basically wining and dining the NRC. That's what Harvey said but I think it goes much deeper than that because the NRC knows a wine and dine from a commitment. And I said the answer is one word, I guess it was two words, Paul Rice. Paul Rice was the the difference. You had a guy that was in charge, that represented the utmost in professionalism and honesty and sensitivity to regulatory issues and immediate action and prompt communication with the NRC on everything. Rice always did the right thing you know if he had a misleading statement made to the NRC, he would be on the phone like that (snaps fingers), okay? You guys saw him in action. How fast do you think he would have let this LER and this damn CAL letter linger being misleading? You don't know what I'm talking about?

PARTON: I don't know what you're talking about. You mean like lie?

MOSBAUGH: Yes.

MANSFIELD: Are you serious? About what?

MOSBAUGH: Well, the PRB just reapproved the LER --

HORTON: Wait a minute. You were there.

MOSBAUGH: They reapproved the LER on the site area emergency which, as it went in originally, was materially false. It took credit for more diesel starts than actually occurred. And the letter that they sent in earlier did the same thing, though in a different manner. [phone rings]

HORTON: (on phone) Horton.

MOSBAUGH: George knows about that?

HORTON: (on phone) Yes, sir.

MANSFIELD: I don't know. You know, we started talking about this kind of problem, fighting, fighting the NRC. You know, how far back, a year ago maybe, with, you know, PORV block valve testing or safety valve testing. How many issues were there where we just fought and fought and fought and fought --

MOSBAUGH: And we lost on every one.

MANSFIELD: We ended up getting violations on all but one.

MOSBAUGH: Yep.

MANSFIELD: And we continued to fight with the NRC through the IIT because our attitude was get these guys out of here as soon as possible.

[Simultaneous conversation.]

MANSFIELD: [Inaudible] and George told them to their face "we want you all out of here."

HORTON: (on phone) Yeah, you might have heard that from me. That's something I've been trying to get to the bottom of for quite some time. [Inaudible].

MANSFIELD: I just thought that was totally inappropriate.

HORTON: (on phone) UV Trip permissive previously [inaudible] before the design change.

VOICE: [Inaudible]

[Simultaneous conversation].

MANSFIELD: But you know what? Harvey and (inaudible) and that Unit 2 startup, they didn't fight the NRC.

MOSBAUGH: You don't fight the NRC.

VOICE: I don't ever remember (inaudible)

MANSFIELD: You know (inaudible), you guys didn't fight with the NRC on Unit 2 start-up. You did what the hell they wanted.

VOICE: [Inaudible] before they even came back and asked you to [inaudible].

MANSFIELD: [Inaudible] the attitude is we're not going to get our license if we don't do what they want. Now we've got our license and we're fighting.

MOSBAUGH: Yeah, they don't want to get it to the point where we need to keep our license.

MANSFIELD: They basically just about took our license after this event and we didn't revert back to the old ways. We should've.

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CERTIFICATE OF SERVICE

I hereby certify that copies of "NRC STAFF RESPONSE TO INTERVENOR'S MOTION TO ADMIT EXHIBIT II-247" in the above-captioned proceeding have been served on the following by deposit in the United States mail, first class; or as indicated by an asterisk, through deposit in the Nuclear Regulatory Commission's internal mail system; or as indicated by double asterisk, by facsimile this 19th day of October 1995.

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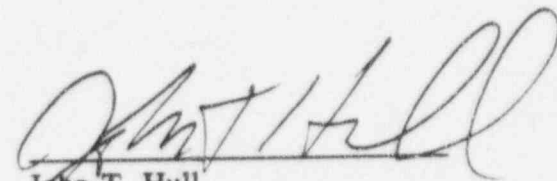
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