

September 20, 1982

Mr. Thomas Applegate
3650 Woodbridge Road
Columbus, Ohio 43220

Dear Mr. Applegate:

Your July 16, 1982, letter to Chairman Palladino containing allegations of wrongdoing on the part of the U.S. Nuclear Regulatory Commission and members of its staff has been referred to my office.

While your letter clearly sets forth the reasons for your decision to have no further dealings with the Commission and/or members of its staff, I nevertheless want to assure you that, should you change your mind in this regard, my office would assist you in remedying any legitimate complaint.

Sincerely,

Original signed by
James J. Cummings

James J. Cummings, Director
Office of Inspector and Auditor

cc: T. Johnson, DOE
Commission (5)
W. Dircks, EDO
J. Fitzgerald, OI
L. Bickwit, OGC
G. Cunningham, ELD
C. Kammerer, CA
J. Keppler, RO III

8312010249
XA 29 pp.

Record of Telephone Call - September 23, 1982 - 12:40 p.m.

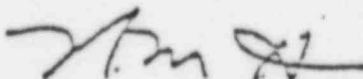
Thomas Applegate called to speak to the Chairman. The call was referred to Norm Haller.

Mr. Applegate referred to an exchange of correspondence -- an August 16, 1982 letter from himself to Chairman Palladino and a September 20, 1982 response from James Cummings (both letters attached).

Applegate stated that one of the chief crackers behind this is Cummings. Cummings is the one who perpetrated the coverup at NRC -- he deleted portions of the OIA report. The investigation was stopped because of him. His office kept putting him (Applegate) off until he finally got to Commissioner Ahearne.

Applegate commented that this (presumably, the referral of his August 16 letter to Cummings) is one of the funniest things he's heard.

Applegate said to tell the Chairman: "I got the letter from ... Cummings. Who's kidding who?" He assumed that members of the NRC staff were also laughing at that!


Norm Haller

INDEX OF DOCUMENTS

<u>Doc. No.</u>	<u>Date</u>	<u>Description</u>
<u>1979</u>		
1	2/1/79	Ltr. Earl A. Borgmann, Cincinnati Gas & Elec., fr James G. Koppler, Div., Reg III w/Notice of Violation and IE Inspection Rpt. No. 50-358/78-30
2	3/26/79	Ltr. to Earl A. Borgmann, Cincinnati Gas & Elec., fr G. Fiorelli, Eng. Support Br., Reg III - w/Ltr fr Cincinnati Gas & Elec dtd 3/2/79 re: Corrective Actions Taken
<u>1980</u>		
3	1/7/80	Ltr to Earl A. Borgmann, Cincinnati Gas & Elec. fr G. Fiorelli, Eng. Support Br., Reg III re inspection of K.D. Ward on 9/18-20 and 12/11 & 12/79 - Encl. IE Inspection Rpt. No. 50/358/79/17
4	4/3/80	Memo for V. Stello, Director, I fr Wm. J. Ward, Senior Investigator, EI - Subj: Discussion of Interrelationship of IE Investigative Program with that of OIA
5	7/2/80	Ltr to Earl A. Borgmann, Cincinnati Gas & Elec., fr James G. Keppler, Dir., Reg III re Zimmer Investigation by Phillips, Ward & Vandel on 4/7-9 and 4/30, 5/1-2 and 5/20, 1980 w/Notice of Violation & IE Inspection Rpt. No. 50-358/80-09. Region III Report attached
6	7/3/80	IE Inspection Rpt. No. 50-358/80-09 Apr. 7-9 and 30, May 1-2 and 20, 1980
7	8/4/80	Ltr to James G. Keppler, Dir., Reg III fr Earl A. Borgmann, Cincinnati Gas & Elec., re corrective action taken in response to Notice of Violation, IE Inspection Rpt. No. 80-09
8	12/15/80	Memo for James Cummings, OIA from Commissioner Ahearne re Thomas W. Applegate Allegations

9 12/29/80 Ltr fr Mary Eastwood, Office of Special Counsel to Comm. Ahearne transmitting Thomas Applegate and GAP allegations re Zimmer

1981

10 1/5/81 Memo for Com. Ahearne fr James Cummings, OIA - Thomas A. Applegate Allegations - Informs Comm. Ahearne OIA will investigate adequacy of IE investigation of Applegate allegations

11 1/12/81 Memo for V. Stello, Dir., IE fr James G. Keppler, Dir., Reg. III Subj: Zimmer - GAP Request for Investigation by Merit System Protection Bd Concerning NRC's Handling of Applegate Allegations

12 1/13-15/81 John Sinclair - handwritten notes of interview w/Gary Phillips, Reg. III Senior Investigator (12 pages)

13 1/26/81 J. Sinclair handwritten notes - interview w/Gaston Fiorelli, Engineering Support Branch, Reg. II

14 1/26/81 J. Sinclair handwritten notes - interview w/Charles Norelius, Chief (Asst. to the Director), Reg. III

15 1/25/81 Memo for Norman Moseley, IE fr David Gamble, OIA - Subj: IE Investigation into Information Flow Concerning the TMI Accident - with Moseley response to Gamble of 2/2/81

16 1/27/81 J. Sinclair handwritten notes - Interview with Kevin Ward, Inspector Reg. III (3 pages)

17 1/29/81 J. Sinclair handwritten notes - Interview with James G. Keppler, Director, Reg. III (6 pages)

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|----|---------|---|
| 18 | 2/3/81 | J. Sinclair handwritten notes - second interview with Gerald A. Phillips, Senior Inspector, Reg. III (22 pages) |
| 19 | 2/4/81 | Ltr. to Louis Clark, Director, GAP fr James J. Cummings - discusses arrangements of confidentiality made at Jan. 7, 1981 meeting w/Cummings, Tom Devine, John Sinclair and Art Schnebelen |
| 20 | 2/5/81 | Memo to File fr John Sinclair, OIA Subj: Investigation of IE Efforts Pertaining to Investigations of Alleged Construction Deficiencies at the Zimmer Nuclear Facility (Applegate) |
| 21 | 5/9/81 | Memo of C. E. Cornelius and R. F. Heishman, Reg. III fr A. Bert Davis, Reg. III - Subj: Zimmer Investigation - requests documentation of areas investigated relating to Applegate allegations |
| 22 | 2/10/81 | Memo for Vic Stello, Director, IE fr James Cummings, OIA - Subj: Transfer of Documentation Provided by GAP (2/9/81) - furnishes IE with documents obtained fr GAP and sets forth confidential procedures for handling information |
| 23 | 2/13/81 | J. Sinclair handwritten notes - contact with Thomas Devine, GAP |
| 24 | 2/18/81 | J. Sinclair handwritten notes of interview with Thomas Vandell, Resident Inspector - Wolf Creek with background info on Vandell attached |
| 25 | 2/19/81 | J. Sinclair handwritten notes re interview of FBI, Special Agents, Chicago Field Office (R. Buckley and Wm. Dyson) |
| 26 | 2/23/81 | J. Sinclair handwritten notes - second interview with Davin Ward, Reg. III Inspector re Applegate Allegations (8 pages) |

27	2/23/81	Memo to File fr A. Bert Davis, Reg. III - Subj: Telephone call fr Mr. Tom Applegate Feb. 19, 1981 - contains comments received by phone on Feb. 19 fr Tom Applegate re progress of investigation and Mr. Applegate's concern for his safety
28	2/25/81	Memo to File fr A. Bert Davis, Reg. III - Subj: Telecon with Tom Applegate - February 23, 1981 - conversation regarding arrangements to be made for Mr. Applegate and his attorney to meet w/NRC representative at Reg. II Office
28a	2/26/81	Transcript of GAP/Applegate meeting with Region III
29	3/5/81	Memo for file fr A. Bert Davis, Reg. III - Subj: Telephone conversation with Ira Rosen, 60 minutes Questioned how services Zimmer problems were - stated he would follow IE investigation closely
30	3/9/81	Memo for R. F. Heishman, Director, Division Resident Project Inspection, Reg. III fr A. Bert Davis, Reg. III - Subj: Comments on Applegate Allegations -- encloses comments on first Applegate allegation write-up. Also enclosed M.S.P.B. Request for Investigation Allegations (1-19)
31	3/9/81	Memo to File fr Arthur Schnebelen, OIA - Subj: Thomas Applegate
32	3/9/81	Memo to File fr Arthur Schnebelen. OIA - Subj: Thomas Applegate - contains info re phone conversation between Schnebelen, OIA, and Bert Davis, Reg. III re Applegate identifying himself as undercover NRC investigator
33	3/11/81	J. Sinclair handwritten notes - interview with Duane H. Danielson, Chief, Materials & Process Section, Seg. III
34	3/11/81	J. Sinclair handwritten notes - interview

with Richard C. Knop, Chief, Project
Section, Reg. III

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|----|---------|---|
| 35 | 3/11/81 | J. Sinclair handwritten notes - interview with Richard C. Knop, Chief, Project Section, Reg. III |
| 36 | 3/17/81 | Memo for Vic Stello, Director, IE fr James G. Keppler, Reg. III - Subj: Investigation of Applegate Allegations Related to Zimmer - Status report on progress of investigation |
| 37 | 3/17/81 | Ltr. to Jim Cummings, OIA fr Julian Greenspun, DOJ - Discusses problems related to civil and criminal proceedings, willingness to expedite joint cases. Attached - 3/14/81 note to Dudley Thompson forwarding DOJ letter. |
| 38 | 3/17/81 | List of Items transferred to IE fr John Sinclair, OIA - with note of receipt of items by T. Devine, GAP on 5/5/81 |
| 39 | 3/24/81 | Note to Art fm Dave re breakdown of GAP/Applegate Allegations to show which handled by IE and which by OIA |
| 40 | 4/1/81 | J. Sinclair handwritten notes - second interview with Thomas E. Vandel, Inspector - Wolf Creek |
| 41 | 4/1/81 | J. Sinclair handwritten notes - Review of Welding Records |
| 42 | 4/9/81 | Note to Commissioners fr James Cummings, OIA - forwards <u>Draft</u> GAO report on OIA. Rpt. <u>not</u> attached |
| 43 | 4/10/81 | Memo to Multiple Addressees fr J. Cummings forwarding Draft GAO Report on OIA - Rpt. <u>not</u> attached |
| 44 | 4/10/81 | Draft - NRC/Region III Discussions - Zimmer Nuc. Power Station, Unit 1 |

Attachments: Exhibits A through M

List of Exhibits

A-ltr dtd 3/11/80 NRC to Allegor
B-Bill of Lading
C-Packing List
D-QA Documentation Package
E-NR E-1911
F-NR E-1911 Rev. 1
G-Surveillance Report dtd 7/23/79
H-Surveillance Rpt dtd 8/8/79
I-NR E-1911 Rev. 2
J-NR E-1997
K-NR E-1997 (closed)
L-NR E-2020
M-NR E-1911 Rev. 2 (closed)

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| 45 | 4/14/81 | Memo to Chrm. Hendrie fr J. Cummings, OIA
- Subj: GAO Draft Report on OIA forwards
GAO ltr transmitting their draft to NRC
and requesting comments by May 8, 1981.
GAO ltr. <u>not</u> attached |
| 46 | 4/22/81 | Memo for File 80A-36 fr Tracy Wiest,
Auditor, OIA - Info provided by GAO at
OIA's request regarding clarification of
certain questions in GAO Draft Report on
OIA. |
| 47 | 5/1/81 | Ltr. to Hon. Milton J. Socolar, Acting
Comptroller General, GAO fr Joseph M.
Hendrie, Chrmn. re Draft GAO Rpt on
"Improvements needed in the Nuclear
Regulatory Commission's Office of
Inspector and Auditor" |
| 48 | 5/5/81 | Memo for Dudley Thompson, IE fr James
Cummings, OIA - Subj: IE Manual, TI
1250/02, Rev. 1, "IE Investigative Program
- relates concerns to two areas which
require change |

1-procedures for transmitting initial
reports of alleged criminal activities

2-Point III.8. of TI - direct Regional
Offices to refer criminal violations

directly to State and local law enforcement agencies...

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|----|---------|---|
| 49 | 5/5/81 | Memo to file fr Sinclair on meeting with U.S. Attorney's Office in Cincinnati on April 22, 1981 |
| 50 | 5/6/81 | Memo for R. F. Heishman and C. E. Norelius, Reg. III fr James Keppler, Reg. III - Subj: Evaluation of Problems Identified, Zimmer Investigation Enclosure - list of problems, identified and evaluation of those problems |
| 51 | 5/11/81 | GAP letter to Keppler, Reg. III, regarding supervision of Zimmer CP |
| 52 | 5/15/81 | Memo for File fr Art Schnebelen, OIA Subj: Redlegation of Authority Delegates authority to John Sinclair to administer oaths & affirmations to be used in matter of allegations re Zimmer |
| 53 | 5/18/81 | Ltr fr Earl A. Borgmann, Cincinnati Gas & Elec. to James Keppler, Director, Reg. III re postponement of May 18, 1981 meeting on QA Problems |
| 54 | 5/26/81 | Ltr. to Cummings, OIA, fr Greenspun, DOJ, re problems presented by parallel investigations and ways to minimize those problems |
| 55 | 5/29/81 | Note to Schnebelen fr Gamble setting out major issues in Zimmer investigation |
| 56 | 6/1/81 | Memo for Vic Stello, IE fr James Cummings, OIA - Subj: Investigation Policy - Witness Notification - Transmits DOJ guidance resulting fr questions raised in connection with Zimmer - <u>No</u> attachment |
| 57 | 6/12/81 | Memo to R. C. DeYoung, IE fr James Keppler, Reg. III - Subj: Status of Zimmer Investigation |

58	6/15/81	Memo to File fr David Gamble, and Albert Publia, OIA - Subj: Zimmer Plant - Allegations of Deficient Construction - Information relating to review of Kaiser Engineering QA Nonconforming Material Report Logs
59	7/7/81	J. Sinclair handwritten notes - contact w/Pat Gwinn, R. I. Zimmer on locating weld records
60	7/14/81	J. Sinclair handwritten notes-weld records
61	7/14/81	Ltr. to M. J. Socular, Acting Comp. General fr James Cummings, OIA Relating Cummings concerns about GAO Report - unfair manner in which agency comments were evaluated and/or admitted
62	7/16/81	Note to Jim/Art, OIA fr J. Sinclair re: Review of Welding Records Report
63	7/20/81	Letter for J. Cummings, OIA, fr Tracy, USA, advising of the assignment to Zimmer investigation and noting her understanding that IE and OIA investigation on-going
64	8/4/81	Memo for J. F. Streeter, R. F. Warnick, A. B. Davis, Reg. III fr J. E. Foster, Investigator, Reg. III - Subj: Content of Zimmer Investigation Report - List investigative concerns re content of draft report
65	8/6/81	J. Sinclair handwritten notes on various contacts re weld information notes re Applegate on site-12/10/79
66	8/6/81	Memo to Commissioners fr James Cummings, OIA-Subj: OIA Special Inquiry re Adequacy of IE Investigation 50-358/80-09 at the Wm. H. Zimmer Nuclear Power Station
67	8/7/81	Memo to Commissioners fr James Cummings OIA - Subj: OIA Rpt. on Adequacy of IE Investigation 50-358/80-09 at the Wm. H. Zimmer Power Station w/handwritten

marginal notations 2 copies (Region III comments)

68	8/10/81	Memo for James Keppler, Reg. III fr James Cummings, OIA - Subj: Zimmer Nuclear Power Station: Allegations Regarding Deficient Construction - allow OIA time to review report before release due to possible subsequent criminal action
69	8/12/81	SECY-81-480 - Final GAO Report Entitled "Improvements Needed in the Nuclear Regulatory Commission's Office of Inspection
70	8/17/81	Ltr to Ann Marie Tracey, Asst. U.S. Attorney, Southern District of Ohio fr James Cummings, OIA transmitting copy of OIA report of NRC investigations conducted in April 1980 by IE
71	8/17/81	Ltr. to Ann Marie Tracey, Asst. U.S. Attorney, Southern Dist. of Ohio fr James Cummings OIA - forwards copy of OIA Report of investigation pertinent to April 1980 investigation by IE at Zimmer. <u>No</u> attachment
72	8/18/81	Ltr. to Ann Marie Tracey, Asst. U.S. Attorney, Southern Dist. of Ohio fr James Cummings forwards copy of Draft OIA Report on IE Investigation at Zimmer. <u>No</u> attachment
73	8/18/81	Ltr. to Ann Marie Tracey, Asst. U.S. Attorney, Southern Dist. of Ohio fr James Cummings, forwards copy of Draft OIA Report on IE Investigation at Zimmer. <u>No</u> attachments
74	8/19/81	Note to Dudley Thompson forwarding copy of OIA's report of investigation into Applegate allegations. Report not attached

75	8/26/81	Letter to Ann Marie Tracey, USA, fr J. Cummings, OIA, transmitting list of exhibits to IE draft report
76	9/3/81	Memo for James G. Keppler, Dir., Reg. III fr James E. Foster, Investigator, Reg. III Subj: OIA Report "Adequacy of IE Investigation 50/248/80-09 at the Wm. H. Zimmer Nuclear Power Station"
77	9/4/81	Memo for R. F. Warnick, Reg. III fr A. Bert Davis, Reg. III - Subj: Zimmer Investigation, Weld CY-516
78	9/8/81	Memo for J. Keppler, Reg. III fr G.A. Phillip, Investigator, Reg. III re comments on OIA Report on IE Investigation - 50-358/80-09 (Zimmer)
79	9/9/81	Letter to Cummings, OIA, fr Patrick Hanley, USA recommending criminal investigations be held in abeyance pending completion of IE investigations
80	9/16/81	Handwritten note to John Sinclair re confidentiality of FBI agents names
81	9/17/81	Memo for Chairman Palladino fr Wm. Dircks, EDO - Subj: July 30, 1981 OIA Rpt. on IE investigation 50-358/80-09 (Zimmer) forwarding OIA comments
82	9/17/81	Memo for Chairman Palladino fr Wm. Dircks, EDO - OIA Report on IE investigation -- expressing his concerns with OIA findings
83	9/17/81	Ltr to Patrick J. Hanley, Chief Special Prosecutions Unit, Southern Dist. of Ohio fr James Cummings, OIA - discusses information fr DOJ relative to question of parallel proceedings. DOJ ltr not attached
84	9/30/81	Transmittal to J. Cummings fr Bert Davis, Reg. III - confirming phone conversation re Sargent & Lundy audit at Zimmer

- 85 10/1/81 Memo for Dudley Thompson, IE fr James
Keppler, Reg. III Subj: Region III Review
of OIA's Special Inquiry Concerning
Adequacy of IE Investigation 50-358/80-09
at Wm. H. Zimmer Nuclear Power Station.
Discusses IE problems OIA Philosophy
regarding IE's conduct of investigations
- 86 10/2/81 Memo for J. Cummings, OIA fr Chairman
Palladino - Subj: OIA Report on IE
Investigation at Zimmer 50-358/80-09
Requesting OIA comments on EDO Memo of
9/17 and requesting OIA not to release
report to public
- 87 10/8/81 Memo for Chairman Palladino fr J. Cummings
transmitting OIA's comments on EDO's
Sept. 17 memo - (Zimmer Report)
- 88 10/8/81 SECY-81-588 - "Investigative Jurisdiction
of the Office of Inspection & Enforcement
- W. Ward, IE - contact
- 89 10/8/81 Memo to Reg. III Files fr J. F. Streeter,
Reg. III - Subj: Telephone call with Tom
Applegate - Requesting information on
status of investigation and inquiry about
OIA Report
- 90 10/26/81 Memo to Commissioners fr J. Cummings, OIA
Subj: Investigative Jurisdiction of IE &
OIA (SECY-81-588) Forwards OIA comments on
SECY-81-588
- 91 10/27/81 Zimmer Commission Briefing - copies of
slides used at briefing
- 92 10/28/81 Memo for Vic Stello, IE fr James Keppler,
Reg. III - Subj: Zimmer Commission
Meeting - October 27, 1981 - Information
related to question raised by Commissioner
Ahearne re not getting signed statement
from Mr. Gittings, former Kaiser QA
Manager

93	11/16/81	Ltr. to Morris Udall fr Chairman Palladino - answering questions raised by Udall concerning adequacy of IE Investigation of Zimmer. Incoming Udall ltr. of 8/20/81 attached
94	11/18/81	Memo for Bert Davis, Reg. III fr James Cummings, OIA - Subj: Zimmer interviews & Corporate Correspondence
95	11/18/81	Newspaper article - Cincinnati Enquirer - Zimmer Plant Probe
96	11/20/81	Ltr. to Douglas Lowenstein, Cox Newspaper fr J. W. Felton, ADM re FOIA 81-376-request for OIA Report on Zimmer investigation
97	11/23/81	Memo for the five Regional EIS Directors fr Dudley Thompson, IE - Subj: Investigative Guidance Memoranda
98	11/23/81	GAP FOIA Request -- FOIA - 81-488 ltr to Director, ADM fr Tom Devine attached - all FOIA Office documents related to processing request and 2/3/82 FOIA response to Tom Devine, GAP fr John C. Carr, Chief, FOIA Branch
99	11/23/81	Memo for James Keppler, Reg. III fr J. F. Streeter, Reg. III - Subj: Investigation of inspector signatures on final Zimmer Investigation Report 50-358/81-13
100	11/30/81	Cincinnati Enquirer article - "Area NRC Worker Hit Back at Critique"
101	12/3/81	Ltr. to Ann Marie Tracey, Asst. U.S. Attorney, Southern Dist. of Ohio fr James Cummings, OIA - forwards copy of IE report on investigation at Zimmer between January and November 1981 and results of OIA Interviews at Zimmer
102	12/10/81	Memo for File fr David Gamble, OIA Subj: Zimmer Nuclear Power Station re interview with Terry Harpster. Enclosure mentioned

- not attached also - copy of above memo
w/handwritten comments

103	12/14/81	Memo to Commissioners fr J. Cummings, OIA - Subj: OIA Review of NRC's QA/QC Activities for Nuclear Power Reactors Construction. <u>Enclosure</u> - 10/30/81 memo to Wm. Dircks fr J. Cummings - Subj: OIA survey of NRC's QA/QC Programs
 <u>1982</u>		
104	2/24/82	No referral to DOJ and existence of on-going Zimmer investigation.
105	2/25/82	Memo for R. F. Warnick, Reg. III fr J. B. McCarten, Reg. III Investigator - Subj: Zimmer Document and Investigation Leads - List of Records turned over to EIS Section
106	3/19/82	Letter to Warnick, Reg. III, fr Barnes, USA, requesting status of Zimmer investigation
107	3/22/82	Memo to Cummings fr Keppler requesting meeting to coordinate IE/OIA Zimmer investigations
108	3/24/82	Letter to Barnes, USA, fr Warnick, Reg. III, advising that Reg. III Zimmer investigation to be completed 10/82
109	4/20/82	Note to Bill Dircks fr Jim Keppler transmitting draft note re information about Jim McCarten providing information to Henry Meyers concerning Zimmer
110	5/3/82	Memo for Tom Combs, SECY, fr George - Messenger, OIA - Subj: Responses to Questions fr Congressman Ottinger. <u>No</u> attachment
111	5/6/82	Memo for Richard DeYoung, IE fr James Cummings, OIA - Subj: OIA input to Congressman Ottinger's Request. <u>No</u> attachments

112	5/15/82	Note to File fr Sinclair thr. Cummings placing Reg. III computer listing of Zimmer allegations into file
113	5/19/82	Letter to Devine, GAP, fr Keppler, Reg. III, providing info Devine requested 4/20/82
114	5/14/82	Ltr. to Richard Ottinger fr Chairman Palladino provides summary of Zimmer investigation since Sept. 1, 1981
115	5/28/82	Letter to Cummings, OIA, fr Tracey, USA, advising of harassment allegations and enclosing newspaper article <u>re</u> Zimmer
116	6/1/82	Memo for Zimmer File fr A. Bert Davis, Reg. III - Subj: Meeting with US Attorney, Cincinnati, Ohio on May 20, 1982 - Description of attendees and topics discussed at May 20 meeting
117	6/1/82	Memo for Region III Files fr D. R. Hunter, Region III - Subj: Zimmer Briefing for Chairman Palladino - May 10, 1982 - Identifies areas of Zimmer investigation discussed at May 10 briefing
118	6/2/82	Ltr. to James Cummings, OIA fr Christopher Barnes, US Attorney, Southern Dist. of Ohio - informing OIA that US Attorney's Office is initiating criminal investigation of at least one phase of allegations of wrongdoing at Zimmer and identifying the proposed items to be investigated
119	6/3/82	Memo to Joe Felton, DRR fr James Cummings, OIA - Subj: Disclosure Determination FOIA 82-206
120	6/4/82	Ltr. to James/Keppler, Reg. III, fr Christopher Barnes, US Attorney, Southern Dist. of Ohio - Notifying Reg. III of QA Inspector incident on May 27, 1982

- 121 6/4/82 Note to Commission fr J. Cummings, OIA - forwards ltr. fr C. Barnes, US Attorney re QA inspector incident at Zimmer on May 27, 1982
- 122 6/17/82 Memo for Chairman Palladino fr James Cummings, OIA - Subj: Zimmer - forwards June 4 ltr. fr C. Barnes - requests additional resources to conduct investigation
- 123 6/23/82 Memo for Alphonse Gauthier, OIA for James Cummings - Subj: Zimmer Indicating Commission request for OIA to contact Justice Dept. re DOJ letter dated 6/22/82 - indicating letter not to be made public pending criminal investigation
- 124 6/24/82 Memo for Bert Davis, Reg. III fr James Cummings, OIA - Subj: Zimmer Nuclear Power Plant - forwarding copy of Terry Harpster interview and others to Reg. III
- 125 6/29/82 Memo to Commissioners fr Carl Kammerer, OCA - Subj: Concerns of Dr. Meyers Regarding Zimmer - forwards Henry Meyers concerns to Commissioners
- 126 6/30/82 Civil Action No. 82-1829 - Thomas Applegate v. NRC - Summons
- 127 7/1/82 Transmittal Slip to Rick Parrish, OGC, fr Ron Smith, OIA forwarding documents (1) memo to Bert Davis, 6/24/82; (2) memo to Bert Davis, 11/18/81; (3) Interviews - Gittings, Norman, Yobe, Schrivvers, Baker, Harpster
- 128 7/2/82 Ltr to James Cummings, OIA from Gerald Charnoff, Shaw, Pitman, Potts & Trowbridge - Represent Kaiser Engineers, Inc., request tape of interview with Floyd Oltz
- 129 7/12/82 Memo to Cummings, OIA fr Lil, OCM (Ahearne's Office) forward 7/9/82 memo to Commissioners from C. Kammerer, OCA -

Subj: Zimmer Investigation - contains
info provided to OCA fr Henry Meyers

130	7/12/82	Memo to Commissioners fr Carl Kammerer - Subj: Request for Interview regarding Zimmer - Forwards memo fr J. Cummings, OIA containing interviews conducted during Zimmer investigation
131	7/15/82	Memo to Wm. Dircks, EDO fr J. Cummings, OIA - Subj: Zimmer - Allegations of Harassment by NRC Inspectors - transmittal ltr. fr James Harlow, Bldg. and Trades Council, Cincinnati Ohio to Earl Borgmann, CG&E and Keppler memo of 6/15/82 to Cummings re harassment charges
131a	8/16/82	Applegate ltr. to Palladino regarding staff deception
132	9/20/82	Ltr. to Applegate from J. Cummings, OIA - offer to assist Applegate in remedying any legitimate complaint - refer to 7/16/82 ltr. to Chairman fr Applegate
133	9/23/82	Ltr. to Ann Marie Tracey, Asst. US Attorney, Southern District of Ohio fr J. Cummings, OIA - confirms issues discussed in Sept. 8, 1982 meeting
133a	9/23/82	Memo to file from N. Haller <u>re</u> Applegate telephone call of 9/23/82
134	10/20/82	Letter to Udall fr Gamble noting Gamble's view of problems in OIA 1981 investigation. <u>No</u> attachments
135	11/2/82	Memo to Gilinsky, Ahearne, Roberts & Asselstine fr Chairman Palladino - Subj: Request fr Mr. Applegate
135a	11/2/82	Note fr. Schuetze to Malsch <u>re</u> telephoe call from Applegate
136	11/10/82	Memo to Commissioners fr J. Cummings, OIA - forwards ltrs. fr C. Barnes, dtd 10/19/82 and 11/2/82 - not attached

137	11/12/82	Note for Gerry Schuetze fr Marty Malsch, OGC - provides info for Chairman on current status of OGC's contacts with Mr. Applegate
138	12/7/82	Ltr. fr Morris Udall to Chrm. Palladino re Gamble's (OIA) removal of document from Zimmer investigation file and requesting info on why he was instructed to do this and asking what steps NRC will take to correct these problems
139	12/10/82	Letter to Cummings, OIA, fr. Tracey, USA, requesting Applegate tapes, Harpster interview and non-conformance logs seized by McCarten in 7/81
140	12/10/82	News Release - Cincinnati Enquirer - re Udall's charges that NRC improperly withheld documents pertaining to Zimmer investigation
141	12/27/82	Civil Action No. 82-1829 -- <u>Applegate v. NRC</u> "Notice of Disclosure"
142	2/22/83	Memo for J. Keppler, A. Davis, D. Dougherty, R. Warnick
143	3/4/83	Memo for Ben Hayes, Director, OI fr Sam Chilk - Subj: OI Policies Transmits final version of OI Policy Statements
144	3/16/83	Painsville Telegraph - News article re Applegate Meeting at Perry Nuclear Station also article on Udall charges of NRC suppressing document relating to Zimmer investigation
145	4/13/83	Memo to Judge Hoyt and Ciby Aloat fr. Chrm. Palladino requesting them to undertake inquiry into allegations detailed in M. Malsch memo of 11/16/82
146	4/15/83	Memo for Commissioners fr James Cummings, OIA - Subj: Response to Thomas Applegate Concerns

147	6/30/83	Memorandum to file from Hoyt <u>re</u> Cummings telephone request for opportunity to review report
148	undated	Miscellaneous drafts of OIA report
149	undated	Preliminary McCarten draft of 1981 Region III report
150	undated	Unsigned Final Draft of 1981 Region III report

Index of Interviews*

<u>Person Interviewed</u>	<u>Position</u>	<u>Date(s) of Interview</u>
Roger A. Fortuna, Jr.	Asst. Director, OI (Former Asst. Director OIA)	5/11/83
Dave Gamble	Former OIA Investigator (Presently, DOD - Criminal Investigator)	5/11/83 6/13/83
John Sinclair	NRC Investigator (OIA - Now OI)	5/12/83 5/24/83
Arthur Schnebelen	Special Asst. to Director OIA March 1981, Acting Asst. Director OIA - Retired May 5, 1982	5/12/83
Kavin D. Ward	Region III, Reactor Inspector	5/16/83
Gerald A. Phillip	Former Investigator, Region III - Now Retired	5/16/83
Charles F. Norelieus	Region III, Director of Engineering and Technical Inspection. Since Jan. 1983, Director, Division of Project and Resident Programs	5/17/83
James Donahue	Former Chief, Security Section, Safeguards Branch, I&E Region III - Retired	5/17/83 1/16/81
Duane H. Danielson	Region III Section Chief Materials & Processes Section, Division of Engineering	5/17/83
James G. Keppler	Regional Administrator Region III	5/17/83
James J. Cummings	Director, OIA Telephone - Cummings to Hoyt Hoyt Office to explain OIA File 8139	5/26/83 6/2/83 6/13/83
Mrs. Larry Means	Applegate's Landlady (Telephone)	6/1/83
Bert Davis	Deputy Director/Region III	6/2/83
James McCarten	Former Region III Investigator From March 1982, Special Agent Naval Investigative Service, Great Lakes, Ill.	6/2/83 (Telephone) 6/7/83

<u>Person Interviewed</u>	<u>Position</u>	<u>Date(s) of Interview</u>
Dudley Thompson	Former Deputy Director of IE (now retired)	6/6/83
Thomas Devine	GAP/Director	6/8/83
Ann Marie Tracey	Asst. U.S. Attorney (Telephone) Cincinnati, Ohio	6/8/83
Lynne Bernabei	Attorney/GAP	6/15/83
Victor Stello, Jr.	Deputy Executive Director for Operations	6/15/83
Ann Bowden	Secretary, OIA (telephone)	6/23/83

* Unsuccessful in locating Mr. Major W. Cox, former supervisor of Thomas Applegate at Confidential Services, Inc., 3333 Vine Street, Cincinnati, Ohio, 45220. Telephone Company has no listing for individual or this company.

CHRONOLOGY

<u>Date</u>	<u>Event</u>
12/5/79	Applegate hired by CGE.
12/17/79	Reports progress to Murray of CGE. Inform Murray about stolen materials and belt buckles. Murray instructs Applegate to look for misconduct of employees of Peabody- Magnaflux.
12/2-/79	Further reports of time cheating; also of lax security. Murray again asks for info on PM.
12/3-/79	Reports gun raffling, defective pipe welds, spool incident, pressure on PM.
1/80	Applegate tells CGE of safety problems and collusion of Kaiser. Ignored. Ordered to try to find reason to get rid of Peabody-Magnaflux (good guys doing x-ray radiography).
1/3/80	CGE terminates Applegate's firm. Applegate takes steps to preserve info he has gathered.
1/5-6/80	PM trailer pilfered.
1/16/80	Applegate resigns from Confidential Services Inc.
1/80 (last half) - 2/15	Applegate allegations to Cummings.
2/12/80	Murray of CGE gives Applegate reports to fired employees.
2/15/80	9:15 a.m. - Applegate calls Capitol switchboard, speaks for 13 minutes. 9:28 a.m. - Applegate calls general NRC phone number, speaks for what appears to be 14 minutes.
2/19/80	3:19 p.m. - Applegate calls general NRC phone number, speaks for 12 minutes. Cummings acknowledges this as first OIA contact with Applegate. Applegate spoke to secretary and asked that Cummings return phone call.

Cummings asserts he attempted to call Applegate several times over next two or three days.

2/22/80

9:20 a.m. - Applegate calls general NRC phone number and speaks for six minutes. Cummings asserts that on this date, Applegate advised of his fear of reprisal, contacts with Cincinnati FBI and USA, refusal to deal with Region III, request for transportation to D.C. and protective custody and willingness to turn over documents. Cummings denies transportation and protective custody, asks for documents. Applegate advises will think about it over weekend.

Cummings calls Cincinnati FBI Office, verifies Applegate had requested protective custody from FBI, Cummings told that Applegate was "apparently totally sane."

2/27/80

Cummings acknowledges that Applegate calls twice, Cummings out of office all day. During second call, Applegate asks secretary for Cummings supervisor. He is told Chairman is supervisor.

Cummings' secretary calls Ahearne's secretary to alert her regarding possible call from Applegate.

and

2:21 p.m. - Applegate calls Ahearne's office speaks for 15 minutes. Applegate is referred to HQ I&E.

Bill Ward, HQ I&E, calls Applegate and asks if he will meet with HQ IE staff in Cincinnati.

2/28/80

Member of Ahearne's staff calls Cummings and advises that Applegate referred to IE.

Bill Ward, HQ IE, calls Cummings and advises that he spoke to Applegate, who agreed to meet with HQ IE staff in Cincinnati. Cummings decides not to recontact Applegate.

Bill Ward, HQ IE, calls Phillips in Region III and asks that contact with Applegate be made.

Phillips calls Applegate, arranges March 3 interview, believes Applegate allegations cast doubt on NRC inspectors.

Phillips calls Ward to advise him of problems with regional inspectors; Ward advises that no inspectors will be used, HQ personnel will assist Phillips. (Williamson ultimately assigned from HQ to assist Phillips).

2/28/80	Contacts Ahearne's office and then put through to Bill Ward and Dudley Thompson of IE within a matter of hours. Applegate also goes to FBI, US Atty about this time or earlier. IE had not been given info by Cummings.
2/28/80	Phillips' knowledge of Applegate's allegation from Bill Ward in X005. Phillips contacts Applegate same day.
3/80	Ahearne orders investigation after lower level NRC footdragging. Applegate's car mysteriously forced off road. Threats begin.
3/3/80	Gerald Phillips and L. Williamson meet Applegate at his home for nine hours. Take docs to xerox. Don't listen to all tapes.
3/4/80	Phillips again meets Applegate and advises him IE will investigate.
3/11/80	Phillips/Applegate letter scoping investigating into defective welds accepted for safety related systems, defective welds in five prefab pipes that had been dropped, flushing, or pressure-cleaning process for safety related piping.
4/1/80	PM ordered off site.
4/80	Phillips advises Applegate NRC investigation at plant about to begin.

Phillips gives Applegate prelim results. Welds and pipe flushing corrected. Prefab pipes, current violation.

4/80-5/80

IE-Reg III investigation.

4/15/80

Applegate contacts Chicago Sun Times.

4/20/80

Applegate story in Chicago Sun Times.

4/2 /80

Applegate tells Phillips coverup continues. Phillips discusses claim.

4/30/80

Applegate contacts Bill Ward of NRC about coverup.

5/1/80

Applegate and Ward meet in local Chicago FBI office with Phillips, and Buckley of FBI, for 2½ hrs. Phillips claimed could not understand tape. FBI said NRC would have to act first.

5/6/80

PM employees no longer talkative. Chief exec claims the pilfering hurt PM in its defense and PM holding co. is dictating position. Charges Kaiser coverup. Conversation taped and witnessed.

5/7/80

Phillips had more telephone conversation with Applegate, Ward and Rita Giordano. Phillips goes to FBI office with Applegate in Chicago. Listen to tapes of A's conversation with Adredge. FBI says no crime.

5/80

Applegate goes to Washington. Meets Critical Mass, GAP, Metzenbaum staff.

5/10-15/80

Threats against Applegate's landlady.

5/16/80

Applegate leaves Cincinnati.

6/80

Applegate in Washington to prepare disclosure.

6/4/80

Phillips talks with Applegate for last time. Says PM unwilling to make specific accusations against CGE. IE report to be out soon.

7/80

Reg III report.

12/80 GAP allegations on behalf of Thomas Applegate sent to Merit Systems Protection Board that (a) potentially faulty construction existed at Zimmer, and (b) NRC failed to investigate them properly.

12/15/80 Ahearne tasks OIA to determine adequacy of Region III investigation. (IE Report No. 50-358/80-9 (July 2, 1980))

12/29/80 GAP petition formally sent to OIA.

12/80-3/6/81 OIA, principally Gamble and Sinclair, interviews Region III personnel and some others to determine what was done as a result of 2/80 Applegate allegations. OIA looks at IE regional investigative procedures, Zimmer inspection and investigation reports prepared by Region III, pertinent Kaiser welding records, pertinent non-conformance reports, and Region III investigators working files. (OIA of view that only a limited number of GAP 12/80 allegations had been brought to IE attention by Applegate in 2/80.)

12/30/80-3/4/81 OIA reviews GAP petition, gets more doc from GAP, many of which concern post-IE inv. and hence could not have been within scope of what Applegate initially told Reg. III.

1/9/81 OIA meets with GAP reps and gets additional doc. which OIA refers to IE because it deals with safety info.

1/13/81 Three OIA people (Gamble, Sinclair and Schnebelan) meet with Keppler, Davis, Norelius, Phillips, Fiorelli.

1/14/81 Gamble, Sinclair and Schnebelan interview Phillips.

1/15/81 Gamble and Sinclair interview Donahue.
Gamble, Sinclair and Schnebelan interview Phillips.

1/23/81 Schnebelan and Sinclair interview Knop.

1/26/81 Gamble, Sinclair and Schnebelen interview Fiorelli.

1/27/81 Schnebelen and Sinclair interview K. Ward.

1/28/81 Schnebelen and Sinclair interview K. Ward.
 Schnebelen and Sinclair interview Danielson.

1/29/81 Schnebelen and Sinclair interview Keppler.

2/5/81 Gamble and Sinclair interview Williamson.

2/18/81 Gamble and Sinclair interview Vandel.

2/19/81 OIA requests Zimmer resident inspector (Daniels) to provide copies of weld records.

 Cummings, Schnebelen, Gamble and Sinclair reinterview Phillips and Ward. After lunch, only Phillips reinterviewed.

3/6/81 Gamble and Sinclair interview Harpster.

4/6/81 Gamble and Sinclair submit draft report to Schnebelen for review.

5/ /81 OIA opens 81/39 file on possible criminal violations at Zimmer.

7/ /81 Cummings removes Harpster interview from draft OIA report as irrelevant and places it in 81-39 file. Gamble and Sinclair object.

8/3/81 Gamble and Sinclair meet with Region III staff to discuss draft report.

8/7/81 OIA Report - Findings: Inadequate doc., e.g., no detailed doc of interviews with Applegate or principal wits, no detailed doc of welding records reviewed re: three allegedly defective welds. None of welds were inspected by inv. team nor was all pert welding doc reviewed.

— Second Applegate alleg. re: installing prefab safety pipe with defective welds was not fully

investigated nor accurately repled because it omitted fact that a CGE QA officials responsible for QA program at Zimmer had cleared the defective pipe to be installed.

Lastly, IE wrongly quibbled by saying Applegate's alleg. of defective welding not substantiated. In fact, Applegate was right despite the fact that welds had not received final acceptance.

2/81-4/6/81

Gamble and Sinclair write up and complete draft OIA report. Submit to Schnebelen for review.

4/6/81-8/81

Various iterations of draft OIA report with Cummings, Gamble and Sinclair.

5/81

Open 81-39 file growing out of IE investigation uncovering falsification issue.

7/81-8/81

Cummings takes Harpster interview out of draft OIA report over objections of Gamble and Sinclair on grounds of irrelevance.

8/4/81

Gamble and Sinclair at Cummings direction discuss OIA report with Region III. Keppler, Cummings, Sinclair and Gamble conference call attempt to assuage Keppler's concerns about unfair criticism.

8/7/81

OIA issued investigation report which contained evidence of misleading QA documents.

9/81

Lowenstein FOIA request.

10/8/81

Memo from OIA to Chairm saying documents mentioned in 8/7/81 report were characterized as containing "bogus information". Both OIA report of Aug. 7 and 10/8/81 memo to Chairman were provided to Subcommittee on 11/16/81.

6/30/82

GAP FOIA lawsuit.