

UNITED STATES NUCLEAR REGULATORY COMMISSION

REGION III 799 ROOSEVELT ROAD GLEN ELLYN, ILLINOIS 60137

September 19, 1983

MEMORANDUM FOR: Chairman Palladino

> Commissioner Gilinsky Commissioner Roberts Commissioner Asselstine Commissioner Bernthal

FROM:

John F. Streeter, Chief, Engineering Branch 1,

Division of Engineering, Region III

SUBJECT:

EXHIBIT H OF JULY 12, 1983, REPORT TO THE CHAIRMAN ON ALLEGATIONS OF THOMAS APPLEGATE CONCERNING CONDUCT

OF OFFICE OF INSPECTOR AND AUDITOR

This memorandum relates to Exhibit H of the July 12, 1983, Report to the Chairman on Allegations of Thomas Applegate Concerning Conduct of Office of Inspector and Auditor. Exhibit H is the transcript of an interview of James G. McCarten, a former Region III employee who was a subordinate of mine while he was the lead investigator during Zimmer Investigation 81-13. The exhibit contains a multitude of accusations and innuendoes regarding my character and professional performance and suggests my involvement in obstruction of justice and other very serious matters. My purpose in writing this memorandum is to personally inform the Commission of my firm belief that a thorough evaluation of these matters will reveal that the accusations and innuendoes are without substance.

Mr. Keppler has told me that he is confident that the Commission will deal in a just manner with the Hoyt/Aloot report and Exhibit H of that report. He has also shared with me a copy of Mr. Dircks' September 7, 1983, memorandum to the Chairman which gives me additional encouragement in that regard. I am confident that you will deal with these matters equitably and I stand ready to assist the Commission in any manner it deems appropriate. Should the Commission decide a detailed response by me either in person or writing would be helpful, I would be happy to provide it. Should the Commission decide to conduct an investigation, I would enthusiastically welcome it.

REC'D CHRMN-

cc: William J. Dircks, EDO James G. Keppler, RIII

SEP 83 12: 55 A. Bert Davis, RIII

John F. Streeter, Chief Engineering Branch 1

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