

1 UNITED STATES OF AMERICA
2 NUCLEAR REGULATORY COMMISSION

3
4 INTERVIEW

5
6 OF

7
8 RONALD G. TOLSON

9 Conference Room No. 2
10 visitors Information Center
11 Texas Utility Generating Company
12 P. O. Box 2300
13 Glen Rose, Texas 76043

14 Friday, December 2, 1983

15 The interview commenced, pursuant to notice,
16 at 1:05 p.m.

17 PARTIES PRESENT:

18 On behalf of the NRC Office of Investigations:

19 H. BROOKS GRIFFIN, Investigator
20 DONALD D. BRISKILL, Investigator
21 U. S. Nuclear Regulatory Commission
22 Region IV
23 611 Ryan Plaza Drive
24 Suite 1000
25 Arlington, Texas 76001

On behalf of Texas Utility Generating Company:

26 MORELLI WATKINS, II, ESQ.
27 Debevoise & Lieberman
28 1200 Seventeenth Street, N. W.
29 Washington, D. C. 20036
30 - - -

31 TAYLOR ASSOCIATES
32 1625 I STREET, N.W. - SUITE 1004
33 WASHINGTON, D.C. 20006
34 (202) 293-3950

35 8410310274 840726
PDR ADDCK 05000445
PDR
Q

EXHIBIT (22)

P R O C E E D I N G S

1
2 MR. DRISKILL: For the record, this is an
3 interview of Ronald Tolson, spelled T-o-l-s-o-n, who is
4 employed by Texas Utility Generating Company at Comanche
5 Peak Steam Electric Station.

6 The location of this interview is the Nuclear
7 Operations Support Facility at Comanche Peak Steam
8 Electric Station located near Glen Rose, Texas.

9 Present at this interview are Mr. Brooks
10 Griffin, Investigator, NRC, and Mr. McNeill Watkins, II,
11 of Debevoise and Liberman, Washington, D. C.
12 whereupon,

13 RONALD G. TOLSON

14 having been first duly sworn by Investigator Driskill, was
15 examined and testified as follows:

EXAMINATION

17 BY MR. DRISKILL:

18 Q Just for the record, is Mr. Watkins acting as
19 your personal attorney?

20 A That is correct.

21 Q Did you choose Mr. Watkins as your personal
22 attorney?

23 A I chose the firm. Mr. Watkins was selected and
24 I have no problem with the selection.

25 Q I believe that we have already informally

TAYLOE ASSOCIATES

1625 I STREET, N.W. - SUITE 1004

WASHINGTON, D.C. 20006

(202) 293-3950

1 discussed the matter of whether it is TUGCO's policy to
2 have counsel present and you stated that it was not a
3 requirement that you have counsel present, but considering
4 the circumstances here, which are insomuch as we have a
5 court reporter present, you preferred to have an attorney;
6 is that correct?

7 A That is correct.

8 Q Now, basically one of the areas I wanted to
9 discuss with you was the August 26th, 1983 termination of
10 William Dunham as a protective coatings quality control
11 lead inspector. I understand, based on conversations I
12 have had with others that your involvement in this matter
13 was somewhat limited, but I would like to discuss that
14 with you.

15 First of all, I would like to find out when or
16 on what occasion did you first learn or hear about
17 Dunham's conduct in a meeting which I believe was held
18 with coatings inspectors on about August the 24th, 1983?

19 A I discussed this with Mr. Rice and told him it
20 was either Wednesday afternoon or Thursday morning. I
21 have since checked the gate logs and it had to be Thursday
22 morning because I wasn't here on Wednesday.

23 Q And would you describe how this information
24 came to you?

25 A Mr. Brandt apprised me of some input he had

1 received from people in the meeting, that Mr. Dunham was
2 disruptive and that is basically how I found out about
3 what transpired in the meeting.

4 Q This was on about the morning of August 25th?

5 A That is correct.

6 Q What was the setting in which he told this to
7 you? Were you having a meeting with several people?

8 A I was in my office.

9 Q Did he call you on the phone or did he come to
10 see you?

11 A He came to my office.

12 Q And did Mr. Brandt tell you that he had a
13 concern with regard to Dunham's conduct at the meeting?

14 A I don't recall exactly what we discussed. I was
15 left with the impression that Mr. Brandt was seeking my
16 opinion or advice on what, if anything, he should do
17 relative to Mr. Dunham's conduct in the meeting.

18 Q Did at that time Mr. Brandt propose any sort
19 of disciplinary action to you?

20 A I do not recall. The only thing I recall of
21 that session is how we jointly ended up deciding on a
22 course of action that morning. I can't remember whether it
23 was something he recommended or something that I thought
24 was appropriate. That is the reason I am phrasing it the
25 way I am.

1 Q Do you recall discussing this topic at all in
2 the presence of Ion Brandt and some of the other people
3 who attended the meeting?

4 A No. I think it was strictly between me and Mr.
5 Brandt.

6 Q would you mind telling me what then you and
7 Mr. Brandt decided you would recommend?

8 A Basically a formal counseling session and
9 three days off without pay.

10 Q That was a recommendation you decided on on
11 the morning of Thursday?

12 A Yes, sir.

13 Q Did you have any more discussions with Mr.
14 Brandt or with anyone else relating to this decision?

15 A Mr. Brandt was off site Friday attending to
16 personal business and I contacted with Mr. Krisher Friday
17 morning and asked him what the status was. I was told that
18 nothing had transpired at which time I changed the
19 recommendation.

20 Q Now prior to this discussion or talk with Mr.
21 Krisher, have you previously talked with Mr. Purdy?

22 A I may have. I don't remember.

23 Q You had not related to him ---

24 A I may have, or Mr. Purdy may have come and
25 asked me did I know what was going on. I just don't

TAYLOE ASSOCIATES

1625 I STREET, N.W. - SUITE 1004

WASHINGTON, D.C. 20006

(202) 293-3950

1 Q And would you explain to me again the reason?

2 A If you need to take action, such as three days
3 off without pay, then you need to do that -- that should
4 have happened Thursday. It didn't happen Thursday, and I
5 thus changed it to just telling him that we didn't
6 appreciate his attitude.

7 Q Did Mr. Purday later that day explain what
8 happened after the counseling session with Dunham to you?

9 A He came to my office after the counseling
10 session, yes.

11 Q And what did he tell you?

12 A In essence he reiterated that Mr. Dunham, and
13 I won't use vulgar terms, but had told him to do something
14 with his counseling report and a few other things, and
15 Gordon had attempted to calm him down, did achieve that
16 goal and escorted Mr. Dunham out the gate, which I took as
17 a resignation on the part of Mr. Dunham.

18 Q Did Mr. Purdy communicate with you during the
19 meeting regarding the termination of Dunham or his
20 decision to terminate Dunham?

21 A No.

22 MR. WATKINS: you mean during the counseling
23 session?

24 MR. DRISKILL: Yes. I am sorry, I meant during
25 the counseling session.

1 BY MR. DRISKILL:

2 Q Going back to the previous day, during your
3 discussion with Mr. Tolson or with anyone else regarding
4 the proposed disciplinary action, which was both the
5 counseling session and the proposed three days off without
6 pay, did you discuss what Mr. Dunham's reaction might be
7 to that?

8 A No, sir.

9 Q There was no discussion then that he might not
10 accept that or what his attitude might be with respect to
11 three days off or the counseling session and any other
12 disciplinary action that might be taken if his attitude
13 were what it was?

14 A Let me try to answer the question this way,
15 and the record needs to be corrected when you referred to
16 Mr. Tolson, because I don't talk to myself.

17 Q I am sorry. I think I was referring to Mr.
18 Brandt.

19 A An action of three days off without pay or
20 with pay, regardless of which, is designed to give the
21 individual an opportunity to think about what was said at
22 the counseling session and come back in with a fresh mind
23 after the three-day period so we can sit and talk about
24 things calmly and rationally. That is really the best
25 answer I can give to what I perceive your question to be.

TAYLOE ASSOCIATES

1625 I STREET, N.W. - SUITE 1004

WASHINGTON, D.C. 20006

(202) 293-3950

1 Q Okay. With respect to Mr. Dunham, were you
2 previously acquainted with him?

3 A That is correct.

4 Q In what way?

5 A Sometime, and the dates escape me, I am
6 thinking June or July, something in that time frame, Mr.
7 Purdy advised me that one of the paint inspectors, and it
8 was specifically Mr. Dunham, had some concerns, and
9 concerns in the area as I perceived it from Mr. Purdy of
10 things that I needed to hear personally, at which time I
11 requested a meeting between Mr. Purdy, Mr. Dunham, Mr.
12 Brandt and myself, Mr. Purdy, since he is the senior
13 representative for Brow and Root and Mr. Brandt because
14 he is technically responsible for the particular area and
15 myself so I could hear firsthand what Mr. Dunham's
16 concerns were.

17 Q And what were these concerns?

18 A The bottom line appeared to be that he didn't
19 like Harry Williams, and I have read his labor complaint.
20 I frankly don't recall him stating all the things that he
21 claims to have stated in that particular session, and
22 specifically intimidation and harassment, et cetera. He
23 was emotionally disturbed, or at least appeared to be,
24 upset, and I asked, you know, specifically on a number of
25 occasions, just, you know, trying to come to grips with

1 just what he was trying to say. But the only thing I came
2 out of that session with was, and I recall asking him
3 point blank, that the bottom line appeared to be that he
4 did not like Harry Williams, at which time he, as I
5 recall, said, yes, that is part of my problem.

6 I did not record this session nor did I take
7 notes on what he said. I did promise him, as I would any
8 inspector, to conduct a follow-up preferably when the
9 emotions had settled down so that communication could be
10 better, and that follow up with him was conducted by
11 another individual on my staff. The individual's report to
12 me verbally, which has subsequently been formalized, was
13 essentially the same conclusion I came of the initial
14 session with, which was he didn't have a whole lot of
15 respect for Mr. Williams.

16 Q I see. To regress just a moment, what did Mr.
17 Purdy tell you Dunham's concerns were based on his, that
18 is Mr. Purdy's conversation with Dunham?

19 A I don't remember, except it was the type of
20 thing that I typically don't want to hear about. It very
21 likely included a phrase something to the extent of that
22 if we can't do something he would go to the NRC and all
23 this kind of stuff, which it is my job to take care of
24 that type of thing.

25 Q Mr. Purdy then didn't mention to you that

1 Dunham had said they were being harassed or intimidated?

2 A I will be frank with you. I am not sure I know
3 what harassment and intimidation means. I really don't.
4 Those are words which it is hard for me to distinguish or
5 associate with any conversation because it has been a
6 topic of discussion over the last year coming out of the
7 entire group. I don't recall at this time whether those
8 words were used. They could have been.

9 Q When Mr. Dunham came to your office did you
10 make the statement which is quoted here, "Boy, what is
11 this bull shit about harassment and intimidation?"

12 A Absolutely not. The word "boy" is not in my
13 vocabulary. I was raised in South Texas and we were taught
14 not to use that. I probably opened the conversation with
15 the word "Bill," but I definitely never used the term
16 "boy."

17 Q During the course of this meeting did Mr.
18 Brandt and yourself use an interrogation like manner in
19 questioning Mr. Dunham regarding his concerns?

20 A I don't think we did, but again Mr. Dunham was
21 I guess in our phrase bouncing off the wall, very
22 emotional. Most of the talking was done by him. We asked a
23 few questions, and I will ask questions any time anybody
24 gives me a generic statement. I am going to have to get it
25 down to something specific that I can come to grips with.

TAYLOE ASSOCIATES

1625 I STREET, N.W. - SUITE 1004

WASHINGTON, D.C. 20006

(202) 293-3950

1 But as I recall, the session was as calm as you can be
2 under the circumstances.

3 I think he during the course of the
4 conversation made a statement which I personally
5 considered to be out of line to some extent of running to
6 the NRC or something like that. His quote in there about
7 me saying that now you are intimidating me is correct
8 because that is the way I took his remark.

9 Keep in mind that all I am doing is sitting
10 there and giving the gentleman an opportunity to tell me
11 firsthand just what it is his problem was, because unless
12 he tells me I can't come to grips with it.

13 Q He says that he told you and Mr. Brandt and
14 presumably Mr. Purdy that you didn't have to take his word
15 for it with respect to what he was trying to tell you, but
16 other inspectors would basically corroborate what he was
17 saying. Did he make that statement?

18 A He probably did.

19 Q And I understand from talking to Mr. Brandt
20 that Mr. Brandt did conduct interviews of all of the
21 personnel working in the coatings QC group subsequent to
22 that meeting to determine whether in fact there were any
23 problems in that area.

24 A That is correct.

25 Q Did Mr. Brandt relay to you any information or

1 part of the year. Part of my dilemma is that same scenario
2 was played in the hearings, it seems like they was last
3 year, last summer.

4 Q Did that have to do with the protective
5 coatings?

6 A Yes, the nit-picking phraseology. I am not
7 personally familiar with a meeting of any kind in January
8 where I came back and relate to the nit-picking.

9 Q May I ask whose testimony that was in the
10 hearings?

11 A Probably Hamilton.

12 Q And to whom did he attribute these type
13 statements?

14 A Mr. Williams.

15 Q Did Mr. Brandt relate to you subsequent to his
16 interviewing the protective coatings QC inspectors that
17 Harry Williams or another supervisor subordinate to Harry
18 Williams had instructed coatings QC inspectors not to go
19 to Mr. Brandt's office or take advantage of Mr. Brandt's
20 open-door policy?

21 A I don't remember that discussion.

22 Q You don't recall him telling you that he had
23 obtained any such information?

24 A No.

25 Q You said previously that you had another

1 subordinate supervisor reinterview Dunham at a later date
2 to determine exactly what his concerns were when he
3 previously came to your office and I suppose find out what
4 the status of those concerns might be at that time?

5 A well, to put it in my words, Mr. Dunham
6 appeared to be emotionally upset and we appeared to have
7 reached the end of me being able to get specific input
8 from him at which time I terminated the session and told
9 him that we would follow up and did so but in a calmer
10 way.

11 Q May I ask who the supervisor was who
12 reinterviewed him at a later date?

13 A That was Mr. Bob Scott.

14 Q And would you again tell me what Mr. Scott's
15 report back to you consisted of?

16 A Essentially Mr. Dunham didn't like Mr.
17 Williams, as I recall.

18 Q To your knowledge, had Mr. Dunham explained
19 why he didn't like Mr. Williams to Bob Scott?

20 A I don't remember Mr. Scott and I discussing
21 that, but he may well have.

22 Q Did Mr. Scott give you any sort of written
23 report?

24 A Not at the time. I had since asked him a
25 couple of months later to sit down and provide me a memo

1 on his recollection of discussion with Dunham.

2 Q Did Mr. Dunham or Mr. Scott as a result of his
3 later interview of Mr. Dunham relay to you that he felt
4 Harry Williams was not allowing the inspectors to properly
5 report deficient or non-conforming conditions?

6 A what is proper?

7 Q what he thought was the proper way. If you
8 will allow me to rephrase it, what Dunham thought was a
9 proper way. I don't want to mischaracterize what is right
10 and what is wrong.

11 A The intent of the protective coating QC
12 program has been and remains that items which can be
13 handled through standard repairs are to be recorded on an
14 inspection report. Now my definition of proper is
15 following the procedure. That is what the procedure
16 requires.

17 Q We had a discussion earlier during Mr.
18 Griffin's interview where we talked about the use of
19 inspection reports and the use of non-conformance reports.
20 I don't want to get into that in a lot of detail, but
21 based on a limited review of protective coatings
22 inspection procedures during the last several years, I
23 believe that Mr. Griffin identified a date somewhere in
24 the late fall or early winter of 1981 as a time in which
25 the protective coatings department began using an

1 inspection report rather than the previously used check
2 lists as a means of documenting their inspections; is that
3 correct?

4 A That is what I recall from our earlier
5 discussion, yes, sir.

6 Q Did the use of the inspection report intend to
7 deny the inspectors the right to use the non-conformance
8 report?

9 A No.

10 Q If you could briefly, would you explain or
11 differentiate between the purpose of the two documents
12 subsequent to the late fall or early winter of 1981 for
13 the protective coatings QC people?

14 A I would prefer to rephrase it without time
15 restraints of any time, because with the exception of what
16 I call the paper, it all accomplishes the same thing. To
17 illustrate, the pre-'81 check list, as we have used that
18 term, contained essentially all of the information that is
19 currently reported on an inspection report, dry film
20 thickness measurements, surface preparation, temperature
21 and humidity readings and things that are important, QC
22 characteristics to check during the inspection process.

23 I need his question back because I just lost
24 my train of thought.

25 MR. GRIFFIN: He asked you the difference

1 between the NRC program and ^{IR} our program.

2 MR. DRISKILL: Not the program, but the
3 purposes of those documents. Just give a brief explanation
4 of what the purpose of those documents were in the
5 coatings QC setting.

6 THE WITNESS: They are both tailored to fit
7 Criterion 16 or 17 of Appendix B which requires the
8 identification and documentation of discrepant items. The
9 inspection report is used for those things that can be
10 resolved routinely through the QC department and the
11 craft.

12 MR. DRISKILL: Between?

13 THE WITNESS: It only requires those two levels
14 to communicate and resolve discrepant conditions. In the
15 area of protective coatings I personally cannot conceive
16 of the situation that can't be handled on an inspection
17 report. We have a situation where you are doing an
18 inspection to a prepared set of requirements and it is a
19 go/no-go situation. It either meets the requirements or it
20 doesn't. If it doesn't meet the requirements, most of the
21 time the resolution is to repair it, if not all of the
22 time.

23 The only time that it won't get into a repair
24 cycle is if for one reason or another the discrepant
25 condition is now inaccessible, at which time the only

1 vehicle for resolving the discrepant condition is a
2 non-conformance report.

3 So, as we discussed with Mr. Griffin earlier
4 this morning, one of the two or three ways of closing an
5 inspection report is to convert it to a non-conformance
6 report.

7 BY MR. DRISKILL:

8 Q And with respect to the inaccessible areas,
9 that requires an engineering evaluation and disposition;
10 is that correct?

11 A That is correct, and we prefer to use a
12 non-conformance report to accomplish that.

13 Q Well, Ron, I don't think it is any surprise to
14 me and probably not yourself that some of the inspectors
15 believe that other areas require an engineering
16 disposition for evaluation and disposition.

17 A Such as?

18 Q Well, I believe that you have probably seen
19 examples of inspectors who believe that. At least they
20 have written NCR's which would indicate that where some of
21 them believe that they are qualified to determine what
22 perhaps is a generic type problem that needs to be
23 evaluated with respect to the various technical aspects of
24 coatings.

25 A I am sure that there are some of them that

1 rancy themselves as protective coating engineers based on
2 the amount of the input that I have received over the past
3 few months, but that is not what they are employed to do.
4 They are employed to inspect to a prescribed program and
5 that is what I expect them to do.

6 The NCR's that I see are generally those that
7 either my supervisors or craft cannot comprehend why they
8 are escalated to that level because I do not routinely go
9 back and just look at every NCR by people. Obviously, I
10 don't have the time for that.

11 My evaluation of those that are brought to my
12 attention is the same as the people's that brought them to
13 me. I cannot comprehend why the people feel compelled to
14 put them on NCR's. A classic example. During concrete
15 preparation we used what is referred to as a rebar chair
16 which is a plastic device, a small plastic device. We knew
17 going in that the protective coating, particularly if an
18 abrasive substance such as overalls or what-have-you comes
19 into contact with that plastic that there was a good
20 possibility that the coating would flake or peel off, a
21 little small chair.

22 Recognizing that, built into the construction
23 procedure is a standard repair procedure for those
24 situations. As I said earlier this morning, as we come
25 down from the top of the reactor building to elevation

1 832, any and all of those situations will be identified
2 and resolved through standard repair procedures. Why
3 certain individuals feel compelled to wander to 810
4 looking for flaked paint on rebar chairs is beyond me, but
5 they have done it.

6 After a few examples like this, I felt the
7 need to bring a selective group of people in and talk to
8 them about it, which I did very calmly, very openly and in
9 essence pleaded with them to let me help them understand
10 the program because it seemed to me that perhaps they
11 didn't understand the program.

12 There were a few examples thrown out along the
13 same lines of what we have talked about here today because
14 I really find it hard to conceive of a situation out there
15 outside of the inaccessible condition that I cannot
16 properly document and resolve on an inspection report.

17 After our exchange I asked them as a group did
18 anybody now have any problems and I got ^{nothing} ~~nothing~~ but smiles
19 and what I perceived to be understanding at which time
20 they left and the following day I got another rebar chair
21 NCR. I don't know what they are doing. It is not a
22 complicated thing for me. You map an area out on a wall
23 that you need to inspect and repair to make the coatings
24 on the wall meet the requirements, you do that task and
25 you go away and you get on to something else.

TAYLOE ASSOCIATES

1625 I STREET, N.W. - SUITE 1004

WASHINGTON, D.C. 20006

(202) 293-3950

1 occurred I think it was the 7th of October 1983
2 reincorporated 16.0 and the NCR references loss of
3 adhesion as being an NCR condition. Otherwise, the
4 inspection report is the vehicle.

5 THE WITNESS: Let me digress just a little bit
6 and it might help the conversation. You are correct on
7 what you are saying here and I know what happened there.

8 Again, it comes back, even in the case of loss
9 of adhesion, I personally could handle it on an inspection
10 report, but I could see where some of the inspectors could
11 not. So we decided to reinsert that condition.

12 • Keep in mind what I am trying to do, and that
13 is why I have got 15 revisions, is as we communicate with
14 the people and begin to understand what is bugging them or
15 bothering them from a technical standpoint, then that
16 gives us a clue as to how to phrase the inspection
17 instructions so that they don't have any concerns
18 whatsoever about what their job responsibilities are. We
19 need to do that for them.

20 Between the one you referred to and the
21 previous revision, there must have been some questions
22 raised well, how do I handle this condition. It had not
23 been procedurally described. So we went back and added
24 that specific condition. But again I could handle that
25 with an inspection report also.

1 MR. GRIFFIN: Well, the gist of our questioning
2 relates to, and if you will accept for the moment that
3 16.0 was excluded from Rev. 4 through Rev. 15, which is a
4 period of two years, in the particular one I looked at
5 which was 4.1, if you will accept that as being accurate,
6 the gist of our questioning is during that period between
7 4 and 15 were QC inspectors discouraged or prevented from
8 using the NCR in that it didn't exist at least in some of
9 the procedures or in some of the quality instructions?

10 THE WITNESS: I have a hard time conceiving on
11 how that could possibly occur because there is something
12 else I do as a matter of routine. Even though it may not
13 have been in that instruction, I will accept that for the
14 time being, but I will reserve final decision until I
15 actually look myself. Every one of the inspectors as part
16 of their initial indoctrination gets exposed to QP 16.0.
17 There is a note that I wrote personally on 16.0, which
18 appears right on the front page, that in essence says that
19 in the event of lack of guidance within individual
20 inspection instructions the provision of this procedure
21 shall go.

22 Now there has been a few external critics that
23 tried to get me to ^{remove} ~~remote~~ that note which I refused to do
24 because I put it in there for an awfully good reason. I am
25 not trying to discourage the identification of

1 discrepancies. I am trying to direct the effort to the
2 most efficient method for documenting those discrepancies
3 which is certainly consistent with the requirements in
4 Appendix B and that is all we are trying to do.

5 MR. GRIFFIN: Well, if somebody makes a
6 statement to the parties involved say in the hearings, and
7 that statement is we are not allowed to write NCR's, and
8 then you start exploring that fact and in exploring it one
9 of the things you go into is the quality inspections. Then
10 you find that for a period of time 16.0 has been deleted
11 from some of the instructions and you combine that with
12 the testimony of discouragement of writing NCR's or
13 instructions not to write NCR's, it raises this question
14 and that is the reason we are asking these questions to
15 you.

16 THE WITNESS: I am beginning to understand your
17 dilemma, but again I think it deserves repeating. You got
18 back and pull that individual's training file that made
19 that statement to you and review the other documents that
20 he has been exposed to as part of his indoctrination from
21 the QA viewpoint, and then I want you to go back to guy
22 that made the thing and ask him what his real motivation
23 is. That is the thing I am having trouble coming to grips
24 with, what is he motivated by.

25 MR. GRIFFIN: The NRC's concern of course from

1 start to finish is are they allowed to report the
2 deficiencies.

3 THE WITNESS: Certainly.

4 MR. GRIFFIN: Regardless of the format or the
5 form that you choose, if the allegation is that their
6 reporting of deficiencies is discouraged, it is our
7 concern and we explore the issues to the satisfaction of
8 the Commission.

9 THE WITNESS: I understand that, but there has
10 been no discouragement in their reporting of
11 discrepancies. I will readily admit that the instruction
12 procedures, or instructions is a better phrase, do lean
13 towards the use of an inspection report for accomplishing
14 that, but if an individual feels strongly about whatever
15 it is, he has been given the procedural autonomy to use
16 a non-conformance report ^{if} he so chooses. All he has to
17 do is pick up a phone and get a number. No one can stop
18 him from doing that.

19 Now if he continues to identify things, like
20 the rebar chairs that you have got a standard fix for, I
21 am going to call him in and ask him to use the inspection
22 report and I am going to do that every time.

23 MR. GRIFFIN: I understand.

24 THE WITNESS: All I am doing is managing the
25 people.

TAYLOE ASSOCIATES

1625 I STREET, N.W. - SUITE 1004

WASHINGTON, D.C. 20006

(202) 293-3950

1 BY MR. DRISKILL:

2 Q Let me ask you one question. We discussed a
3 few minutes ago an indeterminate condition. I believe we
4 used that phrase; is that correct?

5 A That is correct.

6 Q Would you define what in your mind that is?

7 A Missing records is a good example. Suspected
8 internal damage that you can't see is indeterminate.
9 Virtually any Part 21 that I receive is indeterminate
10 because I never know what they are talking about for two
11 or three months until they get around to writing all the
12 reports. A lot of 50.55(e's) are indeterminate,
13 particularly since we use the term potential which really
14 isn't in the law, but we have learned to use it because it
15 makes the communication between us and the Commission
16 better. There are probably some more, but I can't think of
17 them off the top of my head.

18 Q For the average inspector, and we will use the
19 protective coatings inspector since that is the area that
20 we are talking about, if he comes across a condition which
21 for some reason or another he feels unable to evaluate
22 based on what he has before him or something of that
23 nature, could he identify that area as an indeterminate
24 condition?

25 A He can and I think that they have.

1 Q Have you ever instructed personnel to use the
2 inspection report to report indeterminate conditions?

3 A No, sir.

4 Q You have instructed them to use NCR's to
5 report indeterminate conditions?

6 A I honestly can't recall ever discussing one
7 way, or the other with any of the inspection force which
8 piece of paper you use, except for that group that I
9 mentioned earlier.

10 Q Well, for instance, in the context of that
11 particular meeting with that group, did you discuss that?

12 A Yes, we discussed the rebar chair issue, and
13 the way I left that with them, you know, that rebar chair
14 is not going anywhere and when we get to that level we
15 will pick it up on an inspection report.

16 Q Did you discuss the issue of indeterminate
17 conditions?

18 A I don't recall that. If you confine and think
19 in terms of the inspection function, they don't run onto
20 many indeterminate conditions. It is when they decide to
21 go outside the scope of the inspection function that in
22 their mind it might be indeterminate. To give you an
23 example, DBA testing on the coatings themselves. From
24 their viewpoint that is indeterminate. From my viewpoint
25 that is outside the scope of their job and don't worry

TAYLOE ASSOCIATES

1625 I STREET, N.W. - SUITE 1004

WASHINGTON, D.C. 20006

(202) 293-3950

1 about it. That has come up.

2 Q So in most situations you would consider an
3 indeterminate condition something that either you or your
4 subordinate supervisors would encounter with respect to
5 testing or the adequacy of documentation and things of
6 that nature, rather than an actual inspection finding?

7 A In the area of coatings that is definitely
8 true.

9 MR. DRISKILL: Let's take a break for a few
10 minutes.

11 (Brief recess.)

12 MR. DRISKILL: We can go back on the record.

13 Ron, I have got one other area that I would
14 like to discuss and that has to do with the memo generated
15 by J. B. Lipinsky of O. B. Cannon and Sons, Philadelphia,
16 Pennsylvania.

17 The first thing I would like to do is I would
18 like to ask you to ---

19 MR. WATKINS: Can we identify the memo? Do you
20 have a copy with you?

21 MR. DRISKILL: No, unfortunately, I don't.

22 MR. GRIFFIN: Maybe we could identify it as an
23 internal O. B. Cannon memo allegedly generated by Mr.
24 Lipinsky following a two or three-day site visit here
25 related to coatings. Is that descriptive enough?

TAYLOE ASSOCIATES

1625 I STREET, N.W. - SUITE 1004

WASHINGTON, D.C. 20006

(202) 293-3950

1 MR. DRISKILL: It was a memo written to R. B.
2 Roth who was the President of O. B. Cannon, and Mr.
3 Lipinsky characterized that document to me as a trip
4 report to his boss and a document which was intended for
5 internal O. B. Cannon use. Somehow the document got into
6 the public domain and I received a copy of it.

7 I understand that you, Mr. Tolson, have had
8 the opportunity to review it and talk with Mr. Lipinsky
9 about some of the statements he made in that internal
10 memo.

11 THE WITNESS: That is correct.

12 BY MR. DRISKILL:

13 Q First of all, I would like you, if you would,
14 to characterize that memo with respect to its accuracy and
15 impact that it may have had on your coatings program.

16 A Okay. Relative to accuracy, it is my
17 considered opinion based on some nine years of experience
18 on Comanche Peak that it is totally inaccurate. I think it
19 is not too much unlike what we have recently experienced
20 with the NRC CAT inspection where a snapshot of perceived
21 conditions gets committed in writing without benefit of a
22 full discussion and evaluation. In my judgment, that is
23 what has essentially happened with the "Lipinsky memo."

24 We did discuss it and we went over and
25 corrected many of the errors that were in there regarding

1 who worked for who. we discussed possible reasons at least
2 at my level for why Mr. Lipinsky concluded what he did
3 relative to me personally in the protective coating
4 program.

5 I met with him the second day he was here for,
6 as I recall, no more than five minutes. I remember little,
7 if anything, of the discussion. I perceived the purpose of
8 him coming to my office was to introduce himself. My
9 purpose was to get him lashed up with Tom Brandt because I
10 think at the time I was late for a meeting. So I was a
11 little bit short with him.

12 Our next exposure was at a discussion the
13 following day where the statement was made of something to
14 the effect that he didn't think we met all of the ANSI
15 requirements. I asked for a specific example or examples
16 of what he was talking about at which time I think he said
17 something to the effect of well, I can't answer that
18 without a detailed audit, and I probably said something to
19 the extent that I am not interested in an audit, that
20 wasn't the purpose of O. B. Cannon coming in, which he
21 took, as best as I can perceive, as a negative attitude on
22 the part of QA management.

23 What I did not discuss with him at that
24 session, but have since, is there is an awfully good
25 reason for me not encouraging an audit. I have had both

1 technical and O&I investigations on protective coatings
2 since the 1st of January virtually continuous. I am at
3 this time unaware of any technical problems. I have had at
4 least six corporate QA audits of protective coatings in
5 the last year and I am unaware of any technical problems
6 and I just don't need another audit.

7 Q To regress just a moment, what was the purpose
8 of Mr. Lipinsky's visit?

9 A I don't know, because he was not retained by
10 the QA side of the house. Cannon was brought in by Mr.
11 Merritt who is the Assistant General Project General
12 Manager to provide an overview of the protective coating
13 production work, and now Mr. Lipinsky came down here, I
14 haven't got the foggiest idea because he was not retained
15 to provide QA services.

16 Q How long was Mr. Lipinsky here?

17 A His trip report indicates three days and I
18 can only account for one of the three days, or two of the
19 three days. I don't know what he was doing the first day.
20 I met briefly with him on the second day and again
21 slightly longer on the third day when we got together in a
22 conference discussion.

23 Q There were a couple of things in that memo
24 that I wanted to ask you about, one of which was Mr.
25 Lipinsky's statement that he had learned from interviews

1 with Brown and Root, TUGCO or someone else that
2 approximately 30 of like 450 personnel doing coatings work
3 were actually qualified to ANSI standards.

4 A Speaking in an order of magnitude type of
5 discussion, that is not too far from the truth, but you
6 have got to be careful with, and I think he used the term
7 "painters," and that is an unfair or an untruth. There is
8 a lot of work force involved in masking and sanding and
9 things of that nature which do not require painters. It is
10 a labor force, if you will.

11 There is a heavy number of laborers as opposed
12 to the number of "qualified applicators" that it takes to
13 perform the painting and they are assigned to the paint
14 department, but they are laborers.

15 Q Are there painters who are not qualified to
16 ANSI standards?

17 A No. That is not what he is trying to say
18 there. The way he phrased it, you are left with the
19 impression that out of the 454 painters we have only got
20 34 that have been qualified and that is totally incorrect.
21 That is not what he intended to say.

22 Q Another statement that he made in the memo
23 related to the ANSI requirements and how a possible
24 failure to meet those requirements at Comanche Peak might
25 impact on the licensing proceeding.

1 With respect to that statement, he indicated
2 that you in response to him made a statement to the effect
3 that you had no interest in the licensing proceeding or
4 something to that effect.

5 A Let me digress just a minute. The only
6 opportunity we had for that type of a discussion was the
7 morning of the second day that he claims to have been
8 here. If you will simply look at his trip report and what
9 he accomplished the first day, which basically boils down
10 to getting badged in and talking to a few folks, he has
11 hardly had time at that point in time to either come to
12 preliminary conclusions or final conclusions of any kind.

13 Now it is very likely in our brief discussion
14 that second morning that he got around, and he thinks he
15 talked about the stuff he put in his report, I don't
16 remember it. We probably used the phrase "licensing." The
17 intent of my quote that got in the memo is that I am not
18 responsible for licensing the plant, which is true. I am
19 responsible for quality control of the plant, but there is
20 another manager that is responsible for licensing. That is
21 not me. I wanted him to understand that so that we didn't
22 get into a lengthy discussion of licensing proceedings. I
23 didn't even know why he was there and I certainly didn't
24 want to spend the entire day discussing how to license a
25 nuclear power plant and that was what I was afraid we

TAYLOE ASSOCIATES

1625 I STREET, N.W. - SUITE 1004

WASHINGTON, D.C. 20006

(202) 293-3950

1 might get into.

2 Q As I believe we have already established, you
3 had the opportunity to sit down with Joe Lipinsky at a
4 later date and discuss the contents of his internal memo.

5 A That is correct.

6 Q I would like to ask you were the two of you
7 able to resolve some of his apparent concerns with respect
8 to the protective coatings program?

9 A In my judgment, yes. I think if you were to
10 ask the same question of Mr. Lipinsky, his statement would
11 be something to the effect that if we are in fact doing
12 what I told him we were doing, then he has no problems. He
13 is a fairly conservative individual and conservative
14 people will seldom make positive statements unless they
15 are afforded the opportunity to perform, in his words, a
16 detailed audit, which again I think I have already
17 explained. I cannot justify another one at this point in
18 time.

19 Q So you felt that as a result of your meeting
20 with him that he was satisfied that some of the areas in
21 which he had concerns were probably less a concern than he
22 had originally believed if in fact your explanations
23 regarding those specific things were true?

24 A I would like to be a little more positive than
25 that. I would think that all of his concerns had been

1 resolved and not just some of them.

2 MR. DRISKILL: I don't have any other
3 questions.

4 MR. WATKINS: Can we take just a short recess?
5 (Brief recess while Counsel Watkins and Mr.
6 Tolson confer outside the conference room.)

7 MR. DRISKILL: Mr. Tolson or Mr. Watkins, do
8 either of you have anything to add before we close?

9 THE WITNESS: No, sir.

10 MR. WATKINS: I don't.

11 MR. DRISKILL: Mr. Tolson, have I or any other
12 NRC representative here threatened you in any manner or
13 offered you any rewards in return for this statement?

14 THE WITNESS: No, sir.

15 MR. DRISKILL: Have you given this statement
16 freely and voluntarily?

17 THE WITNESS: I was requested to be here and I
18 am here.

19 MR. DRISKILL: Thank you.

20 Is there anything further you care to add for
21 the record?

22 THE WITNESS: No, sir.

23 (Whereupon, at 2:25 p.m., the INTERVIEW OF
24 RONALD G. TOLSON concluded.)

25 - - -

CERTIFICATE OF PROCEEDINGS

1
2
3 This is to certify that the attached proceedings of the
4 Interview of RONALD G. TOLSON before the Office of
5 Investigations at Texas Utility Generating Company,
6 Comanche Peak Steam Electric Station, Glen Rose, Texas
7 76043, on Friday, December 2, 1983, commencing at 1:05
8 p.m., was held as herein appears, and that this is the
9 original transcript for the files of the Office of
10 Investigations, Region IV.
11

12
13 Mary C. Simons

14 -----
15 Official Reporter - Typed

16
17 *Mary C. Simons*
18 -----

19 Official Reporter - Signature
20
21
22
23
24
25

TEXAS UTILITIES GENERATING COMPANY

2001 BRYAN TOWER DALLAS TEXAS 75201

D. J. GARY
Regional Administrator
U.S. Nuclear Regulatory Commission

December 13, 1983
TX-4067

John Collins
Regional Administrator
U.S. Nuclear Regulatory Commission
611 Ryan Plaza Dr. Suite 1000
Arlington, TX 76012

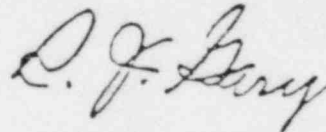
Docket Nos.: 50-445
50-446

COMANCHE PEAK STEAM ELECTRIC STATION
INVESTIGATIONS INTO ALLEGATIONS
FILE NO.: 10066

Dear Mr. Collins:

In accordance with our agreement, enclosed please find a copy of the report of our investigation into allegations made by W. A. Dunham and concerns expressed related to protective coatings.

Very truly yours,



RJG:ln
Enclosure

cc: NRC Region IV (0 + 1 copy)

Director, Inspection & Enforcement (15 copies)
U.S. Nuclear Regulatory Commission
Washington, DC 20555

~~0103080335~~

EXHIBIT (23)

TEXAS UTILITIES GENERATING COMPANY

OFFICE MEMORANDUM

To D.N. Chapman Dallas, Texas October 25, 1983

Subject INVESTIGATION INTO ALLEGATIONS MADE BY W.A. DUNHAM
AND CONCERNS EXPRESSED RELATED TO PROTECTIVE COATINGS

In accordance with B.R. Clements' memo dated September 19, 1983, to D.N. Chapman, an investigation was conducted into allegations made by William (Bill) Andy Dunham. Bill Dunham, in filing Form B-3 (1282), Initial Claim for Benefits, with the Texas Employment Commission, indicated in part, "I was fired for identifying quality problems ..."

The investigation was basically a two part investigation. The first part included discussions with Bill Dunham, with other inspectors he suggested I talk to, with persons attending a meeting between the Corrosion Engineers and QC Coatings Inspectors on August 24, 1983; and persons present at the counseling session on August 26, 1983. The purpose of these discussions was to determine if Bill Dunham had been dismissed for identifying quality problems. The details of the first part of the investigation are included in Attachment A. The allegation that Bill Dunham was terminated for identifying quality problems was refuted.

The second part of the investigation followed up on matters initially brought up during the first part of the investigation.

The rest of the coatings QC inspectors, both day and night shifts, were also interviewed. In addition, Mr. Harry Williams, the former Coatings QC Supervisor, was also contacted at his present job. In addition, TUSI Engineering personnel were interviewed and engineering documentation which supports engineering decisions was examined.

Basically, six technical concerns were voiced during the investigation. These items are detailed in Attachment B, Part 1. The technical concerns were discussed with TUSI Engineering and with the Principal Corrosion Engineer for Ebasco. The Gibbs & Hill Specification AS-31, "Protective Coatings," was reviewed. Industry standards referenced in the G&H specification, and site procedures for coatings application and inspections were also reviewed.

The validity of each of the technical concerns was evaluated in light of specification requirements and requirements in referenced standards. Engineering positions were evaluated in light of manufacturer's recommendations and where deemed necessary, Design Basis Accident (DBA) testing reports were examined to further assess the validity of engineering conclusions.

On the basis of the above, the technical concerns expressed by the inspectors were found to be unwarranted.

The allegations of harassment, intimidation, and threats were investigated. The results of this investigation are detailed in Attachment B, Part 2. These phrases had varied meaning to different inspectors. Also, the related actions were seen differently among the inspectors, and perceptions varied from normal occurrences to improper actions. These discussions were highly subjective.

In summary, inspectors working under the previous coating QC Supervisor, Mr. Harry Williams, perceived less than total support from him. Mr. Williams, contacted at his present assignment, stated that he would provide support when inspectors were right but could not support an inspector when wrong. He stated that these disagreements came about primarily because of inspector beliefs that procedures reflect unacceptable technical practices. However, better supervisory practices at times of disagreements would have helped to minimize the adverse morale effect. Morale problems are worsened by a small, but very vocal and articulate, group of inspectors who appear technically knowledgeable, and who have a disproportionate amount of influence within the Protective Coatings QC force. The incidents related were relatively few and none of these incidents resulted in inspection omissions which constitute a safety concern. It is recommended that a procedure be established on site, by which craft can appeal an inspector's decision, that prevents the atmosphere of confrontation that arises when craft and QC supervisors become involved. This procedure should be consistent with good supervisory practices when there is disagreement between the inspectors and their supervision.

Management actions relevant to previous allegations were reviewed. These are detailed in Attachment B, Part 3. I have concluded that these investigations properly covered the scope of the allegations made at that time and that management actions taken as a result of those investigations were appropriate in addressing the problems identified at that time.

Inspectors' concerns related to the Protective Coatings Program at CPSES were evaluated and detailed in Attachment B, Part 4. The investigation concluded that the use of the IR UNSAT instead of the NCR for activities that can be reworked to meet engineering requirements is consistent with 10CFR50 Appendix B. However, there appears to be a need for additional training on the use of the IR to address missed hold points.

In addition, inspectors expressed a programmatic concern that there are no provisions by which inspectors can express technical concerns and obtain feedback. The TUGCo "hotline" could be used to address this concern, although a policy decision must be made to define the extent to which inspector technical questions are to be answered, especially if other disciplines are involved.

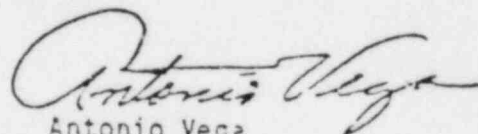
DTQ-481
10/25/83
Page 3

Another concern related to the program is that there are no provisions for recertification of coatings application personnel. The engineering specification and referenced industry standards do not specifically require recertification. However, this area will be audited during the week of October 31, 1983. Any areas found deficient will be handled in accordance with approved procedures.

During the investigation, two management items that are significantly affecting inspectors were noted. These are detailed in Attachment B, Part 5. The inspectors state that they have been working six 10 hour days per week. They state they have been on this schedule since May of 1983. Inspectors state their proficiency, objectivity, alertness, and tempers are suffering. There appears to be an urgent need for additional Protective Coatings QC Inspectors. This item was brought to the immediate attention of site and Dallas QA management.

The second item is one of a perceived compensation disparity between Ebasco and B&R inspection personnel. B&R inspectors note that all Coating QC Supervisors are Ebasco personnel. They state the client does not want B&R Coatings QC Supervisors. In addition, they state that Ebasco personnel get sick leave, paid holidays, per diem, and regular salary, while they do not. They state that this is the most significant item affecting morale. They state it has surfaced in Coatings but is festering in other areas, including Electrical and Mechanical disciplines. This item was brought to the immediate attention of TUGCo site and Dallas QA management.

I have two additional observations which are of concern. First, some inspectors interviewed appear so hostile that I believe they are adversely affecting the Protective Coatings QC Group in performing its assignment. Secondly, the refusal on the part of some inspectors to recognize Engineering decisions on technical matters, and their refusal to accept QA Management decisions such as the use of the IR in lieu of the NCR, constitutes insubordination and creates an unmanageable situation.


Antonio Vega

AV/brd

Attachment

ATTACHMENT A

DETAILS:

In accordance with management directives, an investigation was initiated on September 19, 1983 to investigate William A. Dunham's allegation that he had been "fired for identifying quality problems."

Prior to any discussions, Bill Dunham's personnel file was reviewed to obtain a basis for further investigation.

DISCUSSION WITH W.A. DUNHAM:

On September 20, 1983 Mr. Dunham was contacted and advised of the purpose of the investigation. Mr. Dunham's initial statement was that he wanted me to know that he had previously reported his supervisor, Harry Williams, to the NRC; and to Tom Brandt, Gordon Purdy, and Ron Tolson, for intimidating, harassing and threatening his inspectors. He suggested that I interview certain inspectors to obtain details.

He stated that when he initially reported his concerns to Mr. Purdy, he was promised confidentiality. Mr. Dunham stated that his objective in going to Mr. Purdy was to request a transfer out of Protective Coatings QC. He stated he was called to Mr. Tolson's office the same afternoon he talked to Mr. Purdy and therefore feels Mr. Purdy did not keep his promise of confidentiality.

Mr. Dunham stated that on Tuesday (August 23, 1983) he was advised that he could not have Friday (August 26, 1983) as his day off. He came to work on Friday, and at 4:00 p.m. went to Gordon Purdy's office. Dunham stated Evert Mauser, "Curley" (Krisher) and Purdy were there. He stated none of these persons were in his supervisory chain of command. He stated the meeting lasted two minutes and that it was a "set up."

He stated that Harry Williams, his supervisor, was not present; that Williams had missed that day because Williams knew that he (Dunham) was being fired. He further stated that he did not consider Purdy his supervisor.

I asked him about the meeting with the Corrosion Engineers. He stated that he had raised his hand before speaking and that he had spoken the truth. I asked him what he had said in this meeting that was considered disruptive. He replied, "I'll tell you in court." He stated that he considered me an adversary. He suggested I contact several inspectors for details of "safety problems."

DISCUSSIONS WITH CPSES SITE PERSONNEL:

In regard to this phase of the investigation, Messrs. Evert Mauser, M.G. "Curley" Krisher, C.T. Brandt, R.G. Tolson and the suggested QC Inspectors were interviewed. In addition, Thos. Kelly, Principal Corrosion Engineer for EBASCO, was interviewed.

The substance of several key events was established as follows:

1. On Wednesday, August 24, 1983, a meeting was arranged between the Corrosion Engineers and the QC Inspectors for the purpose of discussing changes made to the procedures, their technical basis, and to answer any technical questions that the QC Inspectors might have. During this meeting, Mr. Dunham persisted in bringing up for discussion, non-technical supervisory problems. In addition, Mr. Dunham was reported to have made gestures of hopelessness with his hands and verbal comments, following statements from the engineers, that were considered rude and questioned the competence and integrity of the engineers.
2. Following this meeting, Curley Krisher, representing Tom Brandt at the meeting, discussed with Mr. Dunham his behavior at the meeting. In addition, Mr. Kelly visited Mr. Brandt at his office to express his adverse feelings about Mr. Dunham's conduct at the meeting. Mr. Brandt met with Mr. Tolson and Mr. Purdy. Mr. Tolson decided that Mr. Dunham should be formally counseled and given a three-day furlough without pay. Mr. Tolson directed that this be done as soon as possible. Mr. Krisher was assigned the responsibility to prepare the counseling report.

On Friday, August 26, 1983, Mr. Tolson inquired as to the results of the counseling session. Mr. Tolson was advised that the counseling session was scheduled for 4:00 p.m. that day. Mr. Tolson advised Mr. Brandt and Mr. Purdy that their failure to conduct the counseling session sooner would render the three-day furlough ineffective. Mr. Tolson directed that the three-day furlough be eliminated and that Mr. Purdy limit his action to a counseling session. Mr. Purdy acknowledged Mr. Tolson's directive and concurred. The counseling form was prepared on Friday, August 26, 1983. During the day on Friday, Mr. Brandt's secretary called Mr. Dunham to obtain his badge number, since it is required to be shown on the form. NO

3. The counseling session took place in Mr. Purdy's office. Because Mr. Purdy is the top B&R QA/QC representative on site, Mr. Purdy personally conducts disciplinary meetings involving B&R employees. Mr. Mauser was representing Mr. Williams who had telephoned in sick with back problems. Mr. Krisher was representing Mr. Brandt. Mr. Purdy started the session by handing to Mr. Dunham, a copy of the counseling report. Mr. Dunham reviewed it briefly, apparently not reading it all, and threw it back to Mr. Purdy, saying either:

"(Expletive deleted) it -- you might as well walk me to the gate because I'm not going to change," or,

"(Expletive deleted) you guys -- you might as well walk me to the gate. I'm not going to change the way I am -- just walk me to the gate." or,

"No, damn way. I've had it. You might as well get my time and walk me to the gate." (Saying later, "No (expletive deleted) way -- this ain't gonna (expletive deleted) work -- I don't have to take this shit.")

Mr. Purdy made two more efforts at asking Mr. Dunham to settle down and to discuss what was perceived as an attitude problem. These efforts were answered with similar comments by Mr. Dunham. Mr. Purdy asked Mr. Dunham if he was sure that "this is what you want." After Mr. Dunham's response, Mr. Purdy said, "Fine, let's go." Mr. Purdy then entered a handwritten summary of what transpired in the counseling session on the counseling report, a copy of which is attached as Attachment 1.

Mr. Mauser accompanied Mr. Dunham to the QC trailer to collect his personal belongings. Mr. Krisher later joined Mr. Mauser and Mr. Dunham at the QC trailer. Mr. Krisher accompanied Mr. Dunham to the time office where Mr. Dunham's brass and badge was picked up. Mr. Dunham signed the termination form, "(expletive deleted) Lie." This termination form is attached as Attachment 2.

On the basis of the above, I have concluded that Mr. Dunham was not terminated for identifying quality problems. Mr. Dunham's conduct and statements at the counseling session, in substance, constitute a request for voluntary termination. Mr. Purdy prepared and signed a termination form which was rejected by Mr. Dunham.

EMPLOYEE COUNSELING AND GUIDANCE REPORT

Attachment

EMPLOYEE'S NAME BILL DUNHAM

BADGE NUMBER C955

DEPARTMENT OC

REASON FOR CONFERENCE: (Check One)

- Attendance _____
- Attitude Y
- Punctuality _____
- Communication _____
- Work Performance _____
- Work Habits _____
- Pay Evaluation _____
- Other (Specify) _____

SUPERVISOR'S STATEMENT: Bill, you have on several occasions verbally expressed a complete lack of confidence in the project protective coatings, Quality, Engineering and Production, program. The most recent and the specific incident of was recorded in the OC office on Wednesday 8/24/83, during the open information exchange between P.C. consultants and the Quality inspectors. Your continued dominance of the meeting by scoffing at, and/or expressing scorn of and for the program was disruptive, counter-productive and unprofessional. The described attitude and actions cannot and will not be tolerated and any further demonstrations of this nature will result in disciplinary action.

Did/Could this create a Potential Problem: Yes X No _____

If Yes, explain: Communication processes already being delayed by confusion.

RECOMMENDED ACTION(S):

- None _____
- Not Applicable - _____
- Re-Evaluation Within 30-60 days _____
- Re-assignment to _____
- Suspension for _____

Upon informing the employee that he was being counseled for his attitude, I handed him this report and asked him to please read and comment on it. After what appeared to be a quick perusal he threw it back at me and stated "Fck it, you might as well walk me to the gate because I'm not going to change". I asked him if he did not want to discuss what I perceived only an attitude problem, and he again replied that this (attitude) was the biggest problem and I will not sign the report; I have my damn and I have his number so you might as well walk me to the gate. Interpreting his response as the response presentation as blatant insubordination, I DATE chose to accept his offer and terminated him for insubordination DATE at 1630 on 8/26/83

EMPLOYEE'S STATEMENT:

The above exchange was witnessed by E. [unclear] & [unclear]

EMPLOYEE'S SIGNATURE _____

SUPERVISOR'S SIGNATURE _____

Distribution: Original - De;

Administrator/Employee's File

Blann Root Inc

18-81 | 568-98-8081 | DUCHAM William Aady

11-27-52 X X X X X X X m L
X X X X X X 11-12-81 XX

PRYOR MAVER OKIA

1 01 35-1195 076 C955

OC Insp. D 5776 11-25 X 2

GLEN ROSE
HAMILTON

STREET NO. & NAME
CITY STATE ZIP CODE

PERMANENT TELEPHONE NO.
NO.

TOTAL WORKED EXTENDED PAY PAID THRU PERFORMANCE RATING

REASON FOR ASSIGNMENT TERMINATION - CHECK ONE BELOW

Table with 5 columns of reasons for termination: (02) REDUCTION OF FORCE, (15) TO CLEAR PREPRINT ONLY, (M) DID NOT LIKE SUPERVISOR, (05) NOT CAPABLE OF PERFORMING ASSIGNED WORK, (01) NEGLIGENCE, (04) DECEASED, (M) PERSONAL ILLNESS, (M) TO RETURN TO SCHOOL, (06) WALKED OFF JOB, (02) EXCESSIVE ABSENCE, (05) RETIRED, (M) MOVING AWAY, (07) FAILURE TO REPORT, (07) LEAVING ON JOB, (03) REFUSED TO DO ASSIGNED WORK, (09) POSSIBLE LABOR DISPUTE, (M) ILLNESS IN FAMILY, (02) FAILURE TO RETURN, (08) SLEEPING ON JOB, (06) ALCOHOL RELATED, (15) REFERRED TO JOB NO, (M) TO WORK ELSEWHERE, (03) FIGHTING ON JOB, (09) FAILURE TO OBEY SAFETY INSTRUCTIONS, (01) NARCOTICS RELATED, (15) JOB TASK COMPLETED, (M) TO WORK ELSEWHERE, (04) INSUBORDINATION, (06) FAILURE TO OBEY INSTRUCTIONS, (02) QUALITY WORK, (01) OTHER.

ITEMS REQUIRE EXPLANATION (M) ITEMS REQUIRE EXPLANATION AND PROJECT MANAGER'S SIGNATURE

divided at the time of counseling for attitude. informed the... to the gate he wasn't changing - in a manner which...

NEED THAT THE PERSON CHECKED ABOVE IS THE TRUE...
SIGNATURE: [Signature]
EMPLOYEE: [] NO [] Y

IMMEDIATE SUPERVISOR SIGNATURE: I consider insubordinate
PROJECT MANAGER SIGNATURE: [Signature]
DATE: 6/10/83

ATTACHMENT B

DETAILS:1. Technical Concerns

During the course of the investigation, inspectors collectively brought up the following technical concerns:

- a. Zinc primer is being applied. The primer is then water cured for two (2) hours, and a top coat is applied immediately thereafter. According to some inspectors, this is too soon.
- b. The "nickel" test (where a coin is used to test the curing status of the primer) should be used in conjunction with curing tables, taking account for humidity and temperatures. At CPSES the "nickel" test is used exclusively to test primer curing.
- c. The substrate profile on hangers is too slick for proper adherence between it and the primer.
- d. Instances have been identified where zinc primer is being applied over Phenoline 305 topcoat and questions whether this has been DBA (Design Basis Accident) tested.
- e. Successive coats of zinc primer are being applied. Inspectors state that primer will adhere to substrate and to topcoat, but not to itself. They cite this as a reason for delamination within the primer thickness between successive applications.
- f. Storage provisions, including compatibility among primer and topcoat batches manufactured during different time frames; and pot life restrictions on zinc primer.

Interviews with engineering personnel were conducted to assess the validity of these concerns. The results are as follows:

- a. In regard to water curing time of Carboline CZ-11 zinc primer, prior to topcoating, the following documents were reviewed:
 1. Gibbs & Hill Specification 2323-AS-31, Rev. 1, March 15, 1978, "Protective Coatings"
 2. ANSI N101.2, "Protective Coatings (Paints) for Light Water Nuclear Reactor Containment Facilities"
 3. ANSI N5.12, "Protective Coatings (Paints) for the Nuclear Industry"
 4. ANSI N101.4-1972, "Quality Assurance for Protective Coatings Applied to Nuclear Facilities"
 5. TUGCo Procedure Q1-QP-11.4-5, "Inspection of Steel Substrate Primer Repair and Seal and Finish Coat Application and Repair"
 6. B&R Procedure CCP-30, "Coating Steel Substrates Inside Reactor Building and Radiation Areas."

The first four documents do not impose any QA requirements on testing for prime coat curing. The document that addresses curing is B&R Procedure CCP-30, which is referenced by TUGCo Inspection Procedure QI-OP-11.4-5. This procedure bears the approval signature of a TUSI Engineering representative. This document, on page 8 para 4.4.1.1 permits the use of either curing time tables or the following:

"Carbo Zinc 11 is sufficiently cured for top coat when the coatings may be burnished rather than removed when rubbed with the flat portion of a smooth edged coin such as a nickel." This same paragraph further states, in part, "Application of water spray for curing purposes may be as often as necessary to obtain proper cure."

This acceptance criteria is endorsed by the manufacturer, Carboline Company, in a Telex dated 1/23/80 which states, in part, "Carbo Zinc 11 is sufficiently cured to topcoat when the film is able to burnish when scraped with a coin, rather than removed." In regard to force curing with water spray, a Telex from Carboline states, in part, "Force during of Carbo Zinc 11 by fine water spray or low pressure steam is acceptable prior to topcoating Carbo Zinc 11."

The documentation supports the following conclusion:

1. Forced water curing is an acceptable process that may be used as often as necessary to obtain proper cure.
 2. Topcoat may be applied after proper primer coat cure has been obtained. The determination of cure can be based on curing tables which require time, temperature and humidity measurements, OR physical testing of the coat for a burnish.
- b. In regard to the use of the "nickel" test exclusively without concurrent use of the curing tables, item a. above adequately addresses this concern. There is adequate justification for exclusive use of the "nickel" test as a physical confirmation that proper curing has been obtained.
- c. In regard to the concern that the profile on hangers is too slick for proper adherence between it and the primer, the following documents were reviewed:
1. G&H Specification 2323-AS-31, Rev. 1, March 15, 1978. In paragraph 4.2.a, it requires that the surface preparation of substrates conform to the applicable requirements of ANSI 101.2 and lists some exceptions.
 2. ANSI N101.2 under Section 6.3.1, Carbon Steel, states, in part, "The surface shall be cleaned in accordance with SSPC-PS-10, 'Near White Blast Cleaning' ..."

3. B&R Procedure CCP-30, Rev. 11, dated 8/16/83 in para 4.1, Preparation of Substrates and Coating Materials, states, in part, "The surface shall then be cleaned by blast, hand, or power tool operation to achieve a surface cleanliness equal to SSPC-SP-10 'near white' blast cleaning." It further describes what constitutes compliance with this requirement. It states, "Typically, power tooling utilizing, but not limited to, 3-M Clean-N-Strip, 80 grit or coaster Flapper Wheels or sanding discs, roto-peans, etc., may be used to achieve surface cleanliness equal to SSPC-SP-10."
4. TUGCo Inspection Instruction QI-QP-11.4-1, Rev. 14, dated 9/23/83, page 4, Section 3.2.2.c requires the inspection of anchor pattern depth at random locations using a Keane-Tator Surface Profile Comparator, Model 373 or equivalent. It requires a minimum of 1.0 mils anchor pattern depth. It further states, "Surfaces that have been power tooled with 3M Clean-N-Strip, 80 grit and coaster "flapper wheels," sanding discs, "roto peans" or equivalent, provide acceptable surface profile."

The above documents demonstrate that substrate profile requirements, as specified by G&H Specification 2323-AS-31 and the referenced ANSI N101.2 document, are accurately reflected in site application procedures and inspection procedures. In addition, DBA testing documents indicate that panels tested and primed with Carbo Zinc 11 have a surface preparation in accordance with SSPC-SP-10 with a 1 mil. (minimum) blast profile. Accordingly, this concern is deemed to be without merit.

- d. Instances have been identified (NCRs which have been dispositioned) where zinc primer is being applied over Phenoline 305 topcoat. Has this system been DBA tested? In discussing this concern, Engineering indicates that this procedure was used on "spot" touchups only. "Spot" or minor defects are defined as an area, either circular or linear, in which a 1/2" diameter circle could not be completely inscribed at any point along the entire length.

A "Special Engineering Instruction" 35-1195-CEI-9, dated November 11, 1976, states, in part, "Area will be repaired with appropriate coatings, i.e., Phenoline 305 if damage does not extend to the primer; Carbo Zinc 11 and Phenoline 305 if primer is damaged." Subsequent Carboline documentation as recent as 9/30/83, reconfirms the acceptability of using Carbo Zinc 11 as a touchup of Phenoline 305. The latest Telex states, "Should an excessive overlap exist, it can be removed by hand sanding. Though we have no hard, fast rules for overlap areas, a one to two inch overlap is not unrealistic."

Based on the coating manufacturer's expressed approvals of the repair process used and its application to minor repairs, the concern and stated need for DBA testing is deemed to be without merit.

- e. In regard to successive coats of zinc primer being applied, the following documents were reviewed:
1. Carboline Telex, dated 11/15/78, states, "Theoretically, Carbo Zinc 11 may be recoated with itself an unlimited number of times. ... We prefer that the original Carbo Zinc 11 prime coat not be recoated with itself more than twice, and only if absolutely necessary ..."
 2. "Report on Irradiation, Decontamination and DBA Testing," dated 8/16/78; prepared by the Analytical Chemistry Division of Oak Ridge National Laboratory, tests acceptability per both ANSI N101.2 and N5.12. The test documentation reflects that two successive coats of Carbo Zinc 11 were tested under DBA conditions. Two separate samples were used. The coatings remained intact without defects.

Accordingly, this concern was found to be without merit.

- f. In regard to the storage concern related to compatibility of paint system component (primer and topcoat) batches manufactured during different time periods, the engineer was interviewed. He most vigorously rejected the statement that there was any restriction on use of component batches manufactured during different time periods. He stated that in his experience, with three different nuclear plants and over seventeen (17) years of additional experience with these particular materials, the vendor has gone to great efforts to assure that both their customers and their inventory provides consistency among stock interchange.

In addition, ANSI N101.2, "Protective Coatings (Paints) for Light Water Nuclear Reactor Containment Facilities," supports the Engineer's position. It states, "The coatings manufacturer shall maintain a quality assurance program and provide adequate documentation to show that the quality of a given coating system is reasonably identical to that of the coating system qualified under this system. The coating system shall be requalified if there are changes in formulation or manufacturing procedure which will alter the performance obtained from a previous test." Accordingly this concern is deemed to be without merit.

In regard to the storage concern related to pot life, the Engineer states pot life expiration is defined by the manufacturer as when the material can no longer be applied successfully by normal methods. The Engineer states the actual pot life is a function of temperature, pressure, agitation, and thinning. The same applies to shelf life. The Engineer states the charts are provided as guides only.

The manufacturer concurs with this. In a letter dated October 27, 1981, Carboline states: "The true pot life ends when the product is no longer sprayable."

In conclusion, the inspectors' concerns relevant to storage are without merit.

In conclusion, technical concerns expressed by the inspectors were discussed with engineering, investigated, and were found to be unwarranted in light of the design specification, referenced standards, manufacturer's recommendations and DBA test documentation.

2. Harassment, Intimidation and Threats

The entire subject of "harassment, intimidation and threats" as stated by Mr. Dunham, was discussed with site QA/QC personnel including the protective coatings inspectors.

The discussions were particularly difficult because what people perceive as being harassment, intimidation or threats varied very significantly among inspectors. In addition, the three phrases were at times used interchangeably to varying degrees.

In conducting the investigation, questions were formulated so as to attach the broadest interpretation to "harassment, intimidation and threats." In addition, the phrases "undue pressure" and "coercion" were introduced into the investigation questions to solicit even a broader range of input from the inspectors.

The results are summarized as follows:

- a. One recurring general complaint was voiced involving the previous Coatings QC Supervisor (Mr. Harry Williams) and one "Lead" Coatings Inspector, Mr. Bob Wallace. Neither person is employed at CPSES at the present. Several specific instances of this general complaint were provided. *INSTANCE*
- b. *ANOTHER?* One instance was mentioned by several inspectors where they were admonished on the subject of "nitpicking" during a meeting called by Mr. Williams.
- c. One inspector stated he had been directed to accept primer cure on the basis of a "nickel test" performed on material still wet from water curing. He stated this had occurred 10 to 12 times during the last 18 months that he worked for Mr. Williams.

The details of the above items are discussed below.

- a. The most prevalent complaint was that in several instances, when an inspector rejected an item, the craft foreman would go to the craft general foreman, who at times would also involve the craft superintendent. They would collectively get Mr. Williams, the Coatings QC Supervisor, and converge at the point of inspection with the inspector. Different inspectors viewed this differently. Some inspectors stated they saw this as part of their job and something that is expected and experienced on any construction job. Others saw this either as harassment, intimidation, undue pressure or coercion to varying degrees. Only one inspector was adversely influenced on

one occasion. In this instance, the inspector was inspecting the topcoat on the polar crane. The inspector noted two areas of weld spatter over the topcoat that the inspector felt needed to be knocked off prior to final acceptance. The craft called for Mr. Williams who was off site. Mr. Williams agreed that one area needed to be cleaned off and retouched and this was done. However, he disagreed that the second area was weld spatter. This area was not cleaned off and the inspector signed off the inspection. The area where weld remained was described by the inspector as "the size of a quarter." From a safety standpoint, the remaining spatter bears no significance.

Mr. Harry D. Williams was contacted at his current place of employment. Mr. Williams stated that some inspectors felt that QC was being overrun by the craft because engineering was approving changes. He stated that some inspectors insisted on evaluating procedures and changes, which is not their job. Accordingly, some inspectors did not consistently adhere to acceptance criteria in their procedures. Mr. Williams stated that if the inspector was correct, he would support the inspector. However, if he was not correct he would not support him.

- b. The "nitpicking" meeting resulted from an inspection of the skimmer pump room floor and the adjacent heat exchanger room floor (Elevation 808' R.B. #1). The inspectors identified overspray, embedded particles and pinholes. The craft foreman and the general foreman contacted Bob Wallace, Coating QC Lead at that time, who called Harry Williams. Mr. Wallace, who was also a certified inspector, Mr. Williams, and later Mr. Brandt, the Coating Level III, disagreed with the validity of the overspray, and embedded particles deficiency. Messrs. Wallace, Williams and Brandt attributed the appearance of overspray and embedded particles to the 115 surfacer used below the coating. However, they noted some pinholes that constituted an unacceptable condition which had not been identified by the inspectors even though they had spent approximately 12 manhours (2 persons working 6 hours) to inspect a 10 ft. x 12 ft. room. Mr. Williams stated that on the following day he assembled the inspectors and that the rooms in question were examined physically. Mr. Williams stated that he and Mr. Wallace used the examples of apparent overspray and particle embedment as examples of "nitpicking," and pointed out that while doing so, some rejectable pinholes had been accepted. He stated that if the "nitpicking" recurred, that he would examine these same areas for valid rejectable conditions, such as pinholes, and if he found any, he would pull their certifications. This is the only incident that could be construed to be a threat. Although there appears to be some justification for the supervisory action, it would have been appropriate to have discussed these matters with only the inspectors involved in the inspection. The manner in which this matter was handled is indicative of poor supervisory practice.

Otherwise, the incident is a moot point, in that since then the floors were sanded, recoated and reinspected.

- c. One inspector stated he had been directed to conduct "nickel tests" on material that was still wet from water curing. He stated that this occurred 10 to 12 times during the last 16 to 18 months that Mr. Harry Williams was his supervisor. The inspector stated that he initially tried to document this on the IR and by attaching a 3-part memo that stated that an item was acceptable "per HW." He stated Mr. Williams would destroy the 3-part memo and bring the IR and ask that it be redone. The inspector emphasized this was primer work done in the shop and that he could provide no specifics on the IRs involved. Mr. Williams was questioned on this matter.

Mr. Williams stated that on one occasion only, the craft had been drying off panels used for painter certifications. Some areas were wet, but nickel tests were not run on these. He asked the inspector to run a nickel test on dried areas. Mr. Williams stated that he asked the inspector to enter his (Harry Williams') initials on the inspection certifications because they were only for painter certs, not anything that would be used at the site. Mr. Williams strongly denies he ever ordered the inspector to run a "nickel test" on wet material. He stated that this would be a direct violation of procedure and the test would fail. The inspector indicated there was no third party involvement, and so it is difficult to resolve conclusively such contradicting statements.

B&R Procedure CCP-30, "Coating Steel Substrates Inside Reactor Building and Radiation Areas," and TUGCo Inspection Procedure QI-QP-11.4-5, which address application, curing and inspection of primer, do not require the primer surface to be dried after water cure prior to testing for burnish. In addition, Engineering and the Coating Level III state that performing the nickel test on a surface wet from water cure does not detract from the test. The water does not prevent a horizontal force to be applied on the coating to test its adhesion to the substrate.

Although this item could not be proven conclusively either way, there is no technical basis for safety concern. No further action is deemed necessary.

In summary, the allegations of harassment, intimidation and threats were thoroughly investigated. Several conclusions can be drawn.

1. Inspectors working under Mr. Williams perceived less than total support from him. Some inspectors' stated belief that procedures reflect unacceptable technical practices have brought about occasional confrontations where at times QC supervision disagreed with the inspector. These situations had a greater morale effect because a small, but very vocal and articulate group of inspectors who appear knowledgeable on the technical aspects of protective coatings, have had a disproportionate amount of adverse influence within the Protective Coatings QC force.

2. None of the incidents identified resulted in any inspection omission that constitutes a safety concern.
3. The inspectors spoke favorably of their present supervision. However, there is a small number of inspectors that essentially refuses to recognize and support the fact that Engineering, not QC inspectors, is responsible for determining what application practices meet design requirements and what acceptance criteria are to be used by the inspectors.

3. Previous Management Investigations

As a result of Mr. Dunham's previous discussion with QC supervision and management, two previous investigations were conducted.

One of the investigations was conducted by Mr. Brandt. This investigation was conducted during the first week in July, 1983. Mr. Brandt interviewed eleven (11) coatings inspectors, including two that Mr. Dunham stated could substantiate his allegations. Mr. Dunham made two allegations. The first allegation, that Mr. Williams had publicly reprimanded Mr. Dunham, was not substantiated.

The second allegation, that Mr. Williams, who was not a certified inspector, had instructed Mr. Dunham on how to perform a "nickel" test, was substantiated. No direct changes were made as a result of the investigation. Mr. Brandt conducted a general meeting with Coatings QC personnel to discuss the NCR/IR program. The inspectors raised only one question and that was answered. Mr. Brandt also invited inspectors to come in any time to discuss any directive issued by him or represented to have originated with him.

Mr. Brandt stated he and Mr. R.G. Tolson, TUGCo Site QA Supervisor, had previously tried to remove Mr. Williams from a supervisory role but were restrained by QA Management in Dallas.

Mr. R.G. Tolson, as a result of his visit with Mr. Dunham, after Mr. Dunham's visit with Mr. Purdy, directed Mr. B.C. Scott, the Non-ASME QA Supervisor, to conduct interviews to ascertain problems and arrive at corrective actions. Mr. Scott interviewed Mr. Williams and Mr. Dunham. Mr. Scott concluded there were two major issues. The first issue was that Mr. Williams sided with Construction and did not provide adequate feedback to his people. The second issue was that inspectors wanted to issue NCRs instead of "Unsat IRs."

Mr. Scott stated that Mr. Dunham did not have any other problems. Mr. Dunham stated the biggest problem was with Harry and Harry's way of doing things.

Mr. Scott was aware of the plans for a general meeting with inspectors to discuss the NCR/IR program and curtailed the interviews and reported his conclusions to Mr. Tolson. Subsequently, Mr. Tolson visited informally with Mr. Dunham at a barbeque held to bring the craft and inspectors closer together. Mr. Tolson stated that Mr. Dunham never mentioned "harassment" or intimidation, but Mr. Dunham did mention that he didn't care for Mr. Williams.

Mr. Tolson stated that during the last 1-1/2 to 2 years he was under a restraint from QA Management in Dallas in regard to Mr. Williams. Mr. Tolson stated that at that time he wanted to reassign Mr. Williams out of a supervisory role but was restrained.

Mr. D.N. Chapman, TUGCo Manager, QA was interviewed. Mr. Chapman stated that approximately a year ago, Mr. Tolson reported to him that Mr. Williams had shortcomings as a supervisor. Mr. Chapman stated Mr. Tolson described the weaknesses as communication difficulties and a general lack of supervisory strengths. Mr. Tolson reported that he had looked into statements made at the licensing hearings regarding suppression of NCRs and that it was his conclusion that Mr. Williams was not harassing his people; that Mr. Williams was trying to do an earnest day's work as a supervisor. Mr. Chapman stated there was a general agreement between him and Mr. Tolson, that since Mr. Williams primary strengths were in civil/structural areas which were winding down, Mr. Tolson should contact Mr. Williams' employer, DUCI, and arrange for an orderly transition to another project. Mr. Chapman stated the plan was to phase out Mr. Williams over a period of time. Mr. Chapman stated that Mr. Tolson subsequently advised him that he had contacted DUCI and advised them to start looking for a new assignment for Mr. Williams.

It is the conclusion of this investigation that Mr. Brandt and Mr. Tolson conducted their own investigation to address matters as they perceived them at that time. In addition, Mr. Chapman, similarly addressed the matter of Mr. Williams' reassignment consistent with the facts presented to him. The insistence for an orderly phasing out of a person's service, in light of decreasing activities in his primary area of expertise, is consistent with good management practice. At the time this decision was made, the present situation had not materialized, since Mr. Tolson, Scott and Brandt's investigations had not yet occurred.

4. Programmatic Concerns

Inspectors expressed the following programmatic concerns in the area of protective coatings:

- a. Some inspectors expressed concerns over the use of the IR UNSAT instead of an NCR. Inspectors state an IR UNSAT can be resolved without Engineering review and input.

This concern was investigated. It was determined that an NCR is required when a deficiency is such that it cannot be reworked to bring it into compliance with Engineering requirements. In this case, Engineering resolution to either use-as-is or alter the requirement, is necessary. However, if the deficient condition can be brought up to Engineering requirement by rework, the use of the IR UNSAT is entirely consistent with 10CFR50 Appendix B. This concern is deemed to be without merit. It should be noted that on September 29, 1983, QC management on site had a general meeting with coatings inspectors to discuss this philosophy and answer questions. There is a resistance on the part of some inspectors to accept this perfectly acceptable practice.

- b. Some inspectors stated that the program does not define how to resolve instances where surface preparation hold points are not observed.

This concern was investigated. TUGCo Inspection Procedure Q1-QP-11.4-1, "Inspection of Steel Substrate Surface Preparation and Primer Application," Section 3.5 states that inspections required by Section 3.1 through 3.4 shall be documented on an IR. (Section 3.1 through 3.4 include surface preparation.) Section 3.5 further requires that a reject tag be applied to an UNSAT area together with the inspection report. Section 3.7, "Nonconformances," states that non-conforming conditions shall be reported on an IR in accordance with CP-QP-18.0. Accordingly, an inspector who is asked to perform an inspection subsequent to Item 7 (inspection of surface preparation) on the Inspection Report in Attachment 2 of the subject procedure, and notices a lack of QC signoff on the previous steps, should identify this on the IR itself. However, since there is confusion on this item, there appears to be a need for further indoctrination and training of inspectors on this subject.

- c. Inspectors state that there is no method by which inspectors can express technical concerns and have them reviewed by appropriate persons or organizations.

This item was discussed at the several levels of QC supervision. QC supervisors stated a willingness to accompany inspectors to visits with Engineering or higher levels of QA/QC management. Evidence of this was seen, in particular the meeting that was set up between the Coatings QC Inspectors and the Corrosion Engineers. That meeting, however, was apparently not productive in that non-technical subjects were persistently brought up by Mr. Dunham for discussion.

There appears to be a need for management involvement in deciding to what extent inspectors' questions should be answered, especially if electrical, mechanical, and structural disciplines are to be handled accordingly. The TUGCo "hotline" might be considered as a means by which inspectors can voice their questions.

- d. Inspectors state that there are no provisions for recertification of coatings application personnel. As a result of this concern, the Engineering specification and referenced industry standards were reviewed. These require that all application personnel be qualified in accordance with the coating applicators' qualification procedures. Recertification, however, is not specifically required. It is Construction Management's position that a recertification program is not required. Construction Management states that IRs are reviewed on an ongoing basis and trended by foremen. Trends are brought to the applicable foreman who then uses this information to assess the performance of his people.

This area will be audited by TUGCo QA. Any deficiencies observed will be reported for resolution in accordance with established procedures.

5. Management Items

During the course of the investigation, several items of management significance were voiced.

- a. The Coatings QC Inspectors state they have been working 10 hours a day, six days a week for months. While paint crews have been added inside containments, the number of inspectors has not increased accordingly. Inspectors state the work schedule is having an adverse effect on proficiency, alertness, and objectivity. Inspectors state that schedule pressures affect craft tempers. This creates a feeling of hostility that gives rise to a feeling of harassment or intimidation.
- b. Some B&R inspectors complained of a compensation disparity. Several inspectors stated that Ebasco personnel hold the QC supervisory jobs, get sick leave, get paid holidays, per diem, and a regular salary. They state it is apparent that the client does not wish to have B&R supervisors. They state they do not get sick leave, paid holidays, per diem, and are paid on an hourly basis. Some inspectors stated that the compensation discrepancy is the most significant item affecting morale among B&R QC inspectors. They state that the results are evident in coatings but that the same problem is "festering" in other disciplines, including electrical and mechanical disciplines.
- c. Some inspectors complained that they did not have adequate facilities to do their QC paperwork. They stated that it would be helpful if facilities that are well-lighted and away from unnecessary interruptions, are provided to perform their paperwork.