INTERVIEW OF:	MR. CHARLES SNYDER
DATE:	MAY 12, 1987
PLACE:	WOLF CREEK GENERATION STATION BURLINGTON, KANSAS
INTERROGATOR:	MR. H. BROOKS GRIFFIN U. S. NUCLEAR REGULATORY COMMISSION -- REGION IV 611 Ryan Plaza Drive Suite 1000 Arlington, TX 76011
STENOGRAPH REPORTER:	WILLIAM J. JENNINGS, CSR
ALSO PRESENT:	MR. JAY E. SILBERG of SHAW, PITTMAN, POTTS & TROWBRIDGE 2300 N. Street, NW Washington, D. C. 20037

A17

EXAMINATION

BY MR. GRIFFIN:

Q. For the record, this is an interview of Charles Snyder, S Y N D E R, who is employed by Kansas Gas & Electric.

A. No.

Q. What is the new name?

A. Wolf Creek Nuclear Operating Corporation.

Q. The location of this interview is the educational facility located near the nuclear site. The date is May the 12th, 1987. The time is 9:03 AM. Present at this interview are Chuck Snyder and his representative, Jay Silberg, and on behalf of the NRC, myself, H. Brooks Griffin.

Chuck, I need you to stand and raise your right hand. I want to swear you in for the contents of your testimony.

(Whereupon Mr. Charles Snyder, having been first duly sworn to tell the truth, the whole truth, and nothing but the truth, testifies as follows:)

Q. (By Mr. Griffin) Before we go into the questioning, I would like to direct a few questions to you, Chuck, about Mr. Silberg's

appearance here today. What is your understanding of his reason for being here today?

A. To be familiar with the questions, the answers, in order that, if for any reason at a late: date I need legal representation, he is familiar, has some familiarity with the issue.

Q. That's a new one on me.

A. That's my understanding.

Q. For the purposes of this interview, is Mr. Silberg representing you or is he representing the company?

A. It's my understanding, again, he is representing me.

MR. GRIFFIN: Mr. Silberg, is that also your understanding?

MR. SILBERG: Yes, sir.

MR. GRIFFIN: It's my understanding, based upon what you have told me today before we went on the record, that you will also be representing others that I have asked to interview. Is that correct?

MR. SILBERG: Yes. Mr. [redacted] and Mr. Johnson have both expressed their desire that I sit in on the interviews,

6, 7C + 7D, portions

your interviews, with them.

MR. GRIFFIN: All right.

Q. (By Mr. Griffin) Chuck, could you tell me -- give me kind of a narrative on your background with your work at Wolf Creek and your employment with the licensing?

A. I came to work for Kansas Gas & Electric, who up until the first of the year was the operating partner for Wolf Creek Generating Station on June the 2nd, 1980, as project construction supervisor. In March of 1982, I was loaned out to INPO in Atlanta, Georgia, for purposes of developing evaluation criteria for the construction performance evaluations of all nuclear power plants under construction at that time. I remained there until December of 1983, and I came back to Wolf Creek at the request of Glenn Koester, vice-president, nuclear. I was asked to come back to coordinate the development of information relative to our rate case hearings, which were first scheduled to commence in 1985. Approximately the 1st of August of 1984, Glenn Koester contacted me and asked me if I would assume the duties of manager, quality first. I met with him. I discussed the

position. I accepted the responsibility. On August the 20th, I assumed responsibilities for managing the quality first program and the quality first organization.

Q. When you came into Q-1, it was already an established program --

A. Yes, sir.

Q. -- and it had procedures?

A. Yes, it was, and it had procedures.

Q. You replaced Owen Thero as the supervisor of Q-1?

A. Not really. I would like to elaborate, if I may. Owen Thero's title, prior to my coming to the organization, was quality first team leader. When I took over, as it were, the responsibility of managing the quality first, I came in as manager of quality first. Prior to that there was a manager of quality assurance, who the team leader reported to. Technically, I replaced that manager. Owen Thero had another title then, which was interview supervisor. But I didn't replace him, per se, because he never was a manager.

Q. Is the manager you are referring to Rudolph?

A. That's correct.

Q. Joe, do you know why you were brought in to replace Rudolph?

A. I was never told why. I have to assume, again, that my record of having been able to manage and accomplish tasks brought about the request made by Glenn Koester that I come in and take it over.

Q. At the time that you took over Q-1, what was its mission?

A. It's my understanding from the design to the implementation to my involvement throughout it all was to receive concerns from individuals associated with the project, investigate those concerns, form facts together, draw conclusions. If conclusions were drawn that indicated corrective action was necessary, to assure that individuals responsible for corrective action were aware of the need. Then to also ensure that corrective action took place with verification process having been performed by Q-1 people for the verification that took place.

Q. So part of Q-1's procedures called for verification of corrective action after the

affected organization had completed that action?

A. That's correct.

Q. Was this in existence, this verification process, in existence from the time you began through, say, licensing in March of 1985?

A. I believe it was in effect. Here, again, I might have changed some of the methodology. But, yes, it was in effect.

Q. At the time that you took over Q-1, were employees who had made concerns to Q-1 being recontacted about the results of the Q-1 investigative findings?

A. To the best of my knowledge, when I took it over, they had been or were being in line with procedure, and that is, if a person requested they get feedback, they were then notified by whatever means they requested, by letter, by phone, whatever.

Q. Did you continue this feedback to the allegers?

A. Yes, I did.

Q. What types of allegations did Q-1 take as a matter of course? What categories or what types of concerns?

A. Categorize safety related as a general category, for example. It could have been a concern relative to documentation, a concern relative to hardware, a concern relative to the procedure or the methodology of an activity, concerns in the general category of wrongdoing. It could have been intimidation, harassment, discrimination, records falsification, drug use. For the record, I would like the recognition, though, that drug use early in the procedure was not construed to be part of wrongdoing. It was in the functional category, which made it automatically fall with security or some other organization by procedure. We then had the other -- what we referred to as functional concerns, which would be cost and schedule, management improprieties or incompetence, which were in this -- again in this category of functional, and resulted in those concerns being transferred somewhere else for resolution.

Q. I can understand some of the others, but do you know the basis or background for the decision to put drug use or abuse in the category of functional concerns?

A. No, I do not. I simply inherited, again, that procedure, that flow chart, as it was. There is a flow chart depicting --

Q. So Q-1 took drug abuse allegations but did not investigate them? Is that right?

A. That's correct.

Q. They were referred to who?

A. Whatever organization was felt was responsible for doing something. Again, performing investigation, performing surveillance, whatever. It was just automatic by procedure that these were transferred.

Q. How many organizations performed these fu[illegible]ions, besides security? I understand security --

A. I don't know how many. I would rather explain to you the process. The organizations, the individuals in the organization, who fell outside the fence, so to speak, and by that I mean the confines of the plant, those were sent to the construction manager. Those dealt with other than KG&E personnel, normally. They were contracted personnel. Those that might have been an allegation with inside the fence or the KG&E operations people or whatever were sent to

the plant manager. Both of those individuals had control over the security department. The security department reported to both individuals. There is evidence that some activity was direct, with the security group, rather than through the plant manager or through the construction manager, but that was primarily prior to me taking over the organization, and I felt the necessity of making sure those individuals were aware of what was happening rather than interfacing directly with security without their knowledge.

Q. Was it your understanding that the drug allegations eventually found their way to the security departments?

A. Yes.

MR. SILBERG: I'm sorry? During what period of time? Are you talking about before Chuck took over or --

MR. GRIFFIN: Yes.

Q. (By Mr. Griffin) From the time that you took over for --

A. Yes.

MR. GRIFFIN: For the purpose of this interview today, by the way, I'm going to

be emphasizing the time period from the origins of the program in early 1984 really through -- primarily through December of 1984. Now, there will be some aspects or some questions that extend up into licensing, which is March of 1985, but I'm really focusing on a relatively brief period of time here.

MR. SILBERG: My question was whether you were focusing on the period before Chuck took over the program or after --

MR. GRIFFIN: I understand.

MR. SILBERG: -- but still within this 1984 time frame.

A. My understanding, I would have assumed those had the involvement of our security organization. An assumption, possibly, on my part.

Q. (By Mr. Griffin) Okay. Chuck, when you replaced Rudolph as the manager over Q-1, was it the intent of KG&E to take Q-1 out from under the QA organization at that time?

A. If I might elaborate again, the quality first organization was in the early stages, early implementation, managed administratively by the manager of quality

assurance. When I assumed responsibility as the manager of quality first, I reported to the director of quality. The director of quality was not director of quality assurance but director of quality in general. I just want to make that distinction. It was not quality assurance, it was quality.

Q. At the time that you took over, Q-1 was also removed from QA procedures? Is that right?

A. We revised procedures, reidentified them, so that they were out of the quality assurance procedures and into the quality program procedures, and ultimately then out of quality program, even, completely.

Q. When did that last part take place?

A. In November of 1984, when I was directed to report to the group vice-president of technical services. Complete removal from the nuclear department.

Q. Chuck, I want to ask you a few questions relating to things that occurred, really, before your time, that relate to the origins of the Q-1 program. I'm looking at a project policy procedure, I believe, Ref. 00,

dated 11/83, signed by Mr. Koester. I have just got a couple of questions out of this document. I will read them to you. It says, "Allegations will be routinely investigated by an appointed office within the KG&E organization, internal audit, quality assurance organization, or the legal department." So, in reading this, I have concluded that there were a variety of organizations that were going to be performing investigations. Was that your understanding?

A. No. I don't recall having read that book. If you want my opinion, I will give it to you.

Q. Okay.

A. That evidently was developed prior to any plan or any design, as it were, to have a concern reporting their investigating system. The reason I say that, you will find the document in December of 1983 which addresses allegation reporting. Then you will find a later document in February of 1984 with the concern reporting system, as we know it now, the quality first system. That was a directive from Glenn Koester. So I think this was only something in the interim, before they recognized

the need for a full-blown program, per se.

Q. Okay. Well, my question, once Q-1 was created, were there other organizations, other parts of KG&E, that were performing investigations? I know legal was --

A. Yes.

Q. -- but were there others beyond legal?

A. And, again, the procedures stated that those concerns, and I will use the broad term, functional, which included drug issues, by the way, at that time, would be transferred to the responsible organization for their action. Now, by "action," I have to assume investigation and resolution.

Q. This is more an observation than a question. This same document, headed "Allegations," this procedure, it says --

MR. SILBERG: This is a November 1983 document you are talking about?

MR. GRIFFIN: Yes.

Q. (By Mr. Griffin) It says, in 28.6.4, "The decision to an in-depth investigation shall be communicated to the NRC."

A. I'm sorry, could you --

Q. "The decision to an in-depth

investigation shall be communicated to the NRC." Now, as you said before, the Q-1 came into existence soon after this. Based on your institutional knowledge of the origins of the Q-1 program, was it intended that the NRC would be notified of in-depth investigations?

A. Not to my knowledge, Brooks.

Q. Chuck, I'm looking here at interoffice correspondence, dated September the 17th, 1984. It's to distribution from you. The subject is "Notification of quality first program revision and effect on project organization." Was this a notification of procedural changes that were being implemented?

A. May I look at it?

Q. Sure.

A. Basically this was a change of forms for identifying deficiencies and notification for corrective action.

Q. So you were going from quality program violations to quality first action reports?

A. Action requests.

Q. Action requests?

A. Yes. Then the quality first observation, also. If you would like an

explanation, I can offer that, too.

Q. Okay. Let me --

A. There was a procedure for processing the QPVs and a QPDs, which was a QA procedure. We again were no longer associated with QA in any way, shape, or form. It seemed appropriate to then develop a form, as it were, a document, that would address our activities and have procedures relative to the processing rather than utilize theirs. Again, they were retained documents from our records, so there was no change in that respect, relative to identification of problems and deficiencies, again in line with our commitments, to make sure they were documented.

Q. Chuck, at the time that you were selected to head the Q-1, there had been a series of events involving Mr. Rudolph. I don't expect you to have extensive knowledge of this, but do you know if the events surrounding the search of Mr. [redacted] truck or the alleged blackballing of Mr. [redacted] or other allegations made against Mr. Rudolph regarding alleged kickbacks had anything to do with a decision to change managers of the Q-1 program?

A. I do not. I was not aware of any of those at the time that -- up until the time I took the program ove . I had no knowledge whatsoever.

Q. At the time you did take this over, some of these were under investigation by Q-1 investigators? Is that right?

A. I believe the issue of blackballing was, and it was sometime after that before the issue of kickbacks was even brought forward. I had no knowledge of the vehicle break-in whatsoever.

Q. That was before your time?

A. Yes, and there was no QA -- there was no quality first concern relative to that issue.

Q. Well, tell me if I'm wrong, but wasn't the person whose vehicle was broken into, wasn't he being, at the time this vehicle was being searched, wasn't he being interviewed by Q-1 and weren't Q-1 people aware that his vehicle was being entered while he was making --

A. I find no record in the file, and I have not searched the file diligently, but I -- again --

Q. So this is news to you?

A. Yes, that issue.

MR. SILBERG: I'm sorry, the question was whether quality first was aware of the break-in at the time it was taking place?

MR. GRIFFIN: Yes.

MR. SILBERG: Okay.

Q. (By Mr. Griffin) I will make an observation, Chuck. I reviewed, and it's been two weeks, and I would like to say for the record that you were very helpful in arranging for me to make those files available and make it easy for me to review that. I did find information in the files that referenced these activities, that specifically questions were put to Mr. [redacted] while he was being interviewed by Q-1 that -- if they objected to his vehicle being searched. But you just -- that was just before your time and --

A. Yes, and I had -- like I say, I had no knowledge -- again, I knew of the blackballing allegation, but I had no knowledge of a break-in allegation.

Q. Chuck, one of the approaches I have taken in my investigation was to rely heavily on

6, 7C 7D portions

the testimony of former Q-1 investigators. I want to ask you about your initial meeting with the Q-1 investigators. It was alleged during this meeting that you made certain statements about what you intended to accomplish and what you wanted to accomplish in relation to fuel load. At that time the projected fuel load date, it's my understanding, from the testimony I have received, the filling -- or the date being used was December 1984. It was alleged that you indicated or stated that it was your intention to have these cases closed by December of 1984, and that that was a mandate, so to speak, and that you intended to accomplish it, and that you were putting the Q-1 investigators on notice that these hundreds of allegations were to be closed within the next few months. Is this true?

A. Your statement is not true.

Q. Is my characterization -- okay. My characterization is not true?

A. That's correct.

Q. Okay. Could you explain.

A. Remember the -- I have to go back in my memory, and I could very well have said and

probably did say that my intentions were to staff, to train, to pursue getting all of the concerns investigated, resolved and closed out, prior to scheduled fuel load. This is a planning effort. It has nothing to do with a mandate. I was not given any mandate, "You must have this done." I told nobody in the organization, "You must have this done."

One thing I would like to bring up at this time, and it's an offering of mine, you rerognize that, I inherited the work force, by and large. Many of them who were not there when I got there had already been committed to by my predecessor. I went in with a work force who I had very little knowledge of their abilities. I had very little knowledge of their experience, other than on paper. You don't motivate anybody without a pep talk. It's necessary if you are going to manage people to give people credit for their abilities, to make them aware of your presence to assist, the presence of other people to assist where they need help to do a job. It's what is in most circles termed a morale building exercise. Anybody, in my opinion, who tends to get anything accomplished, must

establish some goals, and that is exactly what I do, but there were no mandates.

Q. Well, I understand what you are saying about setting goals, supporting fuel load date. The context in which numerous former Q-1 investigators that I interviewed put this initial meeting was something a little -- characterized it somewhat different, in that it was a mandate. "We have got this many cases, and they will be closed, and anybody out there in the audience who doesn't go along with this can look for some other employment." There was another aspect of this same meeting.

Now, the only reason I'm stressing this is that I have heard this from a sufficiently large number of people that were in attendance at the meeting that interpreted the statements that way, that this was the mission, and it was going to be accomplished. Then, jumping ahead, as we know, you were successful. These hundreds of allegations were closed in a very short period of time. Of course, that is why I'm here today. It's part of my investigation to see whether or not these investigations were adequate and

sufficient and whether they would have logically or reasonably -- whether it's reasonable to assume that they were adequate.

My question is, did you put this goal to them in such a way that it would or could have been interpreted that they had to have these things closed by December?

A. In my opinion, no, I did not put it to them that way.

Q. Did you tell anybody -- did you tell the assembled group that, if they couldn't meet this mission, this goal, that they better look for some other employment?

A. To the best of my knowledge, I don't recall having told them that, no. Again, I would like to interject, I went beyond that group and staffed additionally. If you look at the record, on the dates of adding people, looking at the work load, whether or not the work load was increasing or decreasing, you can see the addition of people corresponding to the needs.

Q. We will get to that a little further in the interview, Chuck. Obviously if you have -- I don't have any -- I don't have a

figure of how many hundred concerns you had to investigate when you took over this organization, but it was substantial. It was in the hundreds.

A. Yes.

Q. You had a relatively small force.

A. (Witness nods head).

Q. I'm aware that you increased staff. You had other variables to contend with. One was that, at the rate that allegations were being received by Q-1, there was the potential for literally hundreds of more allegations to be received during this same period that you were trying to close the hundreds already in existence. So there were -- some of the observations that I have taken from some of your former employees address both sides of this issue, not only additional staffing, but "How do we set up for the potential of hundreds of other allegations to be made."

A. May I elaborate on something else --

Q. Sure.

A. -- just for your clarification and for the record? Probably very few of these individuals who you have discussed this issue

with, relative to understanding a mandate or whatever, recognized the organizational effort that was going on at the same time. Number one, I signed the coordinator, who looked at who was doing what, how they were doing -- how it might affect another organization, what do we have that is like or similar to this allegation, so we can utilize our manpower best without taking every concern and reinventing the wheel.

Secondly, we put it in a computer bank. It was necessary so we had control and we didn't have to go back again and keep records by hand. This was organization that many of those folks were not aware what was happening. They were back associating with the old do-it-by-hand business, and we were taking advantage of the modern technology we had available to us. Plus we eliminated right up front the biggest stumbling block or bottleneck there was, and that was taping the majority of the interviews and then having one person transcribe them before we could ever start an investigation. The problem was getting the material to do an investigation. They didn't understand that.

Q. Tell me about that. What was the --

you have given one explanation, the basis for the decision not -- to no longer tape interviews. Were there other considerations why the use of tapes were removed?

A. I was directed to stop using tapes.

Q. By who?

A. By Mr. Glenn Koester.

Q. What was his reasoning? Did he offer one?

A. I don't know. He did not give me a reason. I was given direction. I would interject that, had he not at that time, it would have been shortly thereafter that I would have stopped accepting some very -- possibly in some extreme circumstances have continued to use them, but there was no way to get work done with having to transcribe everything off of a tape that was pages and pages and pages long. We couldn't do an investigation.

Q. I don't understand. What was the problem with getting the tapes transcribed?

A. Two things. One was available manpower, knowledgeable of the technical portions. You have seen our files. You see missing words. You see misunderstandings.

People who had no real technical background of the subject matter. The poor quality of the interview, which I think you will find is apparent, if you go back and read some of the transcripts.

MR. SILBERG: Excuse me. When you say lack of available manpower, knowledgeable and technical background, are you referring to the interviewers or to the people who were typing the transcripts?

THE WITNESS: People typing the transcripts.

A. Very, very tedious operation. Superfluous information in most cases. It was not even necessary that an investigation could have been formed without much of it. That is a personal observation. You may or may not agree with that. That was the biggest bottleneck when I took over the program.

Q. (By Mr. Griffin) Okay. Let me ask you a couple follow-up questions about that. One, you say, is the cost and scheduling problem. You didn't want to pay to have the tapes transcribed, so you did away with the tapes. Then the superfluous information. You,

as the manager, don't you have the wherewithal to have the -- to direct how your people will conduct these interviews?

A. It was already done.

Q. Well, I know in the past, but I'm talking about you made a decision to do away with this as the information-gathering tool, and I'm trying to --

A. I gave guidelines.

Q. Yeah. The guideline was to remove the tapes.

A. The guidelines were how to perform an interview.

Q. Okay. What were your guidelines?

A. I would have to go back to the procedures. I don't specifically remember.

Q. Okay. I have read that, I have read that.

A. Okay.

Q. Let me make an observation, and then I would like for you to respond to my observation. I have read some of those early transcripts, and to some degree I will agree with you, they do ramble. They are not focused. But it seems to be the fault of the

interviewer. I'm sure it does take a long time to transcribe tapes, because we sometimes do that in my business, and that is difficult. However, in my review of your case files and in the review performed by some of my peers and other contingents of the NRC, you seem to have gone from a system of using a cumbersome system, using these taped interviews, to going to a system which essentially distilled the interview down to one or two lines. In a lot of cases, there is really no backup documentation to indicate what was said in these interviews. So I make the observation that you streamlined your system by going from -- at least having a vehicle to know what the person said to a vehicle where the individual investigator who is carrying around this information in his mind and is distilling it in one or two sentences, which are listed as, "This is the allegation." Now, I'm not saying that is true in every case, but many of the case files I reviewed, we just simply don't have available to us whatever that person may have said in the interview. All we have is the resulting allegation. I would like for you to comment on the accuracy of what I

have said.

A. I think it's essential to understand the two functions, the interviewing and investigative function, which we put into place in the operation. The interviewer was the one who had initial contact with an alleger or person with a concern. By procedure, that concern was written down, and in the alleger's own handwriting, if possible. They voiced a concern. From there, if they voiced a concern, we attempted to draw particulars out of them, enough whereby we could start an investigation. The investigator always had the right, in fact the coaching, as it were, to re-contact the alleger, if he needed additional information. I think what you were saying, from our conversation earlier, and what I have seen you look at, where you have a problem is the contact the investigator had with the alleger relative to notes of what they discussed and the real in-depth issues.

Q. Okay. Let me ask a clarifying question. Are you saying that the Q-1 file, then, does not contain the results of the interviewer's work?

A. No, that's not what I'm saying.

Q. I'm just saying that, as I reviewed the files, once the taped transcriptions were done away with, and the organization -- I mean, as time passed, the documentation showing what the interviewees had said was distilled down to a point where it was summarized in one or two sentences, often, and the reason I'm emphasizing this is because the conclusions also, and you -- this is something we will get into later. I want to talk about the -- some of the reviews already performed by the NRC and your criticisms of the way you operated, but this doing away with bulky transcripts and going to one- or two-sentence summaries of whole interviews seems to me placed great reliance on the memory of the interviewer, who would have had to convey this information to the investigator. Verbally, I suppose. Certainly -- it's certainly not contained in the file.

A. If I might make an observation, I think you are not seeing part of it, possibly. You see areas in the files, long dissertations, about concerns, problems, interests, whatever, from some individuals. These were primarily

people who walked in. These were primarily people who called in. The majority of the concerns in the files are people who terminated. As you know, our process was that everyone who terminates comes to quality first as part of the checkout procedure. Many people simply sign their name, if they look at the files. I will go back again to the processing out. They are not files, but you have access to those if you would like to see them. People are processed through the program. No concerns. There is another block for those having concerns to indicate their concerns and a brief description of the concerns. The majority of the people who filled that out, if they had any concerns, it was a one-liner. They did not want to expound any more, had no interest in expounding any more. In most cases it was a non-problem, even though we accepted it as a problem. It was just like something -- somebody else had talked about it, and they knew somebody else had talked about it in some cases.

Q. When these people were there, if they had a concern, put a one liner, and they were not interviewed before they left?

A. Oh, yes, they were. They were examined to expound further, to give us additional information. Some did, some didn't. Some had no desire to. Some said, "That is all I'm going to give you."

Q. I don't want to break it down to a -- I'm not even -- I don't have the wherewithal to break it to a case-by-case basis, but what I'm speaking, across the board, when you did away with the taped interviews what we have left is these one-liners, and you are saying, "Well, the possibility is that that is all they really wanted to say," but based on what had gone before, apparently the people earlier in the program, when their interviews were being transcribed, said a great deal more than just one line. As you say, some of them even rambled.

A. Yes.

Q. Obviously the NRC has already criticized Q-1 for its lack of documentation, and I don't want to belabor that.

A. Uh-huh.

Q. For the purpose of this interview, an understanding of how you could have gone -- or

why you chose to go from one extreme to the other. You were accepting as the -- as the supervisor, you were accepting the one- or two-line summaries of what issues these people had raised. And I agree, they have no specificity. They don't say what pipe, what weld, what -- when, who to talk to, what people were involved. There is just no background. Other contingents in the NRC have already criticized you for this.

The other -- the main question I have for you, the absence of this information, which would be necessary to an investigator to make a meaningful investigation, was it ever present and has it been removed from the files, or does it --

A. To the best of my knowledge, nothing has ever been removed from the files. I say it was never present, unless -- unless someone did without my knowledge, which I doubt.

Q. So these brief descriptions of the allegations were all of the investigators had to go with?

A. I would say yes.

Q. Okay.

A. Again, I would like to interject, though, that what you saw was the result of in many cases long telephone conversations, telephone allegations, walk-in. If you look at the rec rd, you are going to see, in numbers, themselves, the Ts and the Ws and the HOTs --

MR. SILBERG: The T is for telephone and --

THE WITNESS: T, terminating; W, walking; and HOT, telephone. If you look at the numbers, you can tell those were all primarily up to a point in time, which my management of the program had nothing to do with changing that. I'm simply saying that that was the way it fell.

Q. (By Mr. Griffin) Well, I'm not here to criticize you. I'm here to interview you. I'm just trying to find out what your interviewers were doing and what your investigators were doing. The sampling of the files -- on the more significant issues, I had the luxury of talking to your former investigators, so I was able to concentrate on those that were significant to them, for one reason or another. I just wanted to make sure I

had a clear understanding of why there is so little documentation in the files relative to the issues being investigated. You have offered what I suppose is your best explanation on that.

Let me move on. I think one of the procedure changes that you instituted was the use of observations. Is that right?

A. Quality first observations, that's correct.

Q. Could you describe that?

A. I would like to go back to the prior document utilized, if I may, in the description.

Q. Yes.

A. When I took control of the program, the organization utilizing the quality program violation document, the quality program deviation document, the violation was one as it -- as the name implies, was a violation of some requirement. It was necessary then to document that as a finding and recommend corrective action, so on and so forth. The deviation was one where they deviated from a requirement, but it was not necessarily a violation. Again,

there was a different response to the deviation than there was to the violation. The quality first action request was developed in lieu of the quality program violation. In other words, there was a specific problem that was identified. We could get our arms around it, so to speak, and identify this problem. It was documented on this form that was sent to the organization responsible for fixing. It follows more-or-less in line with QPV. The quality first observation was initiated in order to bring to the attention of the affected organization and to quality assurance and the quality assurance organization our recognition of a potential weakness. By definition, the quality first action request was relative to specific concerns that have been brought to us that we were investigating. The QFO in most cases identified something that was outside the immediate interest area or the defined concern. In either case, it required corrective action. In the case of the QFO, if it were substantiated, if an in-depth investigation or review by that organization showed that our recognition of potential weakness, if it were

real, it required corrective action on their part and verification of same.

Q. The Q-1 investigators, then, under your supervision, if they encountered a deviation deficiency, something without correcting, or something that they thought needed investigating during the course of one of their investigations, were not allowed to pursue these other issues -- is that correct?

MR. SILBERG: I'm sorry, the other issues being things --

MR. GRIFFIN: Other deviation, concerns, things that needed to be corrected. Their job was identifying those on a QFO.

Q. (By Mr. Griffin) Would the answer be yes, that they were not allowed to investigate these?

A. If these issues were not directly associated or part of the concern they were assigned to investigate, that's correct, they were not allowed, if you want to use the word "allowed," to pursue an investigation of those issues. That was not a concern brought to quality first.

Q. They did have a right to report these

on the observation form, and it went to the other organization that --

A. They had responsibility to identify those on the QFO.

Q. When I was doing my review, Chuck, I noticed that you provided me with some of the QFOs that I had requested. I don't want to go into any of them specifically, but one thing I wanted to ask you about, I noticed that there seemed to be -- that QFOs seemed to have been addressed by the affected organizations in a relatively narrow frame of time. In other words, there is a number of them, but they all seem to have been addressed in a brief period of time. The closure dates are all within about a week of each other in May of 1985.

Now, one of the criticisms -- one of them most often repeated by former Q-1 investigators that I interviewed was that they were filling out these QFOs, and they were being sent as procedure, indicated to the affected organizations, but that the organizations were not reviewing the documents, and there was no action. These people expressed a lot of frustration. A lot of them also expressed

something a little bit more disquieting, and that is the fact that maybe what they were investigating was not significant, but what they had observed as part of that investigation they believed was very significant. However, because they were under restriction from, say, opening a new investigation on that, and then seeing that it was not being acted upon, when they would check back to the affected organization on the observation, which you might guess would lead to a lot of frustration and also suggest that these things that were more significant or were significant, would not be addressed before fuel load, and in some instances people believed that this was a -- not an acceptable -- that -- way of handling it, because these things maybe could not be corrected or adequately corrected after criticality --

A. Do you want me to expound?

Q. I would like for you to make an observation.

A. I felt, when we initiated QFO, that I would get the response of the organizations to cooperation. Quality assurance procedure lies, the verification of action or inaction on the

part of the QFO. What was their responsibility. They would do this through scheduled audits, surveillances, to assure that this had also been addressed, just like any other deviation. It's true, we found a reluctance to respond. So I had one avenue, and that was to make this known to the project director, which I did. I was here every day in status meetings on that project. I made it known to him, and he ensured that action would be taken. In fact, if you look at our records -- even though we procedurally did not track QFOs, I have all of the records on QFOs, the reason for that being the cooperation of project director to tell these organizations, "You will respond to the QFOs. You will go out and do the job you have to do to assure that this is taken care of." And it was taken care of. You will find the record shows that they were closed out. Again, it was my job as a manager to make it known to the project director that somebody else was not doing their job, and it was corrected.

Q. I understand the point you are making about that, but then tell me, who originated the

restriction, I will use the word "restriction," that these -- that these other deficiencies identified or potential deficiencies must be reported on the QFO? Weren't you the originator?

A. Oh, yes.

Q. So you are saying, "I originated, I made this restriction on my Q-1 investigators, and I informed the affected organizations that they weren't responding in a timely manner. I pointed this out to them." But didn't you have sufficient flexibility as the Q-1 manager that -- if you saw inaction or you saw that these things were not being responded to in a timely manner, didn't you have the authority to, say, pick these things up as new Q-1 investigations, had you chosen to do so?

A. I could have possibly upgraded them to the QFAR, had I felt the need to, if I thought there was some effort out there to keep from doing an investigation, or an evaluation, even. Again, though, I'm going to expound a little bit. The quality first program was developed to address employee concerns. That is for the record. You know that, I know that. It's

exactly what we did. We addressed employee concerns. If during the course of that investigation there was a potential weakness identified, if any investigator wanted to make that an employee concern, that was his option. If he wanted to come forward and put his name on it, that "This is a concern I have, put it in the system, employee concern," it would have been addressed as an employee concern. There was no way and there is no way that you can take people and let them dictate how you run a program. Somebody has to manage it.

Q. I understand.

A. I managed a program.

Q. Okay. I understand that. Let me say this. Some of the former people who worked in your program were so irate about this particular subject that they indicated that they would have liked to have been the alleger, making the concerns, but that it was prohibited, that they were required to report these on to QFOs, and once they, through discussions with Mr. Patrick, over in QA, realized that they were going into a drawer and were not being addressed, and I'm not talking about one individual, I'm talking about

several of your people, went over and followed up on these things, and -- did you ever have any of them say, "I would like to make a Q-1 concern"?

A. No, I did not, and they were never prohibited from that. The procedures, themselves, say any person associated with the project has the right to make a concern. They could have picked up that telephone at home and called anonymously, like other people did. They had that option.

Q. So, if I understand what you are saying, Chuck, you are saying, "We took the employee allegations. We investigated them. We reported these other things to other people. These were things that were identified. They were not raised by allegers. Therefore, it's somebody else's responsibility."

A. That's correct. I would like also the record to show that we did in fact follow up on them.

Q. As I said earlier on, it looks like, around the last week of May, they were -- there is quite a bit of activity on these things, but of course that is two months after --

A. But it's in a lot shorter time than some of the original investigations. Interviews came in in March, April, May, June, July, and August, that were never investigated until I got the interview.

Q. I guess the overlying theme here that I was hearing was that the observations were used to not address concerns, and the reason that the Q-1 management, being primarily you, didn't want to see these things addressed, is because it was another investigation that had to be done, that this was inconsistent with the general approach of saying, "We have got this many cases, we have to get them closed by December, we don't want to pick up new things," and this was -- that will be the recurring theme for this interview. Most of the allegations that have been made against you are directed at this general theme. Limit the number of new concerns, close the existing concerns, don't pick up any new items. Clear the decks of anything that will interfere with fuel load." This is just one of those.

A. Doesn't it make sense, though, that I had no control over what was going to keep

coming in?

Q. Based on my interviews with some of your people, that is still in -- there seems to be some conflicting opinions on whether you had control of that, in that you supervised those who were conducting the interviews.

A. But I'm talking about people terminating.

Q. You provided me with a list of numbers of people that were terminating being interviewed, and I know that during your months that you were supervisor, Q-1, through fuel load, the numbers of exiting employees in Q-1 remained about the same. They remained in the 400 to 500 range. Yet the number of concerns taken by the people dropped off dramatically.

A. Here, again, you had to be in the program to understand why. You can't come from the outside and understand it.

Q. Well, I'm relying on these insiders here who have explained to me why. That is what -- we will get to that in a little while. I don't want to get ahead of myself here.

A. Yes.

Q. Chuck, when you took over Q-1 -- you

were talking about QPVs and QPDs awhile ago. If any of these action documents or if a QFAR were elevated, and I hope that is the right word, to, say, a higher priority document, like an NCR or a corrective action report, a CAR, did that cause these -- was that sufficient for closure of a Q-1 concern?

A. If the upper tier document, I will refer to it, contained all of the elements of the lower tier, the QPD, QPV, QFAR, if all of these were contained within this other upper tier document, then that upper tier document was responsible for closure, either QPD, QPV, or QFAR, in that there were within the quality programs the methodology, the requirements, to address, resolve, and verify corrective action on those issues, or issue, if it were a singular one.

Q. How did your Q-1 investigators, if they were beginning their investigation or were in the midst of it, and it went to a higher tiered document -- did they just reference that document, and that was the basis for closure?

A. I can't speak to every case, but I will make a general statement, that if the facts

were there, if the upper tier document -- they could verify that it addressed all of the concerns, as it were, all of the attributes of the concern that they were working on, and had QPD, QPV, or QFAR, if they were sure they were there, they had the option of closing that out, as it were, saying, "This other document is addressing this issue."

Q. Would they normally list -- since the issue was unresolved at that point, would they generally list the allegation that substantiated that point, even if they hadn't finished their investigation?

A. Generally, I would say yes. That would be -- again, there would be no need for the upper tier document if it were not substantiated on that one particular issue.

Q. One of the other criticisms that some of your former employees made was the prohibition that you put in place after you took over, and that was that discussing cases among themselves. Could you explain the basis for this?

A. Yes. It's my understanding that the team that I assumed control over, and they liked

to call themselves a team, functioned as a team, in that they would all go out with bits and pieces of a concern and all come back and get together and sit down, including the office girls, whoever was involved, and all sit down in one big happy family and discuss the issue, and they would get their directions the next day to march, to do this, that, or the other thing. There were a lot of people involved who had no need to be involved. A lot of people had information about investigations who had no need to. It's not their business to know what was going on in that application.

When I took responsibility for the organization, I had supposedly qualified interviewers, supposedly qualified investigators, supposedly qualified clerical people, supposedly qualified lead people, as it were, supervisors. When I say "supposedly," I had to rely upon their credentials given to me. Recognize, again, they came from all over the country. If I hired a man as an interviewer, I did not expect to have someone hold his hand for him to do his job when it came time for him to do it. If he was qualified, he should be able

to do his job. If I hired an investigator, and his expertise was in a certain area, and that is what was advertised when I hired him, I expected him to be able to do his job without somebody holding his hand.

Now, I think you could go back and question any of them, where I prohibited the group meetings. I did not prohibit him gaining particular information. If he knew somebody else in the organization had some specific knowledge about something that would benefit him in doing his investigation, he was free to do that. If he needed guidance, he was instructed to go to his supervisor and get the guidance. If his supervisor was unable to provide it, come to me, and I would provide it.

Q. Okay. You have identified the single point that, I guess, some of your employees had the most concern with, and that is drawing upon the technical expertise, fellow investigators, who had this extensive and -- and an appreciable number of these people said, "We were prohibited from doing this, and therefore I didn't," and they considered that this h[illegible]minished their ability to resolve the issues, because they felt

like the prohibition was broad, or specific number, that they would be in trouble with you if they discussed these -- some of these technical concerns. But you are saying that was not your intent?

A. That's not true. In fact, they could -- anything they could justify to me, they all knew that I would listen to justification arguments.

Q. One of the things I would like to spend a little time doing -- by the way --

(Whereupon, a short recess was taken.)

MR. GRIFFIN: Back on the record, and Mr. Silberg wants to ask a couple of clarifying questions.

MR. SILBERG: Chuck, when you talked before about the interviewers distilling the concerns down to one or two sentences, was there any program or procedure which told an interviewer to try to get the specifics of a concern? You know, which pipe and which person, I think, are the examples that Brooks used. If that information was available, would the interviewers have tried to get at --

THE WITNESS: Yes, I believe so. The interviewers were given instructions. A guideline was issued, which is currently part of the procedures, relative to conducting interviews. In fact, I don't recall the specific date, but during the time when Owen Thero's position was supervisor of interviewers, we had several training sessions relative to the interviewing process, and I attended the session and personally requested Owen to give the training session on how to conduct interviews, the line of questioning, the reiteration of the concern, the reading back of the concerns to the allegers, so there was no mistake of what the concern was. In fact, the guidelines -- the instructions were developed jointly with all of the interviewers in the organization. They all had their input as to what ought to be the process or the guidelines for interviewing. Whether or not every interviewer followed those guidelines in that training session, I'm not sure, because I was not the person involved in every interview, and the results of the interview might not reflect that. However, the effort was put forward by the individuals

responsible to do it.

MR. SILBERG: Would you have, as part of the training or procedures or your instructions, told the interviewers only to give you one or two sentences of a very general concern or to give you and the investigators as specific a concern as possible, identifying all of the information that would be necessary for an investigator to go out and look into the problem?

THE WITNESS: The instructions given were to get as specific as they possibly could. In fact, during the interview process, if it were something of a technical nature, relative to discipline, electrical, mechanical, or civil in nature, they were instructed to draw from these individuals who had that very technical expertise to also participate in the interview in order that we not miss anything that the alleger would have to say or have a misunderstanding of the content.

MR. SILBERG: That's all.

Q. (By Mr. Griffin) To follow up on that, Chuck, once the tape-recorded interviews were dispensed with, I think I realized during

my case review that, as the numbers got larger, which means cases that were taken, the interviews that were performed while you were supervising tended to get shorter and shorter. The documentation in the files got shorter and shorter. It did standardize the reporting process, which helped quite a bit, but without -- I don't have a list of cases here, because I didn't look at all 700 or 800 cases, and I can't say, "Okay, 500, after you took over, are not sufficiently documented on the interview," but using my best available information, which is the former Q-1 investigators and my very limited case review, I was disappointed in the amount -- or the lack of information, and my question to you, why were you willing to accept such a lack of specificity on these things across the board?

MR. SILBERG: Are we talking about on the concerns or the final reports?

MR. GRIFFIN: No, on the interviewers. We are talking about just that part of it at this point.

A. I will respond to that this way. We have always utilized a standard form, which you

are familiar with, the concern disclosure statement, the reason being we want the specifics, naming the individual badge, who they worked for, and so on. The majority of the people who gave us any input would not even stay to supply any additional information. These were people who were terminating and going out the door. For the most part, they really didn't even want to tell us anything. Many of them felt compelled to convey certain information to us. Most of it was of no significance, when you look at the numbers, vast numbers. So it was not a matter of our efforts. It was a matter of their lack of cooperation. They were leaving the project.

Q. (By Mr. Griffin) Why was it that, earlier on in the project, when Mr. Thero was running the show, why were they so cooperative then and so uncooperative later on?

A. It's an assumption on my part, if I may answer. It's an assumption. I have no facts, so I have to draw -- make an assumption. It appears we experienced the influx of allegers who had in their minds legitimate concerns at this point in time. The program was opened up.

They had an opportunity to come forward, where heretofore they supposedly didn't. At least not in the outside organization, an independent organization. They took advantage of that.

We also saw that, the later on you went in the program, fewer people who were disgruntled about being laid off. Nobody wanted to be laid off first. And I could go back and look through the files, and I could draw out names of people who had concerns because they were being laid off. They were promised, "I'm going to be the last to be laid off, not the first," and it didn't happen that way. It was a matter of money, it appears, again. I'm assuming from my knowledge of the people that we processed, the attitudes of the people, that the further you got in the program, the more obvious it was everybody had to get laid off someday, so that later we didn't have the problem about being laid off early like the first ones did.

Q. I understand what you are saying, and it sounds as if that certainly would have to be factored into what we might speculate the answer might be. However, some of your former employees here had some other -- speculated some

other ways, and that is that because of the limits placed upon how the cases were being conducted and everything, that the program had lost credibility later in the game, and that exiting employees didn't feel like that it was worth their time to make concerns, raise concerns, to Q-1. This is the theme that several repeated, and due to other explanations that I have received. Nevertheless, with the numbers that you have provided me, the number of exiting employees remained fairly constant through the program, but I put together a little line chart, and beginning in August of 1984, the closure rate per investigator and the closure rate per month for the Q-1 program made an enormous spike in my little chart, and the -- at that -- during that same month that you took over, the number of concerns taken by Q-1 dropped off dramatically and continued to drop off through the life of the project.

The other variable, as I have already discussed, the number of exiting employees remained relatively stable. So the way this was interpreted by some of your subordinates was that these various changes that you had made in

the program had resulted in less investigative effort, more case closures, and a desire not to take allegations. We have speculated here as to what some of the things were that could have caused this, but nevertheless it did happen. Have you got any observations about my characterization of your subordinates --

MR. SILBERG: It's kind of hard for us to characterize the --

A. If I hear it again, I must make some assumptions. Okay? One was that the program was successful. Okay? If I am going to take any credit for success, then I guess I would address it that way. Organization -- again, contrary to what others might say, the biggest single problem in the organization, when I took it over, was a backlog of untyped interview notes in order to start an investigation.

Q. (By Mr. Griffin) Okay. Now, we have covered that.

A. Yes.

Q. You have -- if you are going to bring cost into the --

A. No, no, no.

Q. If you say that KG&E couldn't hire or

MR. SILBERG: This was over what period of time? Per month or per week?

MR. GRIFFIN: Per month, because that is the way the statistics were kept.

Q. (By Mr. Griffin) Now, as you increased the number of investigators that you had, which was -- you know, obviously they could produce more work, and you would expect to see more cases, concerns closed, and they were. However, the closure rate per investigator per month went from the three to four to five range up to a peak up here, right before targeted fuel load, to as much as -- I think it was 11 1/2 cases per month, with some of your investigators closing larger than an average of a case a day.

A. I agree with that.

Q. At the same time, the other variable here, the number of concerns being documented by Q-1, dropped off rather dramatically. So you have got the lines going in two opposite directions, which gives you a -- from the perspective of some of your -- of some of your subordinates, that you have effectively shut down -- not stopped completely, but slowed down the number of concerns put into the Q-1 program,

and you have managed to, either through good management, although that is what -- some of these people don't have exactly that perspective, you have managed to get the case closure rate up so dramatically that you are -- that people are closing cases one a day.

This also included, in some cases, wrongdoing, which I'm more familiar with. If you have got a guy closing one wrongdoing case a day, that is rather dramatic. A month's worth would be ten years for me. It takes me -- you are talking about doing 33 cases. That is probably ten years for me, yet you have a guy there that can close them one a day. So what these people -- what your subordinates -- not all. Some of them are strong advocates of your management style, your program, and they were proud to be part of it. A majority, though, don't feel that way. A majority point to these numbers, and they say, "What we have got here is, we have a man who got these cases off the books before fuel load, and he was successful. He did KG&E a good job."

A. Am I -- are you wanting me to respond?

Q. I want you to respond to my characterization of what your former employees have said.

A. May I do it without interruptions?

Q. Uh-huh.

A. Okay. The reason I ask that, forget about cost of schedule. That is not my interest, when I explained this.

The date you see on this -- when I look at July and August, August having been the day I came in, I think you will find that the middle of August, this number went way down, by your own chart. Okay? Right in here. At the first of -- by the middle of September, it was down to nearly an all-time low. Not as low as over here, but it was -- I look at this, and I see roughly the 15th of August it started to go straight down, the 15th of August.

Q. Well, you know these line charts don't work this way. This just represents the whole month. It's between there and there.

A. Okay. But, again, I came in this time frame, nearly the first of September.

Q. Well, see, what we are talking about here is -- the critical point on this chart is

this point right here and this point right here.

A. That's right.

Q. Right here you started a dramatic increase and right here you started a decrease, decrease in allegations received, and a dramatic increase.

A. Uh-huh.

Q. There are several possibilities.

A. When I look at the 1st of August on this, and it shows the increase on the rate of investigation, the activity, relative to closing out, this -- but this goes hand in hand. To close, you have to investigate it, that's the way we operated, unless you already have evidence that somebody else has investigated this earlier, and it was the same -- same concern, or very similar, so you could utilize some of that information.

Again, in August of 1984, the buildup had started. There had been commitments made to bring people on. Not people I had chosen, but people that the QA manager had reviewed their resumes. They would say, "We want this person on board." They gave an option of either not bringing them on or bringing them on. He

interviewed them. I would not go back and reinterview them and look at their credentials. I believe they knew what they were doing when they looked at these people. We brought them on board.

Again, at that point in time, if I had had 100 investigators, I couldn't have worked all of them, because the data was not available to do the investigations. It was still on tape. Again, I corrected that. I had people working overtime. I put more people on it so we could get that information on the street. The majority of the interviews were all taped. For what reason, I do not know. Some of them were very simple. Some of them were not the long, drawn-out things that you see. It appeared to be a habit, rather than write, was to listen. To me, that is a sign of laziness, if that is all you are going to do is listen, if you don't want to take time to write. But that is my personal opinion again. Okay?

So the reason you see this was a combination of people being committed to come in, and you can go back and look at the records from July and August, and bringing people in the

21st of August, the 28th of August, the 2nd of September, 5th of September. Whatever. The record shows when they were agreed to be brought in, assigned to that activity. We did our best to get information ready, to give them cases to investigate when they hit the door. We trained them. There were certain required training and procedures. We had to take care of required training. That took maybe several days, in some cases, before a person could get involved in doing the job that they were going to do.

Anyhow, that was the only interference there was, when they came on board. By "interference," I mean anything restraining them from getting to work, having the tools to work with. That is, having the interview notes and everything so they could start an investigation. But, prior to me coming in, again, there was no way that they could go over to that organization. The people had never done anything, since they didn't have the tapes transcribed. You see this drop again. I can go back to this point in time, when they started laying off the people, and the facts bear me out, if you go look at the records, the

interviews. The people who were unhappy, because they were being laid off, they -- it was a matter of fact at this point in time here, we are getting this job done.

Now, that -- you know, a person can believe me or not. You can listen to those people, listen to me, whatever you want. But you will find that there weren't near the unhappy employees in that time frame that there were earlier on, plus we had picked up the majority of the walk-in ones. If you go look at the records, see how many walk-in cases there were after a certain point in time. We even went to the point, and it was a matter of procedure, we still do it, people who were terminated without coming through the program. There is hundreds of letters we wrote. Hundreds. Responses were very meager, though. There are some responses, but very few, relative to the number of letters sent out. There was no longer a real interest. Now, that was not because of me. I didn't do any advertising. Nobody went out and advertised, said "Chuck Snyder took this organization over, so you can't trust it any more." There wasn't time to do

that. If you think of people, how could you have reached the people on that job site and said, "Forget about quality first." There was no way. When I went in there, I went in to do a job, and that was to address the concerns we had, to make sure every individual who came through the program had an opportunity to voice their concerns, with the assurance that the concerns would be investigated. If they were found to be substantiated, with merit, they would be addressed with corrective action and verification of that corrective action. If they wanted a response, we would give them a response. Very simple. The numbers had nothing to do with my management. The numbers had to do with the posture, as it were, of the project at that point in time.

Q. Okay. I --

A. As I look back on it, there were enormous numbers here of concerns that had not been investigated. So you and I have, I think, over the months past, to a degree, discussed that. Not in this detail. So I don't think it's anything new with me giving you what might be construed to be philosophy.

Q. Some of the factors you raised certainly would influence these numbers, but some of these factors that your subordinates have raised would also, if true, affect these numbers.

A. I'm sure --

Q. I'm not saying -- we don't look at this graph here and say this is a conclusion. I'm just saying, some people believe these numbers are important because they show, when we get over here to December of 1984, the cases are closed, and there is not very many new ones coming in, and yet the number of exiting employees is still relatively high. So, mission accomplished, you know. Nothing is going to stop fuel load.

A. If I may make one other comment relative to this, and the progress of the program in general, to the best of my knowledge, I took no one in my confidence within the interview or the investigative group, other than the supervisors, and made them aware of statistics and the progress. The interviewers and the investigators were given a job to do, specifically, and they were expected to do their

job. It was not my responsibility to make known to them the project, what was happening in the project, and --

Q. No. If you thought that was what I was saying, I'm not. What they are saying is, under your supervision, the program lost credibility. People quit coming. People didn't want to make allegations to Q-1 any more. That is the thrust of it.

A. The thrust of it, that is not true.

Q. And that the interview processes were changed and the instructions to the interviewers were changed, and all of these various factors resulted in people making fewer concerns, even though the number of exiting employees going through Q-1 remained constant.

A. I would disagree with -- here, again, I had a more general knowledge and touch with the entire situation than they did on just individual specifics.

Q. I appreciate your perspective on factors that could have affected those numbers.

I would like to move now to -- I will give you an opportunity, I think you have been waiting for it, to make some observations about

some of the reviews that have taken place of your program. This is hardly a first, and some of the criticisms that have already been aimed at the program from the various organizations.

Beginning in September, Mr. Madsen came in and looked at some of your files.

MR. SILBERG: This is September of --

MR. GRIFFIN: 1984.

Q. (By Mr. Griffin) Do you recall his reviews of your files?

A. Yes, I do.

Q. Okay. This went on for some time. He was primarily looking at technical issues. Based on my review of his inspection reports, the findings relative to your handling of technical issues appear to be generally favorable. Also, in this same time frame, William Ward from OI, Bill Ward, came down and did an examination, not -- or an evaluation, is the proper word, an evaluation, of the KG&E investigative process, of which Q-1 is only a part. In reviewing Mr. Ward's work, and I think you, in the last month or two, had access to that finding, I have distilled out of that

certain criticisms that he had of the program. Mr. Ward's review occurred in September and October. Obviously, you had just started in August, so maybe much of what he was reviewing here were what things you had inherited. I still would like you to respond to some of his criticisms, get your perspective on the observations he made in his one- or two-week review.

Ward was critical of the fact that there seemed to be no central control for KG&E groups conducting investigations and no standardization of work product. He was concerned that Q-1 did things one way, the Q-1 information going to the project managers, like Mr. Fouts or the Daniel people, for whatever investigative activity, like you were talking about, drugs, that there was no standardization, so everybody was just kind of handling these things as they saw fit. Did you ever attend any meetings or have any discussions about standardizing the process?

A. No, I did not. Could I respond to this chronologically in general?

Q. Yes.

A. Relative to Glen Madsen -- in September, in fact, was the first time I met Glen. He came in and made me aware of what his position was. We gave him free access to any file we had, to look at anything he wanted to look at, any questions that he wanted to ask, and expect to get responses. He and any other individual, other than OI, I have to qualify it that way, who came in to see us to look at the files, always exited with us, made us aware of their perceived weaknesses, the findings. In every case we got a report later, identifying these. In every case we incorporated the recommended changes. In every case. There were some, like, seven or eight reports I'm talking about, now, between September of 1984 and June of 1985. In that time frame. Hopefully I have adequately addressed that involvement relative to recommendations and weaknesses.

Now, in September of 1984, Ben Hays, who was director of OI, Bill Ward, assistant to the director of OI, and Richard Herr, who was Region IV field director of OI, visited the site. They spent the better part of a day with me. We discussed the objectivity of the quality

first program. We discussed the philosophies employed and methodologies. Bill Ward spent the majority of his time running somewhere else, other than visiting with me, and I know of one particular instance where he was with our chief of security. But that is the only person I know he was with specifically.

The only words I ever got out of OI in that meeting was why wasn't I making people wear their -- they were about 30 days, to go DOL, when they leave this project, if they have a problem. And my answer was then, my answer is now, that is not my responsibility. I'm not a government agency. Sometime in the, and I'm guessing, now, the spring of 1985, Richard Herr came to visit me. He spent the better part of a day with me. Again, we discussed primarily one particular issue, one case, which I had complied with OI requests to make them aware of a substantial wrongdoing concern. I sent him the information. He came up and we discussed it.

The report that you are talking about that Bill Ward evidently generated in December, that is the date on it, he accumulated the information in September or October, November.

I saw that report for the first time in August of 1986. At that time, I took action on his philosophy, if nothing else in there. A lot of it is his philosophy. I assume it's his philosophy. I brought about some changes. I made words to my management of the need, based upon his perception, what we had to do to get a total investigative program. That, in chronological order, is the reports, my responses, or my involvement.

Q. Chuck, we have talked about this before, before today, and I know your frustration in not having had NRC direction and criticism and feedback from OI, particularly, on this. However, by December the events that are the focus of my investigation are essentially complete. We are reaching back in time before that. I understand your frustrations, but the facts have already -- I mean, what is done has already been done. You may have the greatest system in the world now. The focus of this investigation is what happened back in the last half of 1984. For the purposes of this interview, I'm going to provide you with a forum to express your concerns and your weaknesses,

you think, in the NRC oversight and everything, but the questions will primarily be along the lines of perceived deficiencies by your own people, and in this case Mr. Ward, of things that he discovered in reviewing your program. If you want to make statements about what went on or what happened or what could have happened, otherwise, that is fine. I want to provide you with an opportunity to do that.

A. Could you ask me questions specifically?

Q. I am.

A. Okay.

Q. I'm going to do that. One of the things that Ward believed he discovered was a particularly strict interpretation of what was reportable. You read his report. He learned -- I believe he learned from the -- from his site visit that it was a two-part -- to qualify under a 50.~~88~~ 55(e) was a two-parter, one that a construction deficiency, if uncorrected, could adversely affect the safety of operations during the life of the plant, which was the first element, and the second element, that a significant breakdown in the quality assurance

program -- if these two factors existed, then it was a reportable item.

At the time -- my question is, at the time that you assumed supervision of Q-1, was this -- were you using both this two-part criteria to determine whether something was reportable?

A. To the best of my knowledge, it was. I simply continued with a methodology of evaluating. I made no changes in the methodology of evaluating the --

Q. As a supervisor, what was your interpretation of the reportability requirements?

MR. SILBERG: Wasn't there a form that existed before you --

THE WITNESS: I'm trying to --

A. Maybe I can best answer it this way: Owen Thero had been involved in quality assurance activities for many, many months, years. He was responsible as the team leader for the correct evaluation, the filling out of the forms, words, and so on. When he was assigned -- when I took over the responsibility of interview supervisor, he retained that

responsibility, because that paper was generated in that part of the house. It was just a natural thing for him to continue doing that.

Now, I did not go in and determine whether or not the methodology was correct. One thing I would like you to understand, again, is, shortly after I came in, NRC, Region IV, was also looking at everything. They brought the -- they did not bring to my attention any deficiency in that arena. Again, I didn't see any perceived deficiency until August of 1986, in Bill Ward's. That was the first word I had been given. That's the first indication that I had that there was any problem with our methodology.

MR. SILBERG: Isn't the reportability to termination usually something that goes to INE as opposed to --

THE WITNESS: Yes.

MR. SILBERG: So Madsen would have been the --

THE WITNESS: Yes. They were the natural ones.

A. That was something we reviewed in detail with them at the time. Again, I had no

negative feedback from those folks. I guess, if -- again, if I had had a negative feedback, then I would have got deeper involved in it. But, with no negative feedback, I see no -- at that time, and in retrospective, any need for me to have gotten involved. Again, as manager, I was busy addressing problems. What I could delegate, that would run smooth, I delegated it. I had to keep it all running smooth.

Q. (By Mr. Griffin) Mr. Ward's point was here, if you had a significant breakdown in the quality assurance program, but you didn't have the other aspect, you weren't -- apparently weren't reporting it, and he thought that this was not a viable interpretation of the reporting requirements. From what you have just said, I get the impression that maybe you did not get into this subject very deeply --

A. I did not.

Q. -- and that is the answer.

A. Yes, sir. I did not.

Q. But this problem or what we perceive to be a problem with reportability also extended to issues of wrongdoing, had to meet this same two-part criteria, and the, you know, the OI's

point of view, and I would like to think the NRC's point of view, that, if either one of these conditions existed, it was a reportable item. Not both of them together only, but either one of them, separately.

An example I would raise is one of the documents you referred -- or you provided to me when I was doing my case reviews, which was the -- the NCR on the Diss-alvo tape issue. The NCR -- on the front page of the NCR, there is a blank for 50.55(e) reportability. I assumed this was a substantial and important thing, and it took you all years to correct this deficiency. However, under your reportability evaluation, this is not -- this is marked as not a reportable item. I think the philosophy of what was reportable, because the NRC is only given credit for, like, 1/2 to 1 percent inspection of a nuclear facility, and we rely on the licensee telling himself, when he sees a deficiency, and that extends to wrongdoing.

I want, for the purpose of this interview, to get a clarification on what your understanding of the reportability requirement was. But your testimony, if I'm hearing it

correctly, is that you did not make this distinction.

A. That's correct.

Q. Okay.

MR. SILBERG: I'm sorry, this distinction between --

MR. GRIFFIN: It is a two-part thing.

Q. (By Mr. Griffin) I noticed each one of your files had reportability documents in there. Sometimes they would say, "Yes, this is reportable," with no signature. Then, in front of that, there would be another reportability item for the same concern, and it would say, "No," and it would be signed.

A. But there is a preliminary finding. The preliminary did not require signatures. It was simply a process of showing that we had looked at -- that it was -- that it was under evaluation, on preliminary. Again, it was a procedural thing that was put together, and we simply maintained procedure obligation.

Q. Who wrote the -- who filled out the forms on the reportability?

A. Different people did. I don't --

Q. I mean, under your supervision. Was it the investigator, or was it the supervisor, or who --

A. To the best of my knowledge, it was withi the :rview group, who took all of the facts, when it was -- to start with, the facts that we had to work with, preliminary, and then the facts that the investigator came up with. It was in the interview group. I'm going to say, off the top of my head, the interview supervisor. But I'm not going to swear to that, because I would have to go back and look at signatures and so on.

Q. In the way you were operating, when the investigator had completed his legwork, so to speak, he referred the information back to the interviewer for close-out? Is that right?

A. That's right.

Q. That was the system you were using? Then the interviewer also had the responsibility for recontact --

A. Yes.

Q. -- of the alleger --

A. The check-off sheet and all that, to close it out.

Q. So, under your supervision, the interviewer was making the ultimate call on reportability?

A. Based upon the facts provided by the investigator.

Q. Okay. Another criticism Mr. Ward made of Q-1 was that he believed that the emphasis was placed on hardware aspects related to wrongdoing issues and that, as a result, the reports did not focus on the elements of intent. Now, an example of this, or a good example that might be, and I think this is one you have been anxious to discuss with OI, is the Q-1 investigation filed by NRC, OI investigation on the color coding of drawings by two supervisors. I think the OI recently received a memo from Mr. Withers, W I T H E R S, you know, which I presume was your primary criticism of this. This is a good example of intent, I think. You pointed out -- Mr. Withers pointed out in his memo that the -- that these drawings are not inspection documents, and to my knowledge nobody ever has indicated that they were. However, it's my understanding -- and I wasn't the investigator on that case, but it was

my understanding that those documents were relied upon by inspectors to know what areas remained to be inspected. Now, I'm using this as an example of intent. What did the ~~interviewers~~ supervisors intend when they colored in those areas, to show that these areas had been inspected and the inspection criteria had been accepted? Now, in Mr. Withers' review of the cases, he felt that your people were saying, "Okay, the hardware is okay, this is not an inspection document, and that is the end of our concern," whereas, from the NRC's perspective, what other things did these people -- what other -- what other inspections did these supervisors influence with this same intent? What about the validity of the program? Mr. Ward perceived that you were saying, "Okay, there is nothing wrong -- we don't have to rely on those color-coded drawings, so that is the end of the problem." Was that your perspective?

A. No. If I may elaborate again, on that particular investigation, the allegation was falsely marked-up drawings.

Q. But that is the language of your

people, that is not our people.

A. No, no, no. I'm saying that is the allegation. Okay. We investigated that allegation. We found out -- we found in fact that there were falsely marked-up drawings. We substantiated that. We required corrective action to be taken to correct that condition, to the extent that they had to go back, in order to satisfy the investigator in the organization and me that they corrected all discrepancies on those drawings. They had to do some evaluative work relative to some encased bolted and welded connections on steel beams. They had to go back and re-evaluate some information relative to lot numbers and heat numbers and other identifying marks. In fact, if one were to read the quality first file, I think you are going to find that it is very objective, addressed the entire falsely marked-up drawings allegation, to the extent that everyone was satisfied that the problem had been adequately addressed and resolved.

Q. Back to what I was -- to Mr. Ward's criticism, you have spoken about -- you got the hardware right. The focus of his criticism is

that, in a case like this one, the focus seems to be on getting hardware right. What was done to these supervisors who falsified these color-coded drawings? What steps were taken to determine what other things they may have adversely affected, using the same philosophy?

A. There is two answers you are looking for.

Q. That's two questions.

A. Two questions. Let me address first what happened to the individuals. At the time we initiated the investigation, one of the individuals had been transferred to another site, was no longer on this project. There were some phone conversations with him, if I remember correctly, to get information that he thought was necessary. The other individual or individuals who were involved were interviewed by quality first investigators. These same individuals were part of the corrective action, or they participated in the corrective action. We did not expand that investigation to determine if they had done like -- or had like actions in any other area, nor did we incarcerate them.

Q. I know you didn't incarcerate. What the NRC's concerns -- you said you got the hardware ~~way~~ corrected, or you got it reinspected or whatever needed to be done --

A. As far as I know, we --

Q. -- but what I'm driving at is the philosophy of trying to determine the extent of the damage that may have been when you realized wrongdoing had occurred.

MR. SILBERG: I think the question is why didn't you expand the investigation.

MR. GRIFFIN: Better put.

A. I guess my only honest answer would be ignorance.

Q. (By Mr. Griffin) Well, this is going to be a recurring thing. Not ignorance. But this is going to be a recurring thing as we proceed with this interview, and it may become tiresome to you, but OI, on each of these wrongdoing issues, as we get into them, as you will see -- why did -- why did you choose to ignore -- if somebody said, "They are screwing up all of the welds, and here is one as an example," and you go fix that weld, and that is

the end of the problem case closed, this philosophy is foreign to the NRC. Not just OI. I'm just wondering if there was a conscious decision in Q-1 to take this approach so that you could achieve quick case closures on these hundreds of items.

A. No. When I said ignorance, I -- this particular issue, I spent many hours personally involved with it, because I had to assure that corrective action took place. It was a monumental task. It only involved, as you are aware -- again, I spent many hours personally involved in that issue.

Q. Yes, I know you spent -- you have told me you spent a lot of time fixing the hardware. I'm just asking you -- this is what we in the NRC call root cause. Was there a conscious decision not to explore what other areas these people may have adversely affected --

A. No.

Q. -- what their potential instructions as supervisors to their inspectors, how -- if there were any other areas where they had not been complying with the procedures or with the intent of what -- of the inspection process?

I'm just asking you, is there a conscious decision to limit these things to just the -- just the hardware that you -- that has been specifically alleged to have been adversely affected?

A. No. All I can do is go back again and say, when I said ignorance, it was not until I saw what Bill Ward wrote and -- and -- I'm trying to remember any other area, where this was brought to my attention, anyway. Never having been made known to me, and me never -- I guess "expectations" is a better word, not knowing what expectations were relative to this, what OI's methodology would have been. Therefore, I was using -- utilizing methodology where I was addressing the concerns.

Q. I understand your testimony. Okay.

MR. SILBERG: You said you didn't incarcerate them.

THE WITNESS: By that I mean I did not -- well --

MR. SILBERG: I mean, was any disciplinary action taken against them?

THE WITNESS: I don't believe so. The reason I made that statement, there is

one case that we pursued, and Brooks is aware of it, and Richard Herr and I discussed it in detail, and I guess "incarceration" could have been a terminology that would have been appropriate for that particular one, action taken against the responsible individual.

MR. SILBERG: Would it have been quality first's responsibility to initiate, if not incarceration, then disciplinary action against the supervisors who were involved in this color coding?

THE WITNESS: At the time I would have said no, and after having read what expectations were now, I would say possibly yes.

Q. (By Mr. Griffin) Let me make a statement here. OI is not going to tell Q-1 how to run its shop. We can make suggestions. We certainly don't expect you to go over and talk fouly to the guy that works for another division or even another company. We know that doesn't take place. However, as the investigative branch of the licensee, if you find that somebody has -- if you substantiate wrongdoing, we are going to question you, what kind of

follow-up there was to that wrongdoing. In fixing the weld, it does not -- it is not the end of the wrongdoing. That is just the hardware part of it. That is the only point I'm trying to make here, is whether you all consciously stayed away from any kind of a thing, other than just fixing the hardware.

A. Again, this one issue, questioning that was asked, the line of questioning, the response was, from the involved individuals, that they -- and I'm going to have to draw from memory. They did not feel they were involved in wrongdoing, when they were marking up these drawings. They did not do it to meet the system. In many cases, it was assumption that they marked up the drawings as they did. So, here, again, the direct response to that, I had -- it was not that we didn't recognize the possibility. It was just that, again, in our methodology, we had what appeared to be adequate responses from these people, the rationalization of why they did certain things, and we did not automatically feel that they were guilt of having done something wrong, so to speak. It was one of those things, again, just trying to

get across to you, it was considered, but we did not pursue it, possibly, from the same vantage point that OI would pursue it.

MR. SILBERG: Perhaps just to get a better story on the record, this transcript, do you want to explain a little bit on what their explanation was as to why they performed this color coding?

THE WITNESS: I'm going strictly from memory. I believe that their explanation was that they believed that the other individuals had or someone had inspected these attributes earlier. Another explanation was that the indications or the marks they made on the drawings were only relative to confirming that the material was located where it was supposed to be. There were many explanations offered. Once, back again, to accepting responsibility -- and the only defense I have again is, at the time, I was not aware of the potential significance for not having performed it the way OI would have performed it. That is the only response I have.

MR. SILBERG: Wholly apart of how OI might have gone about it, were you, at

the time, satisfied that there was no indication that there had been other episodes of this kind of conduct in other areas?

THE WITNESS: I had no indication of a conspiracy, per se, or an organized effort to do something contrary to project requirements. I saw no evidence of that. We had other investigations, which we addressed, also, but I did not pull all of these together and say, "I have one big wrongdoing effort underway." I never approached it that way. I saw no reason to. Again, we addressed each concern on its own merit at the time. It was necessary that I do as good a job as I could on each one.

MR. SILBERG: The specific concern here was that these drawings had been marked up incorrectly and --

THE WITNESS: Falsely marked up.

MR. SILBERG: That was substantiated?

THE WITNESS: That's correct.

MR. SILBERG: Corrections were made to those drawings and the hardware that was

associated with those drawings?

THE WITNESS: That's correct. And verified.

Q. (By Mr. Griffin) It's not really my intent to dwell on this, but the philosophy of identifying wrongdoing, fixing the hardware, and ignoring the more important seriousness of what led to the wrongdoing, the intent of those that did wrong and what other things they may have affected, is a criticism that NRC has.

A. I would interject this. It was not a philosophy.

Q. Well, we will -- as we go through more of these, we will see.

Let me switch subjects, Chuck. Were any of your Q-1 investigators involved in the allegations made against Mr. Rudolph about kickbacks?

A. Not against my investigators. But, again, I think I need to elaborate. An ex-investigator was the alleger.

Q. What happened to this subject?

A. An investigation was performed jointly between quality first and KG&E legal department.

Q. Do you all have a file? Does Q-1 have a file on this issue?

A. Yes, we do.

Q. Do you know what the Q-1 conclusion was relative to the kickback issue?

A. The best of my memory, we were unable to substantiate that he in fact was guilty of participating in any scheme for kickbacks, bribes, whatever. There was just no evidence to substantiate it after our investigation.

Q. Didn't he testify that he had received money from some source?

A. Oh, yes, but that was relative to a contract. That was relative to having performed a service. That was not for anything else.

Q. I see. That service that he provided was outside the scope of his authority as manager of --

A. That's right. It was on -- just for way of clarification, it was an application outside even the project.

Q. All right. One of the most often-heard criticisms among the former investigators I interviewed, which -- they felt that there were time limits placed on them for

conducting investigations and getting them closed and that, even though Bob Scott was the supervisor that they interfaced most closely with, that you were kind of the guy that did the arm twisting. Is that true?

A. No. I never did any arm twisting.

Q. Did you limit the time in which investigators had to work on cases?

A. No, I did not limit the time that they had to work on cases.

Q. You never had any complaint to you about -- that they were having their investigations cut short or that they were --

A. No, not to my memory.

Q. Chuck, at any time, from the time you took over Q-1, was there ever any purging of documents from the files?

A. Not to my knowledge.

Q. I mean, for any reason, was there ever a decision made by anybody that a certain document shouldn't be in there in the first place and therefore should be removed?

A. Not to my knowledge. I will make one statement, though, again. We did transfer files, but this was not a purge.

Q. You are talking about to legal?

A. Yes.

Q. I'm not talking about that, either.

A. Okay.

Q. I want to touch on -- I'm going to be asking you about certain cases, Chuck. I know you didn't do the investigations. I will be drawing on your memory. Therefore, I'm not going to be asking you intimate details about these things, even though -- I mean, if you know something about it, because it was a big issue or something, I would appreciate any kind of further explanation you could give, but there are certain aspects of certain investigations that I want to question you about.

One of those -- the first one is -- the number is [redacted] Item 2. This was the external pipe cleanliness investigation, which involves swipe tests. Most of the cases I'm going to be talking to you about here today were mentioned by a number of these people. They seemed to be aware of some of the more significant or sexy issues, and this was one of them.

The only aspect of this case that I'm

interested in is, information was developed during the Q-1 investigation that the sampling process used to resolve this issue, once the pipes had been cleaned, one of -- it was learned or it was -- this information was developed during the course of -- by the Q-1 investigator, that information was transmitted to the people cleaning the pipe as to what areas would be used in the sampling process, and only those areas were cleaned. Do you remember this aspect of this investigation?

A. No knowledge whatsoever of it.

Q. Okay. Well, this was reported, I believe, by the Q-1 investigator. Regardless of your -- the other aspects of your procedures, about writing observations or something, here is an allegation of wrongdoing developed by your own program that was not either addressed in this investigation or in any subsequent investigation.

A. That was never made known to me in any way, shape, or form. This is the first I have heard of that, out of your mouth.

MR. SILBERG: I'm sorry, the issue was that someone was telling the

construction people which pipes would be sampled --

MR. GRIFFIN: The investigator learned during his investigation which areas were going to be resampled after the pipes were cleaned, and only the pipes were cleaned where the sampling was going to occur. Therefore, it didn't require a lot of cleaning, if you are only cleaning what is going to be sampled. When you conduct the sample, then everything looks good.

Q. (By Mr. Griffin) I just wondered if there was a conscious decision on your part to not pursue this or --

A. No. This is the first I have heard of this. I have never read of it. It's the first I have heard of it.

Q. Let me move on to another subject. One of the early -- I think this is Thero's, before you became the Q-1 supervisor, but it was ongoing after you assumed control. The issue on the missing MSSWR structural steel wall cards. Were you the supervisor when ( ) was removed from the program,

A. When he was what?

TD, portions

Q. Removed from Q-1.

A. I believe [redacted] was out of the program when I took it over.

Q. Did you ever hear any explanation from any of your fellow managers as to why Mr. [redacted] was removed?

A. No, I did not. I never asked, and no one ever volunteered, to the best of my knowledge.

Q. Well, I will tell you that many of the people I interviewed thought that Mr. [redacted] removal was retaliation for having raised a significant issue and pursuing it aggressively, and he was taken out of Q-1 and placed back in audit, which was perceived to be a demotion by his fellow investigators, and was said to have had a chilling effect on the investigative process. You are not aware of that?

A. I have no knowledge of that whatsoever. Absolutely none.

Q. Let's go back to the investigation that had to do with -- it was the allegation with the blackballing of Mr. [redacted] I think the investigation was [redacted] Item 2. In this case, I think Mr. [redacted] was the

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investigator. When I reviewed the report on the Q-1 file, Mr. [redacted] report contained in the file shows that case to be -- that it was substantiated. Is that your recollection?

A. No, it's not. I had occasion this past week to look at that file, at that particular issue, because of your interest in it. That is not so. What I find in there are notes relative to the investigation. I find a summary prepared by Mr. Thero, addressed to me. Mr. Thero has drawn conclusions that are contrary, in my opinion, to the facts that were generated in the case.

Q. Okay. So the fact that the -- the mere fact that you received the memo from Thero didn't mean that you accepted his philosophy?

A. That's correct.

Q. So this investigation was ultimately proved to be unsubstantiated?

A. That's correct.

Q. I would like for you to explain your philosophy in this case, Chuck. The investigator, Mr. [redacted] doesn't -- performs an investigation. He concludes that blackballing has occurred.

6,7C+7D, portions

MR. SILBERG: He just said --

THE WITNESS: No.

A. He did not draw any conclusion.

Q. (By Mr. Griffin) Well, I interviewed Mr. [redacted]

A. The file doesn't contain any conclusion.

Q. I interviewed Mr. [redacted] Mr. [redacted] said he draw the conclusion -- what we are getting to here is the fact that apparently you didn't draw that conclusion. I want to know your philosophy about changing investigative conclusions.

A. If I might, again, Mr. [redacted] did not produce any conclusions in the file. The only conclusions in the file at the present time, to the best of my knowledge that were ever in the file, was a memorandum from Mr. Thero, addressed to me. Mr. Thero at that time was the interview supervisor. He was not the investigation supervisor. He was not part of the investigations. He offered a conclusion which was not in any way construed to be nor did it say was the conclusion of the investigator.

Q. In my interview with Mr. [redacted]

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as the investigator, he said that he believed the man had been blackballed, and that was his investigative conclusion. He reported that to his supervisor. Then the general consensus is that, at a level above Mr. [redacted] or Mr. Thero, a decision was made, after reviewing the facts, that that was not the conclusion. Does Mr. Thero believe that Mr. [redacted] was blackballed?

A. Evidently, according to the memo in the file, he does.

Q. But you didn't? Is that correct?

A. That's right.

Q. This gets to the gist of something that I had to wrestle with the whole time I was doing the case, and I think other contingents in NRC have, too. That is, this idea of the investigator making a call or arriving at a conclusion and a supervisor arriving at another conclusion, that is relying on what? If he is relying on what is in the file, then I would make an observation that he doesn't have that much information to work with, one of the great criticisms the NRC has had of Q-1, which is lack of documentation. The basis of you drawing a

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separate conclusion on this, did you avail yourself not only to what was contained in the file but also of the complete information that Mr. [redacted] had used to make -- to draw his conclusion?

A. To reach my conclusion, I -- and I have got to go back again. I assume, again -- I have to put that in there, because that has been some time ago that I did this. I assume that I utilized only that information contained within the file.

Q. Okay. That is the flaw I see in this process.

MR. SILBERG: Well, if I --

MR. GRIFFIN: Let me make my point.

Q. (By Mr. Griffin) The NRC comes in and reviews these files. Obviously we are disappointed in the lack of documentation. We had difficulty drawing conclusions on any of these things, because the allegation may consist of one sentence, and the investigative report may say, "I talked to people, and I looked at files, and I said it's unsubstantiated." That is not much to review. There may be more than

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that, but it may be sufficiently cryptic that we can't make much more out of it than that. Now, you are telling me that you are going against your investigator's conclusion.

A. I didn't say that.

Q. Okay. If you will accept for a moment, my conclusion, based on Mr. [redacted] testimony to me, that his conclusion was that --

A. He never told me that, though.

Q. Well, if you didn't ask him -- is that your testimony? You didn't ask him? You looked at the files, and then you changed the conclusion?

A. No, I didn't. Again, the only conclusion in the file was one that was reached by the interview supervisor, not the investigation supervisor, not the investigator, but Mr. Owen Thero, whose title on September the 12th, I believe that was the date, 1984, was interview supervisor. He had no involvement whatsoever in the investigation. He offered an opinion, and his opinion is in error. The investigator drew no conclusions in that file. There are none in there. There never were any in there, evidently.

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MR. SILBERG: Brooks, this is one of the few files that I actually went through, because you had raised this. I don't know what is in all of the other files. This file happens to have a lot of information. I mean, it has interviews with the alleger. It has interviews with the people who gave the recommendations at both Mr. Rudolph and -- at Arkansas Power & Light, or Arizona Power & Light, and it has Mr. Thero's memo. I read those files cold, and I had not heard about this individual concern or the blackballing. Frankly, there is no way on earth that you could reach the conclusion that Mr. Thero reached.

MR GRIFFIN: Is this your testimony?

MR. SILBERG: Yes. I'm just telling you what I saw.

MR. GRIFFIN: I'm not here to debate with Mr. Snyder for the purpose of this interview whether he was right or wrong.

MR. SILBERG: No.

MR. GRIFFIN: If you think that is where I'm going --

MR. SILBERG: No. The point is,

you said there was no information in the file, on which someone could base another conclusion. That may be true in other cases, but there is a lot of information in this particular file.

MR. GRIFFIN: I will give you that point, there is a lot of information, because the interview with the APS, Arizona Power Service, people, was characterized in there.

Q. (By Mr. Griffin) The only point that I'm getting at here, and I don't want to sit here and drill on this one case all day, because that is not -- no one case makes the program, but I want to find out what you relied upon to change -- to arrive at a separate conclusion from what your subordinates did, the people who actually performed the work. And you told me. You reviewed what was in the file --

A. That's correct.

Q. -- and you drew a different conclusion, and you have the final word.

A. But, again, the significance, Brooks, I would like to bring out, is Owen Thero had no involvement in that investigation. The investigator was [redacted] did not

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offer a conclusion in that.

Q. All right. Do you know if Mr. [redacted] offered a verbal briefing or a conclusion to Mr. Thero before Mr. Thero wrote that information?

A. I do not. He does not in his report say that.

Q. Those reports don't say a lot of things, Chuck. I'm asking you, you didn't avail yourself to Mr. [redacted] position on this --

A. I don't remember. I don't remember having --

Q. Are you concluding that Mr. Thero didn't, either? Mr. Thero's and Mr. [redacted] conclusions are the same. Yours is the one that is different.

A. Again, I don't believe I asked Mr. [redacted] but I wouldn't swear to that.

MR. SILBERG: He also didn't know, I'm gathering, what [redacted] conclusion was when he drew his conclusion.

MR. GRIFFIN: Yes, that seems to be the case.

Q. (By Mr. Griffin) How many other cases have you changed in this fashion?

A. Again, I don't like the word "changed." I didn't change anything. There had no responsibility for drawing conclusions, number one. Okay? Now, without having talked to the investigator, if you want to put it that way, without having sat down and asked [redacted] as the investigator of record, "What was your conclusion," I don't know of any other. Again, I would have to go back to case after case after case. I don't recall. Remember, when I took over the program, I put up -- and this is -- this is imperative that you understand this. August the 21st, when I took it over, I reorganized. I put in an investigator's supervisor. I put in an interview supervisor. The investigator's supervisor had the responsibility for ensuring that investigative reports were written. This is evidently one that was in the middle that had been completed, supposedly all of the work done on it, before Bob Scott ever got into the process of re-reviewing and getting the investigative report. It's only when I went in that I had investigative reports written. They were using surveillance reports and they were

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using whatever prior to that time to document an investigation. I put in place a requirement, "You must document on an investigative report. You, as the investigator, must put down all of the facts. You, as the investigator, must draw the conclusions from the facts. The investigator, supervisor, will review it, after you complete it."

Q. Hold that thought, because when we go through the rest of these things, and when we discuss the lack of documentation in that file, to draw any conclusion whatsoever, we -- this is just the -- the first of many. I found difficulty in drawing any conclusion on many of these files, relying on what was in the files. The philosophy that has been conveyed to me by these former investigators was that they were acting often as I perceived NRC inspectors do. They go out and look at documents they need to look at, they talk to people who they need to talk to, and then they draw a conclusion, and the agency accepts that conclusion. This philosophy, during the interview with Q-1 investigators, is consistent with what NRC inspectors do. In other words, the file may not

contain the testimony of individual witnesses. It may not contain summaries of the files that were reviewed or documents that were reviewed. It may indicate that the people were talked to and the files were reviewed, but it may not be very elaborate in showing the basis for drawing the conclusions.

A. That very well could be.

Q. So I can't draw conclusions from looking at the files. To some degree I would have to -- if I had faith, I would have to rely upon what the Q-1 investigators did. When I go back and I interview them, and they say, "No, there was a problem with this" or "There was a problem with my investigative conclusion being changed," and then you tell me that you are relying on the files, and I have looked at the files, and I don't think I can rely on them, I'm not sure that this is -- I considered this maybe faulty methodology, in changing or in drawing a conclusion from an incomplete file. If you were prepared to rely upon these people and upon their judgment, and you did not require them to document the interviews thoroughly, and you didn't let them tape the interviews, and they

were permitted to half-heartedly document whatever other evidence they availed themselves of, then for you to come along and say, "Well, I'm going to use this file to change a conclusion," I could -- I'm not sure that I agree with that. You may -- you may disagree with my perception here, but I want to have a clear understanding, not just on this case, but on others. This is the method you are employing to change investigative conclusions or arrive at a separate conclusion or to determine that it has no merit, and you don't have available all of the information they did. I'm not sure that this is a good approach.

A. I don't think that is the approach. Again, a transition period, when things were not well defined, when we didn't utilize the new forms and the like, is the only thing I can speculate here happened on this particular one. Again, later on, it was required that each investigator fill out that investigative report.

Q. I have looked at those investigative reports, Chuck, and they are not -- they don't thoroughly detail it. They will say, "I talked

to five people." So? What did they say? It doesn't say. What questions were they asked? What were the responses? It doesn't say. I reviewed documents -- it may turn around and say "I reviewed CAR 19" or "I did this" or -- most of them are not totally incomplete. There are a few that are. But the language of the investigative reports clearly shows that other resources were tapped for the investigators to arrive at their conclusions. The only point I'm trying to make here is, you were prepared, at least in this case, to draw a conclusion from incomplete information.

MR. SILBERG: In this case -- getting back to this case, it's not clear, at least based on my quick looking at the file, that that was incomplete information. In this case. Maybe there was other stuff, but certainly the key documents were there. The interviews with the people were there for me to look at, for you to look at, for Chuck to look at.

Q. (By Mr. Griffin) So you think this was just a --

A. This was in a transition period, I

think, Brooks, because -- I guess what I'm saying -- I will not disagree with your perception of the adequacy of the investigative report or whatever, from your standpoint. I'm saying that I don't think you are going to find where an investigative report was prepared, after you put into place the procedures that the investigators must do, that you will find I disagreed with the investigator in the outcome.

Q. Well, as we go through some of these others, we will see.

A. That's fine.

Q. Let's move on. I think we understand each other on this point, and we continue to disagree about the process.

A. Yeah.

Q. I understand what your testimony is, and that is what the purpose here today is.

(Whereupon, a discussion was held off the record.)

Q. (By Mr. Griffin) We have had a 15-minute philosophical debate off the record about the legality of blackballing, whether it's truly anything that we can identify specifically. Let's resume the interview here.

One of the -- going back for a minute, one of the criticisms that Mr. Ward had, specifically, and I have heard this repeated, and I would just like your comments on this, is many Q-1 investigations did not attempt to evaluate the potential scope of the allegations but rather tended to treat each as an isolated incident. Do you understand what is being said here?

A. Yes, I understand that.

Q. This is one of the most sensitive parts of the whole Q-1 program for the NRC, this treating -- putting a Band-Aid on the one thing identified and not looking beyond it. Could you explain why you employed the way of focusing on these concerns that you did?

A. Let me deal with numbers to start with. By that I mean, I get a person who has one concern, dealing with numbers, and that concern is one issue or truly one concern. It does not branch out. On the initial interview. An investigator is assigned to investigate that. That investigator pursues that concern. Now, if during the course of that investigation that that investigator did he identifies

potential weaknesses, not within the confines of that particular concern, the instruction was, prepare a QFO and identify --

Q. I understand what you are saying, Chuck. You have taken a little different perspective, and we have already covered that ground. Maybe a quick hypothetical. The QC says, "I have been intimidated by my supervisor." There is 15 guys on this crew. The Q-1 investigation, of course, is already an interview, in the alleger. You go in and ask the supervisor, "Did you intimidate him," and he said "No," and you close it out, unsubstantiated. To not determine whether any of those 15 other guys experienced intimidation or trying to use -- to determine whether they could corroborate it, that the alleger was intimidated, is the type of limiting of scope that the NRC has heartburn with.

Now, if, during the interview, if it's conducted thoroughly enough, the guy says, "There's a pipe broken, one pipe broken, and here is the location," that is a one-shotter. If the guy says, "All of the welds done by this crew on the switch gear are faulty, go look at

this one," and then you go look at this one, but you don't look at any others, again, that is limiting the scope in a way that the NRC would be critical of, back then and today or at any time. Yet, based on the testimony of these people, over and over again, they were required to focus, they could not expand it, and absent observations, and I'm talking about expanding the investigation, and -- I would like just a further explanation as to why you choose to employ this methodology.

A. Can I isolate again for the sake of clarification? I don't think that you have allegations relative to the wrongdoing involvement, recognizing -- and [redacted] handled all of the wrongdoing allegations.

Q. No, he didn't. Mr. Brooks and Mr. [redacted] closed out H&I and all that --

A. At a later date, but let's go back to the time frame we are talking about. Okay?

Q. Okay.

A. [redacted] was responsible for the INH. Everybody knew that. I don't recall a person coming to me and saying, "I need to get involved in INH. I can't do it right. We are

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not going far enough or anything else." I just don't know of anything like that. So, if you will, accept that for the INH issues right now. But let's go back to the other, the ones of a technical nature, if you want to classify them as that.

MR. SILBERG: Is it your point that [redacted] had free rein, or based on his experience, as an investigator, would carry his investigation to what he thought to be the appropriate scope?

THE WITNESS: Yes.

MR. GRIFFIN: I find fault with that, because he is not even the one who did the interview, so he didn't know the original scoping, what was originally available to him.

MR. SILBERG: No, I was just trying to get on the record the relevance of the fact that [redacted] had responsibility for INH.

MR. GRIFFIN: I knew that.

A. What you told me, Brooks, was that these people complained about not being able to go far enough, and just for the purpose of clarification, I don't think you found that

relative to his investigations and people wanting to get into the INH arena.

Q. (By Mr. Griffin) No. Mr. Ward said that, based on his review, he found, over and over again, that this is the way the investigations were scoped. He saw an immediate need, and so did Mr. Driskill, when he came back through, and so have I, as I have gone through my very superficial case review. Over and over again we have encountered what we believe we have now established as a -- as a method of operation here, where in fact the -- each one of these allegations was treated as an isolated incident. Based on the testimony of the former Q-1 investigators, yes, this is the philosophy that you put to them, as you mentioned before, observations, and -- but I want -- what I want, and I need from you here, is an explanation, as to why you chose to adopt this approach. Was it just to close cases quickly, so you could get them off the books before fuel load?

A. No, and that is not the case, but I -- again, can I speak to other than wrongdoing?

Q. Yes. I'm talking about across the board here.

A. Again, I'm trying to address the allegations made to you, okay, and I'm saying, I do not know, and I don't think you do, of any of the people saying that they were not able to go far enough in the INH arena. What I'm hearing --

Q. You just want to talk about wrongdoing.

A. No.

MR. SILBERG: He's trying to separate the two.

A. Eliminate wrongdoing from this discussion. I don't see -- it's very complicated. I'm wanting to address the other issues, the stuff that other -- people other than [redacted] were involved in.

Q. (By Mr. Griffin) Go ahead.

MR. SILBERG: Is his assumption correct, that there is no complaint on narrowing the scope or having too narrow of a scope of wrongdoing?

MR. GRIFFIN: No. The NRC is critical of -- based on what is available in the file, which we know is incomplete. I mean, this is not a -- this whole interview process, on

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this subject, program operated by many individuals, is difficult at the outset. But, no, I'm not prepared to draw a line anywhere, because as soon as you start to try to draw a line, you realize how many variables there are that affect that, that keep you from drawing that line.

A. The reason I wanted to draw the line, if I can explain, is I'm trying to address my methodology. That is what you asked me to do.

Q. (By Mr. Griffin) Go ahead and draw the line, then, because I need to know your methodology.

A. I'm saying I don't want to mix the INH in with it. I know the feeling of OI on the INH issue. I want to address what I perceive to be allegations made to you by ex-employees in the quality first program, relative to them being strapped down, or whatever terminology you want to use, relative to being controlled.

Again, in order to perform a function, and that was to do what we committed to the employees, associated with Wolf Creek Generating Station, we committed to listening to their concerns, to investigate their concerns, to

accumulate the facts, to draw conclusions, assure them a corrective action would take place, and notify them of corrective action after we verified it. Now, in so doing, making that commitment, in following to implement it, it was my decision to assign a concern to an individual. My interest was to get that concern resolved. Okay? That concern has got to be resolved. It can't stay out there for six months, eight months, a year. We must resolve it. The name of the game is do it in a timely fashion. That is the way you get the results you want. You have to take corrective action to correct something. You can't let it go forever without correcting it. So you concentrate on looking at the objective, which was the concern. If during the process of that concern, again, something else reared its ugly head, whatever you want to call it, at that point in time it is a potential weakness, and I think anybody and everybody would agree with me. Until you convince yourself, until you do an in-depth evaluation or investigation, it's a potential.

Again, if those -- any of those

investigators thought that that was a real weakness or a real concern, all they had to do was call on the telephone, say, "I've got a concern that quality first has to investigate."

Q. Okay. So that is your answer. These people, if they didn't feel like they should -- if they didn't feel they were allowed to go far enough in their investigations, the investigator should have become an alleger, anonymous or otherwise?

A. He had that option.

Q. I don't think that is a good methodology, and I'm making a little out-of-school comment here, but that is not -- investigators don't do that. Investigators have to establish the integrity of their investigation, and they cannot put on blinders and say, "I'm just going to look at this one weld, and I'm not going to look at the other welds." To suggest that investigators should then become allegers, to turn other investigators in, who are going to have to wear those same blinders, is not a valid approach.

MR. SILBERG: The point I think Chuck is making or trying to make is that, if

the other weld problem or potential other weld problem turned up, there was a mechanism for that, and that was the QFO.

MR. GRIFFIN: But based on my conversations with the investigators, the insiders, the people that would know, not relying on my own judgment, they said that these things were going over to QA or going over to the effective organization. There was no reason to believe that these people were going to go back and conduct an investigation to see -- to try to scope these problems. Q-1 seemed to be the group on site that had the time, the wherewithal, the support, and the authority to properly scope these things. To say, "Well, we are going to pass the scoping aspect of this on."

Q. (By Mr. Griffen) I'm just -- we don't need to go too much further into this, Chuck, but I'm -- I'm just the last in a long line of people who have been critical of Q-1 on this subject. I was looking for and asking you for an explanation. I think I understand your testimony, but --

A. There is one thing I need to interject

yet on top of that.

Q. Okay.

A. Relativity played a big part in it. Just relativity. You talked about one weld. You talked about welds on a piece of switch gear. There is no way that, in our methodology, if one weld had been called out on switch gear number so-and-so, or in a switch gear by a manufacturer, that we would have looked at just one weld.

Q. Well, your former investigators, and I can't recall the names, but essentially, as a body, as a group of people who were doing this work for you, disagreed.

A. Could I offer -- could I offer an explanation why I think they disagreed?

Q. Sure.

A. The majority of these people you are talking to are ex-QA people, quality assurance people, who have been trained to do audits. That is their life. An audit, an investigation, I'm sorry to say, are not the same. You see, we have a philosophical difference between the NRC and us. You have inspectors, and you have investigators. Now, in the quality first

program, we had investigators. We don't have inspectors. They are not criminal investigators, number one. They take direction from whatever the concern is voiced. That is the direction, and they pursue it to come to some resolution on it. They are not auditors. An auditor looks at a whole program. That is what an auditor looks at. An auditor does not look at a very small part of anything.

Q. Well, the ones I have found so far that scope the one you do are Q-1 investigators. NRC investigators scope -- we try to find the outward bounds of the problem. We don't care anything about finding one weld or one person that was intimidated. We want -- the very first thing we are going to do is find out, how big is the problem.

MR. SILBERG: I guess that is the difference. Quality first defined the program. It wasn't OI. It didn't define itself as OI.

MR. GRIFFIN: He brought this up. I'm not suggesting he did. He's saying, "We didn't apply the audit methodology. We didn't apply the NRC inspector methodology. We

don't inspect OI methodology. We employed our own."

A. That's correct.

Q. (By Mr. Griffin) Your own people were highly critical of this choice of limiting the scope, to look at just the one -- the one little weld, the one little document that there may have been a probe with or the one inspector or whatever. Frankly, the NRC wants to know -- and like I said, at the outset, this is one of the most sensitive issues. They want a clear understanding of why you chose to employ this. These people here --

A. It was not to me --

Q. The majority of these people believe that that is the reason, that, if you used this QA methodology, how are you ever going to get these things closed before December. You can't.

A. That's not the case. Brooks, if I had received 1,000 allegations from these people, if they had wanted to bring those, I would have had to have investigated those allegations in the program.

Q. Do you really think that would have

been the best way to resolve the issues, to have Q-1 investigators to become allegers, to make other allegations to other Q-1 investigators?

MR. GRIFFIN: Did any of these people or anybody complain to you that QFOs were not being handled properly?

THE WITNESS: No, they did not. If my memory serves me correctly, they were -- several of them were not happy that they were not able to go on further and further.

Q (By Mr. Griffin) You two have jumped ahead here. You said they could do this. I have seen no -- in my interviews or in looking here, I haven't seen any evidence to suggest that the Q-1 investigators, en masse, became allegers. There is one or two instances of that. You were just saying that they had this opportunity. They didn't do it.

MR. SILBERG: My question is a different one. The question is, did they make known to Chuck their -- not through anonymous calls, but did they go in to Chuck and say, "I'm unhappy the way the QFOs are being handled by QA," or whoever they are referred out to?

THE WITNESS: No. They made

known, many of them, their dissatisfaction with developing and implementing the QFO, but never did any of them come to me and have a problem with the handling of the response that was coming back.

Q. (By Mr. Griffin) Do you know if any of them went to Mr. Scott or Mr. Thero and then voiced lavish concerns on this subject?

A. No, other than what I received back, that they were unhappy with having to generate them. In other words, relinquish -- the concern was relinquishing what they thought was in their control to somebody else. That was the only concern that was made known to me.

Q. Okay. I think I understand your testimony on that.

A. Okay.

Q. We could go a lot further, I'm sure.

When Mr. Denise arrived up here with his task force, in their report, which I reviewed, one of the parts -- one of the points that they were critical of was the inappropriateness of the feedback to Q-1 from organizations that were to support the closure of cases. I suppose, in the exits, since they

do exits, they must have discussed this thoroughly.

A. They did.

Q. Based on my own picture or view, I did not see any appreciable amount of evidence that Q-1 was doing a particularly critical review. Is this something that you all acknowledged to Mr. Denise during this exit, or did you disagree with him on this subject?

MR. SILBERG: I'm sorry? A critical review of feedback?

MR. GRIFFIN: Yes.

A. Let me again relate chronologically, if I may. I think the point in time you are talking about with Mr. Denise, making known to me or the organization making known, the absence of feedback, was in the May 27th, 1985, review, the big review with 17 NRC people reviewing our files.

Q. (By Mr. Griffin) Uh-huh.

A. Immediately following that, we took steps --

Q. Okay. I understand what you are saying. I appreciate it. I appreciate that you are going to say that you changed your program.

For the purpose of this interview and time, let's -- I know that you were responsive, and you have said many times to me that just "NRC, tell me what you want, and we will be responsive." They were critical, for the purpose of this interview, though, they were critical of the feedback. My question is, do you disagree with Mr. Denise's criticism that the -- that the feedback was not meaningful?

MR. SILBERG: At what point? This 1984 period?

MR. GRIFFIN: Yes, back when these investigations took place.

A. Just in generalities, I would agree that it was not meaningful, based on what they presented us at that meeting.

Q. (By Mr. Griffin) That cuts off a lot of questions I would have.

MR. SILBERG: What was the reason why you think there wasn't better feedback at that point in time?

THE WITNESS: Because procedurally the instruction was to transfer these concerns out, and "transfer" has a connotation that you transfer all

responsibility. By that I mean being able to sleep at night and feel that you did the job right, you know.

Q. (By Mr. Griffin) Yes, but procedurally you all had a built-in system where you would review it and determine the adequacy of the feedback.

A. No, not at that time.

Q. You --

A. Only the response back to substantiate or unsubstantiate. I did not have the requirement to go in and review the details --

Q. I looked at a lot of the files, and it has -- Mr. [redacted] signature is on neither every one of them --

A. Verification of corrective action.

Q. You're evaluating that there was corrective action, but you didn't evaluate the merits?

A. It all depended on the nature and the time frame. I have to look at the dates of the reports. We made changes.

Q. Chuck, one of the other investigations performed by Mr. [redacted] had to do with a fellow by the name of [redacted] This is a

concern that was at the outset of the program, but the concern itself wasn't investigated and closed until October. This is one of those cases where Mr. [redacted] -- hang on a second. This is one of those cases where Mr. [redacted] again concluded that the -- that the allegation was substantiated or true. A man had been harassed and intimidated by the start-up manager. This is also one of those things that -- this was escalated to legal -- he was eventually reinstated. However, the allegation is that the list is unsubstantiated. In reviewing the file and interviewing the people, do you have any allegation that is substantiated by the investigator, listed as unsubstantiated on the report, it is -- a guy files a case, which he wins, and is reinstated, and the inconsistency of the -- of the investigator's understanding of his findings and how they were reported, the way it's reported ultimately by Q-1, and then the remaining inconsistency of the guy -- I mean, I know that reinstating a guy or making a monetary settlement with him is not an admission of wrongdoing by the agency, but how would -- how does this come to be and how --

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there are a series of these cases where -- it's unsubstantiated, but the guy wins his case or the investigator concludes that a -- concludes that harassment, intimidation, or discrimination took place.

MR. SILBERG: Could I just get an understanding of the chronology? This is a case that I haven't at least heard of before. He was -- he filed a concern --

MR. GRIFFIN: He made an allegation.

MR. SILBERG: That was after he had been terminated on the project?

MR. GRIFFIN: I don't have a -- let's see.

MR. SILBERG: I'm just trying to understand how this --

MR. GRIFFIN: You are asking me to reproduce stuff from the file. We know the file is incomplete. I'm not sure I can give you a full -- the parts of it that I can give you are that -- I -- this employee said he was harassed and intimidated by the start-up manager. He was advised that he should take his problems inside first. They interviewed the

start-up manager, and he said, "Well, this guy is a ~~crying~~ bitcher," and they asked -- after this guy continued to complain, the start-up manager asked that his subordinate supervisor, "Have you got anybody we could maybe, like, let go?" Of course, this guy's name made that list. He was terminated. However, he fulfilled a vital function, in that he was one of only two diesel operators on site certified by Colt. However, Mr. [redacted] concluded that the layoff was a retaliatory act, and he also further concluded it was a violation of 10-CFR-2-10. Like I say, eventually the guy was reinstated.

A. I have never even heard the name. That is why I'm sitting here puzzled.

Q. (By Mr. Griffen) It's unsubstantiated. When I see that, I can't -- obviously you don't have any -- you don't have anything to offer on this.

A. I'm not familiar with the case nor the name nor anything else.

MR. SILBERG: When you say it's unsubstantiated, is that something that Chuck signed, or is that the report that --

MR. GRIFFIN: It's the official Q-1 conclusion.

Q. (By Mr. Griffin) These files exist in a variety of forms, and I wouldn't even start to speculate what any particular interoffice memo means, whether that is the final conclusion, or whether the investigative report is the final conclusion, or whether the -- you know, the files were all sufficiently different that I -- that, in spite of the fact that you instituted a procedure that had a reporting format and all that, the files are sufficiently different, that they are all subject to interpretation. When I find myself interpreting, I'm more inclined to rely on the investigator. In this case, he made a call. However, the Q-1 file says he was -- it was unsubstantiated.

A. I have absolutely no knowledge of that one.

MR. SILBERG: Do you have the number of that? We can look at it. I certainly would be interested.

MR. GRIFFIN: If you want to satisfy your curiosity -- it's NRC [redacted] Item 19, if you want to ~~satisfactory~~ satisfy your

curiosity.

A. That was a very early one.

Q. (By Mr. Griffin) In terms of taking them, but it was in concern with -- it was closed in November.

The next one would be [redacted] Item 17. This was another H&I investigation performed by Mr. [redacted] against a guy named -- for -- on -- the alleger was a guy named [redacted] Do you remember that?

A. I'm remember that one.

Q. He eventually received a settlement and was reinstated. Is that right?

A. That's correct. To the best of my knowledge, he was.

Q. My question on this one, Chuck, is -- and I want to kind of reach back to the one we just got through talking about with Mr. -- with [redacted] whatever his last name is. One thing that I think I saw, as I went through these, page nine, discrimination and falsification things -- I could not see any evidence in there of any repercussions to the people having been proven to have been the discriminators or the harassers or the intimidators. In the case of Mr.

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[redacted] here, I think his major concern was with Mr. [redacted] Do you know if Mr. [redacted] ever had any kind of adverse action taken as a result of having Q-1 -- having made the call against him?

A. May I expand on the whole subject?

Q. Uh-huh, uh-huh.

A. This is the only INH case to my memory where Mr. [redacted] came to me and said, "These folks are guilty of intimidation and harassment." After having discussed it with me, we prepared a letter for the signature of Mr. Richard Grant, who at that time was my supervisor, making known to Daniel that, in our opinion, they were guilty of intimidation and harassment towards this individual, and we demanded that they take corrective action. The corrective action they took resulted in the reinstatement of the individual, and not shown in the file is another action that took place. I requested a meeting with key management in my organization, key management in Daniel organization, and made known to them my desires relative to corrective action toward Mr. [redacted] by name. I told them that I would not

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be satisfied with anything less than his removal from the project. They assured me that it would take place. That was as far as I went with corrective action.

Q. It wasn't really in the Q-1 procedures for you to instigate personnel action?

A. No, it was not, but here, again, actions to preclude recurrence. I am also obligated to that. The project is obligated to that in general. That is the reason I took the action I did.

Q. How about on this previous one? You said you don't recall the case.

A. The name, I don't even -- I can't equate to it at all.

Q. Let me ask you, even though you may not remember some of these cases, there were quite a few either Kansas or Department of Labor cases that went against KG&E. Do you know if there was ever any follow-up review taken by Q-1 as a result of these findings by legal, when they did a more in-depth review of these harassment and intimidation allegations?

MR. SILBERG: You are talking about cases that started off as concerns?

MR. GRIFFIN: Yes, maybe even were started, investigated, by Q-1, and all of a sudden it switched, and legal would take the lead.

Q. (By Mr. Griffin) Did you all ever have any of those, once they were resolved, from corrective action, or verification from corrective action, by --

A. No, I did not. We are back again under that old philosophy of transferring at that time, so I did not.

Q. How did you close cases that were transferred to legal? Did you close them as substantiated or unsubstantiated?

A. Again, I would have to -- on chronological application, we transferred a concern. Based upon the procedures at that time, it was construed to me that we were finished with it, once we transferred it out. We had no interest in substantiating or unsubstantiating.

Q. But they are all marked one way or the other?

A. If I might go back, again, okay, chronologically, when Mr. Kent Brown took over

as my supervisor, he was the one, personally, who said, "I believe we need to go back to these folks and have them account to us whether or not it was substantiated or unsubstantiated." At that time I wrote letters to everyone who I had transferred a concern to, made them aware of a need, "Respond to us either substantiated or unsubstantiated, this concern I sent you." That is the reason it shows up in the file, based upon the feedback from them.

Q. Okay.

A. Now, after May 27th, 1985 --

MR. SILBERG: Let's not -- I guess we are -- let's try to stay away from that.

Q. (By Mr. Griffin) That isn't going to have any impact on this investigation whatsoever. I appreciate you also have made changes, probably quite a few. Let's move on to the next one here. We are on the first page here. We are here on the page. I don't want to curtail your giving full explanations, but we want to do this in our lifetimes.

(Whereupon, a discussion was held off the record.)

Q. (By Mr. Griffin) By the way, the last case, I think I may have referred to it as [redacted] In fact, it may be [redacted] The next one, [redacted] Item 3. This is a harassment and intimidation case, Mr. [redacted] handled, a fellow by the name of [redacted] He alleged that a fellow by the name of [redacted] who is a start-up support, general superintendent, had told a fellow by the name of [redacted] not to go to the NRC because he had put 2,000 people out of work. Do you remember that?

A. No, I don't.

Q. Okay. This is one of the ones I pulled for a review. In this case, the case file consists of -- it has an investigative plan, as they all do, and it says, "We are going to interview Mr. [redacted]" the alleged fellow making this statement. About the only other thing the file contains is a memo there, signed by you and Thero, which says that site policy will encourage employees to take their concerns to the supervisors first, and then they may go to the NRC, and the Q-1 file lists the concerns, unsubstantiated, but there is no evidence to

indicate any further work was done. As the supervisor, were you aware that there were files being closed with this little information in them? I mean --

A. No, I was not. When you say "this little," I'm assuming what you are telling me was in there.

Q. Uh-huh.

A. When you say "little," you have that --

Q. Yeah.

A. Again, I was involved in closing files from the standpoint, if one was brought to my attention, that someone felt I needed to be involved in, so I can't just straight across the board even talk about a little or a large amount of information in the files.

Q. In this one, I'm re-covering ground that other NRC people -- I mean, they looked at files like this, 212 of them, and, I mean, it -- 112 of them, and they found that --

MR. SILBERG: 77 they didn't like.

MR. GRIFFIN: Yes.

Q. (By Mr. Griffin) This is just an

example where somebody says, "I was told this," and then essentially the file conveys that no investigation took place. However, there is closure on it, and the closure is that it was unsubstantiated. There is no evidence that anybody who could have corroborated Mr. [redacted] concern was interviewed, even though the investigative plan, work plan, suggests that a full-scale investigation took place.

I guess I'm asking you this more from a quality control standpoint, over your own program. We found quite a few instances where they didn't seem to be adequately documented. Who was responsible for trying to see if there was anything meaningful going on with these investigative files, regardless of what Mr. [redacted] may or may not have actually done to resolve this issue?

A. Up until the time I took the program over, I have to assume that Owen Thero had total responsibility for that. After I took over the program, I delegated that responsibility for content to Bob Scott as the investigation supervisor. If it was relative to adequate information to give to the investigative groups,

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it would have been delegated to Mr. Thero to supply that information.

Q. This is another one of those that wasn't closed until November, so --

A. That does not mean that the investigation was not complete e- -- early on.

Q. Well, no, I agree with you. It doesn't necessarily. But based on my interviews and my -- and my case reviews, the investigative activity, although a lot of times the notes and such are not dated, the investigative reports rarely show dates of when investigative activity took place. This concern was taken in June and resolved in November. As a matter of course, though, I did see what I considered to be a pattern, and that is people were anxious to close concerns, to show the concerns closed when they were closed. I didn't, either in the interviews or in the document reviews, I didn't see any instances where somebody would close a concern and wait two months to report that the concern was closed. The file would remain open, maybe, for months, but people seemed to be pretty anxious to show that they had closed a

concern. I didn't see any of that. On this case, this one was closed in, what did I say, November, and it's -- essentially no investigation took place whatsoever.

MR. SILBERG: Or at least none that shows up in the file.

MR. GRIFFIN: I guess that's going to be the case on all of these.

A. The name, [redacted] I recall seeing, but the rest of it, I don't have any knowledge right now of any particulars on it.

MR. SILBERG: You interviewed [redacted] Did he provide any indication as to whether he did an investigation on this or --

MR. GRIFFIN: There is no information beyond what I have already described.

Q. (By Mr. Griffin) The next one is another H&I case. The reason I'm taking these in the order I am -- the reason these are listed in the order in which they are is because that would -- the interview, one man, go through his cases. This one had to do with harassment and intimidation of [redacted] I understand from a conversation that we had

several days ago, Chuck, some of this stuff is still pending. One guy won his case and the other guy lost it or something like that. Both lost?

A. Only one made a case.

Q. Okay.

MR. SILBERG: What is the file?

MR. GRIFFIN: [redacted]

Q. (By Mr. Griffin) I don't have the item number on this one, but it is -- [redacted] -- this is another one of those where [redacted] said he substantiated the allegation, and the file and the computer printout here show it as unsubstantiated. Do you happen to know why?

A. This is the first indication you have given me of one that I have had an intimate or in-depth involvement in particular with [redacted] That is false. [redacted] never indicated to me in writing, verbally, any other way, that he substantiated this case. The record has to show that.

Q. Okay. Well, he thought he had.

A. What he thought and what is in the record are two different things. I sent the man

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back up there after I received a phone call from those people, saying --

MR. SILBERG: I'm sorry? "The man" and "those people" --

A. [redacted] one or the other of them or both of them, called me, and they had additional information. They were going to go to the newspapers. They were going to denote everybody's brother unless we went back and talked to them. I sent [redacted] back up to visit with them.

Q. (By Mr. Griffin) When would this have been?

A. This would have been in the October or November of 1984 time frame. Somewhere in there. I sent him back up there. I also sent John Baer of Danube, vice-president of power, up to talk to them. [redacted] came back and said they didn't have one more thing than they had before. "They have nothing additional for me to investigate. There is nothing to it." Those were his words. Again, I'm involved in that one, so I can, I think, respond to it.

Q. So [redacted] never received any kind of monetary settlements with

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their employer?

A. To the best of my knowledge, they did not.

MR. SILBERG: As I understand it, [redacted] lawsuit was recently thrown out.

Q. (By Mr. Griffin) By Daniel? Right? Or he was contesting it with Daniel? Is that correct?

A. Yes, that's correct.

MR. SILBERG: Is there anything in the file that indicates that [redacted] substantiated --

THE WITNESS: No, there is not.

MR. SILBERG: -- the concerns?

THE WITNESS: No.

MR. SILBERG: I'm just wondering, on Brooks's review, if he found something in the file. Well, it's not important. I think we looked at this file last week, and I didn't see anything that indicated that it was substantiated, either.

MR. GRIFFIN: There was one in which [redacted] had made -- had initialed, by his name.

Q. (By Mr. Griffin) Your name or Scott's

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go on those reports, not the investigator's, at some period of time.

A. The investigator's name goes up at the top as the investigator.

Q. I noticed that one of them had a -- he had initialed it.

A. At the bottom, they ordinarily initial, after they complete them.

Q. Yes. This is the one. He had initialed it. His initials are on there. That would indicate to you, would it not, that he was in agreement with the conclusion, which showed this one as unsubstantiated?

A. That's correct.

Q. So, in this case, the fact that he thought he had concluded that this was substantiated was faulty memory on his part?

A. The records -- the record speaks for itself, plus my knowledge, having been involved with him in this. They both coincide or they both are in agreement with the record and me. He is out of sync as the third party.

Q. You mentioned the follow-up information.

A. Yes.

Q. The report is addressing the original allegation of harassment and intimidation.

A. That's correct, but we had already -- let me rephrase it. He had drawn his conclusions prior to them saying that they had new evidence or additional evidence. At that time, I sent him back. So, if there was, we could change the conclusion, if the evidence so pointed that direction, and it did not.

Q. The next one is [redacted] Item 1, so -- this apparently was an associate of [redacted], a guy named [redacted] He also, apparently in the same time frame, alleged harassment, intimidation. Did you ever get involved in or review this case file or get involved in this issue that [redacted] investigated?

A. To the best of my knowledge, I recall him having determined it to be unsubstantiated. I know some of the technical part of it -- another ongoing investigation. Better not do that particular part of it.

Q. You are right about that, if it's unsubstantiated. Out of this, my review of the investigative file, the only people interviewed

were the people accused of harassment and intimidation. Is there a -- is this methodology anything that you encouraged on the part of your investigators for wrongdoing, if somebody says, "He's a liar, go sit," and "No, I'm not lying," then go home.

A. No. I think if you go back to the time frame when [redacted] was in our employ, I relied upon his ability, knowledge, and expertise to do a complete and thorough investigation. When he left the organization, I think you will find in the record there are some guidelines and some involvement on my part, when I felt that I had something less than [redacted] involved. I think the record will support that. The methodology was employed.

Q. Again, I don't need to re-cover the same ground, but, you know --

A. I did not interfere with [redacted] efforts.

Q. Does Q-1 management, to whom [redacted] would have reported to, did they accept the philosophy that you can just ask the accused if he did anything wrong, and if he denies it that is sufficient investigation? I

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mean, [redacted] was not a free spirit here. He is reporting --

A. I don't know that I -- I know that I did not in detail look at his work product at the time.

Q. Did somebody in management?

A. I don't know. I don't know if Scott did or not. I cannot address that.

Q. Okay. Like I say, this is just another one of those that Driskill and -- was critical of, because it's -- because it doesn't seem -- the methodology is not correct to even start to address whether the allegation was true or not.

The next one I want to ask you about is [redacted] Item 1. This is before your time, Chuck, but I just wanted to find out whether you had ever heard about this one. It had to do with an acid etch test. It was for stainless steel fittings provided by a company called Crawford. The purchase order listed -- requesting these fittings, specified that the etch test would be present. For four years, Crawford sent the same etch test. Obviously, the fittings over those years used different

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heat lots, and a different material was used. So after four years an allegation was made to Q-1 that this was not valid, that the etch test used over and over by Crawford was not accurate, because it didn't speak to the material used in the fittings in that particular group. Did you ever get involved with that one or know anything about it?

A. No. The first knowledge I had of that was two weeks ago, on your visit, when you brought it to my attention. That was the first I had any knowledge of it without having seen the file.

Q. The way this was ultimately resolved was just to change the procedure four years later. Is this a type of corrective action that Q-1 would buy off on or verify as being adequate corrective action, to just change the procedure?

A. It's a pretty broad question.

Q. I mean, you do have a verification --

A. Philosophically, Q-1 would have brought about whatever corrective action was necessary, and the reason I'm phrasing it that way is I do not know, without having the -- in that particular one, personally, if there is

still or even was a need for that particular --

Q. See, you are talking -- we are talking apples and oranges. You are talking about getting the hardware fixed. The NRC enforces the regulations relating to materials, suppliers. Something on a purchase order, come to 21. If you say that you want an acid etch test to verify that the -- that that stainless steel is -- conforms, then we hold those people accountable for it, and they have to test, if it calls for a test. These people didn't test. But, to resolve the problem here, at this site, four years later, you changed the procedure. Not you, personally, but the site changed its procedures.

Now, my only question, the only part of this I'm interested in, is this: In your verification of corrective action, do you accept the philosophy of just simply changing the procedures?

A. I don't think I can answer that, Brooks.

MR. SILBERG: Let me try this, because we have discussed this philosophy over the years. Was it up to Q-1 to define what the

requirements, substantive requirements, for the plant were, or was that someone you took and accepted from other parts of the organization?

THE WITNESS: Quality first is bound to confirm that activities are in line with project commitments.

MR. SILBERG: So if the substantive part of the project organization determined, whether it's engineering or operations or quality, determined that the appropriate technical response was to change the procedure and adopt a new procedure, you would not second-guess the substance of that decision? Is that correct?

THE WITNESS: No, I would not.

Q. (By Mr. Griffin) Okay. Then what valid -- validity is there to you even verifying the corrective action, if you are not going to ever contest it or if you are not going to say, "Hold it. You can't just blow this procedure off. You have been requesting acid etch test for four years." You can't come after and say, "Well, we don't really need it any more."

A. I think you are misunderstanding. I would confirm, okay, that it was a legitimate

understanding. I would not just say, "Since you say it's not required --" I would make that determination, that it's legitimate. Under our operating methods, I would not go back to the vendor and say, "Even though this was not required, you continually supplied us information that did not meet what was perceived to be the requirements." Again, I would -- they would not just change requirements, just for the sake of changing requirements. That would have to be legitimate, and I would have to verify that there was ever any need. Okay?

Q. Well, when your Q-1 investigator called Crawford to find out why this activity was going on, which was clearly inconsistent with the purchase orders you had been sending them, the explanation was, "Oh, I thought it was just supposed to be a one-time test."

A. It may have been.

Q. No. Each purchase order, each new purchase, each new request for materials, specified an acid etch test. Now, if you are telling me that you endorse the fact that new purchase orders don't really mean what they say --

A. No.

Q. -- type thing, that philosophy --

A. No.

Q. -- I -- in this case, I don't -- we don't need to argue this one.

A. No.

Q. In this case, Mr. [redacted] in his report, I gleaned, accepted the explanation that the man had only believed that the etch test was required one time, even though it showed it up on all of the purchase orders after that.

A. Uh-huh.

Q. However, the only part of this I'm asking you about is, do you accept the validity, as it relates to your verification process, of simply deleting the requirement that this test -- should have been no need for it? Do you understand what I'm asking?

A. If I had been knowledgeable of this particular one, during of the course of the investigation, I would not have been satisfied unless additional work had been done. Relative to the validity of the requirement, relative to the correctness of the information showing up on the purchase order, relative to the response, in

whatever manner, by the vendor. It appears something was out of order. I would not have had that closed out until I was sure everything was in order.

MR. SILBERG: If engineering told you, though, that the etch test was only required once --

THE WITNESS: That's right. Then I would have to -- I would believe that was all it was required, was one.

MR. SILBERG: You would not second-guess that?

THE WITNESS: I would not, but I would have that information in the file, if it was only required the first time. Then I would request why purchase orders continually had it on it, when there was no requirement to.

Q. (By Mr. Griffin) But there was a requirement. The decision to change the requirement was made after all of the fittings had been arrived at and installed, and you were no longer making any --

A. I'm not disputing that.

Q. Okay.

A. But I would have had some

justification for that in the file. Why? Was it legitimate to change that requirement?

Q. Okay. Well, the only reason I ask you this, and this was before your time, you realize --

A. I know. I'm talking about the -- I would have pursued it that way.

Q. The NRC has a problem with the -- if this were to be representative of Q-1's work, hopefully it would not --

A. Hopefully it would not be.

Q. The next one is [redacted] Item 6. This one is by [redacted] It said that an electrical QC inspector made an allegation that an electrical QC supervisor had set quotas, so many supports per week, on the QC inspectors. In this case, [redacted] telephonically interviewed the supervisor, who described this quota per week as a goal rather than actually a quota and that there had been no sacrifice to quality.

That is the extent of the investigative effort in this case, is calling the guy that is accused of it, and he says, "Oh, no, it's the goal, it's not a --" because, in

this case, they said that they subsequently identified numerous deficiencies in these supports that had to do with fillet welds and -- so, you know, later on, this is one of those cases where there was a lot of re-work and there was a lot of activity, but when you take the investigation, and you have -- you interview the bad guy, and he says, "Oh, no, that is --" do you accept the validity of not verifying that other inspectors should have been interviewed as a part of the investigative process, and why -- why were your supervisors, under you, accepting the one interview investigation into an allegation like this, when at the time that it occurred there were -- maybe -- I don't know whether they knew about it, but they were already well-known, that there was a big problem on the fillet welds in the supports.

A. Again, in retrospect, if that is what the file shows, that he only talked to that individual -- if you are talking about my personal philosphy, methodology, I would have suspected that he would have talked to more than one man in order to draw a conclusion.

Q. Tell me this, Chuck. I feel like I'm

beating on you with stuff you don't have anything to do with or know about. Certainly, if I made the wrong presumption -- didn't someone in Q-1 review these files as they came there?

A. No.

Q. Didn't they evaluate the validity of the work?

A. No. Owen Thero had total free rein before I came into the program. Bill Rudolph controlled the program administratively only. He reviewed time, authorized payment.

Q. This one was opened in August and closed in November. I mean, I'm sorry, October.

A. Which means that -- if it was opened in August, [redacted] could have done his investigation and had all of the information in the file before I ever took it over. As far as I'm concerned -- when he was questioned, like you said, I'm through with that one, and it's ready to be typed up.

Q. There is no Q-1 supervisor of his work to see if he did a meaningful investigation?

A. Again, if it was prior to the time that we re-organized and put in the

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investigative report, which required the investigation supervisor to review it, it is conceivable that Thero never looked at it, and I thought he was done with it. [redacted] was a free spirit, until I took over that operation, and by that I mean a free spirit. To be very open with you, I put controls upon these people when I took it over.

Q. When did you -- you came in in August.

A. Yes.

Q. This was closed -- the concern was closed in September --

A. For all practical purposes, say September. August the 21st.

Q. Okay. This is September the 20th, the concern was closed.

A. Okay.

Q. Based on the other reviews that I have done, [redacted] probably finished his investigation on either the 20th or the day before. He finished it, and that is it. He interviewed the supervisor, and that is it, and the concern is closed. Are you saying that, as of September the 20th, your own supervisory staff would not

have been, at that time, reviewing his work?

A. No. Let me rephrase it again, in case you misunderstood me. If he did his ~~fuel~~ Field work prior to the time Bob Scott started assigning responsibilities for investigating concerns, prior to the time that Bob Scott was involved in the planning, as it were, then 6,7C&7D would have had that completed, and it would have just been laid there for typing.

Q. So, on September the 20th, when he did this one interview, closed his concern --

MR. SILBERG: We don't know that he --

Q. (By Mr. Griffin) We don't know that you weren't there yet, either. You want to shove everything off on these --

A. No, I don't want to shove anything. You are misconstruing what I'm saying.

Q. We are looking at a point that is well into the time -- you have been there a month. You had a month to get your people in line. You only had three months to get all these things closed.

A. No, not so. I had all of the time it took.

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Q. Well, you were successful in getting these closed in four months.

A. That was the goal. Okay?

Q. But I'm just asking you, based on your knowledge of where you were at that point in time, on September the 20th, is it probable, since we don't know, is it probable that a Q-1 supervisor reviewed [redacted] work?

MR. SILBERG: I think we are just speculating.

A. It depends on what time he did the work.

Q. (By Mr. Griffin) Somebody is going to have to take responsibility for this program and this paper, and your name is on these investigative reports.

A. Is it on that?

Q. To the best of my recollection, it's Mr. Scott's.

A. Okay. Then, if that is the case, if it was during the time frame that Bob Scott was the supervisor of the investigators, then he would have reviewed that. He should have been satisfied with the end product or made known his dissatisfaction with it.

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Q. So if his signature, and I cannot swear that it is, but if his signature appears on it, like I think it does, that means that he bought off and decided that, interviewing the bad guy, and --

A. You have to understand, also, that, if [redacted] did this investigation and completed it, prior to the time I or Bob Scott got there, that could have been laying as a backlog, closed out, just had to have everything signed off the front. Okay. You keep track of what open investigation is. [redacted] said, "I'm done with that, and it just has to be typed." It could fall into that category.

Q. I will give you this, Chuck. I will agree that the investigative files do not show what took place or when the investigative activity took place. This file only shows one interview, and that is in the face of --

A. I'm personally not satisfied with that, okay, if you want my personal observation of that approach.

Q. Okay. [redacted] Item 2. That is the next one. In this case, a fellow by the name of [redacted] alleged that

[redacted] and [redacted] two Q-1 people, I think it was before they became Q-1 people, had discriminated against him. In this case, [redacted] interviewed [redacted] and [redacted] and they said, "No," and so it was listed as unsubstantiated.

Now, at the time that this investigation took place, [redacted] and [redacted] were Q-1 investigators, so they are -- you have [redacted] from my point of view, all buying off on the philosophy that, "You just go talk to the bad guy, and if he says no, then it's unsubstantiated." In this case, the bad guys are two Q-1 investigators. Would you consider that a valid investigation, to determine whether he had been discriminated against?

A. Number one, [redacted] nor [redacted] would have not had -- because they were QA people, they would not have had any influence on the extent of the investigation, should not have had, so far as how far you go.

Q. Uh-huh.

A. I don't think it's wrong for them having been interviewed.

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Q. No. I agree with you there.

A. There, again, it would be very subjective for me to say that the investigation was influenced or not influenced by them having been quality first and them having been the ones responsible for this. Again I am not familiar with that particular case.

Q. In other words, [redacted] filed with DOL and won his case, but that doesn't change the affect that the investigation was limited to talking with the bad guys. This is in the same time frame as the other one. This occurred within a -- on the same day as the other one, the concern that was listed, the one that we just got through discussing. Would this one kind of fall in your -- in the limits of your knowledge? Would they be the same as the last one? Yes, Mr. Scott's signatures may appear on there, but you are not familiar with the --

A. Yes.

Q. -- you are not familiar with his methodology of closure?

A. Very well could be the case. Again, the time frame -- if I knew what it was specifically, it would sure be helpful, but I

don't know. I'm trying to think when these people came into the program.

Q. On August 15th, you got the concern. On September the 24th, the concern was closed.

A. Again, I don't know when [redacted] interviewed those people. Were they in quality first when he interviewed them? [redacted] would have been. Bob Scott didn't come -- I mean [redacted] didn't come over to quality first until about the 1st of September. Again --

MR. SILBERG: You also said that this shows that [redacted] and [redacted] bought off on the one interview approach.

MR. GRIFFIN: I'm just saying, these people are -- you are making a valid point there. They are not responsible for the investigation, but they know how the investigation is proceeding, and --

MR. SILBERG: They would have no reason to know what else [redacted] --

Q. (By Mr. Griffen) You have know what this smacks of is not telling on your buddy. They are all in the same group. They cut off an investigation by just talking to the two guys accused, and that is it. It's unsubstantiated.

A. I think, for the benefit of those people, I don't think [redacted] even knew [redacted] at that time. He would have known -- he would have known [redacted] for -- because [redacted] had been there for a short period of time.

MR. SILBERG: Your philosophy would then say, "We can't handle this one at all, because he knows them."

Q. (By Mr. Griffin) If all you are going to do is go ask him, if he did it, and he says no, and you are going to buy that, then, yeah, I guess that would probably -- I probably would say that maybe you ought to get somebody that would be more --

MR. SILBERG: That is why there are multiple other channels. He did go to DOL, obviously. He did have the right to go to the NRC.

MR. GRIFFIN: Well, I see which way you are going here, but -- you are right, they do, but what we are trying to do is evaluate the investigative program. I think Mr. Snyder here probably thinks his program had more integrity than just doing one-shot interviews on the bad guy.

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A. That's correct.

Q. (By Mr. Griffin) I would like to think --

A. I don't know that that happened in every case, and evidently it didn't.

Q. He found some here --

A. Yes.

Q. -- and long before I found them, Mr. Driskill found them, and Mr. Ward found them before him.

A. Yes.

Q. I'm just -- I want to come away from this interview with an understanding that, if you bought off on this, is this acceptable, is this a valid investigation, is this what you want to hang your hat on --

A. No.

Q. -- as the head of Q-1 investigation?

A. It is not, and I think that -- and, just for the record, every time that we have been made aware of a legitimate discrepancy or deficiency, we have taken action to correct that. I think the record will bear that out.

MR. SILBERG: You are putting this all in the hindsight mode.

MR. GRIFFIN: I'm always working in that mode.

MR. SILBERG: I don't think it's quite fair to charge Chuck and KG&E, which was going down a new path that almost no one had ever walked down before, and the -- and there were no guidelines in these programs, and there still aren't, fror NRC --

MR. GRIFFIN: Correct.

MR. SILBERG: -- and they are learning it as they are doing it, and now, three years later, to say, "Gee, you should have done it like we like to do it." You know, that's --

MR. GRIFFIN: I'm not trying to beat up on Chuck. I'm trying to discover the methodology that you employed. Just to make a comment, for instance, on some of the more significant technical issues that were identified by Q-1, they did a hell of a job, in getting these things identified, getting them to the people who were going to have to correct them, following through on the close out. The NRC has already given you a big wet kiss for getting these things identified, because the NRC was there on most of the significant close outs

on technical issues.

THE WITNESS: Uh-huh.

MR. GRIFFIN: Our criticisms of Q-1 have to do with things like this. What would have happened if just these few we have gone through here, if each one of these -- okay, you are right. The Department of Labor or the Kansas Human Resources eventually got involved and made a ruling, but the NRC now and in the future, and back then we would have -- it would have been reviewed, September of 1984, by the NRC, although they didn't tell you what their findings were. We would have liked to have seen a little bit more meaningful investigations in these areas.

THE WITNESS: So would I.

MR. SILBERG: Well, if that is true, you really owed it to us to tell us that in September of 1984 and not to wait until it's all done and then come back.

MR. GRIFFIN: Mr. Snyder has been making that point, almost from the first day, and that is a given. The NRC's remaining concerns, the reason the commission asked me to come do this, is not to harass Mr. Snyder, but

to try to determine whether the NRC should rely on this program and whether these concerns were suppressed and not adequately investigated.

MR. SILBERG: There are really two issues, it seems to me, and the one policy issue is having the NRC rely on utility employees concern programs. Looking only at a limited time frame, and not recognizing the substantial changes that were made after, isn't going to answer that question. It will tell you, you know, maybe in our view, in your view, we haven't relied on how it existed then, and --

MR. GRIFFIN: Somebody else may try to use this case or these evaluations and investigations to draw a conclusion like that, Jay, but that is not the purpose for my being here. I'm not going to draw a conclusion like that. That is not what investigators do.

MR. SILBERG: Right.

Q. (By Mr. Griffin) We gather facts. Here we found a series of -- in some of Mr. [redacted] work, he made some real tough calls up front, early on in the program, in April and May. He was saying, "Blackball, discrimination, harassment, intimidation," and inexplicably here

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we get into the September and October time frame, and all of a sudden he is doing one-shot interviews. You see, I have seen Mr. [redacted] work out at legal. He is capable of doing a rather detailed professional job.

A. I have never seen his work, so --

Q. We want to know whether we -- we wanted to know whether the Q-1 review of, in this case, primarily wrongdoing, was -- whether you all did a valid job or whether you were all just closing these things out.

A. Well, it was not just closing them out, for any -- and, here again, the belief that we wanted to do something less than what ought to be done -- that was not the case. Again, if there is anything that was not done, it was through ignorance of -- of primarily knowing what it was expected of us to do in that arena.

MR. GRIFFIN: Then, I guess, Jay, an observation. A concern was also reportability. If the NRC was not being -- if you -- if KG&E wasn't using the right criteria for the reportability and would -- and this type of information was coming to KG&E, and then these people were seeking other ways of trying

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to resolve their concern, and Q-1 already had made a conclusion, "No, you haven't -- your concern is not legitimate." The NRC has a continuing concern with the handling of certain aspects of the program.

MR. SILBERG: On reportability, that was something that presumably was looked at by INE folks when they were in here, and that was the same -- I take it the same tests that the project used across the board.

MR. GRIFFIN: We have already said this 25 times, but all they have had to rely on is what the file said, and this is a perfect example of where the file says practically nothing. To say that the INE looked at these things or an inspector was on site, everything is okay --

MR. SILBERG: I was talking about the two-part test as opposed to its application in specific cases.

MR. GRIFFIN: Yes.

MR. SILBERG: Obviously the application depends on what is in the file, not the test, itself, which is what Ward's concern was. That is something that presumably was

satisfactory or at least was not commented upon by INE.

MR. GRIFFIN: I think that is the point. Maybe it wasn't commented upon. "The reason is, absent interviewing Mr. [redacted] and you, I can't make much from the file."

Q. (By Mr. Griffin) Let's move out of wrongdoing here for a little while. The next one, one you and I discussed before today, Chuck, to some degree, it has to do with [redacted] Item 11. This was the letter that you wrote to Fouts regarding the concrete expansion anchor bolts. On this one, the letter was to authorize the release of the anchor bolts, so it could be used. Is that right?

A. I --

Q. That they didn't meet tensile strength.

A. Yeah, but again, I don't really understand the issue there, Brooks, the allegation, how -- I don't mind explaining, okay, but --

Q. Okay. The concern relative to this issue, Chuck, is that here we have Q-1

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investigating an allegation against a guy who authorized the release of some stuff from the warehouse that was not -- I hope -- I hope I use the right words here, but it didn't meet the requirements as far as tensile strength. A letter is written under Fouts's signature by you. Then here somebody makes an allegation that this was not proper. So here you are the Q-1 investigator, I mean Q-1 supervisor, and people are saying, "I don't think it's legitimate for Mr. Snyder to be investigating himself."

A. Do you know what the allegation was, Brooks?

Q. I think I essentially do.

A. I thought the allegation was one where there was a retesting required of the imbedded anchors. There had to be another inspection to go around, a total reinspection program. During the total reinspection program, lo and behold somebody found that there had been the authorization for some anchor bolts made years ago, and had they reinspected those, also -- again, I have got no problem explaining to you my involvement, but the allegations I recall --

Q. I'm sorry, but I'm not trying to redo the allegation.

A. No.

Q. What I --

A. I guess --

Q. The allegation that I'm -- or not the allegation, but the concern that was raised to me, by your former subordinates --

MR. SILBERG: This is not the concern --

MR. GRIFFIN: No.

MR. SILBERG: That was looked at by quality purchasing --

MR. GRIFFIN: Yes, yes.

Q. (By Mr. Griffin) This concern, regardirg the letter under Mr. Fouts's signature, was investigated by Q-1.

A. As part of the overall investigation?

Q. Yes. Of course, since you were the one that wrote the letter, you were one of the interviewees.

A. Yes.

Q. The allegation or the -- I keep saying "allegation." The problem that some of the Q-1 investigators had with this was you were

investigating yourself, and some believed that the reason this allegation was eventually reported as unsubstantiated is because you had strong feelings about anybody making conclusions against your entries.

A. No. I will be very happy to explain that, again understanding, when I explain it to you, the way the system worked. A design document was developed by Bechtel. The design document was either in the form of a specification or a drawing or both. By "drawing," I mean a design drawing, construction installation drawing. Bechtel specified the use of half-inch Hilti anchor bolts. It appears the reason they specified Hilti was because Hilti had a product that would meet their requirements for this plant. Part of that was the advertised tensile strength on this particular bolt. This one I think in question is a quarter inch size, if I remember correctly. The way the program worked, if a problem was identified to the designer, then the designer had to provide some direction. It's my understanding, going back in that point in time, which was, what, 1981 --

Q. 1982.

A. -- or 1982, that Hilti had discovered that they had misrepresented their product, Part 21, that what they advertised as something of 100 kips tensile strength was only 78 in one particular line of theirs. They notified the authorities, which was required. Ultimately Bechtel was aware of it. Then Bechtel had specified the use of this bolt which didn't meet what it was represented to.

Now, Daniel originated an FCR, a facility -- or a field change request, FCR, requesting Bechtel to provide some relief. We were shut down on using that particular product, because it didn't meet specs. There were people on the site working for Bechtel. There were people back in Gaithersburg, Maryland. They talked by phone. The paperwork was sent back there. "Look, we are sending you a piece of paper. This is what the problem is. We need to let you know about the problem. Don't wait until the papers get here." Some of it was telecopied. Much of it was mailed.

The response back on this particular one or the recommendation by Daniel was, "Let us use this bolt for this one particular drawing

application," details on Drawing C31 or something. I forget what it was. It was a civil drawing. All of the anchor bolts were depicted on civil drawings because they were a civil commodity, no matter if they were piping or electrical, hangars, whatever. It was still on a civil drawing, the details. It told you how deep to go in the concrete with it, how far away you had to be from the corner a wall or whatever. Anyhow, Bechtel came back in a -- in an oral response on the telephone that they were going to approve that fuel change request for that application. Daniel wrote a letter to my superior, Gary Fouts, asking permission to use that product in that application based upon Bechtel's verbal commitment that they would authorize its use.

Based upon that, I wrote a letter for Fouts's signature, saying, "You, Bechtel, may proceed to use this product in these applications on that drawing, which Bechtel has told us they are going to approve, but you must determine it was not out of certain lots that were determined to have been bad, because we don't know all of them were bad yet. On top of

that, you must record all of the locations where you use that product. Specific instructions."

Three days later, we got the response back in writing, and Bechtel had changed their mind. They had not given us that broad use. They had limited it to only electrical support applications on that drawing.

I conveyed that message to Daniel again. I said, "They have changed their mind. Basically you have seen the correspondence. You now are authorized to use that anchor bolt for these limited applications. Again, you must assure what lot number it came out of, and you must record the location of all those used."

I see -- again, I see no connection between that and the allegation. I provided direction in the capacity I had as project construction supervisor to the constructor, who had to have direction. It had nothing to do with me, personally, authorizing using something that wasn't authorized. It was authorized by the designer. I simply was the go-between between Daniel and the designer, because, by project requirements, Daniel did not communicate directly with the designer.

Q. So you think that the allegation was substantiated or unsubstantiated?

A. I don't know what the allegation really was.

Q. These anchor bolts were released from the warehouse, violation of procedure.

A. They were not. Procedures are written around drawings.

Q. Okay.

A. The procedures might have -- let me rephrase that. I see where you are coming from. The procedures might not have been revised, Brooks, but that was not my problem at that time. I was addressing the design application. Daniel should have revised their procedures in some way, to say, "We now have to put these different controls in. We must define where these bolts go, and we must assure they came out or did not come out of certain lot numbers." That should have been the procedure. I don't know if that happened or not. Again, I had one segment of it. Mine was to meet the needs of the designer and the constructor.

Q. I understand what you are saying, Chuck. The question here was whether you --

some people were saying that you improperly influenced --

A. I didn't even know about the allegation or the concern.

MR. SILBERG: Wait, wait. Let's get the whole statement.

Q. (By Mr. Griffin) -- the conclusion or the course of the investigation.

A. Believe me, I knew nothing about this. I heard some stuff about anchor bolts, but until you and I sat down and looked at that file, I had forgotten I even wrote those letters. That's how much knowledge I had of this thing being an allegation.

MR. SILBERG: Also, we talked a little bit about this. My notes indicated that the Q-1 investigation showed that this was a substantiated concern.

MR. GRIFFIN: That is why I'm sitting here, listening to him, trying to defend why it's not true. I don't have any understanding of it, either.

MR. SILBERG: Your concern is that there is some conflict of interest, and I guess the course of -- the result of the

investigation --

MR. GRIFFIN: I wasn't asking for review of the Q-1 investigation. I was asking -- I wanted to find out whether he believes you unduly influenced --

A. No, but I can see what may have happened now, okay, in not noticing the concern. It would have been necessary for Daniel to revise procedure, and it appears from what I'm hearing now that Daniel went ahead with the letter direction we gave without revising their procedures.

Q. (By Mr. Griffin) Actually, at that point, my review didn't go far enough to determine how it was ultimately -- it was substantiated, and there were a series of QFARs written, so I presume it was sorted out, but --

A. But they didn't revise the procedures. Here, again, that's not my fault, and I didn't influence the investigation.

Q. No, but the allegation was made that --

A. That I shouldn't have been involved?

Q. No, that you violated procedures by writing the letter.

A. No. That is false. That was not the allegation. The allegation was that Daniel probably put a product in out of procedure.

Q. Okay. I will read the allegation.

A. Okay.

MR. SILBERG: This is the original concern or the allegation by the --

MR. GRIFFIN: The original concern.

A. The original concern is what I have an interest in.

Q. (By Mr. Griffin) It says "One quarter inch concrete expansion anchors were required to meet 100 kip anchors, only about 78 kip. Letters from Fouts allowed installations."

A. Then that was absolutely correct. I think you will find, when the investigation went out further, they didn't change the procedures to indicate that, and that was a lower tier document. The procedures do not take precedence over the design documents. What I wrote was a change in the design documents, which was absolutely legitimate and called for, but I think Daniel failed to proceduralize it, so they were guilty of violation of procedures. I think

that is where it started out in --

MR. SILBERG: The allegation comes from the ex-investigators that he somehow influenced the quality first and --

MR. GRIFFIN: Was attempting to adversely influence the outcome, as a Q-1 supervisor.

A. It's odd, because I didn't even know anything about the allegation.

Q. (By Mr. Griffin) Okay. That is your testimony.

A. I can explain all day to you how these things happened to you, if you want.

Q. I want to move on to another issue. One of the investigators that did a rather substantial investigation for Q-1 that caused a lot of controversy was Mr. [redacted] and he handled [redacted] and I think it was Item 1. Were you involved in the ongoing supervision of Mr. [redacted] or did you get caught up in this issue, as he went through this lengthy investigative process?

A. Well, to Mr. [redacted] work product, I have no knowledge of what he was assigned, what he performed, what he didn't perform. My only knowledge is that his work product was

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unsatisfactory to his supervisor.

Q. When did you make that determination? After it was ended? After he had finished his investigation? Or were you involved in counseling Mr. [redacted] beforehand?

A. I was not involved in counseling at all.

Q. So you found out about the situation after he had finished his work?

A. What I found out was what Bob Scott brought to me, his supervisor, saying that his work product was unacceptable. He had on several occasions gone back and reviewed and re-reviewed with him his assignment, and he was unable to complete the assignment satisfactorily.

Q. But, in fact, he did complete it to his satisfaction?

A. Again, I --

Q. You turned in a Q-1 investigative report.

A. That's what I understand. Yes. Again, my action was in support of my supervisor, who was capable of determining whether or not a man was meeting the needs of

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the program. By that I mean he was given direction to perform investigations, and I was told that he was unable to complete that assignment.

Q. But, in fact, he did complete it.

A. Again, I was given words by my supervisor, who I supported. I felt he had knowledge and was capable of directing people and knowing what he was going to --

Q. Let me approach it a different way, rather than us just saying that same sequence back and forth.

What do you do when a Q-1 investigator submits a report? Do you sometimes accept it, and sometimes you throw it away?

MR. SILBERG: When you say "you," you mean --

Q. (By Mr. Griffin) "You," meaning you, Snyder.

A. I do not review all of the investigative reports to make sure --

Q. I wasn't asking about all of the investigative reports. This was a situation that kind of developed and was kind of -- it was a pretty high profile, because you, you or one

of your supervisors, at least, terminated the Q-1 investigator. Not only did you not accept his report, you terminated him, and you said his work was unsatisfactory. Then, when I came to review the Q-1 files, his investigative -- his investigative report is not part of the file. If I understand what you are saying, Chuck, you relied upon your supervisor's, Mr. Scott's, judgment, and you did not accept the man's work, and you terminated him. Is that accurate?

A. I concurred with his termination, yes.

MR. SILBERG: Are you saying that -- are you asking Chuck whether he reviewed [redacted] report?

MR. GRIFFIN: I think his testimony is --

THE WITNESS: I did not.

MR. GRIFFIN: -- that he didn't, he relied on Mr. Scott.

MR. SILBERG: Okay.

Q. (By Mr. Griffin) You did terminate him?

A. I concurred with the request for termination. It was made by Bob Scott, to me,

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to request my concurrence to terminate the man. I concurred with his request to terminate the man. The man never came to me and talked about the issue, by the way.

Q. Did he ask to?

A. No.

Q. Did he ask anybody else if he could talk to you about it?

A. To the best of my knowledge, he did not. He hadn't -- he came in and talked to me before about some other issues. The door wasn't closed. He had been in there several times before on other issues.

Q. Fortunately, as we discovered during my case review, even though Q-1 doesn't have Mr. [redacted] report, fortunately legal did, and we were able to get a copy of it, and we reviewed it, and we think Mr. [redacted] had some very sound concerns. Apparently Q-1 ~~agrees~~ disagrees. Is that right?

A. Whatever he produced for his supervisor was, the way he was giving it to me, was not acceptable to his supervisor.

Q. I want to approach this, again, from a little different angle. Do you think it's

legitimate for Q-1 supervisors, because they don't like the findings, to dispose of Q-1 investigative reports as a result of --

A. To answer that question, I would say no.

MR. SILBERG: What do you mean, "dispose"?

MR. GRIFFIN: As in take out of the file, throw away.

Q. (By Mr. Griffin) I may be wrong about this, Chuck, but I don't think anybody down here on site knew that that report still existed. I may be wrong about that.

A. Well, I think I conveyed to you earlier that I gave instruction for -- since the allegation was against me -- that is the way it was given to me, this allegation. Anything relative to that, I could not be a part of. I was not going to be mixed up in me investigating myself. I gave instructions for legal to do the investigation.

Q. Okay. Well, somehow the -- not only were Mr. [redacted] findings not accepted, his report was not accepted, and it was not placed in the files, and the criticism here is, do you

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think this is a -- or do you think this is a valid approach and within the authority of you, as a Q-1 investigator, to take, whatever this was, five or six weeks of investigative work by a Q-1 investigator, because you don't, not you, meaning your supervisor, does not like the findings, and you don't evaluate the findings. As the head of Q-1, do you think it's valid to discard the report?

A. You are drawing a conclusion. Bob Scott never said he didn't like the findings. You are saying that. Bob Scott said he wasn't doing acceptable work product.

Q. From the testimony I have taken from the other investigators here, they said you could hear the discussions between Mr. [redacted] and Mr. Scott out in the work areas, so Mr. [redacted] ongoing investigation, as he was pursuing this, was under periodic -- based -- I'm relying on the testimony of the other people there, periodic review by Mr. Scott, and when he eventually and finally, after whatever it was, five or six weeks, turned in his findings, which only, I guess, he knew in sufficient detail to either validate or invalidate, whatever

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conclusions he arrived at, this was not accepted by Mr. Scott. Is that your understanding?

A. That is my understanding, that his work product -- in other words, the product of his efforts, for whatever period of time, was not acceptable.

Q. Do you think it's valid to discard his work product as an investigative unit, I mean as Q-1?

A. No, it's not valid to discard his work product, and I think you will find it's not discarded.

Q. It was discarded --

A. The only thing I can say is [redacted] the interviewer, when he left, when he departed, he lodged an allegation against me personally. I had no choice but to give instructions for that allegation to be transferred to legal so they could perform an investigation.

Q. Here is what happened. The allegation was reassigned to Mr. [redacted] who --

MR. SILBERG: You are talking about the initial allegation?

MR. GRIFFIN: Yes. I'm not talking about the KG&E investigation.

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MR. SILBERG: The underlying investigation.

Q. (By Mr. Griffin) I don't think Mr. [redacted] -- did he make an allegation to Q-1?

A. Yes, absolutely. That is the reason the file went to legal.

Q. Okay. Mr. [redacted] was reassigned the investigation which narrowed the scope tremendously.

A. I understand he was reassigned the responsibility. I recognize that.

Q. He narrowed the scope, and then he arrived at the same basic conclusion as Mr. [redacted] but on a much more narrow scale. The reason I'm exploring this with you, Chuck, is the NRC has the obvious concerns here. Is it valid to throw away or remove from the investigative files the investigative --

A. But you have to agree, obtainable --

Q. Well, I'm not --

MR. SILBERG: I'm sorry?

Q. (By Mr. Griffin) They weren't obtainable to people, NRC, who came through here. They didn't know it was in the files. All we had up to that point was the testimony of

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Q-1 management that it was not accepted. I was frankly surprised to find it in the KG&E files.

A. I was, too, when you made me aware of it.

Q. The former NRC people who have already looked at these didn't know it existed.

MR. SILBERG: You also were saying that the underlying concern, when it was turned over to [redacted], was dramatically restricted.

MR. GRIFFIN: Narrowed in scope.

MR. SILBERG: It's my understanding, and you can confirm this or not, Chuck, that the concern that [redacted] investigated was the concern that was in fact raised, and that [redacted] was embarking on a much broader investigation, which at least some people believed [redacted] felt went well beyond the scope of the incoming concern.

THE WITNESS: As a general understanding, I would agree that is -- that is probably what my understanding is, but that is only since we discussed the issue here a couple weeks ago.

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Q. (By Mr. Griffin) I heard that point, too. Like I say, I talked to enough former Q-1 investigators to know that Mr. [redacted] and Mr. Scott had some rather loud, extended discussions on his pursuit of this subject before he turned in his ultimate report.

A. They may have had.

Q. The idea of discarding -- Q-1 to discard and not accept his report, whether you as the manager agree with it or not, I just want to know whether you think that is an acceptable approach, whether you think you have the authority to just disregard an investigative finding, whether you agree with it or not.

A. "Discard" is what bothers me.

Q. Pick any word you want. Throw away, trash. Whatever.

A. It was never thrown away. I tried to offer an explanation. I gave an instruction, an allegation against me, and that was evidently part of whatever would have been the allegation against me, is all I can perceive it to be.

Q. You told me awhile ago you didn't know the file was in existence any more than -- you didn't know it went to legal. It's not in the

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file. It may have been one thing to make a copy and send it to legal, let the NRC come in look at this thing and say, well, they didn't like it, and we either don't like it or not.

A. To answer your question, if they came to me and said, what do we do with the records, would I have said discard them, would I agree to discard them? There is no way. I didn't even know records existed.

Q. Do you know if Mr. Scott -- did Mr. Scott ever tell you that Mr. [redacted] had submitted a report?

A. To the best of my knowledge, no. He just said his work product was unacceptable.

Q. I see. I guess I will have to talk to Mr. Scott and find out, because Q-1 file, which is what the NRC is relying on here to some degree, if an investigator does a report, we assume it's his report, we assume that if he signed it, it's his signature. There are a lot of assumptions we are making there. But what the concern is, do you think it's a valid approach, to remove or be unwilling to accept investigative findings that you don't agree with? Not you, but your organization doesn't

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agree with.

A. I can't answer that. I don't know for what reason they would be unacceptable to him.

MR. SILBERG: I could conceive of circumstances where, if a guy was just -- you know, the concern is X, and this guy is investigating Y.

MR. GRIFFIN: We have some of those, and we are going to get to them.

MR. SILBERG: Right. That that would be -- it's so far beyond the realm of the concern that you wouldn't keep that in the quality first file.

MR. GRIFFIN: Well, in this one, the man worked for six weeks on a very, very difficult issue, looked at an enormous amount of material, and the perceptions of the Q-1 investigators and the person terminating, not all of them, but those that commented about it, believe that he was terminated because the Q-1 management did not like his investigative findings. Then, when they -- when we couldn't find his report, we found out just how much they didn't like it. It wasn't there.

A. I haven't looked at his report. I

didn't know he had a report.

Q. (By Mr. Griffin) Now that I have had one of our QC -- I mean investigative staff people look at it, they think he has got some legitimate findings, and his former -- the former Q-1 investigators, who looked at it, thought he had investigative findings. Now, I just -- what I'm looking for from you is very simple, Chuck. Do you think this is a legitimate approach, to the handling of investigative conclusions? Do you think you can discard the report or --

A. You can't discard the report.

Q. Well, can you discard it down to legal, where nobody knows where it is, and can you take -- is it valid for Q-1 to release its reports and -- with an indication that they don't exist, and is it valid to terminate employees for reporting concerns that Q-1 management doesn't like the findings?

MR. SILBERG: That is about a 17-part question.

MR. GRIFFIN: Since we have been on this for ten minutes, I think Chuck has a fairly rounded understanding of what I'm trying

to get an answer from him for.

Q. (By Mr. Griffin) If you say, Chuck --

A. Do you want me to speak for management for Q-1?

Q. Yes.

A. From that standpoint?

Q. Yes.

A. Okay. No, it is not right to discard reports. No, it is not right to terminate someone because he gives us words we don't want to hear.

Q. That is what I have been trying to get from you.

A. Okay. But, in this case, I don't see where we get either one.

Q. Well --

A. Particularly, when you questioned me, because -- I had no knowledge of what he had developed.

Q. Well --

A. All I know is assignment.

Q. Can you answer this question: Why, in the midst of all of this, were you -- I mean, you got deeply involved in a lot of less important cases than this, but on this one you

chose not to explore it or to involve yourself in the issue, itself. You merely relied on Mr. Scott and said, "Okay, we are terminating this guy. I don't want to look at his report." Yet, in my contact with you, you have gotten deeply involved in a lot of issues.

MR. SILBERG: He didn't know there was a report.

A. I did not get deeply involved in this. The man came to me, Mr. Scott, and said, "I have worked with this man for, and I forget how many weeks it was, "and on many different times I have reviewed his approach on this thing, his work product, and it's unacceptable. He will not follow my direction. He does not give me anything that I can use. I want to terminate the man." I said, "Fine, terminate the man."

Q. (By Mr. Griffin) So Bob Scott never told you that he had completed --

A. That's right.

Q. -- his report?

A. Okay.

Q. I think we have --

A. I did not know there was anything in

the file on it, again. When I gave instruction, an allegation against me, to be sent to Wichita, I did not know that that went to Wichita with it --

Q. Okay.

A. -- if existed. In both of those cases, and it isn't two cases, it's one, I know that there was some assumptions made. Dick Denise came over and talked to me about that issue. He went to the NRC, also.

Q. I understand your testimony. Let's move on to another subject, Chuck. A lot of the people that I have interviewed out here describe a process whereby they inherited cases from employees that left. Some stayed longer than others. Some investigators would, as I say, inherit incomplete cases. Some of the hostility that remains, Q-1 investigators, has to do with incomplete cases where they think they had already documented substantial findings, that they ultimately heard back. Of course, they could not rely on that investigation. That the investigations were closed as unsubstantiated, because the people that had inherited the cases had not interpreted what was available or left

for them to interpret in the same way the original investigators had. Did you ever hear any complaints like that from any of the Q-1 people?

A. Not specifically. Would you define "cases"?

Q. Q-1 investigations.

A. Concerns or files?

Q. Concerns, investigations on concerns.

A. Concerns. Okay. Just so I understand what you are talking about there. Many files, you know, had many people in them. No one has ever come to me and told me that they were unhappy because they inherited something from somebody else or that something was taken away from them and given to somebody else. When I look at people who left for whatever reason, there were some things that people inherited, but it was because somebody had left.

Q. Well, it's not like they had just left. They were laid off. Right?

A. No. I disagree with that. To the best of my knowledge, I do not know about having laid off one person who was in the middle of an investigating concern.

Q. Well --

A. In fact, we made -- we went to great pains to make sure we didn't lay somebody else off, somebody off, because they were in the middle of an investigation.

Q. Well, for instance, Mr. [redacted] I know, was -- you know, people had come -- had to come and finalize some of his stuff.

A. Only the verification of corrective action. Mr. [redacted] was not terminated from his job, by that I mean laid off, in the m.ddle of performing an investigation. He completed whatever investigation he was assigned to, of whatever concern, before he was terminated. There was correction action verification that had to take place.

Q. So you are talking about just that final sign-off?

A. Absolutely. That is not even good business.

Q. I want to cover briefly an allegation coming the other way.

A. Okay.

Q. Some of the people I interviewed said that they thought that, in the early stages of

7D, portions

the Q-1 program, that some of the exiting employees were improperly pumped for information and were made to give -- or ultimately it seemed that they were making allegations that they never really intended to make. Did you ever review any interviews or attend anything or come across any information to indicate to you that this was going on?

A. A personal opinion, I would say, in general, I -- before I had occasion to look -- I have not looked at all of the files. I haven't had occasion to go back and look at all of them. The ones I have looked at, there are some indications to me that it's more than an interview about the concerns a person has when they came in. It's an expansion of -- of whatever concerns they had. But that is a personal opinion again, and I took no action on this. There was no action taken on my part for people to change the methodology or reduce or discard certain things.

Q. Let's move on to another case. There was -- this [redacted] Item 2, this is the one that had to do with the valves being disassembled. I think there were actually two

Q-1 cases on this. There was a -- in the first case, it addressed the bag and tag aspect of this. I'm not so much interested in that one. This relates to the validity of the sampling process that went on to -- that took place, to determine whether the valves were -- what is it called. If MMP or MPP-1 data was still accurate. In other words, were the heat numbers matching and all of that.

A. The code data reports.

Q. Yes. In this investigation, there was a -- part of the allegation was that the -- that the original -- that there was an original sampling and that the number of deficiencies identified in this relatively small sample were greater than the accepted for deficiencies, given the sample size. So the sample was expanded. Then, when the resampling was done, in the in-between time, somehow the deficiencies identified in the first sample had somehow been corrected.

My question to you is, did this apparent -- or this evidence that existed, did it indicate that the sampling was being tampered with -- did it ever come to your attention?

A. To the best of my knowledge, that was never raised. I have no knowledge of that particular allegation you are saying, that the sampling was tampered with.

Q. In this instance, the investigator reported this, and I have read -- I have looked at the Q-1 file. The way it states it, it is kind of in understated tones, but what he is doing is he is expressing disbelief that these things magically found their way back into the right valves, these parts that had previously been the incorrect number, because they hadn't used a bag and tag system. Now they magically appeared back in the right valves for the second sample. Now, in addition to this concern, they -- there is no evidence that it was picked up as a separate issue. As far as you know, was there -- was it put on observation, or was it assigned to somebody else to investigate?

A. This particular concern, if my memory serves me correct, was written up in the quality program deviation documents, the QPV.

Q. You are talking just for the bag and tag aspect?

A. No, this was for programmatic deficiency. The tag and bag was a specific hardware application.

Q. But this improper sampling process was picked up?

A. Yes, to the best of my knowledge, it was picked up in the QPV. When you say "improper sampling," that is based upon somebody's supposition that it was improper. Okay? My knowledge of the case, and that is all there is to it, in generalities, is that the QPV addressed the programmatic application, and that was the sampling. The determination, again, of the sampling was done, if my memory serves me correctly. By our quality assurance organization.

Q. Okay.

A. It was their option to do it whatever way they wanted to do it.

Q. Here is the essence of my question. Here you have your own Q-1 investigator that says, "I found somebody here getting sneaky with us." What they are doing is, they are -- they held the sample, and they didn't report that sample, so they expanded the sample, and then

somebody, craft or somebody, went out there and reinstalled hardware. This is your Q-1 investigator telling you this. And he writes it in his report.

What I'm trying to find out is whether Q-1 walked away from this issue, if that was the end of it, or whether it was picked up by somebody else, or whether it was picked up as another Q-1 investigation, or whether it was handled separately by somebody else.

A. The best of my knowledge, we walked away from it, because the QPV was a project direction relative to how to fix a condition, that was a determined sampling, and --

Q. But craft is out there sneaking around at night, and I'm using that phrasing just to make it sound as ominous as possible, but if they are out there trying to blow something by QC or QA, isn't that something, and maybe I'm drawing a --

A. I don't recall seeing that --

Q. -- conclusion here, that that would be something that Q-1 would be best suited to investigate?

A. Yes, but I don't recall that having

been a concern.

Q. It wasn't the original concern, but it was reported by the Q-1 investigator.

A. There, again, I don't recall having seen that, and it wasn't brought to my attention that way, if that is the way it existed.

MR. SILBERG: That also gets back to the philosophical design of the program, which is that things that turned up, which were not part of the concern, would be turned over to the other appropriate orgarizations.

MR. GRIFFIN: Right.

MR. SILBERG: I understand that this QPV did that.

THE WITNESS: The QPV addressed the sampling. That was the direction of the sampling, the methodology. That was the corrective action prescribed.

MR. SILBERG: I haven't looked at this file, I'm just listening to the discussion, and it seems to me, based on my understanding of the programmatic philosophy, of quality first, that normally if something like that turned up --

MR. GRIFFIN: There is no QPV on

this one.

MR. SILBERG: -- this would turn that over to --

THE WITNESS: I don't know which one of the two it's in, but in one particular file there is a QPV we have in the record.

Q. (By Mr. Griffin) We don't need to cover this area again, but do you fix the hardware and ignore the wrongdoing? In this case, you have some evidence of some sneaky business going on.

A. I don't recall having heard that.

Q. Okay. Well, to expand upon this, the -- when the Q-1 investigator reported this, Chuck Mason comes over to you and -- and decides that maybe -- that maybe -- there is a series of discussions, and let's move up the date of this Q-1 investigation, and he's writing the report that says this.

A. Move up the what?

MR. SILBERG: Move up what?

MR. GRIFFIN: Move up the date of his departure.

A. That is a falsehood. Chuck Mason never discussed with me when I would have a man

depart this site.

Q. (By Mr. Griffin) Let me amend my statement to you. It was not Mr. Mason. It was Mr. Patrick and Rudolph.

A. Those individuals have had no influence on the quality first program since Rudolph got cut of it.

Q. This particular investigator indicated -- because of the language, Patrick Rudolph made a couple of visits to Snyder's office to discuss technical qualifications and whether he should be fired. You don't recall anything like that?

A. No. There were no meetings like that. That again is a falsehood. Absolutely. Those people, how -- recognize our -- I reported to Kent Brown. Those folks reported, Patrick to Rudolph, to Grant, to Koester, to Brown. The reason I had the independence is so I didn't have to put up with crap like that.

MR. SILBERG: The allegation is that they were -- that they had visited Chuck to complain about the technical qualifications or to urge --

MR. GRIFFIN: Well, that's a

euphemism, to see -- to get the Q-1 investigator fired.

MR. SILBERG: Fired? Okay.

THE WITNESS: Shoot the messenger, if you don't like the message, is what I'm hearing.

MR. SILBERG: You are saying that never happened?

THE WITNESS: That's absolutely false. The only influence they had was an explanation of the reason they wrote the QPV to start with, and they made a determination to sampling. That was a project commitment.

Q. (By Mr. Griffin) You are talking about somebody else's investigation. You are talking about -- I'm talking about one investigator, one investigation, this aspect of it. I have read his file, and although it indicates -- he doesn't state it in the language I would prefer you use when somebody does something underhanded, but he wrote another statement, and he said that this led to these visits regarding his technical qualifications and whether he should be retained. But you have no recollection of that occurring?

A. No, sir. There is only one man I recall having investigated that issue, and if there was more than one man, I don't remember the names very well.

Q. Okay.

MR. SILBERG: Would it help to identify the individual to see if you are talking about the same thing?

MR. GRIFFIN: Well, I think that, if somebody would come in, going after one of your people, I would like to think you would remember that, so rather than identify a particular individual -- by the way, most of these people have requested confidentiality, and it's the interest of the NRC. Obviously --

MR. SILBERG: It just puts us in a difficult position.

MR. GRIFFIN: I'm willing to drop it at that point.

A. It's untrue.

Q. (By Mr. Griffin) Okay.

A. Unequivocally.

Q. Chuck, was there ever a time while you were -- after you took over Q-1 that Q-1 investigation reports were not signed by Q-1

investigators? Was that ever part of the procedure or was that ever part of your operational policy?

MR. SILBERG: You are talking about investigational reports?

MR. GRIFFIN: Yes.

A. I think they are just initialed, and I --

Q. (By Mr. Griffin) I mean where they had no review of the final product.

A. To the best of my knowledge, no. In fact, that is one of the things I put into place, was the fact that I had to know what their input was. It had to be recorded as theirs.

Q. I had one allegation that was made that you were closing -- that you were closing out your reports without sending it back, and when he --

A. I don't know what "sending back" meant.

Q. Well, sending back for the review -- for the review and --

A. Because I --

Q. -- signature of the investigator or --

A. Bob Scott signed the review space on that report, not me.

Q. Did Q-1 investigators sign those reports?

A. They initialed them, as best I can recall.

Q. Okay. They saw what the final product was?

A. Yes.

Q. This person said that you had changed that and, after discussions with some of the people, you changed back again.

A. To the best of my knowledge, no. That wasn't the case.

Q. After Q-1 was taken out from under QA, in other words you took over from ~~Brunolet~~ Rudolph (ph), those things that QA addressed, did Q-1 receive feedback from QA?

A. QA wasn't addressing anything. QPV and QPD were the documents utilized. They were QA documents. QA was not responsible for verification of action. Quality first -- we segregated them. Even though they were their documents, we had the numbers, we had the subject matters, so it was up to quality first

to verify corrective action.

Q. One of the more common themes that I heard from the former Q-1 investigators was that on numerous occasions they were closed for lack of specificity. As an investigator, myself, I know that it is not unusual for this to occur, but along the same lines, or the same theme, of some of these cases being closed on one interview investigation, do you remember any appreciable number of cases being closed?

A. Not appreciable, and I would like to comment on that. There were -- specificity probably is applicable to ones where we had a very generalization of an allegation without any detail and no way to gain any more detail. In that case, there were probably some that were closed out because of lack of specificity, although there was an attempt made to see if there were any other concerns that we had in the file that might be relative to -- to shed some light on it, to see if there were any connections.

Q. I will give you an example of one. [redacted] Item 14. [redacted] had an investigation. The allegation is on the master

6.7C+7D, Portions

list. "Piping preheat and weld records are falsified, bought off after the fact by inspectors who never leave their desk." In this case, relying on the case file, there were six topics selected at some point earlier in time, generally discussed with 19 QC inspectors across the whole spectrum of QC on the site. This particular allegation, about buying off work without leaving your desk, was not one of those six topics. However, these six topic discussions, with 19 across the board, you know, electrical, mechanical, whatever, all kinds of QC inspectors, was used to close several investigations. This is just one of them. Some of the investigations of this broad shotgun approach was used on, one of the six topics was in one way or another linked with the allegation. In this case, from my review of it, the six topics, and I don't remember what the six topics were, didn't have anything to do with the allegation whatsoever, and yet this vehicle was used to close the investigation, and there was no evidence of any other investigative activity.

Now, without belaboring the point

again, assuming that Mr. [redacted] got some kind of supervisory review, as head of Q-1, would you generally endorse an allegation or an investigation into an allegation of wrongdoing by using an approach which doesn't even speak to the allegation, itself?

A. Generally I would not support or condone that approach, but here again, without knowing the specifics --

Q. This one, I saw those six topics, and I -- and also bear in mind that there is no information whatsoever as to what those 19 inspectors said about those six topics. It's just -- this was just an approach used to close a certain number of cases. I was a bit surprised to see this approach used by somebody who has the credentials that Mr. [redacted] does.

A. Yes, because [redacted] is a good hand. Again --

Q. The six topics, 19 -- you have some guy here that doesn't have anything to do with it, and you are talking electrical, and you are talking with some QC inspector over here that is doing materials acceptance, and it doesn't have a lot of impact that --

6.7C & 7D, Portions

A. To me, I -- I would have to look at the file to really comment on it.

Q. Since I only looked at a few of them, I don't know how many times this approach was used, how many investigations were closed, but it was more than two. I hope it wasn't a great deal more than two.

A. Again, I would have to look at that specific one. But I do not agree with the methodology, if that is what you are asking.

MR. SILBERG: That sounded very much like a "When did you stop beating your methodology" question.

Q. (By Mr. Griffin) Actually, I feel like a lot of these things, like that one, probably, was -- that is probably one of those cases that Driskill looked at and said, "I can't believe this," and you have already had --

(Whereupon, a discussion was held off the record.)

Q. (By Mr. Griffin) Back on the record. We have taken a little refreshment break here. I have a follow-up question for you, Chuck, about the ceasing to use tape recorders. One of the reasons that was put forth was -- that

recorders were no longer used was that Mr. Koester had seen a transcript of the allegation taken from the lady who alleged sex discrimination against [redacted] and the amount of specificity of the language and acts that allegedly had occurred was such that he didn't want to see that any more, and that that had ultimately led to the tape recorders being removed. Do you have any information about that?

A. The only thing I can offer, it was following that interview process, immediately following, that he gave me direction to remove all of the tape recorders. That is all I can offer.

Q. So he never said that was the reason?

A. That's correct.

Q. I want to get your comments on a couple of observations from what you might say are advocates of the program. One was the -- a lot of people discussed the different philosophies between you and Mr. Thero. One line of thought that I heard from several was that a QA mentality and -- that it was difficult for them to draw conclusions or arrive at

conclusions, some of the investigators heard -- that were hired under Thero's regime. Do you have any feelings on that subject, based on the fact that you did inherit a lot of these people?

A. Just to reiterate a general statement I made awhile ago, that in my opinion QA auditors are not good quality first investigators.

Q. Who do you think are good?

A. The type of people I ultimately put in those positions, people who have some knowledge of the product. If it's construction, people who have been involved in construction activities. If it's start-up, people who have been involved in start-up activities. If it's operational, people who have been involved in operational activities.

Q. Do you think it's legitimate to use people that were in construction on this site, on operations on this site, to fill those roles?

A. I don't see why not.

Q. You don't think it would be a problem with objectivity or fairness or keeping personalities out of it?

A. I, personally, don't think so.

Q. Another line of thought that --

A. May I go back, please?

Q. Yes.

A. Another question. You were leading somewhere. Could you explain why you --

Q. No, I just like to cover both sides of these issues. It's not all one way. It's not all "Snyder is a bad guy." There is some criticism going the other way, too. That is all --

A. The reason I say, I only know of one man in the program, who had anything on this, would be Owen, himself, in the quality first program.

Q. You held that position at the time that Mr. [redacted] did and --

A. Mr. [redacted] is the one I think that really comes to mind. He moved over from an organization into quality first organization.

Q. That was more your philosophy, the manager who was directing these activities --

A. We were talking about abilities, though, not philosophies, in the question.

Q. Another thing that I heard repeated by some of the people I interviewed was that you

had hired engineers because, you know, they were able to make calls, that they thought that, if things had continued in the same vein, that these allegations would not have been closed and might have been an impediment to fuel load, and that, by bringing in people who were able to make these calls, you could get resolution for these things, and the fuel load would not be unnecessarily delayed.

A. It's difficult for me to give you any response. What should I have done in lieu of that? What would I have done better? I guess I -- let me rephrase that. If I was going to manage a program and do my very best to meet the obligation of this project, I should have looked at the best way of doing it. I guess what I'm hearing is that, at least from what you are saying, that, if I had not done that, some people are saying I would not have resolved the issues as quickly as I did? Is that right?

Q. No, these are -- as I prefaced my statements awhile ago, there were certain advocates of your supervision who said, "The reason we needed to get these engineers in here is to get these people who can't arrive at

conclusions out of the way, get some people who can make some hard decisions, get these cases closed, and support fuel load date."

A. That, I believe, is a good statement.

Q. The reverse of that is, some people believe that you come from a construction background, and you brought people in that were from a construction background, that relate to hardware issues. Sure, they are technically competent, and they can go right to the heart of the matter. When you start getting into some of these other issues, like wrongdoing or scoping or root cause, these people have no interest in it. They just say, "Fix the hardware, close the case." So you have got two camps --

A. I would disagree with everything except the wrongdoing issue, relative to today. The others, no. Any man who I brought in who was not of a QA background was as well qualified or better to even look at the QA interests.

MR. SILBERG: I guess the question was, would a QA person be any more likely to be facile in dealing with wrongdoing issues than an engineer.

THE WITNESS: Or even

objectives.

MR. SILBERG: I guess that is not intuitively obvious, that QA people would be more at home on wrongdoing than engineers would.

Q. (By Mr. Griffin) I will make an observation that the -- I'm not well qualified to make this observation, but after four years now with NRC, NRC inspectors function more closely akin to QA people, although most of them, in their hearts, are construction, but the type of objectivity you maintain, when you go out to address an issue or do an inspection, we run along the lines of going in and, like I say, properly scoping the things, seeing how big the problem is, and then giving it a fair review, whether it's good or whether it's bad, then also doing a thorough report to show the basis of our conclusions.

Here you have these two -- what a lot of people have described to me as two camps. You have got the contractors, and you have got the QA people. The people say, when you get into this, the philosophies -- the different philosophies are paramount, that this is a

difference in personalities more than it is a difference in conduct of the program. The effect on the program is just as closely related to the differing philosophies. I'm telling you this, as the NRC, we have to factor that out. This is not a personality or a beauty contest or anything like that. We need to know if you gave these allegations a respectable look/see.

A. I think we did.

Q. I touched on this awhile ago, but I didn't specifically question you about it. I have a number of the former Q-1 investigators say that Mr. Patrick in QA had a pile of Q-1 documents that he kept in a drawer over there, and several people heard him make comments about how, "No, we aren't going to be getting to these until after fuel load." Did you ever hear of that?

A. No.

Q. Have you ever heard any discussions with Mr. Patrick which led you to believe that the documents they were receiving from Q-1 would not be reviewed before fuel loading?

A. They never received any documents from Q-1.

Q. How about observations?

A. QA did not -- I will rephrase that. QA was not on the receivership of QFOs. QA had a responsibility to sometime during scheduled audits and surveillance to verify that action was taken pursuant to a particular weakness that we have identified. That --

Q. Do you think these are the documents that these several --

A. No, that is not the issue.

Q. What documents --

A. There is a priority log that was maintained by Q and A. That is what they are talking about.

Q. A six-inch priority log?

A. It wasn't six inches. It was so many pages.

MR. SILBERG: This may be something else.

Q. (By Mr. Griffin) Your employees said that these people had QA action-type documents, and I don't know whether they were QFOs and a mix of other things --

A. No.

Q. I heard this from more than three

sources.

MR. SILBERG: This is QA action documents or quality first action documents?

MR. GRIFFIN: Did I say QA? Q-1. I'm sorry.

A. They had no Q-1 action documents. The only involvement that QA had with quality first was verification of action on QFOs. You know how many QFOs there were.

Q. (By Mr. Griffin) Yes.

MR. SILBERG: I don't. Is that a six-inch stack?

A. What, 22 of them?

THE WITNESS: There were 22 QFOs, which are one or two pages apiece.

A. Mr. Patrick was brought in, because Mr. Patrick was responsible for the priority log.

Q. (By Mr. Griffin) I want to just touch, lightly touch, on the Diss-alvo tape issue, because you and I talked about it at length during my last document review here. I really don't have very many questions about it.

One thing I would like to ask you about is that, when Mr. Thero left the Q-1

program, he wrote a letter, and he had a lot of strong feeling about what he thought it would take to resolve the Diss-alvo tape issue. He apparently felt that it was something that was detrimental to the condition that the plant was going to be in once they got into HOT functional testing. He wrote out a laundry list of things that he thought must be resolved before you guys got the pipes dirty. Did you see Mr. Thero's letter when

he --

A. I'm sure I did. Like I say, I gave you a copy of it. I couldn't tell you what is on it to this day. I obviously saw it. I would have had to have seen it.

Q. Do you know if any action was taken or whether his thoughts or his feelings or his concerns were ever relayed to those responsible for the pipe cleanliness?

A. I don't know that they were, but knowing his philosophy, I doubt if they were.

Q. I mean, he submitted the letter to you.

A. Yes.

Q. Did you turn it over to him?

A. No, I did not. You asked me if he had ever made it known. I did not.

Q. As we have discussed before this interview today, there was a great deal of effort put in at this site to hydrolyze -- disassemble and hydrolyze pipe that had been potentially contaminated with this tape and clear the chloride concentrations that could lead to stressed corrosion cracking. Were you content that this hydrolyzing process, combined with the flush process, was going to resolve this issue?

A. This is a personal opinion again, remember. I was not the manufacturer of the equipment or anything else. From my knowledge of the equipment, I would be satisfied that a hydrolyzer application would in fact remove any contamination inside a piece of pipe it was passed through.

Q. Okay. Now, the one remaining concern I have, Chuck, is that late in the program, as flushing was proceeding, and they were finding large amounts of the -- of this residue tape, which was -- which had been discolored, I guess, by the heat --

A. I never heard that. I heard that tape residue -- they did tell me -- you told me --

Q. You heard it from me?

A. Yes. You asked me the question, what about if this gob of tape came out in strings. No one else has told me that has happened.

Q. Is that right?

A. That's right. You said that the --

Q. That was one of Mr. Thero's biggest -- big concerns. Now, Q-1 -- and I can't recall the numbers for you, but there was more than one allegation raised, late in the program, during flushing, when the tape appeared. The allegations related to the fact that these -- there was still a chloride problem in unknown systems. In other words, stainless steel systems that had been preselected for hydrolyzing obviously had been cleaned, and the systems were flushed, and sometimes more -- from the information I have received, more than one system at a time. Certain individuals involved with the flushing process, when they saw this tape, turned around and made allegations to Q-1.

Now, the allegation that has been made

to the NRC relative to this issue is that, because of your background in the pipe cleaning, this program, your responsibility when you were on the construction site, and your participation in trying to achieve resolution on how this issue was going to ultimately be resolved, years ago, adversely affected your objectivity relative to these new allegations and that you simply referenced the old CARS -- or I guess it's one CAR --

A. NCR.

Q. NCR. -- and that you effectively kept these allegations from being addressed separately.

A. That's untrue. As you and I discussed earlier, the pipe cleanliness issue was addressed on an NCR. That NCR addressed all types of things contrary to cleaning pipe, whether it was Diss-alvo tape, two-by-fours, whatever. Any allegation that was offered relative to pipe cleanliness problems automatically fell under the corrective action associated with that NCR, except that, if one were specific and that specificity fell within the confines of the letter which I gave you a

copy of, which engineering developed, which said, "Ye, verily, if you find Diss-alvo tape in these pipes, you wouldn't just flush them, you must hydrolyze them" -- that is the bottom line. That is the project director. Now, what I suspect has happened, people wanted everything flushed, just because they found tape. They did not pay attention to project directive. This project functions on a project directive.

Q. Well, the tape appeared on the screens until there was no more tape on the screens.

A. Which is --

Q. Which is proper.

A. That's the way it's supposed to be.

Q. But the idea was that the -- that the flushes were of multiple systems and that the implication was that some of the systems contained stainless steel.

A. I think your technical associate the other day disproved that. He had documents there that showed the flush path. They were numbered. They had the --

Q. I'm just repeating the concerns.

A. I know.

Q. I'm repeating the concerns. The

question is your objectivity. Were you willing to take any new concerns, and there were concerns made to Q-1, related to pipe cleanliness, or as the construction supervisor, were you unwilling to allow your Q-1 investigators to make any investigative effort relative to new allegations in this area?

A. The Q-1 investigators were free to make new investigations into any investigation, old investigations, or whatever you want to call them.

Q. But you guys ~~signed~~ assigned the investigations, didn't you?

A. What?

Q. Q-1 management ~~signed~~ assigned the investigations. The implication is that these things were not investigated, that they were not addressed as new issues, that they were simply dumped into the big NCR in the sky on this issue and nobody took a lot to see if there was a new wrinkle or some other aspect of it.

A. I disagree with that. The only wrinkle would have been, and it was not a new wrinkle, is did that allegation address pipe that was addressed by engineering as requiring

hydrolyzing. If it did not, it automatically went to the NCR, which was a pipe cleanliness issue, which was addressed generically.

Q. Test me here, but the allegation that I heard, that I was made aware of, is that multiple systems were flushed, Diss-alvo tape was appearing from the multiple system flushes, showing that the Diss-alvo tape was present somewhere, and they couldn't tell which systems it had come from. Now, technically speaking, even if there was stainless steel involved in a multiple flush, the hydrolyzing process would have removed the type of residue that would have been detrimental to the pipe in a pressurized condition. Is that right?

A. It all depends on the size of the pipe. I can't -- you know, I can't say a three-inch pipe is -- you couldn't use one on a three-inch -- I don't know if you can -- an 18-inch pipe might be very difficult. For a pipe size where it was appropriate to use a hydrolyzer, yes, I believe a hydrolyzer would have cleaned them.

Q. In the master list here where you have the QFAR numbers and so on there are references

periodically to CAR 19 and I bel eve to this NCR. Some people thought you lost your objectivity on the subject.

A. CAR 19? I don't understand the relationship to CAR 19.

Q. No, CAR 19 is steel.

A. That is AWS.

Q. What I'm saying, there were a couple of items that you guys dumped -- if an allegation came in at or near this, you threw it in that pile and never addressed it as a separate concern. The implication and the allegation to the NRC is that there may have been new aspects to pipe cleanliness and structural steel that were not evaluated by Q-1, merely get rid of these issues, and tossed them into the big pile, and they were never investigated.

A. I disagree with that. I'm sitting here trying to think ahead, what application there might be, that could be categorized that way. Again, the pipe cleanliness issue, if it was not specifically Diss-alvo tape, deemed to be present in any of those systems that engineering says, you must remove it from, it

was a pipe cleanliness allegation, which had to be treated the same as any other pipe cleanliness violation in that NCR. That was a generic application. It said, "You must do something to this."

Q. What you are saying is, based on your technical knowledge, there couldn't be any new wrinkle related to pipe cleanliness that the existing program would not --

A. There was none identified, no new technical issue identified, in an allegation.

Q. I want to ask you about [redacted] I think the heading is "Vague walk-down procedures." This was one that I think you and I talked about before in our interview. I believe you became -- you got involved with Mr. Reeves --

A. Glen Reeves.

Q. -- on some findings by Mr. [redacted]

A. Yes, okay.

Q. Apparently you got in the middle of that, and Mr. Reeves was reluctant to accept the investigative findings, and you were interceding on behalf of your investigator.

A. I was influencing Mr. Reeves to

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respond to our needs.

Q. Okay. On this issue, I think the NRC eventually, somewhere, in the process, got involved and stopped the process. Was that before or after -- are you familiar with that?

A. No, because this was all over with when I came in. They had done this -- this KG&E walk-down, where they had taken from Daniel the responsibility and --

Q. So that preceded this investigation.

A. Yeah.

Q. Okay. My question to you is, when I reviewed this case file, I expected to see an appreciable amount of work in there by Mr. [redacted] but the Q-1 file only contains information placed in there by a fellow by the name of [redacted] I don't even know his first name.

A. [redacted]

Q. [redacted] concluded that there were no problems related to this issue. However, Mr. [redacted] had made, wherever his investigation -- I mean, his investigation report is, or wherever -- whatever he documented, the form of these conclusions that he was trying to convey to Mr. Reeves, are not present in that file. Do

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you know why only Mr. [redacted] work, showing that this is of no concern, that there are no adverse findings --

A. No. I'm going back, thinking, that the -- [redacted] came to me and asked me to work with Glen Reeves, if I would, to make it known to him the need to respond to these. I'm trying to think here of ever having seen anything in the file, even.

Q. As described, there was a great deal of work put in on this by Mr. Reeves. I mean by Mr. [redacted] There is no evidence of any of his work, though, that I can see in the file.

A. I seriously doubt if there was a great amount of work put in there by him, and the reason I say that is because he didn't come into the organization until just the time I did or until after I did.

Q. Well, if he was relying on Mr. [redacted] work, then nothing was done. Apparently he had a lot of concerns about this and a lot of findings that he was trying to convey, and you were helping him --

A. I was simply trying to get the response back that he needed to close out the

QPVs and the QPDs. That is the only involvement I had in it. Whatever was developed had already been developed, and the deficiencies were identified, and the recommended corrective action was transmitted, and we were waiting for the commitment to corrective action. Without looking at that file right in front of you, there is no way I can discuss the content. Like I say, I remember the application and my role in it. To the best of my knowledge, [redacted] was very happy to see me making an effort to try to get responses.

Q. Yes. That is the way it was imparted to me, too. It's just that I can't find any evidence of what the problem was, because the file didn't indicate.

A. The only thing I knew about, Glen Reeves was bowing his back and simply was not responding. That is the only problem I was aware of, and I corrected that.

Q. So this list is a list that is unsubstantiated?

A. I beg your pardon?

Q. This issue was listed as unsubstantiated? It was your understanding, in

your discussions with Mr. [redacted] and your involvement with Mr. Reeves, that this particular issue was unsubstantiated?

A. No, no, no. It was substantiated findings. They were documented on QPVs and QPDs. You do not issue QPDs and QPVs unless you have substantiated something.

Q. That was my understanding, too. It's unsubstantiated. There is a QFO and a surveillance report.

A. On what issue?

Q. [redacted] Item 5, vague walk-down criteria, which is --

A. We are talking only about one concern. I thought we were talking about a program.

Q. I was talking about Mr. [redacted] investigation, that he was arguing with Mr. Reeves about. You were thinking in terms of a whole file, and I'm thinking in terms of the particular part of that file that Mr. [redacted] handled.

A. One particular concern. That is so vague I don't even know. I'm relating back again to the whole issue, as it were, rather

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than a specific concern.

MR. SILBERG: If it was unsubstantiated, why would Chuck have come to Reeves to get corrective action?

MR. GRIFFIN: That is a good point.

Q. (By Mr. Griffin) The file doesn't contain evidence of work, and that is really the question here. I'm just looking for an explanation.

A. I can hazard a response, as long as it's recognized that way.

Q. Okay.

A. The criteria established for that walk-down effort, which Glen Reeves was responsible for, was defined by the quality assurance organization. He responded to their direction. He said, "Look, in order to assure ourselves that we in fact comply, you shall sample," and so on and so forth.

I'm hazarding a guess, the issue might have been that [redacted] was unhappy with QA's direction to Glen Reeves, thinking Reeves should have done more. That is the only thing I can hazard a guess about. If that is what the

allegation was, then it was found to be unsubstantiated, because QA again provided the project director --

Q. Mr. [redacted] is the one that called it unsubstantiated. Mr. [redacted] of course thinks it's very substantiated.

A. [redacted] was an investigator at that time in your organization before I took it over.

Q. When you took over Q-1, there was a verification for corrective action, but hadn't you deleted the requirement that Q-1 accept the corrective action? Was that a distinction that had been made?

A. Say that again.

Q. I know that, under your -- in your format that you used in your investigative reports, you have a verification by Mr. [redacted] signed on most -- the majority of them.

A. Okay.

Q. Earlier in the program, before you arrived, Q and A wrote, accepting the validity of corrective action. Did this end when you took over the program?

A. No. In fact, I would say that it -- that I was responsible for putting in place

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meaningful verification of corrective action relative to the concerns as expressed.

Q. Okay. Did this verification extend to the point of having to accept it or not accept it under your supervision?

A. I had the authority to reject corrective action. I might add, my rejected correction action resulted in direction to people, that they provide corrective action acceptable to me.

Q. So they had to go back and do additional work?

A. That's correct.

MR. SILBERG: So you did on occasion reject corrective action?

THE WITNESS: Yes, definitely.

MR. SILBERG: The allegation is that he could not -- he could not go beyond the fact that someone said corrective action was taken? Once someone said correction action taken, that is all he could do, would be just to check that box?

MR. GRIFFIN: If I understand the concern, it was that, under Thero, Q-1 had to accept corrective action, but some people

believed that, under Chuck, it was a rubber stamp, just merely a verification that it occurred, that there was not a true acceptance, where they approached Q-1, and say, "Look at this, see if you will buy off on this."

A. Go look at the files. Talk to the people who dealt with me, and see how hardnosed I have been. That's new on me.

THE WITNESS: That's the first I have been accused of being liberal, Jay.

Q. (By Mr. Griffin) Chuck, I have already asked [redacted] this, but was [redacted] ever assigned to document control allegations?

A. I honestly don't know. I would like to reiterate something relative to that. There have been as many as two and maybe three document control activities on this site, and I think what you are leading to is if he was at one time involved in some of that, and was he then assigned to investigate in that.

Q. Yes.

A. To the best of my knowledge, no. He has investigated the other side of the house, the document control in the plant, but the other

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side, not to my knowledge.

Q. Thank you.

MR. SILBERG: While you are looking, let me clarify something. When you are talking about Diss-alvo tape before, I will bring this up, and you referenced the letter from Owen Thero, listing the whole number of concerns, did I understand you to say that you did nothing with that letter?

THE WITNESS: I cannot remember anything specifically that I did with it. It was kind of like a reminder from Owen, that, "These are issues that I think really need to be looked at."

MR. SILBERG: Okay.

THE WITNESS: I guess what I'm saying, and maybe I'm saying it in a -- in some way that may be misinterpreted. I knew what had to be done with this project, relative to the quality concern files. I did not have to necessarily respond. I had no accountability to Owen's list. That's why I can't really say, "I took every item and made somebody aware of this." I inherited all of that. I took care of seeing that it was ultimately involved,

whatever issue that came to quality first. I didn't need to respond to every issue from Owen. I know I did not, from that list, just because that list -- go talk to anybody, because I knew what the program needed.

MR. SILBERG: So the --

Q. (By Mr. Griffin) We don't really need to revisit this a great deal, but fundamentally you and Owen disagreed about this issue? He felt there was an ongoing concern, as the construction supervisor, who had been intimately involved in this, and you obviously, and based on our lengthy, lengthy discussions, you already had very strong feelings that it was resolved, that the -- that everything was in place that needed to be in place, and then the other aspect is other individual people have said, "Chuck is not objective about this at all. He is saying he's the construction supervisor. He will not accept any new information on this subject because he was the construction --

A. That's the --

Q. Mr. Thero wrote out quite a few things. I'm not in a position to evaluate them. I don't think he invited the magic words,

like I don't want to make a quality first allegation, but he certainly -- it wasn't a reminder list. It was more like, "These things must be done before you go to HOT functional."

A. It was like a threat. Okay? Let's say what it was. If the letter were ever surfaced, it could be a threat for me to follow what he wanted to have done. If that is the way he intended it, you know, I don't know, but I did not respond to his letter. There is no requirement for me to, no need for me to. The man was very, very incapable when it came to knowing the real issues.

MR. SILBERG: But the reason that you didn't --

THE WITNESS: I had to --

MR. SILBERG: -- respond to it is because of your belief that the current project procedures were taking care of the issues that he raised in his letter?

THE WITNESS: That's correct.

MR. SILBERG: Okay.

Q. (By Mr. Griffin) I would like to make an observation and have you respond to it, Chuck. You are so adamant on this subject that

you do not display much objectivity on this subject, either in my conversation with you and apparently in these others. Are you really that sure?

A. Yes, I am sure, and unless someone can show me, which they haven't shown me to date, a new pipe cleanliness issue --

Q. Are there any other aspects of the construction at this site that you are so sure of that you can determine that no investigation or no additional investigative activity needs to take place?

A. We are talking about the issue. Okay? I have seen no new pipe cleanliness issues.

Q. There were 92 issues that --

A. No.

Q. You seem totally intractable, and that's what you are -- that is what I hear from you, before, and today, too.

MR. SILBERG: I think it's not that he is so sure of the substance of the matter. As I hear what is being said, you had a project procedure in the NCA, whatever it is called, which, in essence, was global. It

covered everything having to do with pipe cleanliness. As I understand the concept of the quality first program, if such a procedure existed, and specific concerns that fell within the scope of that procedure were transferred under the umbrella of that procedure and would be investigated and closed out as part of that NCR process. I think what I hear Chuck saying is that what Owen Thero was identifying in his letter were things that were covered by that NCR. Therefore, there was no need to do anything more, because it was already dealt with. That is what I hear. Is that --

THE WITNESS: There was a --

Q. (By Mr. Griffin) I'm just saying some people have been critical of you for wearing two hats. Did the construction supervisor, who was not accepting new allegations, in an area where there is an ~~NCA~~ NCR or a CAR, and saying that is not his job, his job is --

A. That is not accepting them. We accepted them, Brooks. We accepted them. I think you would agree. There is a record that we accepted them. We did not do an individual, isolated investigation.

Q. Okay. The reason, because there was a higher tiered document?

A. That's right, that already covered that.

Q. Okay.

A. Again, I qualified that. The only difference that was, if those particular systems, or whatever the allegation was, fell under that umbrella, of the letter that I gave you, which said something additionally must have been done, that was the only difference. Then, again, I know the project. It was not a matter of me being the project supervisor, project construction supervisor. I knew the documents in the project.

Q. You know, obviously, if Mr. Thero were here, you would argue to no avail, because he would continue to insist, but before HOT functional testing, certain things must occur. He has certain credentials. You have certain credentials. You would never agree. Yet it's not going to be long before any kind of arbitration is --

A. I know, but just for the sake of one last argument on my part, whether or not you

would accept this --

Q. If it's going to be technical, you are wasting your time.

A. It's only technical to this degree. Do you believe what I showed you, that there was a generic NCR, dealing with pipe cleanliness?

Q. Yes.

A. You believe the letter that I gave you that addressed, if it's in these systems, you find Diss-alvo tapes, and the words are very specific, you must hydrolyze or approve mechanical means --

Q. Here is the part where I, as a layman, still have problems. The allegation was that there were multiple system flushes occurring at the same time, and Diss-alvo tape was appearing. These systems involved stainless steel. From a layman's point of view, that is telling me that chloride is being reintroduced to the stainless steel. Assuming you moved to HOT functional testing, as a layman, I think, do you have a continuing problem? Maybe the person that made the allegation looked at it from that point of view. Maybe Mr. Thero -- I don't know. He knows a lot more about this than I

do. Maybe he looked at it from that point of view. But whether that is valid or not --

A. Okay.

Q. -- it is certainly -- you were unwilling to address that as a possibility.

A. Let me address just that one issue again. Let's get back to what the Diss-alvo tape issue was, Diss-alvo tape adhering.

(Whereupon, a discussion was held off the record.)

Q. (By Mr. Griffin) Let me break in, Chuck. I am relying on the inspector that came out here. You really don't have to pitch a case as to -- or you don't have to try to convince me that it is technically correct. I'm not revisiting that issue. I think we will leave that to Jay.

MR. SILBERG: I would like to get on the transcript, though, the response to this multiple system flush allegation, that somehow that was leaving unremoved chlorides on stainless steel. I assume there is a response to that. I don't know what it is. I'm just --

THE WITNESS: I don't know if

that was even an allegation made to us. I don't know that.

Q. (By Mr. Griffin) I believe that there were several allegations, during flushing, about Diss-alvo tape, and they weren't investigated, it was my understanding. The reason they weren't is because of --

MR. SILBERG: Is there a technical response to this allegation that there were multiple flushes which somehow --

THE WITNESS: There is a technical expansion I would like to offer.

Q. (By Mr. Griffin) But there is not a Q-1 investigation of this issue.

A. No.

Q. From some people's point of view, this was a separate new issue that Q-1, if they behaved objectively and responsibly, would have picked up. You know, it's very subjective for me, because I don't know technically whether it was reasonable to link this with others or not. But there are several people, as I have repeated, who disagree with you vehemently and --

MR. SILBERG: They believe that

that was separate from the NCR?

MR. GRIFFIN: Yes.

THE WITNESS: See, these people have no qualifications whatsoever to even know what Diss-alvo tape was.

A. That is the sad part. That is the truth. You can go check the resumes, if you would like, on that.

Q. (By Mr. Griffin) Yes.

A. The only point I'm trying to make, in finalizing this thing, relative to that issue, if in fact they had multiple loops coming together, and there was evidence of Diss-alvo tape coming through the screens, and it was picked up from one place and brought to another, is what I'm getting, that makes no difference. The only detriment associated with Diss-alvo tape is what of the residue from the tape adheres to the pipe wall, where it was applied, not what pipe it ran through.

Q. I know. As little as I know, I know that much.

A. That is a detrimental part, and that is what engineering addressed, a project commitment. We are bound to that.

Engineering. The design authorities said only, if you find evidence of it in these systems, you must you go clean it with a hydrolyzer, and otherwise --

Q. If you turn around and recontaminate the systems --

A. It doesn't adhere. The tape has to be placed on the wall.

Q. So the chloride that is in suspension during the flushing cannot adhere to the wall?

A. That's correct.

Q. Even though that water may sit in those pipes for weeks?

A. That's correct. That's correct.

Q. It will not come out of suspension?

A. That is the engineering justification I have received.

Q. Well, that just shows you how us laymen get tangled up, because if I pour Coke on my leg, I expect it to stick to my pants, and that is just as surely as I see it.

A. It's suspended. Once it's in water, it's suspended.

Q. Okay. I think we have covered it. I'm sure you are the most technically competent

around to address this.

(Whereupon, a discussion was held off the record.)

Q. (By Mr. Griffin) One of the recurring themes in the interviews were Mr. [redacted] and Mr. [redacted] primarily Mr. [redacted] singled out for -- as having closed the most cases with the least amount of work. He was essentially pencil whipping investigative reports. Did you ever evaluate any of Mr. [redacted] investigative reports or investigative work?

A. I don't know that I would say "evaluated." I recognized what he was involved in, what part of it. I knew basically what his assignments were, primarily in the start-up area. I do know that he closed out a lot of concerns. The close-out does not necessarily mean he investigated them.

Q. I'm not talking about closeout. I'm talking about ones that he is on the books for for having conducted the investigation.

A. That is conceivable, that there -- particularly if they were in the start-up arena. He was the most qualified instructor in

having some 20 to 30 years' experience in it.

Q. Are you saying that Mr. [redacted] then, as a Q-1 investigator, was drawing upon his knowledge of the start-up rather than verifying allegations through document reviews or interviews?

A. No. I'm saying that he had the knowledge to know where to go and what ought to be expected. He had an intricate and -- I should say an in-depth knowledge of the requirements, regulatory requirements, anything relative to starting up a plant. He was probably the most qualified on this job site when it came to knowledge of the methodology.

Q. One of the things, and this is consistent with the testimony I have received, particularly about Mr. [redacted] and I have informed Mr. [redacted] that he has had a substantial amount of allegations made against him in this arena, and that is that he has extensive experience, and I know you respect his work a great deal, and -- but that he was in fact drawing upon this rather than conducting an investigation and that essentially you have somebody who is a start-up man and not a Q-1

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investigator. This is in the same vein as we were just discussing this Diss-alvo tape, the unwillingness of a man who knows his area so well, "This is the way we did it at Arkansas. This is not a valid concern. I'm not going to investigate it. It's closed."

A. I have never heard that.

Q. This is not the type of objectivity that is consistent with an independent investigative program.

A. I would disagree with him having made that statement. I have never heard it made. In fact --

Q. Having heard these people making the statement about Mr. [redacted] you would disagree --

A. No, I have not. People involved in the start-up program here, and I can't remember now, but going back and getting the list of names, get the list of people that he communicated with, in the --

Q. I'm talking about former Q-1 investigators.

A. Former Q-1 investigators didn't know the man.

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Q. I mean people he was working in the same offices with.

A. The ones he was working with, in the same office, I think you will find the problem is he was more knowledgeable about the programs, in general, than they were, so they construed it the way they construed it. The real proof of that is to talk with the individuals he interfaced with in the start-up organization.

Q. What I did instead is that I looked at investigative files --

A. Okay.

Q. -- which contained very little information, which leads me to believe that Mr. [redacted] either was doing one of two things. Either he was not documenting the efforts he was expending or he was drawing on his years of experience to close these issues out. I don't know which is the case, because I cannot tell from the files. I have the testimony of the people who worked with him and around him, and have the files, and I have interviewed him, and he can't even answer the question. When I asked him which ones he did, he said, "I think my file -- I think the files will bear up to

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your scrutiny." I have looked at the files, and they don't have any evidence of any investigation of any import or any consequence or any substantial period of time. Then I did a case count for Mr. [redacted] and everybody else, too, and he was closing them, like I say, an issue a day. It leads me to be suspicious, as an investigator, that Mr. [redacted] may have been drawing largely upon his knowledge.

A. No. There is the other possibility with having closed so many, that one was received that had been addressed somewhere else and --

Q. I factored that in, Chuck. I know that Mr. [redacted] was -- you and him were working to link things. Like I say, you don't have to reinvent the wheel everywhere, and obviously that makes good sense, assuming they are closely enough linked that you are not dropping out some aspect. Mr. [redacted] is the one that was employing that six topic 19 interview questionnaire, so --

A. I'm not --

Q. This is not consistent with --

A. The specific one, I'm not familiar

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with. If what you say is true, I guess I would -- I would not be agreeable to that methodology, either.

Q. What I'm hearing from you today, Chuck, is that you didn't spend a great deal of time in reviewing the investigators' work as a matter of your day-to-day activities.

A. That's correct.

Q. I want to go through just a list of general allegations, and this is a laundry list of general allegations, and you star in all or most of these. I would like to you comment. Some of them we have already covered. Basically the form, and these allegations -- I call them allegations. They are things that I have taken from the -- from my interviews with your former Q-1 investigators as ways in which they believe you changed the Q-1 program to make it have less integrity, to not -- to ultimately --

A. In their opinion?

Q. Yes. -- to ultimately result in these issues not being adequately investigated, and that they -- having been closed without adequate investigation, for the sole purpose of getting them off the books.

The first one, we have already discussed this, your initial meeting, so we don't have to cover that again.

A. Initial meeting?

Q. Yes, the initial meeting with your staff, once you took over Q-1. Do you remember, I questioned you about --

MR. SILBERG: Setting goals versus mandates.

A. Oh, okay. An initial meeting. But I'm sure there were other meetings in addition to that. That's fine, as long as I know what you are talking about.

Q. (By Mr. Griffin) It was alleged that, "As the December target fuel date approached, significant Q-1 findings referred to the affected --" it says, "As the December 1984 target fuel date approached, significant Q-1 findings referred to the affected organizations still did not receive corrective action. Some of these findings received no corrective action before fuel load."

A. That is a false statement. Every corrective action request that was generated by quality first was responded to, was responded to

with effective verified corrective action prior to us loading fuel at this site.

Q. Let me ask you about this, Chuck. Is it possible that, since so many of the Q-1 investigators performed the bulk of this work, in late 1984, and then the contracts ended and everything, and they were gone -- is it likely that most of the corrective action that took place probably took place after they had already exited?

A. The verification of it most probably had.

Q. What was being said? "I have turned in investigative reports, and I'm still here a month later, and I'm still here a month and a half later." There is no corrective action. There is no evidence of corrective action.

A. Well, you have to understand this. I think maybe this will explain it. When an investigator completed the investigation, he put all of the papers together, the need for corrective action. He was out of it. Many of them would like to stick that in a desk drawer and wait and see what happened on down the road, but that was not their job. Their job was as an

investigator. They or somebody else may have verified corrective action.

Q. These people had continuing contact with some of the people that had been involved in their original investigations --

A. Uh-huh.

Q. -- and as their contract came to a close.

A. Yes.

Q. Some of them had the interests to see whether anything meaningful had been done. A common complaint was that no corrective action had taken place. Some of the amount of corrective action that people anticipated they didn't think could be fulfilled or completed before fuel load, which occurred just a few months later.

A. Again, it was something we statused continually.

Q. You are saying that all corrective action on these findings was completed?

A. Absolutely.

Q. Okay.

A. I might mention that the NRC verified that they took place, because they were open

items, affecting fuel close.

Q. Let me repeat something I said before. One thing that was particularly gratifying to me, once I got into some of the more important concerns that Q-1 investigated on technical issues, in almost every case, not only did the Q-1, no matter how, it eventually got the affected organizations very involved, and even more gratifying to me was the fact that the NRC, in almost every major instance, was there, verifying the closeout, before fuel load. I had not -- I was not aware of that when I started this investigation.

A. If I could interject, the NRC was instrumental, even involved, when we went to prioritization, because we understood, both of us, me and the NRC, the need to resolve these issues before we considered loading the fuel. That was what prioritization was all about, so you could put the resources where you wanted to put them.

Q. Some of these I'm not going to revisit. We have already touched on them.

One other concern that some of the Q-1 investigators had is that they were

substantiating an allegation, only to have the Q-1 supervisor make a call that it had no merit, a call in contrast to their belief. Was this no merit call, was that something that was normally made by the supervisor, or was it normally made by the investigator?

MR. SILBERG: No merit, meaning something was unsubstantiated --

MR. GRIFFIN: No merit.

MR. SILBERG: Finding it substantiated by --

MR. GRIFFIN: Yes.

A. I don't understand the significance, whether it was indicated it did or didn't, anyhow.

Q. (By Mr. Griffin) If the investigator substantiated it, and he thought it was important --

A. Yes.

Q. -- and somebody else came along and said that it had no merit, and therefore there is no action --

A. No, no. In any case, if something is substantiated, there has to be some explanation. Either it's substantiated and no

longer is in effect, the need --

Q. Take a look at this one down at the bottom. I haven't even read what the issue is. Well, it's a crazy issue.

A. A lot of them substantiated were crazy issues with no merit. There was one allegation that Daniel couldn't even build bird baths. What was I supposed to do with that? I may substantiate that, but that wasn't --

Q. Okay. Let me find another example having to do with 300-watt bulbs. Okay. Here is one. "NCRs generated by operations QC are not adequately maintained." That one is listed as substantiated without merit. Now, I --

A. Just a brief statement, "are not adequately maintained," that is somebody -- somebody's definition of "adequately maintained." Now, what we could have found was, "Ye, verily, we investigated this, but in the course of the investigation they recognized their shortcomings, and they put together a system." Now, "without merit" generally indicates no corrective action was necessary. Something is already done. It's no longer a requirement or it's been changed. Now, what I'm

hearing is, they might not have been satisfied with the corrective action that was in process or taking place. That is what I hear.

Q. Well, who wrote -- who made the call that something had no merit?

A. I do not know whether that was the investigator, the investigative supervisor, or a combination of the two of them.

Q. Well, according to the Q-1 investigators, it was the Q-1 supervisors that were making those calls.

A. It could have been. Here, again, I wouldn't swear to that.

Q. Chuck, what would you say were the primary changes you made in the procedures when you took over Q-1? What were the more memorable ones?

A. Changing the documents -- and, again, the reason for that was to eliminate any semblance of having involvement with QA, where we had our own processes. The exhibits, attachments to procedure, use of forms. Uniformity, again, I think was of great benefit. Despite what some people think, I believe, looking at the allegation and trying to

determine what resources we have, that can best do the job, which there was no evidence of having happened before, trying to match the allegation of the resource as best we could.

Q. But that wasn't part of a procedural type of --

A. Well, procedurally it was, that the investigative supervisor would review it and -- before he assigned a person to it. That was -- it was unwritten, possibly, but that was one of the reasons for it. You just didn't go from -- from the interview group, say, "Here, give this to this investigator." It was reviewed first to determine the content, and then who it would be assigned to. It was not automatic, is what I'm saying.

Q. Okay.

A. The requirement, as it were, and you saw a letter went out, that they questioned me about, relative to constructions of the project, about the QPV, QPD, and the -- all of those vehicles. I think you can read in there that there was some direction that we would get responses. I think it was conveyed through that and through the procedures, themselves, that we

did have project support to do our job. Whether or not you call that a change or not, I don't know, but it was a positive writing, I guess, that, if there was any doubt in anyone's mind, the way procedures were written, but that we would have a workable procedure. All you had to do was read the procedure, the second time it was written, in a positive manner, I believe. Other procedural changes. We established -- we put in guidelines. There were no guidelines before I took over. It was just whatever someone told someone else, "This is the way you do business," but we did establish that. Even to the point of administrative guidelines. So there was no doubt about who handled the paper, what way, and thereby you eliminated loss or misplacement and that sort of thing, confusion. Procedurally we attempted to minimize confusion.

Q. Let me ask you another question on a different subject. There were a number of cases transferred to legal, and from what I could tell Q-1 investigative activity essentially ended when one transfer was made to legal.

A. That's generally true.

Q. This same thing seemed to occur when there were, like I say, these higher-tiered documents. Is that correct? Do you agree with that?

A. Procedurally, that is the way it was designed. Once we transferred, we were out of it. There again, that is one of the changes that I made of significance later on. But it was after the time frame we are talking about when we made these changes.

Q. During the various reviews you made, conducted by the NRC, you have been given high marks in technical areas, and otherwise it's been uniformly critical of th- handling of wrongdoing issues. Do you think OI's criticis- that they have specified in Ward's report and Driskill's report are valid?

A. To a degree, I think some of them are, have some merit.

Q. Is there any parts of the criticisms that you have received that you disagree with?

A. If you want specifics, yes. I disagree with what qualifications there ought to be for investigators, because -- and the reason I say that is, us folks are accustomed to

dealing with inspectors and criminal investigators. Our perception was not dealing with criminal analysis. Ours was investigating. That, I guess, is my biggest difference, philosophically.

Q. Who do you think is best equipped to deal with lying, cheating, and --

A. A qualified investigator, but I don't know that they have to be a criminal investigator. Trained, yes. I agree with that. In fact, I have asked the NRC to assist me. "What would you advocate training for people?"

MR. SILBERG: Did you get any response?

THE WITNESS: Someday they are going to tell me. After all this is over, they are going to come visit me and --

Q. (By Mr. Griffin) Can you think of anything else that you have been criticized by OI that you specifically disagree with about their criticisms of your handling of wrongdoing allegations? Does anything else come to mind?

A. That I would disagree with?

Q. Yes. There have been some strong

conclusions.

A. In general, yes. There is one item in general. That is, I -- and I have to -- it's a perception on my part, that every time you guys do an investigation, it's a new investigation. We were dealing with a project. We knew people. We knew issues. We knew circumstances. A lot of this was already in our minds. So that is one of my excuses for not having revalidated or recorded. It may be a weak excuse, but it's a taken. It's a given to start with, that you start out differently than we do. The issue, though, of not having adequate documentation, if it's a philosophical thing or methodology, I can see the value of having more than what we have, particularly for someone from the outside, coming in and looking, being able to catch on where you are going.

Q. I think the point I was trying to make, four hours ago, or whenever we were on that subject, was you, during our interview today, said you have relied on document -- on file reviews, personally, and of course the NRC did, too. We don't have the people to talk to any more, and they aren't very well documented,

from my perspective. Well, there are a few that were. but many of them aren't. We have no way of recovering how little or how much those people did. Some of them may have done exhaustive reviews. I just don't know. Particularly the wrongdoing, the ones I looked at, there seems to be very little objective effort put into resolving some of these issues, almost to the point of, "Oh, well, old John over here, he can't harass or intimidate. It's just his management style. He has been kicking people in the tail for years." That is not a legitimate approach to it, a harassment or intimidation thing.

A. I would make one other comment, though.

Q. Sure.

A. I believe, from what I have seen, and you are questioning me, how we would disagree with what OI has written --

Q. Yes.

A. -- and I get the feeling that OI functioned as the advocate for the alleger.

Q. What we do is, we start it by assuming -- unless what is being alleged is

physically impossible, we start out by assuming that the allegation may have merit. Then we try to do a thorough investigation, which involves following all of the logical leads, not every lead, but all logical leads, for resolution, and fully documenting what we have done, so that the -- so that my supervisor can look at what I have done and draw an independent conclusion. So, in that sense, we are not -- we haven't -- we look at each one with new eyes, and that is good or bad, depending on your perspective.

MR. SILBERG: OI has a very different role, and there is just a qualitative difference between what OI tries to do and has to do and what an employee concerns program like this has to -- I mean, you are responsible to several layers higher up within and without your agency. You are responsible to the commissioners. You are responsible not only to your own supervision but to the commissioners, themselves. You are responsible to the Department of Justice, if there is a referral out, to U. S. attorneys. Whoever may use this. That really isn't the same, and that isn't true, and I don't think it was within people's

contemplation, when this program was set up. This was an internal program. I honestly don't think that, when they set it up, it was ever anticipated that you would be in here today, having spent months looking through all of the files and trying to reconstruct what was done three years ago. You know, if we were starting off, 1984, knowing that this was going to happen, I'm sure we all would have done things differently.

MR. GRI[illegible]: Maybe so, and I agree with many of the things you are saying here. The thing is, I don't know what the future holds for the individual licensees in the internal programs, but in this one the NRC still has regulatory authority to reach back in time and have a say as to the validity of this program and how it was conducted during this period of time. They -- I presume they wouldn't have been asked to come up here and investigate this if they didn't want to revisit this issue one more time, because Mr. Ward's review was an evaluation of and Mr. Driskill's was an evaluation of the files.

I have taken a completely different

approach. I have talked to the people that were in the program, and the majority of them, and I don't think it was a valid program, and they don't agree with the methodology of drawing a conclusion that is unsupported and saying "Everything is okay," because this program was set up to -- it's -- you take the allegations, you say what you are going to do, your procedures, indicate the same objectivity that any investigative program would -- whether it's a federal agency or a police or anybody that conducts investigations is likely to come back with a true answer, based on the available information. But, in fact, I agree with you to a certain degree, Jay. The way this program functions, as far as documentation, some of the things I'm seeing, is that it's a cross between an investigation and inspection. A greater reliance is placed upon the individual doing the investigation and his judgment. He doesn't have to support his conclusion to the degree generally you do in investigations, because --

THE WITNESS: Your investigations.

MR. GRIFFIN: An inspector goes

out, looks at it, and he comes back and he reports. I'm talking about ~~an NCR~~ the IVA. He comes back and says "I looked at the system" or "I looked at the program" or whatever, and the NRC is willing to accept that and make decisions based upon that. The investigative process, it's completely different. You go out and you gather the evidence, and you present the facts in a way, and you may or may not draw a conclusion based upon -- others can draw the conclusion, because you have already gathered the facts. The frustration here is that what is available, particularly in the wrongdoing, there is not much to review. There is not much to draw on. The facts seem unsupported. The conclusions, in some places, seem wholesale. I don't know what use it's going to be to me, of this investigation, the investigative findings that result from what I'm doing here, but it's --

MR. SILBERG: There is a pending rule motion, pending by Mr. Thero, that every utility be required to adopt just such a program..

MR. GRIFFIN: If they did, it

would be different than the way it was at Wolf Creek in 1984.

MR. SILBERG: That's right.

Q. (By Mr. Griffin) Chuck, have I threatened you or your representative here in any manner or offered you any rewards in return for this statement?

A. You have not.

Q. Have you given this statement freely and voluntarily?

A. Yes, I have.

Q. Is there anything, and this is a big issue, anything related to this whole episode, any comment you would like to make, relative to this, before we close out the record?

A. Yes. I believe the allegations you have in general have been voiced by people who have suffered monetarily at the hands of this project, or if not monetarily, possibly even pride, at the hands of this project, and are seeking retribution.

Q. I will give you the last word. Thank you.

CERTIFICATE

I, William J. Jennings, a Certified Shorthand Reporter in and for the State of Kansas, do hereby certify that I appeared at the time and place first hereinbefore set forth, that I took down in shorthand the entire proceedings had at said time and place, and that the foregoing constitutes a true, correct, and complete transcript of my said shorthand notes.

Wm J Jennings

WILLIAM J. JENNINGS, CSR