

U.S. NUCLEAR REGULATORY COMMISSION
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Report of Interview

Richard P. Denise, Director, Division of Reactor Safety and Projects, Region IV, NRC, was interviewed concerning his knowledge of a March 8, 1984, incident at Comanche Peak Steam Electric Station (SES) when allegedly a Texas Utilities Generating Company (TUGCO) Quality Assurance (QA) Supervisor detained eight quality control (QC) inspectors in a room and then searched their desks and confiscated inspection reports documenting numerous deficiencies with electrical equipment. During the interview, Denise provided the following information:

At about 9:30 a.m., March 8, 1984, Denise was advised by Paul S. Check, Deputy Regional Administrator, Region IV, that he had received a telephone call from Billy Clements, Vice President for Nuclear Operations, TUGCO, concerning the electrical QC inspectors at the Comanche Peak SES site. Check told Denise that Clements had reported that the electrical QC inspectors had been going through the Safeguards Building doing destructive testing of electrical construction and had been pulling ducts and wires loose and writing deficiencies that could not be found. Clements further reported that on the morning of March 8, 1984, the QC inspectors had arrived at work wearing T-shirts bearing the statement "I pick nits." Apparently TUGCO management considered the T-shirts to be provocative, and TUGCO was concerned for the safety of the inspectors. For this reason, the QC inspectors had been sequestered in a room and were going to be interviewed by Boyce Grier, a consultant for TUGCO. Clements told Check that he would keep Region IV informed as the situation developed.

Denise and Check discussed briefly the information provided by Clements. Their discussion focused on whether the QC inspectors were engaged in sabotage that should be investigated by the NRC, whether Region IV should have the Comanche Peak resident inspector talk to the detained QC inspectors, and whether Region IV should participate in the Boyce Grier interviews. Check considered the situation to be a labor-management problem, and he thought Region IV should wait for further information from Clements before NRC took any action. Denise's thoughts were that Region IV should act to gather more information about the ongoing situation and then decide if the region should become involved. Check and Denise agreed to await Clements' next telephone call before taking further action.

At about 11:00 a.m., March 8, 1984, Clements again telephoned Check. Denise was present during this telephone call. Clements stated that TUGCO had no proof of destructive testing and there was no clear evidence of sabotage. Clements stated Boyce Grier will interview the inspectors on this issue and that TUGCO would conduct an investigation. Clements also advised that the QC

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by George A. Mulley Jr., Investigator, OIA Date dictated May 3, 1985

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inspectors would be sent home without pay until the T-shirts were taken off then they could return to their jobs if they were still there. The telephone conversation concluded with a statement by Clements that TUGCO would keep Region IV informed.

At about noon, March 8, 1984, a meeting was held between Check; Denise; Eric H. Johnson, Chief, Reactor Projects Branch II, Division of Reactor Safety and Projects, Region IV; and Doyle M. Hunnicutt, Chief, Reactor Project Section B, Reactor Projects Branch 2, Region IV. At the meeting, Hunnicutt indicated he had conversations with the NRC resident inspectors at Comanche Peak that morning and there had been telephone calls received by the resident office regarding the incident. Apparently the resident inspectors had taken no action in response to the information except to notify Hunnicutt of the situation. Hunnicutt instructed the resident inspectors not to become involved in what he considered to be a labor-management problem. Hunnicutt briefed the meeting on what the resident inspectors had told him about the situation at Comanche Peak and it was at this time that Denise learned that the QC inspectors had reportedly been physically detained, locked in a room, and escorted whenever they wanted to leave the room. Hunnicutt did not inform those at the meeting that documents had been seized. At this meeting, Denise recommended, and it was agreed to, that the Senior Resident Inspector at Comanche Peak would go to the location of the incident, learn what was transpiring, and take pictures of the inspectors in their T-shirts and of the "sabotage" areas. Denise asked Hunnicutt to relay these instructions to the Senior Resident Inspectors. Apparently, Hunnicutt passed the instructions to the senior resident inspector at about 12:30 p.m., March 8, 1984; however, by this time the incident was over and the QC inspectors had been escorted off site.

At 11:13 a.m., March 9, 1984, Clements again telephoned Check to provide an update. Denise, along with Johnson and William L. Brown, the Regional Attorney, were present for the telephone conversation. Clements indicated that the sabotage issue was being soft-pedaled by TUGCO and that the eight QC inspectors who had been detained in the Safeguards Building wanted to meet with TUGCO management to discuss the situation. Clements also reported that TUGCO had looked at inspectors belongings; however, no documents of concern were found. It seemed that TUGCO was interested in nonconformance reports. This was the first indication that TUGCO was reviewing inspection documents. Clements stated that all the QC inspectors might now be back at work.

At about 3:17 p.m., March 9, 1984, Denise and Eric Johnson had a telephone conversation with David N. Chapman, Quality Assurance Manager, TUGCO. Chapman reviewed the incident and discussed some perceptions held by the inspectors. Some of Chapman's comments were the inspectors saw no nuclear safety problem; the inspectors believed they were blamed for the problems they did not cause and that they were cooperative with crafts. The inspectors thought TUGCO management was putting too much emphasis on non-problems and that the incident on March 8, 1984, resulted from the lack of supervisor communications. The inspectors did not want to make a big scene and now realized how the T-shirts could be considered provocative and non professional. Chapman further related that there were documents removed from the inspector's work area; however, they were non-controlled. Donald G. Tolson, Quality Control Supervisor, TUGCO, had gone through the boxes of material, and he knew all the details. This was the first time that Denise was informed that documents had been

seized by TUGCO. During the telephone conversation, Denise and Johnson asked Chapman to lock up the documents that were seized, limit access to only the NRC and a selected TUGCO reviewer, and to get the boxes of material to the NRC senior resident inspector. Chapman agreed to deliver the materials to James Cummins, the NRC Senior Resident Inspector for Construction.

At about 3:45 p.m., March 9, 1984, Denise briefed John T. Collins, the Regional Administrator, on the Chapman telephone call. Collins agreed with the proposed actions by Region IV.

At about 4:00 p.m., March 9, 1984, Denise briefed Doyle Hunnicutt on the information provided by Chapman and instructed Hunnicutt to ensure the materials were secured and locked up.

On March 13, 1984, Denise instructed Hunnicutt to conduct a physical inventory of the seized documents.

Denise opined that Region IV should have been more sensitive to the situation at Comanche Peak. Before deciding that the incident was a management-labor problem and of no concern to NRC, Region IV should have acted to gather more information upon receipt of the telephone calls from the QC inspectors at Comanche Peak and the first Clements telephone call. Once complete information had been obtained, Region IV could have decided whether or not to become actively involved in the matter. Instead, Region IV waited between 9:30-11:00 a.m. for the second Clements telephone call, had a meeting at 12:00 noon, then decided to gather more information. By the time the instructions were relayed to the resident inspectors the incident was over.

DRAFT

RECOLLECTIONS BY RICHARD P. DENISE REGARDING THE "T-SHIRT INCIDENT" AT THE CPSES SITE

1. On March 8, 1984, at about 9:30 a.m., P. S. Check advised me, in his office, that he had received a telephone call a short while ago from Billy Clements of TUGCO regarding electrical QA people at the CPSES site. Mr. Check related the conversation as follows:
 - QC people appeared to be organized, wearing same type T-shirts which were provocative.
 - QA people going through Safeguards Building doing destructive testing, pulling ducts and wires loose, writing up deficiencies that can't be found.
 - People are being interviewed by Boyce Grier.
 - TUGCO concerned for safety of QC people.
 - Possibly see a Billie Garde connection.
 - People identified as Wayne Whitehead, S. Shamblin, Eddie Snyder, Milton Barfield, Ron Jones, G. Pryor (all electrical QC in Safeguards Building).

Mr. Check indicated that Mr. Clements would call back with more information.

Mr. Check and I discussed the matter briefly, focusing on whether there was sabotage that the NRC should get involved in investigating, whether we should send our resident to check it out and talk to the people, and whether we should participate in the Boyce Grier interviews. Mr. Check indicated it appeared to be a labor-management problem at present, and that we should get more information. We agreed to await Mr. Clements next call.

2. At about 11:00 a.m., on March 8, 1984, Mr. Billy Clements called Mr. Check at his office; I was present.

- Mr. Clements stated that there was no proof of destructive testing; cannot tell who did it. Boyce Grier will interview people.

- Mr. Clements stated that the people would be sent home without pay until the T-shirts came off; can have the jobs back if they are still there.
- Mr. Clements said that TUGCO will perform an investigation.
- Mr. Check asked about sabotage and the potential need to discharge people. Mr. Clements said there was no clear evidence of sabotage.
- I asked about the use of polygraph exams to get the truth, but said a decision to perform polygraphs should not be based on the fact that people wore provocative T-shirts. Mr. Clements said they were not considering it.
- Mr. Clements stated that there would be RIFs in the next 2-3 weeks.

The conversation was concluded with a statement that TUGCO would keep NRC informed.

3. At about noon on March 8, 1984, I met with P. S. Check, E. J. Johnson, and D. M. Hunnicutt to discuss the situation. D. M. Hunnicutt indicated he had conversations with the resident inspectors that morning, and that there had been calls to the resident offices regarding the incident. I asked Mr. Hunnicutt to call the Senior Resident, and instruct him to "go see what is going on," to take some pictures of the T-shirts, and to take pictures of the "sabotage" areas.
4. At about 11:¹³~~10~~ a.m. on March 9, 1984, Billy Clements called P. S. Check for an update. W. Brown, E. Johnson, and I were present for the speaker-phone discussion. Mr. Clements indicated that:
 - the sabotage question was being soft-pedaled;
 - eight inspectors were in the Safeguards Building with T-shirts;
 - the inspectors want to meet with TUGCO management to discuss

training, etc.;

- Boyce Grier feels that the people are sincere;
- ~~X~~ - TUGCO looked at inspectors belongings, no documents of concern found (primary concern seemed to be in reported NCRs);
- all the QC inspectors may be back at work now;
- Tony Vega will have discussions with the inspectors, and both sides will tape the discussions.

5. At about 11:20 a.m. on March 9, 1984, a telephone call took place between P. S. Check, R. P. Denise, and Stu Treby in which the "T-Shirt incident" was discussed. Mr. Check recapped the Clement's telephone calls. Mr. Treby said that TUGCO was saying that they were proceeding with step-by-step approval by the NRC/RIV. Mr. Check stated that RIV is monitoring/following, but not approving, and that this was made clear by Mr. Check to TUGCO.

6. At about 3:17 p.m. on March 9, 1984, Mr. E. Johnson and I had a telephone conversation with Mr. D. Chapman (TUGCO) regarding the incident. Mr. Chapman indicated that:
 - Inspectors had requested a meeting with utility management.
 - Guys who did not wear the T-shirts called newspapers.
 - Inspectors are to give a statement to Mark or Tony.
 - Inspectors see no nuclear safety problem.
 - Inspectors see themselves as blamed for problems they did not cause, as cooperative with crafts. Inspectors see no conflicts with crafts, and see management putting too much emphasis on non-problems.
 - Inspectors see lot of pressure on craft people, tending to inspect before crafts ready. (Chapman said TUGCO will put some supervisory attention on this.)
 - Inspectors see crafts as impatient with IR resolution.
 - Inspectors see no craft pressure on QC, but may be craft supervision pressure in QC.
 - There were early problems with inoperation procedures for SDCC, now a lot better, no current problems.
 - Inspectors are having to inspect where crafts are still working.
 - Lot of indications of "hurrying."
 - There are a substantial number of post-construction deficiencies.
 - Inspectors concerned that procedures seem to get more relaxed. They also see problems with closed junction boxes that have problems inside, crimping lugs, seismic restraints in cable trays with crimp

connectors, lighting cables not correctly identified (operations concern, not safety).

- Inspectors don't "need" newspaper story "help."
- Situation smacks on improper supervisor communications.
- Inspectors didn't want to make a big scene.
- Six inspectors came in with hat-in-hand, other two did not come to the meeting. Had one meeting, no individual persons.
- Mark Wells is the new supervisor in this area.

- Inspectors see now that the T-shirts were provocative (not professional); did not think of it before.
- Things are pretty well settled down.
- There were documents removed from inspectors work area; these were non-controlled. Tolson knows the details. Tolson has been through the boxes of material. There are some NCRs not pertaining to the inspectors' work.

Eric Johnson and I asked Chapman to lock up the documents, limit access to the NRC and a selected TUGCO reviewer, and to get the boxes of material to the NRC SRI. Mr. Chapman agreed to deliver the material to J. Cummins.

7. At about 3:45 p.m. on March 9, 1984, I related the Chapman telephone call to J. T. Collins. He agreed with our actions.
8. About 4:00 p.m. on March 9, 1984, I told D. Hunnicutt of the situation and asked him to see that the material was locked up properly.
9. On March 13, 1984, I told D. Hunnicutt to do a physical inventory of the locked up material.
10. On April 2, 1984, I asked Mr. Hunnicutt to interview the QC inspectors available to get their side of the strong.
11. On April 20, 1984, I sent a memorandum to Mr. Hunnicutt providing detailed instructions on the material.