

2945

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE PRESIDING BOARD

DOCKETED
USNRC

In the Matter of)

INQUIRY INTO THREE MILE ISLAND UNIT 2)
LEAK RATE DATA FALSIFICATIONS)

Docket No. LRP

March 24, 1987

'87 MAR 30 P12:35

AAMODT REQUEST FOR RELIEF

This is concerning the matter of a question which the Aamodts proposed to the Board to be asked of James Floyd, a witness in the hearing. The question, number 24 on a list of questions for Mr. Floyd, was not asked because the Board ruled in favor of objections of counsel for the Numerous Employees. Mr. McBride claimed that the question "violated an outstanding order of this Commission" and "would constitute a violation by her (Marjorie Aamodt) of a stipulation that she signed that led to the issuance of that order". Mr. McBride went so far as to request that all copies of the question be destroyed. The Board resisted that request. Tr. 5008-9; 5034-5.

The Aamodts were not at the hearing and could not oppose Mr. McBride's objection. Had they been present, they would have been unprepared to argue against him. They depended on their memory, that the stipulation of confidentiality, extended in the TMI-Unit 1 restart hearing on cheating of operators on tests and examinations to protect the identity of the employees during the investigation, had expired.

Documentation has finally been located which establishes that the stipulation was only in effect for the duration of the TMI-1 restart proceedings. The restart proceeding was formally concluded by the Commission in February 1986. A copy of the order of the Special Master, provided as Attachment 1, establishes the period the stipulation was in effect: "for the duration of these proceedings".

Prior to the conclusion of the restart proceeding, the stipulation was modified, at the request of Messrs. McBride and Blake, to waive the provision of confidentiality to James Floyd. These documents are provided at Attachment 2. Then, on September 13, 1984, Mr. Blake moved to remove confidentiality of all operators with the exceptions of "O", "W" and "YY". The Board granted the motion. Documentation is provided as Attachment 3.

Evidently, in the course of the publicity accorded Mr. Floyd's trial in Harrisburg, PA, two media stories identified "O" prior to lapse of his protection under the stipulation. These news articles are copied as Attachment 4.

At the time our question was provided to the Board in this proceeding in November 1986, the stipulation was no longer in effect, and the confidentiality of the two persons named in the question had been waived or stripped prior to the lapse of the stipulation.

We bring this matter to the Board for three reasons:

1. The Board needs to correct the record of this proceeding to show that the Aamodts were not in violation of a Commission order or an agreement which they made. Mr. McBride's insinuations and accusations on the transcript of this proceeding (Tr. 5008-9; 5034-5) are untrue and denigrating to the Aamodts.

2. Mr. McBride's fraud needs to be addressed as well as the implicit defrauding of this Board by Mr. Blake and other counsel present who were aware of the lapse of the stipulation and the waivers. See Attachment 3 (Service List). McBride deceitfully claimed that the stipulation was in effect; he withheld his knowledge of waivers he had initiated and agreed to and sought a Board ruling based on his fraudulent actions. If McBride felt that he had any justification for protecting the identity of "O"

(for instance, if he was unsure about the period during which the stipulation was in effect -- which is unlikely), he could have asked that "O's" name be deleted from the question. This modification could have been made without disturbing the thrust of the question. McBride had no justification for objecting to the question. In fact, the question was entirely appropriate. Mr. McBride's objection on the basis of the protection of confidentiality of his clients and a Commission order in effect that protected their confidentiality was merely a ruse to move this Board to reject question 24.

3. The Board needs to correct its error in rejecting question 24. Mr. Floyd's answer is relevant to the issue raised by the Numerous Employees (Memorandum of Law, January 23, 1987) concerning whether employees were legally bound to adhere to company procedures put in place to satisfy regulatory requirements. The Board asked GPU to provide its opinion of the employees' position. GPU filed a response but avoided answering the Board's question by claiming that discussion of the employees' attitude was premature. (GPU response, filed February 16, 1987, served on the Aamodts, March 13, 1987).

Absent an answer from GPU, Floyd's answer to question 24 would show GPU's attitude. Question 24 asked whether GPU continued to pay Floyd's legal expenses after he had been found guilty of violation company procedures for complying with NRC regulations. GPU is required by PA business codes to underwrite an employee's defense in a work-related issue until such time as the employee is found guilty; then, the employee is obligated, if required, to repay the company. If Floyd testified, as we believe he would have, that GPU continued to pay for his legal defense, GPU believed that Floyd's actions were not illegal. Could GPU justify (with its Board of Directors) the expenditure of funds to defend illegal actions of an employee? Obviously, no.

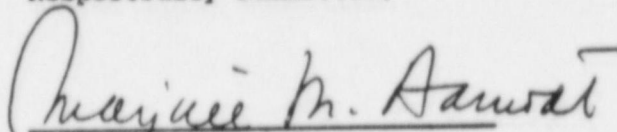
Floyd's answer to question 24 should be sought and incorporated into the record of this proceeding. The question is restated with the deletion of the name of the shift supervisor to avoid any objection, no matter how immaterial and because the identification of "O" was not needed to ask the question.

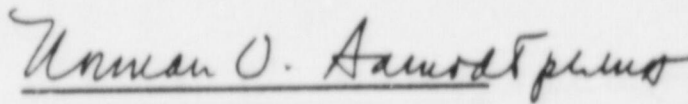
24. Is it true that the NRC found you guilty of representing the work of a shift supervisor as your responses on a requalification test for NRC licensing? Did GPU or any of its subsidiaries pay for your legal representation in connection with your appearance before the NRC on this matter or before the Federal court? Were you ever asked to repay GPU or any of its subsidiaries for their expenditures?

4. We request that the Board order Mr. McBride to compensate the Aamodts for their expenses involved in this filing since the filing was necessitated by McBride's fraudulent conduct. If the board believes that it does not have the authority to do so, the Aamodts request certification of this matter to the Commission.

We move the Board to take the actions requested above.

Respectfully submitted,


Marjorie M. Aamodt


Norman O. Aamodt

March 24, 1987

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of
METROPOLITAN EDISON COMPANY
(Three Mile Island Nuclear
Station, Unit 1)

DOCKET NO. 50-289

(Restart)
(Reopened Proceeding)

ORDER

It is hereby ordered by Gary L. Milhollin, Administrative Judge and Special Master that for the duration of these proceedings all parties signatory to the attached Stipulation will be bound thereby and subject thereto. Any violations of said Stipulation should be reported to Judge Milhollin, and may be dealt with in any manner by Judge Milhollin pursuant to the enforcement powers invested in him by the Atomic Safety and Licensing Board.

Gary L. Milhollin
Administrative Judge and
Special Master

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of
METROPOLITAN EDISON COMPANY
(Three Mile Island Nuclear
Station, Unit I)

DOCKET NO. 50-289

(Restart)
(Reopened Proceeding)

STIPULATION

The parties to this reopened proceeding, on their own behalf or by counsel, as indicated below, stipulate that

1. With the additional information provided pursuant to paragraph 3 below, it appears that the lettering system adopted by Licensee and used by the parties to date is capable of permitting an adequate evidentiary hearing on the issues in this proceeding and should be retained and used throughout this proceeding, including any appeals, except that the stipulation shall not pertain to the identity of any individual who has voluntarily agreed or hereafter agrees to make his/her identity known in this proceeding.

2. A Protective Order should be issued requiring non-disclosure of any name of any person who is identified by letter rather than by name, should that person's name be disclosed during this proceeding, including any appeals.

3. Subject to the Protective Order referred to in paragraph 2 above, Licensee shall provide to the Special

Master, counsel for the NRC staff, counsel for the Commonwealth, Mrs. Aamodt and counsel for the Aamodts and the two undersigned representatives of TMIA, a key which identifies by name and job title all Licensee employees and ex-employees (excepting "YY") which heretofore have been designated by letter or number. This key shall be provided exclusively for use by participants in this captioned proceeding before the Special Master and appeals therefrom. The key provided shall be retained by the undersigned representatives and counsel for their use and the use of those assisting them in the course of this proceeding. In order to assure the effectiveness of this stipulation, no copies of the keys shall be made and their use by those other than the undersigned shall be restricted to the absolute minimum necessary for hearing preparation and for subsequent appeals. Licensee further agrees to drop the lettering system throughout the proceeding for all employees other than its past and present control room operators, shift foremen, shift supervisors, shift technical advisors, and individual "VV" and with respect to these individuals, each individual's job classification will be identified. Licensee further agrees to review all documents it has provided in the course of discovery and to provide as soon as possible to all participants in the proceedings, subject to the Protective Order referred to in paragraph 2 above, material (other than names and job classifications) which has been deleted, such as dates, in furtherance of the lettering system.

4. If those persons identified in the Licensee's lettering system as "O", "VV" and "W" (and such other persons as may be subsequently determined by the Special Master to merit an in camera proceeding for their testimony) are called to testify in this reopened proceeding, their testimony will be taken in camera, without public notice, and at a place to be agreed on by the parties and the Special Master, so as to minimize risk of disclosure of their identities.

5. When in camera sessions of this proceeding are scheduled, the parties shall not disclose the fact, time and place of such sessions to anyone, before or during the session.

6. Such in camera sessions will be conducted before Special Master Milhollin.

7. The testimony in the in camera sessions would continue the use of the lettered system and the transcripts of in camera sessions would be made available to the public without restriction.

8. Should the name of any person who is identified by letter or by number in the Licensee's lettering system be disclosed during testimony of any witness, that person's name will be excised from the record and will not be disclosed by any party or the NRC staff.

9. The NRC staff or any of its employees or subordinate bodies will not disclose the name of any person

identified by letter in the Licensee's lettering system in use in this proceeding without the consent of that person.

10. The individuals designated as "O", "VV" and "W" hereby waive any objections previously stated in this proceeding to further testimony in this proceeding by each of them, subject to the other provisions of this stipulation. The involved individuals and the Licensee agree that they will withdraw their appeal of the Licensing Board's November 6, 1981 decision, except for those portions of the opinion characterizing conduct of counsel.

Respectfully submitted,

Michael F. McBride

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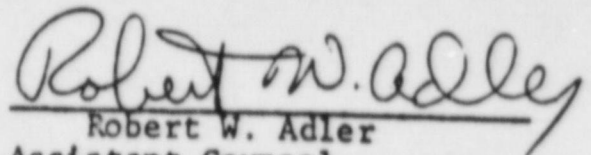
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Mrs. Marjorie M. Aamodt



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Attorney for the Commonwealth
of Pennsylvania

Approved:

Date Approved:

Gary L. Milhollin

Administrative Judge and
Special Master

June 19, 1984

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of)	
)	
METROPOLITAN EDISON COMPANY)	Docket No. 50-289
)	(Restart-Management Phase)
(Three Mile Island Nuclear Station,)	
Unit No. 1))	

Notice to the Commission, Appeal Board,
Licensing Board and Parties

I enclose for the information of the Commission, Appeal Board, Licensing Board and parties copies of a waiver of confidentiality by counsel on behalf of James R. Floyd (previously referred to as Mr. VV in this proceeding) and of documents related to a recent indictment of Mr. Floyd. Mr. Floyd was Supervisor of Operations for Three Mile Island Station Unit II at the time of the 1979 accident. He has played no role in the restart of TMI-1 and is not presently employed by GPU Nuclear or any other GPU company.

Respectfully submitted,

Ernest L. Blake, Jr.
Ernest L. Blake, Jr.,
Counsel for Licensee

Enclosure

cc: Attached Service List

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of)	
)	
METROPOLITAN EDISON COMPANY)	Docket No. 50-289 SP
)	
(Three Mile Island Nuclear)	(Restart - Management Phase)
Station, Unit No. 1))	

SERVICE LIST

Nunzio J. Palladino, Chairman U.S. Nuclear Regulatory Commission Washington, D.C. 20555	Administrative Judge John H. Buck Atomic Safety & Licensing Appeal Board U.S. Nuclear Regulatory Commission Washington, D.C. 20555
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Administrative Judge
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Panel
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June 19, 1984

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Chairman Nunzio J. Palladino
United States Nuclear Regulatory Commission
Washington, D. C. 20555

Re: Metropolitan Edison Company (Three Mile
Island Nuclear Generating Station, Unit No. 1)
Docket No. 50-289SP (Restart)

Dear Mr. Chairman:

As counsel for James R. Floyd, who has previously been identified in the TMI-1 restart proceedings as "VV", we hereby waive any further confidentiality of Mr. Floyd, in light of the indictment of him returned yesterday in Harrisburg. As the indictment does not identify any other individual, confidentiality of the individual denominated "O" should be maintained.

Mr. Blake has kindly agreed to distribute this letter with a Board notification of the indictment.

Very truly yours,

Michael F. McBride

Michael F. McBride
Attorney for O and
James R. Floyd

MFM:yl

cc: All Commissioners
All Persons on TMI-1 Service List

UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA

vs.

JAMES R. FLOYD

)
)
)
)
)

CRIMINAL NO.

VIO: 18 U.S.C. § 1001

I N D I C T M E N T

THE GRAND JURY CHARGES:

At all times relevant to this Indictment:

1. The Nuclear Regulatory Commission (hereinafter NRC) was an agency of the United States of America and was responsible for regulation of nuclear power plants in the United States of America.

2. The NRC administered and enforced the Atomic Energy Act, Title 42, United States Code, §§ 2011 et seq., and regulations established thereunder, contained in Title 10, Code of Federal Regulations, Chapter 1.

3. The Atomic Energy Act, Title 42, United States Code, § 2133, authorized the NRC to issue licenses to build, possess and use a commercial nuclear power plant and to prohibit the operation

of any such plant except under and in accordance with a valid license.

4. The Atomic Energy Act, Title 42, United States Code, § 2137, required the NRC to "prescribe uniform conditions for licensing individuals as operators of any of the various classes of production and utilization facilities" and "to determine the qualifications of such individuals."

5. Under the Code of Federal Regulations, 10 C.F.R., Part 50.54, as a condition of maintaining a license to operate a commercial utilization facility (such as a nuclear power station) a licensee must have "in effect an operator regualification program which shall, at a minimun, meet the requirements of Appendix A of Part 55." The express stated purpose of this regualification program is to ensure that operators maintain competence, particularly to respond to abnormal and emergency situations.

6. The operator regualification program required by 10 C.F.R., Part 55, Appendix A requires, in pertinent part, that the program contain a continuous series of pre-planned lectures on the safe operation of a nuclear reactor; that annual and periodic written examinations be administered to the operators to determine their knowledge of the subjects covered by the regualification program and their need for retraining in particular areas; and that records of the written examinations administered and the

answers given by the operators be maintained for review and audit by the NRC.

7. An NRC operator license is issued for a period of two (2) years and can only be renewed if the operator in question has satisfactorily completed a regualification program, such as outlined above, for that particular facility. See, 10 C.F.R., Part 55.32 and 55.33.

8. The commercial licensee for the Three Mile Island Nuclear Station, Metropolitan Edison Company, complied with the NRC requirement that its Three Mile Island Nuclear Station have an operator regualification program by promulgating, with NRC approval, Three Mile Island Nuclear Station Administrative Procedure 1006.

9. The defendant, JAMES R. FLOYD, was Supervisor of Operations for Three Mile Island Nuclear Station Unit II and held a Senior Reactor Operators license for both units at the Three Mile Island Nuclear Station entitling him to manipulate the controls of the reactors and to supervise other individuals manipulating the controls of the reactors.

10. The defendant, JAMES R. FLOYD, was subject to the terms, conditions and requirements of the statutory and regulatory scheme outlined above dealing with the satisfactory completion of an operator regualification program.

11. The defendant, JAMES R. FLOYD, engaged in a pattern of criminal conduct whereby he would cheat on written examinations administered as part of the Three Mile Island Nuclear Station requalification program by having another senior reactor operator take and provide the answers to questions contained on requalification examinations and quizzes which the defendant, JAMES R. FLOYD, would then submit to the training department and represent as his own.

COUNT I

THE GRAND JURY FURTHER CHARGES:

1. Paragraphs 1 through 11 of this Indictment are hereby realleged and incorporated as though restated in full herein.

2. On or about the 2nd day of July, 1979, in the Middle District of Pennsylvania, the defendant,

JAMES R. FLOYD

in a matter within the jurisdiction of the United States Nuclear Regulatory Commission, an agency of the United States, did knowingly and wilfully make and use a false writing knowing the same to contain material false, fictitious and fraudulent statements and entries, that is, as part of the operator requalification program the defendant submitted as his own work an examination on principles of reactor theory, when in truth and fact, such examination did not represent the defendant's own work, but rather had been substantially done and prepared by another.

All in violation of Title 18, United States Code, Sections 1001 and 2.

COUNT II

THE GRAND JURY FURTHER CHARGES:

1. Paragraphs 1 through 11 of this Indictment are hereby realleged and incorporated as though restated in full herein.

2. On or about the 2nd day of July, 1979, in the Middle District of Pennsylvania, the defendant,

JAMES R. FLOYD

in a matter within the jurisdiction of the United States Nuclear Regulatory Commission, an agency of the United States, did knowingly and wilfully make and use a false writing knowing the same to contain material false, fictitious and fraudulent statements and entries, that is, as part of the operator requalification program the defendant submitted as his own work an examination on fuel handling and core perimeters, when in truth and fact, such examination did not represent the defendant's own work, but rather had been substantially done and prepared by another.

All in violation of Title 18, United States Code, Sections 1001 and 2.

COUNT III

THE GRAND JURY FURTHER CHARGES:

1. Paragraphs 1 through 11 of this Indictment are hereby realleged and incorporated as though restated in full herein.

2. On or about the 3rd day of August, 1979, in the Middle District of Pennsylvania, the defendant,

JAMES R. FLOYD

in a matter within the jurisdiction of the United States Nuclear Regulatory Commission, an agency of the United States, did knowingly and wilfully make and cause to be made a false, fictitious and fraudulent statement and representation of a material fact, that is, the defendant caused a letter to be sent to the United States Nuclear Regulatory Commission, Office of Nuclear Reactor Regulation, which stated that the defendant had achieved a score of 89.1% on a requalification program test dealing with principles of reactor theory, when in truth and fact the defendant had cheated on this particular examination and submitted the work of another as his own and, accordingly, had not legitimately obtained the stated grade.

All in violation of Title 18, United States Code, Sections 1001 and 2.

COUNT IV

THE GRAND JURY FURTHER CHARGES:

1. Paragraphs 1 through 11 of this Indictment are hereby realleged and incorporated as though restated in full herein.

2. On or about the 15th day of November, 1979, in the Middle District of Pennsylvania, the defendant,

JAMES R. FLOYD

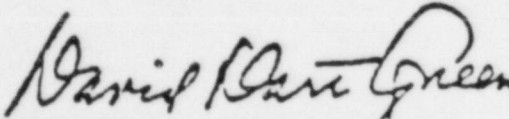
in a matter within the jurisdiction of the United States Nuclear Regulatory Commission, an agency of the United States, did knowingly and wilfully make and cause to be made a false, fictitious and fraudulent statement and representation of a material fact, that is, the defendant represented to the Nuclear Regulatory Commission, Office of Nuclear Reactor Regulation, that during the previous term of his Senior Reactor Operators license he had satisfactorily completed the Metropolitan Edison Company operator requalification program, when in truth and fact he had cheated during portions of said program by submitting as his own work written examinations in the areas of emergency procedures, principles of reactor theory and fuel handling and core perimeters which, in truth and fact, had been done by another.

All in violation of Title 18, United States Code, Sections 1001 and 2.

A TRUE BILL

FOREPERSON

DATE: _____



UNITED STATES ATTORNEY



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Middle District of Pennsylvania*

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June 18, 1984

P R E S S R E L E A S E

David Dart Queen, United States Attorney for the Middle District of Pennsylvania, announced today (June 18, 1984) that a federal grand jury sitting in Harrisburg, Pennsylvania, had approved a four count indictment charging James Floyd, the former Supervisor of Operations at Unit 2 of the Three Mile Island Nuclear Generating Station with four counts of making false statements arising out of Nuclear Regulatory Commission Operator Regualification Examinations submitted in July of 1979.

The indictment was handed up by the Grand Jury on June 15, 1984, but ordered sealed by the court until today.

James Floyd, age 47, of P.O. Box 268, Elizabethtown, Pennsylvania, was Supervisor of Operations at Unit 2 from unit start up through August of 1979 and remained in the employee of Metropolitan Edison Company until April, 1983. As Supervisor of Operations Floyd was the superior of all reactor operators assigned to Unit 2 including all shift supervisors working on that Unit.

Queen indicated that the indictment is based upon Nuclear Regulatory Commission regulations that require individuals who are

licensed to manipulate the controls of nuclear reactors to participate in a by-yearly requalification program and take a series of written requalification examinations which are maintained for inspection and audit by the Nuclear Regulatory Commission Licensing Division. The indictment charges that James Floyd, during the course of attempting to requalify as a Senior Reactor Operator in 1979, had another licensed operator complete portions of the required written examinations in three specific areas -- (1) emergency procedures, (2) principles of reactor theory and (3) fuel handling. The indictment further charges that these examinations were then submitted by Floyd as his own work and that Floyd's grade of 89.1% on the reactor theory examination was eventually reported to the Nuclear Regulatory Commission in August of 1979. In November of 1979 Floyd applied for reissuance of his Senior Reactor Operator License and specifically stated that he had successfully completed the requalification program. The indictment charges that these representations were also false statements submitted to the NRC.

Queen indicated that if convicted Floyd was subject to imprisonment of not more than five (5) years and fines of not more than \$10,000.00, or both, as to each of the four charged counts. The case is assigned to First Assistant United States Attorney James J. West.

September 13, 1984

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

SEP 14 1984

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of

METROPOLITAN EDISON COMPANY

(Three Mile Island Nuclear Station,
Unit No. 1)

Docket No. 50-289
(Restart-Management Phase)

REQUEST FOR
PARTIAL WAIVER OF
CONFIDENTIALITY ORDER

GRANTED
For the Atomic Safety and
Licensing Board

Ivan W. Smith
Ivan W. Smith, Chairman

In November, 1981, parties to this proceeding at the time entered into a stipulation regarding confidentiality of individuals. That stipulation was accepted by the Special Master, who by Order served on November 13, 1981, directed that the stipulation be followed by the signatories "for the duration of these proceedings." Licensee, NRC Staff, TMIA, Aamodts, Commonwealth of Pennsylvania, and identified counsel for several individuals were signatories.

The parties to the present remanded proceeding all agree that the confidentiality Order should now be waived, except for individuals O and W. Licensee counsel is authorized to represent this agreement by the parties, having discussed the matter with Ms. Weiss for UCS, Ms. Doroshov for TMIA, Mr. Goldberg for NRC Staff, Ms. Woelfling for the Commonwealth, Mr. McBride and Marjorie Aamodt. Additionally, Mr. YY whose name has not been

disclosed even to signatories to the stipulation (other than NRC Staff counsel) should retain his confidentiality.

The Board chairman has sought certain assurances from Licensee with respect to a number of individuals who have been referenced by letter in this proceeding. Counsel represents that Mr. Hukill, Director of TMI-1, has specifically discussed the waiver with Messrs. P, U, MM, and OO who are current licensee employees and who previously have been referred to only by letter designation in this proceeding. These individuals have agreed to waive confidentiality. Other individuals (G, H, GG, KK, VV and WW) waived confidentiality at the time they testified, or more recently in the case of VV. Licensee further agrees to screen documents it provides in the course of discovery in this proceeding to avoid disclosure of the identities of O, W and YY. Specifically, where a document to be produced refers by name to these three individuals, the name will be replaced by the individual's letter designation.

Respectfully submitted,
SHAW, PITTMAN, POTTS AND TROWBRIDGE

Ernest L. Blake, Jr.
Ernest L. Blake, Jr., P.C.
Counsel for Licensee

A22—The Evening News, Harrisburg, Pa., Thursday, Nov. 14, 1985

N-firm likes man fired from TMI

Cheating incident prompted dismissal

By Jeff Barker
Associated Press

WASHINGTON — More than four years after his dismissal at Three Mile Island because of a cheating incident, a nuclear industry instructor is doing an "outstanding" job in Maryland.

A Nuclear Regulatory Commission special master found in April 1982 that Gregory Hitz of Elizabethtown, Pa., engaged in "a pattern of cheating" on operator licensing examinations required by the NRC. The report said he had been fired in August 1981.

Today, Hitz, who was never criminally prosecuted, heads a department of 20 people at General Physics Corp. of Columbia, Md. The firm provides training and engineering services to the power and defense industries. Hitz instructs operators and technicians on pressurized water reactors, and develops course training material.

Hitz's continued employment in the nuclear industry was the subject of a letter last week by Rep. Edward Markey, D-Mass., to NRC Chairman Nunzio Palladino. Markey asked that Palladino consider the propriety of Hitz's working for General Physics. He asked the commission whether it had management integrity standards for firms doing work for the NRC or its licensed utilities.

The NRC is preparing a response, spokeswoman Susan Gagner said.

Hitz was identified only as "O" in the special master's report, which said he allowed an unidentified co-worker, referred to as "W," to copy examination answers on several occasions.

Speaking on condition that their names not be used, an official of General Physics and an attorney who cooperated with the special master's investigation confirmed that Hitz was "O." They declined to identify "W."

"O and W both engaged in a pattern of cheating over a period of time," the report said. "They also conspired to cheat, by agreeing to do so before examinations were given."

The report said Hitz "still fails to recognize the character of his acts."

Reached at General Physics yesterday, Hitz declined to comment, saying, "It may just complicate the matter."

Last year, former TMI operations Supervisor James Floyd was indicted on charges of cheating on a licensing test. He was convicted, then sentenced in March to 2 years' probation and ordered to pay a \$2,000 fine.

General Physics was aware of the accusations about Hitz when it hired him in March 1982, but had not yet seen the special master's report, said Jay Whitney, vice president and chief administrative officer.

"We obviously believe that it was not improper for us to hire him and it was not improper for him to continue to work in the nuclear industry," Whitney said.

"I mean, the man was never indicted for what he did; he was never convicted for what he did. To say that he is going to be punished by not being permitted to work in an area that he is trained to work in, based upon some sort of proceeding which we were not a party to, that would in fact be improper."

Whitney said Hitz's record in the industry is "outstanding." He said Hitz "admitted to us when we hired him that he made a mistake. He believed he had learned his lesson."

The integrity of the management of Three Mile Island was an issue during hearings into whether the undamaged Unit 1 reactor at the plant near Middletown, Pa., would be permitted by the NRC to restart.

Unit 1, which began operating again last month, had been closed for refueling at the time of the March 1979 accident that crippled its twin, Unit 2.

Opponents of the restart had argued that Floyd's conviction and accusations of cheating by other operators raised questions about the operator training procedure at the plant.

In August, Markey charged that General Physics had coached employees of the Oyster Creek nuclear plant in New Jersey on various ploys designed to help them "put one over on the federal government." He said a two-day training course in November 1983 appeared to advise the workers on general methods of evading the intent of NRC regulations.

Oyster Creek is operated by General Public Utilities Corp., which also owns Three Mile Island.

After an investigation, Palladino told Markey that the objectionable course material was no longer being used by General Physics.

spent fuel rods stored and is expanding its capacity so it will soon hold a total of 2600. The big ? remains where will the rods be stored in the future----safely ??? or is that a problem for our children to solve??

7-3-83
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IN THE COURTS

James Floyd a former supervisor of operations at TMI #2 was found guilty of 2 counts of cheating while trying to requalify as a nuclear reactor operator in 1979. He had someone else answer questions. Prosecutors wondered why Floyd did not ask for an extension to study for the exams. The prosecutor depicted Floyd as a man who had little regard for TMI's training process, yet was concerned about his ability to pass the required tests. The prosecutor said, "Mr. Floyd says his intent was to get caught . . . he intended to get caught." "He also says, I thought it would look good if I cheated then if I handed in nothing at all . . ." "Does that have the ring of truth?" asked the prosecutor. Gregory Hitz, a reactor operator, was asked to answer the questions by Floyd. Hitz was considered "the brains of the island, he tested real good." Hitz testified he "unknowingly" provided Floyd with take-home test answers. Floyd hasn't worked at TMI since April 1983 and is currently employed with Electronic Associates Inc. of West Long Branch, NJ and is temporarily assigned as a consultant to a nuclear plant in Arkansas.

Also a Lewisberry, York County family has sued GPU for more than 300,000 dollars due to children suffering physical and emotional problems as a result of exposure to radiation, parents have suffered emotional distress and some of the children have suffered loss of hair, internal bleeding, rib tumors, cysts on ovaries and blood diseases. The father and children regularly took walks along the river and on March 28 and 29 were unaware of the radiation threat.

We thought you should know!

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

Before the Presiding Board

In the Matter of)

Docket LRP

ASLBP No. 86-519-02 SP

INQUIRY INTO THREE MILE ISLAND UNIT 2)
LEAK RATE DATA FALSIFICATION)
_____)

This is to certify that copies of the document AAMODT REQUEST FOR RELIEF were served on the following Service List on March ~~26~~²⁷, 1987 by deposit in U.S. Mail, prepaid, first class delivery.

Marjorie M. Aamodt
Marjorie M. Aamodt

March ~~26~~²⁷, 1987

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