

Title: WATERFORD 3 STEAM ELECTRIC STATION:
SUSPECTED MATERIAL FALSE STATEMENTS BY LP&L MANAGEMENT PERSONNEL

Licensee:

Louisiana Power and Light Company
142 Delorande Street
New Orleans, Louisiana 70174

Docket No.: 50-382

Case Number: 4-84-043(S)

Report Date: AUGUST 1, 1986

Control Office: OI:RIV

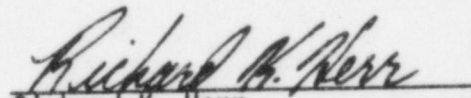
Status: Closed

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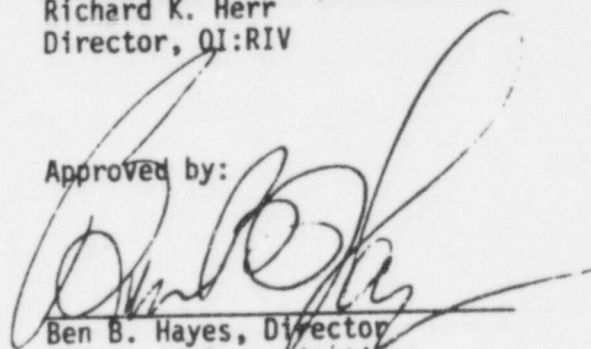


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SYNOPSIS

The Nuclear Regulatory Commission (NRC), Office of Investigations (OI) Case No. 4-84-043 focused on the alleged Louisiana Power and Light Company's (LP&L) improper termination of a 1983 internal LP&L investigation of suspected marijuana use by Waterford 3 Steam Electric Station (Waterford 3) auxiliary reactor operator candidates. During the course of that investigation, the LP&L President and Chief Executive Officer (CEO), and the LP&L Senior Vice-President Nuclear Operations (SVPNO) denied having knowledge prior to November 20, 1984, concerning the LP&L internal investigation. The CEO provided OI with a sworn statement denying prior knowledge on November 20, 1984. Also, on that date the SVPNO orally denied prior knowledge of the LP&L internal investigation. However, the former LP&L SVPNO when interviewed by OI asserted that he had, in 1983, briefed both the CEO and the SVPNO concerning the LP&L internal investigation. Subsequent to being made aware of the former SVPNO's assertions, the CEO provided OI with a supplemental statement denying recollection of the former SVPNO's briefings. The SVPNO also provided OI with a sworn statement denying any recollection of a briefing by the former SVPNO. This matter was presented to the Commission on February 28, 1985. On March 4, 1985, the Commission directed that OI perform an additional investigation relevant to the issue of whether the CEO and SVPNO attempted to deceive the NRC concerning their prior knowledge of the LP&L internal investigation.

This supplemental investigation reconfirmed assertions by the former LP&L SVPNO that he had, on several occasions, briefed the CEO concerning the LP&L internal investigation. During the March 11, 1985, re-interview of the CEO by OI, he repeatedly recalled having been briefed by the former SVPNO concerning the LP&L internal investigation. These statements contradicted the CEO's previous denials of knowledge and/or recollection of briefings concerning this matter. The CEO also spontaneously recalled that discussion regarding the LP&L investigation "may have come up" during a July 1983 LP&L luncheon which he attended. At the conclusion of this interview, the CEO met privately with his attorney. He then recanted his previous admissions concerning his recollections of briefings by the former SVPNO. The CEO attributed the retraction of his March 11, 1985, testimony to his attorney's advising him that his testimony contradicted the prior statements he had made to OI in 1984. The OI interview of an LP&L manager, who attended the July 1983 LP&L luncheon, disclosed that the topic of the LP&L internal investigation was discussed as recalled by the CEO. In view of the testimonial evidence of the former SVPNO that the CEO was briefed regarding the investigation which was not challenged by the CEO, it must be assumed that these briefings did occur. Based on the CEO's recollection of briefings by the former SVPNO, despite his subsequent recantation of this testimony, combined with his unprompted recollection of a discussion of the LP&L internal investigation at an LP&L luncheon, it is concluded that the CEO made false statements to OI concerning this matter on November 20, 1984, and December 10, 1984.

An OI supplemental investigation was also conducted concerning the LP&L SVPNO's denials of knowledge/recollection of the 1983 LP&L internal investigation. The supplemental investigation elicited the testimony of two members of LP&L management and the former SVPNO who stated they had briefed the SVPNO concerning the LP&L internal investigation. The two members of LP&L management also

testified that they briefed the SVPNO regarding the consequential personnel actions precipitated by the LP&L investigation. The OI interview of the SVPNO disclosed that he recalled being briefed concerning personnel actions resulting from the LP&L investigation and that these actions were the result of LP&L investigative findings. The SVPNO denied understanding these actions "in the context of the much larger investigation that took place." This supplemental investigation concludes that the SVPNO, in view of repeated briefings regarding the LP&L investigation and his admitted personal recollections of aspects of those briefings, was aware of the 1983 LP&L internal investigation when making statements to the contrary on November 20, December 6, 1984, and March 11, 1985.