

TITLE: RIVER BEND NUCLEAR PLANT:

SUSPECTED ERRORS ON TECHNICAL SPECIFICATIONS

LICENSEE:

Gulf States Utilities
River Bend Nuclear Group
Post Office Box 2950
Beaumont, Texas 77704
Attention: William J. Cahill, Jr.
Sr. Vice-President

CASE NUMBER: A4-85-014

REPORT DATE: October 7, 1985

CONTROL OFFICE: OI:RIV

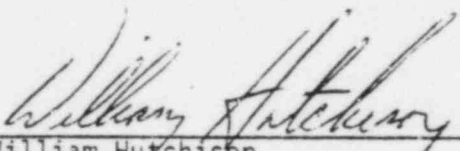
STATUS: Closed Assist

REPORTED BY


Richard K. Herr, Director, OI:RIV

REVIEWED BY:


R. K. Herr, Director, OI:RIV


William Hutchison
Investigator, OI:HQ

WARNING

The attached document/report has not been reviewed pursuant to 10 CFR, paragraph 2.790(a)(exemption), nor has any exempt material been deleted. Do not disseminate or discuss its contents outside NRC. Treat as "OFFICIAL USE ONLY."

DETAIL OF
ASSIST TO INSPECTION

PURPOSE OF ASSIST TO INSPECTION

On July 23, 1985, the Region IV Regional Administrator requested OIFO:RIV investigative assistance (Exhibit 1) concerning an allegation relating to technical matters regarding Gulf State Utilities (GSU), River Bend Nuclear Plant (RBNP). The Regional Administrator pointed out that River Bend is a near term operating license plant. This request was in response to a written request for investigation to the Region IV Regional Administrator from H. R. DENTON, Director, Office of Nuclear Reactor Regulations (NRR), dated July 18, 1985, (Exhibit 2). The Regional Administrator explained that this request contained information from an NRR employee identified as Mr. Dean HOUSTON who alleged that a highly reliable source indicated to him that the River Bend staff was aware of many errors, discrepancies and problems in the current River Bend technical specifications. HOUSTON further claimed that this source indicated the GSU management had apparently instructed their staff to not pursue a resolution of these items at this time since it would be time consuming and hold up the issuance of an NRC license.

DETAILS OF INVESTIGATIVE ACTIVITIES

On July 18, 1985, Dean HOUSTON (supra) was telephonically interviewed by Region IV staff personnel along with reporting investigator. HOUSTON identified his source of information as a former NRC co-worker, Mr. Donald R. HOFFMAN. HOUSTON explained that HOFFMAN was visiting the NRR office on July 8, 1985, and during informal conversations with HOFFMAN, he (HOFFMAN) made statements to the effect that the River Bend corporate management had made a conscious decision not to tell the NRC about some problems with the "tech specs", because it would be too expensive to correct and they may impact on the license which is due in about three or four weeks. HOUSTON stated that HOFFMAN worked for the NRC three to four years, had resigned in December 1984, and recently opened a consulting firm identified as "Qatel". HOUSTON remarked that HOFFMAN is currently located in the Landou Building near the 4800 block of Woodmont at Bethesda, Maryland.

On July 23, 1985, OIFO Region IV telephonically contacted OI:HQ Desk Officer William HUTCHISON and requested assistance in interviewing Mr. Donald HOFFMAN in the presence of a Region IV inspector. HUTCHISON agreed to interview HOFFMAN on July 26, 1985.

On July 26, 1985, William HUTCHISON, OI:HQ, in the presence of Mr. Dale POWERS, Region IV staff, interviewed Mr. Don HOFFMAN at the Office of Investigation, USNRC, located at 4340 East West Highway, Bethesda, Maryland. (Report of Interview Exhibit (3)) HOFFMAN remarked that he has been under contract with GSU to assist in developing technical specifications for RBNP. HOFFMAN when confronted with the comments he allegedly made to HOUSTON (supra) explained that there may have been confusion between he and HOUSTON. HOFFMAN stated he did not advise HOUSTON that the RBNP staff was aware of "errors, discrepancies and problems" in the technical

specifications, but merely that they were aware of the need for improvement in some technical specifications. HOFFMAN explained in regards to GSU instructing their staff not to pursue resolutions of these items, HOFFMAN reiterated that the items were only suggested improvements adding that the specifications were satisfactory as currently written. HOFFMAN in summary stated that HOUSTON had merely misinterpreted their conversation adding that if he felt GSU was in any way attempting to deceive the NRC, he would report the matter to the NRC and terminate his contract with GSU.

This assist to inspection is closed.

EXHIBITS

1. Memorandum from Regional Administrator, Region IV to OIFO:RIV dated 7/23/85
2. Memorandum from Director, NRR, to Region IV dated 7/18/85
3. Report of Interview of HOFFMAN dated 8/23/85

UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
611 RYAN PLAZA DRIVE, SUITE 1000
ARLINGTON, TEXAS 76011

JUL 23 1985

MEMORANDUM FOR: R. K. Herr, Director
Office of Investigation's Field Office, RIV

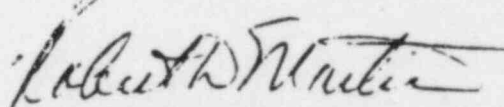
FROM: Robert D. Martin, Regional Administrator, RIV

SUBJECT: REQUEST FOR INVESTIGATIVE ASSISTANCE (INVESTIGATOR
ACCOMPANIMENT DURING SCHEDULED CONTACT WITH
ALLEGOR ON JULY 26, 1985)

This request results from an allegation that I received on July 18, 1985. The allegation deals with a near-term-operating license applicant for the River Bend Station. Although the major portion of the allegation's concerns are related to technical matters, a portion of the allegor's discussion makes reference to a potential coverup-type situation. The importance of the latter takes on added significance in light of the short time remaining until the scheduled licensing of the facility.

We will not be able to provide the safety significance involved in this allegation until after an interview is concluded. However, due to the NTOL status of the allegation's subject facility, I request you assist us by providing an investigator to conduct the discussions. A Region IV technical representative will be present for all discussions (Mr. Dale Powers). The contact, as you have indicated, is to take place on July 26, 1985.

I appreciate the priority consideration given to this request, and should any significant wrongdoing information be developed during the course of this interview please inform me of this following the interview's conclusion. Should you have any questions concerning this requested assistance, please feel free to contact me.


Robert D. Martin
Regional Administrator

August 23, 1985

REPORT OF INTERVIEW OF DONALD R. HOFFMAN
ON JULY 26, 1985 AS PREPARED BY AGENT HUTCHISON

On July 26, 1985, Mr. Donald R. HOFFMAN, 5796 Hurdle Hill Court, Frederick, Maryland 21701 (Tel: 301-694-6684), was interviewed by Agent William D. HUTCHISON, OI:HQ, USNRC; and Mr. Dale POWERS, Region IV (RIV) USNRC, at the Office of Investigations, USNRC, East-West South Towers, 4340 East-West Highway, Bethesda, Maryland 20814.

HOFFMAN worked as a Senior Reactor Engineer for three and a half years during 1981 through 1984, in the Division of Licensing, USNRC, Washington, DC 20555. He is currently privately employed doing consulting work as QATEL, Suite 208, 7910 Woodmont Avenue, Bethesda, Maryland 20814. Most recently, HOFFMAN has been under contract to the Gulf States Utilities Company (GSU) to assist in developing the technical specifications for River Bend Nuclear Plant (RBNP).

HOFFMAN stated essentially the following:

Thus far he has done limited work on the technical specifications at RBNP. He guessed that he has put in approximately 100 hours and reviewed about 30% of the specifications. He has never been on the site at River Bend. HOFFMAN asserted that he has not had enough time working with the specifications or this facility to properly identify problem areas. He added, however, that from what he has seen, GSU has good project review and surveillance procedures. According to HOFFMAN, there have been a large number of technical problems already identified, which have been reported to RIV, USNRC, and which GSU is attempting to correct. He does not know of any unidentified problems or "grey areas" within the technical specifications that he has thus far reviewed. Generally, it is the opinion of HOFFMAN that there could be improvements in such areas as frequency of surveillances and clarification of existing intent on some technical specifications. He added, however, that these specifications were nonetheless satisfactory, as written. HOFFMAN firm believes that there are no "hardware" problems in any case. He reasoned that this is where there may have been confusion between he and Dean Houston. HOFFMAN recalled the conversation with Houston on or about July 8, 1985. Also, at some point, he was shown the note to file prepared by HOUSTON, dated July 9, 1985, regarding this July 8, 1985 meeting. According to HOFFMAN, he did not advise HOUSTON that the RBNP staff was aware of "errors, discrepancies, and problems" in the technical specifications, but merely that they were aware of a need for improvement in some specifications. With regard to GSU management instructing their staff not to pursue resolution of these items, HOFFMAN reiterated that the "items" were only suggested improvements. Further, if he said anything of this nature to HOUSTON, it was cast in terms that GSU would likely not want him (HOFFMAN) to pursue the improvements until after licensing, since the specifications were satisfactory as currently written. HOFFMAN does not recall ever discussing "some 900 procedures"

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needing re-review and modification during the July 8, 1985 meeting with HOUSTON.

In summary, HOFFMAN stated that he believed that HOUSTON had merely misinterpreted their conversation. He wanted it made clear that in the technical specifications he has reviewed thus far, he has found nothing which he would consider unsatisfactory, as currently written. He submitted that if he had felt that GSU was in any way attempting to deceive the NRC, he would have reported the matter to the NRC and terminated his contract with GSU.

DATE DRAFT PREPARED FROM NOTES
TAKEN DURING INTERVIEW: JULY 29, 1985

INVESTIGATION STATUS RECORD

INSTRUCTIONS: This form is to be completed whenever significant activity has occurred relative to a case or at least every 30 days. If no change has occurred during the 30 day reporting period, indicate "No Change" in the status block. Keep the original with the case file and send one copy to Headquarters, Office of Investigations.

CASE NUMBER A4-85-014	CATEGORY		OFFICE OI FIELD OFFICE REGION IV
	<input type="checkbox"/> O - OPERATING REACTOR	<input type="checkbox"/> I - INDIVIDUAL LICENSEE	
	<input checked="" type="checkbox"/> C - REACTOR UNDER CONSTRUCTION	<input type="checkbox"/> M - MATERIALS/FUEL	
	<input type="checkbox"/> V - VENDOR	<input type="checkbox"/> X - OTHER	
ASSIGNED TO R. K. HERR & W. D. HUTCHISON		SUBJECT RIVER BEND: SUSPECTED ERRORS ON TECH. SPECS AND POSSIBLE COVER UP	

STATUS (Specify date, and provide a brief description)

DATE: July 26, 1985 - On July 23, 1985, Robert D. Martin, Regional Administrator, RIV, requested investigative assistance concerning an allegation that the Region received related to technical matters in the area of technical specifications at the River Bend Nuclear Facility. Mr. Martin also advised that the alleged made reference to a potential coverup/type situation. Mr. Martin requested assistance by OI to provide an investigator to interview the alleged in the presence of a Region IV technical representative. ECD: August 1985

DATE: July 31, 1985 - This assist to inspection has been completed. Anticipate report to be written in August 1985. ECD: 9/85

DATE: August 30, 1985 - This assist to inspection has been completed. Anticipate report to be written in September 1985. ECD: 10/85

DATE: Sept. 30, 1985 - On Sept. 26, 1985, the final draft was completed and forwarded to B. Hutchison for sign off on his portion. Anticipate signing off final in Oct. 1985. ECD: 10/85

DATE: Oct. 9, 1985 - Case closed by OIFO:RIV on 10/7/85. Case closed.

U.S. NRC

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FILE OF INVESTIGATIONS
HEADQUARTERS

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