



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
101 MARIETTA STREET, N.W.
ATLANTA, GEORGIA 30303

SEP 09 1985

MEMORANDUM FOR: E. Scott, Record Assistant
Office Services Section
Administrative Management Branch
Division of Resource Management and Administration

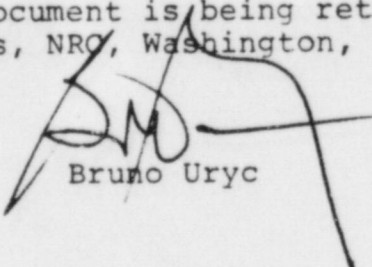
THRU: J. Lankford, Chief, Administrative Management Branch
Division of Resource Management and Administration

FROM: B. Uryc, Investigation/Allegation Coordinator
Enforcement and Investigation Coordination Staff

SUBJECT: DOCUMENT TO BE PLACED IN PUBLIC DOCUMENT ROOM

The enclosure is a summary of an investigation conducted by the Office of Investigations, Region II Field Office. The subject of the investigation is "VOGTLE NUCLEAR PLANT - ALLEGED INTIMIDATION/HARASSMENT OF QC WELDING INSPECTORS AND POSSIBLE FALSIFICATION OF QC INSPECTION RECORDS BY PULLMAN POWER PRODUCTS, INC." You are requested to forward this document to the appropriate public document room.

The original of the enclosed document is being retained in the files of the Office of Investigations, NRC, Washington, DC.


Bruno Uryc

Enclosure: Cover Page and Summary,
dated 10/26/83, 7 pages

cc w/enc: J. Vorse, OI:RII

8610100386 861006
PDR FOIA
FOWLER86-42 PDR

F-23

VOGTLE

ENFORCEMENT CONFERENCE

9/25/85

<u>NAME</u>	<u>TITLE</u>	<u>COMPANY</u>
John F. Rogge	Senior Resident Inspector	NRC
Roy J. Schepens	Resident Inspector	NRC
Steven Vias	Resident Inspector - Rg. II	NRC
Marvin Sinkule	Section Chief	NRC
George Jenkins	Director, Ent/Maint. Coord.	NRC/RII
Alan Herdt	Chief, Engineering Branch, DRS, R.I	NRC
Edward H. Girard	Reactor Inspector	NRC
Jane Axelrad	Director, Ent. Staff, IE, HQ	NRC
Roger D. Walker	Director Division Reactor Projects Region II	NRC
L. B. Glenn	Quality Concerns Manager	GPC
D. O. Foster	Vice President and Project General Manager	GPC
E. W. Hayes	Vostle & A Manager	GPC
P. D. Rice	VP & GM QA	GPC
C. M. Honaker, Jr.	Sr. Personnel Rep	GPC
Robert A. Bell	SAC. Admin. Mgr.	GPC

VOGTLE

ENFORCEMENT

CONF.

9/25/85

<u>NAME</u>	<u>TITLE</u>	<u>COMPANY</u>
Leo P. Modenos	Enforcement Specialist	NRC-RGII
Jim Voise	Field Office Director, OL	NRC-R-II
Bradley Jones	Regional Counsel, RI	NRC-R-II
CHARLES W. WHITNEY	LEGAL COUNSEL-VEGP	GPC/TSL&A
Stephen G Burns	DEPUTY CHIEF COUNSEL REGIONAL OPERATIONS & ENFORCEMENT	NRC/O&LD
EUGENE HOLLER	ENFORCEMENT SPECIALIST	NRC/IB
Albert F Gibson	Acting Director Div R & Safety	NRC/RII
J. Nelson Grace	R-II Administrator, IVRC	
BRIAN L. EDWARDS	RESIDENT MGR - SITE	PPP
B. C. HARAIN	MGR. - QUALITY CONTROL	GPC
RICHARD T. WALTER	DIR. MECH CONST. OPR	PPP
Harry H. Gregory, III	Genl. Mgr. - Vogtle Nuclear Const. Dept.	GPC

1. Consideration of verifying activity by GPC as stated in their letter of July 23, 1984 as part of verification program. re their stmts.

FILE NO.

DATE

TIME

PS

REGION II ROUTING SHEET

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	ASST. TO THE REGIONAL ADMINISTRATOR			
	REGIONAL COUNSEL			
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	EEO COUNSELOR			
	EMERGENCY PLANNING COORDINATOR			
	EMPLOYEE DEVELOPMENT SPECIALIST			
	FEDERAL WOMEN'S PROG. COORDINATOR			
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	REGIONAL COUNSEL			
	DIRECTOR, DRP			
	DIRECTOR, DRS			
	DIRECTOR, DRSS			
	DIRECTOR, DRMA			
(3)	DIRECTOR, ENF. & ALLEG. COORD. STAFF			- Action
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	DIRECTOR, STATE & GOVT. AFFAIRS STAFF			
	FIELD DIRECTOR, OI			
	COLLATERAL ASSIGNMENTS			
	EEO COUNSELOR			
	EMERGENCY PLANNING COORDINATOR			
	EMPLOYEE DEVELOPMENT SPECIALIST			
	FEDERAL WOMEN'S PROG. COORDINATOR			
	HEALTH & SAFETY OFFICER			
	NTEB VICE-PRESIDENT			
	SECURITY OFFICER			

FINAL DISPOSITION: _____

Form RII-A-18
(Revised 03/30/)

F-29

DOCKET: 50-424

SUBJECT: MANAGEMENT INTIMIDATION OF QC
INSPECTORS

U.S. NUCLEAR REGULATORY COMMISSION

CHARGE-OUT RECORD

[illegible][illegible]

F. 30

DOCKET: 50-424

SUBJECT: MANAGEMENT INTIMIDATION OF QC
INSPECTORS

NRC FORM 22
(3-81)

U.S. NUCLEAR REGULATORY COMMISSION

CHARGE-OUT RECORD

[illegible][illegible]

F. 30

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W. J. Miller
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- CHAPPELL(NMSS) _____
- ZWOLINSKI(NRR) ✓
- R. BURNETT _____

Thank you,

Jane A. Axelrad, Director

Enforcement Staff

IF YOU HAVE COMMENTS, PLEASE CONTACT REVIEWER OR J. AXELRAD WITHIN FIVE DAYS
IF AT ALL POSSIBLE.

F-31

SEP 12 1985

Georgia Power Company
ATTN: Mr. R. J. Kelly
Executive Vice President
P. O. Box 4545
Atlanta, GA 30302

Gentlemen:

SUBJECT: PLACEMENT OF DOCUMENT IN PUBLIC DOCUMENT ROOM

Enclosed is a summary of an investigation conducted by the NRC Office of Investigations, Region II field office. The subject of the investigation is "Vogtle Nuclear Plant Alleged Intimidation/Harrassment of QC Welding Inspectors and Possible Falsification of QC Inspection Records by Pullman Power Products, Inc." This Document has been placed in the Public Document Room and may be of use to you in preparing for the conference on September 25, 1985.

Sincerely,

ORIGINAL SIGNED BY
ALBERT F. GIBSON

J. Nelson Grace
Regional Administrator

Enclosure:
Cover page and summary, dated 10/26/83,
7 pages

cc w/encl:
R. E. Conway, Senior Vice President
Nuclear Power
D. O. Foster, Vice President
and General Manager Vogtle Project
H. H. Gregory, III, General
Manager, Vogtle Nuclear Construction
G. Bockhold, Jr., Vogtle
Plant Manager
L. T. Gucwa, Chief
Nuclear Engineer
Ruble A. Thomas,
Vice President-Licensing Vogtle
Project

cc w/encl: (Cont'd on page 2)

8511010456 288.

F-24

SEP 12 1985

cc w/encl: (Cont'd)
Ed Groover, Quality
Assurance Site Manager
C. W. Hayes, QA Manager
J. T. Beckham, Vice President
& General Manager - Operations
J. A. Bailey, Project Licensing
Manager
George F. Trowbridge, Esq.
Shaw, Pittman, Potts and Trowbridge
Bruce W. Churchill, Esq.
Shaw, Pittman, Potts and Trowbridge
Ernest L. Blake, Jr., Esq.
Shaw, Pittman, Potts and Trowbridge
James E. Joiner, Troutman, Sanders,
Lockerman and Ashmore
James G. Ledbetter, Commissioner
Department of Human Resources
Charles H. Badger, Office of
Planning and Budget, Management
Review Division
Deppish Kirkland, III, Counsel
Office of the Consumer's Utility
Council
Douglas C. Teper, Georgians Against
Nuclear Energy
Laurie Fowler, Legal Environmental
Assistance Foundation
Tim Johnson, Executive Director
Educational Campaign for a Prosperous
Georgia
Morton B. Margulies, Esq., Chairman
Administrative Judge, Atomic Safety
and Licensing Board Panel
Dr. Oscar H. Paris, Administrative Judge
Atomic Safety and Licensing Board Panel
Gustave A. Linenberger, Jr., Administrative
Judge, Atomic Safety and Licensing Board
Panel

RII

MVSinkule:jd
9/11/85

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Bryc
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VBrownlee
9/11/85

RII

RWalker
9/11/85

RII

Jolshinski
9/11/85



UNITED STATES ENCLOSURE
NUCLEAR REGULATORY COMMISSION
OFFICE OF INVESTIGATIONS FIELD OFFICE, REGION II
101 MARIETTA STREET, SUITE 3100
ATLANTA, GEORGIA 30303

Date: October 26, 1983

REPORT OF INVESTIGATION

TITLE: VOGTLE NUCLEAR PLANT
ALLEGED INTIMIDATION/HARASSMENT OF QC WELDING
INSPECTORS AND POSSIBLE FALSIFICATION OF QC
INSPECTION RECORDS BY PULLMAN POWER PRODUCTS, INC.

SUPPLEMENT: 50-424

CASE NUMBER: 2-83-005

CONTROL OFFICE: OI:Region II STATUS: CLOSED

REPORTING OFFICE: OI:Region II

PERIOD OF INVESTIGATION: May 19 - July 9, 1983

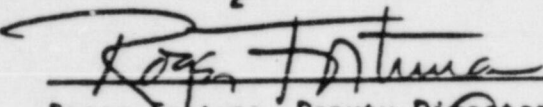
REPORTING INVESTIGATOR: *Robert H. Burd*
a/ Robert H. Burd, Investigator
Office of Investigations Field Office, Region II

REVIEWED BY: *E. L. Williamson*
m/ E. L. Williamson, Acting Director
Office of Investigations Field Office, Region II

William J. Ward
William J. Ward, Director
Division of Field Operations
Office of Investigations

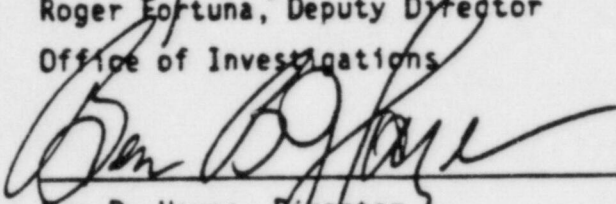
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Roger Fortuna, Deputy Director
Office of Investigations

APPROVED BY:



Ben B. Hayes, Director
Office of Investigations

SUMMARY

Summary

This investigation was initiated to identify and document alleged intimidation and harassment of Pullman Power Products, Inc. (PPP) Quality Control (QC) welding inspectors by the company's construction management personnel. PPP, headquartered in Williamsport, PA, is under contract to install all piping and piping supports associated with the construction of the Alvin W. Vogtle Nuclear Plant (VNP), in Waynesboro, GA, a licensed facility of the Georgia Power Company. Additionally, it was reported to the NRC that the intimidation and harassment experienced by the QC welding inspectors may have resulted in possible improprieties regarding inspection records prepared and maintained by these individuals.

The allegation pertaining to intimidation and harassment of QC welding inspectors by the Project Manager at the VNP was first reported to the Senior Resident Inspector (SRI), NRC at the facility. This initial allegation was substantiated by the SRI during the subsequent interviews of four additional QC welding inspectors employed by PPP. Additionally, a Confidential Source alleged vast PPP material storage problems, records improprieties and incidents of intimidation by the Project Manager and his construction superintendents. The SRI obtained information that QC inspectors were being manipulated by the Project Manager through threats relating to adverse personnel actions affecting employment and salary matters. Additionally, the Project Manager allegedly interfered with the utilization of QC welding inspectors and attempted to influence the reassignments of inspectors whose work histories did not favor production and scheduling. An onsite incident of assault in August 1982 upon a QC welding inspector by a construction superintendent, both employees of PPP, was also reported to the SRI.

A review of pertinent regulatory documents, standards, procedures and contract requirements was conducted pursuant to the investigation. It was disclosed that PPP committed to cooperate with the licensee to ensure QC standards for the VNP are enforced at all times. Further, this review disclosed that the line of authority regarding administrative matters for the QA/QC manager at the field office site of PPP is through the Project Manager. It was determined that PPP or

a subsidiary company was the subject of previous inquiries regarding intimidation and harassment of QC inspectors at the Seabrook Nuclear Plant, Seabrook, New Hampshire and at the Diablo Canyon Nuclear Plant, Avila Beach, California. A licensee initiated self evaluation in late 1982, utilizing Institute of Nuclear Power Operations (INPO) criteria, identified that the QA/QC administrative reporting to the Project Manager is an area of weakness in the PPP field organization.

During the investigation, nineteen field level QC welding inspectors in PPP's field office at the VNP were interviewed regarding intimidation and harassment, interference by the Project Manager and inspection records improprieties. Five of these individuals confirmed vast material storage deficiencies which are compounded by the overt refusals on the part of construction management to divert craft efforts to correct the problems. These inspectors viewed the construction superintendent's negative attitude toward Storage Inspection Report deficiencies as a form of intimidation. Some of these inspectors also related instances of interference and intervention into QC inspector assignment matters by construction management to favor scheduling and the production effort. All except one of the QC inspectors interviewed reported variously that the Project Manager has attempted to influence the utilization of, and decisions rendered by, inspectors; that the salary administration and other benefits for QA/QC personnel controlled by the Project Manager is unfair and inequitable; that he arbitrarily adjusts recommended salary increases based upon subjective criteria; that he is frequently publicly non-supportive and negative towards the QC function; that he and construction superintendents publicly chastise and embarrass inspectors and that he employs remarks which threaten job security as a means of intimidation and harassment. The lone dissenting QC inspector was determined to be a personal friend of the Project Manager and had been the recipient of preferential treatment regarding a job assignment on site. Those inspectors with knowledge of an onsite altercation, in August 1982, between a former PPP Construction Superintendent and a QC Welding Inspector indicated that the superintendent disagreed with the inspector's perception of the non-conforming item being discussed. One inspector reported an offsite altercation in December 1982 between a Construction Superintendent and a QC Inspector Supervisor during which the superintendent held an open knife on the QC supervisor.

Two current and one former QC supervisory personnel were interviewed and each substantiated the claims and perceptions of field inspectors regarding incidents and acts of QC negativism by construction managers, intimidation, harassment, adverse interference, verbal threats, embarrassment and chastisement of these individuals by the Project Manager and his subordinates. All of these individuals indicated that production and scheduling appear to take precedence over the quality functions, an attitude nurtured by the Project Manager and his construction staff. Authorized Nuclear Inspectors at the VNP also confirmed intimidation and harassment of QC welding inspectors by PPP construction management.

Inquiries were also conducted among the QC inspection personnel who allegedly engaged in visual inspection practices which were not in accordance with existing procedures or who signed inspection reports without assuring corrective actions had been completed. One QC welding inspector admitted that he occasionally failed to conduct visual inspections within the distance requirements as specified in PPP and ANSI/ASME procedures. Except for this one procedural violation, all inspection personnel who were interviewed regarding record preparation and maintenance improprieties advised forthrightly that they had never signed or initialed an inspection document without first performing the actions in the manner prescribed by the applicable procedures. Ten welders or pipefitters employed by PPP were interviewed and, except for one reporting that a QC inspector had occasionally failed to visually inspect within the distance requirement set forth in the PPP and ASME procedures, none were aware of record improprieties by QC welding inspectors.

The Project Manager and two construction superintendents were interviewed and all categorically denied any form of intentional intimidation and harassment of QC welding inspectors. The Project Manager and one Superintendent admitted actions which could be interpreted as interference into matters which are purely QA/QC functions. The Project Manager denied any improprieties regarding the administration of QA/QC personnel matters. All claimed to be supportive of the QA/QC function but acknowledged that they had failed to do so openly in a public manner.

Eight licensee management officials and QC inspection personnel at the VNP were interviewed regarding their knowledge of intimidation and harassment of QC welding inspectors employed by PPP. No disclosures pertinent to the investigation were revealed during these interviews. Observations of PPP material storage areas tended to support remarks reported by QC inspectors regarding the general disarray of materials and common utilization of these areas by several major contractors onsite. A review of QC welding inspector salary data disclosed that there does not appear to be a specific correlation between the amounts of recent weekly increases received and longevity, related experience and education levels of these individuals.



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
101 MARIETTA STREET, N.W.
ATLANTA, GEORGIA 30323
SEP 28 1985

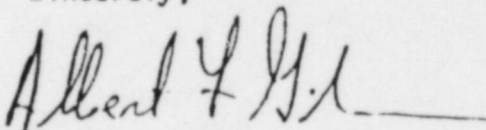
Georgia Power Company
ATTN: Mr. R. J. Kelly
Executive Vice President
P. O. Box 4545
Atlanta, GA 30302

Gentlemen:

SUBJECT: PLACEMENT OF DOCUMENT IN PUBLIC DOCUMENT ROOM

Enclosed is a summary of an investigation conducted by the NRC Office of Investigations, Region II field office. The subject of the investigation is "Vogtle Nuclear Plant Alleged Intimidation/Harrassment of QC Welding Inspectors and Possible Falsification of QC Inspection Records by Pullman Power Products, Inc." This Document has been placed in the Public Document Room and may be of use to you in preparing for the conference on September 25, 1985.

Sincerely,

for 
J. Nelson Grace
Regional Administrator

Enclosure:

Cover page and summary, dated 10/26/83,
7 pages

cc w/encl:

R. E. Conway, Senior Vice President
Nuclear Power
D. O. Foster, Vice President
and General Manager Vogtle Project
H. H. Gregory, III, General
Manager, Vogtle Nuclear Construction
G. Bockhold, Jr., Vogtle
Plant Manager
L. T. Gucwa, Chief
Nuclear Engineer
Ruble A. Thomas,
Vice President-Licensing Vogtle
Project

cc w/encl: (Cont'd on page 2)

851010456 288.

SEP 12 1985

cc w/encl: (Cont'd)
Ed Groover, Quality
Assurance Site Manager
C. W. Hayes, QA Manager
J. T. Beckham, Vice President
& General Manager - Operations
J. A. Bailey, Project Licensing
Manager
George F. Trowbridge, Esq.
Shaw, Pittman, Potts and Trowbridge
Bruce W. Churchill, Esq.
Shaw, Pittman, Potts and Trowbridge
Ernest L. Blake, Jr., Esq.
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James E. Joiner, Troutman, Sanders,
Lockerman and Ashmore
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Department of Human Resources
Charles H. Badger, Office of
Planning and Budget, Management
Review Division
Deppish Kirkland, III, Counsel
Office of the Consumer's Utility
Council
Douglas C. Teper, Georgians Against
Nuclear Energy
Laurie Fowler, Legal Environmental
Assistance Foundation
Tim Johnson, Executive Director
Educational Campaign for a Prosperous
Georgia
Morton B. Margulies, Esq., Chairman
Administrative Judge, Atomic Safety
and Licensing Board Panel
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Atomic Safety and Licensing Board Panel
Gustave A. Linenberger, Jr., Administrative
Judge, Atomic Safety and Licensing Board
Panel

UNITED STATES ENCLOSURE
NUCLEAR REGULATORY COMMISSION
OFFICE OF INVESTIGATIONS FIELD OFFICE, REGION II
101 MARIETTA STREET, SUITE 3100
ATLANTA, GEORGIA 30303

Date: October 26, 1983

REPORT OF INVESTIGATION

TITLE:

VOGTLE NUCLEAR PLANT
ALLEGED INTIMIDATION/HARASSMENT OF QC WELDING
INSPECTORS AND POSSIBLE FALSIFICATION OF QC
INSPECTION RECORDS BY PULLMAN POWER PRODUCTS, INC.

SUPPLEMENT:

50-424

CASE NUMBER:

2-83-005

CONTROL OFFICE:

OI:Region II

STATUS: CLOSED

REPORTING OFFICE:

OI:Region II

PERIOD OF INVESTIGATION:

May 19 - July 9, 1983

REPORTING INVESTIGATOR:

Robert H. Burton
a/ Robert H. Burton, Investigator
Office of Investigations Field Office, Region II

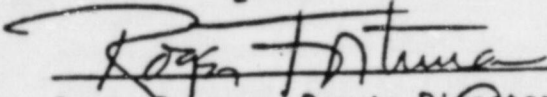
REVIEWED BY:

E. L. Williamson
m/ E. L. Williamson, Acting Director
Office of Investigations Field Office, Region II

William J. Ward
William J. Ward, Director
Division of Field Operations
Office of Investigations

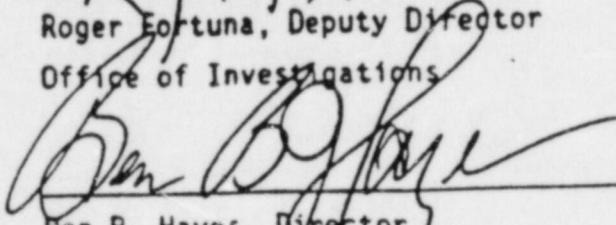
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Roger Fortuna, Deputy Director
Office of Investigations

APPROVED BY:



Ben B. Hayes, Director
Office of Investigations

SUMMARY

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UNITED STATES
NUCLEAR REGULATORY COMMISSION
REG. DIV. II
101 MARIETTA STREET, N.W.
ATLANTA, GEORGIA 30303

JUL 17 1984

Rogge
SEP 06 RECD

Georgia Power Company
ATTN: Mr. R. J. Kelly
Executive Vice President
P. O. Box 4545
Atlanta, GA 30302

Gentlemen:

SUBJECT: REPORT NOS. 50-424/84-16 AND 50-425/84-16 (*SANDERS*)

On May 14 - June 25, 1984, NRC inspected activities authorized by NRC Construction Permit Nos. CPPR-108 and CPPR-109 for your Vogtle facility. At the conclusion of the inspection, the findings were discussed with those members of your staff identified in the enclosed inspection report.

Areas examined during the inspection are identified in the report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observation of activities in progress.

Within the scope of the inspection, no violations or deviations were identified.

In accordance with 10 CFR 2.790(a), a copy of this letter and enclosures will be placed in the NRC Public Document Room unless you notify this office by telephone within 10 days of the date of this letter and submit written application to withhold information contained therein within 30 days of the date of this letter. Such application must be consistent with the requirements of 2.790(b)(1).

Should you have any questions concerning this letter, please contact us.

Sincerely,

Hugh C. Dance, Chief
Reactor Projects Branch 2
Division of Reactor Projects

Enclosure:
Inspection Report Nos. 50-424/84-16 and
50-425/84-16

cc w/encl:
D. O. Foster, Vice President
and General Manager
H. H. Gregory, III, Construction
Project Manager
G. Bockhold, Jr., Plant Manager
E. D. Groover, QA Site Supervisor

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- d. Proposed changes to the Field Change Notice (FCN) and Action To Continue Work Program (ATCW). This meeting was called to discuss the proposed changes and revision 13 to Procedure DC-A-03 of the Field Procedure Manual. It was agreed that the changes would be described in a letter to the Regional Office with reference to the Georgia Power Company letter of May 4, 1983, Log GN226 and the responding letter from NRC, June 2, 1983.
- e. A meeting was held in Atlanta at the Georgia Power Company Corporate Offices. The meeting was held to present the resultant findings from the investigation performed in April 1983, concerning alleged intimidation of Pullman Power Products inspectors. This meetings is described in more detail in Paragraph 8.

7. Organizational Change

Mr. C. E. Belflower, currently Hatch Q.A. Site Manager with 13 years experience at Plant Hatch, has been appointed as Vogtle Q.A. Site Manager for Operations. In this position, Mr. Belflower will interface closely with all Project organizations in the development of policies, programs and procedures affecting the overall Quality Assurance Program for Nuclear Operations activities. Mr. Belflower will report to C. W. Hayes, Vogtle Q.A. Manager, along with Mr. E. D. Groover, Vogtle Q.A. Site Manager for Construction. This change was made effective June 18, 1984.

8. Pullman Power Products Investigation

A meeting was held on June 25, 1984, at Georgia Power Corporate Offices in Atlanta, Georgia, to present the results of the NRC investigation initiated to identify and document alleged intimidation and harassment of Pullman Power Products Q.A. Inspectors. The meeting was attended by the following people:

Licensee Employees

R. E. Conway, Vice President, Eng. Construction Project Manager
 D. O. Foster, Vice President and General Manager, Vogtle Project
 P. D. Rice, General Manager of Q.A. and Radiological Health and Safety
 W. T. Nickerson, Manager, General Plant Construction-Nuclear
 C. W. Hayes, Quality Assurance Manager
 R. W. McManus, Quality Control Manager-Construction

Pullman Power Products

B. L. Edwards, Project Manager, Construction

NPC

H. C. Dance, Chief, Project Branch 2
A. R. Herdt, Chief, Engineering Branch
V. W. Panciera, Chief, Project Section 2B
J. J. Blake, Chief, Material & Processes Section
B. Uryc, Investigative Coordinator
E. H. Girard, Regional Inspector
W. F. Sanders, Senior Resident Inspector
J. F. Rogge, Project Engineer

The meeting was started with a briefing presentation by Mr. Panciera describing the chronology of events starting in April 1983, until the present time. Four (4) areas of concern were identified:

1. Harassment and Intimidation
2. Material and Storage Deficiencies
3. Record and Procedure Improprieties
4. Q.C. Deficiencies

The four category groups were further defined and described as thirteen specific concerns which will require the following NRC action:

One unresolved item dealing with both harassment and independence concerns.

Eight Inspector Follow-up Items.

Three with no further review warranted.

At the conclusion of the presentation, Mr. Foster stated that the bulk of the information relative to corrective action was located at the construction site and Georgia Power would address each item of concern in writing by letter within the next few weeks. He stated that Georgia Power Company realized a problem existed in communicating to people at the site how certain corrective actions had been implemented. Mr. C. Hayes was designated as the person responsible for getting the information together for further reviews of corrective actions.

Georgia Power Company
Route 2, Box 299A
Waynesboro, Georgia 30830
Telephone 404 554-9961 Ext. 3360
404 724-8114 Ext. 3360

J. Rorze

Georgia Power

D. O. Foster
Vice President and Project
General Manager
Vogtle Project

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July 23, 1984

United States Nuclear Regulatory Commission
Office of Inspection and Enforcement
Region II - Suite 3100
102 Marietta Street
Atlanta, Georgia 30303

File: X7BG10
Log: GN-390

Reference: 50-424/84-05, 50-425/84-05

Attention: Mr. H. C. Dance

With reference to the items identified in your inspection report 424, 425/84-05, Georgia Power Company (GPC) wishes to submit the following relative to the subject report and to our investigation and handling of possible intimidation of Pullman Power Products (PPP) inspectors.

Immediately after being informed on June 24, 1983, of the NRC investigation of the above situation, GPC established a task force headed by Mr. W. E. Ehrensperger, a retired senior officer of GPC, to review and evaluate the PPP quality control and quality assurance program/organization giving due consideration to the above identified concerns. This effort was conducted in a manner to avoid any conflicts with the related ongoing NRC investigation and focused on the technical work process and QC procedures along with evaluation of salary administration and personnel practices of PPP. The review of PPP's salary administration practices focused on three specific areas:

- o The rationale used in establishing salary increases,
- o PPP's handling of certain disciplinary actions, and
- o job rotation practices among QC inspectors.

The review determined that PPP QC inspectors were well qualified and knowledgeable, and found no evidence that PPP management had intentionally used the salary administration program to intimidate inspectors. No evidence of "short-cuts" was found nor was evidence that inspectors were being called on by their superiors to overlook problems. Although the question of intimidation was not specifically asked (again to avoid conflict with ongoing NRC activities), there was continuous opportunity for inspector personnel to appraise the interviewers had such problems existed. Task force recommendations were accepted by GPC and have been implemented by GPC and PPP. On August 22, 1983, GPC informed the NRC of the results and response to the task force's review.

In addition to the response to the task force's review and recommendations, GPC and PPP have expanded management attention to the PPP program to assure increased attention to the subject concerns and to the contractor's overall program. This increased management involvement

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continues and has resulted in, but not limited to, the following management and/or program improvements:

- o Temporary assignment of the GPC Construction Project Manager full time to direct PPP activities
- o Regular attendance of PPP executive management at Project Management Board Meetings to discuss related problems and program improvement
- o Replacement of a key PPP site manager
- o Restructuring the GPC surveillance program to better monitor the quality of PPP's work, including the initiation of a verification program to verify the results of PPP's QC personnel
- o Frequent PPP corporate management visits and exits with GPC at Plant Vogtle including frequent site visits by the PPP corporate QA Director
- ✓ o Additions of PPP inspectors to better meet workload coupled with a continuous monitoring program of the craft to inspector ratio
- ✓ o Establishment of lead PPP inspectors to give better support and supervision for inspectors
- ✓ o Scheduling of regular site meetings between PPP employees and PPP management to discuss employee concerns and management actions
- ✓ o Employee information programs to explain the contents and requirements of "Whistle Blower" and labor laws
- o Correction efforts to improve identified PPP pay inequities including giving site department managers more input in relating performance to salary increases

In an effort to evaluate the effectiveness of the above, a number of additional management assessments have been conducted and additional programs instigated with some specifics as follows:

- Verify
- o In February, 1984, GPC conducted a survey of PPP QA and QC personnel consisting of thirty welding and hanger inspectors, eight lead inspectors and twelve QA engineers. The PPP personnel interviewed were asked specific questions concerning intimidations and management pressure to accept poor quality work. No evidence was provided. In fact, the individuals stated that they had definitely not accepted poor quality due to management pressure. Certain individuals did state that they have experienced pressure to produce but again stated that they had not performed less than quality work due to the stated perceived production pressure.
 - o A follow-up review of PPP's salary administration program was

conducted by GPC corporate personnel in June, 1984. This review verified the positive findings of the original salary administration review and established that PPP has continued to ensure that salary adjustments are equitable and noncoercive.

*did we
look at
document?*

The GPC QA department conducted an assessment of the PPP quality program in June, 1984, with the assessment being directed at verification of recommended actions and commitments for enhancement of the PPP organization and programs.

- o GPC has strengthened its surveillance program of site contractors work by reinspection and verification of selected inspectors work. We are currently formalizing our documentation of GPC's surveillances and verification actions.
- o GPC realized that improving contractor management and increasing GPC involvement in activities would not by itself provide employees the necessary freedom to discuss their concerns. Therefore, in December, 1983, GPC implemented our Quality Concerns Program. This program provides all employees of GPC and its contractors associated with the Vogtle Project a system to express their concerns about quality and/or safety problems and have them resolved. This program assures that all concerns will be treated confidentially and that the submitter's identity is protected. The details of this program have been presented to all site personnel and presented off-site to major contractors' home office personnel. The Quality Concerns Program provides all Vogtle employees, including PPP QC personnel, not only the freedom but obligation to express concerns of harrassment or intimidation.
- o PPP has initiated its own internal Quality Concerns program. This program is patterned after the program developed by GPC and is administered by a full-time program coordinator employed by the contractor. This coordinator functions in a staff relationship with the contractor's organization at Plant Vogtle and has direct line responsibility to PPP corporate offices in Williamsport, Pennsylvania. The PPP program has been implemented and is currently in place. The program is monitored and reviewed by the GPC Quality Concerns Coordinator and all concerns involving issues having potential safety significance are either deferred to GPC for investigation and resolution or are jointly processed by GPC and PPP.
- o In order to ensure that no form of harrassment or retaliation takes place in the future, PPP has committed to the development and implementation of a comprehensive training program for all levels of supervision. The training program is being designed to ensure that all supervisors are fully aware of the legal prohibitions regarding retaliation for statutorially-protected activity. The training sessions will also emphasize the supervisor's role in encouraging employees to perform quality work and to bring quality questions and concerns to the attention of management or the Quality Concerns Program.

*check
status of
program*

*!!
verify*

- o In a related sense, GPC formed a task force under our Quality Concerns Program in December, 1983, to investigate a quality concern by a PPP employee who had been reprimanded for not performing the required amount of nondestructive examinations (NDE). The task force interviewed all available PPP NDE technicians, observed work practices and reviewed documentation. The review was conducted of work assigned and completed with no evidence that production pressures were degrading quality control actions. All persons interviewed felt that production was not stressed to the point that quality was sacrificed.

In addition to the above, specific discussion and response pertaining to the open items listed in Inspection Report 424, 425/84-05 is as follows:

Unresolved Item 84-05-01, "Insufficient Organizational Freedom/Control of Services through Effective Audits"

GPC had a program and continues to have a program to assure that contractors comply with the requirements of 10 CFR 50, Appendix B. The PPP QA Program was reviewed and the independence of the PPP QA/QC organization complies with 10 CFR 50, Appendix B. There is no requirement in Appendix B that disallows the contractor's QC organization from reporting administratively to the Project Manager, the highest level of contractor management on site. GPC did take action in December, 1982, to have PPP revise their program to require the PPP QA audit function to report to the Corporate QA office. This was done to strengthen PPP's program and bring it in line with GPC policy.

Checking for harassment of QC inspectors was never included as a specific checklist item or mentioned in QA audit reports. Audit reports did address quality of work and implementation of QA programs. Although we found no evidence of inspector intimidation, GPC recognized that conditions did exist such that employees at times may have seemed intimidated. The actions outlined in the second paragraph of this letter were taken to relieve this situation.

GPC has initiated an annual assessment audit program to assess the effectiveness of on-site contractors' QA programs including the independence of QA/QC inspectors to prevent harassment or intimidation. GPC has also implemented the Quality Concerns program mentioned earlier to allow employees including inspectors a path to upper management if they feel harassed or intimidated. GPC has conducted audits, surveillances, verification reviews and assessments of PPP's program and site activities. There has never been any indication of any substandard or poor quality work performed by PPP which can be attributed, in any way, to retaliation, harassment, intimidation or lack of independence of the inspector.

Inspector Follow-Up Item 84-05-09, "Clarification of Engineering and Procedural Requirements"

The concern of QC inspectors being pressured or receiving

Current concern
interference from their own QC management was reviewed by the Piping Quality Improvement task force. The task force found no evidence of "short cuts" being taken or inspectors being called on to overlook problems. Frequently, there are questions about procedures and specifications. These questions are answered in various ways: verbally, written memo to individual, or written memo to all inspectors.

There is a concern with the handling of these answers, i.e., everyone is not always aware of the questions and answers. Some people feel the questions and answers are changes to existing requirements. All memos concerning clarifications of PPP procedures are now approved by either the QA/QC Manager or the appropriate Assistant QA/QC Manager.

In addition, GPC, BPC, and PPP has had meetings to resolve or clarify differences concerning specifications and drawings on hangers. These meetings continue to be held as required to assure proper understanding of specifications and drawings.

Inspector Follow-Up Item 424, 425/83-05-02, "Unsatisfactory Piping Welds from the Pullman Fabrication Shop"

This item was identified to the NRC as a potential 10 CFR 50.55 (e) item and GPC has conducted extensive evaluations of the quality of welding in pipe spools and corrected all discrepancies. In addition, GPC increased shop surveillance activity in the PPP shop to visually inspect 100% of the pipe welding.

Inspector Follow-Up Item 424, 425/84-05-08, "Control of Nonconformance Reports"

After identifying a problem with shop welds on pipe spools, GPC initiated inspection teams to reinspect the PPP fabrication shop welds. PPP was aware of this and did not want to duplicate inspections or NCR's. "Void" is an acceptable disposition on an NCR. Also, clarifications and administrative corrections are made to NCR's by a QA engineer or a QC supervisor. Occasionally, QC inspectors verbally discuss problems with field engineers and during the engineer's review of the problem he decides to write an NCR. When the engineer writes the NCR, he will list the inspector's name who asked the question in the space for QC Inspector." PPP's present policy is to send a copy of the NCR to the listed inspector to keep them informed of voids, changes, or NCR's written by others. A new form replacing the present NCR form, in the next revision of the NCR procedure, requires the individual writing the NCR to put his name as initiator.

Inspector Follow-Up Item 424, 425/84-05-03, "Storage and Protection Deficiencies"

GPC has had an ongoing program to assure adequate storage and

protection of material and equipment. As with all our ongoing programs, GPC continues to look for improvement. GPC and PPP management are aware of the storage problems and are taking actions to resolve them by improving the coordination and cooperation among the organizations involved. Individual GPC area managers have been assigned personal responsibility to maintain specific areas of the plant relative to housekeeping, which is a large part of the storage problem.

In addition, to further enhance storage conditions, PPP has initiated a new program to prioritize the resolution of storage deficiencies and has established a new superintendent with associated craft, who are only responsible for resolving storage discrepancies. PPP Procedure XIII-5, Paragraph 6.2.4 requires PPP to protect flange surfaces during storage. We are not aware of any violations of this requirement. We are aware of two instances where acid or corrosive substances were spilled or used. These are documented in NCR's and are available for review.

Inspector Follow-Up Item 424, 425/84-05-04, "Licensee Review of Charges of Fraudulent Welding Inspection Verification"

A sample of work of each individual was reinspected and except for one arc strike, no hardware discrepancies were identified. Minor discrepancies (i.e., inspector initialed instead of signing process sheet, no procedure revision entered on certain lines, welding stencil entered on wrong line, etc.) were found to documentation and were corrected. The inspectors were trained to prevent recurrence. There was no evidence of any fraudulent sign-offs.

Inspector Follow-Up Item 424, 425/84-05-05, "Adequacy of Training Program for Inspectors, Field Engineers, and Craft"

This item was reviewed by the Piping Quality Improvement task force and their recommendations have been implemented. PPP has developed a comprehensive training program for QC, Field Engineering and craft personnel.

Inspector Follow-Up Item 424, 425/84-05-06, "Control of Foreign Materials in Piping"

PPP procedure requires all purge dams to be recorded on the process sheets as to type used and when installed. Removal must be verified and indicated on the process sheet unless a water soluble material was used. QC personnel are now recording purge dams issued and returned instead of craft personnel.

Inspector Follow-Up Item 424, 425/84-05-13, "Unqualified Welding Procedures"

PPP has identified minor discrepancies in the application of qualified welding procedures. These discrepancies have been identified in nonconformance reports and properly resolved. Qualification records are available for PPP welding procedures and PPP has not performed work at Plant Vogtle with unqualified welding procedures.

GPC had developed, and has available on site, documentation packages addressing our response to each of the identified concerns. We are prepared to discuss our program enhancements and corrective actions in total detail during future inspections.

Yours truly,

D. O. Foster

DOF/js

cc: Victor J. Stello, Jr., Director
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