

UNITED STATES OF AMERICA

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NUCLEAR REGULATORY COMMISSION

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OFFICE OF INVESTIGATIONS

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INTERVIEW

-----X
In the Matter of:

No. 1-95-040

Eric DeBarba
-----X

Thursday, October 19, 1995

Millstone Training Facility

Niantic, Connecticut

The above-entitled interview was conducted at
1:00 p.m.

BEFORE: KEITH LOGAN, INVESTIGATOR

ALSO PRESENT: JAY M. GUTIERREZ, ESQUIRE

CASE NO. 1 - 95 - 040

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EXHIBIT 8
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P-R-O-C-E-E-D-I-N-G-S

1:55 p.m.

REPORTER: Do you swear or affirm that the testimony you are about to give in this interview shall be the truth, the whole truth and nothing but the truth?

MR. DEBARBA: I do.

MR. LOGAN: Thank you. Mr. DeBarba, my name is Keith Logan. I am an investigator with the U.S. Nuclear Regulatory Commission, King of Prussia, Pennsylvania.

Now would you please state your full name, spelling your last name of the record?

MR. DEBARBA: Sure, its Eric A. DeBarba, D-e-b-a-r-b-a.

MR. LOGAN: Now, Mr. DeBarba, you are appearing here today with counsel, is that correct?

MR. DEBARBA: Yes, that is correct.

MR. LOGAN: And Mr. Gutierrez?

MR. GUTIERREZ: Yes, for the record, my name is Jay M. Gutierrez. Last name spelled G-u-t-i-e-r-r-e-z. I am a partner in the law firm of Morgan, Lewis and Bockius and I represent Northeast Utilities and Eric DeBarba as an Officer of that company.

I have advised Mr. DeBarba of my representation of Northeast Utilities and further advised him that in my judgement there are no current conflicts of interest

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1 between Mr. DeBarba and the company.

2 I further advised him that should any conflict
3 arise, or potential conflict, I'd advise him of that and he
4 has agreed to my representation on the condition that I
5 could be allowed to withdraw from his representation and
6 nonetheless continue to represent the company.

7 MR. LOGAN: Now, Mr. DeBarba, with that in
8 mind, is it still your desire to have Mr. Gutierrez today,
9 here as your counsel?

10 MR. DEBARBA: Yes, it is.

11 MR. LOGAN: Thank you. Mr. DeBarba, what is
12 your current position with Northeast Utilities?

13 MR. DEBARBA: I am a Vice President of Nuclear
14 Engineering Services Group in Northeast Utilities Service
15 Company.

16 MR. LOGAN: And if you could just give us some
17 overview as to how Northeast Utilities is structured? I
18 understand there are different companies that run different
19 tasks?

20 MR. DEBARBA: Sure, we have an overall holding
21 company, Northeast Utilities. And there are two principle
22 business groups, the retail business group and the energy
23 resources group.

24 We are part of the energy resources group.
25 Basically comprised of the fossil power generation group

1 and the nuclear generation group. The group that we are
2 interested in talking about here today is the nuclear group
3 obviously.

4 The nuclear group is headed up by Chief Nuclear
5 Officer John Opeka. And John has several direct reports.
6 A direct report to run each one of the nuclear stations,
7 Seabrook, Connecticut Yankee and Millstone.

8 And he has two other Vice Presidents report to
9 him, Steve Scace, who is responsible for Operation
10 Services, which include training and some other functions.

11 And myself as Vice President of Engineering,
12 having responsibility for Engineering for all four of the
13 Connecticut nuclear units, with some ancillary duties
14 responsible at Seabrook, as well. We have a group of about
15 570 odd engineers, technicians, at this point in time in
16 that engineering group.

17 MR. LOGAN: And there are also contractors that
18 work in that group?

19 MR. DEBARBA: Yes, we have about 200 staff
20 augmentation contractors, as well as, a number of outside
21 contracts where people work off-site doing things for us on
22 a continuing basis.

23 So, long and short, we probably have engaged
24 somewhere in the order of 800 to 900 people directly or
25 indirectly working through engineering.

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1 MR. LOGAN: By way of background, could you
2 tell me when you started with Northeast Utilities and what
3 positions you've held?

4 MR. DEBARBA: Sure, I began in 1972, as an
5 engineer right out of college. I had worked at Stone and
6 Webster as a co-op student when I went to Northeastern
7 University.

8 Began work in 1972, as an assistant engineer
9 and progressed through the ranks. Ended up getting a
10 Masters Degree in Mechanical Engineering. Ended up going
11 into the supervisory ranks.

12 Ended up becoming a manager in the early 80's.
13 And in 1986, through some reorganization, ended up leaving
14 engineering for a while and going to the Connecticut Yankee
15 Plant, working in the services sector. Health Physics,
16 Security, Chemistry, a number of functions not directly
17 tied to either engineering or operations.

18 And for a four year period, I performed those
19 duties for the Connecticut Yankee Atomic Power Plant right
20 on site. In 1990, for a brief period, I was Plant Manager,
21 when Don Miller, who was the Plant Manager at the time,
22 left on short notice and went to Peach Bottom.

23 And shortly thereafter, Dick Werner was Vice
24 President of Engineering in the Corporate Office, ended up
25 taking early retirement and I was elected to take his

1 position.

2 So in 1990, I became Vice President of
3 Engineering. At that time there were really two Vice
4 President's of Engineering. Fred Sears and myself.
5 Subsequently, about 1992 time frame, we merged them into
6 one organization.

7 Fred became Vice President in the Environmental
8 Services group of NU, he's since left. And I ended up
9 taking responsibility for all engineering. The corporate
10 group as well as the site and site head engineering people,
11 as well.

12 We subsequently moved most of our engineering
13 forces to the site, including myself. I reside at
14 Millstone now, with an office right next to Don Miller, who
15 is a Senior Vice President in charge of Millstone.

16 I have responsibility for Connecticut Yankee,
17 as well as Millstone Station, from the Millstone location,
18 but I have a number of engineers on-site at Connecticut
19 Yankee, as well as at each one of the Millstone Units.

20 And I still have a group of people, 130 odd
21 people in our nuclear engineering group, under Mario Bonaca
22 at Berlin. We have decided to move those folks down here
23 in March, and in fact I am are working on some renovations
24 to the buildings right now.

25 In order to be able to accommodate Mario's

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1 group. We had hoped to have moved him earlier, but we just
2 didn't have the space to do it. But we now have a plan in
3 place so we would be basically locating all of the
4 engineering forces out of the Berlin organization and
5 locating at the sites.

6 Looking to capture more focus on machine, more
7 operationally focused as an organization. That's what's
8 driven us to spearhead this effort of getting our resources
9 right there unitized focused right on running the plant.

10 We are not in the practice of building new
11 plants. That's long done. And our only job now is to run
12 these five units just as well as we possibly can and do it
13 safely and economically so we are here in the year 2000 and
14 beyond, competitively generating electricity.

15 MR. LOGAN: Okay. As we have discussed off the
16 record, there is an allegation by Mr. Betancourt of
17 harassment and intimidation for his having raised safety
18 concerns and participating in an NRC inspection and
19 providing information to an NRC inspector. I understand
20 you know Mr. Betancourt?

21 MR. DEBARBA: I know Mr. Betancourt, I know his
22 family as well.

23 MR. LOGAN: When did you first meet Mr.
24 Betancourt?

25 MR. DEBARBA: About 1982, he joined NU.

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1 MR. LOGAN: Did you hire him?

2 MR. DEBARBA: Indirectly I did. I was the
3 Manager of Mechanical Engineering Group and at the time we
4 were looking to expand our capability in reactor internals
5 analysis, structural analysis.

6 And one of my supervisors, Leo Nadeau, who had
7 an opening in his group, knew of George through a past
8 association in combustion engineering and ended up
9 recruiting George to come in. And we hired George in 1982.

10 MR. LOGAN: So you weren't directly responsible
11 for him having been hired?

12 MR. DEBARBA: I believe I interviewed him.

13 MR. LOGAN: Did you?

14 MR. DEBARBA: I believe so.

15 MR. LOGAN: You indicated that you also have a
16 social relationship with Mr. Betancourt and his family?

17 MR. DEBARBA: Well, I know his [REDACTED]
18 [REDACTED] I've met them over the
19 years at different functions.

20 MR. LOGAN: Plant related functions?

21 MR. DEBARBA: For instance, the day before
22 Christmas, quite often a number of people get together at a
23 restaurant in the Berlin area and his [REDACTED] would
24 typically be there. And we would always exchange
25 pleasantries and that type of thing.

EX 7C

EX 7C

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1 MR. LOGAN: If you could kind of fill me in on
2 your relationship with Mr. Betancourt over the years.

3 MR. DEBARBA: Sure.

4 MR. LOGAN: In terms of whether or not you've
5 supervised him, times that he may have worked on your team,
6 and up until I guess the more recent activities with, with
7 I guess Wolf Koste and Mr. Hills, Mr. Honen, Mr. McNamara?

8 MR. DEBARBA: Sure, sure. Well let me give it
9 a try, anyhow, and then see if you have questions to fill
10 in. In 1982, George joined the group and began activities,
11 I'm not sure, I can't recall, if we hired him as an
12 engineer or as an associate engineer.

13 But, he was probably an engineer grade. And he
14 was engaged in performing structural analysis for reactor
15 internals. And generally, my recollection is that he did a
16 fairly good job. He enjoyed a good reputation as
17 technically being competent and was reasonably effective in
18 getting work done.

19 It became apparent very early that George was
20 someone who would firmly stand his ground on almost any
21 issue, whatever it happened to be. Be it work related, if
22 he had a position that somebody didn't agree with, he would
23 quickly go to battle stations on it.

24 Or if it was in a soft ball game and he was the
25 center fielder and he couldn't be the center fielder, he

1 quit the team. So, fairly early on it became known to, I
2 think everybody, that George was somebody who, you know,
3 you had to deal with very directly.

4 Because he had differing thoughts on
5 perspectives. That is if he had a thought that was
6 different than somebody else's thoughts, he viewed that as
7 something that was adverse to himself, and these things
8 became magnified.

9 It wasn't a major issue, in my recollection, in
10 the early 80's, up through 1986. In fact, we promoted
11 George up through the ranks, I think to Senior Engineer
12 during that time frame.

13 He took on some additional responsibilities.
14 We had him working with electric power research institute
15 on some fuel activities that involved some contractual
16 matters.

17 I know we had some complaints at times from
18 EPRI relative to George's behavior and conduct. Maybe his
19 use of slang, how he conducted himself professionally in
20 meetings.

21 But, typically, it was couched as George is
22 very technically competent, very capable person, but, you
23 know, he really offended somebody from a University and
24 could you kind of hold him back a little or [REDACTED] him in 7c
25 some way so he shouldn't attack people in some

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1 confrontational way.

2 So there was always that backdrop of contention
3 on George's part. Even at those fairly early days. But it
4 seemed to be managed fairly well. I think the people that
5 he worked for seemed to understand him well. They had a
6 history of working with him.

7 They seemed to be able to deal with George
8 fairly effectively. And he was, I view him as a, you know,
9 competent worker who was contributing quite well. In 1986,
10 having gone to CY, I really didn't have much contact with
11 him for about a period of four years.

12 I did know a number of people that he
13 socialized with. People that I socialized with too.
14 Pretty much through a, it was like a Monday night poker
15 game once a month. And George was always a part of that
16 group.

17 And somewhere along the way they claimed that
18 George's [REDACTED] EX
7C
19 [REDACTED]. So there were some things that
20 happened during that period of time, I'm not sure exactly
21 what they were.

22 But, upon returning in 1990, it was apparent to
23 me that George was more aggressive. His physical
24 appearance had changed. The tone of his statements and his
25 conduct had become more aggressive.

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1 He was very quick to use ethnic comments with
2 me, directly almost out of the blue about his background
3 [REDACTED] And if you were
4 Anglo that you had twice the advantage of everybody else
5 and he had to work twice as hard.

6 And he made a number of comments about his
7 family history and comments that his father would make and
8 that type of thing. He would always comment to me that my
9 father says that I always have to respect you above anybody
10 else because you hired me.

11 And in my culture, the person who hires you is
12 someone that you always have the utmost respect for. So I
13 don't know why he would say that, but, I mean, those are
14 the types of things that he would say.

15 He had lots of reference to his ancestral
16 background. And he was the type of person who would
17 casually drop in. I tried to maintain an open door policy,
18 and George probably more than any one of the 570 odd
19 people, is a person who uses that more than anybody.

20 I, you know, I never really discouraged it. I
21 tried to keep an open dialogue with George. I liked
22 George. I considered him a friend. And, you know,
23 somebody that was always open. I mean, he never hesitated
24 to hold something back, he would always tell you exactly
25 what he felt.

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1 And, in that, I had a high respect for him. I
2 didn't necessarily agree with everything he said, and would
3 tell him that. And he seemed to listen. I was interested
4 in his welfare and his well being and he was interested in
5 getting ahead. And I was giving him suggestions on things
6 he needed to do in order to get ahead.

7 MR. LOGAN: For instance?

8 MR. DEBARBA: For instance he felt that he
9 would like to advance beyond being a Senior Engineer, and
10 maybe become a Principal Engineer. And one of the things
11 he would need to do as a Principal Engineer, I can remember
12 talking to him about, well, you know, a Principal Engineer
13 is not something if you punch these blocks you get it.

14 A Principal Engineer is something that you are
15 so expert in a particular area and have such value to the
16 company, that if we put your name up on the board that
17 everybody would understand that you've added that much
18 value that you deserve to be in a position that is
19 comparable to a first line supervisor in pay.

20 But you don't have any of the first line
21 supervisor headaches or hassles that a supervisor has.

22 MR. LOGAN: So what grade would that be?

23 MR. DEBARBA: Grade 17.

24 MR. LOGAN: Grade 17.

25 MR. DEBARBA: And there were a few Grade 17

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1 Engineers at the time. Let's see, I would say in the 19, I
2 don't recall having much interaction with George in those
3 years, early 1990's. I mean I knew he was there.
4 Occasionally he would stop in and see me, or I might see
5 him in the lunch room for some casual conversation or
6 something like that.

7 But, I think in 1992, I became aware that there
8 was friction between he and his first line supervisor, Wolf
9 Koste. And that friction had manifested itself to a point
10 where George had either [REDACTED] or was very upset **TC**
11 with things and you know he sought me out.

12 And he sought his other management out to
13 express a concern, complaint, that he was being treated
14 unfairly by Wolf. Unfairly, from the standpoint of not
15 supporting him from a work standpoint and being motivated
16 ethnically in a way that was anti George.

17 I can recall --

18 MR. LOGAN: Who was motivated ethnically?

19 MR. DEBARBA: Wolf. That was George's
20 contention. And I believe he also had that same concern
21 about Dick Schmidt. That he felt that he was similarly
22 motivated in a way that was adverse to George.

23 I can remember Mario Bonaca and myself getting
24 involved in December, looking at the case, looking at what
25 George had claimed. Looking also at what George thought

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1 would be an appropriate resolution.

2 He wanted us to say, okay George, you know, you
3 think that this isn't working, what do you think ought to
4 be done about it? And he had a belief that his work ought
5 to be handled differently.

6 It happened that at the time Mario and I, this
7 was right after the reorganization, where Fred Sears had
8 left and I now had picked up the responsibility for Mario's
9 group.

10 Mario's group, prior to that, reported directly
11 to Fred Sears. And so I inherited Fred's group, I think,
12 in 1992, sometime. And we had not sorted out, from a
13 discipline standpoint, where all the work would best fit.

14 But Mario and I had been working on the fuel
15 cycle and were concerned that the fuel cycle was not fully
16 integrated, that is we had people who were doing a
17 procurement of the uranium and the enrichment and the fuel
18 assemblies and the reactivity analysis and the like.

19 We had some people who were involved in
20 strategic planning on the back end of the cycle, you know,
21 where it would ultimately be disposed of. Working with DOE
22 to try to get DOE to take the fuel away on schedule. Those
23 types of things.

24 But we had other people who were working on
25 spent fuel storage implementation, fuel handling, a number

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1 of other activities. Principally that ended up being
2 George. And George had developed that kind of expertise
3 over in other functional areas.

4 And we looked at it from the standpoint of, you
5 know, I think in this case, I think George is probably
6 right. That his expertise would better be offered in a
7 group that had full integration of the fuel cycle.

8 We also, it was quite clear to us, that the
9 relationship between Wolf and George had broken down to a
10 point that it was going to be a major fight to get that to
11 work.

12 MR. LOGAN: What caused that break down?

13 MR. DEBARBA: I believe that Wolf took a stand
14 as a supervisor, saying this is the work that I expect you
15 to do. And George took a stand that that is not the work
16 that I should be doing, I should be doing other work.

17 And so he basically challenged and confronted
18 Wolf directly. In saying that you are wrong and I'm right.
19 And I think that Wolf said, well we need to work this out,
20 in a certain way. And I think George slammed the door in
21 his face and said I'm not going to work it out. You're
22 wrong and I'm right.

23 And he took him on at that point in time. I'm
24 not familiar with all the details. I think there were some
25 things surrounding some work that was going on at one of

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1 the Millstone Units at the time.

2 But, I think that it was, you know, Wolf had a
3 thought of what his group was responsible for in the new
4 organization and George had a belief that was rooted in
5 history.

6 George is the type of person who carries with
7 him all the things that he's ever done in his life, with
8 him. And he has a hard time letting go of it. He believes
9 that everything he's had, he owns. And he can't give them
10 up.

11 So he's very inflexible when it comes to an
12 organizational change. And we say, okay, the organization
13 has changed. People have new and different
14 responsibilities. Well his feeling is that everybody has
15 new and different responsibilities except me. Because I am
16 the only one who's capable of doing that other work.

17 So therefore, I have to bring it with me. And
18 we are saying, no, that's not the case. Other people will
19 do that work. Well, they can't do it as good as I can,
20 therefore, I must have it. And so it was a natural
21 conflict.

22 You know, it was a conflict that built to a
23 point where Wolf had, had given him a [REDACTED] or a
24 [REDACTED] I can't remember which, I think it was a
25 [REDACTED] And had given him a fairly [REDACTED]

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7C

1 [REDACTED]
2 And I recall that Mario Bonaca and I interceded
3 at that point in time in the end of 1992, recognizing that
4 it had, that that conflict had gotten to a point where it
5 just was not going to work out.

6 And we felt that Number 1, George was a
7 technically competent guy, he really can help us and we
8 need to find a way to give him a new opportunity to be
9 successful. We felt that we needed his expertise and that
10 there was a place that we could use him.

11 We knew that it wasn't going to work where it
12 was and we decided to call a time out for a six month
13 period of time and give George an opportunity to [REDACTED] EX
14 [REDACTED] 7C

15 We put him on a [REDACTED]
16 and Mario had, I'm not sure who he worked with, but he put
17 together a plan, a six month plan to look at George.

18 His salary was [REDACTED] at that point in time, so
19 he didn't get an [REDACTED] at that point, but it was
20 conditional. In other words, at the end of six months, if
21 your [REDACTED] has improved in this particular area, and
22 we can show that, you know, those things that Wolf had
23 concerns about you, you are able to deal with those, then
24 we will [REDACTED] your pay. EX
25 [REDACTED] your promotional pay. Well its not 7C

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1 promotional, its an annual increase.

2 MR. LOGAN: So you make that retroactive to
3 when he would have had that?

4 MR. DEBARBA: Right, correct. And so we ended
5 up, and it was also a temporary position to allow us to
6 have an opportunity to fully assess this back into the fuel
7 cycle strategy. What was the right thing to do in terms of
8 placing this work.

9 George felt that he had comfort with the new
10 supervisor, Mike Hills. Felt that it was somebody that he
11 had a high degree of respect for, because technically he
12 was more like himself. And that he could work effectively
13 with him.

14 And so we decided that we would make that
15 transfer and Mario laid out a number of conditions that
16 went along with that. And for a period of time, I guess
17 through, that was 1993, George's [REDACTED] I believe was
18 quite good. I heard very little.

19 MR. LOGAN: Who was he working for?

20 MR. DEBARBA: He was working for Mike Hills.
21 And, you know, I think the time of the six month period
22 went and Mike ended up doing the review and concluded that
23 George had met the [REDACTED]
24 [REDACTED] gave George the *xl*
25 compensation and moved on through 93, into 94, I believe.

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1 And I think the next time I have a recollection
2 of interactions with George was at the time when we had
3 decided that it was important for us to pay some specific
4 attention to Millstone as it related to spent fuel storage.

5 John Guerci's group had done a strategic plan
6 for the back end of the fuel cycle. And basically what it
7 concluded was, that because the Department of Energy was
8 not, in all likelihood, going to be removing fuel from our
9 plants as promised beginning in 1998, we had to implement a
10 strategy so that we could store our fuel on-site, just like
11 every other plant in this country.

12 Independent of what DOE's actions, might or
13 might not be. So we developed this strategy which allowed
14 for wet storage in each one of our pools. There was a
15 project that was kicked off fairly early at Connecticut
16 Yankee to increase their re-racking, their rack storage,
17 because it was the most near term.

18 And at Millstone, we had some activities kicked
19 off at each one of the units to begin looking at the
20 implementation of those. It became apparent, I'm not sure
21 exactly how, but it became apparent, shortly thereafter at
22 Millstone, that with three projects totalling some 50 to 60
23 million dollars, that not only involved each individual
24 unit, but required transshipment of fuel from Millstone 1
25 to Millstone 3 and possibly Millstone 2 to Millstone 3, in

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1 all the other things that are attended to using the
2 Millstone 3 pool, since we only owned 65 percent of that
3 pool, required a real focused effort.

4 And like we had done on the steam generator
5 replacement project on Millstone 2 and the condenser
6 replacement project on Millstone 1, we decided that we
7 would have a full time project manager with a dedicated
8 team to focus just on this. And we selected [REDACTED]

9 MR. LOGAN: What was the process involved in
10 selecting [REDACTED] EX 7C

11 MR. DEBARBA: Really, like we had done with the
12 steam generator replacement and the condenser replacement,
13 we were really looking for someone who had leadership
14 capabilities and was a very strong in project management.

15 MR. LOGAN: Was that an advertised position?

16 MR. DEBARBA: No, no.

17 MR. LOGAN: Just sort of hand selected?

18 MR. DEBARBA: Right, just myself meeting with
19 the Directors in Engineering saying who do we have that is
20 really strong in terms of Project Management skills. And
21 steam generator replacement which was a 200 million dollar
22 job, we selected Ray Necci, who was a Manager at the time.

23 It was a major project, that had major
24 implications to the company, it deserved that kind of a
25 level. The condenser replacement we selected John Rhodes

1 who was a Senior Engineer and we elevated him into the
2 position of Project Manager for that.

3 Because he had very good Project Management
4 skills. On this one we selected [REDACTED] because he
5 had very good project management skills as demonstrated by
6 the 15 million dollar refurbishment of the Millstone 3
7 intake structure that he had performed.

8 MR. LOGAN: Did you consider George Betancourt?

9 MR. DEBARBA: Yes, I considered George and
10 other people as well for that position. George, because of
11 his [REDACTED] was believed to be a [REDACTED]
12 [REDACTED] But we believed that he was an important player on
13 the team.

14 Somebody from a technical standpoint, who could
15 help a lot would be an asset. We felt we needed him on the
16 team, but we did not feel that he would be [REDACTED]
17 [REDACTED].

18 MR. LOGAN: Go ahead.

19 MR. DEBARBA: Okay, so that takes up through
20 19, well through the creation of the --

21 MR. LOGAN: Through the selection of the --

22 MR. DEBARBA: Through the selection of the
23 team. We decided that we would have a dedicated team, like
24 we had done before, located at the site. Which has been
25 the pattern of how we end up running these teams, so they

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1 can focus right on the hardware.

2 Because that's really what this was all about.
3 The strategy was all done and we were really focusing on
4 the hardware at this point. And so [REDACTED] was included, as
5 well as George and a number of other people.

6 Predominantly from Millstone 1, but there was
7 some connections with the other units as well. Let's see,
8 we ended up having some, I'm just trying to think. There
9 were some discussions that were held, some time after, may
10 be months after, may be this was in late 1994.

11 Relative to the roles and responsibilities of
12 the different parties. At that time we had --

13 MR. LOGAN: Within that special project?

14 MR. DEBARBA: That's correct. Because at in
15 that, we had, well we had focused people to the site. We
16 had transferred large people, a large number of people to
17 the site and it was clear that [REDACTED] was the ^{Ex}
18 project manager. _{rc}

19 It was less clear what Mario Bonaca's group had
20 responsibility for since they were the owners of the
21 reactivity analysis and the specialty type of high tech
22 nuclear analysis capability that does play a part in what
23 you do on fuel racks.

24 And so it was obvious to all of us that they
25 had a role and responsibility. It was less obvious as to

1 exactly how they tied in. We felt that George was the
2 representative for Mario's group on this team.

3 But it became apparent that George did not want
4 to, kind of subordinate himself to [REDACTED]. He felt that he
5 ought to be on equal level to [REDACTED] and not have to take any
6 direction from [REDACTED]. He felt that he had responsibility
7 that transcended [REDACTED] knowledge, [REDACTED] capability,
8 [REDACTED] authority.

9 And he felt that he worked for Tim Honen and
10 John Guerci, he did not work for [REDACTED].

11 MR. LOGAN: How do you know he felt this way?

12 MR. DEBARBA: He expressed it.

13 MR. LOGAN: To you?

14 MR. DEBARBA: I believe that's correct.

15 MR. LOGAN: And how did you feel about that
16 when he told you?

17 MR. DEBARBA: Well, it was clear to me that we
18 had a problem in terms of roles and responsibilities. And
19 I recall that we ended up having a meeting, one of these
20 gripping meetings where we go through a process we call
21 goals roles process interpersonal on how we are going to
22 get people to work together.

23 In other words, is the goal clear, are the
24 roles and responsibilities clear. I remember spending some
25 time looking at that to make sure that we could do this.

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1 Because I had two parts of my organization that were
2 pulling on us.

3 I had the Bud Risley organization, he was the
4 Director of Millstone 1 and Mario Bonaca, was the Director
5 of Nuclear Engineering. And I was the common, the only
6 common link, the first common link between them. And felt
7 that it was important that we got this right, got this
8 clear.

9 We spent some time going over the roles and
10 responsibilities on how to get this done. And I think that
11 we left the meeting believing that we had done a reasonably
12 good job at that. And --

13 MR. LOGAN: Who was at this meeting?

14 MR. DEBARBA: I think it was Mario Bonaca, you
15 know, I think it was management. I don't recall if George
16 was there, specifically.

17 MR. LOGAN: Or [REDACTED]? EX7C

18 MR. DEBARBA: I don't recall if [REDACTED] was there, EX7C
19 I think he probably was.

20 MR. LOGAN: So Tim Honen would have been there
21 also?

22 MR. DEBARBA: Tim Honen was there, I believe
23 and John Guerici, I believe.

24 MR. LOGAN: All right.

25 MR. DEBARBA: All right. And I don't think

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1 George was there. The reason that I say that is I think
2 that, George, upon learning that we had concluded that he
3 needed to be taking direction from [REDACTED] in terms of what EX7C
4 work had to be done, was angered by.

5 He made comments like it won't work, he doesn't
6 know what he's doing, he prefers contractors over me, you
7 know, comments like that. And basically said, and besides
8 that, there's not enough work to keep me busy. I am going
9 to be down there, you want me down there five days a week,
10 there's not enough work for five days a week.

11 There's probably not even enough work for two
12 days a week. And not only that, I am going to lose the
13 opportunity to do all this other work up here that I have
14 assigned, who is going to do that? Why should I just be
15 sitting on my thumb down some place, if there's no work to
16 do.

17 And I know that he brought that to my
18 attention, I think he might have said the same to Mario.
19 Are comments were that you should not be sitting on your
20 thumb. We don't want you sitting on your thumb. It is
21 important that you do work that you have to do.

22 And so our direction to [REDACTED] was, let's make EX7C
23 sure that we have the work to find. And if George is not
24 needed on site then there's, we don't need him there, we
25 have other work for him to do. And so, I think this might

1 have been early 95, or may be again in late 94, that we
2 decided that we would provide George latitude of being part
3 of a project team, with specific responsibilities, but
4 beyond that, not requiring him to be there everyday of the
5 week, but reporting to Tim Honen for other responsibilities
6 and duties.

7 And we kept Tim as his natural supervisor, i.e.
8 Tim was still responsible for his performance review and
9 evaluation and his career development and enhancement. And
10 that he would take input from [REDACTED] in that regard. EX7C

11 I think over the ensuing months, it became very
12 obvious that it was not working. George, I think, very
13 effectively, was pitting [REDACTED] against Tim. There was a EX7C
14 conflict on a fairly regular basis.

15 MR. LOGAN: Between [REDACTED] and Tim? EX7C

16 MR. DEBARBA: Right. That --

17 MR. LOGAN: Or between [REDACTED] and George? EX7C

18 MR. DEBARBA: Between [REDACTED] and George, as well. EX7C

19 MR. LOGAN: What about between George and Tim?

20 MR. DEBARBA: A little bit. I think he

21 [REDACTED] Tim, in some ways. He [REDACTED] of EX7C
22 Tim.

23 MR. LOGAN: What did he say that was

24 [REDACTED]? EX7C

25 MR. DEBARBA: To Tim?

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1 MR. LOGAN: Yes.

2 MR. DEBARBA: If I recall Tim recounting, that
3 he felt very nervous in dealing with George because George
4 said that this was a bad decision and you went along with
5 it, and if I have to go down, you are going down to. Or
6 some comments like that.

7 MR. LOGAN: Do you know what he meant by that?

8 MR. DEBARBA: Not really. Other than I think
9 it was, no matter how you read it, its a [REDACTED] EX 7C
10 statement. You know, and I can see if I were Tim on the
11 receiving end of that, knowing that Tim is a fairly high
12 strung guy, that he may have a hard time dealing with that.

13 I would get right back in George's face and ask
14 him. But I don't think, Tim was a fairly new supervisor
15 and I think Tim was very much intimidated by George's
16 comments and actions. He did not know how to handle him.

17 And so George did a very, very effectively
18 wedged himself between Tim and [REDACTED]. And did things like EX 7C
19 showing late at the site, you know, his whereabouts were
20 always somewhere between [REDACTED] and somewhere Tim. And so EX 7C
21 the accountability ended up getting lost in that process.

22 George had some conflict with contractors.
23 Ended up claiming that the contractor had verbally
24 assaulted him or got in his face, or something like that.

25 MR. LOGAN: That's a point I would like to

1 cover with you also.

2 MR. DEBARBA: Sure.

3 MR. LOGAN: I would like to also take a short
4 break if we can.

5 MR. DEBARBA: Sure.

6 (Whereupon, the proceedings went off
7 the record from 2:28 p.m. until 2:41
8 p.m.)

9 MR. LOGAN: Before we took a break, you had
10 mentioned a problem that Mr. Betancourt had with a
11 contractor. I would like to ask you before you explain
12 that problem, is whether there were any other problems that
13 you recall becoming involved in or being aware of involving
14 Mr. Betancourt during his tenure with Mr. Honen and [REDACTED] EX 7C
15 [REDACTED]?

16 MR. DEBARBA: I don't recall specifically. I
17 do recall some comments or complaints about George's
18 behavior in a meeting with some vendors. And exactly when
19 that was, I'm not so sure. It was in the 90's, you know in
20 the 92, 93 time frame.

21 MR. LOGAN: And what was that problem?

22 MR. DEBARBA: I think it was an outburst in a
23 meeting that, you know, George made some statement or
24 pounded table or did something that was, that the
25 Purchasing Department found offense. And I think they

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1 called it to my attention and --

2 MR. LOGAN: Did you talk to George about it.
3 Did you write anything on it or --

4 MR. DEBARBA: I don't believe I did. I don't
5 believe I did. I think I might have asked one of the
6 supervisors, alerted one of the managers or directors to it
7 and just asked them to look into it and resolve it.

8 MR. LOGAN: Okay.

9 MR. DEBARBA: You know it would not be unusual
10 for another Vice President to call over something and say,
11 hey, I think that there's something going on in your shop
12 and you ought to let somebody know about it.

13 MR. LOGAN: Okay, there is a memo that was
14 provided to me, I guess, that came out of a file that you
15 had in your office. Your secretary may have maintained.
16 And its a memo from, there's one memo from Schmidt to
17 Betancourt, December 23, 1992, and one from Bonaca to
18 DEBARBA dated December 17, 1992, attaching the earlier one.

19 If you look at the one dated December 23, its
20 your grievance and complaint. Is this possibly the one
21 that you were talking about earlier?

22 MR. DEBARBA: Yes, I believe it was. I think
23 that probably is this memo.

24 MR. LOGAN: This concerned Mr. Koste and Mr.
25 Betancourt?

1 MR. DEBARBA: Yes.

2 MR. LOGAN: Then the other one that I mentioned
3 with regard to fuel handling equipment, does this also
4 relate to the disagreement with Mr. Koste?

5 MR. DEBARBA: Yes it does, yes it does. I
6 believe, this is a product of the reorganization, wherein
7 George believed that through the reorganization this work,
8 which he previously was engaged in, should have come with
9 him.

10 And so he raised that to his supervisor saying
11 that, you know, the work had not been properly allocated
12 and should be looked into. And Bonaca's letter to me,
13 dated December 17th, recommends that his group performs
14 this evaluation, which they subsequently did.

15 MR. LOGAN: Okay, and there's another memo
16 dated January 21, 1993, from you to Mr. Betancourt,
17 regarding an [REDACTED] and his memo, excuse me, EX 7C
18 Mr. Schmidt's memo of January 12, 1993, talking about his
19 temporary reassignment?

20 MR. DEBARBA: Right.

21 MR. LOGAN: Is that the reassignment that would
22 have moved him over to work with Mr. Hills and Mr. Honen?

23 MR. DEBARBA: Yes, that's correct. And that
24 follows from the letter that Mario Bonaca had sent to me
25 dated December 31st, on the temporary reassignment of Mr.

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1 G. Betancourt.

2 MR. LOGAN: Okay. Looking through this file,
3 there doesn't seem to be anything in this file post-1993,
4 are you aware of anything else?

5 MR. DEBARBA: Well I think that the only thing
6 that is, is the I think the payroll change request is in
7 there that's 95. The most recent payroll change request
8 that --

9 MR. LOGAN: 8/3/95?

10 MR. DEBARBA: 8/3/95. Right. That transfers
11 George --

12 MR. LOGAN: There's also a performance review
13 of 94, I guess. Which is just next to that.

14 MR. DEBARBA: Right, there's a payroll change
15 request in early 1995, as well.

16 MR. LOGAN: Okay.

17 MR. DEBARBA: And a performance review of the
18 end of 1994.

19 MR. LOGAN: Okay. Now the situation that you
20 had mentioned with the contractor, that occurred in what,
21 94 or 95?

22 MR. DEBARBA: 95.

23 MR. LOGAN: 95. And can you tell me about
24 that?

25 MR. DEBARBA: This was at Millstone and that's

1 part of ([REDACTED]) spent fuel project team, there were
2 some permanent people assigned to the project and there
3 were some contract people assigned to the project.

4 And as I understand the events, during the
5 course of some work, George indicated that one of the
6 contractors, Don Johnson, I believe his name is, ending up
7 entering his work space and made some demands of him that
8 he felt were threatening.

9 As a result of that, I remember having some
10 discussions with, I think it was Bud Risley at the time,
11 who was the Director for that overall activity, that it was
12 decided that we would have an investigation to find out
13 what happened in that circumstance.

14 MR. LOGAN: And who initiated the investigation
15 and conducted it?

16 MR. DEBARBA: The investigation was done by Jan
17 Roncaioli, I believe. I'm not so sure who, if she had
18 other people help her, but Jan was, I think, the principal
19 person.

20 MR. LOGAN: And what was the basis for the
21 investigation?

22 MR. DEBARBA: The basis of the investigation
23 was --

24 MR. LOGAN: Was it an EEO complaint, was it
25 assault?

1 MR. DEBARBA: It was EEO. In other words, it
2 was I believe that George Betancourt claimed that this
3 contractor did not like him, or something, because he was
4 ~~_____~~ and was looking to intimidate and threaten him and
5 take his work away.

Ex
7C

6 And it was driven, based on prejudice that he
7 had. So I think that's why EEO people from HRG ended up
8 getting involved.

9 MR. LOGAN: So it ended up as an EEO
10 investigation?

11 MR. DEBARBA: Correct.

12 MR. LOGAN: Not an investigation that had to do
13 simply with interpersonal relations, someone's work space
14 threatening manner. It boiled down to EEO?

15 MR. DEBARBA: I believe that was believed to be
16 the potential motivation. I think George might have
17 claimed that to someone, that it was motivated by some
18 prejudice.

19 MR. LOGAN: Did you talk to George personally
20 about this?

21 MR. DEBARBA: I did, yes.

22 MR. LOGAN: What did George tell you?

23 MR. DEBARBA: George told me that Don Johnson
24 entered his work space, and he wasn't sure why he was even
25 there, he didn't have a reason to be there. And stood over

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1 him in a way and demanded that he add comments to his
2 specification.

3 And George said he felt threatened because of
4 Don's presence, Don is a [REDACTED], and so he felt
5 threatened and excused himself and left the area. That was
6 his comment.

7 MR. LOGAN: Does it seem reasonable to you?

8 MR. DEBARBA: Seemed reasonable?

9 MR. LOGAN: Do you think George is the kind of
10 guy that could be easily intimidated by Don?

11 MR. DEBARBA: Absolutely not. I don't think
12 there's anybody on the face of this earth that could
13 intimidate George. I certainly have never seen it.

14 MR. LOGAN: So what did you make of it? What
15 did you tell George?

16 MR. DEBARBA: I told George that I understood
17 that it was being looked into and that it was appropriate
18 that he cooperate with the people who were looking into it
19 and that we would try to do our best to get to the bottom
20 of it.

21 I said that certainly any behavior like that is
22 inappropriate, if that's what happened, but I said that we
23 have to give people a fair shake. Just because he's a
24 contractor doesn't mean we automatically have to conclude
25 that your right and he's wrong.

1 If I recall George had, his input to me was
2 that we've got to fire this contractor because he's only a
3 contractor and George is a full time employee and you ought
4 to believe George just because he's a full time employee.

5 And I said, no, that's not right. I mean,
6 people are people, and just because he's a contractor
7 doesn't mean that you automatically assume that he did
8 something and he's guilty of it.

9 MR. LOGAN: Did you tell George, basically what
10 you just told me? Say, George, how does anybody intimidate
11 you?

12 MR. DEBARBA: Yes, I think I might have even
13 chuckled a little bit or done something when he said it.
14 You know, seeing, you know, are you telling me this with a
15 straight face, George, or what. And he may have, you know
16 George will crack a smile and well, you know.

17 I left believing that he wasn't all that
18 sincere, based on his body language and some other things
19 and the way he presented it. But he stated his case.

20 MR. LOGAN: And you processed it?

21 MR. DEBARBA: It was already in the works.

22 MR. LOGAN: It was?

23 MR. DEBARBA: Yes, right.

24 MR. LOGAN: And as a result --

25 MR. DEBARBA: In fact, he had made some

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1 additional accusations, right about the same time, some on
2 improprieties of handling paperwork and contracts and
3 things like that. I think predominantly associated with
4 ~~activities.~~ EX 7C

5 And again, Bud Risley had called an insurance
6 group, not the insurance group, the internal auditing group
7 to take a look at those alleged improprieties. And also
8 there was some questions about, I think, procedural
9 compliance and some other issues that were quality
10 assurance related.

11 And again, I think Bud Risley ordered the
12 quality assurance group to conduct an evaluation of those
13 allegations that George had made.

14 MR. LOGAN: I talked to George, as I've
15 mentioned earlier, and he said that he had spoken with you
16 about cooperating during the course of an NRC
17 investigation. Did there come a time when he had a
18 conversation with you about cooperating in an NRC
19 investigation particularly with regard to spent fuel
20 projects and things of that issue?

21 MR. DEBARBA: I don't recall that at all.

22 MR. LOGAN: He said that was on April 11, 1995.

23 MR. DEBARBA: I don't recall that, in what
24 context?

25 MR. LOGAN: The fact that he was going to be

1 interviewed by the NRC.

2 MR. DEBARBA: He may have told me he was going
3 to be interviewed by the NRC.

4 MR. LOGAN: And that you advised him that he
5 should be cooperative.

6 MR. DEBARBA: You know, if somebody said that
7 to me, it would not be unusual that I have, an employee may
8 ask me that question of, gee, I'm going to be investigated
9 by the NRC, or what not, what should I do?

10 I would say, tell the truth and I'll tell them
11 that you should cooperate, obviously. I mean, there are
12 certain principals that we have that we go by, that
13 everybody should know.

14 And if somebody were to ask me that, I'm very
15 confident that would be my answer back. You know, you've
16 got NGP 215, that gives you guidance on how to conduct
17 yourself and those are the rules you ought to be following.

18 MR. LOGAN: He also said it was in the same
19 conversation, and I believe his comment to me was, I also
20 discussed several areas wherein the spent fuel projects and
21 control of contracted services was, in his opinion, not
22 consistent with NU's policies and procedures, business
23 practices or code of conduct/ethics.

24 So this seems like the same issue that he was
25 raising with you, that you mentioned just a couple of

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1 minutes ago.

2 MR. DEBARBA: Right. I believe those were the
3 subject of the internal audit review.

4 MR. LOGAN: And so I guess you were aware that
5 he was going to be meeting with the NRC and you were aware
6 that he had a disagreement with [REDACTED] about how EX 7C
7 [REDACTED] was running the project?

8 MR. DEBARBA: Right. No, I knew that he had
9 fairly open disregard for [REDACTED]. That was quite obvious. EX 7C

10 MR. LOGAN: What do you attribute the open
11 disregard to?

12 MR. DEBARBA: Well, as he stated it, he did not
13 respect [REDACTED] because [REDACTED] did not have the same technical EX 7C
14 abilities as he did. So [REDACTED] understanding and technical EX 7C
15 prowess, in George's mind, were deficient relative to his.

16 He believed that [REDACTED] preferred people other EX 7C
17 than himself. In other words, he preferred to interact
18 with contractors rather than George. In fact, in some ways
19 would steer clear of George a bit.

20 MR. LOGAN: Do you think that was true?

21 MR. DEBARBA: Sure.

22 MR. LOGAN: Why?

23 MR. DEBARBA: To a degree.

24 MR. LOGAN: Why?

25 MR. DEBARBA: George's actions were very

1 painful to [REDACTED] I believe. And so while [REDACTED] would assign
2 him work and follow up on work, I think George contested
3 practically every interaction. So I think it becomes
4 natural for somebody, particularly somebody who's fairly
5 junior like [REDACTED] in the [REDACTED] rank, to be careful on
6 how he conducts those interactions. EX 7C

7 I think it was, I think George was difficult to
8 manage for [REDACTED]. And still is. EX 7C

9 MR. LOGAN: I get a picture where George was
10 difficult to be managed by several people.

11 MR. DEBARBA: That's correct. That's true,
12 that's true.

13 MR. LOGAN: Is this a track record for Mr.
14 Betancourt?

15 MR. DEBARBA: Well I think that in the early
16 80's it was probably less so. But I think since I've been
17 back in the 90's, I think that I've seen numerous incidents
18 where its been very aggressive that way with Mr. Koste, Mr.
19 Schmidt, with Tim, with John Guerici, to some extent Mario,
20 to some extent myself, [REDACTED] I mean the list goes
21 on of the people he believes disagree with him.

22 And if you disagree with George, he cannot
23 accept it. He cannot accept change. Change is very hard
24 for him. And this is a changing world. Our environment is
25 changing, people are relocating to sites. Engineering

1 organizations are getting smaller. Companies are getting
2 smaller around the world.

3 Times are changing and George is having a very
4 tough time with it.

5 MR. LOGAN: Are you aware of any situations
6 where Mr. Betancourt has disagreed with any positions taken
7 by Northeast Utilities via any of the groups within
8 Northeast in representations that have been made to the
9 NRC?

10 MR. DEBARBA: Yes, I am. I am aware that
11 recently he believes that the conduct of full core off load
12 as a normal practice, represents an unreviewed safety
13 question in the position of Northeast Utilities as
14 documented in a letter that went to the NRC last night is
15 that it is not an unreviewed safety question.

16 In coming to that conclusion, George has been
17 involved in the process, George's opinions have been heard.
18 I think George would disagree to the extent to which his
19 opinions are heard. The extent that he may have been
20 invited to one meeting or another.

21 So I think that George has a lot of things that
22 are contested in those arenas, relative to the individuals
23 facts. But, I think collectively, I don't think he has a
24 real problem with the ultimate outcome of the decision.

25 To my knowledge, and he's told me this, he had

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1 no problem with our ultimate, what we are ultimately
2 planning on doing. And that is doing a full core off load
3 with the changes that we've made to the plant.

4 He believes that it is entirely safe, and he
5 has no issue with it at all. He has told me that directly.
6 He has signed some letters that we have sent to the NRC
7 stating as much. He disagrees with whether or not this
8 should be conducted under 5059 or it ought to be conducted
9 as a license amendment.

10 So it ends up being a purely legal question of
11 whether or not the act of doing a full core off load versus
12 a part core, or one-third core off load as a normal
13 refueling practice, meets the criteria of 10CFR 5059 or
14 doesn't.

15 MR. LOGAN: So you are saying that there isn't
16 an unresolved safety issue here?

17 MR. DEBARBA: No. Our conclusion as a company
18 is that the conduct of removing the fuel as a normal full
19 core off load does not represent an unreviewed safety
20 question.

21 MR. LOGAN: And George's position is that it
22 does?

23 MR. DEBARBA: He believes that it does. He's
24 stated that it does.

25 MR. LOGAN: And you've just indicated he

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1 thought that this wasn't a safety --

2 MR. DEBARBA: If he believes its entirely safe.
3 The 5059 is a legal challenge.

4 MR. LOGAN: I understand what the 5059 is.

5 MR. DEBARBA: Okay. And his comment is that it
6 is safe, the only question is does NRC have to have prior
7 approval or not. Our evaluation says its not an unreviewed
8 safety question, therefore, NRC doesn't require prior
9 approval.

10 But, in the intent of being conservative here,
11 we've asked the NRC to consider it anyway as an amendment.
12 So in the interest of conservatism and because there is
13 lack of clarity in the words, despite our technical
14 evaluations that say 5059 shows its an unreviewed safety
15 question, we believe NRC, that you ought to consider this
16 as a license amendment.

17 So its, they are reviewing in currently. Its
18 in their park. There's nothing below the table here, I
19 mean, the NRC has every document that we've ever produced
20 on this and so, in a way, considering it as a license
21 amendment or a 5059 its not as if they are not aware of
22 something.

23 Everything has been fully disclosed. And, in
24 fact, as we've moved along on this entire issue, we've
25 constantly kept the resident inspectors apprised of all of

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1 the developments on the spent fuel pool.

2 MR. LOGAN: When did you become aware of
3 George's disagreement with the position of the company on
4 this case?

5 MR. DEBARBA: On the unreviewed safety
6 question?

7 MR. LOGAN: Yes.

8 MR. DEBARBA: I believe it was, I think it was
9 in June of this year. At first there was some disagreement
10 and conflict as to whether this was or was not an
11 unreviewed safety question.

12 — And George was clearly on the side, that yes,
13 it constituted an unreviewed safety question. We never did
14 a formal analysis at that time to determine whether it was
15 or wasn't. But because the outage was approaching, we knew
16 that we had to do something.

17 We also knew recognized that the language was
18 not clear and we decided from a prudence standpoint, let's
19 get the license amendment in now. It has to be posted for
20 sholly reasons.

21 We need to get that on the docket and get it
22 moving. We can't sit here and discuss this forever. So
23 its in that sense, the company did exactly what George
24 thought we ought to do, finalize this amendment.

25 MR. LOGAN: How did this issue come up?

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1 MR. DEBARBA: In recent weeks?

2 MR. LOGAN: Initially.

3 MR. DEBARBA: Initially? I think it had its
4 roots back in 1992, I think, when George Galatis was doing
5 some work and he was asked to do some following up on a
6 reportability evaluation that was done.

7 I forget what the specific discovery was, but
8 there was some evaluation that was requested of George
9 Galatis to look into something on the spent fuel pool. And
10 in the course of his investigation, he concluded that this
11 business of full core off load versus partial core off
12 load, was not correct and something needed to be done about
13 it.

14 So the company filed a LER, I believe, and did
15 a number of follow up activities, including at the very
16 next refueling outage, they ended up doing a one-third core
17 off load and then waited a period of time, so they would
18 not have to call on the shut down cooling pumps to remove
19 decay heat.

20 That they could meet those decay heat curves
21 entirely with spent fuel pool cooling systems. And both, I
22 think both George's were involved in that at the time and
23 felt that that was appropriate. I believe that's the case,
24 I'm not 100 percent sure that they felt that way.

25 And I think that as time marched on, we knew

1 that we were going to have to re-rack the Millstone 1 pool.
2 We were going to have to do that in 1997. So we are doing
3 some work in advance of that. But, we recognize that to do
4 a full core off load this time, we still had that
5 uncertainty out there.

6 And we recognized that doing that one-third
7 core off load and then waiting a period of time and then
8 doing the rest, added a lot of time to the outage schedule.

9 And so the right thing to do was modify the
10 plan so we could have the shut down cooling system
11 available to us, right from the time we first started off
12 loading the core.

13 So we made a design change in the plan that
14 both George's agreed with was the right thing to do. It
15 was the safe thing to do. And have the shut down cooling
16 and the spent fuel pool cooling cross tied now, so you have
17 both systems fully available and available to meet this
18 single failure criteria that they talk about.

19 So that given the worst failure, you still have
20 two pumps that will help remove heat. And with that
21 situation, you can off load the whole core, I think after a
22 delay time of 100 hours and beat all your safety
23 requirements.

24 So, I think, I don't think there is any
25 disagreement on that. I think the disagreement is totally

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1 on whether or not that requires a license amendment to do
2 it. Or whether or not it can be done under a 5059. And I
3 think along the way there were some contentions that well
4 NU did this inappropriately, maybe willfully, knowingly and
5 that NRC was aware of it and they knowingly and willfully
6 did it to.

7 Our position on that is that this is the
8 language in these documents is very unclear. There's
9 nothing written in our technical specifications other than
10 in Section 5, there's mention of the total number of fuel
11 bundles that you are allowed to have in the pool.

12 — We've never, that's never been a question. The
13 question is in these underlying analysis as to what
14 constitutes a normal case and an abnormal case. In the
15 abnormal case is a full core off load.

16 The NRC has criteria on how you do that, and we
17 met that criteria, there's not a question of that. We have
18 a normal case that is for the one-third off load, NRC has
19 criteria on how to do that, and we met that case.

20 The question comes in, now that you've got that
21 abnormal case that's analyzed, how often and when can you
22 use it? There's nothing written that tells you that. The
23 contention is that if its called abnormal, then you can't
24 use it very often. You shouldn't be using it.

25 Our point is that it is a very poor choice of

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1 words. Its unfortunate that we ever had those choice of
2 words. And in the interest of clarifying it, let's get a
3 license amendment on the docket and clarify it once and for
4 all.

5 That we are going to have case that says to do
6 a normal full core off load, with these plan modifications,
7 you can do it right from day one and be very conservative
8 about it. Its our belief that use of the abnormal case,
9 was not a violation of our license.

10 We believe that it was an analyzed case, and
11 the only question comes into given that you have that
12 abnormal licensed case, how often can you use it and what
13 constitutes abnormality.

14 And we are saying we had, it was reviewed by
15 the NRC. It was approved and we chose to use it. There
16 were words in our documents that said you can use the
17 abnormal case for such things as operational flexibility.
18 And that was a message to us that it was our choice as to
19 when we wanted to use that.

20 Also recognizing that the total number of fuel
21 bundles that you have in Millstone 1 are 580 fuel bundles,
22 and you have the exact amount of decay heat, whether you
23 remove in one-third to the pool and keep two-thirds in the
24 reactor vessel or you move it all out, its still the same
25 exact systems removing the same amount of decay heat.

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1 And so in a way it almost becomes a semantic
2 exercise as to what is right and what is not right. We
3 believe that we've done the right thing rectify it and I
4 think that both George and George believe that we should
5 have submitted a license amendment years ago to clarify
6 that.

7 But I think that's the best of some of the
8 substance of our differing opinions on that.

9 MR. LOGAN: And, again, you became aware of
10 George Betancourt's differing professional opinion at what
11 point?

12 MR. DEBARBA: I think that his differing
13 opinion, we had not actually come up with a company
14 position in the June or July time frame of this year. And
15 then in July we ended up submitting a license amendment.

16 And in that case, George's opinion was in fact
17 the opinion that prevailed. That's what we ended up using.
18 So the company's position and George's position were
19 entirely consistent.

20 In recent weeks, in the last two or three
21 weeks, we have been asked, in fact I think it was last
22 Friday, we were asked by NRC to revisit whether or not this
23 constituted a 5059, constituted an unreviewed safety
24 question.

25 And they specifically asked for us to produce a

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1 5059 analysis to determine whether it was or was not an
2 unreviewed safety question. We conducted that review, and
3 we conducted it in two forms. One, we had [REDACTED] EX7C
4 group conduct a component level 5059 evaluation.

5 And consistent with our procedures, we asked
6 the reactor safety analysis people to conduct an integrated
7 safety evaluation that looks at it from an accident
8 analysis, more global perspective.

9 MR. LOGAN: Who's group is that?

10 MR. DEBARBA: Don Dube.

11 MR. LOGAN: All right.

12 MR. DEBARBA: And on the component level, it
13 was concluded by George Betancourt and Bob Paruolo, that it
14 did constitute an unreviewed safety question. We ended up,
15 because this ended up being really kind of a legal issue as
16 to definitions and 5059 and what constituted a margin of
17 safety and what constituted a new malfunction as defined in
18 the basis on tech specs, I mean these words of 5059, what
19 do they specifically mean.

20 We brought in some outside resources to try to
21 help us out. Jim Sniezek, was a former NRC manager, well
22 versed in this particular area. And Joe Scinto, a former
23 NRC employee, well versed in 5059's, in fact I understand
24 he had some hand in creating the document. To help us
25 understand what the words mean and what they intended to

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1 mean, given the grayness.

2 I think they provided us some guidance in terms
3 of understanding it. They weren't telling us it is or it
4 isn't. That was not what we were asking them to do. We
5 were asking them to help us understand the regulations so
6 that we could make the right decision here.

7 And we concluded on an integrated safety
8 evaluation stand point that it was not an unreviewed safety
9 question. And that was documented by Michael Kai and Don
10 Dube, who were very well regarded and respected.

11 The analysis was then brought to our plant
12 operations review committee yesterday. And after quite a
13 bit of discussion and deliberation, the plant operations
14 review committee concluded and concurred that it was not an
15 unreviewed safety question.

16 They reviewed the work that had been done by
17 George Betancourt and Bob Paruolo. They understood the
18 differing opinions that were in there. And they felt they
19 gave them a full hearing. I wasn't there at the meeting.

20 But I understand that both George Betancourt
21 and Bob Paruolo, at the conclusion of the meeting, which
22 was sometime like 5:00 or 6:00 last night, felt that they
23 had been heard.

24 I think earlier in the day, they had some
25 feelings that perhaps they weren't being heard, and so its

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1 not a clean bill of health in terms of those folks saying,
2 yes they have no position that is different from the
3 Company's.

4 I don't know right today, whether they believe
5 that there position is in fact different from the
6 Company's, I don't know. It could be, it could not be.
7 But the Company position is that it is not an unreviewed
8 safety question.

9 And both George and Bob Paruolo have a signed
10 document saying that on a component level basis it is, but
11 all those discussions have been heard. They've heard
12 those, we didn't ask them to retract their documents, no
13 basis, no point in asking them to retract something. So
14 the document stands, but I don't know what they would say
15 if you asked them today.

16 MR. LOGAN: I guess, the other point would be,
17 what other involvement have you had with Mr. Betancourt in
18 terms of problems?

19 MR. DEBARBA: Well, you know, along the course
20 of discussions we've had on spent fuel team, that its been
21 obvious to me as a team, we are not going to reach our
22 ultimate goal of getting this work done in a cost effective
23 and timely way.

24 Because we are having disharmony in all people
25 in that group. And what I've done, I forget the exact time

1 of it, I called all the people together on the project team
2 and told them that I felt that they needed to work together
3 as a team.

4 Not pointing out people, not calling by names,
5 but saying collectively as a team, you need to look each
6 other in the eye and be able to work together in order to
7 be successful.

8 And if you are not able to do that, we are not
9 going to be successful. And I remember asking the people
10 who were not directly associated with the site, that is the
11 contractors and George, that I really wanted them to think
12 about it away from the site.

13 And the people that were on the site, I wanted
14 them to think about it on the site.

15 MR. LOGAN: That's because at that time George
16 was still based in --

17 MR. DEBARBA: He was still based in Berlin,
18 right. And so I asked them to go home, to leave the site.
19 And to come back, I think this was on a Thursday or Friday,
20 to come back on Monday and I wanted to meet with them.

21 And I wanted to hear from them as a group and
22 individually as to whether or not they felt they could be
23 successful working together. And so they left and then
24 they came back. George was concerned, I think he talked to
25 me earlier that morning, or maybe it was after the meeting

1 we had.

2 Because in the course of the discussions
3 everybody told persons, they said, yes they would do it and
4 they thought about it and they wanted the team to be
5 successful and they understand that its an important
6 mission and they are willing to roll up their sleeves and
7 let by gones be by gones and whatever.

8 MR. LOGAN: Did George say that too?

9 MR. DEBARBA: And when it came to George, I
10 think his comment is, he'll do what he's told. And I
11 remember asking him, well George, that's not really what I
12 was asking. Is your heart in it? And he said, well I want
13 the project to be successful and I'll do what I'm told.

14 And then he, after the meeting, he, I didn't
15 want to confront him directly in front of that group and
16 there were a lot of people in that meeting. And I saw him
17 after the meeting and I recall asking him why is it you,
18 you are not willing to do that?

19 And he said, well, you know, I don't know about
20 the contractors and I'm still worried that the contractors
21 are trying to take my work and this, that and the other.
22 And I said, George, I said, we need you to be successful.
23 I am asking you, personally, would you do this?

24 Are you willing to roll up your sleeves and
25 work here? And he said, well if that's what you want me to

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1 do, then that's what I'll do. I said, that's what I want
2 you to do. And he said, all right.

3 So it was kind of reluctantly, but sort of,
4 okay, I guess I'll do it.

5 MR. LOGAN: And what happened as a result of
6 all that?

7 MR. DEBARBA: Well, I think, you know, there
8 was not much, I didn't get much feedback for a while. I'm
9 not sure what a while was, but it was some period of time.
10 I think the investigations were ongoing during this period
11 of time.

12 MR. LOGAN: What investigations, the EEO
13 investigation?

14 MR. DEBARBA: The EEO, the internal audit and
15 the quality assurance investigations.

16 MR. LOGAN: Okay.

17 MR. DEBARBA: And they came to a conclusion
18 sometime in the July time frame, I believe. And I had
19 discussions with Jan Roncaiolo at the conclusion of her
20 review and also with Bud Risley. I'm not sure, I don't
21 think I talked to the IED people directly.

22 But I did see the report. And basically the
23 conclusion was that there was really no wrong doing that
24 they could find some of it was opinions. One person said
25 this, and the other person said that, may be the opinions

1 were different, there was no way to substantiate it that
2 they could find.

3 You know, it was those kinds of conclusions.
4 But they did have some recommendations in there, some
5 things that needed to be adjusted. Jan had some specific
6 recommendations on how we might help George and some things
7 that needed to be done.

8 That George specifically needed to do to help
9 him [REDACTED] And we concluded that it
10 would be important for me to talk directly to George. Her
11 comment was that in her discussions with George, that
12 George had very high regard for me, somebody that he could
13 trust.

14 He's always felt that I was an ally. I was the
15 person that hired him and he made a number of references to
16 his [REDACTED] background and what that means to his father
17 and that type of thing.

18 And she thought it was important that he hear
19 it from me as to what we, what as expected. And so I think
20 it was in the first part of August, her and I met with
21 George.

22 She went through her report. I summarized and
23 said, you know George, you had raised some issues, we've
24 looked into those issues, we don't find any wrong doing on
25 the part of the Company or individuals. There are some

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1 things that can't be substantiated.

2 I said, but, what is clear is that the project
3 is not working. I said, one of the things that we are
4 finding is that you are serving two masters here. You are
5 serving Tim and you are serving [REDACTED] and neither one of EX7C
6 them are being served real well.

7 Its pulling apart, its pulling the organization
8 apart. We've got to do something. And I said, that's the
9 recommendation from the, you know, the reports that we look
10 into that and not have you trying to serve two masters.

11 And I said, what I need you to do is focus on
12 the spent fuel project, this is where we need your talent.
13 This is where the action is, your expertise in right in
14 this line and this is what I need you to do. I need you to
15 focus on the spent fuel project.

16 I think there is enough work for you to be
17 there full time. If there is not, then we can find a way
18 to have you work on some other task, but through [REDACTED] not EX7C
19 through Tim.

20 I said that I need you to separate yourself
21 from Tim and allow him to focus on the other things he's
22 doing. And have you focus on making the spent fuel project
23 successful. And his comment is, its not going to work, I'm
24 telling you, its not going to work.

25 And he said, I can't believe it, this is bad

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1 news. I said, George, it can work. If you want it to
2 work, it can work. He said, it won't work. And so I tried
3 to appeal to him. We had talked about some things we could
4 offer him in terms of conflict mediation resolution.

5 We knew that his relationship with [REDACTED] was not
6 good. We offered a mediator, Gary Bayless, who is from
7 HRG, who I think is a very reasonable person, to be able to
8 sit down and kind of work this out with [REDACTED] and George. 7C

9 And we also thought that George ought to enroll
10 in a course on, I forget what it specifically was, but it
11 was on some either conflict resolution or [REDACTED]
12 [REDACTED] type of course that was off-site, off campus. 7C

13 And his comment was that I've been through the
14 tea leaves course, I've been through this before, I don't
15 need anymore. And so I said, that's not what we believe,
16 we believe that you do need some more. And we believe that
17 you need to look at it positively.

18 We are here to try to help you, I said, but
19 you've got to help yourself. I said, you've got to reach
20 out a little bit. People are opening, you know, their arms
21 to help you, I said, but you keep pushing them away.
22 You've got to reach out.

23 People are willing to help you. You can't keep
24 kicking people when they reach out to try and help you.
25 And he said, well, I've got to think about it, type of

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1 thing. He was visibly shaken. And I think at that point
2 he might have asked me, well, what choice do I have?

3 And I said, well, in terms of choices, you ask
4 me do you have a choice of work selection, I said, I don't
5 give people choices of work selection, I said, people have
6 jobs here and most people are pretty happy to have the jobs
7 they have.

8 I said, we have a job for you and a very good
9 one and its on this project team. If you are asking me do
10 you have a choice beyond this project team or not, I said,
11 no, you don't have that choice. The expectation is you be
12 on the project team, we don't have another job for you.

13 So, he said, well, I can't believe this. And
14 he stormed off.

15 MR. LOGAN: Did you ever talk to him about
16 having [REDACTED] EX 7C

17 MR. DEBARBA: No, no, not at all.

18 MR. LOGAN: And you referred to a report that
19 was done by Jan Roncaioli, you provided a document which is
20 titled a draft of George Betancourt Complaint Decision
21 Recommendations dated June 14, 1995?

22 MR. DEBARBA: Yes, that's correct.

23 MR. LOGAN: Is that the one, now did you
24 discuss that with George? In other words, has he seen this
25 and did he have an opportunity to look at it?

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1 MR. DEBARBA: Jan Roncaioli went over the
2 report with George directly. I don't know if he has a copy
3 of it or was given a copy of it, I don't know. He may have
4 wanted Jan to get it or may have reviewed it in her office.
5 He may have a copy, I really don't know.

6 I don't think he's ever asked me for anything
7 that I've not given him.

8 MR. LOGAN: Did you in particular go through
9 this with him?

10 MR. DEBARBA: Jan went through it.

11 MR. LOGAN: But did you go through it?

12 MR. DEBARBA: I think I went through the
13 conclusions or the recommendations that suggest that his
14 interpersonal and team work skills are [REDACTED] EX 7C

15 [REDACTED] That he ought to attend a national training
16 institute program and that he ought to avail himself of
17 some [REDACTED] That was the Gary Bayless EX 7C

18 [REDACTED] EX 7C

19 MR. GUTIERREZ: Just a point of clarification.
20 I understood you to say that Jan went through it in your
21 presence?

22 MR. DEBARBA: Yes, that's correct. Yes, that's
23 right. That's correct.

24 MR. LOGAN: And after you went through this and
25 resolved the complaint, what happened after that?

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1 MR. DEBARBA: What happened after that was that
2 as I understand that George retained counsel and ended up
3 approaching NU, NU counsel and in the course of the
4 discussion, I'm not sure what the, I'm not familiar with
5 the details of counsel's discussion, the decision was to
6 not require George to participate in these [REDACTED] *FX 7c*
7 [REDACTED] opportunities at this time.

8 MR. LOGAN: Anything else? He still worked
9 for, I guess, for Tim Honen as a result of this didn't he?
10 Or had that been changed?

11 MR. DEBARBA: Up through, at the August, early
12 August meeting, we concluded that he would be transferred
13 and I think the official transfer date, its in these
14 records, I think was August 18th or 26th or something like
15 that. But it was in late August, the transfer actually
16 occurred. Where he is now transferred to work directly for
17 [REDACTED]

18 MR. LOGAN: And what type of documentation
19 would be provided to him with regard to the transfer?
20 Simply a cross control change, is that it?

21 MR. DEBARBA: Yes, a payroll change request.

22 MR. LOGAN: Is that a letter that would
23 normally go to him, advising him that this change is taking
24 place, indicating what his new responsibilities might be or
25 something of that nature?

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1 MR. DEBARBA: No, that would be atypical for us
2 to do that with people. We've had reorganizations and
3 we've moved hundreds of people at a clip and people don't
4 get that. Here, this is the payroll change request form
5 that I signed along with personnel, transferring George.

6 MR. LOGAN: Did George ask you for a letter
7 transferring him, indicating what his new responsibilities
8 would be?

9 MR. DEBARBA: I recall him asking for,
10 wondering what paperwork there would be. And I mentioned
11 that, well, the only paperwork that is required is the
12 payroll change request. And I said that we will do. And I
13 asked Cheryl to process it immediately.

14 This is dated 8/3/95, I'm not sure if that was
15 the date of the meeting, but it must have been very close
16 to that. Because my secretary is quite efficient in doing
17 those things, so I'm sure that's what she did. The
18 effective date was 8/27/95.

19 MR. LOGAN: When someone is transferred from
20 Berlin to Millstone Station is that a complete relocation
21 whereby they sell their house, get a moving package, get
22 transferred down here?

23 MR. DEBARBA: No, no.

24 MR. LOGAN: Or is that just --

25 MR. DEBARBA: It can be, it can be, and where

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1 we have permanently transferred people, that is exactly
2 what we do. And the policy is quite clear, that for a six
3 month period, for instance, they get travel reimbursement
4 and after that they do not.

5 For some period of time they are eligible for
6 more mortgage relocation assistance and then the period
7 ends and you are no longer eligible for that. In the case
8 of project teams, which basically are here for a set amount
9 of time and then they disappear, we don't transfer people
10 permanently, given that situation.

11 So George is not permanently transferred and in
12 fact that is to his benefit. He gets paid mileage every
13 day and there is not clock ticking on him. All the other
14 people who have transferred in a permanent way to
15 Millstone, basically had six months of mileage
16 reimbursement.

17 George gets reimbursed for mileage everyday and
18 there is no clock ticking on him.

19 MR. LOGAN: Once the additional engineers come
20 down to the station, will George's position then be
21 transferred down at that time?

22 MR. DEBARBA: Oh yes. And at that point he
23 will have six months, and he will be eligible for
24 relocation assistance, just like everybody else who will be
25 coming down. And so he would meet all those milestones

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1 that everybody else meets.

2 MR. LOGAN: Even though he doesn't have a
3 position in Berlin? The fact that the bulk of the staff is
4 then moving down here, would effectively transfer him down
5 as well?

6 MR. DEBARBA: Correct, because there will be no
7 one left. There will be no one left in Berlin.

8 MR. LOGAN: So by default, he will be down
9 there?

10 MR. DEBARBA: Right, exactly. And the only
11 difference is if we decided to move him to Connecticut
12 Yankee. We may move some people to Connecticut Yankee.
13 But I doubt it. It would be very few, if any that would be
14 held in the other option.

15 MR. LOGAN: One point I would like to bring up
16 on the record that I had mentioned with you off the record,
17 I was told by Mr. Betancourt that on August 21st he
18 presented to Larry Chatfield and to you an official filing
19 of a Nuclear Safety Concern that sets out to state how he
20 feels that in this case he has been retaliated against for
21 having cooperated with Ken Jenison, an NRC inspector,
22 during the course of Mr. Jenison's inspection.

23 My question to you is do you recall him filing
24 with you a concern on or about August 21st of this year?

25 MR. DEBARBA: I do recall a Nuclear Safety

1 Concern that George filed with Larry Chatfield. And I
2 believe I was copied on it from George. My recollection
3 was that he was, he had claimed that there was some, and
4 the words were, possible.

5 In other words, it was possible that I had been
6 retaliated against or had been potential intimidation
7 because of my relocation of assignment or something like
8 that. I don't recall any specific reference to Ken
9 Jenison.

10 MR. LOGAN: Okay and in terms of retaliation,
11 harassment and intimidation, has Mr. Betancourt ever
12 mentioned to you or to anyone else who may have mentioned
13 it to you, that there's been any sort of harassment,
14 intimidation or retaliation against him for either, One,
15 raising safety concerns, or two, cooperating with the NRC
16 during its investigation and/or inspections?

17 MR. DEBARBA: I can't recall him ever bringing
18 that to my attention.

19 MR. LOGAN: To both points?

20 MR. DEBARBA: Both points, correct.

21 MR. GUTIERREZ: Other than the exchange that
22 you just recalled to Mr. Logan.

23 MR. DEBARBA: Well, the letter, you are talking
24 verbally, some verbal exchange.

25 MR. LOGAN: Yes, or written and I think you've

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1 already indicated that you didn't ever recall him making a
2 referral to you and Larry Chatfield with regard to
3 cooperating with Ken Jenison, so you've also said no to
4 that.

5 MR. GUTIERREZ: I thought I heard he held out
6 the possibility that something like, something to that
7 effect was given to him, but not specifically.

8 MR. DEBARBA: Yes, there was a safety concern
9 that George wrote to Larry and I believe I was copied on it
10 and it used words like intimidation and harassment in it,
11 but if I recall it was couched in potential or its
12 possible, and I don't recall a specific reference to Ken
13 Jenison or anything.

14 I thought it was more generally phrased. And I
15 think that he might have had some subsequent correspondence
16 with Larry that talked about questions about other plants.
17 Millstone 2 and Millstone 3.

18 MR. LOGAN: Okay, let me read one other
19 statement to you and I'd like you to comment on it. And
20 this is Mr. Betancourt saying, advising me that he had
21 systematically retaliated against for cooperating in an NRC
22 investigation.

23 And that he expects NU's actions to escalate
24 into deliberate harassment, intimidation and discrimination
25 upon notifying NU that he felt there were similar

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1 violations with the Millstone 3 fuel pool cooling system.
2 With respect to License Numbers 39 and 60 as existed with
3 the Unit 1 cooling system.

4 MR. DEBARBA: I believe that's the letter that
5 I was referencing. I recall that letter with those kind of
6 words, that he expects that there was going to be this
7 action as a result of that.

8 I recall he wrote that to Larry Chatfield I
9 believe and copied me on that letter.

10 MR. LOGAN: So that's the, he used to different
11 dates with me, so they didn't seem to be the same. But
12 with regard to that one, and let me make that a very
13 specific point, with regard to the concerns raised in the
14 section which I paraphrased for you, is there any basis for
15 this statement, to your knowledge?

16 MR. DEBARBA: I believe it is totally baseless.
17 I believe that I personally and other members of NU have
18 bent over backwards, perhaps too far, at times to
19 accommodate George and his desires and his interests.

20 I think in our interests to help George, I
21 think he's abused us. And he's used, because he doesn't
22 not want to do something, or what not, he has used various
23 angles to get what he wants.

24 And I know I have spent lots of hours with
25 George on a task force team looking at issues associated

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1 with spent fuel issues, and we've got lists, many lists of
2 various issues that are being looked at or have been
3 closed.

4 Or are questions with due dates and
5 deliverables and that type of thing and George has
6 participated in that. We have had lots of open discussion
7 dialogue. He's had every opportunity to participate in
8 that type of thing.

9 To, in that context to turn that around and say
10 that there is an adverse action against him, to me, is
11 preposterous. I can't imagine that we can bend over more
12 backwards to accommodate somebody and to make sure that
13 he's heard.

14 I think its been unbelievable in terms of how
15 much effort we've put into making sure that, you know,
16 George is heard and understand, understood.

17 MR. LOGAN: Okay, as of this point, that is all
18 the questions that I have. Is there anything that you
19 would like to put on the record at this point, Mr. DEBARBA?
20 Why don't we go off the record for a minute.

21 (Whereupon, the proceedings went off
22 the record from 3:33 p.m. until 3:45
23 p.m.)

24 MR. LOGAN: Okay, Mr. DEBARBA, we had talked
25 briefly off the record about a document which we had heard

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1 was destroyed and that you thought you knew a bit about it
2 and could kind of fill us in. Go ahead.

3 MR. DEBARBA: Yes, I believe that the document
4 that you are referring to is the document that was in 1992,
5 and it was George Betancourt's annual performance
6 evaluation. Those evaluations are typically done for
7 senior engineers in the December time frame.

8 And in December of 1992, George Betancourt and
9 his supervisor Wolf Koste had been involved in a fair
10 amount of conflict between themselves as to some of
11 George's conduct. And some of George's feelings about Wolf
12 and about how Wolf was treating him.

13 I believe had given George a [REDACTED] EX 7C
14 I believe and that Wolf had written up a performance
15 evaluation of George that had an overall rating of [REDACTED] EX 7C
16 [REDACTED] which means that you get no salary increase, at
17 least at that point.

18 You get a performance evaluation, or EX 7C
19 [REDACTED] Mario Bonaca and I ended
20 up looking into that particular performance evaluation and
21 our feeling was, Number 1, that the trust and respect,
22 whatever there was between George and Wolf had totally
23 broken down.

24 In the interest of moving forward, that that
25 was not going to heal those wounds, we felt that George's,

70 EX
7C
1 that the performance evaluation of [REDACTED] reflected the [REDACTED]
2 [REDACTED] but perhaps was not a fair assessment of the
3 full year of George's activities.

4 And that it was not reflective of improving
5 George's performance on a going forward basis. And we felt
6 that what we would rather do was to put George in an
7 environment where he could be successful, hold off the
8 performance evaluation for another six months, while we got
9 somebody else with a new set of eyes and ears to take a
10 look at George and George's performance.

11 Develop an [REDACTED] that EX
7C
12 would get at some of the interpersonal things that Wolf had
13 raised relative to George's behavior and conduct and the
14 revisit it in July of 1993. So that's what was done.

15 And the 1992 performance evaluation was not put
16 ever formally on the record. In terms of whether it was
17 destroyed or not. I don't recall if it was destroyed, it
18 was not formally issued. I don't know if it was destroyed
19 or not.

20 MR. LOGAN: Okay.

21 MR. DEBARBA: It was of some interest in that
22 period of time, I think this was coming right at Christmas
23 time, on Christmas Eve as had been typical a number of us
24 ended up going to a restaurant close by at noon time just
25 to wish each other a Merry Christmas and what not, and

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1 George was there with [REDACTED]. EX7C

2 And I recall [REDACTED] coming up to me and EX7C

3 [REDACTED] and saying thanks so much EX7C

4 for helping George out. So I think that was a genuine
5 expression on [REDACTED] part that I had reached out and helped EX7C

6 George through what he thought was a difficult time, or
7 what [REDACTED] thought was a difficult time. EX7C

8 MR. LOGAN: There's one other document that I
9 heard mentioned, I and think that we haven't had a chance
10 to ask Mr. Betancourt about it. It was brought up by [REDACTED] EX7C

11 [REDACTED]

12 Currently he said that George told [REDACTED] that he EX7C
13 had a letter from you delineating what his responsibilities
14 were and what his authority was. Are you aware of any such
15 letter?

16 MR. DEBARBA: I'm not sure what he's referring
17 to. I don't recall a memo that I wrote to George,
18 specifically delineating his responsibilities.

19 MR. LOGAN: Could there be something else that
20 you might have written down that would be similar or could
21 have been referred to as some sort of an authority
22 statement for him or admission statement?

23 MR. DEBARBA: It could very well be that in, I
24 believe Mario Bonaca ended up writing a letter on the
25 evaluation of where George should reside and in there

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1 explained, I don't have that letter here, but explained
2 that the fuel handling aspects of the fuel cycle would be
3 included in the fuels group.

4 And I think that George has interpreted that,
5 that is all inclusive. That means all things, for all
6 times, for all people. And I think its just a gross
7 exaggeration of what we've said there.

8 I think what we're saying is that we've
9 consolidated, its a memo I believe from Mario to me, I
10 think, recommending and suggesting that we consolidate all
11 those fuel activities into Mario's group, in the fuel
12 group.

13 Which I agree with. And, but it didn't say
14 anything about implementation. I mean, you know, does that
15 mean installing fuel racks in the pool. I think George
16 believes it means everything. And I think that George has
17 a tendency to magnify and distort things. And I think
18 that's another example.

19 He will use the letter for what he wants to
20 see. And that's not what we intended to do. This was a
21 strategic focus and this was something that was important
22 that we included in the strategic focus. It was not to
23 mean that organizationally we were locked into that for
24 life, never allowed to change again.

25 Companies just don't operate that way. They

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1 change all the time and we are still changing.

2 MR. LOGAN: Is there anything else that you
3 would like to discuss?

4 MR. DEBARBA: I would don't have anything
5 additional to discuss, no.

6 MR. LOGAN: Mr. Gutierrez?

7 MR. GUTIERREZ: Just Keith, the memo you were
8 just talking to Eric about, I think its important, just for
9 the record, that you show him the memo to confirm that its
10 the one he is referring to.

11 And quite frankly, its in another witness file
12 in the car and if I went off the record and just went and
13 got it and I'd like to show him that and just wrap up that
14 its that memo.

15 MR. LOGAN: That would be fine. We will go off
16 the record.

17 (Whereupon, the proceeding went off
18 the record from 3:52 p.m. until 3:59
19 p.m.)

20 MR. LOGAN: Okay, you had an opportunity to
21 talk to counsel and to look at a memo. You said that you
22 thought that you might know what that memo might be. What
23 is it that you are referring to now?

24 MR. DEBARBA: Yes, the memo that I believe has
25 been referred to is a memo from Mario Bonaca to Al Cretella

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1 and Dick Schmidt. Al Cretella was the Manager of the fuel
2 group in 1993, and Dick Schmidt was the Manager of the
3 Radiological Assessment Branch in 1993.

4 The memo number is NED-93-MVB-065 and the
5 subject was back end of the fuel cycle. I believe that
6 this memo is responsive to Item No. 1, of Mario Bonaca's
7 letter dated December 31, 1992, NED-92-MVB-112.

8 Wherein he recommends to me that the NES
9 Division, which is his division, will evaluate whether or
10 not NUSCO, that's our Company, should provide plant support
11 in fuel handling areas other than spent fuel pool racks and
12 other storage volume reduction alternatives.

13 In the evaluation, we will also determine the
14 correct discipline alignment of this service. And in
15 Mario's letter to his two Managers, who had those various
16 functions, he responds that the responsibility for
17 implementation of the back end of that fuel cycle is
18 transferred from RAB to the Nuclear Fuel Branch under Al
19 Cretella.

20 And it says this transfer completes the
21 consolidation under one cost control center Manager, that
22 is Al. Al has since been replaced by John Guerici, of all
23 responsibilities for nuclear fuel from cradle to grave.

24 "Consolidation which began with the 1991
25 reorganization, nuclear fuel will also be responsible for

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1 implementing the recommendations provided in the memo of
2 reference which is a memo of reference having to do with
3 various fuel handling assignments, dated 1993."

4 The, I believe that George had interpreted this
5 short letter to mean that he and his group have total
6 responsibility, organizationally, for everything having to
7 do with the back end of the fuel cycle, specifically spent
8 fuel work.

9 And that therefore, an on-site group, such as
10 the one under [REDACTED] does not meet this definition. EX 7C
11 And perhaps the choice of words from cradle to grave are
12 not explanatory enough in terms of what it meant.

13 I think George has interpreted that literally.
14 And clearly, I reserve the right to assign work to
15 effective the best outcome for the Company. And I do
16 assign work for implementation to the implementing
17 organization. Its done all the time.

18 In this case, the on-site groups have
19 implementation responsibility. I decided to create a
20 single organization under [REDACTED] to do the EX 7C
21 implementation and that is not outside the spirit of this
22 particular letter.

23 But I believe George has taken very literally
24 the words here to mean that no body other than he or his
25 group can perform this work and that its a, it would be a

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1 violation of what is discussed in this letter.

2 MR. LOGAN: Okay, and that's again, that letter
3 is from who?

4 MR. DEBARBA: This letter is from Mario Bonaca.

5 MR. LOGAN: To?

6 MR. DEBARBA: Al Cretella and Dick Schmidt.

7 MR. LOGAN: One other point. You had indicated
8 during our conversation that you had assigned George
9 different projects or different responsibilities to go out
10 and search for things to look at issues, Seabrook,
11 Connecticut Yankee, things of that nature?

12 MR. DEBARBA: Yes.

13 MR. LOGAN: What circumstances arose that you
14 gave him a particular assignment to go outside to Seabrook
15 and other units?

16 MR. DEBARBA: Yes, in the May, 1995, time
17 frame, a task group that consisted of myself, as well as,
18 Larry Chatfield, Gary Van Voorhis, George Betancourt,
19 George Galatis, Bob Paruolo and [REDACTED] formed to EX 7C
20 make sure that we kept in clear focus all of the issues and
21 matters that were on going relative to the Millstone 1
22 spent fuel pool.

23 We knew that this was an important issue, we
24 had the refueling outage coming up and we knew that it was
25 very important that we get all of the issues resolved in a

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1 timely manner and a safe manner, expeditiously.

2 And so we set out to create a list of all of
3 the open issues and make sure that we all understood what
4 those issues were. There had been allegations made by
5 George Galatis about things not being handled properly and
6 we wanted to make sure that we captured all those items
7 that George Galatis was aware of and that we properly
8 dispositioned them.

9 So both George Betancourt, George Galatis, Bob
10 Paruolo, [REDACTED] and the others, worked to develop EX7C
11 this list and basically to work off the list of items.
12 During the course of one of these meetings, George
13 Betancourt indicated, gee, you know we are looking at
14 Millstone 1 on this particular case of core off load, but I
15 think that I recollect that on Unit 2 or maybe Unit 3 there
16 may be some similar situation.

17 Okay, my comment was that if that's the case,
18 we need to know about it and know it right now and get it
19 on, we need to get it on the list. We need to check to see
20 if we've got a reportability issue. Make sure that we've
21 got the operability addressed and do it expeditiously.

22 And I gave George as assignment to get back to
23 me expeditiously with a list of all the items that were
24 there. I think he followed up with two separate letters on
25 Millstone 2, Millstone 3, CY and Seabrook. That we

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1 subsequently follow up on and addressed the issues that
2 were identified.

3 MR. LOGAN: So the work that he did was
4 responsive to what you asked him for?

5 MR. DEBARBA: Yes, he did it exactly what I
6 asked.

7 MR. LOGAN: Did he talk to you about any
8 problems that had arisen because of that assignment?

9 MR. DEBARBA: No, no. I'm not aware of any
10 problems.

11 MR. LOGAN: Did you feel that as a result of
12 that assignment, he was making safety concerns known to you
13 or was raising allegations?

14 MR. DEBARBA: No, I viewed it as he was
15 responding as a task force member to my request.

16 MR. LOGAN: That's all I have.

17 MR. DEBARBA: You know, I knew that he had
18 phrased them or characterized them as safety concerns. I
19 did not view them as safety concerns, I viewed them as
20 being responsive to my request. But, I believe he
21 characterized them as concerns on his part.

22 And he made have called them Nuclear Safety
23 Concerns, I don't recall. But I wouldn't be surprised if
24 he did. But he participated in the resolution of those as
25 well.

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1 MR. LOGAN: Those were issues that you had
2 raised regarding a meeting, that you had raised and asked
3 him to look into?

4 MR. DEBARBA: Right, I asked him to look into
5 it and identify any concerns that he was aware of and if it
6 took some time to do the research that he ought to take
7 that time right now and go do it. And which he did.

8 MR. LOGAN: All right. Is there anything else?

9 MR. DEBARBA: No, that's it.

10 MR. LOGAN: Jay?

11 MR. GUTIERREZ: No, I don't have any questions.

12 MR. LOGAN: Thank you for coming.

13 MR. DEBARBA: Thank you.

14 (Whereupon, the interview was
15 concluded and the proceedings went
16 off the record at 4:08 p.m.)