

1 . UNITED STATES OF AMERICA
2 NUCLEAR REGULATORY COMMISSION
3 + + + + +
4 OFFICE OF INVESTIGATIONS

5 INTERVIEW

6 -----X
7 IN THE MATTER OF: :
8 INTERVIEW OF 76 : Docket No.
9 [REDACTED] : 1-2003-045
10 (CLOSED) :
11 -----X

12
13 Wednesday, May 5, 2004
14 U.S. NRC Region I Office
15 King of Prussia, Pennsylvania
16
17

18 The above-entitled interview was
19 conducted.

20
21 BEFORE:

22 Senior Special Agent JEFF TEATOR
23
24

25
Information in this record was deleted
in accordance with the Freedom of Information
Act, exemptions
FOIA- 2005-194 (202) 234-4433

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EXHIBIT 53
PAGE 1 OF 62 PAGE(S)
V-20
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APPEARANCES:

JEFF KEENAN, Solicitor, PSEG Services

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No time indicated.

SENIOR SPECIAL AGENT TEATOR: On the record. Today's date is May 5, 2004. My name is Jeffrey Teator. I'm a Senior Special Agent with the United States Nuclear Regulatory Commission, Office of Investigations.

This morning I'm interviewing [REDACTED]. This interview is taking place in a first floor conference room at the U.S. Nuclear Regulatory Commission Region I Office in King of Prussia, Pennsylvania. [REDACTED], prior to going on the record this morning, did I show you my identification?

[REDACTED]: Yes.

SENIOR SPECIAL AGENT TEATOR: This is a voluntary interview. Knowing it's voluntary, do you wish to go forward?

[REDACTED]: Yes.

SENIOR SPECIAL AGENT TEATOR: Do you have any objection this morning to providing sworn testimony?

[REDACTED]: No objection.

SENIOR SPECIAL AGENT TEATOR: Could you raise your right hand for me please?

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1 WHEREUPON,

2 [REDACTED]
3 was called as a witness and, having been first duly
4 sworn, was examined and testified as follows:

5 SENIOR SPECIAL AGENT TEATOR: Thank you.

6 [REDACTED] you are being interviewed this
7 morning as a fact witness in an investigation I'm
8 conducting regarding allegations of violations of 10
9 CFR 50.7. That's the Employee Protection Regulation
10 of the NRC.

11 This investigation involves an allegation
12 that a Dr. Kim Harvin, a former employee of PSEG
13 Nuclear, was retaliated or discriminated against in
14 violation of 10 CFR 50.7. That's what I'm talking to
15 you about. And again, you are a fact witness. It is
16 your obligation to answer all my questions truthfully
17 and completely. Do you understand that?

18 [REDACTED] Yes.

19 SENIOR SPECIAL AGENT TEATOR: Can I call
20 you [REDACTED]

21 [REDACTED] Please.

22 SENIOR SPECIAL AGENT TEATOR: [REDACTED] you
23 are represented by counsel today. If counsel could
24 identify himself for the record please and explain the
25 representation.

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1 MR. KEENAN: Yes, my name is Jeff Keenan.
2 I am Assistant General Solicitor for PSEG Services.
3 Today I am representing [REDACTED] and PSEG
4 Nuclear in a joint capacity. I'm familiar with the
5 issues relative to Dr. Harvin.

6 I've evaluated against conflict. I don't
7 believe there is a conflict in my representation with
8 [REDACTED]. If a conflict arises, we'll take a
9 break from the record and best handle that. In
10 addition, we would appreciate the opportunity to
11 review the transcript in the presence of the NRC when
12 it's available.

13 SENIOR SPECIAL AGENT TEATOR: Okay. [REDACTED]
14 is that your understanding of your representation.

15 [REDACTED]: Yes, it is.

16 SENIOR SPECIAL AGENT TEATOR: Does your
17 employer require you to have an attorney represent you
18 when you are interviewed by OI?

19 [REDACTED]: No, having Jeff here was
20 strictly my request.

21 SENIOR SPECIAL AGENT TEATOR: Were you in
22 any way threatened with any type of adverse action if
23 you did not request counsel to represent you during
24 this interview?

25 [REDACTED]: No.

1 SENIOR SPECIAL AGENT TEATOR: Do you
2 understand that you have a right to a private
3 interview by OI if you wanted one?

4 [REDACTED] Yes, I do.

5 SENIOR SPECIAL AGENT TEATOR: Knowing all
6 of this, do you wish to go forward with counsel
7 present?

8 [REDACTED] Yes, please.

9 SENIOR SPECIAL AGENT TEATOR: Your date
10 and place of birth please.

11 [REDACTED] Date of birth is
12 [REDACTED]
13 [REDACTED]

14 SENIOR SPECIAL AGENT TEATOR: Fighting
15 Irish.

16 [REDACTED] Yes.

17 SENIOR SPECIAL AGENT TEATOR: Social
18 security number.

19 [REDACTED] [REDACTED]

20 SENIOR SPECIAL AGENT TEATOR: Your home
21 address please.

22 [REDACTED] [REDACTED]
23 [REDACTED]

24 SENIOR SPECIAL AGENT TEATOR: Your home
25 phone number.

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[REDACTED]

SENIOR SPECIAL AGENT TEATOR: Have you
ever served in the United States Military?

[REDACTED]: No.

SENIOR SPECIAL AGENT TEATOR: Have you
attended college?

[REDACTED]: Yes.

SENIOR SPECIAL AGENT TEATOR: Which
college?

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

SENIOR SPECIAL AGENT TEATOR: When did you
get your Bachelor's Degree?

[REDACTED] Bachelor's Degree was in
[REDACTED]

SENIOR SPECIAL AGENT TEATOR: You got a
Master's from there also in [REDACTED]

[REDACTED] And
[REDACTED] I graduated in [REDACTED]

SENIOR SPECIAL AGENT TEATOR: What's
[REDACTED]
[REDACTED]
[REDACTED] It's a [REDACTED]

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1 [REDACTED]
2 SENIOR SPECIAL AGENT TEATOR: At some
3 point, were you hired to work at PSEG Nuclear?

4 [REDACTED] Yes.

5 SENIOR SPECIAL AGENT TEATOR: When was
6 that?

7 [REDACTED] 7C
8 SENIOR SPECIAL AGENT TEATOR: Was that
9 your first employment at PSEG Nuclear at their power
10 plants?

11 [REDACTED] Yes.

12 SENIOR SPECIAL AGENT TEATOR: What was
13 your job title?

14 [REDACTED]: My job title was
15 [REDACTED] 7C

16 SENIOR SPECIAL AGENT TEATOR: Who did you
17 report to?

18 [REDACTED] When I was first hired
19 in April, I reported to a gentleman named [REDACTED]
20 [REDACTED] In May of 2002, [REDACTED] transferred to the home
21 offices in Newark, New Jersey in a completely
22 different job. At which point in time, I reported
23 directly to [REDACTED]

24 SENIOR SPECIAL AGENT TEATOR: What did you
25 specifically do for the nuclear part of the business

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1 in your position? Maybe you can just give me a
2 general description of that.

3 [REDACTED] Yes, the most concise
4 way to characterize it is that I was essentially the
5 [REDACTED] for PSEG Nuclear. I had
6 responsibility for financial reporting, financial
7 analysis, strategic planning function. Also, most
8 recently when I left as we were consolidating some of
9 the functions in the organization, I also had
10 responsibilities for supply team management, the
11 station security organization, and emergency planning
12 function. So it was basically all the support and
13 admin functions for PSEG Nuclear.

14 SENIOR SPECIAL AGENT TEATOR: That's a lot
15 on your plate.

16 [REDACTED] Yes.

17 SENIOR SPECIAL AGENT TEATOR: Which groups
18 did you directly supervise?

19 [REDACTED] Specifically it was the
20 finance group, supply chain, ITM, HR.

21 SENIOR SPECIAL AGENT TEATOR: Business
22 services?

23 [REDACTED] Business services, yes,
24 thank you.

25 SENIOR SPECIAL AGENT TEATOR: I help where

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1 I can.

2 [REDACTED] I appreciate it.

3 SENIOR SPECIAL AGENT TEATOR: There's a
4 lot of groups here.

5 [REDACTED] Yes, and most recently,
6 the time that I think you are interested in knowing
7 about, I didn't have it but when I left nuclear I had
8 security and emergency planning.

9 SENIOR SPECIAL AGENT TEATOR: Why do you
10 think I would be interested in that?

11 [REDACTED]: I don't know. You asked
12 me a question. I was just trying to be comprehensive
13 in my answer.

14 SENIOR SPECIAL AGENT TEATOR: Okay. At
15 some point, did you leave the employment of PSEG
16 Nuclear?

17 [REDACTED] Yes.

18 SENIOR SPECIAL AGENT TEATOR: When was
19 that?

20 [REDACTED] That was in [REDACTED]
21 [REDACTED]

22 SENIOR SPECIAL AGENT TEATOR: Your current
23 job title.

24 [REDACTED] I'm the [REDACTED]
25 [REDACTED]

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1 SENIOR SPECIAL AGENT TEATOR: Is some of
2 your work still in regards to the power plant?

3 [REDACTED] Nuclear, yes.

4 SENIOR SPECIAL AGENT TEATOR: So you came
5 on board there in [REDACTED].

6 [REDACTED]: Correct.

7 SENIOR SPECIAL AGENT TEATOR: Down at the
8 site that you work at.

9 [REDACTED] Yes.

10 SENIOR SPECIAL AGENT TEATOR: There's been
11 talk of a Navigant Study. Do you know what that is?

12 [REDACTED]: Yes, I know.

13 SENIOR SPECIAL AGENT TEATOR: Do you know
14 when that was completed?

15 [REDACTED]: We commissioned the
16 study. It would have been in the summer of 2002,
17 precisely July-August timeframe. It was completed in
18 draft form in September. I think we got the final
19 report in October. It would have been that timeframe.

20 SENIOR SPECIAL AGENT TEATOR: Did the
21 draft and the final change much?

22 [REDACTED]: No, there were no real
23 material changes.

24 SENIOR SPECIAL AGENT TEATOR: All right.
25 Wording, things like that.

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1 [REDACTED] Some presentations, yes.

2 SENIOR SPECIAL AGENT TEATOR: What was the
3 purpose of that study being completed or performed?

4 [REDACTED] In my role as strategic
5 planning, one of our main responsibilities was trying
6 to work with senior management and chart the future
7 direction for the organization in terms of, what were
8 going to be our priorities, what was going to be our
9 focus areas. One of the very important priorities
10 that we had was trying to move the overall nuclear
11 department's performance into top quartile performance
12 across not only safety but reliability, cost, and some
13 of our people performance indicators.

14 SENIOR SPECIAL AGENT TEATOR: Let's talk
15 about the cost portion of that.

16 [REDACTED]: Sure.

17 SENIOR SPECIAL AGENT TEATOR: Can you go
18 ahead and talk about that?

19 [REDACTED]: Sure. It depends upon
20 your perspective. We were either in the top quartile
21 or the lowest quartile in terms of cost performance
22 across the nuclear industry. When I say "your
23 perspective," I mean we spent more per kilowatt hour
24 than almost any nuclear power plant in the United
25 States.

1 So again, it was a matter of efficiency.
2 It was a matter of proper deployment of resources.
3 When you dissected and analyzed where our costs were
4 going and, as we say in PSEG, what levers we had to
5 pull in order to manage where those costs were going
6 and the relative priorities on them, it really came
7 fundamentally down to principally in administrative
8 areas and principally in terms of process efficiencies
9 that we had of getting work done that we were not in
10 alignment with the rest of the nuclear industry in
11 terms of our headcount.

12 SENIOR SPECIAL AGENT TEATOR: Number of
13 employees on the site.

14 [REDACTED]: Number of employees and
15 not only direct employees but contract employees as
16 well. We were just outside the norm in virtually
17 every measure.

18 SENIOR SPECIAL AGENT TEATOR: Okay. Were
19 you given any responsibility to use that study to
20 identify where at the site positions could be
21 eliminated?

22 [REDACTED]: I'm not sure I
23 understand exactly. If you are asking me was I given
24 direction to do that, it was --

25 SENIOR SPECIAL AGENT TEATOR: Were you

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1 given the responsibility?

2 [REDACTED] It was certainly within
3 my purview as [REDACTED]
4 [REDACTED] to help the senior leadership team understand
5 that, provide the analysis and supporting analysis
6 that I could then propose to them and suggest to them
7 where our attention needed to be directed. Ultimately
8 the accountability was on them to either take action
9 or not. But that was my principal accountability.

10 SENIOR SPECIAL AGENT TEATOR: Did you
11 follow through on that accountability?

12 [REDACTED]: Absolutely.

13 SENIOR SPECIAL AGENT TEATOR: What did you
14 recommend? Let's talk specifically about staff
15 positions if we could.

16 [REDACTED] Okay. Again, there was
17 no question that in just staff positions that we were
18 very much outside the norm. The Navigant Study pretty
19 well captured that issue. By "staff positions," the
20 spotlight shined very heavily in my area because
21 largely my area is staff for the most part.

22 Now, relative to the question that I
23 answered earlier in terms of at that time security and
24 emergency planning were not under my scope. So then
25 what we're talking about is things like IT, Human

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1 Resources, the strategic planning function, and
2 finance function.

3 SENIOR SPECIAL AGENT TEATOR: Business
4 services.

5 [REDACTED]: Business services,
6 exactly. Within that, the vast majority of my staff
7 was actually in the supply chain organization. I can
8 give you round numbers, a rough concept. I had about
9 150 or 160 people under my responsibility. About 100
10 of them, again in round numbers, were in the supply
11 chain area.

12 SENIOR SPECIAL AGENT TEATOR: What does
13 that mean, "supply chain?"

14 [REDACTED] Supply chain, that is in
15 your mind's eye if you can imagine from a point in
16 time that someone inside the operation and maintenance
17 organization requires a part or material, that process
18 from the time that they identify that they need it to
19 the time it is actually delivered to the location. So
20 that's specifying it, warehousing it, ordering it,
21 receipt inspection, transportation, logistics,
22 delivery, if there's a replacement, the engineering,
23 the procurement engineering associated with it. So
24 it's that whole aspect.

25 SENIOR SPECIAL AGENT TEATOR: Okay. In

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1 your organization then, were positions identified for
2 elimination as to implement this Navigant Study and
3 what it found?

4 [REDACTED] Yes.

5 SENIOR SPECIAL AGENT TEATOR: What areas?

6 [REDACTED] Probably the main first
7 focus was the administrative services area. That was
8 clearly an area where we identified who there were
9 several people in that organization that really were
10 not, in the grand scheme of things, providing a lot of
11 value.

12 SENIOR SPECIAL AGENT TEATOR: No value.

13 [REDACTED] I didn't say "no value."
14 I said they were not providing a lot of value.

15 SENIOR SPECIAL AGENT TEATOR: Okay. I'm
16 sorry. That was my word.

17 [REDACTED] Okay. So that was the
18 first area of focus.

19 SENIOR SPECIAL AGENT TEATOR: Were those
20 jobs eliminated?

21 [REDACTED] Yes.

22 SENIOR SPECIAL AGENT TEATOR: When was
23 that approximately?

24 [REDACTED] Late third-early fourth
25 quarter 2003.

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1 SENIOR SPECIAL AGENT TEATOR: '03?
2 ([REDACTED]) I'm sorry, '02. Thank
3 you.

4 SENIOR SPECIAL AGENT TEATOR: You said
5 third or fourth quarter.

6 ([REDACTED]) Yes, it was late third
7 quarter or early fourth quarter.

8 SENIOR SPECIAL AGENT TEATOR: Do you guys
9 run on a calendar year?

10 ([REDACTED]) Yes.

11 SENIOR SPECIAL AGENT TEATOR: What other
12 groups underneath you lost positions?

13 ([REDACTED]) The next high visibility
14 area was the IT group. The characterization that I
15 would make around IT was really this - and this is
16 relative to IT as well as the HR function - that we
17 had created our own little IT organization inside PSEG
18 Nuclear that was matrixed to the corporate IT
19 function.

20 We had identified that that relationship
21 was really creating inefficiencies in terms of, the
22 corporation was trying to implement standardized IT
23 processes, standardized IT platforms, standardized
24 purchase to doing business. By us keeping this
25 separate function out there, it was actually impeding

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1 our ability to make forward progress in terms of the
2 overall implementation of the standardized IT
3 platform. We had redundant roles and responsibilities
4 on-site relative to what the corporation was trying to
5 do.

6 SENIOR SPECIAL AGENT TEATOR: Okay. Those
7 are the reasons that the job elimination was being
8 identified at the site. When did they occur and how
9 many positions were eliminated?

10 [REDACTED]: Again, the study came
11 out in September-October. We went through the
12 analysis of the positions. The report came out. We
13 read it. We analyzed it. It was in parallel with the
14 final report coming out. I think we set a target date
15 to have all the positions that we were going to
16 eliminate identified and people notified late October-
17 early November with the concept that the people could
18 have the opportunity to take advantage of looking for
19 new positions, etc., prior to the Christmas timeframe.

20 SENIOR SPECIAL AGENT TEATOR: Were those
21 people informed at the same time the admin services
22 people were informed?

23 [REDACTED]: I would say it was
24 materially the same time. There might have been a
25 week or two lag. In the admin support, it was really

1 just job elimination. Whereas, with the IT, we were
2 trying to interface much with the corporate IT
3 function and make sure that we were eliminating
4 redundancies as opposed to just eliminating positions.
5 So there was a little bit more work that had to be
6 done.

7 SENIOR SPECIAL AGENT TEATOR: How many
8 people from admin services lost their job? How many
9 positions were eliminated?

10 (REDACTED): In round numbers, about
11 four or five or six, something like that.

12 SENIOR SPECIAL AGENT TEATOR: Four to six,
13 is that fair?

14 (REDACTED): Yes.

15 SENIOR SPECIAL AGENT TEATOR: In IT, how
16 many positions were eliminated? I understand the
17 difference. You just described it.

18 (REDACTED): I'm trying to think. I
19 think that we started out with either 15 or 18 people.
20 We proposed cutting it roughly in half down to the
21 eight, nine, or ten range. Ultimately when it was
22 finally implemented, I think we actually ended up with
23 12. So we eliminated roughly a quarter to a third in
24 staff size.

25 SENIOR SPECIAL AGENT TEATOR: About six

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1 then approximately?

2 [REDACTED] Yes.

3 SENIOR SPECIAL AGENT TEATOR: Did you make
4 the decision to do both of those things, to make both
5 of those job eliminations in those two groups? Was
6 that your decision?

7 [REDACTED] Ultimately I was
8 accountable for that decision. The analysis and the
9 design and the structure and all of that was actually
10 being done by the supervisors of the respective groups
11 who are my direct reports.

12 SENIOR SPECIAL AGENT TEATOR: Did you
13 inform [REDACTED] of your plan for job elimination
14 in those two areas? 7C

15 [REDACTED] Yes.

16 SENIOR SPECIAL AGENT TEATOR: Do you
17 recall if he approved or disapproved of what you had
18 planned to do?

19 [REDACTED]: If you are asking me did
20 he explicitly say, "I endorse it or not," that really
21 wasn't the way [REDACTED] worked. Basically [REDACTED] gave me
22 the accountability for managing my organization. It
23 was only if he had an objection to it that he would
24 really voice it. 7C

25 SENIOR SPECIAL AGENT TEATOR: Did he

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1 object to it?

2 [REDACTED] No.

3 SENIOR SPECIAL AGENT TEATOR: Did other
4 groups that you supervised go through the same type of
5 thing? If so, which other groups had positions
6 eliminated?

7 [REDACTED] Yes, every group that
8 worked for me went through the same thing.

9 SENIOR SPECIAL AGENT TEATOR: Would it be
10 all of them?

11 [REDACTED] Yes.

12 SENIOR SPECIAL AGENT TEATOR: Did each of
13 those groups lose positions?

14 [REDACTED] The timing on it was
15 different. I'll give you a good example. The supply
16 chain organization went through the same analysis and
17 the same process. The numbers were so much larger.
18 Also, at the corporate level, there was a supply chain
19 initiative ongoing in parallel with that.

20 So we had to coordinate the changes that
21 we were trying to implement with the changes that were
22 being done in the corporation supply chain function.
23 So those changes that ultimately got implemented in
24 the supply chain organization lagged quite a bit
25 relative to these other ones.

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22
1 SENIOR SPECIAL AGENT TEATOR: Did you have
2 accountability to recommend position eliminations in
3 other groups?

4 ([REDACTED]): Yes.

5 SENIOR SPECIAL AGENT TEATOR: Ones that
6 you did not supervise?

7 ([REDACTED]): Yes.

8 SENIOR SPECIAL AGENT TEATOR: Like [REDACTED]
9 [REDACTED] group, did you make recommendations in the
10 staff positions in his area?

11 ([REDACTED]): Yes.

12 SENIOR SPECIAL AGENT TEATOR: Tell me what
13 they were.

14 ([REDACTED]): There were no
15 recommendations explicitly. The conversations that we
16 basically had were similar to what I just mentioned to
17 you. But if you looked at the Navigant Study results,
18 administrative functions in general, as I recall that
19 was one specific category, but for administrative
20 positions in general, we were clearly outside the norm
21 and that not only [REDACTED] but all of the other senior
22 leaders there needed to take a very hard look at the
23 staff positions that were in their organizations and
24 identify where we could potentially eliminate
25 positions.

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1 SENIOR SPECIAL AGENT TEATOR: Did you
2 communicate that to [REDACTED] 7C

3 [REDACTED]: Yes.

4 SENIOR SPECIAL AGENT TEATOR: Let's talk
5 just about him now.

6 [REDACTED]: Yes.

7 SENIOR SPECIAL AGENT TEATOR: Did you make
8 a recommendation to him?

9 [REDACTED]: Beyond what I just
10 described, no.

11 SENIOR SPECIAL AGENT TEATOR: Let me ask
12 you this. Did you recommend that staff positions
13 should be eliminated in his area of responsibility?

14 [REDACTED]: Yes.

15 SENIOR SPECIAL AGENT TEATOR: Did you
16 specifically recommend any particular position for
17 elimination? Kim Harvin's position, let's talk about
18 that.

19 [REDACTED]: No, it was just a very
20 global statement regarding staff positions.

21 SENIOR SPECIAL AGENT TEATOR: When you had
22 that discussion with [REDACTED] how did he respond
23 to that?

24 [REDACTED]: I could speculate.

25 SENIOR SPECIAL AGENT TEATOR: Well, don't

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speculate. Do you remember how he responded to that specifically?

([REDACTED]) I would say his initial reaction was he intellectually understood exactly what I was saying and he didn't object to it.

SENIOR SPECIAL AGENT TEATOR: When do you think you had that conversation with him? Would it have been in '02 or '03?

([REDACTED]) It was the summer of '02, June, July, August timeframe.

SENIOR SPECIAL AGENT TEATOR: So you are having that discussion with him prior to the Navigant Study being received in draft form.

([REDACTED]) Yes.

SENIOR SPECIAL AGENT TEATOR: Why?

([REDACTED]) You didn't ask me a lot about my experience. Essentially I've worked in the nuclear business for virtually all of my professional career. I have worked in the top quartile operating plants. I have worked at the bottom quartile operating plants. And I'll back up even further than that. The knowledge that we had before we even commissioned the Navigant Study was that we had issues in our staffing. We knew that we were overly staffed inside the nuclear department.

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23
1 SENIOR SPECIAL AGENT TEATOR: In staff
2 positions?

3 ([REDACTED]) In general.

4 SENIOR SPECIAL AGENT TEATOR: All right.

5 ([REDACTED]) The purpose of the
6 Navigant Study was to really try to be very tactical
7 and very strategic about which positions it was that
8 we were over-staffed in. So my instincts and my
9 experience suggested to me that the first high value
10 opportunity was to go look at staff positions.

11 SENIOR SPECIAL AGENT TEATOR: Right. And
12 you had a discussion with ([REDACTED]) in the summer
13 of '02.

14 ([REDACTED]) Yes, early summer of
15 '02.

16 SENIOR SPECIAL AGENT TEATOR: Do you
17 recall if Kim Harvin was specifically mentioned during
18 that discussion?

19 ([REDACTED]) No, there was nothing
20 specific.

21 SENIOR SPECIAL AGENT TEATOR: So jump
22 forward. You get the Navigant Study draft. You get
23 the formal report in October. Did you then have
24 additional discussions with ([REDACTED]) regarding his
25 elimination of staff positions under his area of

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1 responsibility?

2 [REDACTED] Yes, there were ongoing
3 discussions basically from the summer through early
4 '03.

5 SENIOR SPECIAL AGENT TEATOR: During any
6 of those discussions did Kim Harvin's name or position
7 come up as potential for elimination?

8 [REDACTED] I cannot remember
9 specifically any specific instances. However, given
10 the nature of it, I'm certain that at some point in
11 time we had very specific conversations. But I don't
12 remember it.

13 SENIOR SPECIAL AGENT TEATOR: We know
14 today that her position was eliminated.

15 [REDACTED] Yes.

16 SENIOR SPECIAL AGENT TEATOR: Were any
17 other staff positions under [REDACTED] eliminated as
18 part of this overall process that's going on?

19 [REDACTED]: Yes, some of those admin
20 support functions that I eliminated, they were
21 directly under my accountability. However, they were
22 positions that directly worked for [REDACTED] Do you
23 understand what I'm trying to describe there?

24 SENIOR SPECIAL AGENT TEATOR: Yes.

25 [REDACTED] They took their day to

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1 day direction from [REDACTED] They did day to day support
2 of [REDACTED]. But they were in my cost center. I had
3 very specific conversations with [REDACTED] about the
4 elimination of those positions.

5 SENIOR SPECIAL AGENT TEATOR: How did that
6 go? Did he agree or disagree with that?

7 [REDACTED] There was no objection
8 whatsoever to that.

9 SENIOR SPECIAL AGENT TEATOR: Do you
10 remember the names of those people who specifically
11 were underneath you but really worked for [REDACTED]
12 [REDACTED] My memory doesn't serve
13 me well right now. If somebody gave me a name, I
14 could tell you specifically.

15 SENIOR SPECIAL AGENT TEATOR: Jeff, do you
16 have that?

17 MR. KEENAN: [REDACTED] maybe.
18 [REDACTED]: [REDACTED] was one,
19 absolutely. Again, he was a former supervisor. He
20 ultimately ended up out in training. I don't even
21 know who I'm thinking of. I can't remember names.

22 SENIOR SPECIAL AGENT TEATOR: If it comes
23 into your head, I'd like to get that.

24 [REDACTED] Those two in particular
25 were positions that again worked directly for [REDACTED]

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1 but they were under my cost center. We had very
2 specific conversations about eliminating those.

3 SENIOR SPECIAL AGENT TEATOR: And they
4 were eliminated.

5 [REDACTED] And they were
6 eliminated.

7 MR. KEENAN: Jeff, you had previously
8 requested a list from us from those that have left.

9 SENIOR SPECIAL AGENT TEATOR: Yes.

10 MR. KEENAN: We're in the process of
11 getting that. I should have that to you tomorrow.

12 SENIOR SPECIAL AGENT TEATOR: Okay.

13 MR. KEENAN: I just do not have it for you
14 today.

15 SENIOR SPECIAL AGENT TEATOR: All right.
16 That's fine. Let's talk a little bit about the admin
17 services positions and the IT positions in general.

18 [REDACTED] Sure.

19 SENIOR SPECIAL AGENT TEATOR: Were those
20 people given 45 days to find another job within the
21 company?

22 [REDACTED] Yes.

23 SENIOR SPECIAL AGENT TEATOR: Is that the
24 normal process?

25 [REDACTED] Yes, I will describe for

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1 you my understanding of the corporate policy. It's
2 been some time since I have reviewed it. The
3 corporate policy basically says that you are given 30
4 days notice. Then you are given some period of time
5 in which you are given the opportunity to find another
6 position inside the company.

7 Then after that time period, if you
8 basically haven't found another position inside the
9 company, there's a severance package that you are
10 entitled to take. The company retains the right or
11 the discretion that in that 45 day time period, do you
12 come to work everyday at your normal work location, do
13 you come to work everyday at an alternate location, or
14 do we just ask you to stay home?

15 I remember specifically in the IT area
16 those people we asked to come to work everyday because
17 they were involved in the turn over of the work that
18 they were doing to the people who were ultimately
19 going to take it on. My recollection of the admin
20 support people, I don't believe that we asked them to
21 come to work because there was really nothing that
22 they had to turn over to anybody because we were
23 essentially eliminating their positions that they were
24 doing.

25 SENIOR SPECIAL AGENT TEATOR: Thank you.

1 Let's take a very short break.

2 [REDACTED] Sure.

3 SENIOR SPECIAL AGENT TEATOR: Off the
4 record.

5 (Whereupon, the foregoing matter went off
6 the record and went back on the record.)

7 SENIOR SPECIAL AGENT TEATOR: We're back
8 on the record after a short break. [REDACTED]
9 I want to ask you a couple of questions. Your duties
10 as you described, you were the [REDACTED] for the nuclear
11 group down at the plant, correct?

12 [REDACTED] Correct.

13 SENIOR SPECIAL AGENT TEATOR: As part of
14 your responsibilities in that area, did [REDACTED] 7C
15 have his own budget?

16 [REDACTED] Yes, he did.

17 SENIOR SPECIAL AGENT TEATOR: Did he
18 develop it or did people who worked for you develop
19 his budget?

20 [REDACTED] All of the above.

21 SENIOR SPECIAL AGENT TEATOR: Was it
22 reviewed and approved by your group?

23 [REDACTED] Well, we were a support
24 function so we truthfully didn't approve anything.

25 SENIOR SPECIAL AGENT TEATOR: Did you

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1 review it?

2 [REDACTED] Did we review it? Yes.
3 Did we go over it with them? Yes.

4 SENIOR SPECIAL AGENT TEATOR: All right.
5 In Mr. [REDACTED] budget for the time period you were
6 there, did he have to budget for staff positions for
7 the next year? I know the Government has to project
8 how many jobs you are going to have.

9 [REDACTED] Yes.

10 SENIOR SPECIAL AGENT TEATOR: Do you
11 remember if for his budget for 2003 whether Kim
12 Harvin's job was budgeted?

13 [REDACTED] Truthfully I don't know.

14 SENIOR SPECIAL AGENT TEATOR: Would there
15 be documentation on that?

16 [REDACTED] I doubt you could ever
17 find a line item with her name assigned to it. But
18 you could certainly put all the pieces together to
19 know whether it was in there or not, to give you some
20 confidence whether it was or was not.

21 SENIOR SPECIAL AGENT TEATOR: I have asked
22 for the information surrounding that. But the way
23 [REDACTED] explained it, I'm just asking for it again on the
24 record.

25 MR. KEENAN: Yes.

1 SENIOR SPECIAL AGENT TEATOR: That might
2 take some time.

3 MR. KEENAN: That's correct. I have been
4 working on that request and have identified a specific
5 individual in the organization that I think has that
6 information. He is working toward that. Maybe this
7 would refresh (b)(7)(C) recollection. It might be (b)(7)(C)
8 (b)(7)(C)
9 (b)(7)(C) (b)(7)(C) would have that
10 information.

11 MR. KEENAN: I made that request to him.
12 He is moving forward with that. But as of today, he
13 has not supplied me with any information.

14 SENIOR SPECIAL AGENT TEATOR: Okay. I
15 figured I would ask (b)(7)(C).

16 MR. KEENAN: That's fine.

17 SENIOR SPECIAL AGENT TEATOR: He was the
18 (b)(7)(C) Before I leave this Navigant position
19 elimination area in the summer-fall-early winter of
20 '02, is there something more you want to share that I
21 haven't gotten to specifically regarding staff
22 reductions, in particular Kim Harvin's position, that
23 I haven't gotten at yet?

24 (b)(7)(C) I can't think of
25 anything.

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1 SENIOR SPECIAL AGENT TEATOR: All right.
 2 [REDACTED] Again, really just to
 3 wrap it up, our whole strategy and everything that we
 4 were about was really focused in on quartile
 5 performance in this order; priority, safety,
 6 reliability, and cost. We had other sections of the
 7 organization that were focusing in on the safety and
 8 reliability piece. My responsibility was on the cost
 9 side.

10 We had done, I think, a very credible
 11 analysis of what were the cost drivers, and given that
 12 we were driving in that direction, what were the
 13 elements that we had control over? Again, the idea of
 14 going after staff positions was step one of what was
 15 going to be a relatively lengthy process as we were
 16 trying to drive our performance into the top quartile.

17 SENIOR SPECIAL AGENT TEATOR: You were
 18 interviewed by Winston Strong (PH), is that correct?

19 [REDACTED] Yes.

20 SENIOR SPECIAL AGENT TEATOR: I have a
 21 copy of that transcript. I would like you to look
 22 over a couple of pages. Then I have a few questions
 23 for you. I will give you time to do that.

24 [REDACTED] Sure.

25 SENIOR SPECIAL AGENT TEATOR: You can read

1 as much as you want. I'm thinking if you read page 17
2 to the bottom of page 18 that should help. But if you
3 want to read more, please feel free to do so. While
4 [REDACTED] is doing that, we're going to go off
5 the record.

6 (Whereupon, the foregoing matter went off
7 the record and went back on the record.)

8 SENIOR SPECIAL AGENT TEATOR: We're back
9 on the record after a short break. ([REDACTED]) have you had
10 a chance to read pages 17 and 18 to get a little bit
11 of the context of this area I'm talking about?

12 [REDACTED]: Yes.

13 SENIOR SPECIAL AGENT TEATOR: I guess to
14 finish this area, it's talking about position
15 eliminations. Do you agree?

16 [REDACTED]: Yes.

17 SENIOR SPECIAL AGENT TEATOR: Do you have
18 page 18 there, Jeff?

19 MR. KEENAN: Yes, we do.

20 SENIOR SPECIAL AGENT TEATOR: Page 18 line
21 21 please.

22 [REDACTED]: Okay.

23 SENIOR SPECIAL AGENT TEATOR: That would
24 be Mike McGary (PH) is asking questions. Do you know
25 Mr. McGary (PH)? Do you remember him?



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[REDACTED]

I recall him.

SENIOR SPECIAL AGENT TEATOR: He asked a question after you gave a long answer about position eliminations, discussions, communications surrounding that general issue, that very issue. He asked the question, "Is it likely that her name" - "her" being Kim Harvin - "would have come up in those discussions?" You responded, "I consider it unlikely." I read your whole transcript, but your answer struck me. Why did you answer like that? I guess that's my question.

[REDACTED]

I'll go back to some of the things that you and I talked about earlier. My focus in this timeframe, again, was basically dealing with the staff positions that worked for me very specifically. In a very generic fashion, without getting into any details so much so with the other people, the other officers of PSEG Nuclear and [REDACTED] specifically, I did not put myself in the position to definitively say, "You need to eliminate this job, this job or this job."

Really my whole focus was, "I'm going to deal with my organization specifically. And I'm going to push the rest of you guys to really get into and understand your organization and understand are you a

1 candidate or are there candidates in your organization
2 or not." So when I said this, and even back to some
3 of the testimony I gave earlier, I would not have put
4 myself in a position specifically to go to [REDACTED] or
5 [REDACTED] or [REDACTED] (PH) or [REDACTED] or
6 anyone else in the organization and specifically
7 identify, "You need to eliminate this position"
8 because truthfully I wasn't in a position to do that.

9 I would have put myself in the position to
10 say, "The Navigant Study clearly indicates and by our
11 own analysis suggests we have too many staff
12 positions. I need you to really be very rigorous and
13 do your own detailed analysis and identify, do you or
14 don't you believe that your organization needs to
15 eliminate staff." So when I answered as definitively
16 as I did here, I would never have gone to [REDACTED] and
17 suggested that he needed to eliminate specific
18 positions.

19 SENIOR SPECIAL AGENT TEATOR: Or names.
20 [REDACTED]: Or names, yes,
21 absolutely.

22 SENIOR SPECIAL AGENT TEATOR: All right.
23 I don't want to put words in your mouth.

24 [REDACTED]: Yes.

25 SENIOR SPECIAL AGENT TEATOR: Let me ask -

1 -
2 [REDACTED] Can I just finish out
3 that thought?

4 SENIOR SPECIAL AGENT TEATOR: Yes.

5 [REDACTED] It could be very
6 possible that in a passing conversation in the hallway
7 or a casual conversation somewhere, could her or
8 somebody else's' name come up in a casual
9 conversation? It's very possible. I just don't
10 recall it.

11 SENIOR SPECIAL AGENT TEATOR: Let me ask
12 you the question this way. When you had your first
13 discussion with [REDACTED] in the summer of '02
14 about, "We have too many positions down here at the
15 plant," general discussion, did he make any statement
16 during that discussion that he would not consider
17 eliminating Kim Harvin's position? Did he make that
18 type of statement?

19 [REDACTED] That he would not?

20 SENIOR SPECIAL AGENT TEATOR: He would
21 not. You are telling him the study shows this. Our
22 own study shows this. He comes back to you. "I
23 understand, [REDACTED] but one position I'm not going to
24 consider eliminating is Kim Harvin's." Did he make
25 such a statement to you?

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1 [REDACTED] No, absolutely not.
2 [REDACTED] was very open that if you came to him with a
3 comprehensive, well thought out analysis, he would
4 listen to almost anything.

5 SENIOR SPECIAL AGENT TEATOR: The Navigant
6 Study comes in, a draft in September. In October, you
7 get the final report. You have discussions with
8 [REDACTED] I guess they are continuing discussions
9 probably from the summer through whenever it was done.

10 [REDACTED] Right.

11 VICE CHAIRMAN RYAN: During any of those
12 discussions, did [REDACTED] say, "I'm not going to
13 eliminate Kim Harvin's position. I may have to agree
14 to all of this, but I'm not going to eliminate hers"?

15 [REDACTED] No, I was never a party
16 to any of those conversations.

17 SENIOR SPECIAL AGENT TEATOR: I don't know
18 if they occurred or not. I'm asking if he ever said
19 that in your presence when you are bringing him this
20 information.

21 [REDACTED] No.

22 SENIOR SPECIAL AGENT TEATOR: All right.
23 Let's talk about a January 2003 meeting at [REDACTED]
24 [REDACTED] residence.

25 [REDACTED] Yes.

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1 SENIOR SPECIAL AGENT TEATOR: My
2 understanding is it occurred in early January of '03.
3 It was a Saturday morning meeting.

4 [REDACTED] Yes.

5 SENIOR SPECIAL AGENT TEATOR: Do you
6 recall this meeting?

7 [REDACTED] Yes.

8 SENIOR SPECIAL AGENT TEATOR: Did you
9 attend the meeting?

10 [REDACTED] Yes, I did.

11 SENIOR SPECIAL AGENT TEATOR: Why were you
12 there?

13 [REDACTED]: The purpose of this
14 meeting was really as a matter of management practice
15 at PSEG Nuclear. As a senior leadership team, we got
16 together. Our objective was to try to do it on a
17 quarterly basis. Sometimes it was a little longer in
18 frequency. Sometimes it was a little shorter in
19 frequency. But our objective was to meet on a
20 quarterly basis and as a group try to get some
21 consensus around relative performance of all of our
22 direct reports.

23 SENIOR SPECIAL AGENT TEATOR: Job
24 performance.

25 [REDACTED] Job performance,

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1 exactly. Again, it was in the spirit of a 360 degree
2 review, force ranking-type of context where I could
3 certainly rate my reports. But getting input and
4 feedback from my peers would add value to that whole
5 process and would add a measure of credibility to it.

6 So we met. This was actually the third
7 time that I know of that we met. This particular
8 meeting in January had particular significance because
9 it coincided with our annual performance review
10 process. The feedback and input from this meeting in
11 particular was intended to be direct input to the
12 final 2002 performance review for all the people that
13 we were intending to speak to.

14 SENIOR SPECIAL AGENT TEATOR: Was Kim
15 Harvin's job performance discussed?

16 [REDACTED] Yes.

17 SENIOR SPECIAL AGENT TEATOR: In what way?
18 Who first brought it up?

19 ([REDACTED]) Well, this was a rather
20 lengthy meeting. Again, basically the protocol for
21 the meeting was, you, as part of this team, would
22 bring your direct report's name. We had a ranking
23 system. My recollection is it was A, B, C, D; A being
24 high performance and D being low performance.

25 You brought all of your direct reports

1 with your ranking and then your basis for their
2 overall score and ranking. You would present a name
3 and your arguments for why you rated the person the
4 way you did. Then there was a roundtable discussion
5 from your peers relative to your observations and your
6 ranking and things like that.

7 The idea was to get some consistency of
8 ranking across that peer group. Generally we tried to
9 focus on operations and maintenance first. So [REDACTED]
10 [REDACTED] (PH) and [REDACTED] would present their
11 direct reports. [REDACTED] would then present his.
12 I presented mine. Then as I recall, [REDACTED] was last
13 and he presented his direct reports. 7c

14 SENIOR SPECIAL AGENT TEATOR: What can you
15 recall him saying regarding Kim Harvin's performance?
16 Or did he speak to it?

17 [REDACTED] No, he didn't. That was
18 one of the things that I do remember. [REDACTED] basically
19 put her name out and waited for input, waited for
20 response. 7c

21 SENIOR SPECIAL AGENT TEATOR: Did he do
22 that for all of his direct reports or just her?

23 [REDACTED] I truthfully don't
24 remember because, of course, all of us were direct
25 reports of [REDACTED] as well. I don't recall who else 7c

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1 that he may have discussed. Truthfully I don't even
2 recall if he had other direct reports, again, other
3 than the four of us sitting around the table.

4 SENIOR SPECIAL AGENT TEATOR: Okay. So
5 [REDACTED] throws her name out for discussion.

6 [REDACTED] Right.

7 SENIOR SPECIAL AGENT TEATOR: Do you
8 provide input?

9 [REDACTED] Yes, in fact, what I
10 recall is that I was the very first person to provide
11 input.

12 SENIOR SPECIAL AGENT TEATOR: Can you tell
13 me what you said?

14 [REDACTED] Yes, I tried to context
15 my comments in that I didn't have a tremendous amount
16 of direct comment with Kim. But I could remember one
17 very specific incident where Kim was directly involved
18 with and engaged with my organization and that I was
19 dissatisfied with the results that she had gotten. So
20 my observation or my input to [REDACTED] when he was doing
21 his ranking was that I was not satisfied with her
22 performance.

23 SENIOR SPECIAL AGENT TEATOR: Can you just
24 give me a little bit about what you observed?

25 [REDACTED] Yes, if you want to go

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1 back to one of the very first things you asked, one of
2 the areas that I forgot I had accountability for was
3 the employee concerns program.

4 SENIOR SPECIAL AGENT TEATOR: Okay.

5 [REDACTED] And it's particularly in
6 this context. The way we tried to manage the employee
7 concerns program was that as much as was humanly
8 possible we tried to keep the accountability for
9 employee interaction and dealing with employee
10 concerns as much as possible with the line management.

11 In other words, if the employee had an
12 issue or whatever, the employee concerns program was
13 there to facilitate in getting the problem resolved
14 and certainly would serve as the backstop in the event
15 that it was going in the wrong direction. But we
16 really tried to keep the line management engaged in
17 the resolution.

18 SENIOR SPECIAL AGENT TEATOR: Okay.

19 [REDACTED] In September of '02, an
20 issue in Salem had arisen. The details of it escape
21 me. But the point is, there was an issue going on in
22 Salem between the nuclear equipment operators and the
23 management of Salem operations. We had become aware
24 of that through the employee concerns process.

25 [REDACTED] who is our employee concerns

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1 manager, had reported that to me. He and I sat down
2 and developed a plan of attack for how we were going
3 to make sure this issue got resolved. Again, it was
4 putting and facilitating operations management and the
5 NEOs and getting the issue resolved.

6 During the course of that - this is
7 probably in the September or October timeframe now -
8 as [REDACTED] trying to facilitate that whole thing - and
9 the details of how we ended up here escape me now -
10 but basically when it was all said and done, Kim
11 Harvin either took or got assigned to take the lead
12 responsibility for facilitating this.

13 It was because she had a personal
14 relationship - and I don't mean anything bad by that -
15 but she knew the individuals. She knew them well.
16 She knew how to communicate. She knew about
17 processing. She felt like she could add value in
18 resolving that issue.

19 SENIOR SPECIAL AGENT TEATOR: And [REDACTED] was
20 out of it at that point.

21 [REDACTED] So the agreement that we
22 reached was, [REDACTED] would step away and monitor it,
23 ultimately being accountable for making sure it got
24 pushed through to resolution and that if he was
25 dissatisfied with the progress or whatever, he would

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1 keep me informed. We would keep the senior management
2 informed.

3 It was certainly a preferred situation
4 where line management - and Kim was going to
5 facilitate it - would take accountability for
6 resolving this issue. The point is, we went into
7 October. We went into November which was a refueling
8 outage. We kept it simmering, but it took a little
9 bit of a back burner during the refueling outage.

10 [REDACTED] and I had had several conversations
11 over the course of time that "Okay. We'll spot them
12 a little bit of time through the course of the
13 refueling outage. But when we finish the refueling
14 outage, this has to get resolved one way or the
15 other." The refueling outage ended, as I recall,
16 sometime in the middle of November.

17 Basically we went through the middle of
18 November through the middle of December. It really
19 wasn't until [REDACTED] in dialogue and conversations
20 we had, basically we could not tolerate that this
21 issue was not getting resolved. So from my judgement
22 basically from an issue that came up in the middle to
23 end of September through the middle of December, a
24 very important issue, had essentially made no
25 progress. I considered, particularly in the area of

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1 employee concerns, that that was completely
2 unacceptable.

3 SENIOR SPECIAL AGENT TEATOR: What was
4 Kim's involvement in that? What did you share to the
5 group in January regarding that?

6 (b) Thank you. Kim, again,
7 had either been assigned or volunteered to take - and
8 I believe it was the latter as opposed to the former -
9 accountability for resolving this issue. It is my
10 estimation that she failed in that. Again, there's
11 certain places in nuclear power operations that you
12 are willing to tolerate some measure of failure but
13 not in this particular instance.

14 SENIOR SPECIAL AGENT TEATOR: And you
15 reported that to the assembled group in January.

16 (b) In that conference, yes.

17 SENIOR SPECIAL AGENT TEATOR: Was there a
18 formal ECP concern log at the plant regarding this?

19 (b) Yes.

20 SENIOR SPECIAL AGENT TEATOR: So there's
21 something I can look at.

22 (b) Yes, I believe. This is
23 what we termed the (b)

24 SENIOR SPECIAL AGENT TEATOR: Okay. I
25 know about that.

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1 MR. KEENAN: Yes, I believe it's the [REDACTED]

2 [REDACTED]
3 SENIOR SPECIAL AGENT TEATOR: All right.

4 Good. When you are presenting the group with your
5 observation of Kim's performance for '02, did any of
6 them comment on what you were bringing up?

7 [REDACTED]: If not body language
8 nodding in agreement, I do remember people basically
9 agreeing with that one example as being representative
10 of an overall job performance.

11 SENIOR SPECIAL AGENT TEATOR: Did others
12 speak up and provide verbal input?

13 [REDACTED]: I do recall there was
14 some verbal conversation. I don't recall anybody
15 having anything as specific as what I had. But again,
16 there was a general consensus around the basic
17 conclusion that I had reached based on this one
18 example.

19 SENIOR SPECIAL AGENT TEATOR: What was the
20 general consensus on Kim's performance for '02 among
21 the group?

22 [REDACTED]: We were very specific
23 about that. Again, much of this transpired before I
24 came to nuclear. So I'm giving you second and third
25 hand feedback. When Kim came to nuclear in the state

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1 or the condition that the organization was in, Kim
2 actually added quite a bit of value in terms of moving
3 the organization, moving the relationships between
4 management and labor, and moving it forward and that
5 basically over time, her effectiveness in that role
6 had diminished to a point where really on an
7 everything else being equal basis that she really
8 wasn't as effective today as she had been in the past.
9 And this was an example of that.

10 SENIOR SPECIAL AGENT TEATOR: Did others
11 in that discussion echo that?

12 ([REDACTED]) Yes.

13 SENIOR SPECIAL AGENT TEATOR: Was there
14 any discussion at the meeting at [REDACTED] house that
15 it was time for Kim Harvin to move on? Was that
16 brought up at all?

17 ([REDACTED]) What I recall was a very
18 plain conversation about that we weren't there to
19 discuss specifically what her next role was or what
20 the circumstances would be but that her role there and
21 her function doing what she was doing was that she
22 wasn't adding any value anymore. There was certainly
23 an implication that it was time for her to move on.

24 SENIOR SPECIAL AGENT TEATOR: Okay.

25 ([REDACTED]) What I don't recall is

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1 if it was that explicitly articulated or if it was
2 just left as the implication.

3 SENIOR SPECIAL AGENT TEATOR: Did [REDACTED]
4 [REDACTED] comment at all after the group said what they
5 had to say about Kim's performance? Do you recall if
6 he responded?

7 MR. FRIEDLANDER: My recollection is that
8 [REDACTED] really didn't say much in that meeting. He may
9 have asked a question or two, a very open-ended
10 question, to provoke some more dialogue and
11 conversation. But [REDACTED] really didn't say much at all
12 during the meeting. [REDACTED] has an incredible
13 intellectual capacity. He will remember things very
14 explicitly. He might scribble a note or two on a
15 piece of paper. But he really didn't lead the
16 conversation nor did he participate as a very active
17 member of the conversation.

18 SENIOR SPECIAL AGENT TEATOR: Who else was
19 there?

20 [REDACTED]: It was myself, [REDACTED]
21 [REDACTED] (PH), and [REDACTED]

22 SENIOR SPECIAL AGENT TEATOR: Let me move
23 to a different area. I may come back on a couple
24 other things. Kim Harvin's job was eliminated. What
25 we understand is, at some point a decision was made to

ALL
76

1 accelerate her actually physically leaving the site.
2 Do you know that that happened? Are you aware that
3 that happened?

4 (REDACTED) Only by hearsay.

5 SENIOR SPECIAL AGENT TEATOR: Did you have
6 any involvement in the decision to, I'm going to use
7 the word, accelerate her leaving the site? Did you
8 have any involvement in making that decision? Were
9 you part of any discussions where that decision was
10 made?

11 (REDACTED): I don't recall the
12 timing of it. By that what I mean is, I don't recall
13 if after it was done if I was in a meeting and it was
14 brought up and I was just a casual participant in a
15 particular setting or before. I don't remember. But
16 I do remember being in a meeting and that was brought
17 up.

18 SENIOR SPECIAL AGENT TEATOR: Tell me what
19 you remember about that meeting.

20 (REDACTED): I don't even remember
21 who it was. I don't remember the timeframe. But I do
22 remember having a conversation specifically about her.
23 Recall what I had mentioned earlier about my
24 understanding of the company policy and that the
25 company reserves the right, based on the circumstances

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1 surrounding your job and things like that, as to
2 whether or not --

3 Basically you're kept whole relative to
4 compensation and things like that. The only real
5 issue on the table is, do you show up at your normal
6 work location or not? I remember hearing a
7 conversation about that the decision was made with her
8 that she would not be asked to come to her normal work
9 location.

10 SENIOR SPECIAL AGENT TEATOR: Was a reason
11 provided for why that decision was made?

12 [REDACTED] I really don't recall.

13 SENIOR SPECIAL AGENT TEATOR: Do you know
14 whose decision it was?

15 [REDACTED] No, I don't.

16 SENIOR SPECIAL AGENT TEATOR: All right.
17 We'll take a short break off the record. Then we'll
18 move towards finishing up. Off the record.

19 (Whereupon, the foregoing matter went off
20 the record and went back on the record.)

21 SENIOR SPECIAL AGENT TEATOR: We're back
22 on the record after a short break. I just wanted to
23 touch a little bit more on the January 2003 meeting at
24 [REDACTED] house. Do you remember what, if any,
25 input [REDACTED] (PH) provided?

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1 [REDACTED] Relative to Kim?

2 SENIOR SPECIAL AGENT TEATOR: Yes,
3 specific to Kim.

4 [REDACTED] I don't remember
5 anything specific. As I mentioned to you, what I do
6 remember is there was more or less agreement of the
7 conclusion that I had put out on the table.

8 SENIOR SPECIAL AGENT TEATOR: We talked a
9 little bit earlier about some of the people in your
10 group whose positions were eliminated. The IT people
11 were asked to come to work for the remainder of their
12 time.

13 [REDACTED]: Yes.

14 SENIOR SPECIAL AGENT TEATOR: But there
15 were some other people who were not, correct?

16 [REDACTED] Correct. Again, that
17 was a function of if you were turning work over to
18 somebody who needed to pick it up and continue it.
19 There was obviously a transition period that was
20 necessary. If the work that you were doing was being
21 eliminated, then there was really no reason for you to
22 come to work. That was, as much as anything, the
23 criteria.

24 SENIOR SPECIAL AGENT TEATOR: As part of
25 cost cutting measures down there at the site, from

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1 what I understand, there was a group. I think it's
2 GAP International. Their contract was not picked up
3 for 2003. Can you comment on that and whether that's
4 true or not?

5 (b) That's absolutely true.

6 SENIOR SPECIAL AGENT TEATOR: Were you
7 part of that decision to not carry them over into
8 2003?

9 (b) Again, that was (b)
10 contract. That was a contract that showed up in
11 (b) budget.

12 SENIOR SPECIAL AGENT TEATOR: All right.

13 (b) Certainly in my role and
14 accountability as the (b) I would
15 propose and make recommendations to (b) But that
16 was something that was completely in his area. I was
17 a party to a very strong conversation about the need
18 and the value of continuing that contract.

19 SENIOR SPECIAL AGENT TEATOR: What was
20 your proposal to (b)

21 (b) My proposal to (b) was
22 to get rid of it, to eliminate that contract.

23 SENIOR SPECIAL AGENT TEATOR: In the end,
24 did (b) agree that the contract would be eliminated?

25 (b) Yes.

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1 SENIOR SPECIAL AGENT TEATOR: What were
2 they doing down at the site? Just maybe give me a
3 little bit about that.

4 [REDACTED] It was my understanding
5 that there were two dimensions of their contract. (1)
6 They were doing executive coaching with [REDACTED] and
7 [REDACTED] direct reports. (2) They were working with
8 groups inside of the organization who needed
9 facilitation. The example that comes to mind directly
10 was that they were working with the maintenance first
11 line supervisors and the maintenance craft crews
12 themselves to facilitate conversation and dialogue and
13 problem resolution and things like that.

14 SENIOR SPECIAL AGENT TEATOR: Wasn't Kim
15 Harvin doing some of that type of work also? Do you
16 know if she was doing that type of work also?

17 [REDACTED] Yes, she was.

18 SENIOR SPECIAL AGENT TEATOR: What was the
19 basis for your recommending to [REDACTED] that the GAP
20 International contract not be carried over into 2003?

21 [REDACTED] It would be, simply put,
22 a cost benefit analysis. There's no question that
23 those two elements of their contract were providing
24 value. My recollection is that it was about \$750,000
25 to a million dollars a year. When I squared that

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1 expense with the incremental value that they were
2 bringing in, I just didn't see it.

3 SENIOR SPECIAL AGENT TEATOR: Were there
4 other such groups down there doing similar work to Kim
5 Harvin and GAP International who also had their
6 contracts eliminated in 2003?

7 [REDACTED] When you say "doing
8 similar work," you are talking about organizational
9 development.

10 SENIOR SPECIAL AGENT TEATOR: Yes,
11 executive coaching, facilitation, things like that.

12 [REDACTED] Off the top of my head,
13 I don't recall any. I think those were the two
14 principal ones.

15 SENIOR SPECIAL AGENT TEATOR: We're going
16 to take one more quick break. I think we're going to
17 be finishing up in a few minutes. Off the record.

18 (Whereupon, the foregoing matter went off
19 the record and went back on the record.)

20 SENIOR SPECIAL AGENT TEATOR: We're back
21 on the record. I have one more area I want to explore
22 with you, [REDACTED]. During the course of your
23 employment at PSEG Nuclear down at the plant, did you
24 have discussions with Kim Harvin?

25 [REDACTED] Yes.

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1 SENIOR SPECIAL AGENT TEATOR: During any
2 of those discussions, did she tell you that she had
3 any nuclear safety concerns?

4 [REDACTED]: Not in those words.

5 SENIOR SPECIAL AGENT TEATOR: In any
6 words?

7 [REDACTED]: No.

8 SENIOR SPECIAL AGENT TEATOR: Did she talk
9 to you about concerns she had with management?

10 [REDACTED]: Yes.

11 SENIOR SPECIAL AGENT TEATOR: Did she ever
12 connect any of those concerns as being nuclear safety
13 concerns?

14 [REDACTED]: Yes.

15 SENIOR SPECIAL AGENT TEATOR: Kim Harvin
16 was informed that her position was being eliminated.
17 After that date, did you have any discussions with her
18 surrounding that?

19 [REDACTED]: Yes.

20 SENIOR SPECIAL AGENT TEATOR: Go ahead.
21 Maybe we could explore that some.

22 [REDACTED]: Sure. The date and the
23 timing of it escapes me at this point. One evening
24 after she had been informed that her position was
25 being eliminated, she came by my office in a casual

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1 manner after hours. She informed me that her position
2 had, in fact, been eliminated.

3 My instincts suggested to me that her
4 reason for being there was, she wanted to know if I
5 knew anything about it. She wanted to know if I had
6 any ability to influence it. My reply to her was very
7 much in the line of, "I wasn't aware that a decision
8 had been reached to eliminate your position. Are you
9 familiar with the company policy which would enable
10 you to look for another position?

11 Have you been able to find a position? Is
12 there anything I can do to help you find a position?
13 Is there anything I can do to help the situation and
14 help in any way that I can?" It was a very clinical
15 conversation. That was it. Then that was the last
16 time I spoke to her.

17 SENIOR SPECIAL AGENT TEATOR: During that
18 discussion, did she say to you that she believed her
19 position had been eliminated because she had raised
20 concerns in general?

21  No.

22 SENIOR SPECIAL AGENT TEATOR: Did she make
23 any statement during that discussion that she believed
24 her position had been eliminated because she raised
25 nuclear safety concerns?

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([REDACTED]) No.

SENIOR SPECIAL AGENT TEATOR: Did you have any other discussions with Dr. Harvin around this issue, her job being eliminated and the reasons for it?

([REDACTED]) No, that was no more than a ten or 15 minute conversation. That was truthfully the last time I ever spoke to her.

SENIOR SPECIAL AGENT TEATOR: You haven't spoken to her since.

([REDACTED]) I have not spoken to her since.

SENIOR SPECIAL AGENT TEATOR: Let me ask your opinion. Do you think that was a consideration in her position being eliminated?

([REDACTED]) Again, knowing all the circumstances, knowing the individuals involved, I can say with 100 percent certainty that her position was not eliminated because she raised nuclear safety concerns. I would go so far to say that I don't believe that in any of the principal's minds that her concerns and her issues ever crossed the threshold of being nuclear safety concerns.

SENIOR SPECIAL AGENT TEATOR: Right. But she did have concerns and issues.

1 [REDACTED] Of course. That's what
2 keeps us all employed, dealing with those issues.

3 SENIOR SPECIAL AGENT TEATOR: Did any of
4 [REDACTED] direct reports comment or state that they
5 would support her position being eliminated because
6 she had such concerns or issues?

7 [REDACTED] No.

8 SENIOR SPECIAL AGENT TEATOR: Maybe you
9 guys didn't think they were nuclear safety concerns.
10 But she did have concerns and issues.

11 [REDACTED] Again, to go back to the
12 January meeting, I would say that the consensus
13 amongst the senior leadership team was that the issues
14 that she was charged to deal with, her effectiveness
15 in terms of dealing with those issues wasn't yielding
16 results. So any decisions that were made relative to
17 her continued employment had to do with her
18 effectiveness in dealing with the issues as opposed to
19 the fact that she had concerns.

20 SENIOR SPECIAL AGENT TEATOR: Okay.

21 [REDACTED] And that was at the core
22 of every conversation.

23 SENIOR SPECIAL AGENT TEATOR: Her not
24 being as effective as she used to be.

25 [REDACTED] Correct.

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1 SENIOR SPECIAL AGENT TEATOR: Is that what
2 you are referring to as being at the "core of the
3 conversations?"

4 ([REDACTED]) Correct, yes. And I can
5 say that that was at the core of not only that meeting
6 and the other individuals that we dealt with at that
7 meeting but meetings that we held at least two other
8 times that I participated in earlier in the year and
9 with individuals that were dealt with earlier in the
10 year in that context as well.

11 SENIOR SPECIAL AGENT TEATOR: Not her
12 though.

13 ([REDACTED]) Not her.

14 SENIOR SPECIAL AGENT TEATOR: You are
15 talking about admin services and IT. Is that what you
16 are talking about?

17 ([REDACTED]) And even very specific
18 individuals. Again, when we met earlier in the year,
19 we talked about performance of individuals. We talked
20 about the effectiveness of individuals and ultimately
21 made employment decisions on other individuals. At
22 the core of the conversation was their effectiveness.

23 SENIOR SPECIAL AGENT TEATOR: All right.
24 Very good. At this point, I don't believe I have any
25 follow up questions. I may have some. I am just

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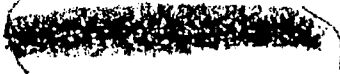
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1 getting started in this thing. If I do, I will
2 contact Jeff and go through him.

3 MR. KEENAN: Yes.

4 SENIOR SPECIAL AGENT TEATOR: If there is
5 a quick follow up, maybe we could do it on the phone.
6 But we'll cross that bridge when we get to it.

7  Sure.

8 SENIOR SPECIAL AGENT TEATOR: Jeff, do you
9 want to take a break?

10 MR. KEENAN: Yes, let's take a break.
11 Then we will come back on the record after the break
12 and wrap it up.

13 SENIOR SPECIAL AGENT TEATOR: Okay. We'll
14 go off the record.

15 (Whereupon, the foregoing matter went off
16 the record and went back on the record.)

17 SENIOR SPECIAL AGENT TEATOR: We're back
18 on the record after a short break. Jeff, you have had
19 time to talk to your client. Is there anything you
20 guys want to add to the record?

21 MR. KEENAN: We appreciate the opportunity
22 to come today and provide this voluntary testimony.

23 SENIOR SPECIAL AGENT TEATOR: Okay.

24 MR. KEENAN: We are, of course, willing
25 and eager to cooperate in any further discussions with

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1 you.

2 SENIOR SPECIAL AGENT TEATOR: All right.
3 Very good. [REDACTED] thanks. Nice meeting you. Jeff,
4 thank you very much. This meeting is concluded.

5 (Whereupon, the above-entitled matter
6 concluded.)
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