

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

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OFFICE OF INVESTIGATIONS

INTERVIEW

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IN THE MATTER OF: :

INTERVIEW OF

(REDACTED)

7C

: Docket No.

: 1-2003-051F

(CLOSED)

:

-----X

Thursday, May 6, 2004

Salem Hope Creek Nuclear

Generating Station

Hancocks Bridge, New Jersey

The above-entitled interview was conducted

at 1:18 p.m.

BEFORE:

Senior Special Agent JEFFREY TEATOR,

NRC/RI/OI

EXHIBIT 54

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ALSO PRESENT:

JEFF KEENAN, Assistant General Solicitor

for PSEG Services

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21

(1:18 p.m.)

SR. SPECIAL AGENT TEATOR: Now we're going to move into an interview into the potential violation of 10 CFR 50.7. I explained briefly at the beginning of the tape that there's been an allegation brought to the Commission's attention that Dr. Kim Harvan was retaliated against, discriminated against, because she engaged in NRC protected activities. I'm going to talk to you about that now.

And, again, you're considered a witness in that investigation. You understand you're still under oath for this portion of the interview?

(b)(7)(C) Yes, I do.

SR. SPECIAL AGENT TEATOR: Okay. And you're represented by counsel. Counsel, your representation is the same, is that correct?

MR. KEENAN: Yes.

SR. SPECIAL AGENT TEATOR: Okay. You touched on something I want to just pick up on. You became the (b)(7)(C) correct?

(b)(7)(C) Correct.

SR. SPECIAL AGENT TEATOR: And when did that -- when did your time in that position end?

(b)(7)(C) Nominally, the fall of (b)(7)(C)

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1 when I transitioned, as I mentioned in the
2 introduction to our previous testimony, over to
3 (inaudible) to set up a projects infrastructure
4 organization, so that we could embark on a large
5 capital program.

6 SR. SPECIAL AGENT TEATOR: Okay. Good.

7 (b) So I was there approximately
8 two years.

9 SR. SPECIAL AGENT TEATOR: Okay.

10 (b) A little over two years and
11 two months.

12 SR. SPECIAL AGENT TEATOR: And prior to
13 going on the record, I showed you, (b), a copy
14 of an e-mail message from -- it says Kim Ritigliano.
15 That's Dr. Kim Harvan. And, actually, it's to -- it's
16 addressed to (b) and the subject is you.

17 (b): Yes.

18 SR. SPECIAL AGENT TEATOR: But it reads
19 like it was sent to you, if I look at it right.

20 (b) But it wasn't.

21 SR. SPECIAL AGENT TEATOR: It wasn't? It
22 says, (b) I'm writing to you."

23 (b) No. This is -- this was --
24 I believe I would have remembered the e-mail, but I do
25 remember pieces of the issue she has brought up. I

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1 don't recall getting an e-mail like that.

2 SR. SPECIAL AGENT TEATOR: Right.

3 (b) And when you just allowed me
4 the privilege of reading it, I see she wrote the
5 letter to (b) saying that if I were to send
6 a letter to (b) it would look something like this.

7 SR. SPECIAL AGENT TEATOR: Right.

8 (b): But you can see on the
9 header that it never came to me directly.

10 SR. SPECIAL AGENT TEATOR: Right. Well,
11 let me talk about the issues that she described in
12 here, and then I'll ask you some followup questions.
13 And I'll just read the part verbatim here.

14 The e-mail is dated February 5, 2001, and
15 the paragraph -- it's the third paragraph I'm going to
16 read to you. It reads, "Simply put, I am threatened
17 by you. I am scared that now that you are the (b)
18 (b) I am going to lose ground that I have
19 worked so hard for -- ground with the guys in
20 Operations, the guys whose leadership I consider to be
21 the key to our future. I am afraid that you are going
22 to say I shouldn't continue to work with them, that
23 you don't want me involved, and that much of what I
24 have worked for this last year will be tossed aside.
25 Mostly because you and I don't have a trusting

1 partnership with each other."

2 Did she ever have a discussion with you
3 where she talked about the things described in this
4 paragraph?

5 SR. SPECIAL AGENT TEATOR: Yes, she did.

6 [REDACTED] Okay. And may I --

7 SR. SPECIAL AGENT TEATOR: Please, go
8 ahead.

9 [REDACTED]: -- if I could. I did not
10 have the occasion to work with her much prior to her
11 being, in that period of time she references, working
12 with [REDACTED] the previous [REDACTED]

13 SR. SPECIAL AGENT TEATOR: Okay.

14 [REDACTED] I do recall the issue when
15 [REDACTED] --

16 SR. SPECIAL AGENT TEATOR: Right.

17 [REDACTED]: -- and she left. I also
18 recall the issue -- I believe her context of why she's
19 threatened by you is that she was threatened by me
20 thinking that because I was put in place to make
21 change -- and it was clear I was put in to be the [REDACTED]
22 [REDACTED] to make a substantive change in the conduct of
23 operations in the plant specifically at Hope Creek,
24 but not limited to Hope Creek.

25 SR. SPECIAL AGENT TEATOR: Okay.

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1 [REDACTED]:) Those were the directions I
2 got from my boss, ([REDACTED]) (inaudible). 7C

3 SR. SPECIAL AGENT TEATOR: All right.

4 ([REDACTED]) And I think I previously
5 mentioned my background. ([REDACTED])

6 [REDACTED]) so I have the wherewithal and knowledge
7 and qualifications to go execute that direction.

8 SR. SPECIAL AGENT TEATOR: Right.

9 ([REDACTED]) I think what Kim was afraid
10 of -- and I'll put "afraid" in quotes -- is that, you
11 know, I was going to take a whole different approach,
12 because I'm a new person, and that my approach I chose
13 would not involve her. That's how I read this.

14 SR. SPECIAL AGENT TEATOR: Okay.

15 ([REDACTED]) Now, in -- now, just to be
16 complete, she got back from that trip. Her and I had
17 a long conversation.

18 SR. SPECIAL AGENT TEATOR: Talked about
19 this.

20 ([REDACTED]) I invited her to help me.
21 I told her I needed her help. And, in fact, her and
22 I crafted the entire approach, and she was invaluable
23 in crafting this approach, of the operations
24 excellence plan. In fact, she helped me write the
25 presentation, and that -- in the fall we had a joint

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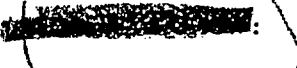
1 SRO meeting over at Hope Creek, where I laid out the
2 vision for what -- you know, what I was about, the
3 vision of where I felt we needed to take the
4 operations department.

5 This was in front of all the SROs at the
6 time. I'll say all. I mean, was there somebody on
7 midnight shift sleeping? Undoubtedly. But, you know,
8 the majority of the SROs that we could get together.
9 And her and I prepared for that, and we laid out the
10 strategy. And she actually helped me implement the
11 strategy that culminated in the development of the
12 operations standards.

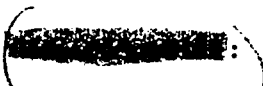
13 SR. SPECIAL AGENT TEATOR: Which you
14 talked about --

15  Yes.

16 SR. SPECIAL AGENT TEATOR: -- in the first
17 part of this interview.

18 : We assigned each -- we
19 assigned an OS crew from each station to jointly work
20 together over about an eight-week period to draft the
21 operations -- the draft of these standards for the
22 first time, and put them together and present them to
23 the ops managers and myself.

24 SR. SPECIAL AGENT TEATOR: Right.

25 : And so there were crews --

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1 there were crews that were put together, and they did
2 that. And she actually helped work with the OSs and
3 helped, you know, behind the scenes, making sure that
4 they were working on these and, you know, told them I
5 was serious that, you know, I expected them to --
6 their lack of leadership at that time I believe
7 contributed to the issues --

8 SR. SPECIAL AGENT TEATOR: Right.

9 (b) -- that we had identified in
10 the -- by INPO relative to our operators. And I said
11 that this was the opportunity for them to work out --
12 and I provided in that meeting each of them -- we put
13 books together -- and I don't have the books, though,
14 I don't think. I may have it at home, because I'm a
15 pack rat.

16 But we put books together that showed all
17 of the QA reports, the INPO report, all of the NRC
18 reports, nuclear reviews that had operator issues,
19 because I had -- I had to get into their heads that,
20 hey, you know, it's not just me saying that, you know,
21 we'd have to improve our performance. It's, you know,
22 everybody that passes judgment on us.

23 SR. SPECIAL AGENT TEATOR: Right.

24 (b) Says we have to improve our
25 performance, and the way we're going to do it is

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1 through you.

2 SR. SPECIAL AGENT TEATOR: Right. Let's
3 talk about Kim's performance on that project. How
4 would you rate her performance?

5 (b)(7)(C) Acceptable. We got the
6 deliverable -- I mean, this was -- we got the
7 deliverable out. She wasn't directly accountable for
8 it.

9 SR. SPECIAL AGENT TEATOR: Right.
10 (b)(7)(C): The operations
11 superintendents, which they paid at the time a very
12 handsome salary, were accountable for defining and
13 anchoring these standards.

14 SR. SPECIAL AGENT TEATOR: Right.
15 (b)(7)(C) And this -- these standards
16 were the basis for many other things, and she helped
17 -- she helped with those. They were the basis for our
18 self-assessment program, so we did -- we rewrote our
19 ongoing assessments, so that when we went into the
20 control room and did observations --

21 SR. SPECIAL AGENT TEATOR: Right.
22 (b)(7)(C) -- we linked them back to
23 this, so each crew could see, hey, you know, our crew
24 needs to work on industrial safety work practices.

25 SR. SPECIAL AGENT TEATOR: Right.

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1 [REDACTED] You know, we used these in
2 training. So these became the backbone of what we
3 did, and they did not exist prior to -- prior to the
4 fall of 2000.

5 SR. SPECIAL AGENT TEATOR: Right. She --
6 in this e-mail, which you didn't get --

7 [REDACTED] Right.

8 SR. SPECIAL AGENT TEATOR: -- but she
9 describes in here that it -- her belief that you and
10 her don't have a trusting partnership with each other.

11 [REDACTED] We had -- we had very little
12 interface and -- and her -- her style is valuable and
13 different than what most people would see around
14 nuclear powerplants. And for that reason, you know,
15 we had her as a -- you know, I'll call her an internal
16 consultant.

17 I mean, she provided the type of services
18 that typically people at my level would go pay a
19 company to bring. We just happened to have that
20 resource at that time I think working out of Newark,
21 and she was asked to come down and help, because she
22 had this.

23 SR. SPECIAL AGENT TEATOR: So I'm asking
24 you to comment on -- on -- if you can on why she
25 thought that.

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1 [REDACTED] Well, because my first -- my
2 first impressions of her and -- which really has more
3 to do with me than her.

4 SR. SPECIAL AGENT TEATOR: Right.

5 [REDACTED]: She's different than you
6 would see around here, so she starts talking about my
7 job is to bring love into the workplace. That's not
8 a conversation you're going to hear a lot around
9 commercial nuclear powerplants.

10 And, you know, she was talking about
11 bringing relationships and -- but over time I really
12 saw the value in that, and had a good relationship
13 with her in those periods of time where she was
14 directly helping on specific projects.

15 SR. SPECIAL AGENT TEATOR: When you were
16 the [REDACTED]

17 [REDACTED] Right. That was, you
18 know -- it was early on -- during the -- just for
19 completeness, this was like a deliverable. This had
20 a beginning and an end.

21 SR. SPECIAL AGENT TEATOR: This was --

22 [REDACTED] The operations standards
23 document, the project, or whatever, because this was
24 the framework for the rest of what, you know, the
25 approach was that I chose as the [REDACTED] to try to

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1 raise operational performance to excellence.

2 SR. SPECIAL AGENT TEATOR: Right.

3 ([REDACTED]) After this gets done, there
4 was still a lot of work to be done in some of the
5 relationships between like the operations
6 superintendents and their crews, you know, the people
7 that work for them on shift.

8 SR. SPECIAL AGENT TEATOR: Right.

9 ([REDACTED]) And Kim worked in that area,
10 and I didn't get a lot of feedback, mainly because I
11 didn't want a lot of feedback, because, you know, she
12 had developed a trust with the OSs. And if they were
13 working on individual leadership issues, she acted as
14 a leadership coach. It really wasn't appropriate for
15 her to be sharing that with the [REDACTED] because --

16 SR. SPECIAL AGENT TEATOR: Was she?

17 ([REDACTED]): She did not share, you know,
18 her -- the unique coaching issues that she was working
19 on on specific individuals, because that would have
20 preempted her trust --

21 SR. SPECIAL AGENT TEATOR: Right.

22 ([REDACTED]) -- and being able to work
23 through those issues with those individuals. You
24 know, I didn't expect her to, nor did I want her to.
25 But I did want to have improved crew OS relations, so

1 it was really worthwhile in that period of time to
2 have her working on those issues.

3 SR. SPECIAL AGENT TEATOR: Did you see an
4 improvement in that area?

5 [REDACTED] There was an improvement
6 over the -- over the 2001 timeframe in that area.

7 SR. SPECIAL AGENT TEATOR: Okay.

8 [REDACTED] And I (inaudible) say that
9 Kim's performance assisted in that.

10 SR. SPECIAL AGENT TEATOR: Okay. I want
11 to move to -- is there something more you want to say?
12 If not, I was going to move to a slightly different
13 area.

14 [REDACTED]: Well, let me just -- since
15 we're (inaudible) this now. It was, you know, much
16 like anybody else or any other type of coaches that
17 I've seen working in the industry. You know, some
18 people had improvements and got all of that out of
19 their relationship and working with her, and some
20 people didn't.

21 SR. SPECIAL AGENT TEATOR: Right.

22 [REDACTED] So some people (inaudible).
23 The people that she wasn't effective with were no
24 worse than it was when she started. And the people
25 she did have an impact with, you know, their crews

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1 were operating rather presumably because of the
2 improved relationships between the leader and the crew
3 members.

4 So, to me, since she was a -- you know, an
5 employee of the company, on loan to us, we would
6 certainly use her. That was a good use of her. Even
7 if it wasn't 100 percent effective, it was better than
8 -- far better than doing nothing.

9 SR. SPECIAL AGENT TEATOR: Okay. Thank
10 you. I want to talk about what's been called 'the
11 Navigant (phonetic) study, McKnight (phonetic). Is it
12 the same thing?

13 [REDACTED]: Yes, there's -- yes.

14 SR. SPECIAL AGENT TEATOR: Okay. Thanks.

15 [REDACTED]: You don't need to know the
16 difference.

17 SR. SPECIAL AGENT TEATOR: No. It's --

18 [REDACTED] A person formed a company,
19 named it something else, and sold it to somebody else.
20 The technology has been around the industry since I've
21 been in management.

22 SR. SPECIAL AGENT TEATOR: Right.

23 [REDACTED] And they are all sort of
24 synonymous with one another. They would not want to
25 hear you say that, because now they've split again and

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1 they are two separate companies. But for purpose of
2 this conversation, we could call all of those the
3 same.

4 SR. SPECIAL AGENT TEATOR: All right.
5 We're going to be talking about that study for -- for
6 a little bit here. But to begin in this area, I
7 wanted to -- to see if -- did you have any staff
8 positions or staff employees working directly for you
9 in the 2000 time period while you were the [REDACTED].

10 [REDACTED]: Define "staff person."

11 SR. SPECIAL AGENT TEATOR: A staff person,
12 a person working directly --

13 [REDACTED] (Inaudible.)

14 SR. SPECIAL AGENT TEATOR: Right. Other
15 than that?

16 [REDACTED] I had a tech assistant.

17 SR. SPECIAL AGENT TEATOR: Right.

18 [REDACTED] [REDACTED] who was a
19 previous [REDACTED]

20 SR. SPECIAL AGENT TEATOR: Right.

21 [REDACTED] And a former SRO and a --
22 somebody that helped me, a fellow with -- towards the
23 end of his career.

24 SR. SPECIAL AGENT TEATOR: Okay. Anyone
25 else who was --

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1 [REDACTED] And then subsequently there
2 was another [REDACTED] named [REDACTED] who was
3 another senior engineer, former ISEG engineer, who
4 then we subsequently gave a whole department called
5 Ops Support. But in that timeframe for a while he was
6 my [REDACTED]

7 SR. SPECIAL AGENT TEATOR: Okay. Any
8 others you can think of?

9 [REDACTED]: Directly, no.

10 SR. SPECIAL AGENT TEATOR: Okay. If you
11 do, please bring it out.

12 [REDACTED] (Inaudible.) I didn't have
13 [REDACTED] and [REDACTED] working with me simultaneously.

14 SR. SPECIAL AGENT TEATOR: Okay.

15 [REDACTED] I pretty much had a tech
16 assistant continuously with a gap.

17 SR. SPECIAL AGENT TEATOR: All right.

18 [REDACTED] That was --

19 SR. SPECIAL AGENT TEATOR: All right.
20 Good enough. What was your understanding of the
21 general purpose of the Navigant study being conducted
22 down here at the plants?

23 [REDACTED]: Over time, you know, the
24 expectations would become more efficient or more cost
25 competitive, much like the entire nuclear fleet --

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1 SR. SPECIAL AGENT TEATOR: Right.

2 (b) -- has become. The Navigant
3 Company has access, because many of the utilities, if
4 not all of them, contribute their staffing data to
5 them, and then it allows them to look at some of the
6 particularly best practices that are going on, and
7 then give you -- give an organization like ours a
8 perspective of where we're at relative to our staffing
9 and how we've allocated our organization and the
10 number of folks that are I&C techs or reactor
11 engineers or operators, compared to what's out there
12 in the industry.

13 So for people at my level, you know, we're
14 -- we're tasked as an officer of keeping abreast of
15 industry trends and industry benchmarking, and it
16 becomes a pretty valuable tool to look at where we
17 were at relative to the rest of the industry on
18 staffing.

19 SR. SPECIAL AGENT TEATOR: And where were
20 -- what did Navigant find, particularly in that area,
21 as far as staffing?

22 (b): In general, we were -- we
23 had more staff than -- than would be typical in the
24 industry, even if you assumed that there was no
25 efficiency to be gained by having Salem and Hope Creek

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1 on the same site. I believe there were (inaudible) --
2 I have not (inaudible) that study.

3 SR. SPECIAL AGENT TEATOR: Okay.

4 (b) But -- however, I think, as
5 I recall in the conversation, their approach was to
6 take a benchmark two-unit Westinghouse plant staffing,
7 and then just add a benchmark single BWR, and add
8 those two together. When you did that, our staffing
9 is higher than that.

10 SR. SPECIAL AGENT TEATOR: Right.

11 (b) Well, you know, conceptually
12 you were -- you would think that that would be like
13 the -- a very high end estimate of where we should be,
14 because that assumes that there's absolutely no
15 efficiency to be gained by having Salem and Hope Creek
16 on the same site.

17 SR. SPECIAL AGENT TEATOR: Right.

18 (b) Which, you know, obviously
19 is not true. We have one security force. I mean, you
20 don't even have to think very hard to think of some
21 advantages that, you know, would make that number a
22 high end number. But the assumption was it was just
23 a representative benchmark two-unit PWR --

24 SR. SPECIAL AGENT TEATOR: Right.

25 (b) -- plus the benchmark single

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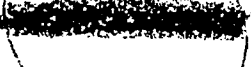
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1 BWR added together. And when you compared that to our
2 staff, we were higher.

3 SR. SPECIAL AGENT TEATOR: Do you recall
4 when that study was completed?

5  No. I mean, it was in the
6 2000 -- and generally it was sometime in 2002, early
7 2003 timeframe, because I know we used it as the basis
8 for -- for doing some combinations of different
9 groups, which ended up a reduction in staff,
10 transferring some stuff to corporate, either with or
11 without the people based on what the Navigant study
12 told us.

13 And then, again, we used it in -- so that
14 was like one effort, and going on I think in the fall
15 of '02, early spring '03, and then some of the same
16 data we utilized again for a completely separate event
17 that we did when we reorganized in the fall of 2003
18 and made everybody reapply for the jobs.

19 It got back -- because the Navigant study
20 recommended we won't go back to plant managers. So
21 part of -- part of the reorganization that (inaudible)
22 commissioned in the fall of '03, we used some of the
23 benchmark Navigant numbers.

24 SR. SPECIAL AGENT TEATOR: Okay.

25  You'll also hear that as the

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1 Tim Martin numbers.

2 SR. SPECIAL AGENT TEATOR: Yes.

3 [REDACTED]: You'll also hear it was
4 (inaudible). For this conversation, they're all the
5 same.

6 SR. SPECIAL AGENT TEATOR: Thank you.
7 That's good. Did you participate in discussions
8 surrounding that study in the summer and fall of 2002?

9 [REDACTED]: Yes.

10 SR. SPECIAL AGENT TEATOR: Okay. Do you
11 know if your organization at that time would have been
12 Operations?

13 [REDACTED]: It would not have been.

14 SR. SPECIAL AGENT TEATOR: It would not
15 have been. I thought it was.

16 [REDACTED]: In the fall of -- in the
17 fall of '02 is when I transitioned to be the [REDACTED]

18 [REDACTED]

19 SR. SPECIAL AGENT TEATOR: When in the
20 fall? Fall was --

21 [REDACTED]: October. October. So
22 during the summer -- October/November.

23 SR. SPECIAL AGENT TEATOR: All right.

24 [REDACTED]: I think actually [REDACTED] and I
25 formally turned over the conclusion of that fall

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1 outage, but, I mean, we were -- we worked together
2 on --

3 SR. SPECIAL AGENT TEATOR: Right. Well,
4 while you were the [REDACTED] was there a review of
5 your organization in an effort to look for potential
6 position eliminations as part of this Navigant study?
7 [REDACTED] Yes. And at that time, we
8 chose -- there were no particular staff reductions
9 within Operations, because we had just overstaffed
10 Operations by a pre-agreed-upon strategy.

11 SR. SPECIAL AGENT TEATOR: Right.
12 [REDACTED] So we knew we had more SROs
13 than the Navigant study by design, because one of the
14 other issues that occurred that I had to solve in the
15 fall of 2000 when I took over was the shortage of SROs
16 in the pipeline.

17 SR. SPECIAL AGENT TEATOR: Right.
18 [REDACTED] So we went out and very
19 aggressively hired SROs from the industry, had to give
20 them license classes, and overpopulated Operations.
21 And that was the strategy that I presented to our
22 Board of Directors, our Nuclear Subcommittee, the
23 board in Newark, which they approved to allow us to
24 overstaff Ops, so we could start to, after we got
25 through the license process, transfer operators out of

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1 Operations and have operational expertise in other --
2 other areas.

3 SR. SPECIAL AGENT TEATOR: Right.

4 [REDACTED] One of our self-assessments
5 in the fall of 2000 that I had (inaudible) that this
6 site was not up to the industry standards, because
7 (inaudible) had a shortage of SROs, so there wasn't a
8 lot of SROs to be able to assign in the other
9 departments. During 2000 to 2002 (inaudible) we've
10 solved that problem.

11 And back to your question, we went over
12 the Navigant study in Operations --

13 SR. SPECIAL AGENT TEATOR: All right.

14 [REDACTED] -- and accepted that as part
15 of our strategy.

16 SR. SPECIAL AGENT TEATOR: Okay.

17 [REDACTED] So we didn't go, you know,
18 try to reduce those (inaudible). We just worked hard
19 to get here and get through the license class and get
20 NRC licenses. That would not have --

21 SR. SPECIAL AGENT TEATOR: Right.

22 [REDACTED] -- that would have been
23 foolish.

24 SR. SPECIAL AGENT TEATOR: Did either of
25 your two tech assistant positions come up for

1 discussion as possibly being eliminated while you were
2 the [REDACTED]
3 [REDACTED] In the end, I did not have
4 a tech assistant. I don't recall, you know, the cause
5 and effect and timeline. We did a realignment in
6 Operations in the spring of 2002, and my tech
7 assistant became the manager -- department manager
8 over a newly-created group, where we combined the
9 procedure writers and the corrective action and self-
10 assessment and some of like the Operations staff --

11 SR. SPECIAL AGENT TEATOR: Right.

12 [REDACTED] -- under a department.

13 SR. SPECIAL AGENT TEATOR: Okay.

14 [REDACTED] And I made him -- and "him"
15 is [REDACTED] -- the manager of that. And when I made
16 him that, I did not have a tech assistant at that
17 time.

18 SR. SPECIAL AGENT TEATOR: All right.

19 [REDACTED] I don't recall --

20 SR. SPECIAL AGENT TEATOR: Right.

21 [REDACTED] -- whether the line of
22 questioning you had -- whether that came out of the
23 Navigant study or not.

24 SR. SPECIAL AGENT TEATOR: Right.

25 [REDACTED] It all occurred in the same

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1 timeframe. But the end result is I had no tech
2 assistant.

3 SR. SPECIAL AGENT TEATOR: Right. You
4 know, in government they talk about FTEs. I don't
5 know if you use that same term here. Were there any
6 -- was there a loss of FTEs in your direct reporting
7 chain like --

8 [REDACTED] When you say "loss," I mean,
9 part of our strategy also going on at the time was to
10 have an attrition strategy where when somebody quit or
11 retired, we'd do a pretty thorough review whether we
12 would rehire that position or not.

13 SR. SPECIAL AGENT TEATOR: Right.

14 [REDACTED] And, you know, those are
15 full-time equivalent positions --

16 SR. SPECIAL AGENT TEATOR: Right.

17 [REDACTED] -- to use your language, and
18 during that period of time we did reduce some of the
19 numbers of -- as I recall, some of the numbers of open
20 FTEs within Operations. There weren't people
21 associated with them, because we were out there trying
22 to replenish the operations pipeline.

23 SR. SPECIAL AGENT TEATOR: Right.

24 [REDACTED] I believe I recall in that
25 period of time we had not filled all those positions,

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1 and we gave some of those positions back.

2 SR. SPECIAL AGENT TEATOR: All right.

3 [REDACTED] But there weren't people in
4 those positions. It just sort of --

5 SR. SPECIAL AGENT TEATOR: No, I
6 understand the difference. All right. Now, you leave
7 [REDACTED] you become --

8 [REDACTED] In charge of projects.

9 SR. SPECIAL AGENT TEATOR: Projects.
10 Okay. When you went to that group, was there a review
11 done of the people in your chain of command then to
12 look for potential position eliminations?

13 [REDACTED] Well, that's sort of
14 nonsensical, respectfully.

15 SR. SPECIAL AGENT TEATOR: Why?

16 [REDACTED] Because I got assigned to
17 form an organization that --

18 SR. SPECIAL AGENT TEATOR: There wasn't
19 one then.

20 [REDACTED] -- to go -- so we went and
21 benchmarked Duke Engineering, looked at how they were
22 embarking on about a \$600 million tactical program at
23 the Oconee station, brought -- I personally went there
24 and visited with a few folks, and then we came back
25 and implemented, in the fall of 2002, an

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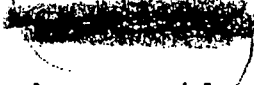
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1 organizational structure very similar actually to what
2 we going on at Duke.

3 SR. SPECIAL AGENT TEATOR: Okay.

4  And in that I hired a few
5 folks from the outside, because some of the people
6 that were available didn't have the required skill
7 sets. We're talking about project managers of large
8 construction projects and those kinds of skill sets as
9 opposed to, you know, I&C type of systems or something
10 like that.

11 So I actually got assigned and reprimanded
12 and got approval to build about a 40-person direct
13 PSEG -- in other words, full-time equivalent staff,
14 including myself -- augmented by a very large
15 contracts staff, because the nature of much of these
16 projects was not, you know, for other work. It was,
17 you know --

18 SR. SPECIAL AGENT TEATOR: Yes.

19  -- hire them, do the
20 project, and let the folks go.

21 SR. SPECIAL AGENT TEATOR: Okay. Let me
22 ask you this, then. Talking about looking for
23 efficiencies, position eliminations, were you aware in
24 the fall -- the summer/fall 2002 time period that
25 other organizations here were being looked at or

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1 reviewed in an effort to eliminate positions?

2 [REDACTED] Yes.

3 SR. SPECIAL AGENT TEATOR: Do you know --
4 can you give me a couple of examples of which
5 organizations?

6 [REDACTED]: As I recall, the IP
7 organization --

8 SR. SPECIAL AGENT TEATOR: Okay.

9 [REDACTED] -- the business support
10 organization, and -- those are the two I guess that
11 come immediately to mind.

12 SR. SPECIAL AGENT TEATOR: All right. Do
13 you --

14 [REDACTED]: And that included the
15 completeness -- back to your other question. That
16 also included the, you know, transfer of some
17 organizations, either with or without the people that
18 were doing the work, to corporate organizations.

19 SR. SPECIAL AGENT TEATOR: Right.

20 [REDACTED] Such as nuclear
21 communications is an example --

22 SR. SPECIAL AGENT TEATOR: Okay.

23 [REDACTED] -- that comes to mind.

24 SR. SPECIAL AGENT TEATOR: So those people
25 no longer worked here.

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[REDACTED]

Correct.

SR. SPECIAL AGENT TEATOR: They were --

[REDACTED]

They were paid out of

Newark.

SR. SPECIAL AGENT TEATOR: Right.

[REDACTED]

Many of them still work --

SR. SPECIAL AGENT TEATOR: Physically

here. Okay. All right.

[REDACTED]

But they -- some of them

absorbed into other larger organizations in Newark.

And as part of that absorption, and the fact that we

could get the services in a different way than having

them work here at PSEG Nuclear, I believe some of

those moves actually resulted in full-time equivalent

reductions.

SR. SPECIAL AGENT TEATOR: Okay. Do you

recall there being any discussion of -- and, again,

2002 -- okay? Try and keep it to that, if you can,

all right? About the elimination of Kim Harvan's

position.

[REDACTED]

In 2002.

SR. SPECIAL AGENT TEATOR: Yes.

[REDACTED]

I do not recall that we

discussed that in 2002.

SR. SPECIAL AGENT TEATOR: All right.

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1 Let's move on a little bit, then, okay? Let's look at
2 January 2003, a month later.

3 [REDACTED] All right.

4 SR. SPECIAL AGENT TEATOR: Do you recall
5 being present for a meeting at [REDACTED] 7C
6 residence on a Saturday morning where the job
7 performance of the direct reports was discussed during
8 that meeting?

9 [REDACTED] Yes.

10 SR. SPECIAL AGENT TEATOR: All right. Do
11 you remember who else was there?

12 [REDACTED] I believe the other officers
13 were there, and [REDACTED] was there.

14 SR. SPECIAL AGENT TEATOR: The other
15 officers being?

16 [REDACTED] At that time that would have
17 been [REDACTED] myself,

18 [REDACTED]
19 SR. SPECIAL AGENT TEATOR: Okay.

20 [REDACTED] Who was one of -- was a
21 [REDACTED] direct report, which is why he would have been
22 in the --

23 SR. SPECIAL AGENT TEATOR: Right.

24 [REDACTED] -- in that meeting.

25 SR. SPECIAL AGENT TEATOR: What was

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1 generally the purpose of that meeting? I'd like you
2 to just tell me what that was.

3 [REDACTED] Over -- well, I'll answer
4 the short answer, and then (inaudible) -- was to
5 review the -- our performance evaluation ratings of
6 our direct reports with the team to get additional
7 insight and -- and, you know, sharing of -- and
8 understanding of each of our leaders' performance.

9 And the January timeframe is when we were
10 in the process of finalizing annual performance
11 reviews, so this would have been -- this was to
12 provide us additional input for the person accountable
13 for those leaders to put in their performance reviews.

14 SR. SPECIAL AGENT TEATOR: Do you recall
15 Kim Harvan's job performance being discussed at the
16 meeting?

17 [REDACTED] I recall her performance
18 being discussed.

19 SR. SPECIAL AGENT TEATOR: Can you tell me
20 what you recall of that?

21 [REDACTED] Generally, the consensus
22 that I recall that came out was that she had, you
23 know, added value and made a difference in some areas.
24 But our assessment of the 2002 WANO (phonetic) report,
25 and some of the cultural issues that were in that

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1 report, as well as our, you know, assessment of where
2 we actually were at in the operations leadership with
3 the station, you know, was not where we wanted it to
4 be.

5 And I recall my contribution (inaudible)
6 I think that we probably got as much value out of Kim
7 as we're going to get. She has taken us as far as
8 we're going to go, got us -- got us, you know, some
9 improvement, but we're, you know, not -- not still
10 improving, and the WANO -- the WANO report showed, you
11 know, we still had some significant issues and --

12 SR. SPECIAL AGENT TEATOR: Right.

13 [REDACTED] And that was the feedback
14 that I gave her. And I think that was, as I recall,
15 that -- that was some general -- the general
16 consensus.

17 SR. SPECIAL AGENT TEATOR: Did you
18 recommend to her that her employment not be continued
19 at that meeting? It's almost like you went halfway
20 there, saying she -- you probably got what was --

21 [REDACTED] This is where it's hard to
22 remember.

23 SR. SPECIAL AGENT TEATOR: Okay.

24 [REDACTED] We meet with -- we meet with
25 [REDACTED] every Friday. I meet with [REDACTED] on one-on-ones,

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1 and -- and what was recalled when -- you know, I
2 recall being in a conversation, either at that meeting
3 or -- or after that meeting -- I don't believe it was
4 before that meeting -- where it was asked, you know,
5 did I believe that -- that she should be retained.

6 And I don't believe it was at that
7 meeting, and I think my recommendation to her at that
8 time was -- I recall what it was is very consistent
9 with what I said at the (inaudible) meeting. That is,
10 you know, I think we need to take a different
11 approach, and that she -- (inaudible) she has the
12 opportunity to go back to Newark or, you know, that
13 her services here (inaudible) we probably would want
14 to take a different approach.

15 I never received from (b)(7)(C) any feedback
16 what he was going to do with that -- with that
17 information. He never communicated to me that he was
18 going to not have her services.

19 SR. SPECIAL AGENT TEATOR: Ever.

20 (b)(7)(C) That I recall, no. The
21 reason I'm quite clear on that is I was very surprised
22 in a Friday staff meeting that (b)(7)(C) had -- I mean,
23 I'll say sometime in March, sometime in and around the
24 time, obviously, Kim knew she wasn't going to be
25 working here -- and this will become clear in a minute

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1 -- because at the end of one of [REDACTED] Friday staff
2 meetings [REDACTED] came in and, you know, asked to talk to
3 everybody and read -- read or paraphrased something
4 she had in her hand, and gave this really emotional,
5 heartfelt good-bye, in which case that's when I had
6 the realization that she wasn't going to be here
7 anymore.

8 SR. SPECIAL AGENT TEATOR: We're going to
9 revisit that. I want to break that down when we get
10 to --

11 [REDACTED] Okay.

12 SR. SPECIAL AGENT TEATOR: -- that.

13 [REDACTED] To the best of my
14 recollection, I recall being surprised. I also recall
15 afterwards telling her, you know, that -- you know, I
16 wished her the best of luck and --

17 SR. SPECIAL AGENT TEATOR: Okay.

18 [REDACTED] The best I recall, I believe
19 that's where I learned that she actually wasn't going
20 to -- you know, that [REDACTED] had decided not to -- not
21 to retain her services. I did know -- you know, I
22 mean, I did understand that [REDACTED] was evaluating this.
23 I never was in the meeting and --

24 SR. SPECIAL AGENT TEATOR: (Inaudible.)

25 [REDACTED] Well, you know, he asked for

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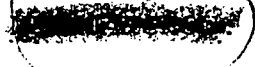
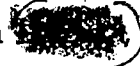
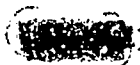

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1 the feedback that I gave. I told you just a second
2 ago that --

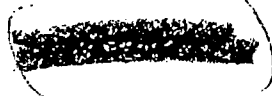
3 SR. SPECIAL AGENT TEATOR: Okay.

4  -- you know, what was I, you
5 know -- what did I think, and I said, "Well, I think"
6 -- you know, I told him I thought that, you know,
7 we've taken it as far as we're going to get with her
8 performance, and that -- that she had an opportunity
9 to go back to Newark, that, you know, I mean, we might
10 want to take a different approach.

11 SR. SPECIAL AGENT TEATOR: Right.

12  And that wasn't a long -- as
13 I recall, that followup conversation with  that
14 wasn't a -- you know, a long, drawn-out conversation.
15 It literally probably was no longer than what I just
16 relayed, and it was probably, you know --  has a
17 communication style where in five minutes you can
18 cover 50 things. So literally, you know, that
19 conversation about  would have occurred, you know,
20 "Okay. Now talk to me about reactor heads. Now talk
21 to me about steam generators."

22 SR. SPECIAL AGENT TEATOR: All right. Let
23 me go back and ask you a couple of specific
24 questions --

25  Okay.

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1 SR. SPECIAL AGENT TEATOR: -- about the
2 January meeting at [REDACTED] house. What I've been
3 told is that you provided the most negative feedback
4 regarding Kim Harvan at that meeting.

5 ([REDACTED]): Yes.

6 SR. SPECIAL AGENT TEATOR: And that was
7 based on your telling the group something about Kim
8 passing on --

9 [REDACTED] Right.

10 SR. SPECIAL AGENT TEATOR: -- some type of
11 confidential information.

12 [REDACTED] Correct.

13 SR. SPECIAL AGENT TEATOR: Go ahead and
14 telling me about that, please.

15 [REDACTED] Okay. In the fall -- and I
16 don't recall when in the fall -- Kim had access to a
17 fair amount -- or a lot of access to some very
18 confidential conversations about people.

19 SR. SPECIAL AGENT TEATOR: Right.

20 [REDACTED] And we gave her full access
21 to those conversations and welcomed her input,
22 actually, in those conversations. And as a result of
23 one of those conversations, it had to do with -- and
24 I don't recall the specifics, but it had to do with
25 some staffing move that we were going to do with [REDACTED]

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[REDACTED]

[REDACTED]

And [REDACTED] was involved in this conversation where we like laying out the strategy to do something in the future. It was really confidential. You can imagine at this level that --

SR. SPECIAL AGENT TEATOR: Yes.

[REDACTED] -- you don't share that kind of stuff. One, I'm not even sure we finalized it. It was just, you know, a conversation about possibilities and potentials.

Well, later that week Kim was at an operations superintendent meeting at Hope Creek and shared the essence of that conversation with the operations superintendent. And it turned out [REDACTED] was in attendance in that meeting as well.

SR. SPECIAL AGENT TEATOR: Did that get back to you, what happened then?

[REDACTED] Yes.

SR. SPECIAL AGENT TEATOR: All right.

[REDACTED] Because [REDACTED] who I have a good relationship with, called me up and said, you know, things are going to be considered about the (inaudible) preferred to learn them from you than from Kim.

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1 SR. SPECIAL AGENT TEATOR: Right.

2 [REDACTED] And, you know, I couldn't
3 disagree with him.

4 SR. SPECIAL AGENT TEATOR: Right.

5 [REDACTED] So (inaudible).

6 SR. SPECIAL AGENT TEATOR: Yes.

7 [REDACTED] So that concerned me. So I
8 called Kim in, shared with her, and asked her, you
9 know, had she shared that information, and she
10 admitted that she had. And I, you know, told her that
11 that was really a breach of confidentiality, and that
12 could really create some trust issues between the
13 management team and the workforce, and that she agreed
14 that that was inappropriate. And she did agree that
15 that was inappropriate and actually apologized to me.

16 I told [REDACTED] about that, and I don't
17 recall if I wrote him a note about it, or I told him
18 about it. I know I told him about it. I don't recall
19 if I wrote him a note or an e-mail, but -- but in our
20 conversations about Kim on that Sunday I brought up
21 the fact while we were discussing the performance
22 that, you know, she had had this breach of
23 confidentiality that I coached her on.

24 Or we didn't -- I mean, I didn't -- I
25 didn't say anything other than we're talking about,

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1 you know, strengths and weaknesses and things about
2 all of the different people we were talking about.
3 And when we talked about Kim, since I had knowledge of
4 that, I brought that up.

5 SR. SPECIAL AGENT TEATOR: Right. Okay.
6 Did you recall that prior to me asking you about that?
7 And I'm wondering what -- why you didn't tell me about
8 that when we began our talk about the January meeting.

9 (b) Well, I don't know, I was
10 just trying to get into the flow of your questioning.

11 SR. SPECIAL AGENT TEATOR: All right.
12 (b) I mean, I didn't see that as
13 -- I didn't see that as an omission or commission when
14 you were talking about different events. I mean, I
15 have other -- a few other -- you know, I will talk
16 about other things for completeness and --

17 SR. SPECIAL AGENT TEATOR: Right.
18 (b): -- if you don't bring them
19 up to me, I'll share with you.

20 SR. SPECIAL AGENT TEATOR: Right.
21 (b) I mean, I didn't -- wasn't
22 (inaudible) suggesting that that was from any kind of
23 act of omission. I can certainly say it's not.

24 SR. SPECIAL AGENT TEATOR: No. It sounds
25 like an event in your mind now. I'm just wondering

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1 why that didn't come out right off the bat when we
2 were --

3 [REDACTED] You asked me the nature of
4 the -- you asked me nature of, you know, what kind of
5 feedback or -- or conclusions we drew.

6 SR. SPECIAL AGENT TEATOR: Right.

7 [REDACTED] And that was the conclusion
8 we drew.

9 SR. SPECIAL AGENT TEATOR: Right.

10 [REDACTED] I mean, along the way, we
11 concluded -- made conclusions about all of our
12 managers based on different events.

13 SR. SPECIAL AGENT TEATOR: Right.

14 [REDACTED]: I mean, I -- I don't recall
15 that we -- I mean, I think -- I mean, all of the
16 things that were talked about Kim that I recall, I
17 think it was pretty balanced. I believe we talked
18 about, you know, how she had some positive impact on
19 some of the OSs at Hope Creek.

20 SR. SPECIAL AGENT TEATOR: Right.

21 [REDACTED]: And how she had no impact on
22 some of the OSs at Hope Creek. It was mixed.

23 SR. SPECIAL AGENT TEATOR: Right.

24 [REDACTED] You know, I mean, we talked
25 about -- I believe we talked about -- someone brought

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1 up she -- she had been assigned to work with the
2 nuclear equipment operators at Salem, and I think we
3 discussed that -- you know, that we really hadn't seen
4 much progress in the nuclear equipment operators at
5 Salem.

6 SR. SPECIAL AGENT TEATOR: Could that have
7 been [REDACTED] who brought that up?
8 [REDACTED] I don't recall who talked
9 about that.

10 SR. SPECIAL AGENT TEATOR: I was going to
11 bring up that issue.

12 [REDACTED] (Inaudible) accuse me of not
13 being --

14 SR. SPECIAL AGENT TEATOR: No, no. I'm
15 just --

16 [REDACTED] -- not being forthright, so
17 I'm --

18 SR. SPECIAL AGENT TEATOR: If it came
19 across as being accusatory, I mean, that's -- but I
20 was just wondering -- I was wondering why (inaudible),
21 because it sounds like something pretty inappropriate.
22 I'm using my words.

23 [REDACTED] Yes. I mean, it -- I
24 reacted, I thought, appropriately, because she had
25 been involved in hundreds of sensitive conversations.

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1 And to the best of my knowledge, she did not breach
2 that confidentiality before. So I treated that as a
3 -- you know, I mean, I had no knowledge to believe
4 that she was doing that repetitively.

5 And when I talked with her about the
6 event, when I called her in to talk about it, she
7 admitted it was a mistake and that she saw that it was
8 -- I mean, in the end that was -- that was the issue.

9 SR. SPECIAL AGENT TEATOR: Right. Okay.
10 [REDACTED]: I didn't -- it didn't linger
11 forever, but it -- it was big enough that I called her
12 on it, because we couldn't have access to those kinds
13 of conversations and share them outside our room and
14 have any chance at all of managing effectively.

15 SR. SPECIAL AGENT TEATOR: Just talking,
16 again, about the meeting at [REDACTED] house -- at
17 any point during the meeting did [REDACTED] confirm in
18 any way that you felt there were certain individuals
19 who were in the bottom grouping of job performance,
20 one being Kim Harvan? Do you recall him saying
21 anything that -- that led the group to believe that
22 she was among a handful of people who were in the
23 bottom grouping as far as job performance went?

24 [REDACTED]: I don't recall that level of
25 specificity.

1 SR. SPECIAL AGENT TEATOR: All right.
2 It's 1:59. We're going to take a very short break.
3 (Whereupon, the proceedings in the
4 foregoing matter went off the record at
5 1:59 p.m. and went back on the record at
6 2:14 p.m.)
7 SR. SPECIAL AGENT TEATOR: Okay. We're
8 back on the record it's about 2:14 in the afternoon.
9 We had -- [REDACTED] we had a discussion
10 off the record about maybe another reason why this
11 January meeting was held at [REDACTED] house to talk
12 about performance of individuals -- can you go ahead
13 and --
14 [REDACTED] Yes. During the fall of
15 '02, we had done a reorganization that I previously
16 described involving many of the direct reports to the
17 officers as we combined operations and maintenance
18 under [REDACTED]. And I was assigned to form a new
19 department and group called Nuclear Projects and
20 Licensing.
21 Because of that, and our annual
22 performance review timeframe, the people that were
23 doing performance appraisals in some cases had only
24 been -- had the folks working for them for the fourth
25 quarter of '02. And I believe that one of the reasons

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1 -- I would speculate one of the reasons why we had the
2 meeting at [REDACTED] house was so that each person could
3 go over their view of the people that were in the
4 organization and solicit input from everybody, since
5 some of the -- some of the people worked for the other
6 officers for the majority of the year.

7 SR. SPECIAL AGENT TEATOR: Right. Like
8 Kim Harvan would have worked for you in Operations.
9 Or, actually, she was working for [REDACTED] I'm
10 sorry.

11 [REDACTED]: Correct.

12 SR. SPECIAL AGENT TEATOR: But she was
13 doing work in Operations for --

14 [REDACTED]: Correct.

15 SR. SPECIAL AGENT TEATOR: -- part of her
16 time in '02.

17 [REDACTED]: Correct.

18 SR. SPECIAL AGENT TEATOR: So do you
19 recall if you provided any type of written input to
20 [REDACTED] or [REDACTED] for Kim's 2002
21 performance appraisal?

22 [REDACTED]: I do not recall providing a
23 written communication relative to Kim. At best, if I
24 would have, it would have been a brief e-mail, but I
25 don't believe I did that.

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1 SR. SPECIAL AGENT TEATOR: All right.
2 While we were taking a break, I pulled a document out
3 of one of these binders here, and the signature
4 appears to be [REDACTED] You identified that.
5 I couldn't make it out. Anyway, the title of this
6 two-page document is -- at the top it says, [REDACTED]
7 Kim Harvan 2002 Appraisal Input."

8 Under areas for improvement, I want to ask
9 you to comment, if you can -- recognize this is [REDACTED]
10 [REDACTED] input to [REDACTED] But [REDACTED] writes
11 under areas of improvement, "She" -- Kim -- "has a bad
12 impression with management team today. They see no
13 value, and she doesn't hear that." Can you comment on
14 your view of that, whether you agree with that or
15 disagree or have no comment on it?

16 [REDACTED] I don't have the context to
17 which Kim wrote that.

18 SR. SPECIAL AGENT TEATOR: Right.
19 [REDACTED]: You know, I suspect in your
20 interview Kim could provide you that context. I think
21 there were several managers who had communicated to
22 myself that they didn't feel that she was adding
23 value, just in conversations, and some folks didn't
24 really trust -- trust her.

25 One example that I can -- that I can

1 relate is the -- a newly-hired person of that kind at
2 (inaudible) at that time Manager of Equipment
3 Reliability, I recall getting that feedback from him.
4 And so, I mean, I don't to the extent others -- that's
5 what I can remember -- would have given that feedback
6 to Kim --

7 SR. SPECIAL AGENT TEATOR: Right.

8 [REDACTED] -- but I would just be
9 speculating.

10 SR. SPECIAL AGENT TEATOR: Right. You
11 mentioned several people made comments here.

12 [REDACTED] I can remember -- I can
13 remember being in conversations with people. I don't
14 recall specifically anybody other than (inaudible).

15 SR. SPECIAL AGENT TEATOR: Okay. [REDACTED]
16 [REDACTED] talks in this paragraph here about friction
17 exists between Kim and GAP International. Can you
18 comment on whether you saw anything like that or not?
19 [REDACTED] I did not see friction
20 between Kim and GAP.

21 SR. SPECIAL AGENT TEATOR: Okay.

22 [REDACTED] Earlier than 2002, in the
23 2000, early 2001 timeframe, Kim and I were involved
24 working with GAP and planning out our GAP
25 intervention. And I saw no evidence -- I saw no

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1 evidence of any friction.

2 SR. SPECIAL AGENT TEATOR: Okay.

3 [REDACTED] I mean, other than, you
4 know, normal friction.

5 SR. SPECIAL AGENT TEATOR: If it was
6 abnormal, it would be something.

7 [REDACTED] Correct. I saw no
8 abnormal --

9 SR. SPECIAL AGENT TEATOR: Okay.

10 [REDACTED] -- friction.

11 SR. SPECIAL AGENT TEATOR: All right. A
12 number of people were interviewed by Winston & Strawn
13 during the conduct of their investigation into the
14 letter Dr. Harvan sent to [REDACTED] And there's
15 also -- some of that testimony goes to her -- why her
16 job was eliminated. Okay?

17 In [REDACTED] interview by them, he
18 makes the statement that -- and you commented on this
19 a little bit, but I wanted to see if -- I want to
20 probe it more and see if there's more I can get out of
21 you. On page 63 of that transcript, he testifies,
22 [REDACTED] -- I think it's [REDACTED]
23 you, [REDACTED] and [REDACTED] -- "you know
24 separately and collectively communicated to me that it
25 was time for Kim to leave, that she was becoming more

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1 of a hindrance than a help in the transformation."

2 That comment there, that she was becoming
3 more of a hindrance than a help in the transformation,
4 can you comment on that any more than you already
5 have?

6 [REDACTED] Not really, no. I mean,
7 that's consistent with -- I believe I -- that [REDACTED]
8 had asked me for some further input after the January
9 meeting, and I said that I thought it was, you know,
10 time for us to take a different approach.

11 I always viewed her, as I view any other
12 consultant, you know, the -- you get what you can out
13 of them, and then, you know, they don't -- they're not
14 in -- they're not designed nor do you use consultants
15 in that manner to where they -- you know, they stay
16 for extended periods of time.

17 You know, they usually accomplish -- you
18 know, you get results or you don't, and then in time
19 you move on to a different approach, which is exactly
20 what we did.

21 SR. SPECIAL AGENT TEATOR: Right. But she
22 wasn't a contractor consultant. She was an employee,
23 although she was -- you testified she was providing
24 that type of service.

25 [REDACTED] Right. She originally came

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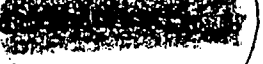
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1 from our OD Department, and she really -- her first
2 assignment down here was an assignment from our OD
3 Department up north to help us in the cultural area.
4 Subsequently, later I believe she became a PSEG
5 Nuclear employee, but, you know, I always viewed her
6 as an internal consultant.

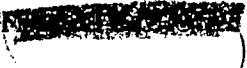
7 SR. SPECIAL AGENT TEATOR: Right.

8  I mean, just back to our
9 previous conversation, you will find no position like
10 hers ever referenced in the McKnight study.


11 SR. SPECIAL AGENT TEATOR: Okay.

12  That anybody in America
13 would have as a member of their staff.

14 SR. SPECIAL AGENT TEATOR: Right.

15  Because her type of service
16 typically is provided by consultants. In fact, today
17 we have another group of consultants -- (inaudible) --
18 that are helping us with management teamwork and
19 alignment. So just a different approach.

20 SR. SPECIAL AGENT TEATOR: You've
21 testified that you first became aware that Kim Harvan
22 was leaving the employment of the company at this
23 meeting, this Friday meeting, where she came in and
24 announced that fact.

25  That's correct.

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1 SR. SPECIAL AGENT TEATOR: All right. I
2 want to come back from that just a little bit.

3 [REDACTED] Let me reflect on what you
4 just said. I guess I'll -- I'll put a different
5 approach on that. I may or may not have know that,
6 you know, there may be a time in the future where she
7 wasn't going to be working for us.

8 SR. SPECIAL AGENT TEATOR: Okay.

9 [REDACTED] I wasn't -- I was not aware
10 that we made the decision that it was, you know, now
11 or that day that she came in and gave the good-bye
12 speech.

13 SR. SPECIAL AGENT TEATOR: Right.

14 [REDACTED] So I don't recall whether I
15 knew whether she was -- you know, whether [REDACTED] was
16 going to act or said, you know, that we were going to
17 move into something else or not, but I do recall that
18 I did have an understanding -- and I'm feeling this
19 was pretty sudden -- that I had not been apprised
20 that, you know, it was going to be that Friday or --
21 you know, I'm not sure exactly when she left the
22 payroll, but it was clear when she came into that
23 Friday meeting she was saying her good-bye.

24 I recognized during that whole eight
25 months prior to that I was not working in any area

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1 where I was working with her or -- on issues she was
2 working with, because, again, I was out negotiating
3 contracts for steam generators and reactor heads and
4 that kind of stuff.

5 SR. SPECIAL AGENT TEATOR: All right. At
6 any point did you ask [REDACTED] -- or, yes, did you ask
7 [REDACTED] the reasons why he decided to eliminate
8 Kim's position?

9 [REDACTED] Not that I recall. It
10 didn't surprise me that was she leaving, and --
11 because, again, you know, I had given [REDACTED] the
12 feedback. And I just assumed he got enough of that
13 other feedback to act on it. And, again, to be clear
14 for the record, in that period of time from October
15 to, you know, I guess -- I'm going on your
16 recollection, your statement, the meeting was like
17 March something --

18 SR. SPECIAL AGENT TEATOR: Right.
19 [REDACTED] -- that whole period of time
20 I had very little interactions with Kim.

21 SR. SPECIAL AGENT TEATOR: Okay.
22 [REDACTED] Because I was off
23 (inaudible) specialized assignment.

24 SR. SPECIAL AGENT TEATOR: Okay. We'll
25 take a very short break off the record. I do have

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1 something for you to look at. It's only a couple
2 lines long.

3 [REDACTED] Okay.

4 SR. SPECIAL AGENT TEATOR: And it's 2:24.

5 (Whereupon, the proceedings in the
6 foregoing matter went off the record at
7 2:24 p.m. and went back on the record at
8 2:26 p.m.)

9 SR. SPECIAL AGENT TEATOR: We're back on
10 the record. It's 2:26.

11 [REDACTED], what I gave you to look at is
12 -- it's a document. It's dated May 15, 2003, titled
13 "In the Matter of PSEG Interviews, Confidential -
14 Followup Questions." Do you recall getting followup
15 questions regarding your interview regarding the Kim
16 Harvan issues?

17 [REDACTED] Yes, I do.

18 SR. SPECIAL AGENT TEATOR: That's my
19 words. And bullet number two underneath that, there's
20 a statement that they attribute to you. "Per
21 telephone discussion with [REDACTED] and there's a
22 statement written here, the last sentence, "I was very
23 neutral in the decision to let her go."

24 Can you explain a little bit more on
25 why --

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[REDACTED] I --

SR. SPECIAL AGENT TEATOR: Do you recall
telling them that --

[REDACTED] Yes. I mean, I don't recall
the exact words.

SR. SPECIAL AGENT TEATOR: Do you have any
reason to believe that that's not accurate?

[REDACTED] I have no reason to believe
that's not accurate.

SR. SPECIAL AGENT TEATOR: Okay. Can you
go ahead and explain what that means?

[REDACTED] Sure. I wasn't the
decisionmaker.

SR. SPECIAL AGENT TEATOR: Right.
[REDACTED] I just provided input to the
decision in the context of the question, and I was a
neutral party in the decision to let her go.

SR. SPECIAL AGENT TEATOR: Okay. Neutral
going to "party" and not --

[REDACTED] Yes.

SR. SPECIAL AGENT TEATOR: -- how you felt
about it?

[REDACTED] Yes. I was -- just answered
a question that -- when [REDACTED] asked that followup
question, you know, I said that, you know, it's

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1 probably time for her to move on, that we had gone as
2 far as we could with her services.

3 And she got us some positives, but, you
4 know, we needed to take a different approach.
5 Accountability wasn't where we wanted. You know, the
6 leadership effectiveness wasn't where we wanted, and
7 we had been working, you know, through her on that
8 for, you know, a good couple of years.

9 SR. SPECIAL AGENT TEATOR: I just -- I
10 read that, and it -- I just wonder if there's a
11 conflict at all between that statement and what you've
12 already told me about the conversations you had with
13 [REDACTED] and your own feelings about her effectiveness.

14 [REDACTED] Yes. But I'm saying I was
15 very neutral on the decision. Obviously, I wasn't the
16 decisionmaker.

17 SR. SPECIAL AGENT TEATOR: Right.

18 [REDACTED] I didn't tell [REDACTED] to let
19 Kim go. He asked my opinion, and I gave it to him,
20 but not -- you know, essentially, the words I shared
21 in the investigation. You know, "If you're asking my
22 opinion, I think we've run our course with Kim, and we
23 probably need to take a different approach," because
24 he was asking for my input. And I really wasn't the
25 decisionmaker.

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1 SR. SPECIAL AGENT TEATOR: Right. Okay.
2 [REDACTED] And, again, even the words
3 I just chose have -- I mean, have a neutral sound to
4 them. You know, he could do what he -- you know, do
5 what he wanted to do. But if he was asking me, I
6 thought we had ran our course with her.

7 SR. SPECIAL AGENT TEATOR: Right. Let's
8 talk about -- well, let's go break this meeting down
9 where you said Kim came in and read something. Can we
10 go into that again? Tell me what you -- it was a
11 Friday meeting.

12 [REDACTED] Yes.

13 SR. SPECIAL AGENT TEATOR: I just want to
14 get -- I'm trying to get chronological here again.

15 [REDACTED] I mean, we're -- even though
16 we're talking all over the map?

17 SR. SPECIAL AGENT TEATOR: Yes. But I --
18 when I read the transcript, it'll make sense and --

19 [REDACTED]: Okay. So --

20 SR. SPECIAL AGENT TEATOR: -- it will be
21 helpful.

22 [REDACTED] Okay. We're back to the
23 Friday meeting.

24 SR. SPECIAL AGENT TEATOR: Yes.

25 [REDACTED] Because I -- as I recall the

7C
1 meeting, we had our regular [REDACTED] staff meeting, and
2 at the end whether invited or opportunistic -- I don't
3 know, our sense of timing was pretty good, because as
4 I recall it was like right when the meeting was ended.
5 She pops in, clearly appeared to me to be emotional --

6 SR. SPECIAL AGENT TEATOR: Right.

7 [REDACTED] -- three minutes later I
8 would conclude factually she was emotional.

9 SR. SPECIAL AGENT TEATOR: Was she crying?

10 [REDACTED] She had tears in her eyes.

11 SR. SPECIAL AGENT TEATOR: Okay.

12 [REDACTED] And really delivered a
13 heartfelt thank-you for -- and really, you know,
14 appreciative of what -- I mean, I don't recall the
15 exact -- appreciated working here, had some value,
16 (inaudible) has felt that about her experience. She
17 was -- you know, that kind of stuff.

18 And I did have an opportunity in my review
19 of information for this meeting to -- you know,
20 there's a written document that I had an opportunity
21 to scan, which I believe is the gist of what she was
22 -- what she was reading from.

23 SR. SPECIAL AGENT TEATOR: Has that been
24 provided before?

25 [REDACTED] Yes, it has been provided.

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1 SR. SPECIAL AGENT TEATOR: Okay.

2 [REDACTED] In fact, if you want --
3 Jeff, this -- we can --

4 MR. KEENAN: Book 1?

5 [REDACTED] Yes.

6 SR. SPECIAL AGENT TEATOR: That red book
7 (inaudible).

8 [REDACTED] If we want to go off the
9 record, I'll give you a chance to --

10 SR. SPECIAL AGENT TEATOR: I did look at
11 this.

12 [REDACTED]: Okay.

13 SR. SPECIAL AGENT TEATOR: Okay. I have
14 seen it.

15 [REDACTED] I had never seen this before
16 this morning in just preparations for my discussions
17 with you. And I don't recall if Kim -- and I'm
18 looking at a document dated March 28, 2003, prepared
19 by Kim. In my preparation for this meeting with you
20 -- I think this was the Friday. Is this the date, the
21 28th? I mean --

22 SR. SPECIAL AGENT TEATOR: That would have
23 been her last day here at the site, too.

24 [REDACTED]: Yes. Okay.

25 SR. SPECIAL AGENT TEATOR: That's what I

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1 understand.

2 [REDACTED] Right.

3 SR. SPECIAL AGENT TEATOR: Okay.

4 [REDACTED]: So that I believe, to the
5 best of -- that is the day, to the best of my
6 understanding, piecing this together as we talk --

7 SR. SPECIAL AGENT TEATOR: Right.

8 [REDACTED] -- and as I recall her
9 comments, they -- she wasn't reading -- she didn't
10 like read a statement. She was making eye contact,
11 and, you know, giving a very powerful oration. But as
12 I recall that when I read this this morning for the
13 first time I had seen it --

14 SR. SPECIAL AGENT TEATOR: Right.

15 [REDACTED] -- as I recall the meeting,
16 this generally follows the gist of what she was
17 saying.

18 SR. SPECIAL AGENT TEATOR: And what you're
19 reading, it's in Book 1 and it's titled, "Leaving PSEG
20 Nuclear, Reflections of a Changed (inaudible)."

21 I'm going to go off the record and turn
22 the tape over to Side B.

23 (End of Tape 1, Side A. Beginning of Tape 1, Side B.)

24 SR. SPECIAL AGENT TEATOR: Okay. It's
25 2:33. We turned over to Side B.

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1 [REDACTED] I want to ask you a question
2 about when Kim came into what we believe is a
3 March 28th meeting, and what we've just been talking
4 about. During any of her discussion at that meeting,
5 did she make a claim that her position was -- had been
6 eliminated because she had raised any type of concern
7 or issue here at the plant?

8 [REDACTED]: To the best of my knowledge,
9 no. And what -- what gives me some confidence in that
10 is this document "Leaving PSEG" that she -- that she
11 didn't exactly read that was pretty much the script
12 she followed in this very heartfelt good-bye.

13 SR. SPECIAL AGENT TEATOR: Right.

14 [REDACTED]: Just scanning it here, I
15 don't see any references to that in this document.
16 And this document follows, to the best of my
17 recollection, her -- the conversation in that meeting.

18 SR. SPECIAL AGENT TEATOR: Now, can you
19 tell me who else would have been at the meeting, at
20 least maybe a few names?

21 [REDACTED]: I can tell you who typically
22 went to [REDACTED] staff meetings. You could probably
23 get with [REDACTED], go back to March 28th, and
24 probably confirm some or all of this.

25 SR. SPECIAL AGENT TEATOR: All right. Did

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1 she -- was attendance taken at --
2 [REDACTED] No. But there's a meeting
3 notice, and people say they're either going to accept
4 or they decline, and at least it's a place to start.
5 One could assume the people that accepted were there
6 with the exception if they had a family emergency or
7 -- I mean, you get most of the weight of this
8 question.

9 SR. SPECIAL AGENT TEATOR: I've asked for
10 a lot of documents. I'd like to ask, if such a
11 document exists for -- a meeting notice for
12 March 20th, I'd like to get a copy of that.

13 [REDACTED] Yes, we'd be glad to provide
14 the meeting minutes. I can (inaudible) provide that.

15 SR. SPECIAL AGENT TEATOR: Okay.

16 [REDACTED] Can I retract my previous
17 statement? Now that I think of how she does that, I
18 think she put that Friday meeting as a repetitive
19 meeting.

20 SR. SPECIAL AGENT TEATOR: Okay. If
21 something exists, I'd like to have it.

22 [REDACTED]: It may or may not be --

23 SR. SPECIAL AGENT TEATOR: You can let me
24 know. That's fine.

25 [REDACTED] But to answer your question,

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1 it would have been the draft reports of [REDACTED]
2 on March 28th. And I believe Jeff Keenan at least
3 occasionally attended that meeting when he was
4 available and --

5 MR. KEENAN: Yes. And just for the
6 record, that's the period when I had [REDACTED]
7 last year, so --

8 SR. SPECIAL AGENT TEATOR: I was going to
9 put your under oath.

10 (Laughter.)

11 MR. KEENAN: So I won't be a fact witness
12 for this --

13 [REDACTED] For the purposes of this
14 conversation, I mean, we would assume it was [REDACTED]
15 [REDACTED] myself, [REDACTED] maybe [REDACTED] our
16 [REDACTED] was not -- was not -- you know,
17 he was a routine attender.

18 SR. SPECIAL AGENT TEATOR: [REDACTED]
19 [REDACTED] would have been
20 there. And that would have been it in that timeframe.

21 SR. SPECIAL AGENT TEATOR: Would [REDACTED] sit
22 in on these meetings?

23 [REDACTED] No. No.

24 SR. SPECIAL AGENT TEATOR: Okay.

25 [REDACTED]: Typically not.

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1 SR. SPECIAL AGENT TEATOR: All right.
2 Okay. Let's talk about this -- these two issues here
3 -- one, the decision to eliminate her position, and
4 the second issue that I'm looking at is the decision
5 to accelerate her leaving the site.

6 Did you have any -- did you take part in
7 any discussions where the decision was made to
8 accelerate her leaving the site?

9 [REDACTED] No.

10 SR. SPECIAL AGENT TEATOR: Okay. Do you
11 know why that occurred?

12 [REDACTED]: No. As I previously
13 testified, to the best of my knowledge, her date of
14 leaving I found out by virtue of her coming into that
15 meeting --

16 SR. SPECIAL AGENT TEATOR: Okay.
17 [REDACTED] -- and reading this
18 statement that we discussed previously.

19 SR. SPECIAL AGENT TEATOR: All right.
20 Let's talk about Dr. Harvan and you a little bit. At
21 any point did she bring to you concerns that she had
22 about production over safety type of issues here at
23 the plant?

24 [REDACTED] She brought forward some
25 relationship-type issues, and she was -- she kept a

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1 pretty good (inaudible) on the operations
2 superintendents, and talked to them -- had
3 relationships with them. And some of the events that
4 we talked about at our last interview on the safety
5 conscious work environment and her -- and the SRO
6 meeting at Salem that you and I discussed in the
7 previous interview --

8 SR. SPECIAL AGENT TEATOR: Okay.

9 [REDACTED] -- you know, were issues
10 that you'd bring to me, and I would try to work
11 through -- hence, go to the meeting like we talked
12 about to help resolve those. Directly bringing the
13 issue -- I was worried that we had too much, you know,
14 that that was having an adverse impact on the station.
15 I don't recall our ever being that direct.

16 SR. SPECIAL AGENT TEATOR: Okay. Would
17 she ever be this direct to you, that she thought that
18 culture was negatively affecting nuclear safety here
19 at the plant -- at either of the plants?

20 [REDACTED]: Are you doing that as a
21 cloak?

22 SR. SPECIAL AGENT TEATOR: No.

23 [REDACTED] Okay.

24 SR. SPECIAL AGENT TEATOR: I'm asking you
25 a question.

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1 [REDACTED] Okay. I do recall there was
2 a meeting at which, you know -- that we were in every
3 day. I'm going to guess this was a 9:00 meeting.

4 SR. SPECIAL AGENT TEATOR: Right.

5 [REDACTED] And every day -- nominally,
6 every day when we were onsite, not offsite, all of our
7 VPs and the directors would get together at 9:00 every
8 morning in the VP of Ops conference room, and just
9 make sure that we understood what the plant status
10 was, any (inaudible) to generation, and then, you
11 know, any other issues that we needed to discuss.
12 And, you know, those conversations sometimes branched
13 into, you know, any number of conversations.

14 SR. SPECIAL AGENT TEATOR: Right.

15 [REDACTED] And Kim was a -- Kim was a
16 -- we allowed Kim to come to that meeting, and that
17 was one of the places she had access to, you know,
18 provide us feedback on what she saw. And in one of
19 those meetings -- and I don't recall when it was -- I
20 mean, you know, nominally sometime in the -- I'll say
21 spring, summer-ish of 2002 --

22 SR. SPECIAL AGENT TEATOR: Okay.

23 [REDACTED]: -- I was still the [REDACTED]
24 -- she made a statement similar in a conversation to
25 the statement you made when you asked the question.

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1 And I remember -- and that was in a group setting --

2 SR. SPECIAL AGENT TEATOR: Okay.

3 [REDACTED] -- and I remember saying
4 that, you know, "Kim, do you -- on what basis do you
5 say that?" I mean, that's pretty global, and most
6 people when they talk about nuclear safety, you know,
7 talk in the context of, you know, it caused us to rush
8 too fast, and we didn't do all of our surveillance
9 testing or --

10 SR. SPECIAL AGENT TEATOR: Right.

11 [REDACTED] -- you know, there's a piece
12 of equipment out there that we didn't -- you know,
13 because of the culture, you know, we're not fixing
14 equipment right, and here's a specific example of a
15 piece of equipment or a pump. She could provide no
16 answers like that, and didn't advocate that position
17 any more.

18 And I think we agreed with her in the
19 conversation that there -- you know, there were -- you
20 know, there were leadership and cultural issues that
21 we were working through, which was why we had her
22 helping us, that, you know, we didn't see any evidence
23 and she didn't provide any more in the conversation --

24 SR. SPECIAL AGENT TEATOR: Right.

25 [REDACTED]: -- about, you know, anything

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1 that would draw it to where you could make a
2 connection with nuclear safety.

3 SR. SPECIAL AGENT TEATOR: I think there
4 is a couple of quotes to -- in talking about this
5 meeting which you just brought up. From what I
6 understand, she made a statement and was challenged,
7 but it wasn't you. Someone at the meeting challenged
8 her and went through a list of questions talking about
9 some of the things you just talked about -- any
10 specifics, you know, was it directly tied to a nuclear
11 safety issue.

12 Do you remember that occurring after she
13 made this general statement?

14 [REDACTED]: Yes, I do remember that
15 occurring, and, you know, I remember that -- despite
16 what you just said, I remember asking a few of those
17 types of questions --

18 SR. SPECIAL AGENT TEATOR: Okay.

19 [REDACTED]: -- myself.

20 SR. SPECIAL AGENT TEATOR: All right.

21 [REDACTED]: (Inaudible.)

22 SR. SPECIAL AGENT TEATOR: That's all
23 right.

24 [REDACTED]: But I think there was a
25 group -- I mean, it was, you know, a conversation

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1 where we were all trying to -- in case she had
2 something specific, get to it, so we could go act on
3 it.

4 SR. SPECIAL AGENT TEATOR: Okay.

5 [REDACTED] But in the end, as a result
6 of that conversation, there really were no specifics.

7 SR. SPECIAL AGENT TEATOR: All right.

8 [REDACTED] And I remember, you know
9 telling her that, you know, in this industry, you
10 know, when we say nuclear safety and concern --

11 SR. SPECIAL AGENT TEATOR: Yes.

12 [REDACTED] -- that means something
13 unique, and she admitted she wasn't aware. As I
14 recall, she didn't -- she wasn't aware of that
15 connection, and that is consistent with my testimony.

16 SR. SPECIAL AGENT TEATOR: Okay. It's --

17 [REDACTED]: You're looking at Mr.
18 McGarry's testimony.

19 SR. SPECIAL AGENT TEATOR: It's 2:42. I'm
20 going to take a short break. I'm going to have you
21 read -- I think this is probably the last thing, and
22 then we'll go back on the record after you have a
23 chance to look at it. It's 2:42.

24 (Whereupon, the proceedings in the
25 foregoing matter went off the record at

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1 2:42 p.m. and went back on the record at

2 2:45 p.m.)

3 SR. SPECIAL AGENT TEATOR: Okay. It's

4 2:45. We're back on the record.

5 [REDACTED] what I'm going to be asking
6 you about is the addendum to a followup interview
7 conducted by Mr. McGarry and Adam Herman of Winston &
8 Strawn. And it looks like it was via
9 teleconference --

10 [REDACTED] I believe that to be true.

11 SR. SPECIAL AGENT TEATOR: -- on April 23,
12 2003, and there's a transcript of it. And on page 2,
13 Mr. McGarry is asking you questions about Kim Harvan
14 never raising specific safety concerns. Your answer,
15 no, and then you and I talked a little bit about this
16 area is probed on pages 5 through 7 of the original
17 interview by Mr. McGarry.

18 But he comes back to you on line 16 about,
19 do you recall her providing any specifics to amplify
20 that issue. And the issue -- what issue is he talking
21 about there? Is it the one just above it on page 2?

22 [REDACTED] Do you want my opinion or --

23 SR. SPECIAL AGENT TEATOR: Well --

24 [REDACTED] I'm not going to tell you
25 what some lawyer that I don't even know --

1 SR. SPECIAL AGENT TEATOR: Right.

2 [REDACTED] -- is trying to ask on
3 something eight months ago.

4 SR. SPECIAL AGENT TEATOR: Okay.

5 [REDACTED] I mean, that's all right.
6 I assume in the conversation I was in -- my answer is
7 assuming that she's talking -- he is talking about the
8 occurrence that I just testified to you about --

9 SR. SPECIAL AGENT TEATOR: Right.

10 [REDACTED] -- that I described in this
11 investigation on pages 5 to 7 of the original
12 transcripts. My assumption in my answer to that
13 question --

14 SR. SPECIAL AGENT TEATOR: Right.

15 [REDACTED] -- is he is talking about
16 that occurrence.

17 SR. SPECIAL AGENT TEATOR: The one where
18 she makes a statement at the meeting?

19 [REDACTED] The statement --

20 SR. SPECIAL AGENT TEATOR: Okay. All
21 right. Okay.

22 [REDACTED] And, again, you'd have to
23 ask the gentleman --

24 SR. SPECIAL AGENT TEATOR: Right.

25 [REDACTED]: -- yourself. I'd be

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1 speculating.

2 SR. SPECIAL AGENT TEATOR: And --

3 [REDACTED] That's how I answered the
4 question.

5 SR. SPECIAL AGENT TEATOR: And we've
6 already gone over your testimony that yourself and
7 others at the meeting asked him for specifics on why
8 she said what she said, and why she felt that way, and
9 there were none provided. Is that correct?

10 [REDACTED] There were no specific
11 issues. I mean, let's go back to page 2.

12 SR. SPECIAL AGENT TEATOR: Yes.

13 [REDACTED] Like, you know, just
14 (inaudible) the specifics, like the kind you and I
15 would be talking about in other investigations where
16 you can actually tie it back to something.

17 SR. SPECIAL AGENT TEATOR: Yes.

18 [REDACTED] You know, there's a design
19 margin not being met, because someone didn't have --
20 you know, these are examples. I have no knowledge of
21 this occurring at Salem or Hope Creek. For
22 illustrative purposes, where, you know, design margins
23 are poor and nobody brought it up, he is afraid to
24 bring it up, or we -- you know, somebody forgot to do
25 it, so they all discussed it, and there's -- for some

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1 reason, you know, we're not being forthright, getting
2 that information off the crew, you know, management
3 doesn't know about it, or management knew about it and
4 took the wrong action.

5 I mean, you know, those kinds of examples,
6 and I'm sure you could list in your job far more than
7 I could. She could provide nothing that you could tie
8 back to safety directly.

9 SR. SPECIAL AGENT TEATOR: Okay. Did you
10 consider her general statement, though, to be her
11 raising a nuclear safety concern? Just the fact that
12 she -- she's saying this? Was that considered by
13 yourself or the group?

14 [REDACTED] I think after -- after we
15 had our conversation with her, I think our impression
16 was after -- just remember she has a relationship with
17 us, so she isn't like an employee we don't know in the
18 Office of the Vice President. She's there at 9:00
19 every day. This is a -- this comes up in a
20 conversation, not like somebody running down the hall,
21 in the room, "I have a nuclear safety concern." We're
22 in a conversation.

23 SR. SPECIAL AGENT TEATOR: Right.

24 [REDACTED] About the issue. And we're
25 -- it's a conversation. She brings that up. The

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1 conversation continues about, "Hey, give us some
2 specifics." You know, the -- you know, "nuclear
3 safety concern" means something in this industry, and
4 you may or may not be aware of it because of your
5 background.

6 SR. SPECIAL AGENT TEATOR: Right.

7 [REDACTED]: You know, let's get some
8 specifics. And in the end, she -- I think she walked
9 away. I believe she walked away. But it really --
10 she couldn't really give it as a nuclear safety
11 concern. It was a management issue we were trying to
12 work through to improve the leadership.

13 You know, right, wrong, or indifferent,
14 when we walked away from that meeting we believed that
15 -- I mean, I believe -- I won't speak for anybody
16 else --

17 SR. SPECIAL AGENT TEATOR: Right. Fair
18 enough.

19 [REDACTED]: -- I believed it wasn't a --
20 that even she realized that she wasn't quite sure what
21 she had said when she said it in that manner.

22 SR. SPECIAL AGENT TEATOR: Did she bring
23 anything like -- similar to that up again in your
24 presence after that day?

25 [REDACTED]: Not that I recall.

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1 SR. SPECIAL AGENT TEATOR: All right. All
2 right. It's 2:50. I'm just going to check my notes
3 one more time, and then we're going to finish up. If
4 you want to take this time to think about if you want
5 to add something -- it's 2:50. We'll go off the
6 record.

7 (Whereupon, the proceedings in the
8 foregoing matter went off the record at
9 2:50 p.m. and went back on the record at
10 3:01 p.m.)

11 SR. SPECIAL AGENT TEATOR: Okay. It's
12 about 3:00 -- 3:01 in the afternoon.

13 I don't have any further questions. But,
14 [REDACTED] and Mr. Keenan, is there something that
15 you'd like to add for the record that we haven't
16 gotten to yet?

17 [REDACTED] Thank you. With regard to
18 -- we had a questioning line earlier in our
19 conversation today about, you know, the nature of the
20 relationship I had with Kim, and some of the coaching
21 and feedback I may or may not have given her along the
22 way.

23 I'd like to say at the end we talked about
24 a meeting that nominally was around March 28th when
25 she, you know, gave a heartfelt good-bye speech -- is

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1 the only way I could conclude it -- at the end of one
2 of [REDACTED] staff meetings. 7C

3 After that meeting got over, I had a
4 private conversation with her, and, you know, actually
5 gave her a hug -- and a very pleasant conversation and
6 asked her, you know, what she was going to do. And
7 she said she was going to finish her second book she
8 was working on.

9 She was a published author on another
10 book, and I asked her if she could send me a reference
11 or some -- some advice on how we would -- how she
12 would get a book published, because I personally am
13 working on a book and would appreciate, once I got it
14 done, knowing, you know, the pathway that you would
15 use to get it published.

16 And, you know, somewhere about three or
17 four weeks after, you know, she left her employment at
18 PSEG in the, you know, April timeframe, I had given
19 her my home e-mail address and she sent me that
20 information and wished me, you know, good luck.

21 SR. SPECIAL AGENT TEATOR: Okay. Have you
22 had any other communications with her?

23 [REDACTED]: I have had no other
24 communications with her, but she was thoughtful enough
25 to follow up with that -- with that e-mail. 1C

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1 SR. SPECIAL AGENT TEATOR: Okay.

2 [REDACTED]: She made a commitment to me.
3 And if I was asked, "How did we part company as a
4 relationship?" I mean, we parted company very well.
5 And I actually would have, you know, somehow -- you
6 know, I was just confused. I was actually confused.
7 When -- when the letter to [REDACTED] that you 7C
8 mentioned surfaced, that really -- that really struck
9 me as -- as very unusual, and I would not have
10 predicted that, I mean, based on her behavior and the
11 communications that we had after she left.

12 SR. SPECIAL AGENT TEATOR: It's
13 interesting -- the [REDACTED] letter would have been sent
14 before this March 28th meeting. I think the [REDACTED] 7C
15 letter is March 26th or -- it's definitely before the
16 28th.

17 [REDACTED]: There was no knowledge at
18 that March 28th meeting of the existence of the --

19 SR. SPECIAL AGENT TEATOR: Okay. You
20 didn't know --

21 [REDACTED]: I had no idea.

22 SR. SPECIAL AGENT TEATOR: Okay.

23 [REDACTED]: I was not aware of that
24 letter for weeks afterwards. 1C

25 SR. SPECIAL AGENT TEATOR: Okay. All

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1 right. Well, I mean, when was the -- when was that?
2 [REDACTED]: His first interview was
3 April 4th, so, you know, it was after that that I was
4 made aware.

5 SR. SPECIAL AGENT TEATOR: Okay. All
6 right.

7 [REDACTED]: And, in fact, now that I
8 think about it, I'm almost certain she didn't -- she
9 wouldn't -- I don't think she was that prompt, because
10 I'm remembering that it was a couple of weeks after
11 that meeting. It wasn't like the next day she sent me
12 that letter.

13 SR. SPECIAL AGENT TEATOR: Okay.

14 [REDACTED] So she probably already had
15 some (inaudible) letter now that I'm --

16 SR. SPECIAL AGENT TEATOR: Right.

17 [REDACTED] -- now that we're
18 reconstructing the timeline.

19 SR. SPECIAL AGENT TEATOR: Yes, that's
20 right.

21 [REDACTED] But anyway, all of that
22 being said, you know, I thought we had a very good
23 relationship, and at the time she left was, you know,
24 looking forward to maintaining a professional --
25 professional contact with her.

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SR. SPECIAL AGENT TEATOR: Right.

~~REDACTED~~ Obviously, in the (inaudible) letters to the CEO and lawsuits against the company, my enthusiasm for maintaining that professional contact has waned.

SR. SPECIAL AGENT TEATOR: I don't have any other questions at this point. It's 3:05 in the afternoon.

Jeff, is there something you want to go over with your client?

MR. KEENAN: No, nothing further. Thank you.

SR. SPECIAL AGENT TEATOR: ~~REDACTED~~
this interview is concluded. Thank you.

(Whereupon, at 3:05 p.m., the interview was concluded.)

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