

PALISADES PLANT INVESTIGATIVE REPORT

Dated: January 27, 1995

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INTRODUCTION

On December 21, 1994, Roy J. Caniano, Chief of the Region III Reactor Support Programs Branch for the Nuclear Regulatory Commission ("NRC"), wrote to the Palisades Plant Manager regarding Physical Security Concerns at Palisades. An attachment to that letter, which is considered exempt from public disclosure pursuant to 10 CFR 2.790, references an incident which occurred on December 9, 1994 at Palisades involving a lieutenant and an armed security officer, both employees of Burns Security Services. More particularly, the NRC received a report that a lieutenant had stabbed an officer with a pen. Another incident involving a physical attack by the same lieutenant was also alleged to have occurred on an unknown date.

The NRC requested that a thorough review of these allegations be conducted by someone independent of the security organization. Consumers Power Company ("Consumers", "the Company" or "Licensee") was directed to investigate the facts of these specific allegations, as well as other similar events.

In addition to the specific events of physical altercations involving this lieutenant, the attachment to the letter indicated that several security personnel are concerned about keeping their jobs if they report incidents such as this or other security problems to Licensee security management. The NRC therefore directed that the investigation include the broader question of whether there has been a "chilling effect" which keeps people in the security force from reporting safety or security concerns out of fear of retribution.

The December 21, 1994 letter specifically requested that the Company's response contain no personal privacy, proprietary or safeguards information so that the response can be released to the public and placed in the NRC Public Document Room.

The NRC letter dated December 21, 1994 was forwarded to the Consumers Power Legal Department on December 29, 1994. The Company's Senior Vice President and General Counsel decided that Michael Wilson, an attorney with experience in other investigations, should meet promptly at the Plant with the Plant Manager and the Vice President of Nuclear Operations to get a general understanding of what had occurred, and to initially determine whether an investigation of the type being requested was within the capabilities of the Company's Legal Department.

Mr. Wilson visited the Palisades Plant on Tuesday, January 3, 1995 and, over the course of several hours, met with the Plant Manager, the Vice President of Nuclear Operations, the Administrative Manager, and the Property Protection Superintendent. Upon his return to the Company's General Office in Jackson, Mr. Wilson met with his General Counsel and a determination was made that the Legal Department was qualified to conduct the investigation requested by the NRC.

By a memo dated January 5, 1995, Consumers' General Counsel informed the Plant Manager that the Legal Department was willing to conduct an investigation that would be kept independent of not only the Burns Security organization, but of Plant Management as well. A copy of that memo is attached as Exhibit 1 to this report. Michael Wilson was assigned to lead the investigative team. With the assistance of the General Counsel, three other experienced attorneys were recruited to assist in conducting the investigation. Those three attorneys are Michael Sheridan, P. Leni Staley, and Charlotte Walls.

THE INVESTIGATIVE TEAM

Michael Wilson, who was assigned to lead the investigative team, has 14 years experience as a litigator for Consumers Power Company, handling both plaintiff and defense work covering a broad range of substantive law areas. None of that work, however, involved the Palisades Plant. This litigation experience, of necessity, requires the development of investigative skills. Mr. Wilson conducted a high profile investigation requested by a federal regulatory agency involving a licensed hydroelectric generating facility in the summer of 1992. An extensive independent report was authored by Mr. Wilson and filed with the Federal Energy Regulatory Commission ("FERC"). The FERC was highly complimentary of both the thoroughness and the candor of that report.

Michael Sheridan, a lawyer with seven years experience, has been employed as a litigation attorney at Consumers Power Company since 1992 and also handles both plaintiff and defense work. Prior to joining Consumers Power, Mr. Sheridan worked for four years as an assistant prosecutor in both Oakland and Macomb Counties in Michigan. Mr. Sheridan is well-versed in both civil and criminal law, having also conducted grand jury investigations. In addition, he worked closely with Mr. Wilson in all phases of the prior investigation mentioned above.

Leni Staley has been employed as an attorney at Consumers Power Company for almost five years. Her expertise includes a broad range of employment and labor issues, including questions arising under the Fair Labor Standards Act, the Americans with Disabilities Act, and the civil rights laws. She also participates in labor arbitration (grievance) hearings, unemployment compensation hearings and regularly interviews witnesses and others for a wide

variety of labor and employment matters. Prior to becoming an attorney, for approximately five years, she managed a section consisting of 20-30 employees in the State of Michigan Department of Social Services. Ms. Staley has also spent three years early in her career as a claims investigator/analyst for Aetna Life & Casualty Company.

Charlotte Walls has been employed as an attorney at Consumers Power for over seven years. Her substantive expertise lies in ERISA employee benefit issues, EEO issues, including allegations of sex and race discrimination, and virtually any question relating to employee compensation. Her experience includes conducting investigations into all of the above matters when particular questions have arisen.

INDEPENDENCE OF THE INVESTIGATION

The NRC made it clear in its letter of December 21, 1994 that the investigation which it was requesting should be independent of the security organization at Palisades. While "security organization" could have been interpreted narrowly to mean "Burns Security", the Licensee chose to read it more broadly and informed the Legal Department that the investigation would be kept independent of Plant Management as well. The letter from the General Counsel to the Plant Manager (Exhibit 1) reinforces that concept. The investigators took that charge seriously, remaining cognizant throughout the investigation of the need for a thorough fact-finding, and of being free from influence from any outside sources. The investigators are confident that the conclusions of this report are logical, and are based upon a thorough analysis of the extensive raw data which was gathered. If the NRC chooses to review that data, the expectation is that the NRC would reach the same conclusions.

Burns Security had conducted its own investigation into the December 9, 1994 incident, and a copy of the report generated by the Burns' investigator was made available to the Legal Department team by Consumers Power's Palisades Administrative Manager. This investigation in no way relied upon the Burns investigation, which was much narrower in scope.

While the mere fact that an investigation is being conducted creates a certain amount of anxiety and tension, the investigators, for the most part, found that both the Burns employees and the Consumers Power Company Palisades Plant employees were open, cooperative, courteous and professional in the interactions which took place during the course of the investigation. No attempts were made by anyone to influence the contents of this report or to in any way restrict its candor.

SCOPE OF THE INVESTIGATION

It was anticipated at the outset that the NRC's letter of December 21, 1994 would largely define the scope of the investigation. However, before the investigation was even underway, the investigators learned that a third Burns employee, not a party to the December 9 stabbing incident, had been discharged. The investigators received numerous comments from the employees interviewed concerning that individual, and would consider this report incomplete without a discussion of that individual and the impact that person's discharge has had on the security work force.

This report will therefore address the following issues:

- a) a description and analysis of the December 9, 1994 incident involving the lieutenant and the security officer; covering the specific requests itemized in the attachment to the December 21, 1994 letter from the NRC;

- b) a description and analysis of other incidents involving these two individuals;
- c) a discussion of the third Burns employee who was discharged on January 5, 1995;
- d) a discussion of whether any of the above incidents or other incidents have led to a chilling effect which inhibits people from freely reporting safety or security concerns; and
- e) conclusions.

INVESTIGATION CHRONOLOGY AND METHODOLOGY

After the initial meeting at the Palisades Plant on January 3, 1995, and after being officially assigned to conduct the investigation, Michael Wilson and Michael Sheridan returned to Palisades for a full day, on Friday, January 6, 1995 to begin the process of reviewing and copying documents, scheduling interviews, arranging for work space at the plant, and taking care of other administrative details. Mr. Wilson was given training by the Burns Administrative Manager on the proper handling of safeguards information in accordance with 10 CFR 73.21, which included a detailed lesson plan, followed by a written examination. In addition, in conjunction with the safeguards training, Mr. Wilson was fingerprinted and completed the necessary forms for a criminal history check, as required by 10 CFR 73.57. It should be noted at this point that Mr. Wilson reviewed in detail the entire file which was generated as a result of this investigation and is confident that no safeguards information has been produced or disclosed. The training was nonetheless essential in terms of an awareness of the duty and the need to protect safeguards information, and it was readily apparent that such protection is taken most seriously by everyone at Palisades and Burns. After receiving his training, Mr. Wilson

did not deem it necessary for the three attorneys who assisted in the investigation to receive such training.

Throughout the course of the investigation, but on a more intensive basis at the outset, Mr. Wilson and Mr. Sheridan reviewed thousands of pages of documents and obtained copies of hundreds of those documents. Among the documents reviewed, set forth below in no particular order, were the following:

- Safeguards reporting matrix;

- Safeguards information program;

- Safeguards lesson plan;

- Security accident reports;

- Safety meeting minutes;

- Maintenance surveys;

- All Burns incident reports on file;

- All Burns discipline logs on file;

- Burns organization charts and employee lists;

- Palisades Plant organization chart;

- All correspondence on file from Burns to Consumers or vice versa;

- Complete "Burns files" of the Palisades Plant Property Protection Superintendent, the Palisades Plant Senior Property Protection Operations Supervisor, and the Palisades Plant Property Protection Operations Supervisor, who are the three principal Consumers Power employees who interface with Burns on a day-to-day basis;

- Complete personnel files of the two employees involved in the December 9 incident, and of the employee who was discharged on January 5, 1995;

Complete personnel file of another Burns employee who is known to regularly report things to the NRC;

Minutes or notes of Burns employee meetings;

Memos or notes relating to backshift visits;

Burns investigation file and report on the December 9 incident;

Notes or memos relating to self-assessment;

Contract between Burns and Consumers for security services at Palisades;

Equipment out-of-service logs;

Burns lieutenant meeting minutes;

Memo discussing worker turnover at Burns;

Burns performance objectives;

Fitness for Duty procedures handout, and memoranda;

Monthly resumes from Palisades Plant Property Protection Superintendent

Policies and procedures regarding logging of safeguards events;

Burns nuclear security officer profiles discussing desirable and undesirable traits;

Palisades Plant brochures regarding general employee training, emergency preparedness, and "How Nuclear Power Works";

Michigan state police report of the December 9, 1994 incident;

Miscellaneous memos and clippings containing positive comments about the security force;

Documentation of Fitness for Duty testing of the two individuals involved in the December 9, 1994 incident;

Medical injury report from the treating physician on the December 9, 1994 "stab wound;" and

Documents relating to compliance with the requirements of 10 CFR 73.56 for the employee discharged on January 5, 1995.

During the visit on January 6, 1995 an interview schedule was arranged for the four investigators to conduct interviews on January 9, 10 and 11, 1995. In addition, Michael Wilson drafted a memo which Burns management released on Burns letterhead to all employees on Friday, January 6, 1995, explaining the investigation and encouraging people to cooperate. A copy of that memo to employees is attached as Exhibit 2 to this report.

In addition to the numerous documents reviewed at the plant, as itemized above, Mr. Wilson familiarized himself with certain laws and other background information before designing the investigation. Among the things he reviewed were the following:

The Michigan Whistle-Blower's Protection Act (MCLA 15.361 et seq) and cases decided thereunder;

42 USC 5851 governing "employee protection" and cases decided thereunder;

Commerce Clearing House Nuclear Regulation Reports;

Miscellaneous NRC Regulations found in 10 CFR; and

Michigan law and cases on assault and battery (MCLA 750.81 et seq).

On January 9, 1995, the first day of conducting interviews, Michael Wilson, along with the Palisades Plant Manager, and a Palisades Plant Staff Licensing Engineer, spoke by telephone with Mr. Terry Mededa, the NRC Inspector from Region III who is responsible for Palisades, and outlined the proposed scope of the investigative process. Mr. Mededa was in general agreement with the scope which was outlined, and offered the following additional input:

- a) It is important that the people being interviewed are re-assured that the information disclosed in the interviews will be kept confidential;

- b) All documents generated as a result of the investigation should be kept at the Licensee's General Office in Jackson and retained for a minimum of one year;
- c) The "chilling effect" concern relates to whether people feel free to report safety or security concerns without fear of retribution of any kind;
- d) The report should explain how the investigation was kept independent of the security organization as well as the scope and investigative methods used; and
- e) We should attempt to write the report in such a manner that it does not have to be controlled under the confidentiality rules of 10 CFR 2.790.

Finally, as further background information, Michael Wilson reviewed documents which reflect whistle-blower or "chilling effect" investigations at other nuclear power plants, including Northern States Power Company's Prairie Island Plant and Florida Power Corporation's Crystal River Plant. Both of those files involved employees of Burns Security.

The investigators were advised, second-hand, that the NRC would like to see a sample size of at least 15-50% of the work force interviewed in order to get an appropriate feel or perspective for the atmosphere at Palisades. In the interest of thoroughness, 100% of the present Burns work force was interviewed as part of this investigation, from the Post Commander on down to part-time, unarmed security officers. In addition, tape-recorded interviews of both employees involved in the December 9 incident, who have since been discharged, were conducted off-site. A tape-recorded interview was also conducted of the now-retired former Post Commander. As an example of the comprehensive nature of this

investigation, Michael Sheridan travelled 40 miles to the home of a Burns employee who was off work on medical leave to interview him after he indicated in a telephone conversation that he would like to be included in the investigation. The only person with whom the investigators did not speak and who may have information relevant to this investigation was the Burns employee whose employment was terminated on January 5, 1995. The investigators left a message on that person's answering machine (which was recorded and retained) asking that person to contact them if he/she would like to be included. That telephone call was not returned.

For most employee interviews, the investigators used a standard 19 page interview summary in order to explore the chilling effect aspects of the investigation. A sample blank copy of that interview summary is attached as Exhibit 3. That interview summary was designed by the investigators in advance of the investigation, without input or participation from anyone else; and was not reviewed with or even shown to Burns management or Palisades Plant Management. As can be seen from Exhibit 3, there is ample room for comments on the standard interview summary form, and the investigators, using their legal skills, in fact elicited and recorded voluminous comments from the people interviewed. Prior to starting each interview, a standard introduction was given to the interviewees in an effort to make them feel at ease and to assure their frank responses. A copy of the standard interview introduction is attached as Exhibit 4.

After providing the standard introduction and conducting the interviews, the investigator's notes were reviewed with each interviewee, and any changes or additions were made at that time. When the interviewee was satisfied that the investigator's notes accurately

reflected and summarized the conversation, the interviewee was asked to sign the summary form. Out of 69 people who were interviewed using the standard form, only one person refused to sign the form at the conclusion of the interview. That person merely expressed "private reasons" which were not revealed to the investigator. Once the summaries were signed, no further comments or writing of any kind was made on those papers. The summaries have remained in the custody of the investigators and have not been reviewed by anyone but them.

In addition to the 69 people interviewed using the standard interview forms, tape-recorded interviews were conducted of 17 other individuals, and verbatim transcripts have been prepared of those interviews. The original tapes have been retained in the investigative file. The tape-recorded interviews are more in-depth than the standard interview forms, with the thought being that a broader range of issues should be explored with key managerial people at both Burns and Consumers. The persons from whom taped statements were taken and transcripts prepared are the following:

Consumers Vice President of Nuclear Operations (CPCo);

Palisades Plant Manager; (CPCo);

Palisades Administrative Manager (CPCo);

Palisades Property Protection Superintendent (CPCo);

Palisades Senior Property Protection Operations Supervisor (CPCo);

Palisades Property Protection Operations Supervisor (CPCo);

Palisades Access Authorization Administrator (CPCo);

Palisades Human Resources Director (CPCo);

Palisades Senior Human Resources Administrator (CPCo);

Burns Operations Manager (who conducted Burns investigation of the December 9 incident) (Burns);

Palisades Post Commander (Burns);

Administrative Manager (Burns);

Security Shift Leader, B Shift (Burns);

Security Shift Leader, C Shift (Burns);

Former Post Commander, now retired (Burns);

Lieutenant involved in December 9 incident (Burns); and

Security Officer involved in December 9 incident (Burns).

Most of the interviews took place in heated but vacant trailers in front of the Administration Building at Palisades. Offices with closed doors were used so that someone passing through could not hear the conversations which were taking place.

The lieutenant who was involved in the December 9 incident would only talk to the investigators in the presence of an attorney. Michael Wilson therefore travelled 44 miles to a law office in Allegan, Michigan to conduct that taped-interview. The security officer involved in the December 9 incident and the retired Post Commander were both interviewed (separately) by Michael Wilson, off-site, at Consumers Power Company's South Haven Conference Center, located approximately 10 miles away from the Plant.

The investigators worked together as a team and put in long hours on January 9, 10 and 11 so that people from all three shifts could be included in the investigation. It is believed that the design and implementation of the investigation plan worked well to get a true reading of the attitudes, perceptions and concerns of the entire Burns Security work force at Palisades.

THE DECEMBER 9, 1994 INCIDENT

Shortly before 7:00 AM on December 9, 1994, a lieutenant who was working as a dispatcher in the ID station (hereinafter referred to as "L-D"), informed a security officer ("S-O") over the radio of the times at which the S-O's lighting checks were scheduled while on patrol. The S-O did not hear the radio transmission and did not respond. The L-D tried the radio a second time and the S-O did not respond. Instead, the S-O went to the ID station where the L-D was located and used the S-O's photo badge to enter. Early morning is particularly busy for the L-D on duty because of change of shift, and on this morning, the L-D was preoccupied with filling out rotation sheets and other paperwork.

Upon entering the ID station, the L-D asked the S-O if the S-O had heard the radio transmission and the S-O replied in the negative. The S-O then asked what time the lighting checks were and was informed by the L-D that the S-O should have been paying attention to the radio. The L-D then continued working on paperwork.

The S-O had turned off his/her radio upon entering the ID station, purportedly due to static feedback when the hand-held radio is in close proximity to the base radio. While in the ID station, the S-O heard a radio transmission directed to the S-O from the operator in the Secondary Alarm Station (SAS), asking for the S-O's radio number. The S-O reached above the console where the L-D was working and responded to the SAS operator using the ID station intercom. No physical contact was made when the S-O reached above the L-D's head, but while doing so, the S-O noticed that the paper on which the S-O's lighting checks were listed was in the stack of papers on which the L-D was working, about four down in the stack. Without

asking the L-D's permission or forewarning the L-D in any way, the S-O grabbed the lighting check paper out of the stack of papers in such a manner that it gave the L-D a paper cut on the arm. The S-O then taunted the L-D, saying "Ha, ha, serves you right. You got a paper cut."

At that point the L-D became very angry and spun around in the chair and began to approach the S-O in a hostile manner with a pencil in hand and attempted to stab the S-O with the point of the pencil. The S-O grabbed the extended wrist to avoid being stabbed with the pencil and demanded that the L-D "Quit!". The L-D then changed hands with the pencil and stabbed the S-O twice in the right arm, causing a superficial puncture wound and a two-inch scratch. The incident was witnessed by another security officer who reported that the S-O being stabbed with the pencil did not retaliate in any way. There are conflicting stories by people who saw the wounds as to whether or not the stabbing with the pencil drew blood. The investigators conclude that the stabbing with the pencil did, in fact, draw blood. While the doctor who treated it with a topical antibiotic described the wound as "superficial", it was nonetheless described as a "puncture" wound. The investigator who conducted the internal investigation for Burns also concluded that the stabbing with the pencil had drawn blood.

Immediately following the stabbing incident, the S-O became angry and words were exchanged between the S-O and the L-D, including a claim by the S-O that what the L-D had done constitutes felonious assault. It is noteworthy that the S-O works during off-hours as a reserve police officer for the City of South Haven, and claims a familiarity with various criminal laws. While the stabbing incident was clearly unjustified, it would not constitute felonious assault under Michigan law. That question is of more than mere academic interest.

Some people, including at least one Burns lieutenant, expressed concern about whether it was "one-hour reportable" to the NRC. After reviewing the Safeguard Reporting Matrix and Michigan law on assault and battery, the investigators conclude that this was not a one-hour reportable incident. According to page 25 of the Reporting Matrix, criminal acts committed on-site are one-hour reportable only if they constitute a felony. Under MCLA 750.81, acts of assault and battery are considered a misdemeanor unless some other specific punishment is prescribed. Stabbing with a pencil would not rise to the level of a felony under any of the statutes reviewed.

After a state police report was made of the incident on the day it happened, the matter was referred to the Van Buren County Prosecutor for review on a charge of aggravated assault. On January 4, 1995, the Prosecutor decided that he would not bring any charges against the L-D and the matter was considered closed as of that date.

Prior to the time that either Burns or Consumers could make a report to the NRC, at least one anonymous report of the incident had been made to the Resident Inspector, and he came to the Consumers Property Protection Department to inquire about the incident. The investigators do not question that Consumers would have promptly reported the incident to the NRC, even if the anonymous reports had not been made.

Within minutes of the pencil stabbing incident, the S-O who was stabbed reported it to the Security Shift Leader (SSL). The S-O, the SSL, and the L-D each completed a separate Burns incident report. The SSL relieved the L-D of duties at the ID station and the L-D was sent to the area of the Burns Post Commander's office, frequently referred to as the "back room."

The S-O who was stabbed was sent to make regular security rounds. In the meantime, the SSL reported the incident to the Post Commander and had a discussion with him about whether it was a one-hour reportable. The Post Commander then went in his office with the Burns Administrative Manager and closed the door. Apparently, between the two of them, they decided it was not one-hour reportable. Upon emerging from the office, the Post Commander requested that the SSL find a replacement for the L-D for that day. The SSL insisted that the L-D should be disarmed right away under these circumstances but was overruled by the Post Commander, who instructed the SSL to leave the L-D alone until relief came in.

At approximately 9:00 AM, two hours after the incident, the L-D was informed of his/her suspension and was sent home, and the L-D's photo key card was pulled and de-programmed.

At approximately 10:30 AM, with the permission of the SSL, the S-O who had been stabbed left the site to receive medical treatment. On the way to the medical facility, the S-O stopped at the Michigan state police post in South Haven and made a report of the incident. The state police trooper photographed the injuries, and then conducted follow-up interviews with the L-D at home and with the Burns Post Commander at Palisades.

The Post Commander informed the trooper that the incident was getting out of hand and that the L-D was suspended for at least a week.

Among the questions in the attachment to the NRC's letter of December 21, 1994 is whether there was compliance with the NRC's fitness-for-duty (FFD) requirements. The investigators reviewed documents showing that both employees involved in the December 9 altercation were referred to Shoreline Clinic in South Haven for FFD tests on December 9 and

the results of those tests were negative. Both employees confirmed that they took the breathalyzer and urinalysis tests on December 9 and that the results were negative, and there was nothing revealed during the course of the investigation which would cause the investigators to question that. Therefore, Fitness-for-Duty will not be discussed further in this report.

When the S-O returned to work after seeking medical treatment and after making the police report, the S-O was chastised by the Post Commander for making a police report "on company time."

When the S-O left work at approximately 3:00 PM on December 9, the S-O did not know he/she had also been suspended. When the S-O arrived home there was a message on the answering machine to call the union steward. When the S-O did so, the S-O learned of the suspension, but was told that the suspension was only pending the results of the FFD tests. On the 19th of December, the S-O, with a union representative present, met with the Post Commander at a local restaurant and was informed that the S-O's employment was being terminated for fighting. It should be noted that "Fighting on Duty" is one of the standard boxes which can be checked on the Burns "Notice of Termination of Employment" form, but that box was not checked on the form which was completed for the S-O. Rather, the box which was checked is "Violation of Company Rules and Policies", and there are no comments written in the remarks section of that form.

The L-D involved in the December 9 incident was also terminated on December 19, 1994, also for "Violation of Company Rules and Policies", and again with no remarks on the Notice of Termination.

OTHER INCIDENTS

The L-D involved in the December 9 incident was involved in a prior physical altercation with this same S-O approximately one year earlier. In the earlier incident, which occurred in the weapons room in the presence of numerous other Burns employees, the S-O was the aggressor. The S-O's version of the story is that the S-O was attempting to show the L-D a police hold and twisted the L-D's arm behind the back. It appears that the S-O applied considerable pressure and the L-D stabbed the S-O with a pen in order to force the S-O to let go.

The L-D claims to be unaware of any discussion at the time about showing a police hold and recalls that the S-O came up and twisted the L-D's arm out of the blue with no forewarning. Having observed the demeanor of both individuals, and having spoken with other witnesses, the L-D's version of the prior incident is more credible. For example, when asked to explain the "police hold" in more detail, the S-O admitted that the S-O had received no special training in how to apply such a hold.

The arm-twisting incident was not documented in any Burns incident reports at the time it occurred. Virtually everyone who was asked agreed that it probably should have been. The L-D claims to have reported it verbally to the SSL, but the SSL denies ever receiving such a report. According to the SSL, there would have been no reason not to document it if the SSL had been aware of it, particularly with this L-D who has "friends" in the back room. Judging by the other incident reports which were reviewed, it is doubtful that the arm-twisting incident was reported to the SSL when it occurred.

The L-D involved in the December 9 incident is well known for a quick temper. By the L-D's own admission, when another officer was taunting the L-D while the L-D was trying to eat lunch, the L-D responded by striking the officer in the arm and kicking the officer in the shins. The officer involved in that incident is no longer employed at Palisades.

Another officer informed the investigators that he was stabbed with a pen by this same L-D but did not report it because he felt it would do no good. His perception is that certain people are protected and the back room would just "blow it off."

Many of the people who were interviewed were also aware of an incident in which this L-D became angry and threw "white-out" all over a control panel in an alarm station. The L-D's performance appraisals, while generally positive in terms of an ability to perform the job, also reflect that management was aware of the L-D's temper and mood swings at least as early as 1982 with repeated references to these traits since that time.

The S-O involved in the December 9 incident has also been involved in other incidents of employee misconduct, including a physical altercation that turned into a shoving match with another lieutenant. The S-O's personnel file also reflects a temper problem noted in 1987 and some incidents which could be classified as horseplay.

EVALUATION OF DECEMBER 9 INCIDENT AND OTHER INCIDENTS

Having spoken with everyone who was directly involved, as well as those who are relying upon second-hand information, it is this investigation's conclusion that the L-D involved in the December 9 incident acted in an entirely inappropriate and unprofessional manner and that termination of the L-D's employment was justified. To make that statement is by no means an

endorsement of how Burns management has responded to other incidents involving this same individual. In fact, the lack of a harsher response to earlier incidents may well have fostered the L-D's belief that he/she could get away with anything.

There is a strong sentiment among the Burns work force, as opposed to Burns management, that the "back room" was afraid of this L-D, partly because of a general belief that the L-D had made allegations in the past about sexual harassment and sex discrimination. Whatever merit there may be to those allegations is beyond the scope of this investigation. Nonetheless, Burns management has no convincing justification for a failure to deal with other disciplinary problems, including frequent displays of a quick temper by the L-D.

Contributing to this "hands off" sentiment is the fact that the L-D is best friends with the Burns Administrative Manager who appears to have considerable influence in the back room. When the Post Commander is away, the Burns Administrative Manager is usually the person in charge of the entire security force. The investigators are not suggesting that management should attempt to control friendships among employees. It is essential to good morale, however, that discipline for misconduct be applied in a fair, consistent, and even-handed manner to all people involved in similar incidents, regardless of whom they know. That has clearly not been the policy with this L-D.

As for the other person involved in the December 9 incident, the S-O does not have a clean slate in terms of work record, but with the exception of the other physical altercations, the prior misconduct does not appear to have been of a serious nature. If the fate of this S-O was to be determined by holding an election among the Burns employees at Palisades, there would be a landslide vote saying the S-O was unjustly terminated. While there is a small faction

that is sympathetic to the L-D, the vast majority of employees who commented on the December 9 incident believe that the S-O was a "victim", and that the S-O's employment was wrongfully terminated by Burns. There is a further strong sentiment among the work force at large, that the S-O was terminated because of the L-D's connections to the back room. Finally, the fact that the S-O made a report to the state police is perceived as the factor which tipped the scales in the decision to terminate employment.

The investigators believe that the S-O exaggerated the extent of the injuries; that those injuries did not necessarily require medical treatment; and that the S-O purposely blew the entire incident out of proportion, including the report to the state police in order to make a point. The S-O was nonetheless a victim of an unjustified act of aggression, and the S-O's actions on December 9, in isolation, would not seem to justify termination by Burns of an eight year employee.

The investigators fully recognize that employment decisions are not made by popular vote. Indeed, hiring and firing decisions are beyond the scope of this investigation. There might well have been other factors that went into the Burns management's decision to terminate the S-O. However, the investigators' perceptions are that if this S-O is not reinstated, Burns management faces an enormous communications hurdle to restore confidence among this work force. There are very strong feelings that this S-O's termination was unjust and that it was directly related to the favored-status of the person with whom the S-O had the altercation. The perception is also strong that making a police report about the incident was the clincher in the decision to fire the S-O.

THE JANUARY 5 TERMINATION

As noted above, the December 9 incident appears to have prompted the letter of December 21, 1994 requesting an investigation. However, the interview summaries in the investigation file are replete with comments about the officer who was fired on January 5, 1995. This report would simply not be complete without a discussion of that officer. The investigators regret that the officer chose not to return their phone call so he/she could participate in this investigation. They believe, however, that they have a fair appreciation for this officer's personality from a review of records and from what others have reported.

The officer is single, with no dependents, 55 years of age, and has a bachelors degree in sociology from a state university. The officer has been described as "eccentric", "a loner", "very emotional" and "quick-tempered." The officer has also been described as being conscientious about the job, but almost to the point of being obsessive. While not everyone liked the officer personally, and some were even afraid of the officer, most people thought the officer was very thorough and meticulous.

There are numerous letters and incident reports in the files authored by this individual. It was no secret that this person regularly reported concerns to the NRC and the NRC is openly listed as having received copies of many reports prepared by this person.

The officer appears to be very articulate, and may well have been overqualified for the position of security officer. Though quick to criticize others, it appears that the officer does not accept criticism well. The officer is also quick-tempered and was involved in at least one physical altercation with a lieutenant.

The events which led to this termination are: a fellow security officer, while attending diversity training offered by Consumers Power Company, expressed a concern about being afraid of this officer and that the officer appeared to lose control when being disarmed and disciplined for the physical altercation mentioned in the preceding paragraph. The concern expressed by the fellow officer led to a decision to suspend the officer and to examine the criteria of 10 CFR 73.56. Personal privacy concerns of this officer prohibit a more detailed discussion of the dynamics involved in the decision to terminate the officer.

The officer's employment was terminated on January 5, 1995, with the termination form indicating "not qualified." It appears to the investigators that the termination was not only justified, but required by applicable federal regulations.

Although it is by no means unanimous among the Burns work force, a review of the interview summaries reveals some commonly held opinions that this officer was fired because of frequent reports to the NRC. The investigators do not believe that to be the case, but those widely-held perceptions must somehow be dealt with in an educational process when Palisades Plant management decides upon the actions it will take in response to the conclusions of this investigation. In light of the substantial documentation in this employee's personnel file which would raise concerns about the requirements of 10 CFR 73.56, it is too simplistic to say there is a cause and effect relationship between reports to the NRC and the firing. Because of privacy concerns, of course, that personnel file is not available to the work force at large. Management was well aware that people might make the connection between the discharge and the known reports to the NRC, but the investigators conclude that was simply not the reason, or even a

factor in the decision to terminate. While it is difficult to change those perceptions without interfering with the employee's right to privacy, it is an effort that must be undertaken.

CHILLING EFFECT

There is nothing particularly unique or surprising about a 75-person work force having the usual personnel concerns and problems. Personalities will sometimes conflict, allegations are made, and management must attempt to address these issues as they arise, while at the same time accomplishing the work Burns was hired to perform.

The standard interview summary which is attached as Exhibit 3 to this report was designed to "take the pulse" of the Burns security work force at Palisades and the investigators believe they were able to do that.

The investigators have the general impression after interviewing that entire work force that its members are, for the most part, well-trained, professional, and conscientious workers. They are also proud of the work they perform, and cognizant of the importance of security at a nuclear power plant. Regrettably, they also lack confidence in Burns management, are suspicious of the "back room", and are frustrated with the lack of communication and feedback from their superiors.

This investigation comes at a time when three employees with a combined total of 37 years of service were terminated within a three week time period. The Burns work force is also aware that the Burns contract with Consumers Power is out for bids for the first time in history, with 3 or 4 competing bidders vying for the contract. It would be an understatement to say that the anxiety level among the work force is high and morale is at a low point.

As part of the standard interviewing process, the question was asked as to whether anyone "held it over your head" that the contract was up for renewal, and that if you care about your job you had better keep your mouth shut and not report things. The investigators conclude that there is no evidence that any such thing occurred at any time.

Before discussing a chilling effect in detail, two important distinctions must be made. The first involves the reporting of safety and security concerns as opposed to reporting personnel type issues. The line between the two is not always easily discernable. For example, is a physical altercation between two security officers in a nuclear power plant a safety or security issue? Or, is it more in the nature of a personnel/discipline type issue? While it is certainly something that is disappointing to have occur, the investigators would tend to label it as more of a personnel matter than as something which seriously compromises safety or security. Because of that conclusion, the investigators do not believe that the incidents discussed in this report had any impact whatsoever on the Licensee's compliance with its approved security plan. To avoid the discussion or disclosure of safeguards information, the security plan will not be discussed further.

Before discussing a chilling effect, the second distinction which must be made relates to failing to report things out of a fear of retribution, as opposed to not reporting them because it is futile to do so. The investigators make these two distinctions at the outset because they interpret the NRC's chilling effect concern to be related to employees' failing to report safety or security issues out of a fear of some kind of retribution.

The conclusion is inescapable that the Burns security work force at Palisades is reluctant to report personnel-type matters because of a widely-held and openly expressed

sentiment that it does not do any good, that things get bogged down in back room politics, and that there is no feedback which encourages the reporting of those matters. While Burns has a standard form incident report, commonly referred to as "blue paper," there is not a clear understanding among the workers as to what types of incidents it should be used for, or what happens to it after it is submitted. If there was one theme which emerged loud and clear from talking to these people, it was the need for communication and feedback from Burns management. It is essential that when Palisades Plant management responds to this investigation, that the response include a requirement by Burns management, on every incident report submitted, for mandatory follow-up with and feedback to the person who submitted the incident report.

The investigators would not refer to what is described above as a "chilling effect", because it is not primarily out of a fear of any kind of retribution that people fail to report these matters. Rather, the investigators would coin the phrase "apathy effect." If the NRC chooses to read the interview summaries, it will see frequent comments along the lines of "why bother", "it doesn't do any good" and "no feedback" in response to questions 12 - 17.

When it comes to plant-operational matters and issues which truly involve safety and security as opposed to personnel issues, there is little reluctance to report, and indeed, most people believe it is an important part of their job to log and report such events. Having said that, the investigators cannot go so far as to say that the incidents surrounding the firing of the three individuals referenced above have had absolutely no impact on the reporting of either type of concern.

As could be expected with a group of this size, some Burns employees make no distinction in their own minds between an officer reporting an assault to the state police and someone reporting a safety concern to the NRC. Because there is a perception among enough people that the report to the state police by the S-O who was stabbed with a pencil was an important factor in the S-O's termination, it is fair to say that it has had an impact on some people in terms of reporting anything to anybody. In other words, the attitude of this faction is "keep your mouth shut and don't make waves."

It should be emphasized that the investigators are not accusing Burns management of deliberately attempting to create a chilling effect by discharging someone for making a report to the state police. In fact, Burns management denies that it was even a factor. Because of descriptions about the reactions of certain people in Burns management when they learned that a police report was made, however, the investigators do not accept the notion that the police report played no part in the decision to terminate the officer.

Similarly, as noted above in reference to the January 5 termination, the investigators believe that Burns management had no choice in light of the requirements of 10 CFR 73.56 and made the correct decision. We conclude this termination was not in retaliation for reporting things to the NRC. Burns management, nonetheless, faces an uphill battle in changing the perceptions of a significant number of its Palisades work force, to convince them that it was not a retaliatory discharge. However innocent and unintended, the investigators believe that the January 5 discharge of that employee will reinforce the feelings of the "keep your mouth shut" faction to do just that—perhaps even with respect to reporting to the NRC.

CONCLUSIONS

The significant conclusions of this report, in summary form, are as follows:

1. While the December 9 incident was not completely unprovoked, the L-D overreacted and responded in an aggressive and assaultive manner which was unprofessional and inappropriate.
2. Prior displays of a quick temper by the L-D involved in the December 9 incident were not dealt with by Burns management in a manner which discouraged such conduct.
3. The arm-twisting incident of a year earlier between the two people involved in the December 9 incident was unprovoked and unjustified on the part of the S-O and should have been reported by the L-D or others who witnessed it.
4. The S-O involved in the December 9 incident, while within his/her rights in making a police report, exaggerated the seriousness of the incident and the extent of the injuries.
5. There is a strong sentiment among the work force that the S-O involved in the December 9 incident was a victim whose discharge was unwarranted.
6. There is a widely-held belief, which the investigators accept, that the report to the state police was a factor considered in the termination by Burns of the S-O involved in the December 9 incident.
7. There is a significant faction of the work force who believe that the discharge of the officer on January 5, 1995 was due at least in part to frequent reports to the NRC. The investigators do not accept that underlying proposition as being true, but the perception among the work force is present nonetheless. It will be difficult to communicate that the principal factor considered in the decision to terminate was compliance with federal regulations, because such communications could create a separate set of privacy concerns among Burns employees.
8. A lack of feedback and effective communications from Burns management has led to a sense of apathy in terms of reporting personnel type problems, not out of a fear of retribution, but more from a sense that it would be futile to make such reports.
9. People in the Burns work force are generally conscientious and continue to report safety, security and operational type problems. Many people pride

themselves on not being intimidated in any way when it comes to reporting such matters.

10. There has been no deliberate attempt by Burns management to create a chilling effect by retaliating against employees for reporting incidents. For at least some members of the Burns work force, however, the firing of three employees within a three week period has encouraged them to adhere to a "silence is best" philosophy for the time being. This may inhibit the freedom with which they feel they can report things.

FINAL NOTE

It is the nature of an investigation that problems will be uncovered and disclosed. As is evident from reading this report, no effort has been made to sugar-coat or conceal the problems or perceptions which were found. The investigators do not want to create the impression, however, that there is a crisis situation at Palisades. In spite of some morale problems and anxiety about the Burns contract with Consumers being out for bids, Burns employees are continuing to perform their jobs in a professional and conscientious manner. The investigators do not believe that safety or security have been compromised.

The NRC is concerned, legitimately, with a chilling effect. Without getting wound up in the intricacies of that term of art, this report has concluded that some Burns employees, due to human nature, may be prone to follow a "silence is best" philosophy until the waters calm down. Burns has not deliberately sought to create that effect. The investigators are confident that Burns management, working together with Palisades Plant management, have the desire, the competence and the positive attitude necessary to address the problems which have been disclosed and that they will, in fact, be addressed.

COPY

Dated: January 27, 1995

Michael G. Wilson

Michael G. Wilson

On behalf of the Consumers Power
Company Legal Department
Investigation Team

To TJPalmisano, Palisades Plant

From DAMikelonis, M-1066 **DAM**

Date January 5, 1995

Subject REQUEST FOR INDEPENDENT INVESTIGATION

CC MGWilson, M-923A

CONSUMERS
POWER
COMPANY

Internal
Correspondence

On or about 12/27/94, in your capacity as the Palisades Plant General Manager, you received a letter (dated 12/21/94) from Roy J. Caniano, Chief--Reactor Support Programs Branch, of the Nuclear Regulatory Commission Staff regarding "physical security concerns at Palisades." The letter requests that those concerns be reviewed "by someone independent from your security organization." You have requested that the CPCo Legal Dept. in Jackson conduct an independent investigation to review those concerns and provide you a report of its findings and conclusions as a result of its investigation. You, in turn, would use that report to make a submittal to the Nuclear Regulatory Commission, as requested in Mr. Caniano's letter.

This memo is to acknowledge your request and to indicate that the Legal Dept is willing to conduct such an independent investigation. To assure its independence, the attorneys and investigators from the Legal Dept. are being asked to prepare a report for me which will be the result of their own work and conclusions on the subject matter. Their report will not be reviewed by anyone at the Palisades Plant or the Nuclear Operations Dept while in draft form before it is submitted to me in final form. I will forward the final version to you for your use.

I have one caveat as to timing. Mr. Caniano's letter requests your submittal to him to be within 30 days of the December 21, 1994 date of his letter. That would be on or before January 19, 1995. Not having launched the investigation yet, I cannot guarantee that we will be able to meet that date. While we will devote extensive resources to the effort, we do want to do a careful job. I just may have to advise you after we get into it that we need a little more time than the January 19, 1995 date would allow. However, we will cross that bridge if we come to it.

The team leader on the investigation will be MGWilson. He will be assisted by other experienced attorneys or investigators from the Legal Dept. I understand his initial contact at the Palisades Plant for arranging facilities and working space will be you. If you have not already, you can expect to hear from Mr. Wilson very soon.



Burns International Security Services
Palisades Nuclear Power Plant
27780 Blue Star Memorial Highway
Covert, Michigan 49043
Tel. (616) 764-8338

As all of you are aware, Consumers Power Company is regulated by the Nuclear Regulatory Commission (NRC) in its operation of the Palisades Nuclear Plant. The NRC has asked Consumers to conduct an evaluation of certain security issues which involve our operations at the Plant. The Plant Manager requested that the evaluation be conducted by Consumers' Legal Department.

The evaluation team, four attorneys from the Legal Department, would like to meet with as many members of our security force as possible next Monday through Wednesday, January 9, 10, and 11, 1995. The interviews will take place at the Palisades Plant. It is expected that most interviews will last less than an hour.

It is important that you understand that this evaluation is a fact-finding mission and there are no targets, nor are Burns' employees suspected of any wrongdoing. To encourage your candor, we have been informed by Consumers Power that individual interview information will be kept confidential and will not be disclosed to either Plant Management or Burns' Management unless information contains violations of the Plant Security Plan which may fall under reportability requirements or require further investigation. We urge you to cooperate fully with the evaluation team and to give candid, open and honest answers to their questions. You will be informed soon of your interview time.

Should you have any questions contact Steve Cote at extension 0561 or Don Zastrow at extension 0350.

Thank you for your anticipated cooperation.

A handwritten signature in dark ink, appearing to read "Don", with a long, sweeping horizontal line extending to the right.

D.E. Zastrow

PALISADES PLANT-INTERVIEW SUMMARY

DATE OF INTERVIEW: January____, 1995
PERSON CONDUCTING INTERVIEW: Michael G. Wilson, Attorney
TIME INTERVIEW STARTED:_____

INTERVIEWEE NAME_____

AGE_____ PRESENT TITLE: _____ Unarmed Security Officer
_____ Armed Security Officer
_____ Armed Security Officer,
Fire Brigade
_____ Second Lieutenant
_____ First Lieutenant
_____ Other_____

_____ Full Time _____ Part Time

How long with Burns?_____ How long at Palisades?_____

Have you received any promotions since you've been with Burns?

_____ NO _____ YES. If yes, what and when?_____

Did you receive a written communication from Burns telling you about this investigation?

_____ NO _____ YES

Have you had any conversations with anyone from Burns about this investigation?

_____ NO _____ YES If yes, what were you told and by whom?

Has anyone from either Burns or Consumers told you anything which you interpreted as meaning that you should not be open and candid with us as we're doing these interviews?

_____ NO _____ YES If yes, what were you told and by whom? _____

Please briefly describe your day-to-day duties? _____

1. _____

Who is your present supervisor? _____

How long? _____ (if < 6 mos. who prior?) _____

Does Burns management hold regular employee meetings at the Plant?

_____ NO _____ YES If yes, do you usually attend?

_____ NO _____ YES

How often are these meetings held?_____

In general, what types of issues are discussed at employee meetings?_____

2. _____

Is there an opportunity for questions and answers by employees?

_____ NO _____ YES

Are questions _____ encouraged or _____ discouraged?

Does someone from Consumers Power usually attend?

_____ Always _____ Sometimes _____ Rarely

Who? _____

Do you have occasions to meet one-on-one with anyone from Consumers on any kind of a regular basis to talk about your job or about any Plant concerns you might have?

_____ NO _____ YES If yes, how often does that occur?

Who would you usually meet with from Consumers? _____

What types of things do you discuss? _____

1. _____

Is there any kind of protocol or procedure in place, that you're aware of, that if you have some kind of concern either with your

job or with something you see as a concern at the Plant, that you're supposed to take it up with Burns management first?

_____ NO _____ YES If yes, how has that been communicated to you, and by whom?_____

4. _____

Has anyone ever told you NOT to bring something to the attention of Consumers management without first talking to Burns management?

_____ NO _____ YES If yes, who, when and explain._____

5. _____

Has anyone ever told you that you'll be disciplined in any way if you bring something to the attention of Consumers without first going through Burns?

_____ NO _____ YES If yes, who, when and explain.____

6.

Do you know of any Burns employee who you feel has been discharged, disciplined or discriminated against in any way at this Plant because they raised some kind of concern with Consumers without going through Burns management?

_____ NO _____ YES If yes, who, when and explain.____

7.

Has anyone from Consumers ever told you that you shouldn't come to Consumers with concerns about things you see or hear about at the Plant?

_____ NO _____ YES If yes, who, when and explain. _____

8. _____

Has anyone from either Consumers or Burns discouraged you in any way from telling the NRC about things you see at the Plant?

_____ NO _____ YES If yes, who, when and explain.

9.

Do you have any knowledge of any Burns employees at this Plant being discharged, disciplined or discriminated against in any way because they went to the NRC with some type of concern?

_____ NO _____ YES If yes, who, when and explain.

10.

Even if it wasn't communicated to you directly, do you know of anything that was done indirectly by either Burns or Consumers to discourage people from expressing or reporting concerns that they have about the Plant?

_____ NO _____ YES If yes, explain. _____

11. _____

Have you had occasions in the course of your job here to report things that you've seen going on at the Plant?

_____ NO _____ YES If yes, how did you report these things and to whom? _____

12. _____

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper appears slightly aged or off-white. There is no handwriting or other markings on the page.

Have you ever felt that you have been ridiculed or discouraged in any other way from reporting things?

NO YES If yes, explain.

13.

Do you know of other Burns employees who have been ridiculed or discouraged in any way from reporting things?

_____ NO _____ YES If yes, who and explain. _____

14. _____

My understanding is that there are standard form incident reports used by the security force known as blue sheets. Are you familiar with those?

_____ NO _____ YES

Are they something you use on a regular basis?

_____ NO _____ YES How often? _____

Does Burns encourage you to fill out these reports?

_____ NO _____ YES

What types of things are they used for? _____

15. _____

Have you ever been criticized for NOT filling out one of these sheets when someone thought you should have?

_____ NO _____ YES If yes, explain. _____

16. _____

Have you ever filled out one of these reports and had someone tell
you it wasn't necessary for the type of incident you reported?

_____ NO _____ YES If yes, what was
the nature of the incident reported? _____

Who told you not to report that kind of incident? _____

What is your understanding as to what happens with these blue
sheets after they are filled out? _____

17. _____

Has anyone ever come back to you requesting more information after
you filled out an incident report?

_____ NO _____ YES

Is that typically what would happen? _____ NO _____ YES

Can you think of any occasion where anyone from either Burns or Consumers has either directly or indirectly told you, in effect, if you care about your job, to keep your mouth shut?

_____ NO _____ YES If yes, who, when and explain.____

18. _____

Do you have any knowledge, or have you even heard about anyone else at the Plant who has been told directly, indirectly or by implication that if you want to keep your job, you had better keep your mouth shut or mind your own business?

_____ NO _____ YES If yes, who, when and explain.____

19. _____

Overall, from your experience here, do you think that employees express themselves openly about concerns they have either about their jobs or about things going on at the Plant?

_____ YES _____ NO If no, why not? _____

20.

It's my understanding that the Burns contract with this Plant is up for renewal soon. Has Burns discussed that with its employees?

_____ NO _____ YES If yes, what have they told you about that? _____

21. _____

Do you feel that anyone from either Burns or Consumers has held that over your head in any way, that Burns contract with Consumers is up for renewal?

_____ NO _____ YES If yes, explain. _____

22. _____

Do you know of any occasions when fellow employees, as opposed to management, have put pressure on other employees to keep their mouth shut or to not report things?

_____ NO _____ YES If yes, explain. _____

23. _____

Regardless of what the source might be, do you feel any kind of

pressure to keep your mouth shut about things or do you feel you can freely voice your concerns without worrying about your job?__

24.

Is there anything I haven't asked you about which relates to concerns you have about being able to freely report things to either Consumers or the NRC and that you think I should know about?

_____ NO _____ YES Explain. _____

We'll end the interview at this time, and I'd like to go over my notes with you, and if I've accurately summarized our conversation, I'd ask you to sign this and you can be on your way.

Interview concluded at: _____

I have reviewed this Interview Summary with Michael G. Wilson consisting of 19 pages and _____ additional sheet(s), and I agree that it accurately summarizes our conversation.

INTERVIEWEE SIGNATURE:

Michael G. Wilson

(Include numbers corresponding to numbers on Interview Summary)

Standard Interview Introduction

Hi, _____, my name is _____. I'd like to explain to you why we're here. The NRC received a report of an incident involving some Burns Security officers at this Plant and asked Consumers to do an internal investigation. The purpose of that investigation is to determine whether Burns employees feel free to bring their concerns to Burns' management, Consumers management, or even directly to the NRC if it was something you believed they should know about.

I am an attorney from Consumers Legal Department in Jackson and we're conducting the investigation to keep it independent from Plant management. I want you to feel at ease. This is not an investigation of you personally. In fact, we're not investigating any wrongdoing by anyone from Burns. We're simply conducting these interviews for a fact-finding. In other words, when we're done interviewing, the results of our interviews will be summarized, without using any names, in a report which we'll submit to our General Counsel in Jackson. That report will get filed with the NRC without editing.

Even though no names will be used in the report, we are filling out an interview sheet as we go along to summarize our conversation. Those summaries will be kept in Jackson, and will be shared with the NRC and no one else, and only the NRC if they ask for them.

I'd like you to be open with me and to answer my questions as truthfully as you can. With that background in mind, unless you have any questions, why don't we get started.