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 FROM ME, RICHARD W. GILBERT,  
 DUNCAN TOWN, N. C.  
 MONTGOMERY, L. RICHARD MONTGOMERY, JR.,  
 IRVING MONTGOMERY, LITTON,  
 FROM ME, RICHARD W. GILBERT,  
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 CHARLES S. PASCHAVAN, JR., CALIF.,  
 DONALD H. BRECHTER, NEBR.,  
 DAVID G. MARTIN, N.Y.,  
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 JAMES W. HARRIS, UTAH

## WASHINGTON, D.C. 20515

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REPUBLICAN COUNSEL

September 15, 1982

MORRIS K. UDALL  
Chairman

Danascus, Maryland  
October 20, 1982

The Honorable Morris K. Udall  
Chairman  
Committee on Interior and Insular Affairs  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Chairman Udall:

In response to your October 6, 1982, letter, enclosed are a number of documents relating to a U.S. Nuclear Regulatory Commission (NRC) investigation of the William H. Zimmer Nuclear Power Station. The following information may assist you in understanding the enclosed documents.

In December 1980 the Government Accountability Project (GAP), on behalf of Thomas Applegate, requested an investigation of (among other things) the inadequacies of NRC Region III's previous investigation of Applegate's allegations concerning Zimmer. At that time I was an investigator with the NRC Office of Inspector and Auditor (OIA); another OIA investigator and I were assigned to investigate this matter, to include the identification of any deficiencies in the NRC's overall investigative program. Our field investigation commenced January 13, 1981, and concluded March 6, 1981, with the interview of Terry Harpster, a former Region III inspector for Zimmer. The final OIA report of investigation was issued August 7, 1981, and is entitled "Adequacy of IE Investigation 50-358/80-9 at the William H. Zimmer Nuclear Power Station."

Our draft report of investigation was submitted to OIA management who rewrote some portions and deleted other portions entirely. The summary of the report was rewritten so that it no longer described the scope of OIA's investigation as including a review of overall weaknesses in the NRC investigative program: the rewritten summary of the final report leads the reader to believe that OIA had only performed a limited investigation of ineptness by NRC employees, when the scope had actually been broader. The results of our interview of Harpster (in which he outlined problems he encountered while assigned to inspect Zimmer) were deleted from the final report entirely. Finally my supervisor (OIA's Acting Assistant Director for Investigations) and I were sent back to Region III to review the "final draft" report with the very members of the Region III staff whom we were investigating. The summary and some of the interviews were then changed to accommodate Region III's comments.

The above sequence is important, not only for what it means about the integrity of OIA's final report, but also as the back-drop against which to consider OIA's response to a subsequent Freedom of Information Act (FOIA) request. Late in 1981 GAP requested that OIA

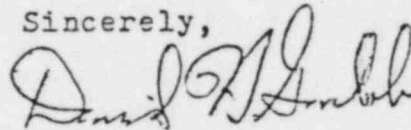
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release all drafts of the report in question, especially any material that was deleted from the final report (the exact date and language of the FOIA request can easily be determined through OIA's records). Upon receipt of the GAP request, my supervisor asked me if I had any records subject to the request--other than the records filed in OIA's "front files" (i.e., the files stored in OIA's safes). When I replied that the file cabinet in my office contained a number of drafts and material that had been deleted from the final report, I was directed to remove these documents from OIA offices. OIA's response to GAP's FOIA request made no mention of these documents. yes  
OK  
[initials]

The appendix to this letter, entitled "Documents in OIA Files," lists all the documents that were in OIA files at the time GAP's FOIA request was received. Many of these documents were already in, or were subsequently added to, OIA's "front files"; I do not have copies of any such documents. The remaining documents were kept by OIA investigators in filing cabinets in their offices. The enclosed documents were stored in the filing cabinet in my office because they were not authorized to be filed in the "front files." These are the same documents which I was directed to remove from OIA offices after OIA had received GAP's FOIA request. I have maintained possession of these documents since that time, although I recently provided copies to the NRC Office of the General Counsel at its request.

If you have any questions concerning this matter, I can be reached at 274-5373.

Sincerely,



David H. Gamble

#### Appendix: Documents in OIA Files

Enclosures (letter designations correspond to those used on the Appendix):

N, U, Y, Z, AA, BB (2 versions), CC,  
DD, EE, GG, HH, II, OO, PP, QQ, RR,  
SS, TT, UU, VV, WW, XX, YY, ZZ, and AAA .

DOCUMENT 11

A. File Transfer Record to Terry Harpster, IE fm Dave Gamble, OIA, dated 3/9/81, transmitting Harpster's personal file re Zimmer.

1. Memo G. Gower fm J. Keppler, re Zimmer - Report of Investigation into Licensee Statements at ACRS Subcommittee Meeting, dated 7/31/79. Attachments: a. Letter Borgmann fm Keppler, dtd 7/31/79, re investigation by IE re accuracy of statements re staffing of Zimmer made by licensee during meeting with ACRS. w/attach. Region III Report No. 50-358/79-21, for Investigation May 21-24, 1979.

2. Memo Thompson fm Keppler, re Erroneous Statements Provided By Applicant at Zimmer ACRS Subcommittee Meeting (AITS F30488H6), dated 4/10/79 Attachment:  
Statement of Facts Re Erroneous Info Given by Applicant at Zimmer ACRS Subcommittee Meeting.
3. Memo Keppler fm Thompson, re Apparent False Statements by Applicant at Zimmer ACRS Subcommittee Meeting (AITS F30488H6), dated 5/2/79. Attachment:  
Ltr Keppler fm Borgmann re Region III wishes to interview CG&E re statements made to ACRS, dtd 5/18/79.
4. Transcript of Testimony of Mr. Schott before Mr. Bender. (ACRS) 4 pp only, undtd.
5. Transcript of Testimony of Mr. Borgmann before ACRS - 20 pp only, undtd.
6. NRC, Region III, Press Release #79-12, dated 3/22/79.  
Attachment: Ltr Hendrie fm Carbon, re Report on William H. Zimmer Nuclear Power Station, Unit 1, dtd 3/13/79.



7. Package containing:
  - a. Terry L. Harpster Statement, dtd 5/22/79
  - b. John E. Menning Statement, dtd 5/21/79
  - c. One page note containing names beginning with "Monday-Peter Baci"
- 8.. Draft Investigation re Apparent False Statements by Cincinnati Gas & Electric Co. Investigator: Peter E. Baci. DN:50-358. (missing p. 14).
9. Ltr Borgmann fm Keppler, re inspection conducted by T. Harpster and to discussions of our findings with Borgman, Salay, Schott and others, dated 8/2/78. Attachment:  
Region III, Report No. 50-358/78-11, for inspection on May 23-26 and June 22-23, 1978, by Inspector T. Harpster, dated 7/31/78.
10. Ltr Borgman fm Fiorelli re inspection conducted by T. Harpster February 28 & March 1-3, 1978, dated March 22, 1978. Attachment:  
Region III Report 50-358/78-06 at Wm. H. Zimmer Site, conducted by T. L. Harpster on Feb. 28 and March 1-3, 1978.
11. "Attachment 13A, Table of Contents"

- B. Draft Investigation re Apparent False Statements by Cincinnati Gas and Electric Co., Investigator Peter E. Baci, No. DN: 50-358.  
(w/conclusions).  
w/conclusions
- C. Ltr Borgmann fm Keppler, re investigation conducted by P. Baci on May 21-24, 1979, at Zimmer Plant, dated August 3, 1979  
Attachment:  
Region III, Report No. 50-358/79-21, Investigation on May 21-24, 1979 at Zimmer (w/conclusions deleted).  
w/ attachments: Statements by T. Harpster; J. Menning; J. Schott and letter Borgmann to Keppler, dated May 18, 1979.
- D. Affidavit of James C. Huwell. dtd 6/22/80.
- E. Witness List, Government Accountability Project, Zimmer, July 1980.
- F. Memo Clark fm Tom Devine, dtd 7/2/80, re 7/2/80 conversation with Pat Dinsler on Zimmer Plant.
- G. Memo Eastwood fm Government Accountability Project, dtd 10/30/80, re Suggested Checklist of Items to Evaluate Whether Reports Submitted under 5 USC 1206(b)(3) Include Info Required by 5 USC 1206(b)(4).
- H. Note to Commission fm Cummings, dtd 12/10/80, re T. Applegate's letter which was submitted by Government Accountability Project for review.
- I. Memo Cummings fm Ahearne, dtd 12/15/80 re T. W. Applegate Allegations-  
rqst OIA conduct investigation to see if IE conducted adequate investigation re Zimmer. (w/handwritten notations).

- J. Ltr Ahearne fm Eastwood, dtd 12/29/80, enclosing info transmitted pursuant to 5 USC 1206(b)(2).

Attachments:

1. Ltr Eastwood fm Clark, 12/10/80 re GAP representing T. Applegate in request for investigation re Zimmer
2. Ltr Eastwood fm Clark, dtd 12/15/80 re Applegate authorized GAP to disclose his name to anyone within Government.
3. GAP Petition before the Office of Special Counsel of Merit Systems Protection Board-Request for an Investigation pursuant to 5 USC 1206(b)(7) on behalf of Thomas Applegate.

Exhibits:

#1 Region III, Report of Investigation No. 50-358/80-09 for the period April 7-9 and 30, and May 1-2 and 20, 1980 re Zimmer.



News article fm Cincinnati Enquirer, dtd 5/1/80

- #2.. Ltr Cox fm Altemuehle dtd 12/5/79, re CG&E checking possibility of misconduct re construction at Zimmer.
- #3. Affidavit of Thomas W. Applegate, Jr., dtd 6/6/80.
- #4. Investigative Reports and Summaries (4) re Under Cover Investigative Activities at Zimmer Plant, submitted by Major W. Cox.
- #5. Toll calls of Harry V. Means thru 3/10/80.
- #6. Ltr Applegate fm Phillip, dtd 3/11/80 re meeting on 3/3/80.
- #7. Portions of GAO Report EMD-79-16 dtd 1/26/79.
- #8. Portions of GAO Report EMD-78-80 dtd 9/7/78.
- #9. Portions of IE Investigative Report re South Texas Nuclear Project.
- #10. Transcription, Conversation between Applegate and Alredge(sic).
- #11. FBI Shifts Charges to NRC.
- #12. Memo Clark fm Devine, dtd 6/13/80 re Verification of Allegations in Applegate's 6/6/80 Affidavit: Riga Giordano.
- #13. Memo Clark fm Devine, dtd 6/12/80 re Verification of Allegations in T. Applegate's 6/6/80 Affidavit: Joan Means.

- K. Memo Ahearne fm Cummings, dated 1/5/81, re Thomas W. Applegate Allegations.
- L. Memo Cummings fm Ahearne dated 1/7/81, re Office of Special Counsel Letter of 12/29/80 rqsts NRC report by early March.
- M. Memo Phillip fm Stello, dtd 1/16/81, re Merit System Protection Board Charges by IPS
- N. Report of Meeting between OIA & IE, Region III (draft dtd 1/19)
- O. Memo Keppler fm Fortuna, dated 1/29/81, re Confidentiality and Restriction of Info forwarded by OIA
- P. Memo Schnebelen & Sinclair fm Devine, dtd 2/4/81 re Witness List from January 28-31 Cincinnati Visit

Attachments:

- 1. Affidavit Jeffrey J. Hyde dtd 1/31/81
  - 2. Affidavit - Stephen D. Harris, dtd 1/31/81
  - 3. Affidavit - Edwin P. Hofstadter, dtd 1/29/81
  - 4. Affidavit - Thomas Dean Martin, dtd 4/28/79
  - 5. Affidavit - Gorman L. Reynolds, dtd 5/21/79
  - 6. Affidavit - Robert Anderson, dtd 5/22/79
  - 7. Zimmer's Suppression Pool Problems, dtd 1/25/81, as related by Donald O'Daniel.
  - 8. Ltr Anders fm Hofstadter, dtd 8/18/78 reporting nonconformance to 10CFR50 requirements & specifications at Zimmer.
  - 9. Statement of - Edwin Hofstadter, undtd.
  - 10. Report of Findings at Husky Product, INC. on 10/30/74 - submitted by Lee Spievack.
  - 11. Husky - Sequence of Events, dtd 10/26/78.
  - 12. Affidavit - Donald Blanch, dtd 6/26/79..
  - 13. Ltr Borgmann fm Heishman, dtd 12/21/78, re investigation conducted by IE, Sept 13-22 & 23-29, 1978 at Zimmer
- Attachments: Appendix A - Notice of Violation  
Region III Report of Investigation No. 50-358/78-21.

- Q. Ltr Clark fm Cummings, dtd 2/4/81, re confirming meeting between GAP & OIA.
- R. Memo Stello fm Cummings, dtd 2/10/81, re Transfer of Documentation Provided by Government Accountability Project (2/9/81).
- S. Memo Clark fm Devine, dtd 2/11/81, re Summary of 2/1/81 Telephone Interview w/Vic Griffin.
- T. Memo Clark fm Devine, dtd 2/11/81, re Summary of 2/1/81 Conversation w/Tom Martin.
- U. Report of Interview - James F. Donahue. (Draft dtd 2/23)
- V. Memo Stello fm Keppler, dtd 3/17/81, re Investigation of Applegate Allegations Related to Zimmer. w/handwritten notations by Davis & Cummings.
- W. Memo Commission fm Fitzgerald, dtd 3/18/81, re jurisdiction of Merit Systems Protection Board over Applegate Allegations: Attachment: Justice Dept. Opinion.
- X. Note to Art fm Dave, dtd 3/24 re Cumings asked for breakdown of GAP/Applegate allegations to show which being handled by IE & which by OIA.  
Note to Dave fm Art, no date, no further action necessary.  
Draft-Allegations Raised in GAP Documents.
- Y. Interview of Terry Harpster (draft, dtd 3/30/81.)
- Z. Draft Report of Investigation, dtd 4/6.
- AA. Master Copy of Summary, dtd 4/7/81
- BB. Draft Master Copy of Report, dtd 7/7/81. (2 versions w/different annotations)
- CC. Pages 38-46 of report with handwritten notation to eliminate them from report.
- DD. Listing of Welding Documentation (Draft dtd 7/14/81)

- EE. Note Jim and Art from John, dated 7/16/81, attaching for their review "Review of Welding Records" Report re Zimmer (draft section of report).
- FF. Ltr Cummings fm Tracey, dtd 7/20/81 re Tracey AUSA conducting Zimmer investigation & wishes to be advised of status & completion date.
- GG. Review of Welding Records (draft section of report), dtd 7/22, w/notations.
- HH. Review of IE Inspector's Manual (draft section of report), dtd 7/22 w/notation
- II. Marked Up Copy (Gamble's) of Final Report re Special Inquiry of Adequacy of IE Investigation 50-358/80-9 at the William H. Zimmer Nuclear Power Station., undtd. w/interviewee's comments on reinterview noted in margins.
- JJ. Memo Commission fm Cummings, dtd 8/6/81 re Cummings<sup>V</sup> personal response to allegation about him.
- KK. Memo Commission fm Cummings, dtd 8/7/81 w/enclosed final report of investigation re Adequacy of IE Investigation 50-358/80-09 at the William H. Zimmer Nuclear Power Station also dtd 8/7/81.
- LL. Note to Dave fm John, dtd 8/10/81, discussed annotations with George & explained purpose.
- MM. Ltr Tracey fm Cummings, dtd 8/17/81 enclosing copy OIA's report of investigation re Zimmer.
- NN. Note to Thompson fm Schnebelen, dtd 8/19/81, attaching copy OIA's report of investigation re allegations by Applegate re Zimmer.
- OO. Draft Summary of Report, undated w/notations.
- PP. Draft Review of Weld Documentation Package for Weld Cy 606, undtd
- QQ. Draft Paragraph for report re OIA review of weld packages
- RR. Review of Welding Records (draft section of report) undtd.
- SS. Draft report, ~~undtd~~ (4/7/81)
- TT. Draft of Details section of Report undtd w/notations.
- UU. Draft - Summary of Report
- VV. Draft - Summary of Report
- WW. Draft - Summary of Report w/portions marked that were later deleted from final.
- XX. Draft Report and Transmittal memorandum undtd w/notations.
- YY. Draft Report marked "Master Copy"
- ZZ. Marked up Copy (Schnebelen's) of Final Report, undtd, w/interviewee's comments on reinterview noted in margins.
- AAA. Handwritten paragraph by J. Cummings, undtd.