

UNITED STATES NUCLEAR REGULATORY COMMISSION
REGION 1

In re: PUBLIC SERVICE ELECTRIC AND GAS CO.
VINCENT POLIZZI

An Enforcement Conference was held
before Loretta B. Devery, Registered Professional
Reporter and Notary Public, at the offices of the
United States Nuclear Regulatory Commission, Region
1, 475 Allendale Road, King of Prussia,
Pennsylvania, on Wednesday, February 8, 1995,
commencing at 3:15 P.M.

PRESENT:
WAYNE LANNING
JOHN WHITE
KARLA SMITH, ESQ.
DANIEL HOLODY
SCOTT BARBER
LENNY OLSHAN
MARK SATORIUS
MARK J. WETTERHAHN, ESQ.
WILLIAM BRIGGS, ESQ.
VINCENT POLIZZI

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MR. WHITE: This is an enforcement conference to discuss O.I. findings relative to harassment and intimidation issues that our Office of Investigations has investigated and believe it has substantiated information that supports H and I occurred on December 3rd, 1992.

The purpose of this enforcement conference is to assure that you understand the agency's investigative findings relative to this matter and to solicit from you any other information, mitigating circumstances, background, errors in the Commission's view on this particular event that you can bring to our attention that will help us in coming to an accurate assessment and evaluation of this matter relative to any potential enforcement that we may take.

Relative to the matter itself, specifically on December 3rd, 1992, two SRG engineers attempted to process a safety issue in accordance with station procedures by submitting an incident report to the General Manager of Salem Operations and to you, Mr. Polizzi, Operations Manager at the time. The incident report questioned

1 the safety related qualification of commercial grade
2 air pressure set point regulators which control
3 service water flow to containment fan cooling units.

4 In conversation with the SRG engineers,
5 the General Manager, with your cooperation and
6 advice, told the individuals to get out of his
7 office and threatened to have them removed from the
8 site, an action that was interpreted by the SRG
9 engineers as harassing and intimidated. Upon
10 deliberation, the General Manager wrote a letter to
11 the General Manager of Quality Assurance and Nuclear
12 Safety Review to have them removed.

13 Subsequently, further apparent
14 discriminating action was directed against the
15 individuals when the General Manager of Quality
16 Assurance/Nuclear Safety Review deliberated and took
17 action to reprimand and counsel the SRG engineers
18 relative to the submittal of the information and the
19 handling of the situation.

20 In conclusion, the Office of
21 Investigations appears to support the finding they
22 were harassed and intimidated by various actions
23 directly taken by these former Salem managers,
24 including yourself.

1 With that being said, I'd like to
2 identify the NRC representatives today. Dan Holody,
3 who is a representative with the Region 1 as
4 Enforcement Coordinator. Karla Smith, Regional
5 Counsel. Scott Barber, Project Engineer, Division
6 of Reactor Projects, Section 2A. Myself, John
7 White, Section Chief, Division of Reactor Projects,
8 Section 2A. Mr. Wayne Lanning, Deputy Director,
9 Division of Reactor Projects. Mr. Mark Satorius,
10 Office of Enforcement. And Mr. Leonard Olshan,
11 project manager, Office of Nuclear Reactor
12 Regulation. And if you would identify yourselves
13 for the the record, please.

14 MR. BRIGGS: Sure. I'm Bill Briggs,
15 and I'm an attorney representing Mr. Polizzi here
16 today.

17 MR. POLIZZI: Vince Polizzi, PSE&G.

18 MR. WETTERHAHN: I'm Mark Wetterhahn
19 with the law firm of Winston and Strawn.

20 MR. WHITE: And we understand and
21 you'll confirm, Mr. Polizzi, that Mr. Wetterhahn is
22 here with your consent?

23 MR. POLIZZI: Yes, sir, that's right.

24 MR. WHITE: With that being the case,

1 we'll open it to you for discussion.

2 MR. HOLODY: John, before you start, I
3 just want to go over our spiel. You were in on the
4 conference in the morning and went through it with
5 the utility. But just so you understand our
6 process, we have this O.I. finding that John
7 articulated the findings. We also have the
8 investigation that was done by the utility, and this
9 is basically the third piece of the puzzle. We want
10 to hear from you today regarding these issues, give
11 you an opportunity to present your views on this
12 matter, because we have a decision to make regarding
13 appropriate enforcement, whether we should take
14 enforcement with respect to you as an individual and
15 what that action should be if we decide to do so.
16 And I'll talk at the end of this meeting on what the
17 options are with respect to what they might be.

18 MR. WHITE: Also one other point in
19 that we are in receipt of the information that you
20 provided to Miss Karla Smith relative to a
21 Memorandum in Support of Mr. Vincent J. Polizzi and
22 a Declaration of Vincent J. Polizzi. We will
23 incorporate this as an attachment to the transcript.

24 MR. BRIGGS: Thank you, Mr. White.

1 1 That's the only procedural point, I wanted to make
2 2 sure that you had that. And if I could just briefly
3 3 say what we would like to do. First of all, we'd
4 4 like to thank all of you for giving us the
5 5 opportunity to explain what happened, and
6 6 particularly what happened on December 3rd and with
7 7 regard to the letter dated December the 4th insofar
8 8 as Mr. Polizzi is concerned. I don't plan to say
9 9 very much, but I want Mr. Polizzi to tell you all
10 10 what happened from the moment he first got involved
11 11 with this incident until the last moment that he had
12 12 anything to do with it. And we welcome, we plead
13 13 for any questions you may have, any concerns you may
14 14 have, any comments you may have.

2 15 We've obviously not seen the O.I.
16 16 report, so I can't comment on everything that's in
17 17 that report except what I have seen. We've not seen
18 18 all of the company's report. There are holes in
19 19 what we have seen. And we can comment on those
20 20 things that we know about. And please ask us if you
21 21 have any questions.

22 Vince, do you have any introductory
23 23 comments that you'd like to make before we get into
24 24 the heart of why we're here?

7
1 MR. POLIZZI: Just briefly, Bill, thank
2 you. I certainly ditto what Bill says in having the
3 opportunity to come before this group today and
4 explain at least my perception of what occurred. I
5 have to tell you that it is an embarrassing
6 experience, and frankly painful for me. And I say
7 that with a lot of humbleness.

8 It is again a significant reminder of
9 the event that took place that I'm not particularly
10 proud of. It was a significant life lesson for me
11 as well as my family as we lived through the last
12 two years under the focus as a principal in this
13 investigation.

14 I will tell you that my actions that
15 day of December 3rd were inappropriate, they were
16 unprofessional, and not consistent with the way I
17 normally behave. And I would clearly understand how
18 the people would feel by my emotional reaction to a
19 hostile environment, if you will,
20 intimidation/harassment.

21 In my intensity to try to get to the
22 heart of the matter of what the concern was and
23 assure that the incident report as presented to me
24 was as complete and accurate as possible before my

2 1 senior made a decision on the operability of the fan
2 coolants, I essentially lost my temper. And I'm not
3 sure I can fully explain why I lost my temper. But
4 certainly I did lose my temper and I became less
5 than objective. I allowed something that should
6 have been manageable clearly at my level to escalate
7 to higher levels, and that was wrong, that was a
8 mistake.

9 Having said that, I take full
10 responsibility. I think you would understand that.
11 But it's equally important for me to tell you that I
12 did not, emphatically did not deliberately violate
13 any NRC regulation. I would not do that, nor would
14 I suppress the submittal of an incident report,
15 especially the safety significance of this incident
16 report. With that, again I'm prepared to answer any
17 questions. I hope I can fill in the blanks that you
18 may have.

19 MR. BRIGGS: Why don't you start by
20 telling the ladies and gentlemen how you first
21 became aware of the fact that Bert Williams had a
22 concern about the CFC unit and walk them through the
23 events that led up to the meeting in your office on
24 December the 3rd, 1992?

1 MR. POLIZZI: Essentially the first
2 connection I had with the issue was via a message
3 that apparently was left for me. Bert had either
4 been there -- and I will use Bert and Paul, if
5 that's okay, in my discussion -- had either been
6 there or spoke to my secretary on the phone and
7 iterated a concern that was left.

8 When I returned to my office, I noticed
9 this amongst other messages that I had. And
10 appreciating the significance of this one because of
11 a concern to the fan cooling units would affect both
12 units, I contacted Bert. We had a very pleasant,
13 professional discussion. I think I understood what
14 the issues were, what his concerns were as he
15 verbally told them to me over the phone. We also
16 agreed on a course of action.

17 I guess what I'm saying is that we were
18 totally aligned. There was no confusion. There was
19 no conflict. And I had some actions to take. And
20 those actions were to contact the technical people,
21 our own technical department, headed by Mike
22 Morroni, as well as our engineering organization,
23 ENPB, Jay Bailey.

24 So after I hung up with Bert, I took

2 1 those steps. I contacted both Jay and Mike, which
2 order I'm not sure, and expressed the concern that I
3 understood and asked for their help in sorting out
4 the issue.

5 The two issues at the time were the
6 configuration of the regulator associated with the
7 containment fan cooling units, i.e., the tubing
8 connections, if you will, and the qualification of
9 the regulators, were they qualified, seismically,
10 environmentally and so forth to meet their intended
11 function for all accident situations.

12 So with that charter, I had assurance
13 from Mike and Jay that they would go ahead and do
14 that. And nothing else was done at that point.

15 MR. WHITE: May I ask a question?

16 MR. POLIZZI: Yes.

17 MR. WHITE: Relative to the matter that
18 we bring to your attention, the configuration
19 problem and the qualification problem, was that in
20 your estimate a significant issue?

21 MR. POLIZZI: Yes, it could be. It
22 could be.

23 MR. WHITE: The manner in which they
24 brought it to your attention, is that usual? Was

2 1 that the usual way that you'd be apprised of things
2 that were coming down as an incident report?

3 MR. POLIZZI: Let me explain that. No,
4 it is not the usual method. The usual method in the
5 lion's share of incident reports, which are in fact
6 generated by Operations, would go directly to the
7 Senior Nuclear Shift Supervisor. I can't give you a
8 number, John, but essentially 99 percent of the
9 incident reports would go directly to the Senior
10 Nuclear Shift Supervisor.

11 However, it was a clearly understood
12 policy that issues where there was some engineering
13 ambiguity, that those issues would typically come to
14 the Operations management. They could come through
15 myself, they could come through my operating
16 engineers. This really is not articulated or at
17 variance with NAP-6. You will not find that this
18 detail is not in there.

19 But in the interest of trying to solve
20 the problem as expeditiously as possible, not burden
21 the Senior Nuclear Shift Supervisor with conducting
22 unnecessary phone calls and so on and so forth, this
23 was the process, if you will, that we would operate
24 under for these engineering type issues. And there

3 1 is certainly history of operating this way before
2 the event, and I'm sure subsequent to the event, but
3 nothing that I could put my finger on subsequent to
4 that.

5 MR. WHITE: So this is commonly
6 understood, this manner that they would bring this
7 to your attention, was certainly acceptable both to
8 them and to you, you were aware of that?

9 MR. POLIZZI: Yes, sir. And speaking,
10 speaking to the Senior to support that, a gentleman
11 by the name of Marios Kafantaras, it is my
12 understanding, and the sequence is a little unclear,
13 but it was my understanding that they had been down
14 to see Marios at some time and voiced a concern, as
15 they had to me by the message, and he suggested that
16 they come and see me.

17 Now I know that from the point that I
18 had spoken to Marios sometime I believe after I
19 spoke to Bert, but before I ultimately had the
20 second meeting with Bert, or the first meeting with
21 Bert, if you will. So it was understood, and this
22 was a practice that I believe was understood by Mike
23 Morroni as well.

24 MR. WHITE: As you discussed this

3 1 originally initially with Mr. Williams, did you
2 understand it and did they understand it to be a
3 concern that had the potential, if it was declared
4 inoperable, to require a plant shutdown?

5 MR. POLIZZI: Yes, I believe so. It
6 was clear. The next step in the sequence, people
7 are taking some actions based on the direction that
8 we had laid out. Mike Morroni calls me back and we
9 have a discussion about his findings. We spend the
10 lion's share of our discussion on the qualification
11 of the regulators, essentially that Mike was
12 satisfied that the qualification as documented in
13 the FSAR would support the adequacy, at least at
14 this point in time. He did not see a variance with
15 what the FSAR was suggesting as far as the
16 qualifications and the fact that these may not be
17 purchase safety related components. However, there
18 was more work to do there. So that was one piece.

19 The second piece was dealing with the
20 configuration, and we had a discussion regarding the
21 surveillance testing of the fan cooling units.
22 Recall now that if you were to go out and run the
23 surveillance on the fan cooling units before, during
24 or after the event, the concern as presented would

3 1 be totally subdued. Containment fan cooling units
2 would in fact pass their surveillance, and
3 historically they had.

4 So Mike and I, at least from the
5 judgment that we had and aligned to, is that the
6 configuration issue was also not an immediate
7 operability concern. I understood also from Mike
8 that he had been in contact with Engineering, but I
9 I can't give you any details on the sequence of
10 that, namely Jay Bailey.

11 I called Jay after I hung up with Mike
12 and asked his opinion and what he had found, because
13 I wanted to bring this thing to closure.

14 Possibly two hours, two and a half
15 hours had gone by. Jay supported Mike's conclusion
16 that the FSAR was consistent, but we needed to
17 really do some additional checking and get back to
18 the original procurement documents to really nail
19 this. But at this point in time, he was satisfied
20 with where we were and he was assigning one of his
21 engineers, Harry Blum, to go further with this
22 analysis.

23 MR. LANNING: Let me understand your
24 description of operability there. You said that the

3
1 coolant surveillance test would mask it?

2 MR. POLIZZI: Not mask it in any way,
3 shape or form, it would be totally subdued to the
4 surveillance.

5 MR. LANNING: What do you mean subdued?

6 MR. POLIZZI: You could not tell, if
7 you were to pull the surveillance procedure out and
8 run the surveillance procedure, they would be
9 satisfactory. The surveillance would single it out.

10 MR. SATORIUS: The surveillance wasn't
11 testing these components?

12 MR. POLIZZI: The surveillance
13 function, the overall functionality of the fan
14 cooling unit, the functionality being a shift in the
15 service water flow, the containment fan cooling
4
16 units that are normally operating in a non-safety
17 mode send 700 gallons through your coils. In an
18 accident environment, the service water flow
19 increases to 25 hundred gallons per minute, and that
20 essentially is the function of these regulators to
21 allow the valving to change accordingly.

22 Notwithstanding the configuration or
23 the qualification, the surveillance would still show
24 that functionality the fan cooling units would

4 1 continue to be operable by tech specs.

2 MR. BRIGGS: You're saying regardless
3 of how they were configured, the maintenance test
4 indicated that they were functional?

5 MR. POLIZZI: Right.

6 MR. HOLODY: Would that have been true
7 even in the harsh environment?

8 MR. POLIZZI: I can't answer that
9 exactly because it's really speculation. The point
10 was, at this time, we had reasonable assurances that
11 the containment fan cooling units had indeed passed
12 their surveillances. We had not completed a
13 walkdown yet of the configuration from that
14 perspective. We had not completed an audit trail of
15 the documentation to support the qualification. So
16 there was reasonable assurance that if we take some
17 steps that we needed to go further that we could
18 have a very positive outlook on this.

19 I guess what I'm suggesting is that
20 there was a greater than 50 percent chance that we
21 would not have an operability concern. And what I
22 want to suggest is that -- and please don't think
23 that there was any fear or reservation on my part to
24 shut down those units. It is not an easy decision

4 1 or a quick decision to shut down both units at the
2 same time, it's a challenge. But in no way, shape
3 or form was that an influence on the decision as far
4 as were these fan cool units okay for the immediate
5 period of time.

6 MR. LANNING: I'm still somewhat --
7 help me understand the process you're going through.
8 You are in effect evaluating operability of a system
9 without a vehicle that would point you in that
10 direction. This is what you meant by these
11 unwritten procedures that you could handle an
12 engineering issue with, is that what you meant?

13 MR. POLIZZI: Let me see if I can sort
14 that out for you. Because of the ambiguity in
15 certain events, incident reports in this case,
16 reading the information at face value would not help
17 you make a decision. Because you cannot really tell
18 if the engineering concerns as documented would
19 indeed make the containment fan cooling units
20 inoperable. And all I'm suggesting is that
21 surveillance tests would demonstrate per the tech
22 specs only that they were operable.

23 So you really need some further
24 technical understanding of just what influence,

4 1 i.e., would these things operate in various
2 conditions, seismic conditions, environmental
3 conditions to continue to be functional. But at
4 this point in time, they were functional.

5 MR. LANNING: What vehicle are you
6 using at this time that the documents concern?

7 MR. BRIGGS: Was there a piece of paper
8 filed, is that what you're asking?

9 MR. POLIZZI: At this point in time,
10 there was essentially no piece of paper.

11 MR. LANNING: Do you normally do this
12 kind of operability determination without a piece of
13 paper?

14 MR. POLIZZI: The operability
15 determination was triggered from the concern, in
16 other words. There is no doubt that we would need a
17 piece of paper to document our conclusions. First
18 of all document the concern and kind of document
19 where we are. We would not leave it up in the air
20 that this was just we have a concern and somebody's
21 working on it. We would have to bring it to
22 closure. And that was the -- unfortunately it
23 didn't work out this way -- but that was the
24 intention of taking the actions that I took, to go

1 ahead and get the necessary information so that we
2 can in fact add this to the concern and just see
3 where we are.

4 MR. LANNING: So as I understand what
5 you're telling me in this case, an incident report
6 normally includes enough information in it that
7 stands alone for the Senior Nuclear Shift Operator
8 to ascertain operability; is that what you're
9 telling me?

10 MR. POLIZZI: Yes, yes, that was always
11 our intention.

12 MR. LANNING: And these incident
13 reports are generated by anybody in the plant?

14 MR. POLIZZI: They could be generated
15 by anybody, anybody at all.

16 MR. HOLODY: You're saying if an
17 individual had a concern regarding the operability
18 of a component, when that individual documents the
19 concern, was that individual expected to also
20 document an operability determination?

21 MR. POLIZZI: No, not at all.

22 MR. SATORIUS: Or enough information
23 such that one piece of paper can be used by itself
24 to come to a conclusion on operability?

4 1 MR. POLIZZI: That's correct.

2 MR. SATORIUS: Let me ask you a

3 different way. What I'm hearing you say is you're
4 saying if an aux operator is out wandering around
5 and sees a component that he knows how it operates
6 but he doesn't know technically from an engineering
7 standpoint how it's put together, he sees what he
8 thinks is a concern, what I'm hearing you say is
9 that you would expect him to write out an incident
10 report and do enough research to come to an
11 operability concern to give it to the shift
12 supervisor so the shift supervisor can make a call?

13 MR. POLIZZI: No. Let me clarify that.

14 The expectation is not that everyone would have the
15 knowledge to go ahead and write the details. That's
16 an important point, I'm glad you asked that. That
17 is the very reason for having the engineering folks
18 involved in this, Morroni and Bailey. The
19 insistence, if you will, which I explained to you in
20 that meeting was only to document what we had
21 learned from experience, if you will. If we had --
22 there's nothing wrong -- let's put it this way,
23 there's nothing wrong with anybody taking an
24 incident report as written, and the person may be

5 1 uninformed or unfamiliar with what they're
2 generating, to hand it to the senior.

3 The actions to follow up and document
4 ultimately what I was asking to be documented would
5 have been done by the Senior Nuclear Shift
6 Supervisor. What was done by myself, or could have
7 been done by the operating engineers, was just a
8 policy to head things off to the point of speeding
9 the process up and not having the senior have to get
10 involved with calling other managers or potentially
11 going through the chain of command to get to those
12 managers. I can call up just about anybody in my
13 position as Operations and people will respond, and
14 they did.

15 MR. HOLODY: Did you expect these two
16 individuals should have had that engineering
17 evaluation as part of this incident report, they
18 should have documented that before they gave it to
19 you or brought it to Operations?

20 MR. POLIZZI: I have to tell you that
21 that was my expectation, or what my -- what's the
22 word I'm trying to use -- when they came to my
23 office, I was expecting that information to be
24 already documented on the incident report. As a

1 matter of fact, I wasn't sure why they were in my
2 office.

3 MR. HOLODY: Is that because you would
4 have -- because it would have made your life easier
5 or because that's just the way the process worked?

6 MR. POLIZZI: I'm not sure, make my
7 life easier?

8 MR. HOLODY: If they walked in with an
9 incident report that says okay, here's a problem,
10 the regulators, there may be a qualification issue
11 or they're not configured properly, okay. Just as
12 if an aux operator was walking through the plant or
13 an engineer happened to have a drawing and was
14 walking through to run down a system and he saw
15 these pipes weren't the way they were supposed to
16 be, but he didn't know the impact of that so he
17 documents that on an incident report. Pipes aren't
18 configured the way they're supposed to be on the
19 drawing, but I haven't been able to ascertain what
20 the impact of that is.

21 When he provided that information to
22 you, is there, from your past experience on incident
23 reports, would you have expected that they would
24 have already done the operability determination

1 before they gave it to you, or was there some
2 procedure that required them to have the operability
3 determination done before they gave it to you, or
4 was it it would make your life easier if you could
5 tell this component is or is not operable?

6 MR. POLIZZI: Well I wouldn't
7 characterize it as making it easier. I think the
8 documentation -- and I'll say this was incidental to
9 the whole issue. The key point was that we had the
10 information, and I was aware that Bert and Paul had
11 the same data that I had from the conversations that
12 we had with Mike Morroni.

13 So that it was almost an automatic, if
14 you will, these were informed people, that in order
15 to make this thing accurate, in order to make the
16 decision possible by the senior an informed
17 decision, there had to be some kind of
18 documentation.

19 And we have to be really careful of
20 what I'm asking for on that incident report. I'm
21 not asking for any operability determination. That
22 was never a point of disagreement. Maybe there was
23 miscommunication. But that was never a point of
24 disagreement at all. My understanding -- my

5 1 expectation was only that we put down what we had
2 learned from Mike and what we had learned from Jay.
3 The decision as far as operability would be made by
4 my senior.

5 MR. LANNING: But the process --

6 MR. HOLODY: What did you expect them
7 to put down there? You were looking for Bert
8 Williams or Paul Craig or both to write something on
9 that incident report that had been communicated from
10 Mike Morroni and Jay?

11 MR. POLIZZI: Yes.

12 MR. HOLODY: And that was communicated
13 to both of them?

14 MR. POLIZZI: To my knowledge, Bert and
15 Paul had the same information that I received from
16 Mike, yes.

17 MR. HOLODY: And they were reluctant to
18 do that; is that correct?

19 MR. POLIZZI: Yes, sir.

20 MR. HOLODY: So given the fact that
21 they were reluctant, could you have just allowed
22 them then to go to the senior?

23 MR. POLIZZI: Yes, I could.

24 MR. HOLODY: The senior could have then

5 1 accepted that incident report, could he have?

2 MR. POLIZZI: Yes.

3 MR. HOLODY: Could the senior then, I
4 presume would have then proceeded to give it to you?

5 MR. POLIZZI: He may not have given it
6 to me. He could have, but he certainly would have
7 called me or my operating engineers.

8 MR. HOLODY: At which time, an
9 operability determination would have been made by
6 10 who, the senior, by you or by Mike Morroni. But
11 you're saying you had the information that says it
12 looks operable at this time?

13 MR. POLIZZI: That's right.

14 MR. HOLODY: Who would have signed that
15 piece of paper that said -- and put, you know,
16 put -- basically held them responsible for that
17 call? Who would that have been? Would that have
18 been you? Would that have been the senior?

19 MR. POLIZZI: It would be the senior.
20 However, the senior would not do that without having
21 this additional information to make a decision.
22 Because the narration by the initiator was strictly
23 an identification of a potential problem. So again,
24 getting back to the engineering issue, the

6 1 Operations people are most equipped and most
2 knowledgeable to make a determination of operability
3 when it's a visible, physical type of thing that you
4 can observe or compliance with the tech spec
5 surveillance.

6 If you're out of that space, you really
7 need help. And the suggestion would have been I
8 would have written it on there for him, or he could
9 have written it on there if he'd wanted to speak to
10 the engineers personally, that the qualification has
11 been found acceptable based on a reference in the
12 FSAR per configuration is acceptable at this point
13 in time based on the adequacy of the weekly and
14 monthly surveillance tests.

15 MR. HOLODY: How difficult would that
16 have been?

17 MR. POLIZZI: Very easy, very easy,
18 unfortunately.

19 MR. WHITE: These are Safety Review
20 Group engineers who are operating -- should be
21 operating, by design, independent of the line
22 organization?

23 MR. POLIZZI: Yes, sir.

24 MR. WHITE: They go into the plant and

6 1 they identify a situation which configuration is
2 different than as described in the FSAR, which is a
3 problem, and they identify that the components in
4 this configuration --

5 MR. POLIZZI: The qualification, I'm
6 sorry.

7 MR. WHITE: The qualification of the
8 components in this configuration may or may not be
9 qualified because they're different than as
10 specified. Both are legitimate concerns.

11 MR. POLIZZI: They are.

12 MR. WHITE: They identified this in an
13 incident report. As you say, their normal process,
14 just do that much, bring it to the Senior Nuclear
15 Shift Supervisor and the thing would have been
16 processed in accordance with the normal process.

17 Because this is one of those one
18 percent events that they felt compelled to discuss
19 in advance and let you know what was coming down and
20 give you some sort of a courtesy information, you
21 were contacted in advance of this. Notwithstanding
22 that, it's their finding, they are not licensed
23 operators. In fact operability determinations are
24 within the sphere of licensed personnel. So they

6 1 really have no business even making a conjecture
2 about operability.

3 MR. POLIZZI: John, if I may, you're
4 absolutely right. And appreciate that I've gone
5 through this in my mind many, many times and what I
6 would have done differently. And although my
7 intentions were genuine to make the incident report
8 complete, it did not have to escalate into a blow-up
9 to the event that it was. They could have done
10 exactly as they had and submitted that incident
11 report to the senior.

12 What I'm suggesting is that we would
13 have subsequently documented the information that we
14 had learned. We, I mean myself, and we would have
15 proceeded. So I will not take an offense that that
16 was -- I was wrong in my insistence on asking them
17 to document the information. It was -- it was a
18 simple request.

19 MR. WHITE: Have you ever done that
20 before? Have you ever asked them to document
21 something on an incident report different than --

22 MR. POLIZZI: Not to the SRG. I will
23 have to tell you that in the past, engineering
24 issues would normally come to the station kind of

6 1 with a group, if you will, that there's some piece
2 that Engineering needs to talk to the station
3 management about. Now just as we would need the
4 engineering people to help us with the technical,
5 the operations and station organization have some
6 pieces that they need to bring on the table too.

7 So there certainly have been precedents
8 in history where incident reports have been brought
9 over. There are issues where there are precedents,
10 where issues have been brought over by Engineering
11 and Licensing which ultimately lead, after many
12 hours of discussion, a documentation of the concern.
13 And then that incident report is in some cases hand
14 carried by myself to the Senior Nuclear Shift
15 Supervisor.

16 So I guess to answer your question,
17 John, yes, there had been situations where others
18 had provided more detail, but in this case with SRG,
19 I can't answer that.

20 MR. WHITE: In those cases that you
21 described, those are all groups, organizations, that
22 are different than the independent safety evaluation
23 group activity.

24 MR. POLIZZI: I would say yes.

6 1 Licensing and Engineering predominantly.

2 MR. WHITE: If I understand correctly,
3 you never had before, relative to your SRG finding
4 or SRG initiated incident report, required them to
5 document anything other than what their initial
6 finding was; is that correct?

7 MR. POLIZZI: I just want to -- I want
8 to be careful, John, as far as requiring it. I
9 think that's a little strong. I can understand how
10 people would read that into it and I would probably
11 say the same thing looking back. I was insisting
12 that the incident report be accurate and complete.
13 And there were some procedural, as I would
14 characterize them, some procedural differences that
15 this was not their responsibility, and it is. And I
16 think I've suggested that it is not their
17 responsibility in the final analysis. And if that
18 was the only issue, maybe it would not have
19 escalated. But again, I'm not taking a defense that
20 way. I was wrong.

21 We got into some technical arguments as
22 well about how people felt. And at the time -- and
23 I can only take you back to the time -- that was
24 much more important to me than the procedural piece.

7 1 When I mentioned that the documentation of this data
2 was incidental, not that it's insignificant, just
3 that relative to the concern of the real safety
4 aspects, whether they were inoperable or operable,
5 that's where we focused most of our attention, and
6 that's really what created most of the emotion I'm
7 sorry to say.

8 MR. HOLODY: Did you discuss the -- you
9 said you were -- you were led to believe that Bert
10 Williams and Paul Craig were aware of the
11 information that had been researched by Mike
12 Morroni?

13 MR. POLIZZI: Yes, sir.

14 MR. HOLODY: Where did you get that --
15 where did you get that belief from?

16 MR. POLIZZI: From Michael, Mike
17 Morroni.

18 MR. HOLODY: Did you question Bert and
19 Paul on that?

20 MR. POLIZZI: Never had a specific do
21 you understand, but let me say this, the
22 conversation that we were having was clearly giving
23 me the implications that they had the data.

24 MR. BRIGGS: Can I clarify for the

7 1 record? We have moved now from telephone
2 conversations and Morroni and Bailey out chasing
3 down qualifications and configuration issues to Bert
4 and Paul showing up in your office?

5 MR. POLIZZI: Yes, we have.

6 MR. BRIGGS: And now you're in a
7 face-to-face meeting with Bert and Paul, and maybe
8 you can describe what happened in that meeting to
9 give some context to some of the -- to the
10 discuss:in that we're having.

11 MR. POLIZZI: May I do that?

12 MS. SMITH: Sure.

13 MR. POLIZZI: I think I was suggesting
14 that when I hung up with Mike, it was shortly
15 thereafter that Bert and Paul showed up at my
16 office. I was a little bit surprised on why they
17 were really there, considering the fact that we had
18 received this information, understood their concern.
19 The expectation was that they would be satisfied and
20 they would give the incident report to the senior.
21 Nonetheless, they were there.

22 And I stood up from my desk and I said,
23 I think, something to the effect, I think we got
24 some good news, guys. It looks like things are kind

7 1 of sorting themselves out here at least for the
2 moment, not an immediate issue. And I used the term
3 we need to document what we know on this incident
4 report. And Bert suggested that that wasn't his
5 job.

6 That's true. As I sit here today, it's
7 not necessarily his job to do that. But it was a
8 simple request to include the information that we
9 had. And I went into a discussion what I've done
10 here for you, that this is the way we've done it in
11 the past, we really need to make it complete, we
12 need to be accurate so the senior can make an
13 informed decision. We were talking about a
14 significant consideration here or consequence, or I
15 wanted to be sure we had it all. Went back and
16 forth, and I'm being brief, but Bert basically
17 suggested that if he had to write anything, he would
18 have to say they're inoperable. That struck me as
19 odd.

20 MR. HOLODY: Did he say why?

21 MR. POLIZZI: No, sir.

22 MR. HOLODY: Did you ask him why?

23 MR. POLIZZI: Yes, I did. And this is
24 an important piece. Even though we were talking

1 about a difference of opinion, I really could never
2 get an explanation of why Bert felt that they were
3 inoperable. He could not or would not tell me. So
4 he keeps going back to the fact that it's not his
5 job. And yeah, that's true, it's not his job to
6 make determination of operability, that's our job.
7 It's not what I was asking.

8 But we've moved from that to something
9 that is suggesting to him that they're inoperable.
10 And my read and my understanding is that we have the
11 engineering people, and I used those words, we have
12 the engineering people telling us that they're
13 operable.

14 MR. HOLODY: You told him that?

15 MR. POLIZZI: Yes, sir.

16 MR. HOLODY: And he took issue with
17 that?

18 MR. POLIZZI: He took issue with that
19 to the point of view that he took only the issue not
20 that I really have some more information, you
21 haven't heard the whole story. It really kind of
22 became a circular argument where we were once again
23 talking about who should document it and what the
24 procedure is.

7 1 Now at this time, please appreciate
2 that -- and I could have ended it there, I could
3 have said okay, we agree to disagree, agreeably, and
4 let's go give this to the senior and we'll march
5 forward. But it didn't happen that way. I was
6 persistent that we needed to get this information on
7 the incident report. And we really didn't solve
8 anything.

9 MR. BARBER: Do you know why -- do you
10 know why today -- I know you didn't know at the
11 time -- but do you know why today about the way he
8 responded the way he did, do you understand why he
12 did that?
13

14 MR. POLIZZI: Responded that if he had
15 to write anything, they would be inoperable?

16 MR. BARBER: Inoperable.

17 MR. POLIZZI: No, sir.

18 MR. BARBER: You don't. How long have
19 you been licensed?

20 MR. POLIZZI: My license is inactive.
21 I was licensed through 1985.

22 MR. BARBER: Through '85. Did you get
23 any training on the TMI 2 accident?

24 MR. POLIZZI: Yes, I believe so.

1 MR. BARBER: Specifically independent
2 safety engineering function?

3 MR. POLIZZI: I don't have any
4 recollection of that specifically.

5 MR. BARBER: So you don't have any
6 recollection of why the independent safety
7 engineering group function was initiated and why
8 they were -- why they were designed as a part of the
9 TMI -- the lessons learned from the TMI accident to
10 be a totally independent group?

11 MR. POLIZZI: No, I didn't make that
12 association, no.

13 MR. BARBER: Do you think that Bert may
14 have, based on his comment?

15 MR. POLIZZI: I couldn't speculate on
16 what he was thinking about. That's not where my
17 head was, and I think I've said that. I really
18 thought we were talking about the technical aspects
19 and that he may have had some additional
20 information, but that's what happened anyway.

21 MR. HOLODY: So am I wrong to assume,
22 and I recognize looking back in hindsight this is --
23 you've had a lot of time to reflect upon this and
24 we're looking back two years to this event, but

1 could you have taken this report -- or you couldn't
2 have taken it, could you have said okay, I don't
3 need an operability determination or I don't need
4 for you to put this additional information on there
5 from Mike Morroni and the other individual, just
6 take it down and give it to the senior, and then
7 when the senior gets it, the senior will then call
8 you to discuss it and say we have to make an
9 operability determination, at which time you could
10 go down there and you could sign it? Or you could
11 have called the other individuals, Mike and Jay, and
12 had them come down, because they're the ones that
13 provided you the information and they could have
14 signed it, could that have occurred?

15 MR. POLIZZI: Yes, it could have.

16 MR. LANNING: In fact, isn't that your
17 position? Isn't the process that you're using to
18 get additional information enhanced or contrary to
19 your existing procedures?

20 MR. POLIZZI: Does it enhance? I'm not
21 sure.

22 MR. LANNING: Your desire to make the
23 incident report more complete in going and getting
24 additional information and relaying that on to try

8 1 to improve the IR, and you indicated that
2 documentation was incidental to this, and you also
3 indicated that you were doing this because you were
4 trying to relieve the senior operator of the burden
5 of making additional phone calls, but isn't that
6 your process, isn't that the way the system is
7 supposed to work?

8 MR. POLIZZI: Yes, that's the way now.

9 MR. LANNING: So wouldn't you agree
10 that you violated your own procedures in what you
11 were doing to process this information?

12 MR. POLIZZI: I wouldn't go so far as
13 to say that. The NAP-6 lays out clearly and for
14 obvious reasons, and I think it's accurate there's
15 no reason to think otherwise, that any documentation
16 of a concern should go to the on duty Senior Nuclear
17 Shift Supervisor. It wouldn't be appropriate to
18 send it to me, it wouldn't be appropriate to send it
19 to anybody actually who's not there 24 hours a day.

20 But I'm trying to emphasize the point
21 that in the area of these engineering issues, where
22 there was a sense of ambiguity about a decision that
23 could be made, we clearly tried to provide as much
24 information as possible so that the senior could

8 1 make an informed decision.

2 MR. LANNING: Is that part of your
3 existing procedures?

4 MR. POLIZZI: Part of the existing as
5 being today, I would not know that.

6 MR. LANNING: Well in 1992, did you
7 have procedures that said make the engineering
8 aspects on the IR as clear as possible prior to
9 submitting it to --

10 MR. POLIZZI: Yes, sir. The NAP-6 does
11 suggest that the information should be as complete
12 and accurate as possible.

13 MR. LANNING: But that gets us back to
14 the auxiliary operator to document the engineering
15 aspects prior to submitting an IR. I would contend
16 that that's not part of your process, that the idea
17 is to get that deficiency known to Operations and
18 then send additional requests to Engineering or
19 whomever to get the additional information to make
20 the operability determination.

21 MR. POLIZZI: There's one subtle
22 difference that I'd like to bring you back to. It
23 was clear to me that both Bert and Paul -- and I'll
24 only say Bert, because I have that from Morroni --

8 1 understood the information that I had. I don't know
2 if they had more information, but they at least had
3 what I had.

4 So there's kind of a subtle difference
5 between an aux operator coming up to me and saying
6 there's an incident report and me saying well we've
7 got to document something on this. That's not the
8 case here. I wouldn't have expected them to do
9 anything. And that's the whole basis for the
10 actions we took from 10 or so in the morning on.

11 MR. WHITE: But isn't that an
12 unreasonable -- and I'm not one to put words in your
13 mouth here, Mr. Polizzi, but again, if they are
14 operating, and I'm assuming that you recognize that
9 15 they're operating as independent safety evaluation
16 group members, SRG, independent of the line
17 organization, if they are identifying a potential
18 safety significant event in the field and they're
19 documenting that in an incident report, regardless
20 of your desire to try to make this incident report
21 to be opened and closed in one swoop, that their
22 process and the way they understand the process and
23 the way they understood NAP-6 is that we document --
24 we make the finding, we document. Operations then

9 1 has the responsibility to determine whether or not
2 the issue requires some operability determination or
3 what that decision making is. Is that a reasonable
4 expectation on your part, do you think, to insist?

5 MR. POLIZZI: I will not argue that
6 point. And I freely admit that my judgment was
7 wrong.

8 MR. WHITE: So in your paper here, you
9 identified these disagreements. First there was a
10 procedural disagreement and that procedural
11 disagreement was -- well you tell me what was the
12 procedural disagreement?

13 MR. POLIZZI: The procedural
14 disagreement was really who the incident report
15 should go to and the fact that we needed to
16 basically make it as complete as possible, which is
17 in the NAP, that it should be detailed. Now I
18 never, ever made the connection that they were
19 operating -- and maybe this was a shortcoming -- but
20 that there was anything different about this
21 incident report because they were an independent
22 SRG. That never, ever crossed my mind.

23 This was one incident report of 900 or
24 a thousand that we get in any given year. I never

1 put any significance to the submittee, if you will,
2 or the initiator. It could have been anybody that
3 initiated this. And if they had the data that I
4 thought they had, it was a simple process just to
5 document that and we'll give it to the senior and
6 we'll go from there. That's what I'm trying to say,
7 John.

8 MR. WHITE: So if I understand you
9 correctly, what you're saying is you didn't make
10 that connection?

11 MR. POLIZZI: I did not. I did not
12 make that connection, regretfully.

13 MR. WHITE: Do you recognize that --
14 it's a question that Scott Barber asked earlier --
15 do you recognize what that entails, what that
16 requires, what the independent safety evaluation
17 group function entails today as opposed to what you
18 understood back in 1992, do you have a different
19 perspective?

20 MR. POLIZZI: I have a different
21 perception of the regulation and how my behavior
22 related to that. I can't say that I have a
23 different perception on the independence of safety
24 review any different than I had then. I had an

9 1 appreciation for it then and I have the same
2 appreciation for it now.

3 MR. WHITE: You also discussed the
4 technical disagreement. And I take it the technical
5 disagreement is much of what we discussed here. And
6 that is you became frustrated with them because it
7 was clear in your mind, based upon the research that
8 Mike Morroni and others had done, that there wasn't
9 an immediate operability problem from your
10 perception. You had some reasonable assurance of
11 that and you were frustrated because they didn't see
12 it that way, they would not admit that, they would
13 not document that as such on their incident report
14 that they were creating.

15 MR. POLIZZI: It's okay to disagree.
16 That wasn't my point of contention. The issue was
17 that I really didn't know what they were disagreeing
18 with. I just knew that there was a disagreement.
19 And again that gets back to the errors that were
20 made that day. I should have just said okay, we
21 agree to disagree here. I don't know why, but let's
22 go ahead and process this thing. And if you feel
23 uncomfortable with it, we can talk more about it.

24 MR. WHITE: But as I read your

1 statement here, on page 6 you say that "I became
2 increasingly frustrated with the conversation. I
3 wanted to know why Bert disagreed to the operability
4 conclusions that Jay, Mike and I reached, yet he
5 either could not or would not tell me."

6 MR. POLIZZI: That's right.

7 MR. WHITE: So your frustration was
8 that he may disagree, but he did not provide you any
9 reason why he would not sign on to the incident
10 report with this conclusion that your engineering
11 group had come to?

12 MR. POLIZZI: Yes, that is correct.

13 MR. HOLODY: And Operations could have
14 done that?

15 MR. POLIZZI: Operations could have
16 done that.

17 MR. HOLODY: Operations could have
18 signed on to the incident report, instead of trying
19 to encourage or entice or get him to agree, you
20 could have simply stated okay, that's not your
21 responsibility to even put that kind of information
22 down that would reflect upon an operability
23 determination, and you knew, you had calls with this
24 individual, you didn't know that he had calls with

9 1 the individual, so you could have just documented or
(2 you could have gotten the senior or gotten Mike and
3 Jay to come down and do it, you could have done
4 that?

5 MR. POLIZZI: Yes, I could. And it
6 would have been the right thing to do.

7 MR. HOLODY: But it never dawned on you
8 at that time, or did it? Did it dawn on you that
9 that was an alternative?

10 MR. POLIZZI: Let me say this, there's
11 another piece in the memo that -- it's there. I
12 reached that point. I reached the point where I was
13 willing to do that. And I asked for the incident
14 report. I asked for it in a derogatory way. The
15 language I used was improper. But I asked for the
16 incident report. And I was going to document what I
17 knew and end it.

18 I want you to appreciate that I was
19 concerned that the two SRG engineers for some reason
20 were at variance with what others were saying. That
21 bothered me. That is not the way we would operate.
22 We look to have concensus. Everybody may not be one
23 hundred percent, but normally we would strive for
24 concensus, no matter who that is, irrespective of

10 1 levels or position or organization. And I was
(2 failing. And I made some other mistakes which
3 really failed. But that's neither here nor there
4 now. I know where I am.

5 But I did ask for the incident report.
6 And to answer your question directly, I was prepared
7 to do that. Bert would not give me the incident
8 report. And even at that point I could have said
9 okay, please take it to the senior, because that was
10 his response, I have to take it to the senior. So
11 it went through a number of levels or iterations of
12 frustration.

13 My perception now was that there was
14 something I didn't understand. Perceiving it maybe
15 a stubbornness, but I don't want to put a
16 characterization on it. We weren't communicating,
17 and that was clear, and I wasn't helping the
18 situation.

19 MR. HOLODY: What was the time frame?
20 Give me an idea from when they first came into your
21 office with the report after having seen the senior
22 to when the meeting with Mr. Vondra concluded and
23 they were -- they left the site. How long was that?
24 Was that 10 minutes? Was that an hour and a half?

1 MR. POLIZZI: My recollection is that
2 it was about 10 minutes, 10, 15 minutes in my
3 office, the walk down to Cal's office, I spent about
4 10 minutes with him before they came in, and then
5 about 10 minutes, 15 minutes in his office. So the
6 whole affair could have been from the first time
7 they arrived at my doorstep, 45 minutes, certainly
8 less than an hour.

9 MR. HOLODY: This is in the afternoon?

10 MR. POLIZZI: This is right around the
11 12:00, little after 12:00 time frame.

12 MR. HOLODY: Was this a particularly
13 busy day or was it a routinely busy day or was it a
14 busy, busy day?

15 MR. POLIZZI: It was a busy day.
16 Thursdays are busy because we have our SORC
17 committee meeting.

18 MR. SATORIUS: Were both units
19 operating?

20 MR. POLIZZI: They were both operating,
21 as I recall. So it's really half a day that you
22 have to get your things done. So from that point of
23 view, it's a busy day. The General Manager was kind
24 of involved with all kinds of other things, clearly

10 1 with the IMPO evaluation exit coming up with the
2 executives in Newark. So he was a little bit
3 distracted with that. So yes, I would say.

4 MR. WHITE: So moving on now from this
5 point --

6 MR. POLIZZI: Well at the point I guess
7 I'm where I do ask for the incident report, give me
8 the blank thing so I could do it. Shortly after
9 that, I mean almost in the next breath after, Bert
10 says no, we have to give it to the senior, according
11 to the procedures.

12 Paul makes a comment. That's really
13 the only comment that I recall Paul making. And he
14 says we cannot give it to you because you don't
15 follow procedures. Regretfully that was the straw
16 that broke the camel's back. At that point I
17 stopped, I called the General Manager and I got him
18 on the phone and said that I was having a problem I
19 really couldn't get through and I would like you to
20 be part of this.

21 I even suggested something to the
22 effect that they were going to have to talk to the
23 General Manager. You're going to have to explain
24 this to the General Manager. I believe those were

10 1 my words. Cal said okay, come right down.

2 I got off the phone, we walked out of
3 my office. I was walking rapidly. If you're
4 looking for some of the details, Jay Bailey was
5 outside my office, I don't know why he was there,
6 for some other reason to see me, which he never did
7 see me about, and I don't know why. But -- so he
8 comes, he asks if he can come. I said come on, you
9 might as well come. He was a principal in doing
10 some of this work. He comes with me and we go down
11 to Cal's office. And I'm upset. I won't deny that
12 I'm upset.

13 I go into Cal's office, and I needed
14 that time to calm down and certainly to bring him up
15 to speed. He has no knowledge of this now. Two
16 hours of work and he needs to understand where we
17 are before he can deal with the issue. I brief him
18 on where we are, what we had learned, who had done
19 what. And again, I took about 10, 15 minutes.

20 MR. WHITE: This is the first time Cal
21 is aware of this problem is when you bring it to his
22 attention at that time?

23 MR. POLIZZI: To the best of my
24 knowledge, it was the first time. There was no

10 1 other way he would get this. And this was atypical.
2 I didn't walk down and bring issues to the General
3 Manager.

4 He said okay. Before he asked the
5 gentlemen to come in, he starts looking at the NAPs
6 and looks at the procedures and kind of researches
7 his memory on NAP-6, the DEF process. I think NAP-D
8 I think, and he asked them to come in.

9 I don't have a great deal to say really
10 about the nature of the conversation that took
11 place, who started talking and so forth. But it was
12 very similar to the conversation that took place in
13 my office, basically dealing with the incident
14 report, who should get it, documentation, the
15 same --

16 MR. LANNING: Was operability discussed
17 between you and Vondra?

18 MR. POLIZZI: Yes, it was. Yes, it
19 was.

20 MR. LANNING: In what context was it
21 discussed?

22 MR. POLIZZI: Based on the information
23 that we had learned strictly to the points of the
24 immediate operability from configuration and

1 qualification. So I believe Cal was aware of all
2 those issues. And in the discussion that he was
3 having in his meeting with Bert, it was clear that
4 he had a sense of what the concerns were.

5 MR. LANNING: This was based on what
6 you had told him based on your conversations with
7 other folks; is that right?

8 MR. POLIZZI: Yes, sir. Yes, sir.

9 MR. LANNING: Would you say he had a
10 fair understanding of the total issue before
11 Williams and Craig walked into the room?

12 MR. POLIZZI: I would say yes.

13 MR. BARBER: Did you discuss the fact
14 that you were angry with Williams and Craig and your
15 demeanor in your office, or was it strictly the
16 presentation of the issue?

17 MR. POLIZZI: No, it was obvious that I
18 was angry, I was upset.

19 MR. BRIGGS: Did you discuss that was
20 the question.

21 MR. POLIZZI: Did I discuss that? No,
22 I don't think I did. I don't think I did.

23 MR. WHITE: When you were meeting with
24 Williams and Craig as this escalated, were they on

11 1 the defensive, do you think, at that point so that
2 they would be on the defensive when they met with
3 Cal?

4 MR. POLIZZI: No. As a matter of fact,
5 as I suggested, Paul was very quiet, didn't say
6 much. And Bert was calm. I mean he did not lose
7 his composure. He stuck to the story. Although I
8 never knew what the story was, if there was one, but
9 he was calm. But I will tell you that I don't think
10 there was any doubt in their mind that I was
11 agitated.

12 MR. LANNING: Weren't they correct in
13 saying that they could not give you the IR, that
14 they had to give it to the Senior Reactor Operator?
15 Isn't that by your procedure?

16 MR. POLIZZI: They are not --

17 MR. LANNING: Yes or no would be fine.

18 MR. POLIZZI: Repeat the question,
19 please.

20 MR. LANNING: Were they not correct
21 when they said they could not give you the incident
22 report, that they had to give it to the Senior
23 Reactor Operator?

24 MR. POLIZZI: They are essentially

11 1 correct.

2 MR. LANNING: And isn't that by your
3 procedures?

4 MR. POLIZZI: Yes, sir. That's one of
5 the procedures, yes. If I may though, there is no
6 appreciable difference between the senior and the
7 Operations management, the operating engineers or
8 myself. If you look at the form -- and I'm not
9 making a big issue out of this, please don't get me
10 wrong, I answered the question yes -- it says Senior
11 Nuclear Shift Supervisor/Ops Manager. Although the
12 narration in the procedure doesn't say that they
13 should give it to the Ops Manager. So I had never
14 been in this situation before where people would not
15 look at me or my operating engineers as they would
16 to the Senior Nuclear Shift Supervisor. But I can
17 tell you that very few ever came to me, very, very
18 few or even through me. Just a point of
19 clarification. I did not at the time see the major
20 distinction between myself and the senior.

21 MR. SATORIUS: Was your license active
22 at that time?

23 MR. POLIZZI: No, it was not.

24 MR. SATORIUS: So you were not -- you

11 1 had no license responsibilities such that you could
2 make the determination?

3 MR. POLIZZI: That's correct. The
4 determination would have to be made by the licensed
5 operator.

6 MR. LANNING: So the discussion in
7 Vondra's office was primarily directed as who should
8 receive the IR?

9 MR. POLIZZI: Who should receive the
10 incident report. The nature of the concern was
11 generally discussed. The majority of the
12 conversation surrounded the use of the DEF process,
13 the discrepancy or deficiency evaluation form. That
14 may be a vehicle. And Cal was trying to bring this
15 to closure. As a matter of fact, after I finished
16 briefing him, I got the impression that this was
17 going to be easy to unscrew.

18 MR. WHITE: Did Cal see it your way?

19 MR. POLIZZI: I believe he did.

20 MR. WHITE: Did he agree with your
21 perception of the issue?

22 MR. POLIZZI: I believe he did. From
23 the point of view, John, that he had the
24 information, he knew that I had the information from

11

1 Bailey and Morroni. And in the meeting to support
2 that, Jay didn't say very much, but Jay was in the
3 meeting, if you will, supported the conclusion that
4 he had given me regarding the information of the
5 FSAR, that yes, he had looked at it and he didn't
6 have any immediate concern about this, and he was
7 doing some additional work and that type of thing.
8 So the conversation really went back and forth that
9 way.

10 MR. WHITE: It started off calm?

12

11 MR. POLIZZI: It was all very calm,
12 very calm, trying to reach some consensus on how we
13 could resolve this. Let's understand what the
14 problem was. But it escalated.

15 MR. WHITE: Why?

16 MR. POLIZZI: It's hard for me to
17 articulate really why it escalated, just like it's
18 difficult for me to sit here and say hey, what
19 happened in my office that I couldn't manage this.
20 There seemed to be a reluctance about accepting the
21 operability determination that was essentially being
22 made by station management in cooperation with --

23 MR. WHITE: Was it the same type of
24 frustration that you felt toward Williams because

12 (1 they did not readily sign on to your assessment, Cal
2 had the same --

3 MR. POLIZZI: Essentially, yes. Again,
4 there was a point where the language would suggest
5 that, that there was an insistence that this had to
6 go to the senior. That a declaration of
7 inoperability would have to be made and the tech
8 specs accordingly applied, i.e., a potential unit
9 shutdown under 303. And Bert clearly expressed an
10 affirmative to those comments by Cal to the extent
11 of the conversation would that make you happy. Bert
12 said yes. So that's where we were. Very similar to
13 where we were in my office then.

14 MR. SATORIUS: Which you are
15 essentially faced with both units have to be shut
16 down?

17 MR. POLIZZI: Yeah, if you made the
18 determination that they were inoperable. But
19 remember, we were not there. The station had
20 decided that they were not inoperable at this point.
21 The issue was --

22 MR. WHITE: But up to this point, the
23 station had not documented the operability
24 determination?

1 MR. POLIZZI: We had not even seen the
2 incident report to make that documentation. The
3 concern was why did you guys -- why did you folks
4 feel that they're inoperable, can you tell us.
5 Besides that, it has to go to the senior. And
6 again, that was wrong, that was wrong to make that
7 same insistence down there.

8 MR. LANNING: Did they say to Vondra
9 that they thought it was inoperable, or had you
10 communicated the fact they thought it was inoperable
11 to Vondra?

12 MR. POLIZZI: I said very little in the
13 meeting.

14 MR. LANNING: Before the meeting?

15 MR. POLIZZI: Yes, yes. Cal understood
16 that we were making a statement that we believed
17 they were operable, the SRG engineers believed that
18 they were inoperable. And that's from the statement
19 I had from Bert.

20 MR. SATORIUS: Any kind of history as
21 far as confrontations between Operations and SRG?

22 MR. POLIZZI: I can't tell you that
23 there were conflicts. I have no knowledge of that.
24 There are clearly some personality differences from

1 time to time. But as an organization, as a
2 department, I am not privy to a confrontational
3 environment that existed between SRG as a group and
4 Operations as a group.

5 MR. (LEBA): So that statement that
6 PSE&G made this morning that there was a
7 confrontational environment that may have
8 contributed to this, you don't agree with that?

9 MR. POLIZZI: I do not agree with that.

10 MR. HOLODY: The issue of doing a
11 deficiency report versus an incident report, when
12 did that first come up?

13 MR. POLIZZI: In Cal's office.
14 Actually before we met with the people.

15 MR. HOLODY: That was discussed between
16 you and Cal?

17 MR. POLIZZI: It was. Cal initiated
18 the discussion. It never even dawned on me, quite
19 honestly, the use of a DEF. But appreciate that Cal
20 was understanding the problems we were having with
21 processing this incident report and he was looking
22 for another solution. And thus he targeted the DEF,
23 which would not have been inappropriate any more
24 than the incident report is not inappropriate.

1 They're both adequate vehicles.

2 MR. HOLODY: But didn't that require --
3 the deficiency report did not require an operability
4 determination; is that correct?

5 MR. POLIZZI: No, that's not. The
6 deficiency report process is very much linked with
7 the incident report process. When that procedure
8 was originally generated in our engineering group,
9 it was recognized that we did not have this
10 connection, that if somebody in Engineering
11 identified a problem, what do you do with that. And
12 maybe there was an appreciation that what you have
13 found could be an operability/reportability concern,
14 i.e., the tech specs. So that document was
15 basically linked to the incident report, that you
16 would have to do an initial review of the
17 information.

18 So I offer this, if the same
19 information was documented on the DEF as on the
20 incident report, the review would have had to be
21 very timely by the next individual supervisory
22 individual, that I think if you look at the form --
23 I don't have it in front of me -- but would do the
24 initial assessment. They would essentially come up

12 1 with the same information that we had, at least
2 initially. And by that information, clearly could
3 reach the conclusion that we did not have an
4 operability/reportability concern which would never
5 trigger even a notification to the station.

13 6 MR. HOLODY: Could this have
7 occurred -- since I'm not familiar with the
8 deficiency report, if it was documented on a
9 deficiency report, could somebody have then, in
10 terms of dispositioning that report, written it
11 down, evaluate the FSAR, determine the impact of the
12 commercial grade aspects of the regulators on
13 operability to the component, determine the impacts
14 of the configuration on the operability of the
15 component and complete that within three weeks?
16 Would that have been acceptable to disposition that
17 deficiency report?

18 MR. POLIZZI: Not in my mind. And I'd
19 like to cite the actions that I took on a lot less
20 information on a note and then on a verbal from
21 Bert. So I didn't find it in the way I conducted
22 the operations at the station that something like
23 this should sit for a period of three weeks without
24 an initial assessment of where we were. And my time

1 clock was to have a disposition, whatever that
2 disposition may be, by the end of the day. I did
3 not want to go home that day without reaching some
4 conclusion, some consensus on where we were. So
5 that's --

6 MR. WHITE: But the DEF was offered as
7 a mechanism to resolve this situation with Williams
8 and Craig. But again back to the original finding,
9 configuration is different than the FSAR describes,
10 components are commercial grade and not qualified as
11 safety related, at least that's what the
12 documentation would indicate that Craig and Williams
13 were aware of, what's the proper vehicle for that
14 type of finding? Is it an incident report or DEF?

15 MR. POLIZZI: I'll say again either
16 vehicle is appropriate. The DEF allows you to go
17 through a certain amount of initial investigation,
18 very similar to the incident report that you have to
19 do to reach the operability/reportability
20 determination.

21 MR. WHITE: Then what's the difference?

22 MR. POLIZZI: Essentially there is
23 none.

24 MR. WHITE: So it's immaterial what

1 paper you use; is that right?

2 MR. POLIZZI: It is immaterial.

3 MR. HOLODY: But isn't -- help me out
4 here. If somebody gives you an incident report, are
5 you going to go home that day without an operability
6 determination?

7 MR. POLIZZI: In this particular case,
8 clearly no.

9 MR. HOLODY: In any other case, would
10 you?

11 MR. POLIZZI: It depends on the nature
12 of the extensiveness of what has to be done, the
13 reviews, the involvement.

14 MR. HOLODY: If somebody raises an
15 issue that calls into question the operability of a
16 component?

17 MR. POLIZZI: It would be worked -- let
18 me put it this way, it would be worked on a
19 continuum. People would basically work on that
20 thing past normal quitting time until we had some
21 reasonable assurance of where we were. There are no
22 gaps when it comes to operability. There are none.
23 I wouldn't accept that.

24 MR. HOLODY: So when you fill out a

13 1 deficiency report, are you saying that whether it's
2 SRG or QA or Engineering, Maintenance, whoever fills
3 out the deficiency report, is Ops brought into the
4 cycle immediately?

5 MR. POLIZZI: They're brought into the
6 cycle once that initial evaluation is done. And
7 there's a certain amount of prudence that is
8 necessary here. You can't document something and
9 let it sit in a basket. You have to have the same
10 appreciation that there could have been an
11 operability question. And that is clearly on the
12 DEF form, to get that timely input and awareness
13 from the station level.

14 If there is no need to make that
15 contact, then there is a priority in the procedure
16 that the items can be ultimately dispositioned. But
17 up to that initial assessment, it needs to operate
18 in the same fashion as far as getting to at least an
19 initial assessment of where you are and making that
20 operability/reportability connection i.e., tech
21 specs. So they're really one and the same document
22 in many ways.

23 MR. BRIGGS: What was Bert's reaction
24 to this distinction between a DEF and an IR in Cal's

13 1 office?

2 MR. POLIZZI: Bert seemed to be
3 reluctant to file the DEF. And the only thing I
4 could offer was that he suggested that it took too
5 long, and that's really about the extent of.

6 MR. SATORIUS: Isn't that the
7 justification?

8 MR. HOLODY: What's the difference?
9 You just told me there's no difference between these
10 two documents. So if you want to fill out an
11 incident report or a deficiency report, if there's
12 an operability issue that comes into question, we
13 got to act on it. And you're already aware of it,
14 whether you call it a DEF or an IR, you're going to
15 have to make that decision fairly quick, if what
16 you're telling me is just -- if what you just told
17 me is true. So what would have been the difference
18 in the two documents? And if he was reluctant to
19 call it a DEF or an IR or call it whatever you want,
20 here's a piece of paper that has a difference to it.

21 MR. POLIZZI: I'm not sure if there was
22 a question here, but I think it's a key point to
23 clear it up, because you suggested something to the
24 effect that it would take long. What I'm saying is

13 1 that that's not the process. The DEF process
2 requires up to a point that that disposition
3 continue to where you have made an operability/
14 4 reportability assessment. At that point in time, if
5 you say yes, operable/inoperable tech spec
6 significance and/or reportability, it immediately
7 triggers a response to the station immediately.
8 That's the procedural basis.

9 MR. BARBER: Isn't the difference
10 between the IR and the DEF who it goes to first? I
11 mean in an IR, you've got a summary statement or
12 description of what the problem is, and then the
13 next block is a description or a signature area
14 where the Senior Nuclear Shift Supervisor makes a
15 judgment about operability; whereas in a DEF,
16 instead of necessarily coming to the shift first, it
17 goes to Engineering, Engineering does their thing,
18 going through, looking at the PSAR, looking at all
19 the background documentation, all the documentation
20 and they've got a chance to mull all this over, and
21 then, based on that, write an informed decision, if
22 you will, that will go to the shift and it's just a
23 matter of, a not a rubber stamp, but a concurrence,
24 if you will, in Engineering's position. Isn't that

1 really the true difference here?

2 So in one case you may have something,
3 if it's written up on a DEF, it may in fact be in
4 process for a day or two or three or a week. In the
5 case of an incident report, by the way the process
6 works, it has to go to the shift after you've
7 finished your problem statement.

8 MR. POLIZZI: You're right on the
9 pathways. The incident report is strictly a station
10 document, not something that's used outside the
11 station. The DEF process is predominantly a
12 document used by Engineering.

13 However, I'm not sure I agree that the
14 DEF would languish for a day or three days or a week
15 before people would disposition the operability or
16 tech spec concern on something that would be
17 associated with an operability or safety related
18 component. If that's the case, that's the
19 shortcoming of an individual or whatever.

20 The process would drive you strictly to
21 go ahead and at least make that determination. And
22 then from there, based on what you find, if it is
23 inappropriate and it's a tech spec related type of
24 issue, the station is notified and an incident

14 1 report is generated. So the PFF never really stands
2 alone. If it connects with the station, the
3 incident report would be generated and we would
4 basically take the action right then and there.

5 Because you would have the initiation,
6 the initiator would have completed what the concern
7 was and there would be some initial assessment. So
8 I guess we agree. But the only disagreement I would
9 have is that there isn't any delay in a pure
10 performance of the DEF process any more than the
11 incident report up to the point of
12 operability/reportability.

13 MR. HOLODY: So when the DEF was
14 offered as an alternative during this meeting, what
15 was envisioned would have happened? If Bert
16 Williams had said great, that's a good idea, I'll
17 write a DEF instead of an IR, what would have then
18 happened? What did you envision would have
19 happened?

20 MR. POLIZZI: The only difference there
21 is that the disposition would be done, the initial
22 assessment would be done by somebody else. By the
23 process, it would not be Bert Williams or Paul
24 Craig. It would be done by the Engineering

14 1 disciplines.

2 So they would essentially complete that
3 section of the DEF and then bring that to the
4 station if we had a problem. But in this case, they
5 would not be. So it probably would not have come to
6 the station at that point in time. So the key
7 difference is who really would have documented the
8 information that we had learned through verbal
9 conversations. The same information that I was --
10 that we needed probably wouldn't be as detailed, the
11 same information that would be utilized on the --

12 MR. HOLODY: So instead of Operations
13 being held accountable for documenting that, they
14 got input from Engineering and then documented that
15 on an incident report?

16 MR. POLIZZI: It would essentially be
17 attached.

18 MR. HOLODY: Engineering would have
19 been responsible for documenting itself, is that
20 what you're saying, on the deficiency report?

21 MR. POLIZZI: Right.

22 MR. HOLODY: That the component was
23 operable, and then that after been provided to Ops
24 and said here was a problem and it's being resolved?

MR. POLIZZI: Well I said yes, but what I'm offering here may have not even made it to the station at that point in time, because there was no immediate declaration of inoperability.

MR. BRIGGS: Just to be clear, you're not the person arguing for a DEF as opposed to an IR, this is a discussion that you're observing?

MR. POLIZZI: No, right. And as I said, this was just a vehicle that Cal was trying to use to bring closure to this. It had nothing to do with, you know, process or how long it should take or anything like that. If this was adequate to those fellows, fine. But it was not an issue to me. The incident report was fine. But I cannot just have that incident report not reflect the information that we had on an engineering issue, that is ambiguous.

MR. HOLODY: So you were essentially mute on this issue?

MR. POLIZZI: Yes.

MR. HOLODY: Cal raised the issue and you offered no comment on that?

MR. POLIZZI: I offered no comment. Just like I offered here, it was it's a no, never

1 mind to me on which document you use. The results
2 would have been the same.

3 MR. BRIGGS: Why don't you bring us to
4 closure on this meeting that's going on with Cal and
5 you and Bert and Paul and Jay Bailey?

6 MR. POLIZZI: I think we've talked
7 about where we were and the frustration's building.
8 At one point, which is as we get to the end, Bert
9 suggested that if we did not accept this as is, he
10 would have to write a Safety Quality Concern on Mr.
11 Vondra. And I have to tell you, and this was an
12 argument this morning -- I shouldn't say argument,
13 but there were some words on this this morning, but
14 I want to say for the record my perception was clear
15 on what the safety concern was going to be. I can't
16 read Bert's mind, but all I can suggest is that I
17 believe it was directed personally to Cal. It
18 wasn't an iteration that it was the third possible
19 vehicle that could be used to document this concern.
20 It was to him directly that he did not have
21 whatever, the safety consciousness to go forward
22 with this.

23 That got Cal very upset. He reacted
24 immediately to it. And just like me in my office,

15 (1 I'm sure it was a spur of the moment decision. As a
2 matter of fact, I'm convinced it's a spur of the
3 moment decision. And he suggested that Bert knew
4 just what he was doing, go ahead and write what you
5 have to write and please get out of my office. He
6 went a little further, but essentially that was it.
7 Get out of my office. The meeting essentially
8 ended.

9 MR. BRIGGS: There was a statement in
10 the letter of enforcement -- invitation to this
11 enforcement conference that I believe Mr. White read
12 at the outset of this session and at the outset of
13 the session this morning that says that it was with
14 your cooperation and advice that Cal told Bert and
15 Paul to get out of the office. Would you comment on
16 that statement?

17 MR. POLIZZI: I really don't know what
18 to say about that. As I suggested, it was -- I
19 think it was a shock to everybody. It certainly was
20 a shock to me. There was nothing that would -- they
21 were -- emotions were tense, if you will. But until
22 the point where Bert suggested he had to write a
23 safety concern, and there was no indication that
24 this was going to happen, and it came out, it just

1 blurted out of Cal's mouth.

2 MR. BRIGGS: Was it with your
3 cooperation and advice?

4 MR. POLIZZI: No. I was surprised by
5 it as much as anybody. And clearly -- and I did
6 notice that in the letter. It was not by my advice
7 or my cooperation.

8 MR. BARBER: Did you later show support
9 by agreeing to draft the letter that said that these
10 two engineers should have no further
11 responsibilities related to Salem operations?

12 MR. POLIZZI: I will answer that by
13 saying no. Now, I had no intention of writing the
14 letter or discussion of writing the letter. The
15 letter came later on that day to me, go ahead and do
16 this and document this thing. And I essentially did
17 that at the request of Cal. However, you may say --

18 MR. BARBER: Did you agree with what
19 the sentiment though -- I mean he was saying I want
20 you to draft a letter and send it to Larry Reiter
21 that says something to the effect that the behavior
22 in my office earlier today was really aberrant, I
23 really don't want them to have anymore to do with
24 the Salem operations. Did you offer anything by way

15

1 of a rebuttal to that or did you refute the need to
2 do that in any way, shape or form?

3 MR. POLIZZI: Not at that point.

4 MR. BRIGGS: Let's talk about what
5 point in time, where were you when this discussion
6 is going on about this letter?

7 MR. POLIZZI: At home. At home. Over
8 the phone. There was a sense of urgency to get it
9 out because Cal was going to be away on Friday at
10 the IMPO exit meeting and he was planning on
11 vacation the following week. So he really wanted to
12 have it tomorrow. And he suggested that I have it
13 there tomorrow when he got back from Newark.

14 So I drafted the letter that night. To
15 answer your question, I think we both had some
16 confidence concerns. I will suggest that. However,
17 I didn't think it was my role at my level in the
18 station to be suggesting that somebody else be
19 removed in another department, notwithstanding
20 safety review. It could be anybody, it's not your
21 prerogative to be making these statements.

22 MS. SMITH: So did Cal tell you to put
23 that part in the letter about removing Craig and
24 Williams from the site?

15 1 MR. POLIZZI: Yes, he did. Yes, he
2 did.

3 MS. SMITH: That wasn't at your
4 initiative?

5 MR. POLIZZI: The content of the letter
6 was essentially Cal's desires. I drafted that
7 letter, I handed that letter from a typed version --
8 excuse me, typed version that I had at home to Cal's
9 secretary that morning, on Friday, December 4th.
16 10 Asked her not to make any copies of it. Please type
11 it and give it directly to me. She typed it and I
12 held that letter till the evening of -- that Friday
13 evening when Cal returned.

14 He basically reviewed the letter, made
15 no changes to the letter and signed it and gave it
16 back to me with the request to go ahead and issue
17 this on Monday morning. And we could talk from
18 there. Are there any questions up to that point?

19 MS. SMITH: Did you tell him you had a
20 problem with putting that in the letter or that
21 being included in the letter?

22 MR. BRIGGS: You mean on the 3rd, that
23 evening when he was asked to write the letter, is
24 that the time frame?

1 MS. SMITH: Right. Right.

2 MR. POLIZZI: I have no recollection of
3 taking issue with anything specific in the letter.
4 The direction he was giving me, although I thought
5 it was again not my responsibility to be suggesting
6 that people be taken out of the station, it's not my
7 station, Cal's the General Manager. We may have had
8 that discussion. I don't recall ever challenging
9 him prior to him signing that letter.

10 However, upon reflection that weekend,
11 I clearly had reservations about sending the letter.
12 This was a sensitive issue. And it was really what
13 I would characterize a Human Resources type of
14 issue. This was not our responsibility.

15 It's one thing to comment on maybe a
16 matrixed employee's performance, but it's another
17 thing to tell another manager in another group that
18 you want his people taken away. So I had some
19 serious concerns about that. Never once did I even
20 dream that the letter could be construed anything
21 more than an internal document.

22 MS. SMITH: Did you share those
23 concerns with anyone?

24 MR. POLIZZI: I shared those concerns

1 with Cal the following Monday.

2 MR. BARBER: What date would that have
3 been?

4 MR. BRIGGS: The 14th.

5 MR. POLIZZI: The 14th. He returns
6 from vacation and I basically give him the folder
7 back with a single copy that he had signed that
8 Friday night before, the week before, and I said I
9 didn't send it out, I wanted you to have a chance to
10 rethink this. Cool off, consider it. And I didn't
11 feel comfortable, as a sidestream issue, with you
12 not being here if we were going to issue this thing.
13 Again, this was an issue between two General
14 Managers, Mr. Reiter and Mr. Vondra. I didn't need
15 to be in the middle of this thing. So I held that
16 and expressed that to him on that Monday morning.
17 And Cal acknowledged it, I understand, I know where
18 you are. And he was going to take the action to
19 give it to his management before he forwarded the
20 letter.

21 MR. WHITE: His management would be?

22 MR. POLIZZI: Would be Stan LaBruna.
23 He said he would let Stan see it before he
24 dispositioned the letter.

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MR. HOLODY: Had you discussed the fact that you drafted this letter with anybody?

MR. POLIZZI: The letter was discussed.

MR. HOLODY: Prior to the 14th?

MR. POLIZZI: Yes, sir. The letter was discussed at that manager's meeting we had on Friday night.

MR. BRIGGS: December the 4th?

MR. POLIZZI: December the 4th, that Friday evening, Cal had asked us to gather.

MR. HOLODY: Who was in attendance at that?

MR. POLIZZI: It was the station managers, Morroni, Bailey -- excuse me, Morroni, Mark Shedlock, Terry Selmer, myself. I believe it was at least those, but strictly the managers of the station.

And we were there for him to debrief us on the IMPO exit. And at that meeting the contents of the letter were shared. I admit that. I did not see the sharing of that information being sensitive to the exclusion of the station managers. I had no idea that this information and no perception that this information would go any place else. It would

1 have to stay with the station managers. It was, I
2 think, it was a significant issue. I didn't take it
3 lightly, I'll tell you that. There were some
4 comments.

5 MR. BARBER: Who exactly shared the
6 information? Did Cal share it or did you decide to
7 share it?

8 MR. POLIZZI: It was really shared
9 before Cal was there. Cal signed it in their
10 presence. And it was a general understanding of
11 what he was doing. I mean it wasn't that he was --
12 my impression he was not unaware that I had shared
13 this with them where they didn't know what was in
14 this thing. It was at that level of the management,
15 station management, it was understood.

16 MR. WHITE: Was there any discussion
17 going on after you shared it?

18 MR. POLIZZI: Yes, there was. One of
19 the Salem managers expressed some sensitivity, along
20 the same line that this was not really our
21 responsibility, and that was the same type of
22 reflection I had that weekend, this was not
23 something that we should potentially --

24 MR. WHITE: Again, this was before the

16
(
1 letter was actually issued; is that right?

2 MR. POLIZZI: That is correct. This
3 was December 4th.

4 MR. SATORIUS: And it was done in the
5 meeting before Mr. Vondra showed up?

6 MR. POLIZZI: It was done before and
7 Cal came in.

8 MR. SATORIUS: What was your motivation
9 to share it with everyone?

10 MR. POLIZZI: I had no particular
11 motivation to do that.

12 MR. SATORIUS: What compelled you?

13 MR. POLIZZI: There was a lot of rumors
14 flying, and I wasn't privy to all of the rumors.
17 And people were talking about it, including the
15 managers in that room. It seemed legitimate, if you
16 will, to share where we were going with this thing
17 so that they understood, rather than have rumor
18 information. People were already talking about
19 information.
20 information.

21 MR. BARBER: How would people know
22 about it, because it sounded like you were given
23 direction, I'm assuming on a Thursday night, which
24 was December 3rd, to draft a letter. You did that,

1 you gave it to, I assume, a confidential secretary
2 the next morning. . . mysteriously the information
3 is known by other managers?

4 MR. POLIZZI: I don't know what they
5 specifically knew. But a lot of people had heard
6 wind of what really took place in Cal's office about
7 people being thrown offsite. And from there I'm
8 only speculating of what people were imagining was
9 going to happen to these individuals. But there was
10 word that it was bad things and so on and so forth.
11 And I can't give you levels of detail.

12 MR. HOLODY: Where did you hear that
13 from?

14 MR. POLIZZI: I actually heard it from
15 the managers. I mean they were talking about that.

16 MR. HOLODY: So when there was rumor
17 that they were hearing, was that rumor that
18 something occurred in Cal Vondra's office yesterday
19 afternoon, or was it I understand that Cal Vondra
20 has prepared a letter or has signed a letter that
21 requests that these individuals be removed from the
22 site?

23 MR. POLIZZI: It was the former, yeah.
24 Because the letter hadn't been signed yet.

1 MR. HOLODY: So you were not aware of
2 anybody being aware of this letter being prepared?

3 MR. POLIZZI: No, outside of the
4 secretary.

5 MR. BRIGGS: was it common to share
6 sensitive information among the managers of this
7 sort or type?

8 MR. POLIZZI: Yes, it would be very
9 common. That's why I really didn't give it really a
10 second thought about sharing it with these folks.

11 MR. BRIGGS: Did you expect it to be
12 broadcast to the rumor mill?

13 MR. POLIZZI: No, I did not. If it
14 did, there were some things --

15 MR. SATORIUS: Was there an SRG at this
16 meeting of managers or the SRG line?

17 MR. POLIZZI: I am not sure if -- I'm
18 pretty sure nobody from SRG was there. The QA
19 Manager could have been there, I'm not sure. That
20 would have been Bill Schultz. But I can't confirm
21 that.

22 MR. HOLODY: Was there a discussion
23 about the two SRG engineers being out of line?

24 MR. POLIZZI: At that meeting?

1 MR. HOLODY: Yes.

2 MR. POLIZZI: I don't have any -- I

3 really don't have any recollection for the level of

4 detail that was discussed. However, at that point

5 in time, as I look back, there was still a level of

6 concern. 24 hours, 36 hours had gone by. And there

7 was a sense of what was -- what happened yesterday,

8 what happened yesterday. And at least back in that

9 period of time, outside of being unprofessional and

10 inappropriate, I had no sense that I had necessarily

11 done anything wrong to the extent of regulation.

12 So we were concerned about their

13 potential lack of understanding of the procedures,

14 the policy that we had as far as engineering issues,

15 potentially having some further documentation so we

16 could make an informed decision. Those type of --

17 those types of discussions.

18 MR. HOLODY: Was there any reaction

19 from the other individuals after this letter was

20 shared with them?

21 MR. POLIZZI: Yeah, there was some

22 strong reactions on some of them. As I said, one of

23 the managers felt that the letter was very

24 sensitive, and I agree with that. One of the

17 1 managers also suggested that he agreed with the
2 letter. He understood what was in there.

3 MR. HOLODY: Did anybody suggest that
4 this is really too strong of an action for what went
5 on? I presume you discussed what went on also?

6 MR. POLIZZI: Yeah.

7 MR. HOLODY: Was there any of that
8 sentiment?

9 MR. POLIZZI: Well one of the managers
10 did suggest that this is strong and it's very
11 sensitive.

12 MR. HOLODY: Anybody say it shouldn't
13 have been sent?

14 MR. POLIZZI: I don't recall that.

15 MR. BARBER: Did anybody suggest that
16 by doing this, this would be either a direct or
17 indirect violation of employee discrimination, 50.7,
18 or could be harassment and/or intimidation of any
19 sort?

20 MR. POLIZZI: No, not at all. The
21 regulatory aspect never even came up till months
22 later that that was a potential issue. I'm
23 painfully aware of that now, but it was never
24 discussed at that meeting. Nothing in December,

17 (1 nothing in January. It wasn't until the February
2 time frame, after the investigation or after my
3 interview, that there was some sense that this could
4 be a regulatory concern.

5 MR. BARBER: As a part of your process
6 and as a part of receiving the concern initially,
7 did you feel compelled to satisfy Bert Williams?
8 Did you feel that you had to satisfy him that your
9 operability decision was a firm position and that
10 you wanted -- you felt compelled to convince him of
11 that fact?

12 MR. POLIZZI: As I said before, I
13 didn't really want to convince anybody per se. I
14 was striving to gain consensus on the issue. I
15 truly, truly did not want Bert and Paul to leave
16 with what I believe their understanding to be that
18 17 the fan cooling units were inoperable. I did not
18 want that. And that's what continued my insistence
19 that we need to solve this, explain to me why you
20 feel different than our engineering people. So yes.

21 MR. SATORIUS: And the reason you felt
22 that was because it required plant shutdown?

23 MR. POLIZZI: No.

24 MR. SATORIUS: Why did you feel that --

1 why did you feel that it was important that they --
2 that you separated with them not feeling that they
3 were inoperable? You said that was important.

4 MR. POLIZZI: That was important.

5 MR. SATORIUS: Why?

6 MR. POLIZZI: Well essentially I had
7 two Safety Review Group engineers who are
8 knowledgeable people that were at variance to the
9 conclusions that management as well as the technical
10 folks were reaching. It's not a subtle point for
11 two people to feel that way.

12 MR. SATORIUS: So let the procedure do
13 what it's supposed to do and let the shift
14 supervisor figure it out.

15 MR. POLIZZI: I agree. Yeah, that was
16 an error on my part.

17 MR. LANNING: If you were to ask the
18 managers that were in that meeting, how would you
19 think they would explain the reasons why these two
20 individuals were being ordered offsite?

21 MR. POLIZZI: The managers at the
22 December 4th meeting?

23 MR. LANNING: Yes.

24 MR. POLIZZI: I don't know.

1 MR. LANNING: What took place in the
2 discussion that one reasonable person would draw a
3 conclusion as to why they were being removed from
4 the site or asked to be removed from the site?

5 MR. POLIZZI: I could only give you
6 really my sense of it. Maybe that's reasonable or
7 maybe it's not. There was clearly a concern about
8 the confidence in these individuals. First they
9 could not articulate why they had a technical
10 difference of opinion. And there was an expectation
11 that these people should know that.

12 So we felt uncomfortable that there was
13 some confusion on their part on the procedural
14 aspects. And there was also some concern about why
15 they felt they were inoperable and couldn't tell us
16 that. So it was essentially -- and I'm not
17 suggesting that this is proper -- but there was a
18 confidence loss in their ability to continue to
19 perform independently as their role would suggest.

20 MR. WHITE: That confidence loss was
21 based upon the fact that they simply did not agree
22 with your assessment relative to signing on to that
23 IR with this engineering evaluation about the
24 inoperability?

1 MR. POLIZZI: It was a little bit more
2 than that, John. It was their insistence on the --
3 and please, please understand this, their insistence
4 on the distinction that the incident report had to
5 go to the senior and the senior only. I have to
6 tell you as I look back then I found that a little
7 odd, that they would make such a strong distinction
8 regarding that procedure. But that's what it says.

9 MR. LANNING: Isn't that what your
10 plant procedures call for?

11 MR. POLIZZI: The plant procedures call
12 it to give it to the senior.

13 MR. LANNING: So why is there any
14 confusion in your mind about that?

15 MR. POLIZZI: I do not make a big
16 distinction when management is on the property. And
17 we had been involved in this issue that the document
18 could only go to the Nuclear -- the Senior Nuclear
19 Shift Supervisor. That's all I'm trying to say.
20 All right?

21 MR. WHITE: But the operability call
22 has to be made by a licensed individual.

23 MR. POLIZZI: The operability call
24 would be made by the licensed individual.

1 MR. WHITE: And you were not a licensed
2 individual?

3 MR. POLIZZI: No, I was not.

4 MR. LANNING: Wouldn't the people in
5 that room agree that it wasn't the role or the
6 responsibility of either of those individuals to
7 make?

8 MR. POLIZZI: The managers on December
9 4th?

10 MR. LANNING: Wouldn't the managers in
11 that managers' meeting agree that these two
12 individuals probably could not make an operability
13 decision?

14 MR. POLIZZI: That was never a
15 contention.

16 MR. LANNING: Well if they're
17 contending that the confidence level was called into
18 question, that doesn't seem too surprising to me, if
19 the expectation is that they shouldn't be making a
20 determination in the first place, why is there a
21 decrease in confidence?

22 MR. POLIZZI: The decrease in
23 confidence really stems from their, as I suggested
24 before, as we proceeded at the time, their

18 1 insistence on the procedural aspects, the inability
2 to agree with what the technical assessment was
3 and/or articulate their disagreement. That's what
4 we perceived at the time. As I looked back, it was
5 an error in judgment on my part and maybe others.
6 When I look at this, there was plenty of ways to end
7 this in an amiable way.

8 MR. BARBER: If they had been allowed
9 to submit the incident report to the Senior Nuclear
10 Shift Supervisor, the Shift Supervisor had received
11 it, if he had taken the information you had, and say
12 you had documented that and appended that to the
13 incident report, and they had said it's operable
14 based on the appended information, if the Safety
15 Review Group engineers disagreed at that point, what
16 would have happened then? I mean the operability
17 decision is made, it stands. What's the process
18 from there on if there's still a disagreement?

19 MR. POLIZZI: The recourse would be for
20 them really to escalate the issue through their
21 management and then --

19 22 MR. BARBER: Would they -- could they
23 write a Safety and Quality Concern, fill out a
24 Safety and Quality Concern form at that point?

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1 MR. POLIZZI: They could, they could
2 always write one. They could always write one.
3 There's no prohibition.

4 MR. BARBER: But then you have on the
5 record an operability decision signed by the Senior
6 Nuclear Shift Supervisor with supporting
7 documentation that's available for scrutiny?

8 MR. POLIZZI: That's not necessarily
9 bad, but I don't want to speak out.

10 MR. BARBER: I'm not implying it's bad
11 or good, I'm making a statement of fact. That would
12 have been what could have happened had they gone to
13 the Senior Nuclear Shift Supervisor, that is
14 correct?

15 MR. POLIZZI: I guess that's a
16 possibility, yes. That's not inconsistent with what
17 I suggested. I was really trying to win their
18 understanding as far as getting concensus on this
19 thing.

20 MR. WHITE: Excuse me here. Off the
21 record.

22 (Brief recess.)

23 MR. WHITE: Mr. Polizzi, can you resume
24 your discussion now starting with the December 16th,

1 1992 meeting between yourself, Cal Vondra and Mr.
2 Reiter?

3 MR. POLIZZI: Sure. There were other
4 individuals at that meeting, John, besides myself
5 and those two gentlemen. Essentially Larry was
6 there to -- and I don't particularly know what
7 brought him there, but essentially it was an attempt
8 to try to characterize the nature of the
9 confrontation that I had had and Cal had had with
10 the Safety Review Engineers.

11 At that meeting, I'll be honest, I
12 think that there was an initial conclusion, and
13 maybe in hindsight Larry was correct here, about a
14 defense of their behavior on the December 3rd event.
15 And that I and Cal had just misunderstood their
16 intentions and really had miscommunicated the whole
17 thing.

18 Essentially there was a little bit of a
19 disagreement in that, and because heretofore there
20 really had been no discussion, at least from my
21 perspective of any of the events, in any detail,
22 that had taken place on December 3rd, so my
23 involvement really jumps from the December 3rd event
24 to the letter writing on December 4th and then there

19 1 is a gap of a week and the letter to Cal and then
2 the meeting on December 16th.

3 So there's really a period of 12 days
4 or so that I have no contact with anybody regarding
5 this issue. And it sounded like the meeting was
6 already a solution and conclusions and some -- a
7 conclusion reached. And I don't know if there
8 really was a solution discussed, but I had not had a
9 chance to air things out. But that's what we
10 ultimately did at that meeting.

11 It was a chance for both sides, and
12 from that perspective it was positive to talk about
13 the perspective that I had talked about, the
14 perspective that Cal had, so generally a station
15 perspective of the events of that day. And that was
16 essentially the contents of that meeting.

17 MS. SMITH: Was the December 4th memo
18 discussed at that meeting?

19 MR. POLIZZI: I don't recall. I really
20 don't.

21 MS. SMITH: Or shown around? Didn't
22 you say that before?

23 MR. POLIZZI: Shown around?

24 MS. SMITH: The December 4th memo.

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1 MR. POLIZZI: Was that shown at the
2 December 16th meeting?

3 MS. SMITH: Right.

4 MR. POLIZZI: I don't recall, honestly.

5 MR. WHITE: Do you know if Mr. Reiter
6 was aware of that memo on December 16th?

7 MR. POLIZZI: I do not know for sure,
8 no. After I gave the letter to Cal on the 14th,
9 that's really the last accountability that I have
10 with that letter. I don't know what took place
11 after that.

12 MR. WHITE: Was the purpose of the
13 meeting to discuss whether or not these individuals
14 should be removed from site, or was it to discuss
15 their inappropriate -- what you and Mr. Vondra
16 perceived as their inappropriate behavior in the
17 earlier meetings? What was the real purpose of that
18 meeting?

19 MR. POLIZZI: I don't know what the
20 actual purpose of the meeting was, John. My
21 attendance at the meeting at the time was, my
22 impression, was to do that very thing, to understand
23 what took place and go forth from there.

24 MR. WHITE: Who called the meeting, do

1 you recall?

2 MR. POLIZZI: I would have to suggest
3 Cal, but I do not know for sure who called that
4 meeting. So that was my impression at the time.

5 MR. WHITE: All right, so nothing was
6 really resolved at the meeting I take it?

7 MR. POLIZZI: No, sir.

8 MR. WHITE: Cal had a position, Larry
9 Reiter had a different position relative to the
10 performance of those SRG engineers and an impasse
11 was reached at that point, was that your
12 recollection?

13 MR. POLIZZI: I don't recall it to be
14 that strong, that there was an agreement or
15 disagreement reached on what should be done with
16 these individuals. It really was more of an
17 understanding of the events, kind of a factfinding
18 of what took place on December 3rd and so forth.

19 MR. WHITE: Do you recall if Cal Vondra
20 was still insisting that these individuals be
21 prohibited from having any further activities at the
22 Salem?

23 MR. POLIZZI: No, I do not.

24 MR. WHITE: Please continue.

19 (1 MR. POLIZZI: Really at this point in
2 time, I have no further contact with this event
3 until the February 3rd when I'm involved in the
4 company's investigation and interviewed on that
5 date. So there's really nothing subsequent to that
6 period that I can offer.

20 7 MR. WHITE: When was the issue itself
8 finally resolved from your standpoint?

9 MR. POLIZZI: From my perspective?

10 MR. WHITE: This incident report I take
11 it, it was never filed?

12 MR. POLIZZI: To the best of my
13 knowledge, that incident report was never filed.

14 MR. WHITE: But the issues that were
15 identified in the incident report, when were they
16 resolved?

17 MR. POLIZZI: I don't know that. I was
18 not involved in that.

19 MR. BRIGGS: At any point in time
20 during this process really beginning on the meeting
21 with the managers on December the 4th through the
22 institution of the task force and your interview on
23 February 3rd, did anyone ever discuss with you the
24 50.7 implications of that conflict on December the

1 3rd that you and then you and Cal had had with Bert
2 Williams and Paul Craig?

3 MR. POLIZZI: No. There was no
4 indication whatsoever that this was a 50.7 or 50.5
5 or any regulation at all.

6 MR. WHITE: You were made first aware
7 of that during the investigation, during the
8 licensee's investigation?

9 MR. POLIZZI: It was subsequent to
10 February 3rd. I can't give you the exact date, but
11 subsequent to that.

12 MR. HOLODY: Looking back, what you
13 know now of 50.7, did you cause the licensee to
14 violate 50.7?

15 MR. POLIZZI: I say yes. I think my
16 actions were, as I said before, created that hostile
17 environment for them. And in the broadest
18 application of 50.7, although unknowingly and not
19 deliberately, I could have put my company in that
20 jeopardy.

21 MR. BRIGGS: Did you create this
22 atmosphere of harassment and intimidation that you
23 admit existed? Did you create it because they
24 wanted to file an incident report?

1 MR. POLIZZI: No, absolutely not.

2 MR. BRIGGS: Was it in retaliation for
3 filing an incident report or to chill them from
4 filing an incident report?

5 MR. POLIZZI: No, absolutely not. It
6 never even entered my mind. We process a lot of
7 incident reports at Salem. And I think if you look
8 at the record, the numbers were quite high during my
9 tenure. I'd like to consider myself as lowering the
10 bar as far as people's threshold for reporting.
11 Again, close to a thousand a year.

12 MR. HOLODY: So what was it for that
13 you created this hostile environment? Why did you
14 do that?

15 MR. POLIZZI: I made some mistakes in
16 my insistence on trying to get an incident report
17 clearly and accurately documented to make an
18 operability decision. I basically erred in my
19 judgment on my expectation of what others should do.
20 I clearly didn't consider the implications of what
21 my responsibilities were, that although I had been a
22 accustomed to others in this situation essentially
23 agreeing to how we handle engineering type of
24 issues, it was wrong on my part to do that.

1 One of the key factors was, and I
2 really want to say this again, that I wasn't sure
3 what we were disagreeing about. That was the
4 thinking at the time, as I look back. Really what
5 was their concern, what information did they have
6 that I didn't have that would cause them to think
7 that they were inoperable.

8 MR. WHITE: Once you came to the
9 realization though that they weren't going to sign
10 off on this after the first instance, what caused
11 you to drive on? What was your deliberate intent
12 that caused them to or want them to sign on to this
13 incident report with this evaluation or assessment?

14 MR. POLIZZI: Again, the intent was to
15 insure that I had all the information and I had it
16 down there accurately.

17 MR. WHITE: But you could have gotten
18 that through others, it wasn't necessary for them to
19 become part of that.

20 MR. POLIZZI: Yes, I had that
21 information. And as I said before, there clearly
22 was a point that, notwithstanding my intention to
23 get that information documented, I asked for the
24 incident report. And they would not give it to me.

1 So from my perspective at the time, although the
2 hostile environment was created, and I don't deny
3 that, in no way was I trying to suppress this
4 incident report. I wanted that incident report, I
5 asked for that incident report.

6 MR. WHITE: If they had given you that
7 incident report, what would you have done with it?

8 MR. POLIZZI: I would have written on
9 there exactly what I knew from Morroni and Bailey
10 and walked it down to the senior.

11 MR. WHITE: Then what would have
12 happened to it?

13 MR. POLIZZI: We would have talked
14 about it, the senior would have signed that and made
15 his determination and signed it.

16 MR. WHITE: Would he have made that
17 determination independent of you?

18 MR. POLIZZI: He would make the
19 determination. What he had on the incident report,
20 it should stand alone. It should not need my
21 embellishment of the issue. So what was written
22 should be adequate for him to make a determination.

23 MR. BARBER: Are you permitted, as the
24 Operations Manager, to provide background

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1 information, whether by memo, through some other
2 form, either typed or handwritten, to add
3 information to the content of the incident report,
4 and based on that, allow the shift supervisor to
5 make a decision?

6 MR. POLIZZI: Yes.

7 MR. BARBER: Did you consider doing
8 that?

9 MR. POLIZZI: At the time, I did not
10 consider doing that. Only in the final analysis, as
11 I suggest that when I asked for the incident report,
12 that that was my intention ultimately to do that.

13 MR. WHITE: After this event, was Mr.
14 Williams or Craig still involved in SRG activities
15 pertaining to Salem? Were they still doing
16 evaluations of Salem?

17 MR. POLIZZI: Yes, to the best of my
18 knowledge, there was no change in their status.

19 MR. WHITE: Your treatment and Mr.
20 Vondra's treatment of Mr. Williams and Craig during
21 your meeting with them and Mr. Vondra's meeting with
22 them, could that have had the potential, in your
23 estimate, to cause a chilling effect relative to SRG
24 involvement in Salem?

1 MR. POLIZZI: I would say yes. How
2 great, how extensive, I put myself in the position
3 of Bert and Paul. In the presence of a senior
4 manager talking to them the way the meeting was
5 being conducted, I think any human being would feel
6 a little bit nervous about that type of submittal.

7 MR. WHITE: When was it that you came
8 to the conclusion that your behavior, your
9 performance was inappropriate relative to this
10 occurrence?

11 MR. POLIZZI: As a matter of fact, I
12 came to that realization before the investigation
13 began, in my own mind, that it was inappropriate to
14 behave that way, notwithstanding any regulation. It
15 was not what --

16 MR. HOLODY: Before the investigation
17 began, before you even had any knowledge that they
18 were going to do an investigation?

19 MR. POLIZZI: Yes, sir. Appreciate,
20 before I -- before all of that. Now there was some
21 holiday time in there, so I understand that that
22 could have delayed certain things. But by the
23 January time frame, a month had gone by. I didn't
24 think that this was a minor issue, as I suggested, I

1 thought it was a fairly sensitive issue and a
2 significant one. And I really didn't see anything
3 happening, in which case it was time to end this.

4 If there was hostility, if these
5 fellows felt that I intimidated them, and I think
6 they would have felt that, I needed to say look, I'm
7 sorry. I lost my temper. I got in your way. I
8 miscommunicated. Maybe we were both
9 miscommunicating that day. Let's insure that
10 doesn't happen again. That's where I was.

11 MR. HOLODY: Did you do that?

12 MR. WHITE: Did that ever take place?

13 MR. POLIZZI: No, sir, it did not.

14 Again, I was asked not to have any contact with the
15 individuals.

16 MR. HOLODY: By?

17 MR. WHITE: By whom?

18 MR. POLIZZI: By Senior -- excuse me,
19 by the CNO, Steve Miltenberger.

20 MR. WHITE: Steve Miltenberger asked
21 you to not have any contact with those individuals?

22 MR. POLIZZI: Yes.

23 MR. WHITE: Not even to explain your
24 behavior or apologize or whatever?

1 MR. POLIZZI: Yes, sir, because I had
2 said I was prepared to apologize, I'm sorry for what
3 I did.

4 MR. BARBER: When did he do that from a
5 timing standpoint?

6 MR. POLIZZI: Again, it's hard for me
7 to put a time frame on it. I know how I felt in mid
8 January about getting beyond this. And if I had
9 lost my temper, we could still work things out.
10 That could have been very coincident with the
11 investigation, and maybe for reasons for that, he
12 chose not to have me talk to them. So it's hard for
13 me to give you a date.

14 MR. BARBER: I guess I'm trying to
15 understand just from a sequence standpoint, did you
16 decide after you were told not to make contact with
17 them that you should in fact make contact and
18 apologize, or did you in fact recognize that you had
19 done something wrong, feel like I want to make
20 contact and then subsequent to that --

21 MR. POLIZZI: I certainly, I personally
22 felt that I wanted to make contact with them prior
23 to.

24 MR. BARBER: Prior to being told not

1 to?

2 MR. POLIZZI: Right.

3 MR. BARBER: Why did you not make

4 contact?

5 MR. POLIZZI: It was close to the --

6 well let me put it this way, I don't recall the

7 vehicle that got me involved with Steve, why I would

8 talk to Steve about this. But he had said do not

9 talk to them. So what I was feeling by the time I

10 communicated that to him, maybe the investigation

11 was going down, I don't know at that point in time.

12 But clearly I wanted to clear the air. I did not

13 like this confrontation, if there was one.

14 MR. HOLODY: Did you tell that to Steve

15 or anybody else?

16 MR. POLIZZI: Yes.

17 MR. HOLODY: That you wanted to

18 apologize to those individuals?

19 MR. POLIZZI: Yes, I did.

20 MR. HOLODY: And you were told not to?

21 MR. POLIZZI: Yes, sir. Recall your

22 question, John, about did the individuals continue

23 in their role, and they did. And we would continue

24 to have SORC meetings. And an SRG would be there

1 and partake as if nothing had ever happened.

2 MR. WHITE: Did you continue to have
3 transactions with these individuals after this
4 event?

5 MR. POLIZZI: Yes.

6 MR. WHITE: On a professional basis
7 relative to their findings?

8 MR. POLIZZI: Yes.

9 MR. WHITE: Did you perceive, Mr.
10 Polizzi, any deliberateness in your attitude and the
11 behavior that you displayed with these individuals
12 in terms of trying to convince them to agree or sign
13 on with the concensus of opinion relative to
14 resolution of that issue?

15 MR. POLIZZI: Not to sway them in any
16 way. So the answer is no. I was looking for
17 concensus and an understanding of what information
18 they may have had so we could reach some technical
19 agreement on what we had, or at least an
20 understanding of why we were different.

21 MR. WHITE: Are there other situations
22 that you've been involved in where you just can't
23 reach concensus, not necessarily with this, but just
24 in dealing with other people, line managers, people

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1 that work with you all the time, people come to
2 concensus?

3 MR. POLIZZI: Relative to incident
4 reports or subjects, no, never had that occur.

5 MR. WHITE: So this was sort of an
6 anomaly then?

7 MR. POLIZZI: This was an isolated
8 case.

9 MR. LANNING: As far as you know, the
10 IR was never formally processed or filed; is that
11 right?

12 MR. POLIZZI: That is correct.

13 MR. LANNING: So you would probably
14 agree then that really, as part of the actions that
15 you took, had the ultimate impact of that IR never
16 seeing the right process, not being submitted to the
17 Senior Nuclear Shift Supervisor?

18 MR. POLIZZI: I think that's correct,
19 yes. There was an understanding on my part that the
20 issue was not dropped, however. I still had the
21 assurance Mike was continuing to do his efforts in
22 Engineering, Jay had substantiated that in the
23 meeting with Cal, and Cal had directed Mike to
24 follow up on the configuration issue. So from the

2
1 point of view of closure, there was a reasonable
2 assurance that that was going to take place. But
3 no, that incident report was not filed as a result
4 of our involvement.

5 MR. WHITE: What's your understanding
6 of your -- of your standing with PSE&G right now?

7 MR. POLIZZI: It's an unknown right
8 now. The company completed its report, obviously,
9 and provided what I felt to be significant
10 discipline. I've accepted that discipline.

11 Joe Hagan talked about a number of
12 pieces this morning. They're all significant. But
13 in addition to what he spoke of, there was certainly
14 merit increases. There were none for the calendar
15 year 1993. I do not know what the status is yet for
16 1994. That will be due out in April.

17 My performance appraisal clearly
18 reflected the poor performance on my part. And on
19 top of that, I am routinely providing
20 self-assessments on my behavior and my performance
21 to my management since the event. But the piece
22 that not necessarily would be captured is the
23 unknown as far as what the future -- I think the
24 future is very uncertain for me at this point with

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1 Public Service Electric and Gas.

2 MR. BRIGGS: There was some question
3 this morning about whether you had volunteered for
4 this ARC job, and could you explain exactly what --

5 MR. POLIZZI: Let me explain that, yes.
6 Again, in the late January, February time frame,
7 coincidentally, a request had come down for
8 interested parties to sign up for a potential
9 assignment with the Advanced Reactor Corporation.
10 Now the ARC organization is located in Palo Alto,
11 California. There are two branches of ARC, as you
12 probably know, the Westinghouse branch, the AP-600
13 in Monroeville, near Pittsburgh, and the GE branch
14 in San Jose, California.

15 From the initial information I was
16 curious about these assignments. This was the
17 advanced reactor project work. This was the future
18 of nuclear power. I had been in the station for
19 many years. In Ops almost four. I was curious.
20 Now that didn't necessarily align with my family
21 situation. But I put my name down on that list.

22 Subsequent to that, I sold my home in
23 the February-March time frame and had began
24 negotiations to sign a contract and did sign one

2
1 with a local contractor to move across town. No
2 particular change. So outside of putting my name
3 down on this potential assignment with many other
4 people to learn more information about it, and there
5 really wasn't any information to learn about it, the
6 next time I hear about ARC is in April when I
7 receive my disciplinary letter that says that your
8 next assignment will be with the Advanced Reactor
9 Corporation.

10 Now at this point I was involved in
11 building a home. My wife was involved with school.
12 She had one more full year to complete in the
13 Philadelphia area. So it was involuntary. From my
14 part there was no -- and I think Joe said it --
15 there was no chance of no, this is not what I want,
16 this is what you will do.

17 MR. SATORIUS: How big was the list of
18 people that put in for ARC, or do you know?

19 MR. POLIZZI: I really do not know,
20 sir. I really do not know. Now putting in was not
21 necessarily --

22 MR. SATORIUS: I understand. I
23 understand.

24 MR. POLIZZI: I was curious about it.

2 1 If you don't even get a chance to, you need to put
3 it down to see what it's all about and make some
4 decisions about it. And clearly my wife and I had
5 talked about it and said long before April that it's
6 probably not in our interests right now, and we
7 moved forward with the sale of the house and so on
8 and so forth. So I never really gave it another
9 thought until it came up in April.

3 9 MR. WHITE: Are you currently a member
10 of the PSE&G Nuclear Business Unit?

11 MR. POLIZZI: Yes, sir.

12 MR. WHITE: Are you considered on their
13 rolls?

14 MR. POLIZZI: Yes, sir. I'm in the
15 engineering organization.

16 MR. BRIGGS: What effect did this event
17 have on your career at PSE&G?

18 MR. POLIZZI: Clearly, the total
19 derailment of my career. I had clearly been groomed
20 and told that I would be the, you know, within the
21 succession for General Manager at either Hope Creek
22 or Salem Station and beyond. And this event clearly
23 has removed me, as you heard from Joe, from any
24 succession plans. And the future is clearly

1 uncertain. So significant, significant impact.

2 MR. WHITE: Who's your immediate
3 supervisor?

4 MR. POLIZZI: My immediate supervisor
5 is Stanley LaBruna, who is in Engineering.

6 MS. SMITH: Just so I understand, when
7 you said you were in the process of building a home,
8 I take it that was in the Philadelphia area?

9 MR. POLIZZI: Yes, ma'am. It was about
10 a mile away from my existing home.

11 MS. SMITH: Previous home?

12 MR. POLIZZI: Yes. It was in the --
13 and there was some confusion over that, I know, as
14 I've read some of the testimony on the way that went
15 down. But I assure you that I did not sell my home
16 in anticipation of moving to Pittsburgh.

17 MR. WHITE: Is there anything else, Mr.
18 Polizzi, that you would like to discuss?

19 MR. POLIZZI: I think the only thing I
20 really would say again, it kind of mirrors my
21 opening remarks, this has been a remarkably humbling
22 experience for me. I've worked in the nuclear
23 business five years in the Navy, 15 years now, 13
24 years, and nothing like this had ever happened.

3
1 On the contrary, it really was a very,
2 very good career and a happy one for me and I
3 enjoyed what I was doing.

4 I admit my culpability fully. My
5 actions were not proper. I have learned the lessons
6 from that mistake, and they will never happen again.
7 I assure you of that. I am committed to that. I
8 have a greater appreciation I would like to say of
9 the 50.7 or the regulatory applications. And I
10 would like to think -- I know there was some
11 discussion that others have learned from this, so
12 that is a positive from that respect. Because it's
13 a very, very uncomfortable situation to have been be
14 in.

15 We've talked about the discipline, and
16 I won't go into that again, but it was significant,
17 as I think you would agree. I would also ask that
18 you review my entire career, as I suggest. This to
19 me was an isolated case. And as we look back, there
20 are many other pathways that would have been easy to
21 take and not bring us to this point.

22 So as sorry as I was, I'm even sorrier
23 today that it has expanded to this involvement in
24 everybody's focus. I'm very eager to put this

1 behind me. I'd like it to be. Although I accept
2 responsibility, I feel the punishment has been, as I
3 said, significant, and I've learned from that. I'd
4 like to go forward and demonstrate what I was able
5 to demonstrate for many, many years until this.

6 So with that, I will thank you for
7 listening, and I hope I've cleared up questions and
8 filled in the blanks that you may have.

9 MR. WHITE: Dan, do you have a closing
10 statement?

11 MR. HOLODY: Yeah, just to summarize.
12 We consider these serious issues, harassment and
13 intimidation, any potential willful violations of
14 our requirements. And that's why we had this
15 conference with you as an individual, and have had
16 the scheduled conferences with other individuals
17 with respect to this event.

18 We will take what was in our O.I.
19 investigation, what was in the PSE&G investigation
20 and what you provided to us today as part of this
21 conference, the information, and we'll make a
22 decision on what, if any, enforcement we think is
23 appropriate with respect to an individual.

24 Our options are basically do nothing.

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1 We can issue a letter of reprimand. We can issue a
2 notice of violation. We can issue a civil penalty
3 to an individual. We can issue an order that could
4 somehow restrict your involvement in nuclear related
5 activities. Whatever action we do take, we'll
6 apprise you of that action. We try to get these
7 things out within 30 days. These tend to take a
8 little bit longer sometimes. Coordination efforts
9 are a little bit more. But we will be in touch with
10 you once we've decided on a course of action.

11 MR. WHITE: Mr. Polizzi, we understand
12 that this is an unpleasant experience, and we
13 appreciate your cooperation with us and coming and
14 meeting with us today. Thank you very much.

15 MR. POLIZZI: Thank you.

16 MR. HOLODY: This concludes the
17 conference.

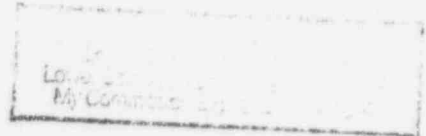
18 (Proceedings closed.)

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CERTIFICATION

I, Loretta B. Devery, do hereby certify that the testimony and proceedings in the foregoing matter, taken on February 8, 1995, are contained fully and accurately in the stenographic notes taken by me and that it is a true and correct transcript of the same.

Loretta B. Devery
LORETTA B. DEVERY, RPR



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UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

April 11, 1995

IA 95-010

Mr. Vincent Polizzi
HOME ADDRESS DELETED
UNDER 2.790

SUBJECT: LETTER OF REPRIMAND
(ENFORCEMENT CONFERENCE (NRC OI INVESTIGATION 1-93-021R))

Dear Mr. Polizzi:

On February 8, 1995, the NRC conducted an enforcement conference with you in the Region I office in King of Prussia, Pennsylvania, to discuss the circumstances associated with your potential harassment and intimidation (H&I) of two Public Service Electric and Gas (PSE&G) Safety-Review Group (SRG) engineers. The conference was based on the finding of an NRC investigation by the Office of Investigations (OI) which concluded that you took action that involved H&I against two SRG engineers who were engaged in protected activities. A copy of the OI synopsis of the investigation was forwarded to you on January 11, 1995.

On December 3, 1992, two SRG engineers attempted to process a safety issue, in accordance with station procedures, by submitting an incident report (IR) to you. The IR questioned whether the safety-related qualification of commercial grade air supply pressure setpoint regulators, which control service water flow to the safety-related containment fan cooling units, were qualified seismically, configured properly, and classified properly as safety-related components. Subsequently, during discussions with the two SRG engineers, you attempted to either convince the SRG engineers that an IR was not warranted, or have them incorporate information into the IR, which you believed existed, to demonstrate that the components were operable. Subsequently, you prepared a memorandum, for the General Manager-Salem Operations' (GM-SO) signature, which was signed by the GM-SO on December 4, 1992, requesting that the two SRG engineers be removed from the site.

At the enforcement conference, you admitted that you harassed and intimidated these two individuals by your actions on December 3, 1992, including the creation of a hostile work environment, and you caused PSE&G to violate 10 CFR 50.7 by your actions in this matter, although you contend that you did not do so deliberately. Notwithstanding, your actions contributed to a chilling effect for the SRG engineers and staff. Previously, in an internal memorandum to the then Chief Nuclear Officer on April 29, 1993, you admitted that your behavior on December 3, 1992 was inappropriate and unprofessional, and effectively created a hostile environment which was rightfully perceived to be a form of intimidation that could jeopardize the independence of the safety review group.

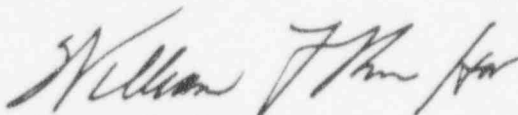
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As a senior employee at a nuclear power plant, in particular, as the then Operations Manager, you were placed in a position where your performance was expected to be above reproach. This includes appropriate resolution of all potential safety concerns, as well as professional treatment of all individuals who raise those concerns. Your actions in December 1992, did not adhere to these standards and were particularly significant since you set a poor example not only for those you supervised, but also for individuals of other organizations with whom you interfaced.

Accordingly, I have given serious consideration as to what specific action should be taken against you. I have decided, after consultation with the Director, Office of Enforcement, and the Deputy Executive Director for Nuclear Reactor Regulation, Regional Operations and Research, that this letter of reprimand is sufficient since (1) although you drafted the December 4, 1992 memorandum at the GM-SO's direction to request that the two SRG engineers be removed from any involvement in Salem Station, you subsequently did not send the memorandum after the GM-SO signed it on December 4, 1992, but held the memorandum until the GM-SO returned from vacation, thereby providing him an opportunity to reconsider his decision in this matter; (2) PSE&G took prompt disciplinary action, after its own internal investigation at the time, which included removing you from involvement with the Salem Station, as well as requiring you to develop an improvement plan, and make a presentation on the events to your peers and management; and (3) you appeared candid and remorseful with the NRC during the enforcement conference during which you admitted that you contributed to a violation of 10 CFR 50.7 at the facility. However, any similar conduct on your part in the future could result in significant enforcement action against you.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter will be placed in the NRC Public Document Room with your address deleted. In addition, a copy of this Letter of Reprimand is also being provided to the President and Chief Executive Officer of PSE&G.

Sincerely,

A handwritten signature in dark ink, appearing to read "Thomas T. Martin". The signature is fluid and cursive, with a large initial "T" and "M".

Thomas T. Martin
Regional Administrator