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Official Transcript of Proceedings
NUCLEAR REGULATORY COMMISSION

Title: Interview of William Raymond

Docket Number: (not assigned)

Location: Haddam, Connecticut

Date: Wednesday, July 17, 1996

Work Order No.: NRC-779

Pages 1-58

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ADDENDUM TO INTERVIEW OF William Raymond
(Name/Position)

Page Line Correction and Reason for Correction

10 to 20 "NRC managers..." should read "unit
managers..."
Omit → corrected on page 47

2. I have reviewed the transcript
and I have no substantive changes
to make to the testimony provided.
I accept the record as written

Page 1 of 1 Signature William Raymond Date 8/2/96

ADDENDUM TO INTERVIEW OF William Raymond
(Name/Position)

Page	Line	Correction and Reason for Correction
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28	13	Strike "4"
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Page 1 of 1 Signature Cef. M. [Signature] Date 1/1/

ADDENDUM TO INTERVIEW OF B.I. Raymond
(Name/Position)

Page Line Correction and Reason for Correction

Note: Mr. Raymond was provided
a copy of the MRG guidance for
reviewing his transcript after the interview
was concluded.

Page 1 of 1 Signature [Signature] Date 7/26/96

1 UNITED STATES OF AMERICA
2 NUCLEAR REGULATORY COMMISSION

3 + + + + +

4 OFFICE OF INVESTIGATIONS

5 INTERVIEW

6 -----X

7 IN THE MATTER OF: :

8 INTERVIEW OF : Docket No.

9 WILLIAM RAYMOND : (not assigned)

10 :

11 -----X

12 Wednesday, July 17, 1996

13
14 Room 215

15 NRC Resident's Office

16 Haddam Neck Site

17 Haddam, Connecticut

18
19 The above-entitled interview was conducted at

20 12:40 p.m.

21 BEFORE:

22 JOHN HANNON Team Leader

23 CARL MOHRWINKEL Investigator

24
25
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(12:41 p.m.)

THE REPORTER: Would you raise your right hand for me, please?

Do you swear or affirm under the penalty of perjury that the testimony you're about to give will be the truth, the whole truth, and nothing but the truth?

MR. RAYMOND: I do.

THE REPORTER: Thank you, sir.

TEAM LEADER HANNON: Good afternoon. Today is July 17th, 1996. It is approximately 12:45 p.m.

My name is John Hannon. I'm here at the Connecticut Yankee plant in Haddam Neck, Connecticut, as the leader of a NRC review team looking into the handling of employee concerns and allegations at Millstone during the last ten years.

I have with me Carl Mohrwinkel, who will be assisting in the interview this afternoon.

Normally I'm a Project Director in the Office of Nuclear Reactor Regulation, and I've been assigned to lead this review effort.

We're on a fact-finding mission, trying to find out what has gone wrong with the process, if anything, and attempt to develop a factual record that we can use to come up with probable root causes and identify

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1 potential corrective actions that could be recommended
2 both for NRC and Northeast Utilities to improve the
3 process for future employee concerns and allegations.

4 Our focus is on the process, and it's not our
5 intention in this interview or in any of the other
6 interviews to assess blame. We wanted to meet with you,
7 Mr. Raymond, to obtain your input from an historical
8 perspective since you were involved with the processing of
9 allegations and employee concerns at Millstone in the
10 years past.

11 We're transcribing this interview for two
12 reasons: one, to permit us to concentrate on what you're
13 saying and to minimize note taking, and we want to be able
14 to understand and react and ask the right kind of follow-
15 up questions, and also then we'll have a factual document
16 that we can go back to and refer to and deliberate to make
17 sure we've got a good understanding of what you've told
18 us.

19 The accuracy of your transcript is important.
20 So we want to make it available to you when we get it back
21 to have you go through it and make any errata changes,
22 clarifications or changes, to make sure it captures what
23 you wanted to say.

24 It would be our intention to have the
25 transcript placed in the public domain at the conclusion

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1 of our review effort after we issue our report.

2 That is pretty much the preamble to the
3 interview. Do you have any questions or comments before
4 we get started?

5 MR. RAYMOND: No, John, it's clear.

6 TEAM LEADER HANNON: Okay. Just sort of to
7 set the stage for the purposes of this interview, we
8 reviewed selected Millstone discrimination cases and had a
9 number of interviews with various NU officials and NU
10 employees and developed several questions about the NRC
11 processes for handling licensee employee concerns and
12 allegations. So hopefully in this discussion today you'll
13 help us -- be able to help us understand what NRC's
14 practice in the past has been and what your current
15 understanding of the way it has changed over the time and
16 what it has evolved to today and help us understand more
17 contemporaneously how the -- what the practice is.

18 Some of the questions we may be asking you may
19 have already been dealt with in previous reviews and
20 investigations, and it's not our intent to rehash all of
21 the material. If you have knowledge of where that
22 information might exist in the public domain, you can
23 simply refer us to that.

24 MR. RAYMOND: Okay.

25 TEAM LEADER HANNON: Also, as I said earlier,

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1 it's not our purpose here to try to assess blame or to be
2 -- focus on any personalities. We're -- we're after
3 process issues and concerns, trying to help ourselves come
4 up with some corrective actions.

5 So let me ask you, Carl, if you will, to begin
6 the questioning. That's a little bit of the background of
7 what we're trying to do.

8 MR. RAYMOND: Okay. Thanks for that, John.

9 INVESTIGATOR MOHRWINKEL: Now, Bill, if you
10 could just bring us up to date with your -- a few
11 sentences about your educational background, your training
12 that allowed you to qualify for the kind of job you have
13 here at NRC.

14 MR. RAYMOND: My education is I have a
15 Bachelor's degree in physics, Master's degree in nuclear
16 science and engineering, and that's it for formal
17 education. I had that when I came to the Commission in
18 1975.

19 But prior to joining the Commission, I also
20 worked for about five years for NSSS vendor, Babcock &
21 Wilcox.

22 INVESTIGATOR MOHRWINKEL: NSSS being?

23 MR. RAYMOND: Oh, nuclear steam supply system
24 vendor.

25 And spent five years working with B&W on the

6
1 start-up of their -- several of their plants on the East
2 Coast principally and worked -- my area of specialties was
3 in core physics, core physics measurements, and start-up
4 and test programs, which is the job I was essentially
5 hired for when I came to the Commission in 1976 -- I'm
6 sorry -- 1976.

7 INVESTIGATOR MOHRWINKEL: And you've been with
8 the Commission since 1975?

9 MR. RAYMOND: True.

10 INVESTIGATOR MOHRWINKEL: With no break in
11 service?

12 MR. RAYMOND: True.

13 INVESTIGATOR MOHRWINKEL: Do you hold any
14 professional licenses or --

15 MR. RAYMOND: Well, prior to -- the other
16 thing on qualifications perspective is I did pick up a
17 license, an operator license, at a research reactor. I
18 got my Master's degree at Virginia Tech, and they had a --
19 they had a research reactor there, and I was licensed to
20 operate it.

21 No, but I don't have a license for a
22 commercial nuclear power plant. So any other training
23 I've received since then has been technical, managerial,
24 supervisory type training that the Agency has offered as
25 part of their employee development program.

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7
1 INVESTIGATOR MOHRWINKEL: What years were you
2 working at Millstone?

3 MR. RAYMOND: I started the Millstone
4 assignment in July of '87.

5 INVESTIGATOR MOHRWINKEL: And what were your
6 jobs at Millstone from '87 on?

7 MR. RAYMOND: It was the senior resident
8 inspector for all three units, principally. I actually
9 went through the first couple months -- there was still a
10 senior at Units 1 and 2, and I was a senior at Unit 3 for
11 essentially the summer of '87, and then by the fall -- I'm
12 going to guess around September of '87 -- I was a senior
13 for all three units and held that until July of '92, when
14 I left that assignment.

15 INVESTIGATOR MOHRWINKEL: So there were four
16 people total there. You were the senior, and they had one
17 resident for each one of the units?

18 MR. RAYMOND: That's the way we broke up the
19 assignment earlier on. We had a resident for each unit,
20 with myself as the senior. So that's what I was trying to
21 do. I was essentially splitting my time in oversight with
22 the resident on each of the three.

23 And we held that structure for most of that
24 five-year period, but we realized in there that we had to
25 reapportion how we were reassigning our resources, and we

1 tried to pull back from a strict unit focus and used
2 residents to double up on areas needing more attention and
3 more focus, and so we -- we got the residents then to
4 cross unit lines more towards the latter part of my
5 assignment there, and I think they -- I think they
6 continued that after I left, but Paul -- Paul Swetland can
7 better speak to how they organized and ran things from '92
8 on.

9 INVESTIGATOR MOHRWINKEL: Well, as John said,
10 our focus in interviewing you was to try and get a feel
11 for how the allegation process was handled and your views
12 of how it was handled and your views of any changes that
13 may have taken place. So with that in mind, I would ask
14 you to comment, if you would, on how you personally
15 handled allegations while you were the senior resident at
16 Millstone that may have come directly to you from a
17 concerned employee.

18 MR. RAYMOND: That's a big question, and I'm
19 not sure what detail. So I'll just give a general
20 response --

21 INVESTIGATOR MOHRWINKEL: Right.

22 MR. RAYMOND: And then you'll have --

23 INVESTIGATOR MOHRWINKEL: That's fine.

24 MR. RAYMOND: -- to start focusing me.

25 INVESTIGATOR MOHRWINKEL: Yeah.

1 MR. RAYMOND: But we handled -- you know, I
2 handled allegations while at Millstone in probably, you
3 know, a broad spectrum from somebody made a call to the
4 regional office with a concern that ultimately would get
5 forwarded to the resident's site to be dealt with, to one
6 of the residents picked up a concern while walking through
7 the plant. It was brought in and we had to -- you know,
8 we wrote up an allegation receipt form and started it in
9 the process that way, to someone came to me personally to
10 -- and so I was the initiator of a receipt form for
11 follow-up and inspection, to whatever.

12 They would come in from various sources, and
13 to the extent that, you know, I was also the principal
14 receiver of a concern that was handled under
15 confidentiality. Someone didn't even want to come to me
16 at work. I had to meet with somebody in the Waterford
17 Library, you know, to get a concern, you know, at one
18 point.

19 And then walk-ins. Clearly, being the NRC
20 office at the site, you had some people that just walked
21 in the door and said, "Hey, I have a concern about
22 something," and so we'd handle them that way.

23 INVESTIGATOR MOHRWINKEL: So when a person
24 approached you personally -- let's talk about those -- and
25 said, "I have a concern about a certain problem," what did

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1 you do with that when you were at Millstone? How did you
2 -- what was the first step you did, and how did you see it
3 through whatever you defined as resolution?

4 MR. RAYMOND: We -- we had a process in which
5 we get a concern. We recorded it usually through the
6 allegation -- you know, an allegation receipt form, and
7 set up a briefing, set up on capturing the concern, two
8 things in parallel. One was an assessment for what the
9 concern meant to us relative to operational safety to see
10 if there was something -- any sort of immediacy associated
11 with the concern that had to be dealt with right away, but
12 then also frame -- after capturing the facts of the
13 allegation, as part of the allegation receipt, set up a
14 recommendation for, you know, what do we think should be -
15 - you know, how should this be handled, and that whole
16 process then -- the allegation receipt would be sent
17 through region. There would be an allegation panel.

18 That whole process changed over time, and the
19 way it changed, it became -- allegation panels occurred
20 regularly, like every week, but prior to that it was done
21 on an as needed basis early on, but in any case, you
22 prepared the receipt, the concern receipt form. The
23 information got sent to the region. You decided there was
24 a division of who was going to do what to follow it up.
25 Sometimes the residents would take an assignment to follow

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1 it up. Sometimes the region would decide to dispatch
2 somebody if the concern warranted that. A specialist from
3 the region would come up and look into it, or if it was
4 deemed sufficient, the next planned, routine inspection
5 would cover it.

6 That's the general response. Then we --
7 that's on the front end. So we usually -- residents, we
8 would either -- I or myself or the residents would
9 participate in panel meetings, panel meetings to discuss
10 the issues, provide additional input, and that was
11 particularly useful to the staff because even though we
12 had the concern, being there at the site we could gather
13 data about the concern, as well, and bring that
14 information and help the panel make decisions as to what
15 it meant and what needed to be done, and then that helped
16 get the Agency response better formulated.

17 Then we would be involved on the closeout side
18 of things in terms of sometimes helping to draft --
19 obviously we covered the concerns in the inspection
20 reports or then we might get involved in the closeout, the
21 drafting of the closeout letters.

22 I need to qualify what I've just said though
23 based upon how things happened over time because that was
24 the process that worked fairly well when you've got just a
25 few concerns coming in, and I think the residents had a

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1 lot of ownership on the issues from receiving through
2 inspection through closure for things that were resident
3 issues to handle.

4 That process started getting choked up when
5 you had a lot of concerns coming in, and the Agency was --
6 we worked for a while working issues from the beginning
7 through the end point, cradle to the grave sort of
8 approach, and after a while that was so much of a burden
9 there was either dedicated resources in the regional staff
10 to help do that, as well as resources sent to the
11 Millstone site to help in that process as well.

12 INVESTIGATOR MOHRWINKEL: If an employee came
13 to you with a concern, did you or the other residents ever
14 screen the allegations to decide whether they had merit or
15 not before dealing with the region on them?

16 MR. RAYMOND: I think what we tried to do is
17 you take a concern and you record what you get, and so if
18 you mean by screening -- we don't decide what's a concern
19 and what's not a concern, what to put down and what not to
20 put down. You capture what comes in the door or what's
21 given to you, and then you deliver to management what you
22 think is the merits of the issue or what's the
23 significance of the issue and what's the recommended
24 approach to following up on the issue.

25 INVESTIGATOR MOHRWINKEL: Which management?

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1 MR. RAYMOND: Oh, my management. I'm talking
2 about --

3 INVESTIGATOR MOHRWINKEL: NRC, okay.

4 MR. RAYMOND: -- my management.

5 INVESTIGATOR MOHRWINKEL: I wanted to make
6 sure you weren't talking about NU.

7 MR. RAYMOND: No, no.

8 INVESTIGATOR MOHRWINKEL: Okay.

9 MR. RAYMOND: My management. Everything I'm
10 saying is all in the context of the NRC process.

11 INVESTIGATOR MOHRWINKEL: Okay. I just wanted
12 to make sure of that.

13 So in other words, let me restate this and see
14 if I've got your thought. Any time an NU employee would
15 come to you with a concern or an allegation or a safety
16 issue, you entered it into the system without question.

17 MR. RAYMOND: Yeah.

18 INVESTIGATOR MOHRWINKEL: Okay.

19 MR. RAYMOND: I believe there's a real good
20 track record of capturing concerns.

21 INVESTIGATOR MOHRWINKEL: Okay.

22 MR. RAYMOND: Now, you always have the -- you
23 know, as a qualifier there is did I write down what he
24 said, and making sure you captured what he thought the
25 issue was correctly.

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1 INVESTIGATOR MOHRWINKEL: Un-huh.

2 MR. RAYMOND: And so, you know, there's a
3 caveat there in how well you capture a concern.

4 INVESTIGATOR MOHRWINKEL: But how well you
5 capture it, you get in your own mind -- if you're hearing
6 what he believes he's telling you is perhaps a separate
7 issue, but the concern that I was trying to get at was to
8 make certain that every allegation, with your caveat,
9 entered the system. I want to make sure your answer
10 wasn't, "Yeah, occasionally we got some we thought were so
11 ridiculous we threw them in the trash can."

12 MR. RAYMOND: No, no, no.

13 INVESTIGATOR MOHRWINKEL: And you're not
14 saying that. So that's fine.

15 MR. RAYMOND: I want to make sure --

16 INVESTIGATOR MOHRWINKEL: Yeah.

17 MR. RAYMOND: -- I state that that's how it
18 was. No, we didn't do that. Clearly we tried very hard
19 to give each allegation its due, each concern its due.

20 INVESTIGATOR MOHRWINKEL: How do you think the
21 alleged community at Millstone viewed you personally or
22 viewed the NRC residents as a group in terms of
23 responsiveness to employee concerns?

24 MR. RAYMOND: I don't know if there's one
25 answer to that question, Carl. I think some people might

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1 respond we did a credible job with their issues. I think
2 there's also some other people who would be critical on
3 the job that we did with their issues. So there's --
4 there's a spectrum.

5 TEAM LEADER HANNON: Un-huh. Why do you think
6 that's true?

7 MR. RAYMOND: Because they've stated it
8 publicly.

9 TEAM LEADER HANNON: No, no. But I mean
10 what's behind it? Why did they feel that way do you
11 think?

12 MR. RAYMOND: Well, the issues that I have --
13 the concerns that I have in mind are not on how we
14 dispositioned technical issues. I don't think there's a
15 criticism there, although there might be one in regard to
16 timeliness of dispositioning of certain issues, and we can
17 talk specifics if you want to, such as how well the Agency
18 dealt with the Rosemont issue generically across the
19 board, you know, for all plants, not necessarily
20 Millstone.

21 I think there was a -- there would be an
22 agreement with the staff and allegers that the issue was
23 handled at Millstone, but it was not necessarily handled
24 on a timely manner across the -- across the country at
25 other plants.

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1 But in any case, my thought was on technical
2 issues there should be a general consensus that we
3 dispositioned technical issues acceptably. On the
4 handling of employee concerns and, in particular, in the
5 area of protecting people from harassment and
6 intimidation, I know there's people who feel that the
7 Agency, the NRC and/or DOL, could do better on providing
8 employee protection. So in that regard there would be
9 criticism.

10 INVESTIGATOR MOHRWINKEL: Do you think that
11 criticism is fair or accurate relative to the NRC?

12 MR. RAYMOND: I want to give -- I don't know.
13 We'd have to know what a specific critique is. So I'm
14 going to give you a specific point. Let's get focused.

15 INVESTIGATOR MOHRWINKEL: Yeah.

16 MR. RAYMOND: I think there's merit to the
17 criticism that says it takes too long to process a DOL
18 issue or -- and I don't know what the answer to that is.
19 I don't know if there needs to be a better interface
20 between NRC or DOL, or if the Agency needs to be a better
21 proponent for the allegor as part of -- as part of their
22 process, or if NRC needs to have more legislative
23 authority to follow through on issues. I don't know what
24 the right response is, but I can understand from an
25 allegor's point of view how if I raised a concern and I

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1 was truly wronged by my employer for raising that concern,
2 that the process that they had to go through, you know,
3 over -- which could take years and lots of lawyer time and
4 lots of out-of-pocket expenses to get through, how that
5 could be unfair, and then the process is not serving that
6 individual well.

7 INVESTIGATOR MOHRWINKEL: When you received
8 allegations from, again, NU employees, do you ever -- do
9 you have a recollection of ever going to discuss the
10 concern with NU management prior to or simultaneously to
11 entering it into the NRC system?

12 MR. RAYMOND: Not as a concern.

13 INVESTIGATOR MOHRWINKEL: But as a --

14 MR. RAYMOND: Not as an allegation received.

15 INVESTIGATOR MOHRWINKEL: How then?

16 MR. RAYMOND: If you have a technical issue
17 that you know is a topic that -- about which you need more
18 information in order to decide its significance or not,
19 you had to work that into your inspection somehow, and on
20 those occasions you'd have to get into the topic with NU
21 management.

22 But you get into the topic, you know, on the
23 basis of "hey, this is no different than any other thing,"
24 from their perspective, "than anything else I was going to
25 try to inspect today."

1 INVESTIGATOR MOHRWINKEL: When they --

2 MR. RAYMOND: As opposed to walking into --
3 you know, how it wasn't, you don't get a concern and then
4 you go to the Superintendent's office and say, "Hey, I
5 just got an allegation that said you did X. You know, is
6 this true or not?" That was not -- that was not how you
7 did it.

8 TEAM LEADER HANNON: Okay, but one of the
9 inputs we've received through other interviews during the
10 course of this review has suggested that our process when
11 we do that, when we go to NU in your case, NU management,
12 directly with a concern no matter how it's presented, that
13 it has the effect of fingerprinting the individual who has
14 -- who has raised that concern.

15 MR. RAYMOND: I think that that is a
16 vulnerability to what you're doing, and when we're
17 finished talking -- when I finished talking and you
18 started talking, I realized I need to qualify my previous
19 answer, too, because at Millstone -- maybe it's different
20 at Millstone than anyplace else. I don't know -- we got
21 into a mode in which it was clear there were issues that
22 were being turned over to the utility, that they, the
23 utility, probably knew it came through the allegation
24 process.

25 And what I mean by that is I can't -- you

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1 know, without looking at records, figuring out exactly --
2 know where exactly to put this in time, but we got into a
3 mode where we would receive allegations. They would get
4 paneled. The decision by the panel would be to turn them
5 over to NU for follow-up, and there essentially was a
6 letter that was sent to the Vice President at the time
7 that said, "We understand there are these concerns. You
8 should look into them and respond back within so many
9 days," and then we would do a back side review on that.

10 So, you know, we were operating in that mode
11 for a while, but that was always from the Region I -- you
12 know, there was a letter issued from the region.

13 INVESTIGATOR MOHRWINKEL: Now you testified --
14 I understand your point there -- you said when we got the
15 licensee response, we did a back side review. As John
16 said a minute ago, we have heard some criticism, and
17 that's what's driven some of these questions, of the whole
18 process, and one of the concerns, one of the criticisms
19 that we have received from the alleged community was that
20 oftentimes on these licensee referrals of allegations, NRC
21 accepted the licensee response as gospel and filed it away
22 and that was the end of it, without going and doing some
23 follow-up to see if the licensee's response was
24 reasonable, credible, made sense, whatever, and that was a
25 criticism.

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1 I'm wondering now you just said we did a back
2 end follow-up.

3 MR. RAYMOND: Yeah.

4 INVESTIGATOR MOHRWINKEL: But could you talk a
5 little bit about that and was that universal or was that
6 occasional or how did that work?

7 MR. RAYMOND: I think we didn't just take the
8 responses and file them away. We had a deliberate
9 process. Part of our process was to review responses and
10 then do a follow-up review or inspection of the adequacy
11 of the -- not only the response, but the corrective
12 actions that were taken just as you would with any other
13 corrective action program problem.

14 Let's say if the issue dealt with a problem
15 with tagging, let's say, or it was a tagging issue that
16 was part of the original allegation. Were their
17 corrective actions to fix tagging program processes for
18 problems adequate enough? And that was a very deliberate
19 thing because not only did residents do it, do follow up
20 of allegations; the region sent inspectors or sometimes
21 even teams of inspectors to Millstone to follow up on
22 issues, questions that were raised about program or
23 processes problems through the -- through the allegation
24 process. I mean not only just allegation, but also using
25 resident inspection inputs or indicators of problems.

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1 There were very deliberate follow-ups.

2 I mean so we could tick off some examples.

3 Jack Durr, then acting as -- who's presently a Branch
4 Chief for Millstone -- I'm trying to think what his
5 position was back in '88. It was probably at least a
6 section chief, may have been a branch chief back then,
7 too. I can't remember, but Jack Durr came to this site,
8 came to Millstone. I think it was in '89 with a group of
9 people and did a very focused review of program areas that
10 was focused as a result of allegations that we had
11 received.

12 Skipping forward in time, Scott Stewart was a
13 project engineer in the region who also came to the site
14 and did very focused reviews on Millstone programs or
15 processes, focusing on areas that had been raised as
16 problems within the allegation process for which NU had
17 given us a response and for which he judged the adequacy
18 of their follow-up.

19 And there's a couple other examples like that.
20 There was a -- I forget the name of it -- but it was an
21 OSTI type of inspection that was done.

22 INVESTIGATOR MOHRWINKEL: OSTI is
23 Operational --

24 MR. RAYMOND: Operational Safety Team
25 Inspection that was done prior to '92 because, you know,

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1 it was before I left, in which there was maybe a dozen
2 people at the site following up on a broad spectrum. I
3 mean the inspection scope for that was rather broad, but
4 it was also to focus in on areas that had been, you know,
5 suspect or were of a concern as a result of inputs,
6 including inputs from the allegation arena.

7 So that's my general answer. Now, was there a
8 specific issue that somebody's got in mind -- not you, not
9 the team -- but someone who talked to the team might -- a
10 specific issue that they felt we turned over to the
11 licensee and the licensee's response was inadequate and he
12 didn't see?

13 INVESTIGATOR MOHRWINKEL: Well --

14 MR. RAYMOND: I can't say there wasn't one.

15 INVESTIGATOR MOHRWINKEL: I don't want to get
16 into specific issues.

17 MR. RAYMOND: Specifics.

18 INVESTIGATOR MOHRWINKEL: But let's talk from
19 a boarder, a process orientation. The sensitivity on the
20 part of the resident staff in general to the employees
21 that are bringing concerns forward, how sensitive do you
22 think, in general, you were back in the late '80s to the
23 concern that these guys may be getting harassed and
24 intimidated by their employer because they brought issues
25 to you?

1 What level of sensitivity do you think existed
2 back in those days?

3 MR. RAYMOND: I'm not sure how to -- how to
4 answer the question, sensitivity. We would have -- we
5 would have held -- I mean, you know, I forget when 50.7
6 came into being, but it was probably close to around that
7 time. As a new regulation, we were attuned to it. We
8 were attuned to making sure there was not H&I for raising
9 safety concerns. We were attuned to or sensitive to
10 making sure even if you had an allegation about H&I that
11 had to go through the whole DOL/OI mill and review process
12 that there wasn't a chilling effect, which is why the
13 region kicked out chilling effects --

14 INVESTIGATOR MOHRWINKEL: Yeah, but I think
15 you're in the early '90s time frame now.

16 MR. RAYMOND: Oh, before '90s.

17 INVESTIGATOR MOHRWINKEL: Because when --
18 50.7?

19 TEAM LEADER HANNON: Yeah, I want to say late
20 '80s, September '89, but I'm not positive. I think that
21 was approximately the time frame that came out.

22 INVESTIGATOR MOHRWINKEL: Okay.

23 TEAM LEADER HANNON: Does that sound right to
24 you, September '89, somewhere?

25 MR. RAYMOND: I can't -- I can't say yes or

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1 no, but --

2 INVESTIGATOR MOHRWINKEL: But I'm speaking for
3 the time period prior to that regulation. What was the
4 staff sensitivity during those years? Do you have a feel
5 for that?

6 MR. RAYMOND: Well, I think my general feeling
7 is that we were sensitive to making sure people could get
8 their issues processed without harassment and
9 intimidation, even if it was for a period without the
10 force of a regulation. I think the Agency had that.

11 INVESTIGATOR MOHRWINKEL: To what extent do
12 you think you were trained to be -- to have that
13 sensitivity? Was there any specific training you
14 received to heighten your awareness and sensitivity to the
15 potential for H&I?

16 MR. RAYMOND: I don't know if I can put my
17 finger on a certain training program, no.

18 INVESTIGATOR MOHRWINKEL: Okay.

19 TEAM LEADER HANNON: I'm just looking here at
20 50.7 in the CFR, and it doesn't show what date this came
21 into -- this is Code of Federal Regulations -- but it
22 doesn't say what date 50.7 became effective, but my
23 recollection --

24 MR. RAYMOND: Late '80s.

25 TEAM LEADER HANNON: -- it sounds like -- I

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25
1 think it was late '89, but I'm not 100 percent positive on
2 that.

3 MR. RAYMOND: Yeah, I vaguely recollect it
4 wasn't in place when I first started at Millstone, but
5 then came into -- came into being.

6 INVESTIGATOR MOHRWINKEL: So whatever
7 sensitivity you would have had for that issue in those
8 early days would have been your own -- from your own
9 instincts. There was no training you can --

10 MR. RAYMOND: Just --

11 INVESTIGATOR MOHRWINKEL: -- recall or any
12 programmatic approach that --

13 MR. RAYMOND: Yeah.

14 INVESTIGATOR MOHRWINKEL: -- the Agency was
15 taking?

16 MR. RAYMOND: Or I want to make it less
17 personal. I mean obviously as an individual or as a
18 professional or as an inspector, you had a sense for
19 what's right or what's wrong on how to handle issues, but
20 it wasn't just -- I think there was an Agency, i.e., me,
21 myself, and my lines management, that had a general
22 consensus as to how you -- what the expectations would be
23 on how a utility would handle safety concerns, and clearly
24 harassing people, a person for raising concerns was not --
25 would not have been accepted or acceptable.

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1 INVESTIGATOR MOHRWINKEL: In retrospect now
2 when you look back, and you've probably spent --

3 MR. RAYMOND: Now, there's a question we
4 didn't fully answer.

5 INVESTIGATOR MOHRWINKEL: Okay.

6 MR. RAYMOND: And that was: was there a way
7 in which we handled allegations that didn't lend itself to
8 protecting people's identities? And I think we did do
9 things earlier on that didn't do as good a job doing that
10 as we could have been. In particular, if you go into a --
11 if you look at some of the earlier Millstone reports, we
12 for a while were record -- when we discussed an issue, we
13 put an allegation number tag with the issue, which was a
14 good way for us to keep track of how we -- how we brought
15 an issue to closure, but probably put an unnecessary tag
16 on the issue in the public record.

17 Now, I don't think there was a way that an
18 allegation number could be traced to an individual, but
19 certain topics could easily be traced to, you know, an
20 individual at a site, and so there was probably a public
21 record that -- that didn't protect, you know, alleged
22 confidentiality as good as it could have, even though we
23 never named the person's name.

24 Do you see the point there?

25 INVESTIGATOR MOHRWINKEL: Yes.

1 MR. RAYMOND: And then we recognized that.
2 We, the region, as a team, we recognized that and stopped
3 doing that. So that whenever we gave coverage to an
4 allegation issue in an inspection report, it was
5 transparent as to how we got to that topic.

6 INVESTIGATOR MOHRWINKEL: Well, actually your
7 amplification of your previous answer sort of answers the
8 question I was going to ask, but I'll ask it anyway. Now
9 with hindsight from several years away and with all the
10 effort that's being put on Millstone and the situation
11 there and all the thinking I'm sure you did in
12 anticipation of meeting with John and myself today and all
13 those things having to do with Millstone, in retrospect is
14 there anything significant perhaps other than what you
15 just said that you would have done differently as a person
16 or as the Senior Resident or is there anything you would
17 have suggested to the NRC in the time frame you were the
18 Senior Resident that the NRC should have done different to
19 make the allegations program run better?

20 MR. RAYMOND: That's too broad of a question,
21 Carl. I don't have the big picture answer.

22 INVESTIGATOR MOHRWINKEL: Okay.

23 MR. RAYMOND: Why did it not work at Millstone
24 and what can we do to make it better? I'm sorry. I just
25 don't have the --

1 INVESTIGATOR MOHRWINKEL: Okay.

2 MR. RAYMOND: -- I don't have the big picture
3 answer.

4 INVESTIGATOR MOHRWINKEL: Let me try a
5 different approach on that one then. You made reference
6 to 8.8 and the changes that have been made and now you're
7 working with the new 8.8 that just recently came out here
8 at Connecticut Yankee. Do you think that the new 8.8 has
9 improved the process? Do you think we're better serving
10 the allegor community than we were previously based upon
11 the new 8.8?

12 MR. RAYMOND: Oh, yes.

13 INVESTIGATOR MOHRWINKEL: You do. Okay.

14 MR. RAYMOND: Yes.

15 INVESTIGATOR MOHRWINKEL: Do you see today
16 areas in which we could still improve and if so, what
17 would those be just for looking ahead?

18 MR. RAYMOND: I'll go back to what I -- just
19 to underscore what I said earlier, that I'm not sure we
20 still can't do more to protect the guy who has been
21 harassed or intimidated, to bringing that case to full
22 review and closure on a more timely basis just to -- just
23 to disposition it, and do that in such a manner that is
24 fair to both sides because the utilities, they need to
25 have their due process as well.

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1 I don't know what assures that.

2 INVESTIGATOR MOHRWINKEL: How --

3 MR. RAYMOND: Now, let me -- I thought about

4 something else though as I was answering that question. I

5 have this feeling though, too, looking back at the

6 Millstone experience that the process that we had was too

7 cumbersome. When you had dozens or hundreds of

8 allegations to process and I don't know what the answer is

9 on that, as to how to solve that, but it just became very

10 cumbersome.

11 TEAM LEADER HANNON: Well, let me follow that

12 if I could expand that thought a minute. You already

13 indicated what the process you were going through to deal

14 with the issues to get them evaluated, and one of the

15 concerns that we have heard expressed is that the NRC

16 tended to deminimize (phonetic) issues they thought had

17 low safety significance, and apparently didn't address the

18 potential for regulatory significance; it may have low

19 safety significance, but it's not something you just

20 should walk away from.

21 And the sense that I've gained is that maybe

22 we walked away from things in the past that had low safety

23 significance, but have later come around to burn us

24 because they have high regulatory significance.

25 What is your view on that?

1 MR. RAYMOND: I think we tried to satisfy
2 both, and maybe we need to get into talking about specific
3 issues or specific programs or specific areas of concern,
4 but you know, through my tenure at Millstone one area that
5 came under a lot of scrutiny was the tagging program and
6 processes and problems, and we tried -- with every
7 concern, we did a -- we did -- assigned safety
8 significance to the issue, and we treated it then -- could
9 measure it with the safety significance in a manner
10 similar to any other issue that would come to us, whether
11 it, you know, came from an alleged or it came from an
12 inspector observation or it came from a licensee finding.
13 We always measured things through their safety
14 significance, and then more significant things get quicker
15 follow-up and resolution to make sure that the plant is
16 safe or there is a basis for continued plant operations.

17 But I think we also kept a focus on program
18 compliance and program performance and things that were,
19 quote, regulatory significance. Now, there might be
20 differing views as to how good or bad a program was
21 depending on how many areas you had, but we were always
22 trying to measure what was the -- what was the health of
23 the tagging program, and that -- we did that through the
24 follow-up inspections that I mentioned to you.

25 I mean from the resident -- having residents

1 at the site with the core program that routinely had you
2 looking at tagging, as well as a bunch of other things,
3 you had continual inputs from which you were able to
4 speak. Well, what's the overall health of this program or
5 process and is it really broke or does it have weaknesses?

6 I think we were making those assessments as we
7 went. Now, there might be differing opinions as to how we
8 -- the conclusions we reached and whether we could have
9 gotten to a conclusion sooner that said the whole process
10 was in breakdown or not. I mean, you can always second
11 guess that, but I think we were trying to address it.

12 But was there a specific area you wanted to --
13 I answered it within the context of tagging.

14 TEAM LEADER HANNON: I think that your answer
15 is a fair response to that question. I just wanted to get
16 your thoughts.

17 Also, have you been involved -- were you
18 involved with any enforcement actions for -- that came out
19 of an H&I concern?

20 MR. RAYMOND: Oh, yes. I was. I mean several
21 things during -- several issues during my five years at
22 Millstone went to enforcement for either on the merits of
23 the technical issue or as well as on the merits of the H&I
24 issue.

25 TEAM LEADER HANNON: Okay. Just focusing on

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1 the H&I enforcement actions, in hindsight what is your
2 opinion on the adequacy of the enforcement that the Agency
3 took?

4 MR. RAYMOND: Clearly at the time that we were
5 contemporaneous with handling the issues, I felt the
6 actions were the right and proper actions in accordance
7 with our policy, the enforcement policy.

8 Now, do I think that -- do I have an opinion
9 on that today looking backwards? I don't think I've got a
10 basis to answer any differently, that I think the present
11 policy is adequate, and again, that's just from an
12 inspector's point of view. That's not the result of any
13 broad study of the enforcement policy or its adequacy, and
14 I'm aware -- oh, by the way, I'm aware that our Inspector
15 General's Office, you know, within the last two years has
16 come out with a report on that that says the Agency could
17 do better in protecting whistle blowers.

18 Even with that in mind, I think the present
19 policy probably has enough latitude to get the job done,
20 but that's just my opinion.

21 TEAM LEADER HANNON: Okay.

22 INVESTIGATOR MOHRWINKEL: How well do you
23 think new residents coming to Millstone or any other site
24 are trained in terms of what's going to be expected of
25 them in terms of the allegation program and in terms of

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1 the technical and plant specific knowledge they need to
2 have?

3 MR. RAYMOND: Present day it's good and it's
4 better than probably it was earlier on because we've
5 always had -- "always." I've got to qualify my remarks
6 because I tend to generalize too much -- but I can
7 remember getting allegation training on how to handle
8 allegations from the region as an inspector going back to
9 certainly before I started at Millstone. I can't remember
10 how frequently you got that training or those types of
11 specifics way back when, but present day it's more
12 deliberate. It's more regular. It's done in the form of
13 the counterpart meetings when we go down to the region
14 once or twice a year.

15 You know, I don't remember whether we get it
16 every time we go or probably every other time we go, but
17 it's definitely once a year. So it's getting more
18 focused.

19 TEAM LEADER HANNON: How are you held
20 accountable to and what are the standards you're held
21 accountable to today, in today's environment?

22 MR. RAYMOND: Notice of the allegations?

23 TEAM LEADER HANNON: Yes.

24 MR. RAYMOND: My accountability is to
25 implement those portions of the allegation receipt process

1 at the level of my interface with the plant and/or public
2 here at the site and to making sure that when I get
3 concerns, I get it captured and brought it to the system
4 and follow up on items that have immediacy and do
5 independent assessment, you know, of the issue, or if the
6 things aren't immediate, get it down to the panel and let
7 the panel decide what needs to be done and what the Agency
8 response should be. That's what I'm accountable to do.

9 TEAM LEADER HANNON: Is that part of your
10 performance appraisal that you're appraised on annually?

11 MR. RAYMOND: Yes, there is one of the
12 performance elements. I'd have to look at it, but it's
13 measured. There is an opportunity to assess, I think.

14 Now, allegations, you know, I mean, numbers of
15 allegations received are different for different sites.
16 So, you know, during my time at Millstone, I don't have a
17 hard and fast number, but it took a large percentage of
18 our time, I mean, and I won't try to put numbers on it,
19 but it took an inordinate amount of our time.

20 Whereas here or other plants that I've been
21 assigned to, the time that I spend processing allegations
22 is very small because of the relatively few number of them
23 that have to come through.

24 TEAM LEADER HANNON: But there is a
25 performance element in your performance elements and

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1 standards now that you're appraised against on an annual
2 basis. Has that always been true or --

3 MR. RAYMOND: I think --

4 TEAM LEADER HANNON: -- is it a recent
5 development or when did that become effective?

6 MR. RAYMOND: I don't -- I can't say
7 definitively without look at --

8 TEAM LEADER HANNON: Do you recall having been
9 appraised on your performance at Millstone for how
10 allegations were being handled?

11 MR. RAYMOND: In general, I think I could
12 probably find -- excuse me -- I think I could probably
13 find a performance appraisal that made reference to
14 handling of allegations, and I know in performance
15 appraisals that I wrote for my subordinates at Millstone
16 on units that had a high allegations work load, that I
17 recognized resident inspector performance on that
18 processing and handling of allegations. I think I could
19 find a performance appraisal that said that.

20 TEAM LEADER HANNON: Okay. One of the
21 concerns that we have right now is historically there may
22 have been a diffuse accountability, and I think maybe the
23 evolution of the management directives --

24 MR. RAYMOND: This is an internal concern?

25 TEAM LEADER HANNON: Internal, yeah.

1 -- have attempted to be more effective in
2 terms of having individuals held accountable for how
3 allegations are processed. That's why I was asking you
4 what your recollection was at Millstone.

5 MR. RAYMOND: The process changed through the
6 years, John. So we would have to try to get specific in
7 terms of who was responsible for what in any one
8 particular day, at any one point in time. For a while
9 projects handled -- had responsibility for a large part of
10 the program, but as -- I'm talking very general terms and
11 very much, you know, as best as I can recall.

12 As the amount of allegation work load
13 increased, they started giving more -- better definition
14 to internal handling of the process within the region.
15 Allegation coordinator had a more -- I'm going to
16 hesitate. I don't want to get too exact on what people
17 were doing down there since I was so far removed from
18 them, but from my perception way out in the field, the
19 allegation coordinator was -- had a more defined role on
20 processing, piece-wise processing of issues and keeping
21 track of them.

22 So maybe prior to a certain time or prior to a
23 certain milestone on our internal procedure the process
24 may have been too diffuse. Maybe I can understand that
25 now. I don't know if I knew enough about it to be able to

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1 give you that concern from my perspective.

2 TEAM LEADER HANNON: Well, let me --

3 MR. RAYMOND: Because my role is always
4 defined. You're here, and you're on the front line, and
5 when you get them, you've got to deal with it. It doesn't
6 make any difference where it comes from. If it's a safety
7 issue, you've got to deal with it.

8 INVESTIGATOR MOHRWINKEL: I want to make sure
9 I understand what you're saying though. I think I heard
10 you say that at some point in the past historically there
11 was an allegation coordinator, and that was the focal
12 point, and that seemed to be working pretty well in your
13 mind. Then that disintegrated somewhat, and now you see
14 it better. Is that what you kind of said?

15 MR. RAYMOND: If I did, I didn't intend it
16 that way. You know --

17 INVESTIGATOR MOHRWINKEL: Well, I heard you
18 say at some point in time there was an allegation
19 coordinator, and that person was responsible for being I
20 think you used the word "focal point."

21 MR. RAYMOND: I think it's reversed, Carl, and
22 again, I say this with a lot of caveats because I'm not
23 sure how accurate my recollection is or how good my
24 perspective was, but I was going to -- I thought it was
25 maybe the opposite, that maybe the projects did handle

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1 allegations as they came in on a case-by-case basis, and
2 I'm not sure what involvement or what role there was by
3 the allegation coordinator or how long the allegation
4 coordinator existed.

5 TEAM LEADER HANNON: Well, let's clarify.
6 When you say "allegation coordinator" --

7 MR. RAYMOND: But then -- but then --

8 TEAM LEADER HANNON: -- are you talking about
9 the region or are you talking about the headquarters
10 person?

11 MR. RAYMOND: Oh, the region.

12 TEAM LEADER HANNON: Okay.

13 MR. RAYMOND: The region.

14 TEAM LEADER HANNON: Okay.

15 MR. RAYMOND: Now, maybe someone is going to
16 say, "Hey, geez, we had an allegation coordinator for 20
17 years," and so maybe my recollection isn't all that good,
18 but I think in later years -- let's get focused on my --
19 my assignment at Millstone. In the latter part of my
20 assignment at Millstone, I think there was a more
21 structured approach on how allegations came in and were
22 tracked through the -- and tracked through a formal
23 process within the region. That was clearly more evident
24 later, later in my five-year assignment than earlier in my
25 five-year assignment, but you've got to take that with a

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1 grain of salt because there could have been a lot that was
2 going on within the region that just wasn't visible to me.

3 So I'm not sure how valuable that input is.

4 TEAM LEADER HANNON: How do you view the
5 Region I allegation coordination function today? Good,
6 bad, indifferent?

7 MR. RAYMOND: Good.

8 TEAM LEADER HANNON: Good?

9 MR. RAYMOND: Overall good.

10 TEAM LEADER HANNON: Okay. Do you think they
11 have enough support? Again, that's perhaps an unfair
12 question because you're out here in the field, but from
13 what you can see, do you think they have enough resources
14 in Region I to do an adequate job of overseeing the
15 allegation program? Do you have a feel for that?

16 MR. RAYMOND: A very qualified yes. Again, my
17 only measure of that is I have occasion to go in, and
18 recently I've had an occasion to go in -- to go in and
19 have to review allegation files, and my experience has
20 been -- is those issues, those files are well laid out and
21 organized, and I can get all the information as a user of
22 that system. I can get what I needed out of it very
23 easily.

24 So from an endpoint user's point of view, I
25 think it's great now. If you asked the same question to

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1 the people having to do all that, maybe they need ten more
2 people to get to that point and they're working, you know,
3 triple overtime or something. I can't speak to that, you
4 know.

5 TEAM LEADER HANNON: Okay. Can we take a
6 short break?

7 (Whereupon, the foregoing matter went off the
8 record at 1:32 p.m. and went back on the
9 record at 1:40 p.m.)

10 MR. RAYMOND: Okay. After I thought about --
11 during the break I thought about some of the things I've
12 been saying, and thinking about it I realized I might be
13 painting what could be taken as too rosy of a picture, you
14 know, about the process, and so I want to speak to that a
15 little bit.

16 I don't want to try to give you or anybody the
17 impression that the process we had was perfect. It
18 clearly was not perfect. From the point of view of an
19 administrative mechanism for handling concerns and
20 processing issues, I think there's room for improvement
21 before. There's probably ways we could find to improve it
22 today.

23 But from the point of view of getting safety
24 issues and getting them into the Agency and for dealing
25 with them and dispositioning them, I think the process

1 served us well. I think -- I think we used it as an input
2 that we get from a vast variety of places to help us
3 measure how safe is a reactor or is the reactor being
4 operated well or not well?

5 I think we served the process well, and the
6 process served us well to be able to assure ongoing plant
7 safety. That's the extra thought I wanted to get in onto
8 it.

9 TEAM LEADER HANNON: Could you elaborate on
10 what you thought could have been -- how the process might
11 have been improved, particularly with regard to corrective
12 action follow-up and responsiveness on the part of the NRC
13 to the particular alleged's concerns?

14 MR. RAYMOND: Yeah. In responsiveness, I
15 think we were responsive to individual inputs to the
16 extent that when an allegation comes in and until you have
17 a chance to validate how good the information is or the
18 assertion is or is not, you treat it as this is how it is.
19 If someone thinks it's unsafe, you treat it, you know, as
20 that plant or that program was unsafe until you -- until
21 you proved otherwise.

22 And at the inspector level we always gave
23 allegations that came in, employee concerns, the highest
24 of priority. They would very often supersede priority
25 given to any other planned work activity that we had

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1 either that day or sometimes that week. So in that
2 regard, I think we were very -- we, the staff, was very
3 responsive to employee concerns.

4 Now, how responsive we appeared to somebody
5 else on the back -- in the back end of the process once
6 we've gotten the concern and put it into our perspective
7 as to what does this input mean to our view on a program
8 performance, or plant performance, et cetera? Somebody
9 else might have a different perspective that says we
10 weren't responsive, but I think we -- you know, from my
11 perspective we were responsive on getting issues in,
12 taking -- pulling them apart, understanding what they
13 meant to us, and then acting accordingly.

14 INVESTIGATOR MOHRWINKEL: You just raised a
15 question in my mind by your comment. Let me ask you this
16 question. This question may be more appropriately asked
17 of somebody at a higher organizational level than
18 yourself, but because you touched upon it, I want to
19 specifically ask and see what your reaction is.

20 Do you feel that NU plants are getting an
21 inordinate amount of attention at the expense of other
22 plants that may also have similar problems that the NRC
23 may be inadvertently overlooking due to resources being
24 concentrated at NU?

25 MR. RAYMOND: Look, Carl. I'm not sure how --

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1 that's a big question.

2 INVESTIGATOR MOHRWINKEL: Well, it may be more
3 appropriate for somebody at a higher pay grade than
4 yourself, but you did touch upon, you know, resource
5 questions and focusing on NU and so on. I just had that
6 question.

7 MR. RAYMOND: Yeah, I'm going to pull back to
8 try to answer --

9 INVESTIGATOR MOHRWINKEL: That's fine.

10 MR. RAYMOND: -- that question without the
11 benefit of more input or study relative to everybody else,
12 but --

13 TEAM LEADER HANNON: Let me though play the
14 devil's advocate on the comment about your responsiveness,
15 and how do you respond to the assertion that, okay, maybe
16 you did deal with the issue on the front end as quickly as
17 you've just said, but as far as the corrective action
18 follow-up, could you comment on how you thought the NRC
19 did during your tenure at Millstone to follow up
20 corrective action that may have been implemented by the
21 utility?

22 MR. RAYMOND: And I think I'm going to give
23 you a two-step answer there. I think at the time I
24 thought we were responding appropriately. I think the
25 inputs that we had about program problems and processes

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1 were being assessed, and utility actions were reviewed
2 for, you know, overall -- I guess I've got to get
3 specific. There were issues on procedure compliance.
4 There were issues on adequacy of the tagging program or
5 adequacy -- or adequacy of procedures, and through
6 allegation inputs as well as any other -- all other
7 inputs, there was a recognition from the late '80s through
8 the early '90s that performance was on the decline, and I
9 think we assessed -- the record will show we assessed that
10 decline, and we were -- we, the NRC, were engaged with the
11 utility then to get them to first recognize that and then
12 deal with that.

13 And at the time we believed that their
14 response in our -- their response was appropriate to try
15 to address the issues, and, again, you have to put this
16 within the framework of we had to have an assessment at
17 the time as were the program problems weak enough or poor
18 enough that you're in total breakdown so that the plant
19 shouldn't operate or was there a weakness there that
20 needed to be addressed before, you know, things got out of
21 control, and it was okay for the plant to operate as they
22 -- as they continued working these problems.

23 And clearly through '91-'92, we were in the
24 latter mode. We thought they were degrading -- signs of
25 degrading performance. There was a need for performance

1 enhancement program. That's why there was a PEP, and we
2 felt initially that the things that we were going to do to
3 affect those -- to arrest that performance decline and to
4 fix those problems was adequate.

5 Now, in 1996, looking back, obviously that has
6 come to light that that wasn't -- that wasn't enough, and
7 there's been a recognition within the Agency that we could
8 have done something sooner. You know, we could have done
9 more sooner, you know, back in the '93-'94 time frame.

10 TEAM LEADER HANNON: Okay. With regard to you
11 indicated we have learned some lessons, are there specific
12 parameters, performance indicators, metrics that you would
13 suggest that we ought to be monitoring to assure we're
14 making progress in this area with regard to allegation and
15 employee concern follow-up?

16 MR. RAYMOND: I'm a believer in using
17 performance indicators. I don't know if I have an answer
18 for you that points to which ones are the best ones to
19 use. You know, one measure that we've always had within
20 the NRC is we feel comfortable with a company's or a
21 utility's handling of concerns as measured by the number
22 of concerns that come to us, and I guess that's a valid
23 measure on most -- on most occasions, in most situations.

24 TEAM LEADER HANNON: Now, wait a minute. Let
25 me understand that though.

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1 MR. RAYMOND: But maybe it isn't.

2 TEAM LEADER HANNON: But help me understand
3 what you just said. Are you comfortable with the handling
4 of employee concerns at Connecticut Yankee?

5 MR. RAYMOND: Yes.

6 TEAM LEADER HANNON: Why? Why is that? How
7 do you arrive at that comfort level?

8 MR. RAYMOND: Mostly because of how I see
9 issues being handled on a daily basis through the benefit
10 of my position of being here, and I don't -- again, I
11 don't see everything, you know. There's 360 people here,
12 and Pete and I are just two. So we don't see all
13 interfaces and all interactions, but within -- within the
14 limited forum that we get to operate in on a daily basis,
15 which includes seeing how issues are brought before the
16 control room and dealt with or how people, employees write
17 up their concerns or discrepancies as an ACR or a problem
18 of identification process and how that concern comes into
19 the, quote, management review team, which is a group of
20 NRC managers with the unit director on a daily basis, and
21 how they -- you know, how management -- what management's
22 response is to employees who raise concerns and how they
23 treat the issues and how they give positive reinforcement
24 back to people for doing good jobs, even though it might
25 be painful for them to deal with it.

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1 TEAM LEADER HANNON: You said NRC managers. I
2 think you meant --

3 MR. RAYMOND: I meant NU managers, yeah.

4 TEAM LEADER HANNON: Yes. Okay.

5 MR. RAYMOND: So within that forum, you get
6 very positive assessments about the health of the
7 organization in terms of their ability to identify their
8 own weaknesses, complement those who identify them and
9 bring them forward and deal with them.

10 TEAM LEADER HANNON: So I take it you're not
11 seeing many issues come to the NRC at Connecticut Yankee?

12 MR. RAYMOND: Well, I avoided that, but, yeah,
13 there is another measure out there, and one of which is
14 how many issues that I'm aware of that have been -- that
15 have transpired here over the last several years, and
16 there's on the order of, you know, a couple -- you know, a
17 dozen or two.

18 TEAM LEADER HANNON: Now, contrast that with
19 your experience at Millstone.

20 MR. RAYMOND: Well, it's clearly an order of
21 magnitude -- well, I've got to be careful. I don't know
22 what the latest figures are at Millstone, but they're
23 probably an order of magnitude worse than that, bigger
24 than that.

25 TEAM LEADER HANNON: So it's fair to conclude

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1 that you didn't -- you weren't comfortable with the way
2 employees' concerns were being handled at Millstone.

3 MR. RAYMOND: I didn't say that. Did I -- did
4 you --

5 TEAM LEADER HANNON: No, I concluded that.

6 MR. RAYMOND: Yeah.

7 TEAM LEADER HANNON: What was your degree of
8 comfort then with the --

9 MR. RAYMOND: Here's the problem with that
10 performance indicator. I think it's inadequate. I think
11 we've had a tendency as an Agency to measure a licensee's
12 success by how many concerns we get and that bypass the
13 utility system. I'm going to go out on a limb here a
14 little bit because I probably have a view on this or a
15 perspective that's different than the Agency view.

16 I'm sure the Agency feels that you can measure
17 the health of a licensee system based upon the number of
18 concerns that circumvent their process and come to us, and
19 maybe the bottom line is that's all that counts. Okay? I
20 don't know.

21 But I think the flaw in that performance
22 indicator is that if you've got somebody who's bent on
23 coming to us no matter what and start, you know, flooding
24 us with concerns, they're going to drive that performance
25 indicator way off the -- way off the board relative to

1 where that plant is, and they're going to make it an
2 outlier relative to anybody else.

3 And so you're going to get a performance
4 indicator that without the benefit of detailed review or
5 study as to why that performance indicator gives. It
6 might not be a good barometer on the health of the rest of
7 the organization and how well the licensee is handling --
8 handling employee concerns.

9 Let me take this home now to Millstone. I
10 answered in general. I believe personally for a time
11 there was a healthy organization within the NU -- within
12 in the Millstone plant, and I'm going to be very specific
13 and very focused. I'm going to talk about at Millstone.
14 So I'm going to exclude then what it was like at
15 Connecticut Yankee prior to my coming here. I'm going to
16 exclude then from my assessment what happened in Berlin
17 because I didn't see that arena as much as I did at the
18 site.

19 But I believe that an accurate perception or
20 an accurate assessment was for a time that the process for
21 handling concerns at the worker-supervisor interface and
22 beyond that within the management chain and beyond that
23 within the programs that NU ultimately wrapped around the
24 management chain for handling concerns was a viable
25 program that worked for the vast majority of the people.

1 That's changed now since the late '80s-early
2 '90s time frame, and I can't explain that change. My
3 conclusions are -- I don't have conclusions -- my
4 assessment is that either I had an inadequate measure
5 before. Maybe there was a problem. There was a problem
6 at Millstone that was deeper or broader than I had
7 realized in the past and it wasn't recognized until later,
8 or the working relationship between management and worker
9 has eroded, and so there really was a change in their
10 performance.

11 And I don't know which it is.

12 INVESTIGATOR MOHRWINKEL: You said one thing
13 that was interesting, I thought, here relative to
14 Connecticut Yankee. You said that it's your view that
15 management supports and rewards employees who come forward
16 with concerns even though it may make management
17 uncomfortable.

18 Clearly that's not the feeling we've gotten
19 from interviews with people at Millstone, and maybe in one
20 sentence that perhaps is the essence of the problem, the
21 lack of a supportive environment down at Millstone for
22 people who raise concerns.

23 MR. RAYMOND: Right.

24 INVESTIGATOR MOHRWINKEL: I'm wondering what
25 your reaction is to that.

1 MR. RAYMOND: And I guess I'm having to
2 compare now, and I'm trying to -- I'm pausing only to try
3 to remember now all my collective Millstone experience. I
4 think Millstone management tried to do that. I can
5 clearly think of instances along the way in which they did
6 give positive reinforcement to people who brought forth
7 concerns and got them dispositioned.

8 And the difference is I'm not sure how well
9 they were doing that, if they were consistent in doing
10 that across the board at all three units, and don't take
11 this to be another unit differ -- you know, a comment on
12 the differences between the Millstone units because it's
13 not intended to be that. I don't have enough assessment
14 and review to try to make those distinctions.

15 But maybe they just weren't as consistent and
16 as good at doing that down there, but clearly they -- you
17 know, again, I sat there for five years on a daily basis,
18 saw that organization bring concerns brought up on a daily
19 basis by people that were put into their PIR process that
20 were dealt with, and it was not too unlike what you see
21 here.

22 I mean, you know, you can say, "Hey, we get a
23 high number of allegations." Well, an allegation is a
24 safety concern that's only one out of 300 that are
25 identified every -- every year at every unit because, you

1 know, someone who writes up a -- puts something into the
2 PIR process -- to that person that could be a safety
3 concern. They're not all, you know, the big nuclear
4 safety concerns with the capital letter. There's concerns
5 there: program process, problem process, and from that
6 perspective, you know, Millstone was riding their share of
7 problems. I mean, so there was a vast number of -- vast
8 number of performance issues or questions or issues that
9 were being raised on a daily basis by the Millstone work
10 force, and they were being dispositioned.

11 Now, on the front end. Now, the back end,
12 correct actions and follow through, that all became part
13 of the overall performance decline and the ability of
14 Millstone management to deal with those was -- came under
15 question and now is assessed today as inadequate, but from
16 the front end point -- part of the process, it was working
17 there, as well.

18 TEAM LEADER HANNON: Okay. We've evolved to
19 talking about the NU processes, and I want to, before we
20 close out the interview, have you have the opportunity to
21 make sure you've told us everything you thought was
22 important for the NRC processes.

23 Is there anything you want to add to what
24 you've already told us with regard to NRC processes?

25 MR. RAYMOND: I can't think of anything, John.

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1 TEAM LEADER HANNON: Okay. Could I ask you
2 then to provide us your insights and your views with
3 regard to the -- what your understanding is of the process
4 problems that we encountered at Millstone?

5 MR. RAYMOND: Yeah. I think what made
6 Millstone hard to handle was we had a spectrum of -- I
7 want to think clearly and say this carefully. We had a --
8 sources at Millstone on concerns that covered a spectrum
9 of motives or circumstances under which issues were coming
10 to us, I guess is the point I want to make, and I realize
11 I'm not saying this very well.

12 TEAM LEADER HANNON: Shall we take a break?
13 (Whereupon, the foregoing matter went off the
14 record at 1:58 p.m. and went back on the
15 record at 2:01 p.m.)

16 TEAM LEADER HANNON: Okay. We're back on the
17 record.

18 I just want to restate the question so you
19 make sure you're focused on what I'm trying to get to. I
20 want to get your view of what the NU's problems were now
21 that you've had the benefit of hindsight and some time to
22 think about your experience there.

23 What do you think the problems were with the
24 handling of employee concerns and allegations?

25 MR. RAYMOND: Okay, and to try to speak to

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1 that, I do have some thoughts I'd offer to the group, and
2 I had jotted these down in some notes, and if you'll allow
3 me, I'm going to refer to my notes to try to speak to it,
4 but first of all, from the point of view of the Millstone
5 or NU organization and how they -- how they handled
6 concerns, just talking about the NS -- nuclear safety
7 concerns program as a process, that changed in the five
8 years we were -- I was at Millstone from where it evolved
9 from a single person in the 1980 time frame performing
10 that function on a part-time basis to becoming a separate
11 program office with formal procedures and a dedicated
12 staff by the time I left in 1992, and it had elements of
13 that program and process in place well before I had left.

14 NRC did focus on that to the extent that we
15 made several inspections, a couple of definite
16 inspections, team type inspections, of the NSC process and
17 found the program and process itself to be basically sound
18 or at least on paper it had the elements for success, but
19 the caveat was always we needed to see how it was going to
20 be implemented and what the fruits of the program were.

21 However, it became clear to me as I saw this
22 program evolving that neither the nuclear safety concerns
23 program or NU would ever be able to -- could make the NSCP
24 the avenue of choice to address the concerns of some
25 individuals who made a deliberate choice not to use that

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1 process. I think that's a weakness in any nuclear safety
2 concerns program process.

3 And in particular, at Millstone there were,
4 out of the vast spectrum of allegations that we received,
5 the vast majority of which came from individuals who were
6 clearly interested in making things better and in raising
7 issues and getting them -- getting them resolved. There
8 were some questions in which people were not as forth --
9 it was not as clear that their motivations were that good.

10 For those cases I felt while I was there NU
11 tried to work with the situation in the best possible
12 manner and, in a sense, build fences around hard cases so
13 as to minimize the disruptive influence of the few on the
14 rest of the organization.

15 Now, that's not to say that along the way some
16 employees raised valid -- you know, raised safety concerns
17 and were discriminated against by their supervision or
18 management. I think the inspection records from '89 to
19 '92 with the enforcement actions that we've taken validate
20 that that did occur, but there clearly -- in my
21 recollection of those cases, although we enforced them as
22 50.7 violations, if you look at why some of the harassment
23 and intimidation cases occurred as opposed to being
24 deliberate attempt to stifle safety concerns, I think some
25 of them the discrimination resulted -- occurred over

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1 issues for which there were valid differences of technical
2 opinion, and these differences were not resolved without
3 harassment or intimidation just due to the lack of
4 necessary managerial skills or supervisory skills or
5 training within NU on how to -- how to resolve conflicts,
6 conflicting positions in that way.

7 That's -- so that's one spectrum of situations
8 or one group of people in which there were allegeders that
9 were validly -- validly discriminated against.

10 There also though, in my opinion, were some
11 employees who, while they brought safety concerns forward
12 and the NRC and NU tried to give each of those concerns
13 their due and resolve them, it was also apparent to me as
14 an outsider, someone sitting there at the site, that there
15 were situations in which some employees just got to get
16 odds against their management, and they became embroiled
17 in a longstanding dispute that launched into an ongoing
18 battle, battle between NU and their employees, and that
19 battle was waged in the regulatory public forum.

20 There was a pattern of bringing concerns to
21 the NRC as part of a -- you know, an attempt to maybe --
22 this is only speculation -- but maybe to try to use 50.7
23 as protection. I can say that because these employees
24 would bring concerns to us or piggyback onto problems or
25 concerns that were either raised by others or that were

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1 problems that the NRC was well aware of and knew about,
2 but there was -- there was, in my opinion, an attempt just
3 to add numbers of concerns to the process.

4 A review of the history of those concerns will
5 show a list of concerns that were either misinformation,
6 facts but not allegations; maybe they were trivial issues
7 or matters about which NU or the NRC were aware of and
8 were working to resolve, such as program or process
9 problems in the inadequacy of procedures or the need to
10 upgrade procedures.

11 There also, in my five years at Millstone and
12 in the experiences we had, there was also examples of
13 individuals that conducted themselves in such a manner as
14 to be disruptive to the process and probably -- you know,
15 and provided to NU valid bases for actions that would
16 affect their employment, that in my opinion or in the
17 Agency's views didn't rise to a violation of 50.7. Either
18 there were grounds for terminating individuals, but not
19 for raising safety concerns.

20 I think I've already stated before -- I'll
21 just underscore it once more -- for the time that I was
22 there, the management relationship with the work force in
23 the concerns program was good for the vast majority of
24 employees, and I don't think it was perfect. The NRC, the
25 Milhone (phonetic) Review Group conducted a study at

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1 Millstone and their ability to handle safety concerns in
2 about the '91 time frame, and I remember we were able to
3 point out how their program and process was lacking in
4 some respects or many respects. I forget what the exact
5 words were, but so on the negative side, things could be
6 improved, but on the positive side, I think the process
7 for handling safety concerns was good for a large number
8 of employees as evidence by the large number of issues
9 that were brought up and handled within the PIR process at
10 that time and dispositioned as well.

11 That's all for that.

12 TEAM LEADER HANNON: Do you have any other
13 questions, Carl?

14 INVESTIGATOR MOHRWINKEL: I don't think so.

15 TEAM LEADER HANNON: Okay, Bill. Thank you
16 very much for your time.

17 It's approximately 15 minutes after two, and
18 unless you have any other comments, we'll conclude the
19 interview now.

20 MR. RAYMOND: Fine. Thank you.

21 TEAM LEADER HANNON: Thank you.

22 (Whereupon, at 2:10 p.m., the interview of
23 William Raymond was concluded.)
24
25

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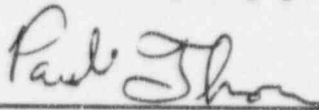
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