

OFFICE OF THE INSPECTOR GENERAL
U.S. Nuclear Regulatory Commission

Memorandum of Interview

Case No. 07-63

On May 8, 2008, Christopher M. CRANE, Chief Operating Officer, Exelon Generation Company LLC, Warrenville, Illinois, was interviewed by Special Agents (b)(7)c (b)(7)c Office of the Inspector General (OIG), Nuclear Regulatory Commission, (NRC) regarding former NRC Commissioner Jeffrey MERRIFIELD's efforts to obtain post-government employment. CRANE provided essentially the following information.

CRANE stated that he has known MERRIFIELD since he began his tenure as an NRC Commissioner. He has a good professional relationship with MERRIFIELD. CRANE had more interaction with MERRIFIELD during his last tenure when he (CRANE) was on the Nuclear Energy Institute (NEI), Nuclear Strategic Issues Advisory Committee (NSIAC).

CRANE stated that in late 2006 or early 2007, he heard that MERRIFIELD was not interested in seeking a third term as Commissioner. In early spring 2007, Commissioner MERRIFIELD contacted CRANE to discuss his future employment plans. MERRIFIELD wanted to know what type of work he could do in the nuclear industry. MERRIFIELD said that he was not interested in working as a nuclear industry lobbyist and he did not want to work in a law firm. CRANE told MERRIFIELD that he should consider employment in the international nuclear sector because MERRIFIELD had traveled overseas extensively as an NRC Commissioner and had developed many contacts in the international arena. According to CRANE, during the conversation, MERRIFIELD also told him that he had set up a "Chinese Wall," so that he would not deal directly with potential prospective employers in the nuclear industry while still an NRC Commissioner. His attorney, Steve ENGLEMEYER, would be handling any employment negotiations. MERRIFIELD asked if ENGLEMEYER could call him (CRANE) to discuss possible job leads that ENGLEMEYER could explore for potential employment on behalf of MERRIFIELD.

CRANE said he later had several conversations with ENGLEMEYER. CRANE did not recall when these conversations occurred. During the initial conversation, CRANE recalled recommending that ENGLEMEYER consider three nuclear industry vendors: Westinghouse, General Electric, and AREVIA for potential employers for MERRIFIELD. During another conversation, he recommended that ENGLEMEYER pursue Shaw, Bechtel, and possibly Holtec for potential employment.

CRANE recalled that at one point, MERRIFIELD called him to ask if he could call Shaw and General Electric on his behalf because these companies were not returning ENGLEMEYER's telephone calls. CRANE did not recall when MERRIFIELD requested him to contact these companies on his behalf. CRANE said he later telephoned Richard Gill, The Shaw Group and Andy White, General Electric and recommended that they consider MERRIFIELD for employment. CRANE recalled that he told GILL that ENGLEMEYER would be calling on behalf of MERRIFIELD. CRANE also recalled that

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GILL commented he was not sure what MERRIFIELD's area of expertise was but, he would be interested in talking to him.

CRANE acknowledged that he did not passively provide MERRIFIELD's name to these companies. Rather, CRANE recommended MERRIFIELD to these companies because he believed that MERRIFIELD would be a good asset to have working in nuclear industry. These vendors all knew MERRIFIELD and that he was leaving NRC. CRANE said he would not have made the telephone calls if he was not willing to endorse MERRIFIELD for a position within nuclear industry. Moreover, it was not unusual for industry executives to recruit talent and make recommendations on behalf of prospective employees given that the industry is a relatively small community.

CRANE said that he and MERRIFIELD did not discuss MERRIFIELD working for Exelon because MERRIFIELD was not interested in working for a utility. MERRIFIELD was interested in getting a high level position and would not have gotten such a position with a utility because he did not have nuclear operating experience. According to CRANE, senior level positions at utilities such as a vice president typically come up through the ranks of an organization and have nuclear power plant operating experience. MERRIFIELD did not have this experience or experience as legal counsel for a utility.

CRANE recalled that sometime prior to MERRIFIELD's departure from the NRC, MERRIFIELD contacted him to ask advice about salary benefits. MERRIFIELD asked about the type of benefits he should be asking for as part of his salary package. MERRIFIELD had never worked in private industry and was not familiar with salary benefits that were typically negotiated such as stock options. CRANE was aware that MERRIFIELD was in the process of negotiating a salary package with either General Electric and/or Shaw. While CRANE was not involved in these negotiations, he recalled contacting someone at General Electric to ask about their salary range for an executive level position. CRANE said he assisted MERRIFIELD by offering his advice regarding a salary package. While CRANE was aware that MERRIFIELD was negotiating with The Shaw Group, he did not know the exact position that MERRIFIELD was seeking to obtain with the company.

CRANE said he did not have any conversations with MERRIFIELD regarding the Combined Operating License (COL) issue. With the exception of group industry functions, he did not attend any private luncheon or dinner functions with MERRIFIELD during 2007 while he was still an NRC Commissioner.

Interviewed by: (Special Agent [redacted]
Special Agent [redacted])

MOI prepared on: May 22, 2007 [redacted]