

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

Memorandum of Interview

OIG Case No: 07-63

On October 1, 2007, Spiros DROGGITIS, Office of Congressional Affairs (CA), U.S. Nuclear Regulatory Commission (NRC) was interviewed by Special Agents (SA) (b)(7)(c) and SA (b)(7)(c) Office of the Inspector General (OIG), NRC. DROGGITIS provided essentially the following information.

DROGGITIS stated he was assigned to MERRIFIELD's office beginning in 2002 and remaining through the end of MERRIFIELD's term on June 30, 2007. He had been previously assigned within the former NRC Office of State and Tribal Programs. He initially was a special assistant to MERRIFIELD and was responsible for advising MERRIFIELD on state relations issues. In 2004, he became an executive assistant and responsible for state and international relations, as well as for budgetary matters. DROGGITIS noted that as an executive assistant he had no personnel or managerial responsibilities, and that those fell to John THOMA, MERRIFIELD's chief of staff.

DROGGITIS recalled participating in an October 2006, meeting with MERRIFIELD, George MULLEY, Office of the Inspector General (OIG). He indicated this meeting occurred at about the same time as MERRIFIELD announced he was not going to be seeking a third term. At the meeting, MERRIFIELD outlined an arrangement involving a private lawyer who would be assisting in MERRIFIELD's job search. DROGGITIS explained that if the office staff received any contact from someone interested in discussing job opportunities with MERRIFIELD, they were to forward the information directly to the lawyer. DROGGITIS also received a memorandum from MERRIFIELD with a description of this arrangement. DROGGITIS stated that he never encountered such a situation during MERRIFIELD's final months and that he never had to contact the attorney. DROGGITIS believed that THOMA may have received one or two job search related calls, but DROGGITIS knew nothing about these instances.

DROGGITIS indicated that it was his sense that nothing was really going on with MERRIFIELD's job search until the last month or two of his term. DROGGITIS stated that he had no conversations with MERRIFIELD about the progress, but DROGGITIS noticed that MERRIFIELD was meeting and conversing with John SZABO, Office of General Counsel (OGC) frequently during the last two months. DROGGITIS said he that he did not have knowledge of the job offers or discussions that MERRIFIELD was involved with. At one point, he heard that MERRIFIELD was involved in negotiations with Progress Energy. DROGGITIS was not certain how he had learned of this, but believed THOMA may have told him. None of the issues DROGGITIS worked on involved Progress Energy.

DROGGITIS did not know anything about The Shaw Group until MERRIFIELD announced he would be taking a position with Shaw during a luncheon about a week before his term ended. DROGGITIS later learned that Shaw had taken over a nuclear engineering firm Stone and Webster with which DROGGITIS was familiar.

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DROGGITIS stated that the only item he was involved in where he thought there was the possibility of a conflict of interest involved an agreement with China which was related to nuclear reactors produced by Westinghouse. The proposed agreement was to exchange safety information with the Chinese nuclear regulatory agency. DROGGITIS stated that a vote by the Commission was needed to approve agreement, and that MERRIFIELD had already voted before the potential conflict of interest arose. DROGGITIS discussed the issue with (b)(7)c and possibly SZABO, who informed him that DROGGITIS would be able to complete the administrative actions necessary to finalize the vote, but that he should not share this information or these documents with MERRIFIELD. DROGGITIS was to finish this action so long as any changes were minor and within the scope of MERRIFIELD's original vote, which DROGGITIS indicated was the case in this instance.

DROGGITIS indicated that MERRIFIELD was probably aware of this general policy that his staff members may be completing action on his votes without his further involvement in areas where a potential conflict of interest was involved. DROGGITIS did not discuss this process with MERRIFIELD, but assumed (b)(7)c or SZABO had. DROGGITIS acknowledged that this process seemed "weird," but he accepted it since he believed that the legal advisors had reviewed and approved it. DROGGITIS made no notes or memoranda about this matter.

DROGGITIS was stated that the potential for a conflict of interest existed due to MERRIFIELD possibly being involved in negotiations with Westinghouse. However, DROGGITIS was not sure if MERRIFIELD had actually been in negotiations or discussions with Westinghouse. DROGGITIS noted that his concern in this instance emanated from the fact that only one in which one specific vendor was named in the agreement.

DROGGITIS stated that subsequent to the Commission's approval of the agreement, MERRIFIELD signed the agreement in a ceremony with the head of the Chinese regulator. DROGGITIS stated that Chairman was unavailable and that he had asked MERRIFIELD to do this. This signing was part of a larger series of meetings between the US Government and China. DROGGITIS stated that he spoke with (b)(7)c about MERRIFIELD's involvement in this signing ceremony, and that (she) said it was "okay." DROGGITIS stated he had been concerned about the "optics" of having MERRIFIELD participate in this signing, which was why he asked (b)(7)c for her opinion.

DROGGITIS believed the same pattern of non-involvement by MERRIFIELD following his initial vote was followed in the case of the Combined Operating License (COL) task force. DROGGITIS acknowledged that he knew much less about the COL as it was not in his area of responsibility. However, once the COL taskforce recommendations were sent forth to the other Commissioners, DROGGITIS did not see MERRIFIELD take an active role in advocating their adoption by the Commission. He did believe MERRIFIELD wanted to see the task force initiatives completed.

DROGGITIS did not recall and conversations with MERRIFIELD about the details or progress of his job search. DROGGITIS emphatically denied that he was a "gatekeeper," the person filtering out information from MERRIFIELD related to potential employers. He indicated that both (b)(7)c and THOMA performed this function.

DROGGITIS believed that MERRIFIELD received his first job offer in late May or early June. MERRIFIELD mentioned this while he was accompanying MERRIFIELD on farewell visits to various Congressmen. During this trip, MERRIFIELD stated that he had received his first offer, but did not identify which firm had made the offer.

DROGGITIS recalled that the office staff went out to lunch with MERRIFIELD on the Monday during the week before his last week as a government employee. During this lunch MERRIFIELD told him that he had gotten a job with Shaw.

DROGGITIS stated that he believed that MERRIFIELD had done nothing wrong in his job search. DROGGITIS stated that MERRIFIELD often touted the process he had set up. DROGGITIS also believed that MERRIFIELD was a very cautious person, and that he was frequently consulting with SZABO. DROGGITIS did not witness any actions which he thought were out of character for MERRIFIELD or that would be indicative that he was attempting to improperly benefit a prospective employer.

DROGGITIS stated that there were no training sessions or briefings provided to the office staff on government rules and regulations related to post government employment.

Interviewed by (Special Agent
Special Agent (b)(7)c

MOI Prepared on October 3, 2007

MOI Reviewed by/on: (b)(7)c 3/21/07