

OFFICE OF THE INSPECTOR GENERAL
U.S. Nuclear Regulatory Commission
Memorandum of Interview

OIG Case No: 07-63

On February 14, 2008, Richard GILL, President Shaw Power, The Shaw Group, was interviewed by Special Agent ^{(b)(7)c} [redacted] Office of the Inspector General (OIG), NRC, regarding MERRIFIELD's search for post-government employment. GILL provided essentially the following information:

GILL stated that he had been with Shaw for about the last eleven years, serving in various positions including as the Chief Executive Officer and the Chairman of the Executive Committee. GILL came to his current position about one year ago.

GILL had known MERRIFIELD for several years, having interaction with him mostly at nuclear industry conferences and functions. GILL stated he had never visited MERRIFIELD at the NRC, and that he had never been in the NRC Headquarters. GILL stated that he had no direct interaction with MERRIFIELD on substantive issues, and that most of GILL's work is with the utilities and construction firms which are Shaw customers. GILL was not familiar with MERRIFIELD's involvement on the NRC's support to Chinese regulators on the AP1000 design, nor with his efforts on the Combined Licensing Task Force.

GILL did not recall exactly when or how he learned of MERRIFIELD's intention to leave the NRC, but was aware that his term would be ending. GILL had seen MERRIFIELD at conferences and receptions and noted that he handled himself well. It appeared that he had good people skills and he obviously knew how the NRC operated.

GILL believed he was at a reception or possibly the 2007 Regulatory Information Conference (RIC) and that during informal discussions, he asked MERRIFIELD what his future plans were. MERRIFIELD replied that he had not decided. MERRIFIELD also indicated that he had established a "Chinese wall" and that he could not and would not talk about future employment. MERRIFIELD gave him the number of his attorney, Steve ENGELMEYER. GILL did call ENGELMEYER, but estimated it was probably a couple of months after the conversation—likely during spring 2007. GILL indicated he had a short conversation with ENGELMEYER, relating the MERRIFIELD would not discuss his potential interests. ENGELMEYER only told GILL about MERRIFIELD's interests in general, indicated that he would like to get into the business or operations side of the nuclear industry. ENGELMEYER sent GILL some information on MERRIFIELD's background.

GILL stated that he really did not do too much following his conversation with ENGELMEYER, further stating that he wanted to figure out how MERRIFIELD could fit into Shaw. He thought the power division was a natural fit, and that MERRIFIELD could develop further given his interesting background on Capitol Hill and with the NRC. GILL did speak with Brockie HALL, Vice President, Strategic Resources, Shaw, and asked him to find out a bit more about MERRIFIELD's background and let HALL know that he might be interested in hiring him.

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GILL recalled the lunch in May 2007 in Miami with MERRIFIELD. GILL could not recall who else was in attendance at the lunch, although he believed somebody else from Shaw was likely present. GILL described the lunch as casual, and that they talked in general about possibilities at Shaw. However, no specific positions were discussed. GILL explained that he used the meeting to ensure that he would be comfortable with having MERRIFIELD as part of Shaw.

GILL stated that he knew MERRIFIELD's term was going to be ending shortly after the lunch meeting, and that he decided to offer MERRIFIELD a position. GILL indicated that the decision to hire MERRIFIELD was his alone. GILL did inform the Shaw executive council, but insisted that he could exercise hiring authority unilaterally.

GILL told HALL to draft up an offer and send it to MERRIFIELD. GILL may have discussed MERRIFIELD's hiring with David BARRY, President, Nuclear Division, Shaw, but did not have BARRY interview MERRIFIELD. GILL was not present when MERRIFIELD visited Shaw at the end of June 2007. He indicated that this visit was not part of the interview or prospective employee evaluation process; "the job was his." Rather, this visit was more an opportunity for MERRIFIELD to meet some of the Shaw staff and to begin looking for a home.

GILL knew there were other firms that were interested in hiring MERRIFIELD. He later learned that Westinghouse had been in discussions with MERRIFIELD, and he also heard rumors about General Electric. GILL suspected there were others, but he has not discussed these with MERRIFIELD.

GILL felt that any allegations about impropriety in the hiring process were baseless. He noted that MERRIFIELD seemed very cautious about the process and indicated that the use of the lawyer was one significant indication of his caution. GILL noted that MERRIFIELD was a lawyer and assumed that he understood all the government rules on searching for employment. GILL did not try and research the rules and relied upon MERRIFIELD's judgment about when he could and could not discuss future employment.

GILL also stated that Shaw does not interface directly with the NRC. He stated that the NRC really can not help or hurt Shaw, which is not a licensee and is only indirectly affected by NRC regulatory actions. GILL stated that no customers or other nuclear industry elements influenced his decision to hire MERRIFIELD, and commented that Shaw is very happy to have hired MERRIFIELD.

Interviewed by Special
MOI Prepared on Feb
MOI Reviewed by/on:

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