

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

Case No: 07-63

On February 26, 2008, Loren PLISCO, Deputy Regional Administrator for Construction, Region II, U.S. Nuclear Regulatory Commission (NRC), was interviewed by Special Agents (b)(7)c and (b)(7)c Office of the Inspector General (OIG), NRC. PLISCO was interviewed regarding any potential conflict of interest issues with former NRC Chairman Jeffrey MERRIFIELD's post-NRC employment and his involvement with the NRC Combined License Review Taskforce (COL TF). PLISCO related essentially the following information:

In 2006, NRC Chairman Dale E. KLEIN became aware that NRC estimated that it would take 42 months to complete the licensing process for new reactors. As a result, in November 2006, KLEIN directed the NRC to establish COL TF to find efficiencies and better ways to improve the licensing process to reduce the number of months to complete the process. The three areas that the taskforce was to evaluate were the technical review, environmental review, and the hearing process. The taskforce completed its review in April 2007.

PLISCO stated that COL TF primarily conducted telephonic interviews, personal interviews and meetings with NRC staff to develop recommendations to make the NRC new reactor licensing process more efficient. COL TF meet with NRC staff, Nuclear Energy Institute (NEI), other federal agencies and utilities, to gain information on how to make the licensing process more efficient. The utilities that COL TF interviewed were Southern Company, Dominion Energy, Entergy, and Constellation Energy. PLISCO said those utilities were interviewed because they were involved in the early site permit process. The government agencies that the taskforce interviewed were Department of Interior and Council on Environmental Quality.

PLISCO stated that the members of the COL TF were himself, MERRIFIELD (b)(7)c (b)(7)c Steven CROCKETT and Janice MOORE. Office of General Counsel (OGC), James LYONS, (b)(7)c Office of New Reactors (NRO). Marsha GAMBERONI, Region I Division of Reactor Safety, and (b)(7)c (b)(7)c Office of Nuclear Security and Incident Response (NSIR). The taskforce broke into teams to conduct the interviews. PLISCO stated that he and (b)(7)c wrote most of the final report. PLISCO added that (b)(7)c was temporarily assigned to MERRIFIELD's Office at the time the taskforce was conducting its review, and (b)(7)c was the only member on the taskforce that worked full-time on taskforce issues.

PLISCO stated that he was the Executive Director of COL TF. He was responsible for arranging the meetings of the taskforce members, coordinating the activities of the team, and to reach a consensus on the recommendations of the team.

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PLISCO stated that MERRIFIELD's role on COL TF was chairman of taskforce. In that role, he provided overall guidance to the COL TF and kept the group focused on only reviewing the licensing process for new reactors. PLISCO stated MERRIFIELD was an active participant on COL TF and attended some of the group meetings. At the meetings, MERRIFIELD would ask questions regarding information found by group members. PLISCO stated that MERRIFIELD also participated in some of the interviews. MERRIFIELD and another team member conducted the interview of a former NRC Commissioner, Jim CURTIS, and staff at Council on Environmental Quality.

PLISCO stated that the task force meetings occurred at NRC Headquarters, and there were a couple of conference calls. PLISCO believed that the group met on December 4, 2006, January 10, 11, 18, 19, 29, and 30, 2007, and February 12, 13, 21, and 22, 2007.

PLISCO stated that he had little interaction with MERRIFIELD prior to the COL TF. PLISCO stated he had met him on site visits in Region II's area of responsibility. PLISCO said he had never previously worked with directly with him on any issue.

PLISCO related he talked with MERRIFIELD weekly during COL TF until (b)(7)c was assigned to MERRIFIELD's office. Once (b)(7)c was detailed to MERRIFIELD's office, PLISCO primarily talked to (b)(7)c instead of MERRIFIELD on taskforce issues. PLISCO said his conversations with MERRIFIELD were primarily regarding the scheduling of meetings and to get feedback on how to meet the Chairman's deadline for completing the review.

PLISCO stated that MERRIFIELD did not try to influence the taskforce inappropriately on any issue or aspect of the review. PLISCO believed, however, that MERRIFIELD was most interested in the hearing process. He hypothesized that MERRIFIELD was very interested in the hearing process because he was a lawyer and Commission is regularly involved in hearing processes at NRC. PLISCO said MERRIFIELD was also interested in the environmental review process.

PLISCO stated he did not know anything about MERRIFIELD's job search efforts, or any of his activities between the issuance of the final taskforce report in March 2007 and the final vote of the Commission in June 2007. PLISCO said he first learned of MERRIFIELD's post-NRC employment with Shaw Group from the media at the same time the general public learned of it. PLISCO was surprised MERRIFIELD was leaving because he had heard rumors while on the taskforce that MERRIFIELD was going to stay at NRC for another term. PLISCO said therefore, he had no indication that MERRIFIELD was leaving the NRC. PLISCO stated he never heard from the media the names of any of the companies he may have been negotiating with for post-NRC

employment.

PLISCO stated that MERRIFIELD never recused himself from any COL TF actions or activities. PLISCO did not believe there were any direct conflicts of interest between MERRIFIELD's employment with Shaw Group and his participation on taskforce. PLISCO said COL TF looked at only the licensing process for new reactors, not the construction of new reactors. PLISCO said that, however, there could be an indirect connection between Shaw Group and the review of licensing process. He stated that if there are no applications accepted by NRC for new reactors, then there would be no work for Shaw Group to do in the area of new reactor construction.

Interview conducted by: SA (b)(7)c

Memorandum of Interview Prepared on: SA (b)(7)c

Memorandum of Interview Reviewed by/on: (b)(7)c 7 Mar 08