

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

Memorandum of Interview

OIG Case No: 07-63

On February 6, 2008, Dr. K.P. (Kris) SINGH, President and Chief Executive Officer (CEO), Holtec International, was interviewed by Special Agent (b)(7)c Office of the Inspector General (OIG), U.S. Nuclear Regulatory Commission (NRC), regarding MERRIFIELD's search for post-government employment. SINGH provided essentially the following information:

SINGH has served in his current position since 1986. SINGH had occasional interaction with MERRIFIELD throughout MERRIFIELD's tenure with the NRC. SINGH believed that he had visited MERRIFIELD in his office on only one occasion, and that on another occasion MERRIFIELD had visited Holtec and given a speech to the employees. Both had occurred several years in the past. SINGH had also encountered MERRIFIELD at various conferences.

SINGH denied ever asking MERRIFIELD for any assistance on any particular matters related to Holtec and its interaction with the NRC. He noted that NRC Commissioners have primarily a general policy role and that they have little direct influence on specific licensing or regulatory matters. He did indicate that he was aware MERRIFIELD had been a staffer on Capital Hill prior to becoming a Commissioner, and that SINGH occasionally called MERRIFIELD for advice on how various committees or other parts of government worked.

SINGH was not certain when he learned about MERRIFIELD's planned departure from the NRC, but believed that MERRIFIELD called him shortly before he made his public announcement about not seeking a third term. SINGH stated that he was "ambivalent" about MERRIFIELD as a prospective employee for Holtec. Although SINGH was always interested in recruiting highly qualified individuals to be part of his firm, Holtec was so small that it could not support a full time lobbyist, a position that he believed MERRIFIELD was most appropriate for. Although he held great respect for MERRIFIELD, he was not certain about his qualifications to run a business department. SINGH recalled that MERRIFIELD had informed him that he had an attorney located in Philadelphia who would be acting as his agent within his search for employment, and that SINGH should contact him. SINGH could not recall the attorney's name, nor if he had received a telephone number for the attorney. SINGH did not contact the attorney.

SINGH believed that about 10 days prior to his meeting with MERRIFIELD on June 6, he had encountered MERRIFIELD casually at a meeting, possibly a meeting involving both the NRC and the Nuclear Energy Institute (NEI). At some point during their informal conversation they mentioned his continuing job search and they agreed that they should "get together." SINGH agreed to a meeting as a "general courtesy." SINGH recalled that MERRIFIELD had related that he was no longer participating in NRC issues and could explore possible employment options.

On June 6, 2007, SINGH and Pierre ONIED, Senior Vice President, Nuclear Division, Holtec, met with MERRIFIELD for dinner in Rockville, MD. They were in Rockville for other meetings and this was a convenient time to meet with MERRIFIELD. This meeting

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was for the explicit purpose of exploring possible employment. The majority of the conversations were general in nature, with the purpose to understand MERRIFIELD's interests and intentions. SINGH stated that when it came to a point that he wanted to ask more specific questions of MERRIFIELD, he asked ONIED to leave. SINGH explained that since ONIED would have been a possible peer to MERRIFIELD, it would have been inappropriate to have such personal discussions in front of ONIED.

SINGH felt that from the tenor of their discussions he was fairly sure that Holtec was not MERRIFIELD's "cup of tea." SINGH noted that he had believed that MERRIFIELD might fill a role of expanding Holtec's work with the Department of Energy (DOE) in support of the Yucca Mountain waste site, but that MERRIFIELD's comments had suggested he was not enthusiastic or interested in such a position. SINGH indicated that the dinner concluded without any indication of a future meeting or specific follow-up actions, something that SINGH would have suggested if the meeting had gone more positively.

SINGH was not aware of the payment arrangements for that dinner, which he believed ONEID handled. SINGH indicated that in the previous encounters he recalled that MERRIFIELD had always insisted on paying for his portion. SINGH noted that he knew there were government regulations regarding the acceptance of dinners by government employees and that he was not insulted when they paid for their portion of the bill.

SINGH claimed that he was not aware of MERRIFIELD's involvement with the NRC's support to the Chinese nuclear regulatory authority on the AP1000 nuclear reactor design. He also stated that he was not aware that the MERRIFIELD was involved in the Combined License Task Force. SINGH stated that he has enough difficulty keeping up with the "back end" of nuclear power (*referring to nuclear waste*), he does not attempt to keep up with issues at the "front end" (*nuclear plant construction*).

SINGH did not participate in the June 12, 2007, dinner, and he was not present at the conference in Idaho. He indicated that this dinner was not part of the employment process. He indicated that ONIED "takes everyone to dinner" as part of his role as a salesman.

SINGH stated that shortly before June 20, 2007, MERRIFIELD telephoned him. MERRIFIELD indicated that he was on the verge of accepting a position and wanted to see if there was any interest from Holtec in offering him a position. Although SINGH believed that he would not accept, he decided to make an offer to MERRIFIELD. The offer was consistent with the compensation provided to his other senior vice presidents. However, SINGH indicated that he intentionally included the specific references about working with DOE as part of the position responsibilities, knowing that MERRIFIELD had shown little excitement at such a role. SINGH indicated that this was not the normal method for him to communicate an offer, but did so because of MERRIFIELD's seeming sense of urgency.

SINGH stated that he did not hear back from MERRIFIELD for approximately a week, and SINGH was initially uncertain if MERRIFIELD had actually received the e-mail. However, SINGH believed that approximately a week later MERRIFIELD called and told him that he had decided to take another position. SINGH stated that this was the only time he had e-mailed MERRIFIELD, and further indicated that he had not received any correspondence from MERRIFIELD, e-mail or otherwise. He had never received or reviewed any items such as a resume.

SINGH denied that he or MERRIFIELD had acted improperly during their employment discussions. SINGH stated that he had felt no pressure from the NRC to make the offer of employment to MERRIFIELD, nor had SINGH or Holtec asked for or received any preferential treatment due to making such an offer. SINGH stated that his interaction with the NRC has always been conducted openly, and cited his recent letter to the Commission complaining about the slowness of the staff in reviewing his application for certification of a transport container as an example of his normal method of interaction with the NRC.

Interviewed by (Special Agent
MOI Prepared on February
MOI Reviewed by/on:

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