

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

Memorandum of Interview

OIG Case No: 07-63

On February 8, 2008, Stephen R. TRITCH, President and Chief Executive Office, Westinghouse Electric Company, was interviewed by Special Agent ^{(b)(7)c} [redacted] Office of the Inspector General (OIG), U.S. Nuclear Regulatory Commission (NRC), regarding MERRIFIELD's search for post-government employment. Also present during this interview was James A. BUDDIE, Assistant General Counsel, Westinghouse Electric Company. TRITCH provided essentially the following information:

TRITCH stated that he has known MERRIFIELD for several years through his interaction with the NRC. TRITCH stated that Westinghouse senior executives usually visit the NRC in person once a year, generally in the spring. They meet with all of the Commissioners who are available as well as the Executive Director for Operations. TRITCH acknowledged that Westinghouse was interested in having the NRC's support to the Chinese regulatory authorities. However, he did not recall any discussions with NRC staffers or Commissioners on the topic. Additionally, TRITCH was not aware of the Combined Licensing (COL) task force, nor was he aware that MERRIFIELD had any involvement it.

TRITCH believed that he learned of MERRIFIELD's intention to leave the NRC through a public press release, perhaps in the trade publication "Nuclear News." TRITCH could not recall when he learned of this, and that it had seemed earlier than October 2006, but was uncertain of the date.

TRITCH stated that he had an informal conversation with MERRIFIELD at a conference sometime following the public announcement. During the conversation TRITCH inquired what were MERRIFIELD's post government plans, and if he had considered the private sector. MERRIFIELD indicated that might be open to such a possibility and told him that he made an arrangement using a lawyer to conduct his job search. TRITCH stated that he did not follow up on this conversation and approximately a month or two went by. TRITCH then encountered MERRIFIELD at another conference, perhaps the NRC's Regulatory Information Conference (RIC). They spoke informally about MERRIFIELD's future plans—which TRITCH characterized as "small talk." MERRIFIELD provided the name of the lawyer (which TRITCH could not recall) to TRITCH. TRITCH believed that he provided the name to Anthony GRECO to contact the attorney.

TRITCH believed MERRIFIELD would be a good candidate for working within his company. He believed that MERRIFIELD had a good knowledge of the industry and carried himself well. He also recalled that previously, MERRIFIELD had come to Westinghouse and spoken to the employees. He felt that MERRIFIELD had the general kind of attributes they were looking for in a senior executive, not any one specific trait.

TRITCH stated that he had no specific meetings or interviews with MERRIFIELD about his prospective employment, and that his reference in his May 16, 2007 e-mail to having met a couple of times on the topic of his prospective employment referred to their informal conversations. TRITCH indicated that he wanted MERRIFIELD to meet with senior Vice Presidents from the staff to get their opinions and see what might be the best fit for MERRIFIELD within Westinghouse. Anthony GRECO, Senior Vice President for Human

B/17
17

Resources, Westinghouse, was assigned the task of arranging for the visit. TRITCH's initial thought was that a position within James FICI's division, and that reporting to FICI would be most appropriate. TRITCH indicated that he did not meet with MERRIFIELD during his visit to Westinghouse on June 1, 2007, and believed that he was on travel during that visit. However, the visit went well and the senior staff members who met with MERRIFIELD concurred that a position within FICI's section seemed to be the best fit.

TRITCH indicated that MERRIFIELD expressed a desire to work directly for TRITCH, but that was an aspect he did not want to agree to. However, TRITCH spoke with MERRIFIELD and they were able to reach a compromise and agree to allow MERRIFIELD to attend various Westinghouse senior executive meetings and conferences which are usually restricted to individuals who directly report to TRITCH. An offer was made and sent to MERRIFIELD. TRITCH believed he heard from FICI that MERRIFIELD had decided not to accept their offer. He believed this occurred about a week or so following the offer. Within another week or so, TRITCH heard that MERRIFIELD was going to be going to Shaw. TRITCH was not aware of any other companies which MERRIFIELD may have been negotiating with.

TRITCH stated that they had told senior managers at Toshiba, which owns a controlling stake in Westinghouse, about their interest in MERRIFIELD. He stated that this was not specifically required, but something he does out of courtesy on any senior executive staffing decisions. He believed that this occurred following their decision to bring him to Westinghouse for interviews on June 1, 2007, but before MERRIFIELD made the visit. He noted that Toshiba had no real reaction to the news; they had not suggested his hiring and they did not object to him. TRITCH stated that although Shaw also owns 20% of Westinghouse, he does not share the same level of information with Shaw, and indicated that they did not share their interest in hiring MERRIFIELD with them.

TRITCH felt that there was no aspect of this hiring process which suggested any impropriety or conflict of interest. He stated that there had been no inappropriate benefits to either Westinghouse or MERRIFIELD by this process. He had felt no pressure from the NRC any way regarding his potential employment. He also indicated that he had noticed no change in MERRIFIELD 's actions during the course of his employment search, and believed that he had exhibited the same regulatory philosophy throughout his tenure as a Commissioner. No one ever brought any concern about the hiring of MERRIFIELD to his attention.

Interviewed by Special Agent (b)(7)c
MOI Prepared on February (b)(7)c
MOI Reviewed by/on: (b)(7)c