



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

April 25, 2000

Mr. David Lochbaum
Union of Concerned Scientists
1616 P St. NW, Suite 310
Washington, DC 20036-1495

SUBJECT: PRESENTATION TO PETITION REVIEW BOARD AND LICENSEE RESPONSE
TO PETITION - INDIAN POINT NUCLEAR GENERATING UNIT NO. 3

Dear Mr. Lochbaum:

Enclosed please find the transcript of our your February 16, 2000, presentation to the
Petition Review Board and a copy of the licensee's March 3, 2000, response to your petition. I
will keep you informed as to the status of your petition at least every 60 days.

Sincerely,

George F. Wunder, Project Manager, Section 1
Project Directorate I
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-286

Enclosures: 1. Transcript of February 16, 2000,
Telephone Call
2. Letter From J. Knubel dated
March 3, 2000

cc w/encls: See next page

Indian Point Nuclear Generating Station
Unit No. 3

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P R O C E E D I N G S

1
2 MR. WUNDER: This is George Wunder in Headquarters
3 with a bunch of folks -- Region 1 in King of Prussia is on
4 the line.

5 [Discussion off the record.]

6 MR. WUNDER: Good morning. We have NRC
7 Headquarters and some folks from NRC Region 1, and the
8 Licensee is on the line also, and I guess this is to explain
9 to you, Mr. Lochbaum, this is an opportunity for you to give
10 us any additional detail or basis of substantiation
11 pertaining to your petition that you submitted on Indian
12 Point 2.

13 MR. LOCHBAUM: 3.

14 MR. WUNDER: 3 -- I beg your pardon.

15 MR. LOCHBAUM: 3. I think the letter is pretty
16 self-explanatory. We passed along the Speakeasy -- not
17 Speakeasy, the Speak Out Report that indicated there were
18 problems in the Operational Review Group at Indian Point 3.

19 That group is kind of important in the review of
20 daily or deviation event reports. The NRC's own inspection
21 reports for the last several months have indicated there are
22 problems with corrective actions in the timely
23 identification resolution of DERs.

24 We felt that that evidence suggested that the NRC
25 needed to issue an order to look at the Corrective Action

1 Program and the safety culture at Indian Point 3 so that is
2 basically what we are asking for.

3 MR. WUNDER: Does the Region have any comments on
4 that?

5 MR. CLIFFORD: Dave, this is Jim Clifford.

6 MR. LOCHBAUM: Hello.

7 MR. CLIFFORD: I am acting for Eleanor. I just
8 wanted to brief you on what we know about the event at
9 Indian Point 2, just to give you a heads-up on what we know.

10 There was a steam generator tube rupture last
11 night and it was protected through M16 monitors. The
12 operators manually tripped the plant and are proceeding
13 expeditiously to cooldown at this point. The steam
14 generator was isolated, identified and isolated.

15 There has been monitoring by the licensee around
16 the site and there's been no detectable offsite release.
17 The agency is currently considering what further actions we
18 need to take in response to the event.

19 I just wanted to give you a quick brief on that
20 event.

21 MR. LOCHBAUM: Thank you. Appreciate that.

22 MR. CLIFFORD: -- take up too much into the
23 discussion here.

24 MR. LOCHBAUM: Sure, appreciate that.

25 MR. CLIFFORD: Okay.

1 MR. WUNDER: Does anybody have any further
2 questions or -- Region 1, do you have any questions or need
3 any further clarification?

4 SPEAKER: No, none from here.

5 SPEAKER: David, I asked somebody from the branch
6 that oversees the new NRC inspection or whatever --

7 SPEAKER: Oversight.

8 SPEAKER: -- oversight program, and they're a
9 couple minutes late, but because I wanted to talk or find
10 out do you know, do you know how the new oversight program
11 deals with plants that have Corrective Action Programs that
12 aren't working? Are you aware of -- I am not that familiar
13 with any oversight process and I am not sure how the new
14 oversight process would take that into account.

15 MR. LOCHBAUM: From my understanding of the new
16 process, there's a couple ways.

17 Once a year or at least once a year there is a NRC
18 inspection module that looks specifically at the Corrective
19 Action Process or Program that a licensee has. In addition
20 to that, a percentage of each inspection, all of the
21 inspections that are done is guided or focused on assessing
22 the effectiveness of the Corrective Action Program in that
23 inspection area, whether it is fire protection or whatever.

24 But the problem that we have with both of those
25 processes is that NRC findings are then handled under,

1 currently handled under the significance determination,
2 process, which assigns the color to the finding, and that
3 process as currently applied to Corrective Action problems
4 is if you find a complete breakdown in nonsafety related
5 system, it is going to be a green because the nonsafety
6 related system doesn't have any contribution to core damage.

7 The fact that that is a limited sample may suggest
8 that there's problems in the safety-related corrective
9 action processes.

10 SPEAKER: Problems?

11 MR. LOCHBAUM: The way the process is steered up,
12 the NRC inspectors cannot go and look at other areas if it
13 is a green finding, so we are concerned that that won't give
14 the right answer in certain occasions.

15 SPEAKER: Mike Johnson just joined us and I'll
16 paraphrase what David was saying is that because the new
17 inspection oversight process, even though you look at the
18 Corrective Action Program once a year and a percentage of
19 inspections is focused on the Corrective Action Program's
20 effectiveness, any NRC findings get put through the SDP
21 model and even if the Corrective Action Program had a
22 complete breakdown even if was in a non risk-significant
23 system would be green and therefore you wouldn't get this --
24 any reaction from the NRC.

25 But I understood this was a cross-cutting issue

1 when I was involved in it, and so could you make any comment
2 on how that would be handled?

3 I briefly told you over the phone that his, the
4 basis for his petition is the fact that the oversight
5 program relies on a healthy Corrective Action Program and a
6 safety-conscious work environment.

7 You have to move closer to the phone, David.

8 MR. JOHNSON: Hi, David.

9 MR. LOCHBAUM: Hello, Mike.

10 MR. JOHNSON: I think most of this you know, but
11 let me just go through my little spiel and then you tell me
12 if that, if that helps.

13 I mean you're right, individual issues that get
14 found in PI&R inspections or for example things that could
15 have a bearing on safety-conscious work environment,
16 although -- you know, I am going to talk about allegations.
17 Let me just set that aside.

18 MR. LOCHBAUM: Okay.

19 MR. JOHNSON: The things that are a result of PI&R
20 inspections and issues that arise would be left to the SDP
21 and in many instances, you're right, they would be green.
22 Unless you could find an issue that had an impact on the
23 performance of the plant, in plant equipment or some -- the
24 ability of some equipment to perform, it would be a green
25 issue.

1 The way we are now with cross-cutting issues, is
2 you will remember that we said all along that we thought
3 that if a plant is available to operate and does not cross
4 thresholds, that must mean that in fact their problem
5 identification and resolution processes are working pretty
6 well and in fact you know, you will remember from the
7 workshop, there is some disagreement with that approach, and
8 in fact there have been in the NRC some concerns that there
9 could be these underlying things that haven't yet resulted
10 in issues where thresholds would be crossed and so we need
11 to continue to worry about them.

12 In fact, we have an action that says that we are
13 going to put together a working group made up of
14 stakeholders, internal and external stakeholders, to try to
15 continue to work on that issue.

16 But having said that, the new oversight process --
17 I was reading your petition a little bit, and I wanted to
18 just say a couple words. It is not that the new oversight
19 process assumes that [inaudible] the terms of the ability to
20 find and fix problems, because we don't trust them. The
21 fact that we are putting issues in the Corrective Action
22 Program is indicative of the fact that we believe those
23 issues to be of low risk significance, and so to the extent
24 we see issues that are greater than that low or very low
25 risk significance, we really can and would react to them in

1 real time, on a realtime basis, to take some action.

2 The process that we are implementing says if we
3 have -- no. We have provided some relief to the regions to
4 address this concern about whether cross-cutting issues,
5 that even though they are green, you know, sort of the worry
6 that there's something out there lurking that hasn't yet
7 resulted in cross-thresholds because of the importance of
8 problem identification and resolution, and you're right,
9 what we allow the regions to do is to document those in
10 inspection reports.

11 We'll talk about them in the mid-cycle and the
12 end-of-cycle assessment matters, but there isn't a formal
13 action that we take. In other words you don't necessarily
14 do some supplemental inspection just because you have the
15 regions having a concern with respect to the fact that a
16 licensee may have some lower-level issues kicking around in
17 their Corrective Action Program that they haven't fixed,
18 so --

19 MR. LOCHBAUM: I don't disagree with any of that.
20 I mean I understand that clarification, but I also think it
21 is important to point out that Indian Point 3 doesn't have a
22 green finding in any category. They are not part of the
23 pilot program.

24 MR. JOHNSON: I understand.

25 MR. LOCHBAUM: They are not -- they are not in the

1 situation where everything is green and there's some
2 concerns about corrective action. We are not at that point.

3 There are concerns about corrective action. The
4 NRC has no reason to throw them -- or to discount or to set
5 them aside based on all green findings. We are not at that
6 stage.

7 We might be at some point in the future, but we
8 are not there today and we won't be there any time soon so
9 that is why we felt that this petition looking into these
10 two areas was very important, that it be done now, you know?

11 A year from now, when the program is up and
12 running and Indian Point 3 is reporting whatever colors its
13 performance earns, that might cause a situation like this to
14 be handled differently, but today -- at today's time, and
15 with today's information we felt that these actions were the
16 right way to respond to the safety warnings.

17 MR. JOHNSON: Yeah, Dave, and I wasn't really
18 trying to answer the -- I have read the petition --

19 MR. LOCHBAUM: I understand, Mike. I was just
20 trying to --

21 MR. JOHNSON: I wasn't trying to respond to what
22 is appropriate for Indian Point -- Indian Point 3, I guess.

23 MR. LOCHBAUM: I would agree with you that down
24 the road, once things are up and running for all the plants
25 that the corrective action problems might be handled

1 differently depending on what the performance indicators
2 were for the plant.

3 MR. JOHNSON: Right. Now -- now having said that,
4 David, also down the road, if we get evidence or we get a
5 concern, someone raises a concern with respect to safety
6 conscious work environment -- just suppose we got an
7 allegation or a number of allegations that indicated that --

8 MR. LOCHBAUM: That is out for review right now, I
9 understand.

10 MR. JOHNSON: Right. That's right. The
11 allegation, there is an allegation SECY out for public
12 comment. We are going to get input on that. But today --
13 and in the past our view has always been, and I mean I
14 honestly believe that we are going to continue with this
15 approach, if we have reason to worry about whether there is
16 a chilling effect on a licensee, we are going to take action
17 and just like we do in current process and we would do this
18 in the future process also, you know, we issue basically
19 what I think is called a chilling effect letter where we ask
20 the licensee to look into issues, because we are really --
21 the troubling aspect of safety conscious work environment
22 is -- is it really goes to the heart of our concern about
23 the problem identification resolution area that's a cross
24 cutting area.

25 We are much more worried about things, whether the

1 licensee is finding things than we are about whether they
2 are fixing things, if you understand what I mean. I mean
3 once they are in the Corrective Action Program, we can look
4 at them.

5 We can make sure that they are prioritizing them
6 properly and that they get closed out, but it's the things
7 that don't get identified, you know, because they are not
8 looking for them or they are turning them away, those really
9 cause us concern and we are going to continue to pay
10 attention to safety conscious work environment as an
11 important cross cutting issue.

12 So the allegation [inaudible] group example, we'll
13 continue to play an important role in the mid-cycle review
14 and the end-of-cycle review in terms of looking for issues
15 in the safety conscious work environment, and we do believe
16 that we continuing to address those.

17 Again I am speaking generically with respect to
18 the new program and not necessarily specifically with
19 respect to --

20 MR. LOCHBAUM: Sure, I understand. I would agree
21 with that. I don't -- I am not implying that NRC isn't --
22 has been doing differently or will be doing differently in
23 the future, but I think right now at this time and place we
24 felt that there was a gap until the new program comes into
25 place that this petition is seeking to fill.

1 SPEAKER: Well, we'll consider that, and David,
2 one other question I wanted to ask you is are you aware of
3 whether Ms. Green's issues have been brought to the NRC or
4 to any other group other than the employees in the
5 [inaudible] program at Indian Point?

6 MR. LOCHBAUM: I believe they have, that Ms. Green
7 has contacted Region 1. I don't know if that's been by an
8 allegation space or what the vehicle was for that but I do
9 believe she has been in contact with Region 1.

10 SPEAKER: Okay. Well, does anybody else have any
11 other questions?

12 SPEAKER: Does the licensee have any questions?

13 MR. KELLY: No questions. This is John Kelly
14 speaking for the Power Authority. We are obviously aware of
15 this, of this letter, the petition. We do intend to put a
16 letter on the docket in response to that promptly.

17 We believe that there is substantial information
18 available to address the concerns in the letter. Some of it
19 is already docketed, but we feel that it would be
20 appropriate to put things all in one place, so that they can
21 be easily evaluated by those of you who have to look at all
22 of this information.

23 SPEAKER: I guess nobody else has any other
24 comments, so thank you, David, for spending the time to
25 elaborate on your petition and assess the oversight program,

1 and you will be hearing from us shortly.

2 MR. LOCHBAUM: Okay, thank you.

3 SPEAKER: David, do you want to have a copy of
4 this Government transcript mailed to you?

5 MR. LOCHBAUM: No, that's -- that's okay.

6 SPEAKER: Thanks, David.

7 MR. LOCHBAUM: Thanks anyway.

8 MR. KELLY: This is John Kelly. I would
9 appreciate a copy of the transcript, if we can have that.

10 SPEAKER: Okay.

11 SPEAKER: Thank you.

12 SPEAKER: Okay, goodbye.

13 MR. LOCHBAUM: Thank you. Goodbye.

14 [Whereupon, the telephone conference was
15 concluded.]

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CERTIFICATE

This is to certify that the attached proceedings before the United States Nuclear Regulatory Commission in the matter of:

Name of Proceeding: TELECONFERENCE ON UCS 2.206

Case Number:

Place of Proceeding: Rockville, Maryland

were held as herein appears, and that this is the original transcript thereof for the file of the United States Nuclear Regulatory Commission transcribed by me from recorded tapes provided by the Nuclear Regulatory Commission, and that the transcript is a true and accurate record of the foregoing proceedings to the best of my belief and ability.



Rose Gershon

Transcriber

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James Knobel
Senior Vice President and
Chief Nuclear Officer

March 3, 2000
IPN-00-020

U.S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington, DC 20555

Subject: Indian Point 3 Nuclear Power Plant
Docket No. 50-286
PETITION PURSUANT TO 10 CFR 2.206, SAFETY CONSCIOUS WORK
ENVIRONMENT AND CORRECTIVE ACTION PROCESS AT INDIAN
POINT UNIT 3

Dear Sir:

This letter is provided to address issues raised in a 2.206 petition from the Union of Concerned Scientists (UCS) regarding the New York Power Authority (NYPA) Indian Point 3 Nuclear Power Plant.

In their petition (Reference D. Lochbaum to W. Travers, Feb. 10, 2000) the UCS requested that NRC order NYPA to do the following:

1. Perform a comprehensive assessment of the corrective action process at Indian Point 3. This assessment would include surveys of the workers' training and awareness of the ACTS and DER processes.
2. Perform a comprehensive assessment of the work environment at Indian Point 3. This assessment would include surveys of worker perceptions of their freedom to report safety problems and of management's openness in receiving such reports.
3. Implement timely remedial actions as appropriate based on the results from the two assessments.

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ENCLOSURE 2

Regarding Item 1:

NYPA believes that there is no basis on which to require a comprehensive audit of the Indian Point 3 Corrective Action Program, given the audits that have already been completed, the results of these audits, and the program enhancements already underway.

In 1999, NYPA conducted a QA audit of the Indian Point 3 Corrective Action Program (A99-01I, 4/9/99) which concluded "The Indian Point 3 Corrective Action Program complies with 10CFR50 Appendix B, Technical Specifications and the Final Safety Analysis Report" but noted that there were several areas requiring improvement. As a result of this Audit and NRC inspections, the Corrective Action Program was made an Area of Concern by the NYPA Safety Review Committee and a second audit of this area was conducted by QA in late 1999 (A99-08I, 1/14/00). This audit also concluded, "The Indian Point 3 Corrective Action Program complies with 10CFR50 Appendix B, Technical Specifications and the Final Safety Analysis Report." It also concluded that the program has been effective in meeting its regulatory requirements in preventing the recurrence of significant conditions adverse to quality.

The second audit in 1999 (A99-08I) was performed by a six person team led by the NYPA QA Director. Other members included the Manager of Oversight from another nuclear power utility and an outside consultant specialist. Although areas for improvement were identified, the audit concluded that the Indian Point 3 Corrective Action Program meets regulatory requirements and that ownership of the program had improved since the last audit. Recommendations for improvement are currently being tracked to completion with the Corrective Action Program.

An industry organization has also provided a NYPA requested assist visit addressing the Corrective Action Program during the week of February 14, 2000. Any additional recommendations for improvement resulting from this assist visit will be monitored for effective implementation.

The NRC conducted team inspections at Indian Point 3 including the corrective action program in 1998 (Inspection Report 50-286/98-81, June 15, 1998) and in 1999 (Inspection Report 50-286/99-06, August 9, 1999). In the 1998 inspection, the NRC concluded (section E.7.3 Corrective Action Timeliness and Effectiveness) "Problems regarding corrective action effectiveness and timeliness have previously been identified by NYPA and the NRC, but the team's review of corrective action program items did not find additional problems." The report further noted that previously identified weaknesses were being addressed.

As noted in the 1998 NRC inspection, "NYPA requested an industry organization assist visit in the area of corrective action effectiveness, which took place in March-April, 1998." The 1998 industry organization assist noted Corrective Action Program strengths in the area of DER threshold for initiation, timeliness of DER screening and timeliness of DER evaluation. Some areas for improvement were also noted.

In the 1999 inspection, the NRC concluded (section E.7.2, Root Cause Analysis and Corrective Action Program Review) "The root cause evaluation and corrective action program were generally effective."

In summary, this demonstrates that the Corrective Action Program at Indian Point 3 currently complies with NRC requirements, that NYPA has been performing assessments of the program generally consistent with the actions requested in item one of the 2.206 petition, and that the NRC has been monitoring the effectiveness of these activities. There is no basis for further regulatory action at this time.

Regarding Item 2:

In Item 2, UCS requests a "comprehensive assessment of the work environment at Indian Point 3," citing alleged violations and deviations in the area of employee discrimination. NYPA does not concur with UCS's basis for the requested action.

UCS contends that an employee who formerly worked in the Operations Review Group at Indian Point 3, Rebecca Green, was subject to an abusive work environment that led her to request a transfer from the group. This allegation is the subject of an ongoing Section 211 proceeding. There has been no finding of any discrimination toward Ms. Green. In fact, the Department of Labor concluded after an investigation by OSHA that Ms. Green had not been discriminated against for raising safety concerns. Ms. Green's situation at Indian Point 3 accordingly does not provide any indication that discrimination has occurred in contravention of safety conscious work environment expectations.

UCS also refers to an NRC letter of August 17, 1999, citing an apparent violation of 10CFR50.7 involving a Performance Supervisor at Indian Point 3. For the reasons identified in NYPA's correspondence of September 29, 1999 (IPN-99-105), and at an NRC predecisional enforcement conference on September 17, 1999, NYPA does not believe there was a violation in this case.

In any event, NYPA has taken comprehensive measures to address the work environment at its nuclear sites, generally consistent with UCS's request. For example, in an NRC letter (C.W. Hehl to J. Knubel, October 23, 1998, subject: Chilling Effect) the NRC asked NYPA to describe the actions we were taking to assure that a matter pending at the time was not having a "chilling effect" on the willingness of other employees to raise safety and compliance concerns within our organization and as discussed in NRC Form 3. In a letter (James Knubel to A. Randolph Blough, January 14, 1999, IPN-99-003, Indian Point 3 Nuclear Power Plant, Docket No. 50-286), NYPA committed to conduct a nuclear safety culture assessment by an independent organization to evaluate the safety conscious work environment at Indian Point 3 in the spring of 1999 and that the results of the assessment would be shared with the NRC Senior Resident Inspector. The NRC acknowledged the appropriateness of this action in a letter (A. Randolph Blough to James Knubel, February 11, 1999) to NYPA. The 1999 assessment results would be compared to a previous assessment conducted in 1996.

The 1999 survey was conducted by SYNERGY Consulting Services at Indian Point 3 Nuclear Power Plant, James A. FitzPatrick Nuclear Power Plant and the headquarters White Plains office of NYPA. SYNERGY is well-respected and very experienced in assessments of work environment safety consciousness, having conducted more than seventy assessments at more than thirty nuclear facilities, including nuclear power plants and federal facilities. The survey results were provided to the NRC Senior Resident Inspectors in July 1999. SYNERGY's prior experience included the benchmark evaluations at the Indian Point 3 and James A. FitzPatrick (JAF) plants in 1996.

The SYNERGY evaluation method included a survey questionnaire including sixty multiple choice questions with two hundred sixteen total sub-parts that explored the dimensions of the nuclear safety culture and other aspects of the work environment. The areas addressed in this assessment included worker perceptions of their freedom to report safety problems and of management's openness in receiving such reports. The workers at the sites and nuclear support personnel at headquarters were included in this assessment. There were also opportunities for write-in comments. More than one thousand responses to this questionnaire were received and evaluated in the spring of 1999. After evaluation of questionnaire responses, a representative cross-section of seventy NYPA personnel was interviewed in depth concerning these matters.

The conclusions of the survey of the personnel performing nuclear activities at NYPA included the following:

- NYPA's Nuclear Safety Culture (NSC) is in the good to very good range.
- The Safety Conscious Work Environment (SCWE) is generally very good.
- The Indian Point 3, the White Plains office and JAF sites do not have a chilled environment, based upon almost all workers feeling free to raise potential nuclear safety concerns. For example, 98.9% of survey respondents stated that they would inform their supervisor of a safety or quality concern. In addition, 95.7% of respondents indicated that if they were not satisfied with the supervisor's response, they would escalate the issue to higher levels within management. These findings place NYPA in the "very good to excellent" range. A few organizations showed opportunities to improve their work environments. Accordingly, we have taken local actions to provide additional assurance that these organizations meet our high standards and improve towards site norms.
- Focused attention on specific areas can further improve attitudes.

When results of the survey and interviews at Indian Point 3 were compared to the results from 1996 and all of the contractor's results from their clients over the last several years, there was an improvement, over the 1996 results and the results were in the second quartile compared to all of the contractor's clients. Therefore, there is no basis for further regulatory action at this time. NYPA has already accomplished what is requested in item 2 of the petition and has provided the results to the NRC.

Nonetheless, a number of recommendations were made to improve even further the SCWE at NYPA. The status of several initiatives is discussed in our response to item 3 below.

Regarding Item 3:

Findings and recommendations from the audits described above (A99-01I and A99-08I) have been entered into the IP3 Corrective Action Program as 'Controlled Action Commitments' (ACTS). The first audit (A99-01I), completed in April 1999 resulted in 11 DER's and 8 recommendations. The second audit (A99-08I), completed in January 2000 resulted in 12 DERs and 18 recommendations.

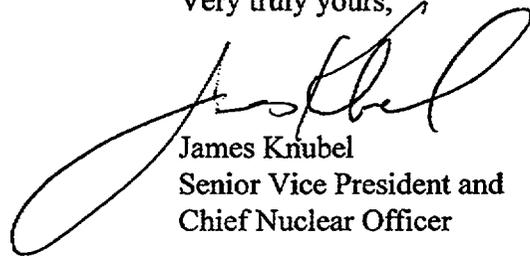
In addition to the above actions, a comprehensive business strategy to improve the Corrective Action Program at IP3 has been developed. NYPA would welcome the opportunity to discuss this strategy with you.

A number of initiatives related to SCWE have already been implemented. For example, training of managers and supervisors in their responsibilities concerning SCWE has been conducted by a law firm with extensive experience in this area, and NYPA instructors. The training was provided at Indian Point 3, JAF, and in White Plains and comprehensively addressed safety conscious work environment expectations and non-discrimination obligations. Procedural changes to strengthen the SPEAKOUT (employee concerns) program have been completed and a number of additional actions are in progress.

In addition, following the NRC letter of August 17, 1999, in which the NRC identified the apparent violation of 10CFR50.7 discussed above, NYPA management (on September 9, 1999) issued a memorandum (J. Knubel to Nuclear Generation) reaffirming management's commitment and expectations with respect to SCWE. This memorandum merely reiterated a policy that had been previously established in numerous policies and procedures, as also identified at the September 17, 1999 predecisional enforcement conference.

In conclusion, the NRC has outlined its criteria for evaluating a § 2.206 petition in its Management Directive 8.11, "Review Process for 10 C.F.R. § 2.206 Petitions" (revised October 7, 1999) and in the corresponding Handbook 8.11. According to the Handbook, a § 2.206 petition must contain a request for enforcement action and specific facts that constitute the bases for taking the particular action requested. The petitioner must provide support, beyond bare allegations and references to matters that have already been the subject of NRC staff review. See Handbook 8.11 at Section II.B. Against this threshold, the UCS petition should be denied. As shown by NRC inspections and NYPA internal audits, the Indian Point 3 Corrective Action Program meets regulatory requirements. Periodically, weaknesses in the Corrective Action Program are identified and resolved. This does not warrant or necessitate an order from the NRC. In addition, with respect to SCWE, the actions which UCS has asked the NRC to require of NYPA at Indian Point 3 have already been addressed by NYPA and the NRC. Initiatives have been taken as part of our normal process of managing our facilities in a safe manner compliant with regulatory requirements. Accordingly, the petition should be denied.

Very truly yours,



James Knubel
Senior Vice President and
Chief Nuclear Officer

cc: Regional Administrator
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Mr. David Lochbaum
Union of Concerned Scientists
1616 P St. NW, Suite 310
Washington, DC 20036-1495

April 25, 2000

**SUBJECT: PRESENTATION TO PETITION REVIEW BOARD AND LICENSEE RESPONSE
TO PETITION - INDIAN POINT NUCLEAR GENERATING UNIT NO. 3**

Dear Mr. Lochbaum:

Enclosed please find the transcript of our your February 16, 2000, presentation to the
Petition Review Board and a copy of the licensee's March 3, 2000, response to your petition. I
will keep you informed as to the status of your petition at least every 60 days.

Sincerely,

/RA/

George F. Wunder, Project Manager, Section 1
Project Directorate I
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-286

Enclosures: 1. Transcript of February 16, 2000,
Telephone Call
2. Letter From J. Knubel dated
March 3, 2000.

cc w/encls: See next page

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