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Every step of the way.*
COOK NUCLEAR PLANT

American Electric Power Company

Pre-decisional Enforcement Conference

February 24, 2000

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POWER

Agenda

- Introduction Bob Powers
- Summary of Apparent Violation Robert Godley
- Chronology of Events Robert Godley
- Conclusions Robert Godley
- Corrective Actions Bob Powers /
Mike Rencheck
- Summary Bob Powers

Summary of Apparent Violation

- Apparent Violation of 10 CFR 50.7, “Employee Protection”
 - A Duke Engineering Services, Inc. employee (the Acting NESD Manager) released a contract engineer employed by Cataract
 - The NRC Office of Investigations Concluded that the NESD “Manager deliberately discriminated against the contract engineer” because of his “previous protected activities at another nuclear power plant”

Chronology of Events

- October 1, 1998 - Contract engineer began work at Buchanan
- October 7, 1998 - Contract engineer released
- October 29, 1998 - AEP receives DOL Complaint
- Investigated by AEP Counsel
- November 4, 1998 - Settlement agreement is reached

Conclusions

- The release was not adequately supported and documented
- There was a lack of sensitivity regarding employment decisions affecting contractors
- There was ineffective oversight of contractor employment decisions
- There was a prevailing view that contractors could be terminated at will

Immediate Corrective Actions

- Investigated and settled complaint prior to DOL determination
- Counseled participants
- Supervisor stand down
- Developed clear policies

Corrective Actions (Continued)

■ Enhanced ECP Program

- Supported by top management
- Fully staffed with adequate resources
- Confidential and systematic investigations
- Sensitive to discrimination claims
- Feedback to concerned individuals
- Benchmarking activities

■ Publicized our program and policies widely

Corrective Actions (Continued)

- Communicated Management Expectations

- Developed Differing Professional Opinion (DPO) Guideline

- Conducted Management Training
 - Management And Results Company (MARC) Training
 - New Leadership Training

Corrective Actions (Continued)

- Special focus on contractors
 - Understand and comply with 10 CFR 50.7
 - Notify AEP of allegations
 - Investigate and remedy allegations of discrimination
 - Cooperate with AEP's investigation
 - Out-processing checklist

- Communicated and reinforced these obligations

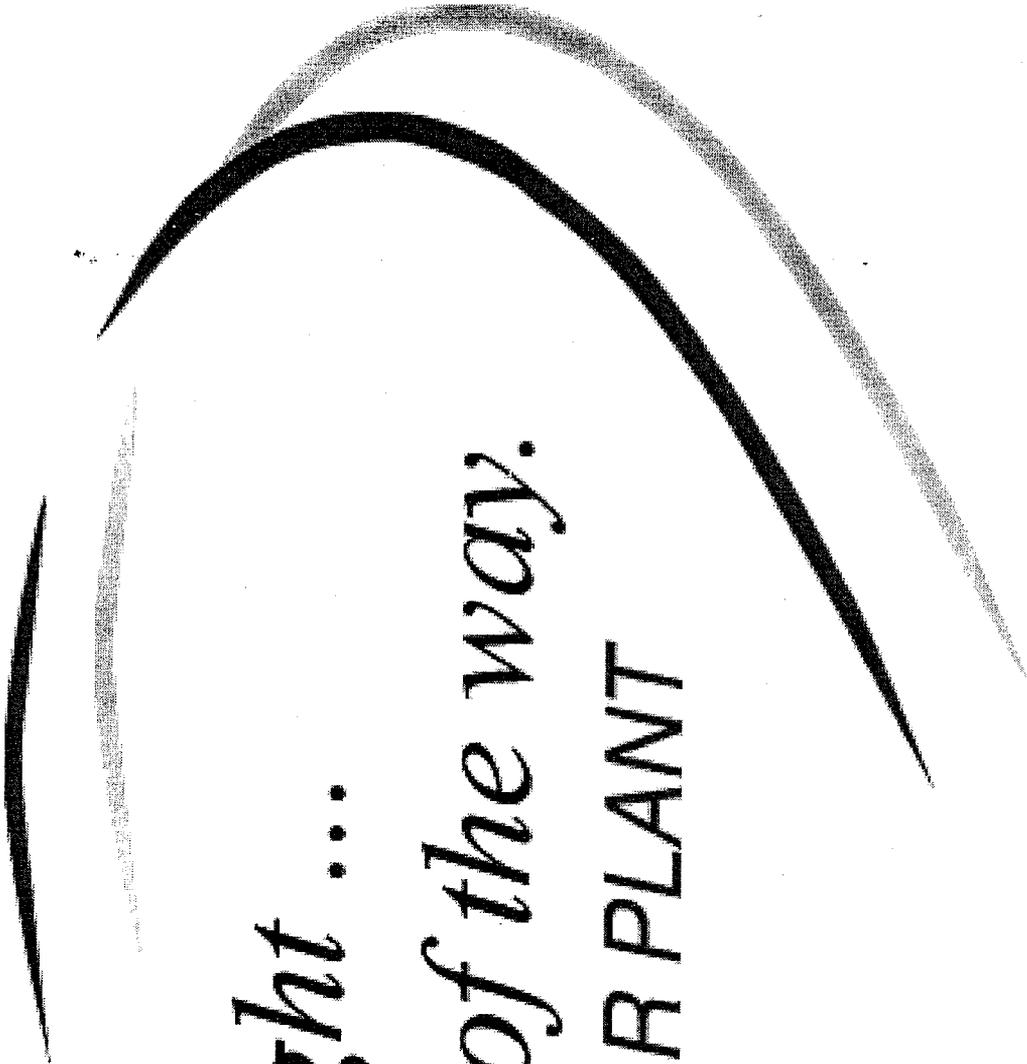
Summary

■ Safety Conscious Work Environment

- Discovery efforts
- Corrective Action Program (CAP)
- Workforce assessment

■ Personnel are willing to raise concerns

■ Enforcement Discretion warranted



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