



May 21, 2004  
LR-N04-0227

Mr. Hubert J. Miller, Regional Administrator  
United States Nuclear Regulatory Commission  
Region I  
475 Allendale Road  
King of Prussia, PA 19406-1415

**PSEG PLAN FOR IMPROVING THE WORK ENVIRONMENT TO  
ENCOURAGE IDENTIFICATION AND RESOLUTION OF ISSUES  
SALEM AND HOPE CREEK GENERATING STATIONS  
DOCKET NOS. 50-272, 50-311, AND 50-354**

- Reference:
- 1) NRC Letter dated January 28, 2004; Work Environment for Raising and Addressing Safety Concerns at the Salem and Hope Creek Generating Stations
  - 2) PSEG Letters dated February 13 and 27, 2004; in response to NRC Letter dated January 28, 2004; Work Environment for Raising and Addressing Safety Concerns at the Salem and Hope Creek Generating Stations
  - 3) NRC Letter dated May 11, 2004; Status of NRC Evaluation of the Work Environment at the Salem and Hope Creek Generating Stations

Public Service Enterprise Group Incorporated ("PSEG") hereby transmits to the Nuclear Regulatory Commission ("NRC") letter, copies of reports of the following survey and assessments (collectively the "Reports"):

1. Assessment by the Independent Assessment Team ("IAT") dated May 4, 2004 in response to your letter of January 28, 2004 to assess the work environment at Salem and Hope Creek;
2. Assessment by Utility Service Alliance ("USA") of the safety culture at Salem and Hope Creek pursuant to Recommendation 2 of INPO SOER 02-4; and

3. Executive Summary of the Site-Wide Survey conducted in December 2003 by Synergy Consulting Services Corporation ("Synergy") of employees and contractors at Salem and Hope Creek Generating Stations.

These reports, taken together, are the result of lengthy and thorough assessments by highly competent and widely respected industry professionals. They reflect the cooperation and input of our workforce. The findings of the Reports are consistent, and document that the work environment at Salem and Hope Creek needs improvement. Also consistent with your January 28, 2004 letter, the Reports have not identified any serious safety violation or issue that puts either the plant or public at risk. We understand the review referred to in your January 28, 2004 letter is still ongoing.

PSEG is developing a comprehensive plan of action to improve and assure a safety conscious work environment ("SCWE") at Salem and Hope Creek. The plan will specifically address the impact on the work environment from operational decision-making, unresolved conflicts, the site-corporate interface and the need to integrate nuclear safety into all aspects of our work environment. Improvements are also being made to the Corrective Action Program and Work Management Program to address longstanding equipment issues. The overall plan will recognize the need for management to take timely and effective actions in response to employee concerns and provide feedback to the employee. PSEG will provide training to all levels of the workforce, including senior management, on the expectations for behaviors consistent with a SCWE and to ensure that all employees fully understand the impact of their actions on the work environment. We also believe that it is important to improve the work place for our employees to help generally improve attitudes in the workforce.

Management recognizes it is essential to improve the work environment at Salem and Hope Creek. Continued performance at levels documented in the Reports is unacceptable. Management is committed to make improvements and to ensure the continued safe and reliable operation of Salem and Hope Creek. We will present our plan for improvement and the metrics we intend to use to measure progress in improving the work environment at the June 16, 2004 meeting. We have identified the following five areas that we will initially address in our business plans to make the required improvements:

1. Safety Conscious Work Environment ("SCWE")
2. Corrective Action Program
3. Work Management Program
4. Training for managers at all levels and supervisors in correct behaviors, and
5. Improving the facilities and housekeeping at Salem and Hope Creek

While all five of the above areas have some impact on the work environment, at the meeting of June 16, 2004, we will focus principally on our plans to improve the SCWE at Salem and Hope Creek. During this discussion, we will also present some of our planned improvements in the Corrective Action Program and the Work Management Program. We have concluded that these two programs are principal drivers of the needed improvements to the SCWE.

We are providing you with copies of the Reports at this time so that you may review them prior to the June 16, 2004 meeting and to facilitate a thorough discussion of the findings of the Reports, our corrective actions and the metrics we intend to employ to measure our progress. Following our meeting on June 16, 2004, we will submit to the NRC the corrective actions we plan to take to improve the work environment at Salem and Hope Creek.

Sincerely,

A handwritten signature in cursive script, reading "Fred Cassidy".

Attachments

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

Mr. Daniel Collins, Project Manager Salem & Hope Creek  
U. S. Nuclear Regulatory Commission  
One White Flint North  
Mail Stop 08B2  
11555 Rockville Pike  
Rockville, MD 20852

USNRC Senior Resident Inspector - HC (X24)

USNRC Senior Resident Inspector - Salem (X24)

Mr. K. Tosch, Manager IV  
Bureau of Nuclear Engineering  
PO Box 415  
Trenton, NJ 08625

## **PSEG NUCLEAR ASSESSMENTS – 2004**

**Independent Assessment Team (IAT) Final Report**

**Synergy Executive Summary Report**

**USA Final Report**