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June 18, 2001

Re: Indian Point Unit No 2
Docket No. 50-247
NL-01-081

Mr. Brian F. Holian, Deputy Director
Division of Reactor Safety
U. S. Nuclear Regulatory Commission
475 Allendale Road
King of Prussia, PA 19406

Subject: Response to NRC Letter dated May 17, 2001 Regarding Fitness For Duty
and Safety Conscious Work Environment

This letter responds to your May 17, 2001 request for additional information regarding the programs in place at Indian Point 2 to ensure a safety conscious work environment and a work force that is fit for duty. Specifically you requested that we:

- (1) Describe how written policies and procedures required by 10 CFR 26.20(a) address consideration of fatigue in assessing a worker's fitness for duty.
- (2) Address actions taken to assure that employees in all work groups at the facility, specifically in the aftermath of the DOL/OSHA finding (regarding alleged discrimination against a security officer for raising a safety concern), feel free to raise concerns, either internally or to an outside agency, without fear of retaliation. Additionally, provide information on whatever steps were taken to assess the effectiveness of these actions.

At Indian Point 2 the subject of worker fatigue is addressed in several procedures. Procedures for the control and use of personnel overtime while performing safety related duties, are required by Indian Point 2 Technical Specification Section 6.2.2 .g. This requirement states that:

“Administrative procedures shall be developed and implemented to limit the working hours of unit staff who perform safety-related functions (c.g., licensed Senior Operators, licensed Operators, health physicists, auxiliary operators, and key maintenance personnel.) The amount of overtime worked by unit members performing safety-related functions shall be limited in accordance with the NRC Policy Statement on working hours (Generic Letter No. 82-12).”

This Technical Specification requirement is implemented via station policies and procedures. These policies limit the use of overtime in safety related functions to no

more than 16 hours continuously, nor more than 16 hours in any 24 hour period, nor more than 24 hours in any 48 hour period, nor more than 72 hours in any 7 day period. These limits are not specifically applicable to personnel involved with non-safety related activities including security officers; however, they do provide a recognized industry standard of reasonableness with respect to fatigue and the use of overtime. Although no overtime limits are specified for the Indian Point Security organization, this policy guideline, in conjunction with the requirements of the collective bargaining agreement is followed in controlling overtime. With regard to scheduling of overtime the collective bargaining agreement states the following:

“Overtime shall first be offered on a fair and equitable basis. In the event overtime cannot be filled from the volunteer overtime list, then the Company, in order to meet the security requirements at the site, has the right to mandate overtime be worked. Mandated overtime will be rotated when ever possible. No Sergeant/Lieutenant or above should normally do a subordinates post if there is a bargaining unit employee available and qualified to perform the work.”

As noted in our letter of March 29, 2001 the overtime worked by the security officer, who claimed to be discriminated against for refusal to work additional overtime was within these guidelines. At the end of his shift he had completed sixty hours of work. Compliance with this regulatory requirement, although not specifically required in this case, is a significant consideration in our conclusion that the termination of this individual was not contrary to regulations.

The Indian Point 2 Fitness-For-Duty program is described in a station administrative order. In accordance with 10 CFR 26, the intent of this procedure is to prevent access to the facility by individuals who may be impaired by drug or alcohol abuse. While preparing this response it was discovered that, although current station practices recognize mental stress, fatigue, and illness as factors that could affect fitness-for-duty, procedural guidance could be enhanced. As such, station procedures will be revised to provide additional guidance for addressing considerations of mental stress, fatigue, and illness in determining fitness-for-duty. These enhancements will be implemented by August 30, 2001.

Consolidated Edison is committed to maintaining a safety conscious work environment at Indian Point 2. This commitment is clearly visible and consistently communicated from the highest levels of the company. The Corporate Ombudsman program provides a vehicle for employees to immediately raise safety and environmental concerns to the company's attention. This program has been the subject of numerous communications to all employees from the Chairman and Chief Executive Officer. Reports of the Corporate Ombudsman are highly self-critical and receive wide distribution within the company. The company's response to instances of intimidation or discrimination against workers for raising environmental or safety concerns is swift, certain, and uncompromising. The "Time Out" program provides another vehicle for employees to identify potential safety concerns immediately and without fear of retribution by allowing the stoppage of work until an issue is resolved. In addition to these company wide programs, there are multiple

Indian Point 2 specific initiatives focusing in the areas of nuclear, personnel, and environmental safety. Attachment 1 provides a brief description of these programs. To help ensure that workers are encouraged to identify concerns to management, these programs achieve four goals.

1. To foster a challenging, questioning attitude in our employees with respect to observed deficiencies and anomalies.
2. To ensure that all employees have multiple avenues for bringing their concerns to management attention, including anonymous avenues, and that they are periodically made aware of the availability of these programs.
3. To ensure that multiple and diverse indicators are in place to measure the robustness of the safety culture, to self-identify potential problem areas, and provide feedback on the effectiveness of corrective actions taken.
4. To ensure that senior management involvement in fostering a strong safety culture is consistent, frequently reinforced, and highly visible.

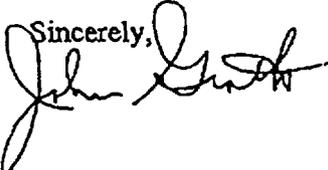
As noted in your May 17, 2001 letter, many of these initiatives preceded the Department of Labor finding. This is consistent with the fact that senior management at Indian Point 2 has been concerned with and aggressively instituting actions to ensure that workers feel free to identify and raise safety concerns for some time.

Over the past few years there have been several challenges to the employee's sense of well being and job-security at Indian Point 2. These challenges included changes in leadership, movement of the design engineering organization from New York City to the site, replacement of the steam generators with a large contractor work force, the public disclosure of individual condition reports written by employees, and the pending sale of the plant to new owners. Industry experience indicates that during such circumstances it is even more important to ensure that employees feel free to raise issues without fear of retaliation. Surveys of Indian Point 2 organizational effectiveness conducted in 1999 and 2000 contained questions specifically targeted at employee's opinions regarding their willingness to identify safety concerns. The results from these surveys indicated that employees were willing to raise concerns, and that this trend was improving as compared to the previous year. They also confirmed that continuing senior management involvement in this area is appropriate. The Department of Labor finding did not significantly alter the high level of emphasis we were already placing on this vitally important subject. The finding did, however, cause us to consider that the security organization, by virtue of the fact that it is separately organized, and performs a substantially different function with a different focus from most of the other station work groups, may not have been as effectively reached by many of the outreach efforts described in Attachment I. The purpose of the Chief Nuclear Officer's letter to the security force was an action taken to correct this condition rather than an indication that management was limiting its concern for a safety conscious work environment to the specific work group involved in the allegation. We are aware that the number of allegations filed with the NRC regarding Indian Point 2 exceeds the industry's average. The majority of these allegations have been shown to be without merit, or have been previously identified within the station's corrective action program. However, because

the employees brought these issues to the attention of the NRC rather than working within our Employee Concerns Program, we have taken steps to re-assess the effectiveness of the Employee Concerns Program. On May 29, 2001, a specialist in this area completed a review of the Employee Concerns Program. Recommendations for improvement are currently being evaluated, including the development of additional formal procedures for the Employee Concerns Program, and the implementation of a process to address the appropriate resolution of differing professional opinions. We have also taken measures to enhance the accessibility of the Employee Concerns Program Manager by re-locating his office to a more accessible location within the plant, and scheduling regular visits to off-site facilities such as our Park Place Design Engineering office. We have vigorously and promptly pursued allegations of potentially unsatisfactory performance in maintaining a safety conscious work culture. In two cases an independent professional investigator with expertise in this area was retained. In addition to the investigation of the security officer's allegation which was described to you in our March 29, 2001 letter, we recently completed an investigation of the safety culture in the Design Engineering organization, and an Ombudsman review of issues identified in the Radiological Protection department. We regularly review condition reporting system data and Employee Concerns Program records to identify trends which may be indicative of an employee's reluctance to raise concerns. We also review and trend the condition reports. We pay particular attention to those condition reports that are submitted anonymously since this mechanism provides a unique way for employees to raise concerns without fear of retaliation. The conclusions drawn as a result of these reviews and investigations is that employees are reporting conditions at an appropriate level, and that there is no evidence of a "chilled" environment associated with recent events. These reviews further conclude that the underlying reasons that caused us to have a heightened awareness continue to be present and that continued strong senior management involvement is warranted. We will continue to provide a strong, visible senior management focus on ensuring a strong safety culture at Indian Point.

Commitments made by Con Edison in this letter are listed in Attachment 2.

Should you or your staff have any questions regarding this matter, please contact Mr. John McCann, Manager, Nuclear Safety & Licensing at (914) 734-5074.

Sincerely,


Attachments

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ATTACHMENT 1 TO NL-01-081

Safety Conscious Work Environment Initiatives

Consolidated Edison Company of New York, Inc.
Indian Point Unit No. 2
Docket No. 50-247

Indian Point 2 Programs

Immediate Supervisor – Con Edison encourages that all concerns be addressed first with your immediate supervisor

Chain of Command – If for any reason you feel that your concerns were not dealt with completely or fairly, then Con Edison encourages you to raise your concern up the Chain of Command.

Executive Open Door Policy – If you feel that your concern still needs further investigation after going up the Chain of Command, then each Executive at Indian Point maintains an open door policy to hear concerns.

Employee Concerns Program – At any time during the concern resolution process, employees may raise their concern to the Employee Concerns Program. A concern can be raised to Employee Concerns by face to face interview, a Condition Reporting System entry, through the Employee Concerns computerized website, and by use of the Employee Concerns Drop Box. *

Several departments in an oversight role at Indian Point are available for all station personnel to identify concerns directly to the department management. These departments include: Human Resources, Nuclear Quality Assurance, Nuclear Safety and Licensing, Environmental Health and Safety, the Safety Administrator, Maintenance, Health Physics, and Operations.

Corporate Programs

Various programs are available to personnel should they desire to identify a concern to Con Edison, but outside of Indian Point 2. These programs include the Corporate Ombudsman Program, the Independent Monitor, Internal Auditing, the Compliance Officer, and the Business Ethics Hotline. *

The Corporate Ombudsman Program accepts concerns from any employee or contractor. They accept a wide variety of concerns with primary emphasis on, but not limited to, environmental issues. The findings of the Corporate Ombudsman are reported to Con Edison's Chief Executive Office. *

An Independent Monitor is retained by Con Edison's Chief Executive Officer to examine all issues. *

Independent Auditing is the investigation arm of the corporate General Auditor. All employees have the right to raise concerns through Internal Auditing for resolution. *

At any time, any individual may identify a concern to the NRC resident inspector's office, the regional office, or by use of the NRC hotline number. *

* *Anonymous reporting opportunities*

ATTACHMENT 2 TO NL-01-081

Regulatory Commitments

Consolidated Edison Company of New York, Inc.
Indian Point Unit No. 2
Docket No. 50-247

The following list identifies those actions committed to by Con Edison in this document. No further regulatory commitments are contained herein.

<u>Commitment</u>	<u>Due Date</u>
The appropriate station administrative order will be revised to provide more explicit guidance for addressing considerations of mental stress, fatigue, and illness, as required by 10 CFR 26.20(a) in determining fitness-for-duty.	August 30, 2001