

UNITED STATES ENRICHMENT CORPORATION

SAFETY CONSCIOUS WORK ENVIRONMENT

MEETING AGENDA

December 13, 2004

10:30 am

Opening Remarks/Introductions

NRC Staff

Safety Conscious Work Environment Presentation

USEC Staff

Questions/Additional Discussion

All

Closing Remarks

NRC Staff

Questions From Public

NRC Staff



Safety Conscious Work Environment

At the Gaseous Diffusion Plants

December 13, 2004

Agenda

- Introduction
Morris Brown
Vice President, Operations
- PGDP Safety Conscious
Work Environment
Russ Starkey
PGDP General Manager
- PORTS Safety Conscious
Work Environment
Pat Musser
PORTS General Manager

Current State of the GDP SCWE

- The SCWE at USEC's GDPs has improved over a several-year period of significant changes in our business
- USEC has implemented a SCWE enhancement strategy that includes improvement to:
 - Employee Concerns Program
 - Training
 - Policy/guidance
- Plant and Corporate Management are cognizant of the current state of the SCWE at the plants
- USEC is continuing to take actions to manage or eliminate any barriers to a SCWE so that employees continue to feel free to identify problems without fear of retribution

**Paducah Gaseous Diffusion Plant
Safety Conscious Work Environment**

Russ Starkey, General Manager

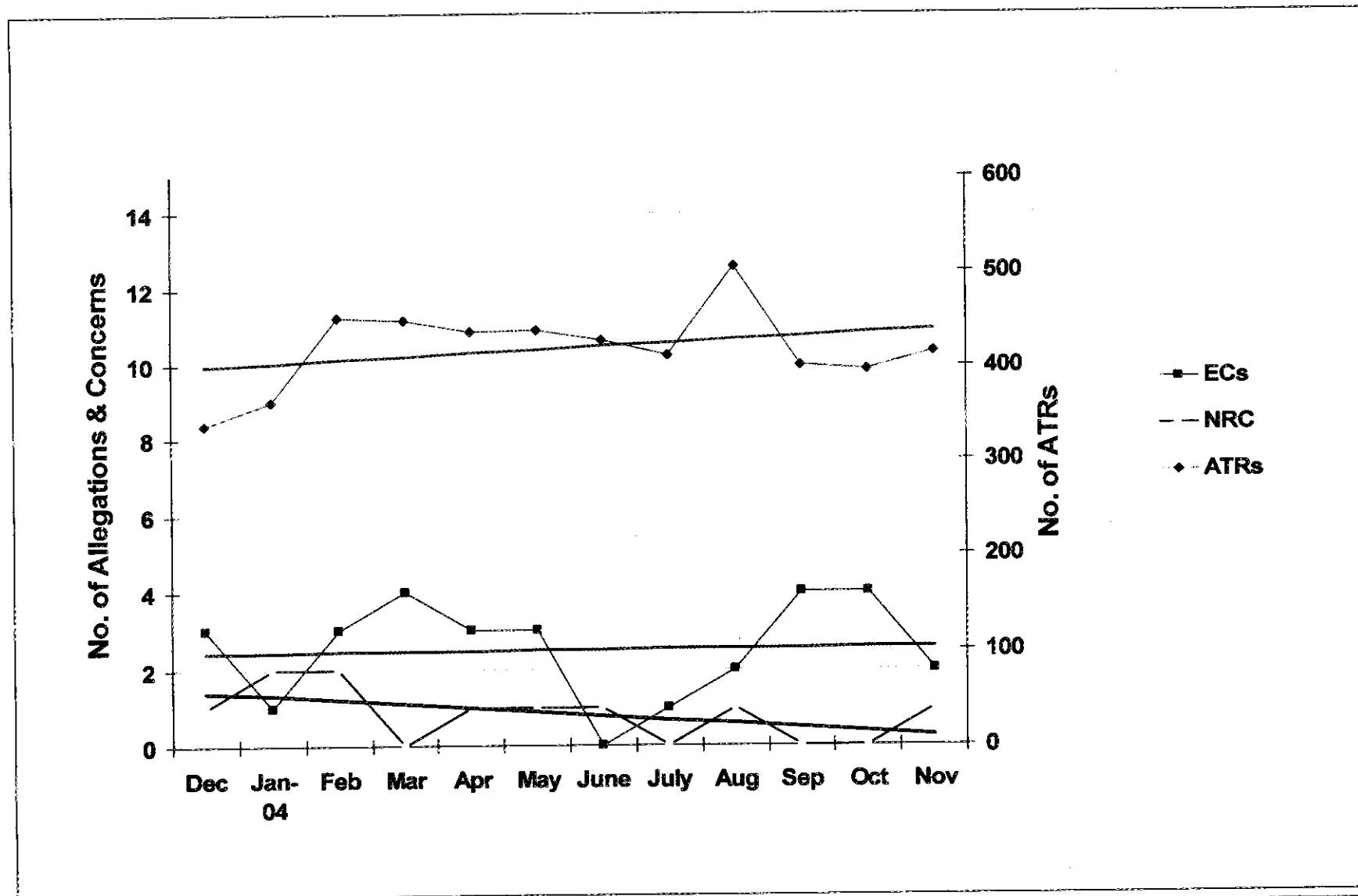
PGDP: SCWE Update

- Current SCWE trends
- Analysis of referred allegations received since the October 2003 meeting
- SCWE initiatives and actions taken and planned since the October 2003 meeting
- Summary

PGDP: Current SCWE Trends

- The long term trend shows the number of allegations referred to NRC has been declining
 - 48 in 2000
 - 35 in 2001
 - 17 in 2002
 - 30 in 2003
 - 9 through November 2004 (1 case transferred from a prior year)
- The number of discrimination allegations referred to NRC has been declining
 - 12 in 2000
 - 9 in 2001
 - 3 in 2002
 - 5 in 2003
 - 1 through November 2004

PGDP: Current SCWE Trends (cont'd)



PGDP: Analysis of Referred Allegations

The NRC referred 7 allegations to USEC since October 2003:

- 5 allegations related to one group
 - Continuation of group specific trend discussed at last meeting
 - 1 allegation recently received and not yet evaluated

- 2 allegations did not involve any specific trend
 - 1 involved an office worker who allegedly did not follow procedures
 - 1 involved a concern with radioactive material control in one building

PGDP: Analysis of Referred Allegations (cont'd)

- Investigation of group specific allegations
 - No chilling effect
 - Pattern of not reporting internally
 - The single concern raised internally was not addressed effectively
 - Work environment affected by inadequate communications
- Investigation of the 2 allegations not group related
 - No chilling effect
 - No pattern related to internal reporting
 - Concern raised internally was handled properly
 - No issues impacting SCWE identified

PGDP: SCWE Actions

Site-wide actions taken and planned since October 2003:

- New Managers received industry recognized SCWE training
- All Managers required to complete case study to reinforce SCWE principles
- Senior Managers review SCWE trends each month
- Management performance plans promote a SCWE
- Management will assess NRC best practices SCWE guidance and incorporate where appropriate

PGDP: SCWE Actions (cont'd)

Group specific actions taken and planned since October 2003:

- Actions taken for group showing continuing SCWE issues
 - Communication meetings held to discuss group issues
 - Monthly safety meetings moved to worker locations to provide greater opportunity to express concerns
 - Management periodically solicits concerns from employees face to face
 - Management changes

PGDP: SCWE Actions (cont'd)

Group specific actions taken and planned since October 2003 (cont'd):

- Results for group since corrective actions completed
 - One concern recently referred to USEC from NRC
 - No grievances filed in 2004
 - Group continues to utilize Employee Concerns Program

- Other groups
 - No other groups appear to require specific actions at this time
 - Continue to monitor group specific trends

PGDP Summary

SCWE at PGDP

- Overall progress is being made, trends continue in the right direction
- Recent trends indicate corrective actions are having positive effect
- Planned site-wide SCWE actions adequate for most organizations
 - Organization specific actions initiated where warranted
- Continue to monitor internal/external reporting trends

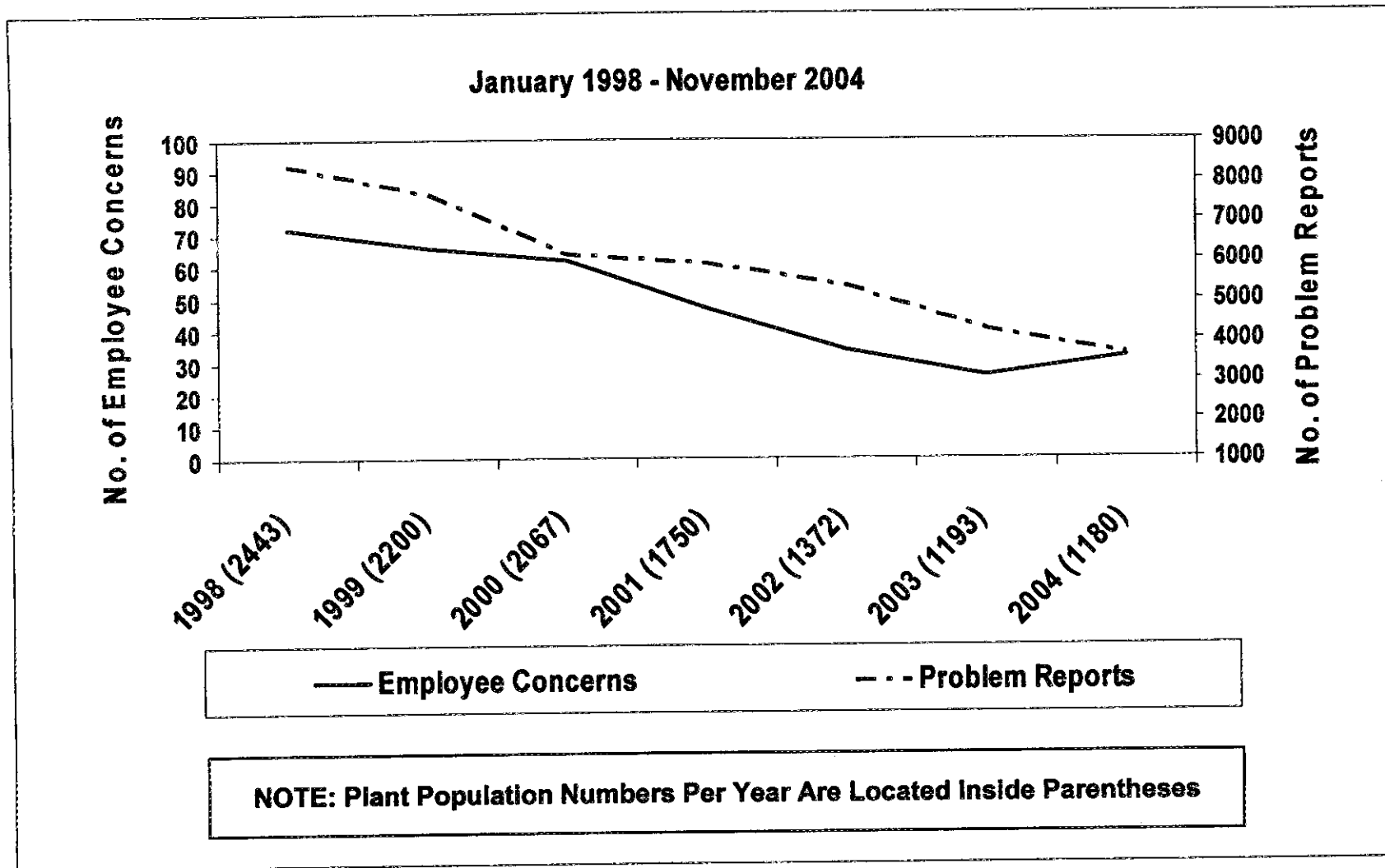
**Portsmouth Gaseous Diffusion Plant
Safety Conscious Work Environment**

Pat Musser, General Manager

PORTS: SCWE Update

- Current SCWE trends
- Analysis of referred allegations received since last meeting
- SCWE initiatives taken and planned since last meeting
- Summary

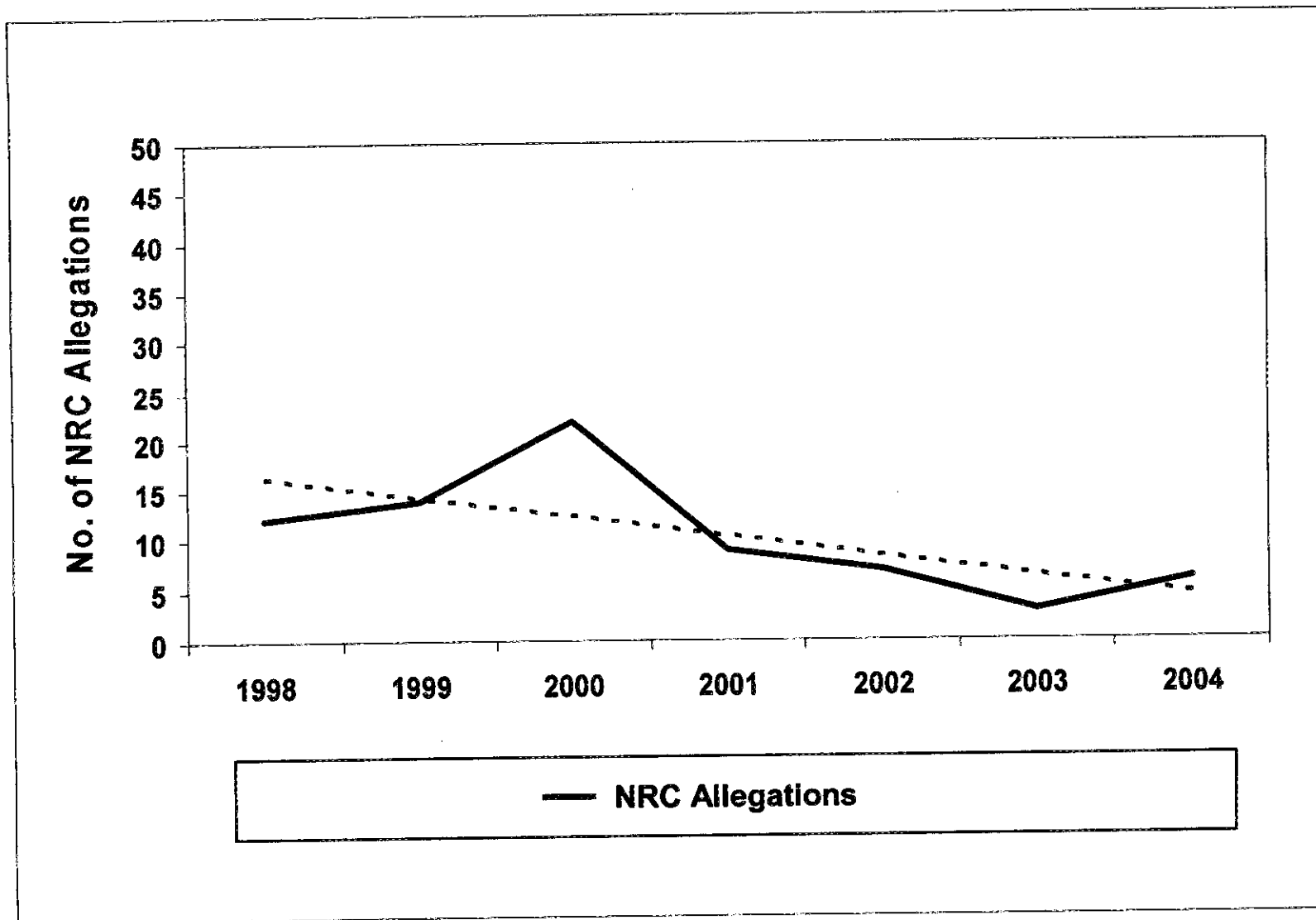
PORTS: Current SCWE Trends



PORTS: Current SCWE Trends (Cont'd)

- Internal reporting system trends indicate employees continue to use Problem Reporting System and Employee Concerns Program
- ECP Anonymous concerns continue to decline
 - 8 in 1998
 - 5 in 1999
 - 4 in 2000
 - 2 in 2001
 - 2 in 2002
 - 1 in 2003
 - 1 through November 2004

PORTS: Current SCWE Trends (Cont'd)



PORTS: Current SCWE Trends (Cont'd)

- Long-term decreasing trend for allegations referred to the NRC continues

Year	All Allegations	Discrimination Allegations
2000	22	4
2001	9	2
2002	6	1
2003	3	0
Through November 2004	6 *	2 *

- * One allegation shown for 2004 originated in 2002. The NRC has decided to track this as a 2004 allegation.

PORTS: Analysis of Referred Allegations

- PORTS received 3 NRC referred allegations since October 2003
 - Examples were reviewed to determine how they relate to the effectiveness of USEC initiatives to improve SCWE at PORTS
 - Grouped concerns by functional organization
- The three PORTS concerns were found to be in two functional organizations
 - Group A – two concerns
 - Group B – one concern

PORTS: Analysis of Group A Concerns

- Group A – Use of internal process to raise the issue
 - Occurred in one of the two Group A concerns
 - One concern in Problem Reporting System
 - One concern not referenced in internal system

- Group A Trends
 - No trends were identified
 - USEC's investigations did not substantiate either of the concerns

- Group A Observation
 - Concern raised internally was handled properly

- Group A Initiatives
 - Actions taken to address the use of internal reporting systems

PORTS: Analysis of Group B Concerns

- Group B – Use of internal process to raise the issue
 - Issue reported and investigated internally
- Group B Trends
 - No trends identified, as this involved only one example
 - USEC's investigation did not substantiate the issue
- Group B Observations
 - Issue handled properly
 - Issue involved off-site individuals and reported in local media

PORTS: SCWE Initiatives

- All Managers received refresher training on SCWE/Nuclear Safety Culture
- Monthly safety meeting includes training on SCWE/Nuclear Safety Culture
- Briefing sessions conducted for Managers on handling employee concerns
- Senior Managers review SCWE trends each month
- Union/Management Focus Team meets to discuss SCWE issues/concerns
- SCWE surveys of employees are being conducted
- Management will assess NRC best practices SCWE guidance and incorporate where appropriate

PORTS: Summary

- Overall progress is being made
- Planned site-wide SCWE actions are adequate for all organizations
- Continue to monitor internal/external reporting trends