

SENSITIVE ALLEGATION MATERIAL

ALLEGATION ACTION PLAN for RIII-04-A-0051, RIII-2004-A-0052, RIII-2004-A-0061, and RIII-2004-A-0077

 Licensee: Point Beach
 Docket/License No: 050-00266/301
 Assigned Division/Branch: DRP/Branch 7

Allegation Review Board Membership:

Reynolds/ Paul/ Berson (by phone)/ Heller/ Kunowski/ Grobe

GENERIC CONCERNS: If Yes Explain: _____

DISCUSSION OF SAFETY SIGNIFICANCE: No immediate threat to public health safety

OI ACCEPTANCE: YES NO (Priority: HIGH NORMAL LOW)

Basis for OI Priority:
 OI has Accepted Concern(s) No(s). _____ Signature BSP 8/4/04

ARB MINUTES PROVIDED TO: Grant/Louden/Paul

Status LETTER: PRINT IN FINAL X _____ REVISE _____ N/A _____

REFERRAL LETTER: A. Licensee YES X _____ NO _____
 B. State of YES _____ NO X _____
 C. DOE YES _____ NO X _____

| | | | |
|---|------------------|---------------------------------|--------------------|
| date received | April 28, 2004 | due date of 1 st ARB | May 28, 2004 |
| due date of ACK Ltr | May 28, 2004 | date -90 days old | July 27, 2004 |
| date -120 days old | August 26, 2004 | date -150 day old | September 25, 2004 |
| date -180 days old | October 25, 2004 | date -365 days old | April 28, 2005 |
| projected date for the 5 yr statute of limitation | | | April 27, 2009 |

COMMENTS:

Steve R. Reynolds
 Allegation Review Board Chairman

8/2/04
 Date

AA-4

AMS No. RIII-2004-A-0051

Concern 1: An individual was concerned that a chilled environment exists at the station in which operators are afraid they will lose their job if they raise safety issues or take actions counter to management direction, even if the direction is thought to be wrong.

AMS No. RIII-2004-A-0052

Concern 1: An individual was concerned that a chilled communication environment exists within the operations department. The individual stated that the chilled communication environment was caused when upper management relieved Senior Reactor Operators (SROs) from duty and the perceived forced resignation of three SROs and the former Operations Manager.

AMS No. RIII-2004-A-0061

Concern No. 2: An individual is concerned about being fired for talking to the NRC, but came to the NRC because of his/her concern for a safe work environment. The individual stated that s/he was afraid to go to management and the employee concern program coordinator because s/he believed that people who raise concerns are marked for termination. The individual stated that one of the individuals who were fired because of the hot leg vent incident had previously been marked for dismissal after raising dry cask storage concerns.

AMS NO. RIII-2004-A-0077

Concern 1: An individual was concerned about the safety conscious work environment and that because of previous ECP contacts and difference with Operations management that there was a heightened awareness being applied to him. The individual contended that there is a potential chilling environment in the Operations department. The individual stated that he had become fearful of raising issues that were of lower significance and would now think twice about bringing issues forward.

Regulatory Basis: safety conscious work environment

- I. Action Evaluation: The following method of resolution is recommended (circle):
- A. Send to Licensee Requesting Response in 30 Days. (Describe the general areas we expect the licensee to address.)
 - B. Priority RIII Follow up and Closure Memo to OAC
 - C. Follow up During Routine Inspection Within 60 Days and Closure Memo to OAC
 - D. Refer to OI. Recommended Priority: HIGH NORMAL LOW
Recommended Basis:
 - E. Outside NRC's Jurisdiction. Describe Basis Below.
 - F. Too General for Follow-Up. Describe Basis Below
 - G. Other (specify) -

Responsible for Action - DRP Branch 7

- II. Special Considerations/Instructions:

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The inspector interviewed 39 plant employees from various work groups. Of these 39, 25 were from the operations department. No one interviewed expressed a hesitancy in raising nuclear safety issues through their management (typically, through the corrective action program) and only one person stated that he would not raise a safety issue through the station Employee Concerns Program. Two workers stated that while they had no reluctance to raise nuclear safety issues, they had doubts as to adequacy of the resolution by upper station management of the issues.

Notwithstanding the willingness of plant personnel to raise nuclear safety issues, the interviews of the operations staff revealed that the resignation of four SROs/former SROs involved in a hot leg vent issue in April 2004 had a significant impact on department morale, in general. Although several operations personnel provided little or no perspective on the resignations, sentiments expressed by the other operations personnel included a strong distrust of the relatively new station and NMC upper managers and a strong feeling that if the operations personnel individually make a mistake while exercising their judgement, they would be fired. This feeling had resulted in several auxiliary operators and reactor operators, particularly those on the crews of two of the SROs who resigned, requesting peer checks and/or additional direction from operations management on activities that in the past were conducted without such checks or direction. In addition, several SROs expressed the belief that the new station upper managers expected that they be involved in decisionmaking that in previous years would have been made by the onshift SRO shift manager.

Similar to the inspector's observation, a recent consultant-led, licensee assessment of the safety culture at the plant (a copy of the assessment report is attached), in which 72 workers were interviewed, concluded that "vertical trust is significantly strained at PBNP." In this assessment, the perceived circumstances of the resignation of the four SROs was given as one of the main examples of why workers do not trust station upper management. The assessment also stated that the trust issue "may represent a leading indicator of future reluctance to raise important concerns to supervisors or through CAP [corrective action program]."

Branch recommendation: Although there was no expressed reluctance by plant personnel to raise nuclear safety issues, the work environment in the operations department with its lack of trust of upper station management and the perceived likely loss of employment for making any mistake could result in a distraction of operators from identifying and responding promptly to event precursors. The Branch recommends that a letter be sent to the licensee requesting a description of the actions that it will take to address the work environment in not only operations but station-wide.

At the ARB 1. **DRP branch 7 provide a list of questions to be included in the referral letter due by August 6, 2004**

Reynolds to inform Grant and Caldwell that the letter will be placed on the docket.

If the referral letter will be placed on the docket then coordinate with OE

*PS
was chillen effect
was not put in
DAMS. This conclusion
was reached after
the ARB. In Division
no made the
32 plan were
Louden
Reynolds
Grant, and
AKH
10/4/04*

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Followup Allegation Review Board

July 30, 2004

MEMORANDUM TO: P. Loudon, Chief, Branch7, DRP

FROM: J. Heller, OAC, RIII

SUBJECT: Followup Allegation Review Board for Point Beach Allegation Files
RIII-04-A-0051, RIII-2004-A-0052, RIII-2004-A-0061, and RIII-2004-A-0077

Since April 28, 2004, several individual have expressed concerns about the safety conscious work environment based on recent employment actions taken against several licensed senior reactor operators. Your staff inspection of this issue determined that employee would raise nuclear safety issues through their management and the station Employee Concerns Program. The inspection also determined the personnel had a strong distrust of the relatively new station and NMC upper managers and a strong feeling that if the operations personnel individually make a mistake while exercising their judgement, they would be fired. Based on this finding you recommend that a letter be sent to the licensee requesting a description of the actions that it will take to address the work environment.

I have scheduled an Allegation Review Board(ARB) on Monday, August 2, 2004 to discuss the reocmmendation Please review the attached information to prepare for the ARB.

cc w/attachments:

ARB Copy

R. Paul

J. Ulie

S. Kryk

N. Hane

B. Berson

P. Loudon

M. Kunowski

C. Pederson

B. Clayton

DRS ADMIN

DRP ADMIN