

From: James Heller
To: Allegations Region III, Allegations
Date: Mon, Oct 18, 2004 6:54 AM
Subject: Fwd: Point Beach

Jim

From: Michael Kunowski - RIII
To: James Heller; Kenneth Lambert - RIII
Date: Wed, Oct 13, 2004 10:50 AM
Subject: Point Beach

Attached is DRP, BR5's disposition of RIII-04-A-0052, concern 1 and RIII-04-A-0061, concern 2.

CC: John Giessner; Patrick Louden; Paul Krohn

RIII-04-A-0052

Concern No. 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.

NRC Evaluation: The inspector interviewed 25 members of the operations department. No one interviewed expressed a hesitancy in raising nuclear safety issues through operations department management 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 Operations 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 senior 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 senior 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 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]."

In addition to our review of your concern, we forwarded it to the Nuclear Management Company (NMC) for its review and response. In a letter dated October 4, 2004, NMC responded with a summary of its review of the concern and three similar concerns related to the perceived reluctance of Point Beach employees to raise safety issues. In its review, NMC did not substantiate the existence of a chilled communication environment caused when upper management relieved Senior Reactor Operators (SROs) from duty and the perceived forced resignation of three SROs and the former Operations Manager. NMC did acknowledge that the working relationship between Operations management and the staff needed improvement and that there was varying degrees of trust between station senior managers and Operations personnel. In its letter, NMC stated that an action plan to improve the Operations working relationship has been developed and initially implemented. Additionally, a high-level procedure to establish the requirements for evaluation and documentation of technical and operational decisions, such as those involved in the hot leg vent issue, has been issued and a communications plan to address the problem areas identified in NMC's assessment of safety culture at Point Beach has been developed.

NRC Conclusion: The concern is not substantiated; however, because workers who do not have confidence in the appropriate resolution of issues they raise may stop identifying issues and because the trust issue between Operations personnel and Operations and station senior managers is a potential distraction to licensed operators, the NRC will review NMC's implementation of its proposed actions to address these issues. This review will be conducted as part of our additional inspection efforts to assess NMC's performance improvement initiatives, as documented in the April 21, 2004, Confirmatory Action Letter, which we have enclosed for your information. Also, as part of their routine, day-to-day inspection activities, our resident inspectors at Point Beach will continue to monitor the performance of Operations personnel and station senior management.

RIII-04-A-0061

Concern No. 2: You were concerned about being fired for talking to the NRC, but came to the NRC because of your concern for a safe work environment. You stated that you were afraid to go to management and the employee concern program coordinator because you believed that people who raise concerns are marked for termination. You 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.

NRC Evaluation: The inspector interviewed 39 plant employees from various work groups and 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.

The inspector also interviewed the site Employee Concerns Program manager and reviewed records and statistics associated with the program. This effort indicated that the program is well utilized by plant staff and has appropriately resolved nuclear safety issues raised by employees.

In addition to the activities of the inspector regarding your concern, a consultant-led, licensee assessment of the safety culture at the plant was recently conducted in which 72 workers were interviewed. This assessment concluded that "vertical trust is significantly strained at PBNP," and that 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]."

Further, in addition to our review of your concern, we forwarded it, and three similar concerns, to the Nuclear Management Company (NMC) for its review and response. In a letter dated October 4, 2004, NMC responded that its safety culture assessment indicated that employees would raise recognized safety concerns. NMC further stated that employees are encouraged to raise safety concerns via various means, including their supervisor, the corrective action program, or the NRC. We note that this assertion has been corroborated by observations of NRC inspectors. In addition, NMC stated that no employee has ever been terminated for using the Employee Concerns Program.

To address the problem areas identified in its assessment of safety culture at Point Beach, NMC has developed a communications plan to, in part, increase the engagement of station senior management and the workforce.

NRC Conclusion: The concern is not substantiated; however, as part of our additional inspection efforts to assess NMC's performance improvement initiatives, as documented in the April 21, 2004, Confirmatory Action Letter, which we have enclosed for your information, we will review NMC's implementation of its communications plan. Also, as part of their routine, day-to-day inspection activities, our resident inspectors at Point Beach will continue to monitor the willingness of Point Beach workers to raise nuclear safety issues.

The issue of an individual being marked for dismissal after raising dry cask storage concerns is currently being investigated by the U. S. Department of Labor.