

PSEG ASSESSMENTS

The following slides are not intended to provide an overall perspective. Instead, they are designed to show the type of blunt detail that has been docketed and is available to any interested stakeholder.

4.
D.8.9

INDEPENDENT ASSESSMENT TEAM (IAT)

- 190 interviews, 14 events examined, reviewed Synergy, USA, NRC reports
- “Personnel will raise nuclear safety concerns”(but some expressed hesitancy to raise lesser concerns) (p2)
- ...management . . . ineffective in addressing other [lesser] . . . concerns, particularly longstanding equipment problems, principally due to ineffective implementation of the corrective action programs and work management practices.” (p2)
- ...management has not been effective at understanding or addressing the potential for a chilling effect in response to how management has addressed highly visible employee concerns . . . ” (p3)

IAT: STARK WORDS ABOUT LEADERSHIP'S CONFLICT MANAGEMENT

- "While none of the unresolved events that are described in this report involved reactor operations that put either the plant or public at risk, these events demonstrate that some in management, as well as some among the workforce:
 - ▶ Place a greater emphasis on production and schedule considerations than conservative decision-making.
 - ▶ Tolerate degraded equipment conditions and expect personnel to work around operational challenges presented by such conditions.
- Tolerate procedural non-adherence.

IAT: STARK WORDS ABOUT LEADERSHIP'S CONFLICT MANAGEMENT (cont.)

- These events also demonstrate that some in management:
 - ▶ Do not clearly communicate standards or the rationale behind their actions, or provide feedback to those raising issues.
 - ▶ Have taken actions, or failed to take actions, that have had a chilling effect on the willingness of certain employees to raise concerns.
 - ▶ Become involved in decisions more appropriately the responsibility of Operations.

- "Management is addressing and making progress in overcoming many of these perceptions, but has not yet regained the trust and confidence of Operations."

IAT: STARK QUOTES ABOUT CORPORATE

"...some assumed that site management is not fixing longstanding equipment issues because corporate is not providing the necessary funds"

"...some involved in the unresolved conflicts, assumed that site management's conduct in the course of those events resulted from a perceived pressure from corporate to place a greater emphasis on production and scheduling considerations than conservative decision-making."

"Corporate policies, practices, business planning, and compensation may have had the unintended consequence of having site management focus on production and schedule, at times, over conservative decision-making. Corporate policies and practices may have similarly had an unintended consequence of leaving longstanding equipment issues unresolved."

(p43, similar to statement on p9)

SYNERGY - DECEMBER 2003

- Priority 1 Key issue and opportunity for improvement from this survey - Plant equipment & material conditions of plants are perceived to be in a degraded condition as manifested by longstanding or recurring equipment problems, work-arounds, and compensatory measures. This situation is perceived to be worsening. This was considered to be the driving force behind low trust/confidence in senior management as well as very low rating or concerns with CAP effectiveness, maintenance work planning, and effectiveness of maintenance
- Mgt perceived to be concerned about short-term performance results
- Mgt perceived as uncommitted to resolving chronic equipment problems

SYNERGY - DECEMBER 2003 (cont.)

- S/HC compared poorly with other facilities surveyed:
 - ▶ Nuclear Safety Values/Practices (11th%)
 - ▶ SCWE (11th percentile)
 - ▶ ECP (16th percentile)
 - ▶ Leadership Behaviors (11th%)
 - ▶ Business/Resource Mgt. Behaviors (11th%)
 - ▶ Other areas not directly related to SCWE scored 26th-44th%;
 - ▶ "...these ratings indicate that many employees correlate the current situation
 - ▶ ...with a reduction in the organizations "respect for nuclear safety . . . " (p55)

UTILITIES SERVICE ALLIANCE (USA) REVIEW OF DBLL SOER - MARCH 2004

- Designed to be very critical comparing . . . approx. 90 "behavioral characteristics."
- 90 characteristics rated and rolled into 12 roll up attributes
- Rating scheme:
 - ▶ 1=needs much improvement
 - ▶ 2=needs improvement
 - ▶ 3=**COMPETENT**
 - ▶ 5=Exceptional
- **Results: No strengths; Nine weaknesses**
- Rollup attributes scored 2.19 to 2.96
 - ▶ Plant control 2.19 (driven by Hope Creek reactivity mgt)
 - ▶ Equipment Reliability 2.33
 - ▶ Corrective Action 2.40
 - ▶ Work Mgt 2.48
 - ▶ Safety Over Production 2.84

Stakeholder interpretation (Lochbaum, UCS): Results show PSEG is less than competent in all areas

Other stakeholders are picking up this "less than competent" theme

KEY USA CONCLUSIONS

- Corrective Action Program has not been effective in improving station performance (multiple repeat equipment issues exist due to ineffective corrective actions)
- Multiple reactivity control events at Hope Creek are a sign that their leadership team is not aggressively addressing this issue.
- Senior leadership team has not established a compelling visible message that reinforces a strong safety culture
- Some interviewed personnel indicate reluctance to document issues in CAP due to perception that CAP is a burden and not instrument for performance improvement

KEY USA CONCLUSIONS (cont.)

- Work environment is not learning from operating experience as indicated by several repetitive events having occurred that were previously documented at the site or other industry locations
- Management Team does not effectively use trends, performance monitoring, and operating experience.
- Quality Assurance function is not effectively utilized.