

*RY*  
**From:** James Wiggins  
**To:** David Vito; Leanne Harrison; Sharon Johnson  
**Date:** 3/24/04 7:19AM  
**Subject:** Fwd: D-Note on Salem allegations

For the Allegation file...

*B-122*

*H. Miller*  
*J. Wiggins*  
*RJ*  
From: A. Randolph Blough  
To: hjm1; Jtw1  
Date: 3/23/04 5:50PM  
Subject: Fwd: D-Note on Salem allegations

We had proposed something more vague, but OEDO wanted it more explicit and promised to highlight that the info is allegation-related and therefore needs to be guarded.

**From:** Glenn Meyer *GM*  
**To:** Jolicoeur, John  
**Date:** 3/23/04 3:59PM  
**Subject:** D-Note on Salem allegations

John - As we discussed, the attached file is for your use in informing the Commission.

**CC:** Blough, A. Randolph

**Upcoming Events with Potential Media Interest:**

On Sunday, March 28, it is likely that the primary Salem allegor will go public. Allegations regarding Salem were the subject of two previous D-notes. Unplug Salem, a public organization advocating the shutdown of Salem and Hope Creek, will have a TMI anniversary demonstration during which several noted activists, such as Dave Lochbaum (UCS), Jim Riccio (Greenpeace), Paul Gunter, and Ray Shadis, will speak. Unplug Salem has also said that a "PSEG whistleblower" will be the featured speaker, and our allegor has confirmed to NRC his/her planned participation. Significant media coverage may ensue, although initial coverage is expected to be local. The Region I public affairs staff is prepared to respond to inquiries.

Earlier that same day, local activists at TMI will hold their annual vigil at the site, timed to coincide exactly with the anniversary. This year's event, while expected to be peaceful, will be more widely attended than in recent years, and may include plans for ceremonial trespassers seeking to be arrested.

**Background for Stakeholder Communications:**

On January 28 the NRC issued a letter to PSEG (James Ferland, Chairman) requesting that PSEG perform an in-depth assessment of the work environments at the Salem and Hope Creek stations regarding the raising and addressing of safety issues. On February 27 PSEG provided a plan of action for their assessment, which includes a Synergy survey, a Utilities Services Alliance (USA) peer evaluation, and an Independent Assessment Team. On March 18 NRC held a public management meeting with PSEG to review their assessment plans and progress.

The request was based on interim results from an ongoing NRC special review, which has included interviews of a wide range of Salem and Hope Creek personnel. Although there have been no serious safety violations thus far, the results have led to some concerns about the station work environment. NRC is concerned that if work environment issues are left unaddressed, an unacceptable, chilled environment could be created for raising and addressing safety issues and for making appropriate operational decisions. NRC has acknowledged that some improvements may have occurred under new management and that organizational realignments may have helped.

In the last three periodic assessment letters to PSEG, the NRC has highlighted that, even though the plants have operated with good safety margin, there have been weaknesses at the stations in their efforts to identify, thoroughly evaluate, and correct problems. The most recent NRC assessment letter was issued on March 3, 2004.

We have found no serious safety violations and have not concluded there has been a breakdown in the work environment. We are providing information at this time to enable the company to address potential issues before they become serious and impact on plant safety.

NRC maintains a substantial safety inspection program for all sites, including TMI, Salem and Hope Creek.