

*RT*  
**From:** Victoria Ford  
**To:** Anne Passarelli  
**Date:** 7/30/04 4:06PM  
**Subject:** Minutes

Hi Anne,

I have attached the review of the minutes from the Board of Director Meetings. Unfortunately, the minutes are just brief notes and don't really discuss the content of the meetings. Thus there is no mention of corporate pressure nor production over safety. But I guess that could be considered a good thing because it means your branch does not need to make any changes to that status letter they are working on.

Have a good weekend!

Vickie

*B-164*

Memorandum To: Branch 3, DRP

From: Vickie Ford,  
Summer Law Clerk

Subject: PSEG BOARD OF DIRECTORS MEETINGS REVIEW: PRODUCTION  
OVER SAFETY AT SALEM/HOPE CREEK

The following review is of the minutes of the Board of Directors meetings from October 2002 to July 2003. The review excludes the bi-weekly meetings between Jim Ferland, Harry Keiser, and other PSEG Nuclear executives because those meetings were not recorded and there were no minutes transcribed.

#### Review Results

It can be concluded that the meeting minutes provide no useful information that can contribute to the production over safety issue at Salem/Hope Creek. The minutes detail who spoke at the meetings and what topics they discussed; however, it does not indicate the content of what was discussed, verbal reactions to the matters discussed, or the questions and answers that were posed. Therefore, the minutes cannot be used to determine if PSEG applied corporate pressure and emphasized production over safety.

#### October 15, 2002, Newark, NJ

- Harry Keiser presented the power levels at which the plants operated for the month of September.
- Harry Keiser also reported INPO and NRC performance indicators.
- Committee members asked Keiser a number of questions; however, those questions are not included in the meeting minutes.
- The minutes report what happened at the meeting, but do not reveal the substance of what was said. Unfortunately, it is unknown what questions were asked of the presenters and what their answers were.

#### January 21, 2003, Newark, NJ

- Ferland reported on management succession plans at PSEG Nuclear.
- The Committee discussed areas needing improvement after reviewing the minutes of the meeting of the Nuclear Review Board.
- Keiser reported PSEG Nuclear activities, results achieved in 2002, and plant performance for December 2002.
- Keiser reviewed the INPO and NRC performance indicators.
- Keiser commented on results to date with respect to the Five-Year Business Plan of PSEG Nuclear. He indicated the areas that need further improvement were safety, reliability, people, and equipment issues.
- Carlin reported on plant reliability.
- The Committee agreed that the management needs to give immediate attention to the areas identified for improvement.

March 18, 2003, Newark, NJ

- O'Connor reported on plant performance, and reported the results from the NRC's Annual Assessments for Salem 1 and 2, Hope Creek and Peach Bottom 2 and 3.
- O'Connor reported on the PSEG Nuclear Business Plan and human performance issues as well as the recent NRC inspection.
- During O'Connor's presentation, the Committee asked many questions which were answered satisfactorily. Not knowing what questions were asked, it remains unknown whether any corporate pressures were expressed to O'Connor.

July 15, 2003, Newark, NJ

- Anderson reported that NRC and INPO had visited Artificial Island.
- Anderson indicated plant performance and security levels.
- Anderson reviewed the NRC and INPO performance indicators.
- Anderson discussed a matrix that illustrated progress to date on key performance areas within PSEG Nuclear's business unit goals for 2003. He also discussed PSEG Nuclear's business strategy and plans for a reorganization of key functions.
- During Anderson's presentation, questions were asked and answered, but again the content of those questions and answers is not detailed in the minutes.