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**From:** Daniel Collins *-nan*  
**To:** Eugene Cobey  
**Date:** Thu, Jul 29, 2004 12:31 PM  
**Subject:** Talking points for Bill Borchardt Briefing

*he*

Gene -

Attached are the talking point slides that I will have for today's briefing of Bill Borchardt.

It may turn out that we don't need them, but I will have them if needed. ... and they may be useful for briefing the TAs.

How do you wish to handle the TA brief? Are you going to give that one ?

Dan

*6-23*

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**From:** Daniel Collins

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**Recipients**

nrc.gov  
kp1\_po.KP\_DO  
EWC (Eugene Cobey)

**Post Office**

kp1\_po.KP\_DO

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# NRC Oversight Status of Salem & Hope Creek

## Organizational Effectiveness & Work Environment

July 29, 2004

# **HISTORY**

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**Extended S/D and Watch List - Late 1990's**

**Recovery Satisfactory but Performance Improvements Stalled in Early 2000's**

- Poorly-conceived realignment to “3-Unit Site”  
--stretched mgt thin and created confusion, especially in engineering
- Equipment Reliability/Outages/Events stressed the organization
- Corrective Action issues and Work Management ineffectiveness evident
- ORG Changes and Management Turnover

# **NRC Oversight 2000-2003**

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- All Three Units Have Stayed in Licensee Response or Regulatory Response Column--Occasional White Indicators or Findings
- Strong Cross-Cutting Theme, PIR, Highlighted in Three Assessment Letters; Continues Today
- Increased NRC Management Attention and Site Visits  
-- (e.g. RA: 7/02, 4/03, 7/03, 12/03, 3/04)
- Late 2003: Initiated Special Review Based on: Crosscutting Themes, Events, and Allegations

# **NRC Oversight 2004**

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## **January 28: Interim Results of Special Review**

NRC Concerns related to work environment and station capacity for:

- Handling emergent issues and associated operational decision-making
- Addressing potential safety issues

These Concerns included:

- Openness of management to concerns and alternate views
- Strength of communication
- Effectiveness of corrective actions and feedback processes

Concerns did not involve any serious safety violations

Recognized some change under new management but need to understand and address lingering issues

**NRC Requested PSEG to do their own Assessment**

# NRC Oversight 2004 (cont)

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- NRC Letter to PSEG 1/28/04
- PSEG letter to NRC 2/27/04
  - ▶ Provided interim assessment plant
- Public Meeting 3/18/04
  - ▶ Discussed assessment plans
- PSEG letter to NRC 5/21/04
  - ▶ Submitted assessment results
- NRC Public Meeting 6/16/04
  - ▶ Discussed PSEG assessment results and action plan
- PSEG Commitment letter 6/25/04
  - ▶ Documented action plans in summary form

# **NRC Oversight 2004 (cont)**

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## Current ROP Assessment:

Hope Creek - Regulatory Response

Salem 1 - Regulatory Response

Salem 2 - Licensee Resposne

Salem & Hope Creek have open cross-cutting issues in PI&R.

# **PSEG Assessments submitted 5/21/04:**

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- Synergy Cultural Assessment (Dec 2003)
- USA Group Safety Culture Assessment (Mar 2003)--DBLL SOER review
- Independent Review by IAT (Feb-May 2004)--Interviews and overall review, included corporate
  - Results consistent with NRC inspections, assessments and special review
  - Very detailed results (~ 200 pages docketed)
  - Includes stark, unvarnished verbiage
  - None found major safety issues but overall implications are negative about “organizational effectiveness” and SCWE

# PSEG Action Plans

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PSEG June 25, 2004, letter summarizes plan

PSEG focus areas: SCWE, CAP, Work Mngmt, Leadership Effectiveness, Facilities. (Detailed plans ECD July 31, 2004)

PSEG Intends to pursue action plans thru Business plan

Recent emphasis: Conservative decisions, and communications. Expanded outage scope to fix more equipment.

Commitments:

- ▶ Submit Key metrics (SCWE and SCWE drivers)
- ▶ SCWE and Safety Culture Survey after the HC outage, submit to NRC early 2005
- ▶ Meet in early 2005
- ▶ Survey for five years

Assessment of effectiveness to be part of normal line management processes

# Regulatory Oversight

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June 29, 2004: Region I briefed Jim Dyer, Sam Collins, and Ellis Merschoff

- Discussed appropriate level for response to PSEG's June 25 letter (i.e: Order, CAL, Acknowledgement Letter).
- Outcome of discussion - given plants' current ROP assessments, Order or CAL not warranted.

# **Regulatory Monitoring & Followup**

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Site Visits (some with HQ assist)

Focused Inspection followup of selected actions

Periodic management meetings

SCWE x-cut in mid-cycle assessment? (Probably)

Deviation Memo

Cross-disciplinary oversight team

# External Stakeholder Involvement

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Key Allegor -- revealed allegor status publicly in March; has ongoing civil suit against PSEG. Very frequent contact with NRC Region I

UCS -- Increasing involvement over past several months-- Advocates plant S/D, Order, or CAL

Unplug Salem --small group consistently advocates S/D

New Jersey -- Very interested; supportive of NRC

Congressional -- Interest, but little direct involvement so far

Financial -- some attendance at meetings

Media -- mostly local