

From: Marc Ferdas *ET*
To: Anne Passarelli; Daniel Collins; Daniel Holody; Daniel Orr; George Malone; Mel Gray; Scott Barber; Theodore Wingfield
Date: 5/14/04 7:30AM
Subject: Latest Roy Anderson Letter - May 13, 2004

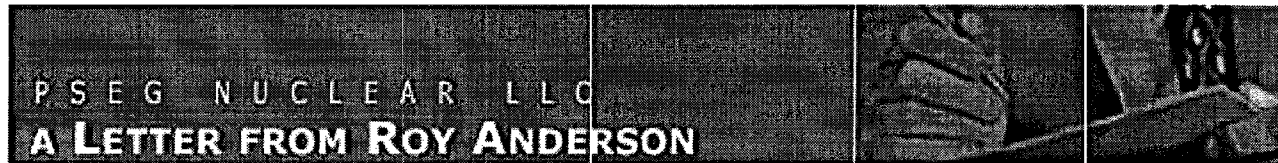
The latest Roy Anderson letter was written by Chris Bakken and describes activities that are on-going at the site, including SCWE efforts.

This letter is available at the site in paper form or on their internal web site.

Please see attached for letter

CC: A. Randolph Blough; Brian Holian; Hubert J. Miller; James Wiggins; Richard Crlenjak; Wayne Lanning

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There's a lot happening in a short period of time at Salem and Hope Creek:

- We are finishing up our outage at Salem Unit 1. It is taking longer than we anticipated, but as we told you before, we are doing the right work to ensure the reliability of the station for the next operating cycle.
- We have teams looking at our Work Management Process, our Corrective Action Program, and our Facilities and developing actions plans to improve each area.
- We're looking at our summer readiness at both stations, to ensure we are prepared for any possible events or issues that could challenge our summer operations.
- We're progressing on our projects. On the access road, activities are underway in support of our new security checkpoint, which will be complete in the fall. Behind the scenes, we are also moving forward with our Dry Cask Storage Project, with construction activities to begin within a month.

With so much happening, it's possible for us to lose sight of a priority we all share, and that is improving the health of our Safety Conscious Work Environment. Without a strong SCWE, everything we do is compromised.

Mike Brothers, Vice President of Operations, has the accountability for developing an action plan to improve our Safety Conscious Work Environment. Mike's experience at Millstone and Davis Besse makes him the ideal candidate to lead us in this effort. Mike has put together a team to assist him, including outside professionals as well as some of our employees from different departments. However, Mike and his team cannot do it alone. Improving our work environment will involve changing the way we think and work. These changes must be reflected in our actions, our behaviors, our decisions, and our conversations. Thinking that someone else is responsible simply will not get it done.

During a two-day offsite this week, our Senior Leadership Team looked at draft attributes and metrics that Mike and his team are considering to assess the health of our safety conscious work environment. These attributes and metrics will be shared with our Management Team this week during our Bi-weekly Manager Meeting, which means each of you should expect a conversation regarding them. Finalizing these attributes and metrics is an important step in our SCWE Improvement - until we can measure it, how can we make plans to improve?

I recognize that each of us has a lot going on and all of these things are important. I also realize that as the weather changes, and the school year winds down, there are more demands placed on us at home as well. With all that's happening, I ask that you remain engaged in our SCWE improvement efforts. Your input is needed, and your understanding essential if we are to improve.

We will be meeting with the NRC on June 16 to give them an update on our SCWE improvement plan and our progress to date. At the meeting, we will also discuss the results of the Synergy Survey, the USA Assessment and the Independent Assessment Team. We will share the Executive Summaries of these reports with our employees within the next two weeks.

Sincerely,