

From: Hubert J. Miller *HT*
To: Daniel Orr; George Malone; Glenn Meyer; Marc Ferdas; Mel Gray; Scott Barber
Date: 2/5/04 5:55PM
Subject: Re: PSEG Employee Meeting - Work Environment

Marc, thanks for the feedback.... great summary. Hub

>>> Marc Ferdas 02/05/04 03:29PM >>>

I just attended one of the employee meetings being conducted throughout the day concerning the NRC work environment letter and PSEG's response. The meetings are being lead by senior leaders, and the meeting I attended was lead by Bakken and Garchow.

The message continues to be the same, that actions were already in place to address these issues. Bakken stated that he believes a lot of their problems stem from a lack of communication. He further stated that "...if this letter leads us to communicate better...Mr. Miller did us a favor." He also believes that their problems can be attributed to a lack of consistency in the leadership. He assured the group that he is here for a long time and when Roy leaves he will be the next person in the corner office. The plan is to provide stability. Bakkan said "...the only way I am leaving is if they fire me...I won't get into the details...my contract keeps me in PSEG."

Bakkan reiterated the ways that people can communicate problems (CA process, ECP, resident inspectors, regional office). He stressed that not reporting problems is not acceptable. He also said that "...the concerns raised in the letter are real and that WE need to collectively work on it."

Bakkan described the plan to go forward to address PSEG's and NRC's concerns. He stated he did not know how long it would take to correct these problems, any where from 6 months to 6 years. The plan going forward is that :

1. US Alliance will come in to perform a review of SOER 02-04. This SOER describes how SCWE contributed to the problems at Davis-Beese and requested that reviews be done . Bakkan reviewed PSEG's original response and did not think it was of very good quality and requested that it be redone.

2. INPO audit of PSEG corporate

3. Independent review (this stems from the letter) consisting of ex senior nuclear officials, ex NRC officials, and other independent individuals. They will review the synergy survey results, and interview site personnel (all levels of organization)

4. The results and corrective actions that come from the above three activities will be rolled in a significance level 1 root cause and will be lead by Carlin.

If you have any questions please let me know.

CC: A. Randolph Blough; Guy Caputo; Jim Dyer; John Craig; Samuel Collins

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