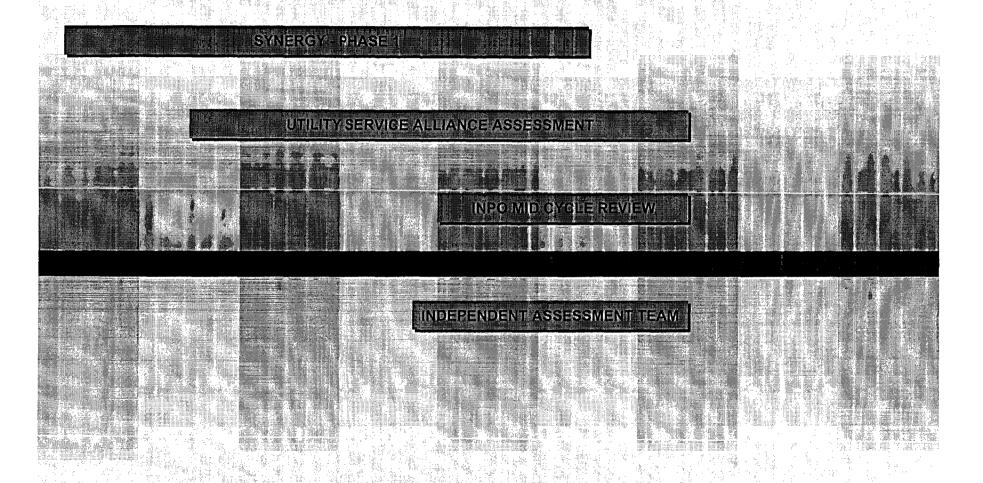
Integration of Results

Ongoing Management Actions





Response to 1/28/04 NRC Letter

Integration of Results

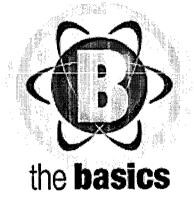
Synergy - Phase 1

Utility Service
Alliance Assessment

INPO Mid Cycle
Review

Independent
Assessment Team

Business Plan



June 2004 – Integrate Assessment Data Into 5 Year Business Plan

Synergy Survey Results

Organization Is Being Challenged

- Equipment Problems
- Corrective Action Program
- Work Management
- Adherence to Expectations and Standards
- Confidence in Employee Concerns Program
- Certain Organizations Need Attention



USA Assessment Results

Organization Is Being Challenged

- Visibility and Emphasis of SCWE Message
- Reactivity Management at Hope Creek
- Corrective Action Program
- QA Line Management Interface
- Work Management Process
- Change Management

Near Term Actions

Salem 1 and Hope Creek Outage Scope CAP Effectiveness Work Management Communications

- Emphasis of SCWE Message and Importance
- Management Emphasis and Expectations
- All Hands Meetings
- Formal SCWE Policy
- SCWE Website
- Training





Integrate Into Daily Operations Through Business Plan

Measure Results

- Metrics for Evaluating Work Environment
- Re-Survey Employee Population to Assess Work Environment

Effectiveness of Management in Resolving Concerns

Effectiveness of Employee Concerns Program

Effectiveness in Responding to Allegations of Retaliation/Chilling Effect

James O'Hanlon

Independent Assessment Team Lead



Independent Team Status

Good Cooperation From Management and Workforce

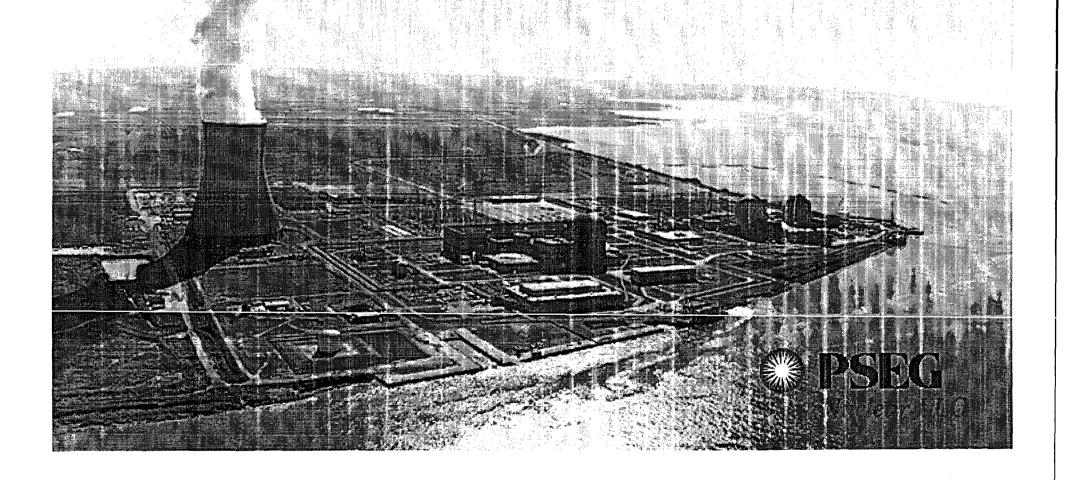
Over 100 Interviews Conducted

Complete Remaining Interviews/Assessment by Beginning of April

Provide Assessment and Recommendations to PSEG by Mid-April

Frank Cassidy

President & COO - PSEG Power



Conclusions

PSEG Is Committed To:

- Improve the Work Environment
- Improve Communication of Changes
- Monitor Our Progress
- Make Necessary Adjustments
- Operate the Plants Safely
- Provide the Required Resources