

Release A11

## CHARTER

### I Statement of Purpose

E. James Ferland, Chairman, President and Chief Executive Officer, Public Service Enterprise Group, has approved an assessment of the work environments for raising and addressing concerns at Hope Creek and Salem Nuclear Generating Stations, and to provide recommendations.

### II Issues To Be Assessed

The assessment will involve structured interviews, document reviews and analysis, and will be informed and focused by:

- (a) The Synergy survey and the Utility Services Alliance (USA) Assessment, which will identify pockets of concern and unresolved conflict events that may negatively affect the work environment.
- (b) Selection of interview populations that are both generally representative of the site organizations and determined by the Synergy survey and USA Assessment from (a) above. Interviews will begin in the Operations Department.
- (c) ECP Performance Indicators and survey results.
- (d) The NRC inspection record.
- (e) Analyses of events involving unresolved conflict, including events involving the Corporate/Site interface.
- (f) A logical framework consisting of the four basic elements or pillars of a safety conscious work environment (SCWE): 1) employee willingness to raise concerns; 2) management effectiveness in resolving safety issues; 3) ECP effectiveness; and 4) management effectiveness in resolving retaliation and chilling effects issues. This framework will be augmented by NRC's recent best practice outline, the five INPO SOER characteristics of an effective safety culture, and the questions appended to NRC's Inspection procedure 71152.

Given the above, the assessment will:

- A. Comprehensively assess the current work environment within PSEG Nuclear for raising and addressing concerns; and
- B. Make recommendations to further enhance the work environment.

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### III Key Elements of the Assessment

A. The Assessment Team will conduct a review of the events generally described in the NRC January 28, 2004 letter, and any other suspected "previous unresolved conflicts" to determine the need for further review, their root causes, and correction action to prevent recurrence.

B. The Team will further review and provide recommendations with regard to:

1. Policies and procedures implementing PSEG's expectations to maintain a SCWE with respect to the four criteria;
2. Training as to those policies and procedures, including general site access training, periodic refresher training, and supervisory skills training;
3. The effectiveness of the corrective action program as measured by indicators such as: unscheduled entries into Limiting Conditions for Operations, percentage of rework, overdue actions, repeat issues, self-identification ratio, request(s) for extensions, average time to investigate, and feedback process to employees who raise concerns. The Team will specifically review improvements, trends and ongoing plans to enhance the Corrective Action Plan.
4. The effectiveness of the Employee Concerns Program, including the correlation among concerns raised to NRC, ECP, and the primary corrective action program;
5. The interface among Human Resources, Labor Relations, and management in addressing work place issues;
6. The interfaces and interaction between corporate and the site and how those interfaces and interactions have affected communication of management's expectations of the work environment at Hope Creek and Salem;
7. The number, nature, and trend in NRC allegations, including NRC referred allegations and PSEG's response to these referred allegations; and
8. Claims of retaliation over the past several years, including management actions to address any chilling effect in response to such claims.

#### IV Methodology

The assessment will be conducted by document review, interviews, surveys and analysis.

#### V Team Organization

##### A. The Assessment Team

The Team will be led by James O'Hanlon, formerly the Chief Nuclear Officer at Dominion. William Cottle, former Chief Executive at South Texas Nuclear Operating Company will be the lead member on the Corporate/Site interface. Jacques Durr, former NRC Region I manager, will be the lead member for the NRC inspection record and unresolved conflict events. Neil Bergh, PSEG QA manager and a veteran of the Millstone recovery, will be the lead member for assessment of PSEG programs, such as the ECP, and will be the PSEG lead point of contact with the USA Alliance assessment of PSEG's INPO SOER response on safety culture. Wayne Kropp, former NRC Region III manager, will be the lead member for problem identification and resolution. John Guibert, who led the Synergy survey, will be available for advice and consultation regarding the survey results and recommendations. Barry Letts, former NRC Field Director, Office of Investigations, Region I, will assist in interviews. Joseph Callen, former NRC EDO, and Michael Tuckman, former Duke Power Chief Nuclear Officer, will be available to review plans, results and recommendations at the request of the Assessment Team or PSEG management.

##### B. Support Personnel:

Robert Grazio will be the liaison between the Assessment Team and Licensing. Peter Przekop will coordinate logistics and provide administrative assistance for the Assessment Team. Tom Lake, Employee Concerns Manager, will provide input from an ECP perspective. Other clerical or personnel assistance will be provided on an as-needed basis.

##### C. Legal Support:

R. Edwin Selover, Senior Vice President & General Counsel – PSEG; Jeffrie Keenan, Assistant General Solicitor, and Morgan Lewis (George Edgar and Jay Gutierrez) will provide legal support to the Assessment Team.


VI Schedule, Briefing and Documentation:

A. It is expected that all interviews and related field work will be concluded by April 1, 2004. Field work will be documented consistent with a written protocol. Should issues arise that are not entered into the Corrective Action Program, the Team will refer those issues to management for appropriate action under the Performance Improvement Process, NC.WM-AP.ZZ-0002(Q).

B. It is expected that the Assessment Team will brief the Chief Executive Officer and PSEG Senior Management, on an as-needed basis, and that the Team's final briefing will occur by April 2, 2004.

C. The Assessment Team Report, setting forth findings and recommendations, is expected to be issued by April 8, 2004. The Report shall be addressed to Frank Cassidy, President and Chief Operating Officer, PSEG Power LLC, and Roy Anderson, with a copy to the Chief Executive Officer.

Approved: \_\_\_\_\_

  
E. James Ferland  
Chairman of the Board, President and Chief Executive Officer  
Public Service Enterprise Group Incorporated

Date: \_\_\_\_\_

Feb 13, 2004