

From: Hubert J. Miller *RS*
To: A. Randolph Blough; Amanda Rancourt; Amar Patel; Anne Ford; Arthur Burritt; Beth Sienel; Blake Welling; Brian Fuller; Brian McDermott; Christopher Long; Christopher Welch; Cliff Anderson; Craig Smith; Cynthia O'Daniell; Daniel Schroeder; Dante Johnson; David Kern; David Pelton; Donald Florek; Douglas Dempsey; Douglas Tifft; Ed Knutson; Ellen Bartels; Felicia Hinson; Frederick Jaxheimer; Galen Smith; Glenn Dentel; Gordon Hunegs; James Trapp; Javier Brand; Jeffrey Herrera; Joe O'Hara; John Richmond; Jorge Hernandez; Justine DeVries; Kathleen Kolek; Kathy Venuto; Keith Heater; Kenneth Jenison; Kenneth Kolaczyk; Kevin Mangan; Leonard Cline; Linda Larche; Manan Patel; Mark Cox; Mark Giles; Mark Marshfield; Max Schneider; Michelle Snell; Mohamed Shanbaky; Neil Perry; Patricia Sauder; Paul Cataldo; Pete Eselgroth; Peter Habighorst; Rebecca Junod; Richard Barkley; Robert Berryman; Robert Summers; Rosemary Martin; Samuel Hansell; Sandra Schmitt; Shani Lewis; Shannine DiMora; Sheryl Farrell; Shriram Iyer; Silas Kennedy; Steve Shaffer; Sue Nelson; Thomas Hipschman; Tina Newgent; Todd Jackson; Trisha Haverkamp; Veronica Rodriguez; William Cook; William Raymond
Date: 7/30/04 5:21PM
Subject: Re: Fwd: Issuance of the Salem and Hope Creek Work Environment Letter

Please, let me add to Randy's note.

Issuance of our letter today is but one small step at the end of a very long process -- one that required an enormous amount of hard work by many people spanning numerous branches, divisions and offices. While much work remains to be done to followup on PSEG improvement efforts, we should all take pride in what we produced as a team.

We have made a real difference to safety in this effort.

Thank you for the competence and hard work required to reach this point.

Hub

>>> A. Randolph Blough 07/30/04 04:35PM >>>

today we issued our final results of the SCWE review at Salem/Hope Creek. As you know, our 'interim results' had been issued in January.

Much work remains to be done, both by the licensee to address the issues and by us to evaluate their efforts.

Nonetheless, this is a significant step in an NRC activity that has already had high impact toward improving safety, and i am very proud of the fine work by many staff members (too numerous to mention individually right now) to get us to this point.

attached is the letter, as well as our comm plan . Some excerpts of the comm plan's Q&As are pasted below.

regards,

randy

(P.S> on another subject, I'm looking forward to the mid-cycle assessments next week, and appreciate all the fine teamwork to get in-field inspections, the reports and assessment documents for all plants done with high quality and safety focus.)

*****Excerpts about Salem/ hope creek SCWE follow:

In the letter, the NRC noted that no serious safety violations were identified during the review.

Nonetheless, there were numerous indications of weaknesses in corrective actions and management efforts to establish an environment where employees were consistently willing to raise safety concerns. Weaknesses in leadership and management approaches led to a perception between some staff and managers that the company had emphasized production to the point that negatively impacts handling of emergent equipment issues and associated operational decision making. Management has not been consistent in its support of station staff identifying concerns and providing alternate views. We also found examples of unresolved conflict and poor communication between management and staff, as well as

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underlying staff and management frustration with poor equipment reliability. The equipment issues stemmed, in part, from weaknesses in implementation of station processes, such as work management and corrective action.

Several licensee assessments, including on conducted in response to our January letter, had very similar findings.

In their June 25, 2004, letter, PSEG committed to provide quarterly work environment metrics, to conduct periodic cultural assessments for the next several years, and to a meeting with the NRC during the second quarter of 2005. In a July 27, 2004, phone call with the PSEG CNO, the NRC discussed obtained some commitments to add'l PSEG actions.additional actions to enhance these commitments. All of the requested actions were agreed to during the phone call. The NRC also requested that PSEG discuss their perspective on the role and function of QA; procedure adherence and other elements of human performance; and the quality of engineering products which support operational decision making during the meeting. The second action was to request PSEG to inform NRC of significant changes to their action plans on a quarterly basis. The third action was for PSEG to obtain a peer assessment to evaluate the effectiveness of their improvement efforts for work environment, corrective action, and work management issues at Salem and Hope Creek.

The NRC will continue to closely monitor PSEG performance and their efforts to improve the work environment. Specific plans for inspections and related oversight activities will be provided in our Reactor Oversight Program Mid-Cycle Assessment letter to be issued in several weeks.

CC: A. Randolph Blough; Adam Ziedonis; Alexander Velazquez-Lozada; Andrea Kock; Anna Buseman-Williams; Anne Passarelli; Art Howell; beh; Brett Rini; Brian Holian; Brice Bickett; Bruce Boger; Carey Colantoni; Carl Mohrwinkel; Charles Casto; Chris Miller; Christopher Hunter; Clare Goodman; Cornelius Holden; Cynthia Carpenter; Cynthia Pederson; Daniel Collins; Daniel Holody; Daniel Orr; David Lew; David Vito; Doug Coe; Dwight Chamberlain; Eric Leeds; Ernest Wilson; Eugene Cobey; Fiona Tobler; Frank Costello; Gail Good; George Malone; George Pangburn; Glenn Miller; Gregory Bowman; Harold Christensen; James Andersen; James Clifford; James Linville; James Wiggins; Jason Flemming; Jeffrey Teator; Jennifer Bobiak; John Grobe; John Rogge; John White; Joseph Schoppy; Josephine Talieri; jtw1; Judith Royal; Julius Persensky; Laura Limata; Lauren Quinones; Lawrence Doerflein; Leanne Harrison; Leonard Wert; Lisamarie Jarriel; Marc Ferdas; Mark Satorius; Mel Gray; Nathan Sanfilippo; Nicole Sieller; Patrick Hiland; Raymond Lorson; Richard Conte; Richard Crlenjak; Richard Laufer; Ronald Bellamy; Ronald Cureton; Roy Caniano; Samuel Collins; Scott Barber; Steven Reynolds; Stuart Richards; Theodore Wingfield; Tomy Nazario; Tracy Walker; Victor McCree; W Lanning; Wayne Lanning

July 30, 2004

N. Kymn Harvin, Ph.D.

RI-2003-A-0110

Subject: Concerns You Raised to the NRC Regarding Salem/Hope Creek

Dear Dr. Harvin:

This letter is to provide you with an update regarding NRC review of concerns you addressed to us in September 2003 regarding the Salem and Hope Creek Generating Stations (the Stations). In general, we have substantiated your concern that the work environment needs to be improved at the Stations. Other matters you raised are still under NRC review.

Since the September 2003 time frame, you have had several conversations with me and other members of the NRC staff, including a transcribed interview on September 9, 2003, and you have provided the NRC with a significant amount of information related to your concerns. We thank you for all of the information that you have provided.

Your concerns involved the work environment for raising safety issues at the Stations, potential discriminatory action against you, [REDACTED] We initially acknowledged your concerns in a letter dated October 16, 2003, and sent you another letter on April 16, 2004, which provided the status of our follow up.

Our review of your concerns regarding potential discriminatory action against you, and [REDACTED] continues. When we have completed those reviews, we will inform you of the results. With respect to your concern regarding the work environment for raising safety issues, the NRC initiated a special review in late 2003, in light of information received in various allegations to the NRC (including yours) and inspections over the past few years. In a January 28, 2004 letter to PSEG, we described our interim results, and we provided you a copy of that letter.

The NRC has now completed its special review of the work environment at the Stations. The special review included in-depth interviews, between October 2003 and June 2004, of over 60 current and former Salem and Hope Creek employees, from various levels of the organization, up to and including nuclear executives. The special review also considered our inspection and assessment record over the past several years, as well as allegations involving the Stations. While the NRC did not identify any serious safety violations, the NRC did identify problems with the environment, as described in a letter from Mr. Hubert Miller, the NRC Region I Regional Administrator, to Mr. James Ferland, the PSEG President and Chief Executive Officer dated July 30, 2004.

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We also reviewed the findings of three independent assessments conducted on PSEG's behalf since December 2003. The results of the PSEG assessments were provided to the NRC in a letter dated May 21, 2004, and were discussed with the NRC at a public meeting on June 16, 2004. The results of those assessments, which are publically available on the web at www.nrc.gov/reading-rm/adams.html using Accession Number ML040610856, confirmed the need for improvements in the work environment and are consistent with the findings of the NRC review.

At the June 16 meeting, which you attended, as well as in a letter to the NRC dated June 25, 2004, PSEG also described its plans to improve the work environment at the Stations. We have reviewed the PSEG action plan and it appears that it will address the key findings of the various assessments. However, much work needs to be done to implement the action plan in a way that will effect sustainable improvements to the work environment at the Stations. We expect PSEG to closely monitor implementation of the action plans, frequently evaluate progress towards achieving intended outcomes, and adjust its plans and efforts accordingly.

The NRC will continue to monitor PSEG performance and its efforts to improve the work environment at the Stations. Specific plans for inspections and related oversight activities will be provided in the NRC's Reactor Oversight Program Mid-Cycle Assessment letter to be issued in several weeks.

Again, we thank you for all of the information you have provided to the NRC in support of our review of your work environment concern involving Salem and Hope Creek. As indicated previously, when we have completed our review of your other concerns, we will provide you the results of those reviews.

If I can be of further assistance at this time, please call me via the NRC Safety Hotline at 1-800-695-7403.

Sincerely,

Original signed By:

David J. Vito
Senior Allegation Coordinator

Enclosure:
Letter to PSEG, dated July 30, 2004

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N. Kymn Harvin, Ph.D.

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