

Allegation No.: RI-2003-A-0110
Site/Facility: Salem/Hope Creek
ARB Date: 12/18/2003

Branch Chief (AOC): Meyer
Acknowledged: Yes
Confidentiality Granted: No

Issue discussed: Current Actions on Tech Issues and SCWE

Alleger contacted prior to referral to licensee? Issue will not be referred to licensee

ALLEGATION REVIEW BOARD DECISIONS

Attendees: Chair - Crlenjak/ Blough Branch Chief (AOC) - Barber (Act) SAC - Vito
OI Rep. - Neff, Wilson RI Counsel - Farrar Others - Holody, Urban, Wingfield

DISPOSITION ACTIONS:

- 1) Complete the interviews of the remaining shift managers and other key operations staff. Upon completion of those interviews determine whether additional licensee staff interviews are needed, make an initial assessment of the work environment, and consider whether NRC action is needed to address any environment concerns (example, SCWE inspection, management meeting, chill effect letter, demand for information, order, etc. for the purpose of obtaining information regarding licensee's actions, taken or planned, to address those environment concerns). 13 shift managers have been interviewed, the rest to be completed over the next several weeks).

Responsible Person: Meyer/Barber ECD: 1/30/04
Closure Documentation: _____ Completed: _____

- 2) Review survey results from the recent ECP SCWE surveys, Gallup Q12 survey and Winston and Strawn assessment of SCWE for the purpose of understanding the licensee's response to the alleger's issue brought to the licensee previously. NRC reviewers will provide an assessment of the adequacy of PSEG's SCWE reviews and the legitimacy of PSEG's conclusions. (Review completed summary to be provided to appropriate staff and results evaluated in conjunction when interview results are completed).

Responsible Person: Meyer/Urban ECD: 1/30/2004
Closure Documentation: _____ Completed: _____

- 3) DRP will continue to update the summary of technical issues on weekly basis considering information from additional information from interviews, and information from review of transcripts of completed interviews. DRS has completed review of TARP reports and NRB documentation and will discuss at the next ARB panel. DRP/DRS to assess.

Responsible Person: Meyer/Jackson ECD: Ongoing
Closure Documentation: _____ Completed: _____

- 4) No indications of potential wrongdoing (other than the alleged H&I issues) have been identified to date. Repanel if indications of wrongdoing are identified.

Responsible Person: Meyer/Barber ECD: Bi-Weekly
Closure Documentation: _____ Completed: _____

ARB MINUTES ARE REVIEWED AND APPROVED AT THE ARB

Information in this record was deleted in accordance with the Freedom of Information Act, exemptions 5, 7C
FOIA 2005-0194

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- 5) SAC to develop a listing of attributes/behaviors that represent a good safety culture/SCWE, to be used as a point of comparison for outcomes of the SCWE review, and possibly considering how other events/activities/inspection findings at the site feed into that comparison. To be developed and distributed for next update meeting (1/8/04).

Responsible Person: SAC
 Closure Documentation: _____

ECD: 1/08/2004 @ 2:00 p.m.
 Completed: _____

- 6) DRP to discuss w/DRS, provision of DRS staff to support reviews of interviews transcripts. Transcripts need to be reviewed and summarized in terms of safety culture/SCWE issues discussed as well as technical issues. Summaries are needed to facilitate future documentation of findings.

Responsible Person: Blough/Lanning
 Closure Documentation: _____

ECD: 12/24/2004
 Completed: _____

- 7) Next periodic ARB

Responsible Person: SAC
 Closure Documentation: _____

ECD: 1/08/2004 @ 2:00 p.m.
 Completed: _____

SAFETY SIGNIFICANCE ASSESSMENT: SCWE Review

PRIORITY OF OI INVESTIGATION: High

If potential discrimination or wrongdoing and OI is not opening a case, provide rationale here (e.g., no prima facie, lack of specific indication of wrongdoing):

Rationale used to defer OI discrimination case (DOL case in progress):

ENFORCEMENT STATUTE OF LIMITATIONS CONSIDERATION (only applies to wrongdoing matters (including discrimination issues) that are under investigation by OI, DOL, or DOJ):

What is the potential violation and regulatory requirement? _____

When did the potential violation occur? _____

(Assign action to determine date, if unknown)

Once date of potential violation is established, SAC will assign AMS action to have another ARB at four (4) years from that date, to discuss enforcement statute of limitations issues.

NOTES: (Include other pertinent comments. Also include considerations related to licensee referral, if appropriate. Identify any potential generic issues)

Next ARB will include a discussion of suggestions for binning inputs related to SCWE (e.g., management production vs. safety pressure, non-conservative decision making, union pressures to suppress concerns identification, etc.) And how that will feed into the overall SCWE assessment.

Distribution: Panel Attendees, Regional Counsel, OI, Responsible Individuals (original to SAC)

SALEM/HC SCWE

HIGH LEVEL SUMMARY

Unsafe Operations

To date, there has been no contemporary information that has been conveyed through interviews or through inspection that would rise to the level of unsafe acts on the part of licensee management or operations that would warrant prompt and immediate action by the NRC. This aspect is evaluated in an ongoing and continuous manner. 7L

There have been issues where production over safety pressures have been evident. F

If true, this would be an apparent violation of the PSEG Conduct of Operations procedure. More interviews are needed to review this matter. There were other examples, as well.

The PSEG Work Environment

To date there has been no information conveyed through interviews or through inspection that indicates that personnel would not raise safety issues to management. Thus, PSEG meets minimum standards for implementing a **Safety Conscious Work Environment** at Salem/HC.

Although the interviewees to date have all indicated that interviewees would not hesitate to raise safety issues to management, they have indicated that senior management's response is often one to directly challenge the issue as being a safety issue or to recharacterize it as minor or to take action to minimize the importance of the concern. Some Shift Managers (SMs) indicated that there had been a paradigm shift under the [REDACTED] era in which they were being asked why they couldn't take an action to improve production rather than being asked if it was a proposed action was safe or not. These SMs provided examples of situation in which they were asked to either delay a shutdown or to proceed with startup or power ascension even when they were reluctant to do so. According to the SMs, none of these examples constituted a violation of the license or technical specifications, but management's approach was diametrically opposed to past practice in these instances. Cost pressures appeared to have been a contributor to the paradigm shift.

PSEG Industrial Safety Issues

Many Nuclear Equipment Operators (NEOs) interviewed raised a number of industrial safety issues that have not been adequately addressed. They indicated that they had wrote notifications but that they either were never addressed or addressed in an inadequate manner. In some instances, they indicated that management did not want to hear about there problems and considered it "whining" on their part.

PSEG Labor-Management Issues

One interviewee [REDACTED] During the interview, he stated that he had been on days off and had traveled to the site on his own time to resolve other labor management issues. He was requested to take a [REDACTED] even though he was off which he discussed with operations management at that time. The [REDACTED] told him to go home and to not worry about it which he did. He subsequently got a call from an [REDACTED] was told to come in for the [REDACTED] which he subsequently did. Later, he was told he was being fired for FFD rule violations. When asked why this occurred during the interview, he indicated that [REDACTED] had told another manager that "We're going to make an example out of [REDACTED] and we're going to show the union that management is running the station and not the union."

There were other examples where union members indicated that management was generally unresponsive to industrial safety issues raised by the union. One union member with [REDACTED] on-site indicated that he and others had to protect the plant from management's "good ideas." By anecdote, he also commented that "PSEG has the right management team in place for the sixth time".

PSEG's Corrective Action Process(CAP)

Some interviewees indicated that the CAP provides a shield or a convenient excuse for why action has not been taken to address equipment problems or personnel safety issues. On occasion, NEOs have been told to reenter their concerns in the system. When they have done so nothing changes.

NRC Considerations

During interviews, we listen very carefully to issues that may be safety significant and try to develop questions that sufficiently probe the issue so that its significance is fully understood. WE use this approach as part of our ongoing litmus test to determine if any unsafe acts have been identified.

Recent interviews have applauded the [REDACTED] regime as being effective at addressing emerging concerns (both safety and otherwise) from all levels of the organization. The removal of [REDACTED] from positions of power has been viewed as bringing relief to the previously unhealthy work environment. However, one potential contributor [REDACTED] to this environment still wields significant management influence power on-site. We plan to continue to understand both his positive and negative contribution to the SCWE at Salem/HC.

Salem & Hope Creek Update Agenda

December 18th, 2003

Package Contents:
<input type="checkbox"/> Update Agenda
<input type="checkbox"/> Attachment A (Assessment Status Table)
<input type="checkbox"/> Attachment B (Interview Status)
<input type="checkbox"/> Attachment C (Regulatory Activity Schedule)
<input type="checkbox"/> Attachment D (External Q&As)
<input type="checkbox"/> Attachment E (Internal Q&As)

1. ANY NEW EVIDENCE OF UNSAFE OPERATION? NO YES
 - a) Operating review of Salem & Hope Creek - NO RECENT REPORTS & NO NEW EVENTS
2. STATUS
 - a) Allegation (detail in Att. A)
 - i) Interview Status (detail in Att. C)
 - ii) What has changed since last ARB
 - Alleger contacted Dave Lochbaum & potentially 60 minutes
 - Internal & External Q&As were updated and distributed throughout the agency
 - William Travers (EDO) is the designated respondent if any interviews are requested
 - b) Court Case - Copies received of Alleger complaint & PSEG response
 - i) In the "discovery phase"
 - ii) NEXT - Set date for end of "discovery phase"
 - c) External Q&A's
 - i) UPDATED DUE TO THE ABOVE (potential 60 Minutes, D. Lochbaum)
3. UPCOMING REGULATORY ACTIVITIES
 - a) Review schedule (see Att. B)
4. FOLLOW-UP ITEMS
 - a)

IF THE ISSUE IS MADE PUBLIC BY OTHER CIRCUMSTANCES ...
Salem & Hope Creek Allegation EXTERNAL Q's and A's
(Information that may be discussed with the public and media.)

4. Can the NRC shut down Salem and Hope Creek if you like?

NRC has regulatory authority to order licensees to shut down reactors if the situation merits such action. Our inspection activities to date indicate that the Salem and Hope Creek plants are safe. Although we have identified some performance issues for the company to address, inspection of events and day-to-day activities over the last 12 months has shown that the proper actions have been taken to assure reactor safety and that an acceptable margin of safety exists.

5. I heard that a lawsuit was filed in which an individual was fired for raising safety concerns at the facility. Is this true? If so, what is the NRC doing about it?

We are aware that recently a civil lawsuit was filed in New Jersey, which claims that the affected person was discriminated against for raising safety concerns at Salem and Hope Creek. The NRC is aware of the lawsuit and is reviewing the specifics in light of the regulations prohibiting a licensee from taking discriminatory actions against an individual for raising nuclear safety concerns. The NRC will continue to monitor the legal proceedings for any new developments. As of Dec. 8th, 2003, PSEG owes an answer to the complaint.

6. Will the NRC be required to testify if requested?

While NRC testimony is always a possibility, we have found that it generally isn't necessary because NRC findings and positions are a matter of public record.

7. The legal complaint raises several labor/management concerns. What is the NRC position on these matters?

The NRC has four full-time resident inspectors at Salem and Hope Creek. While they are aware of the various labor/management interactions (not uncommon in the industry), the NRC Reactor Oversight Program addresses the results of management and staff interaction without directly evaluating the "acceptability" of labor/management working relationships.

8. I heard that NRC investigators are working on the same case that the lawsuit against PSEG addresses. Can you confirm that for us?

If the NRC had knowledge of any open investigation at Salem and Hope Creek, or any other site, we would not be at liberty to discuss it, because it is against NRC policy to comment on such matters.

The results of investigations completed by the NRC Office of Investigations (OI) are publicly available. Since January 1, 2002, three OI investigations at Salem and Hope Creek have been completed; two addressed discrimination for raising safety issues and were not substantiated, and one addressed a bogus urine sample from a supervisor and was substantiated with a Severity Level III Notice Of Violation to the Individual.

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