



March 29, 2007

NRC 2007-0015
EA-06-178

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555

Point Beach Nuclear Plant, Units 1 and 2
Dockets 50-266 and 50-301
Renewed License Nos. DPR-24 and DPR-27

Nuclear Management Company, LLC Plan to Address the
Safety Culture Issues at Point Beach Nuclear Plant

Reference (1) NRC Letter Dated January 3, 2007, Transmitting Confirmatory
Order EA-06-178 (Effective Immediately) (Office of
Investigations Report No. 3-2005-010)

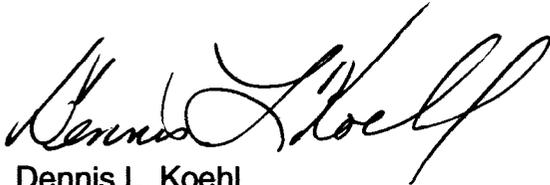
This letter provides the Nuclear Management Company, LLC (NMC) response to
Section IV.4 of Confirmatory Order EA-06-178 as delineated in Reference (1). NMC is
committed to maintaining a strong safety culture at Point Beach Nuclear Plant (PBNP).

The enclosures of this letter provide a summary of the activities undertaken by the
PBNP Nuclear Safety Culture Improvement (NSCI) team. These activities included a
review of the 2004 and 2006 comprehensive cultural assessments; a review of the
actions taken to address Action Request (AR)00510074; and NMC's action plans that
have been developed to address significant issues. These action plans were developed
as a result of an analysis of focus group interviews conducted with Priority 1 and 2
organizations by the PBNP NSCI Team, which was formed during the fourth quarter of
2006. The 2006 Culture Survey Executive Summary is being provided via separate
cover letter (NRC 2007-0025 dated March 29, 2007).

Summary of Commitments

In accordance with the guidance contained in Nuclear Energy Institute (NEI) 99-04,
"Guidelines for Managing NRC Commitment Changes," the corrective actions outlined
in the enclosure of this letter do not meet the criteria as new regulatory commitments.
As such, there are no regulatory commitments contained in this letter. However, NMC
intends to implement the corrective actions described in the enclosures via the PBNP
corrective action program.

NMC would be pleased to meet with representatives of the Commission to periodically review the scope of NMC's efforts and progress in addressing this issue. If there are questions associated with this effort, please contact me at 920/755-7624 or Ms. Monica Ray, Regulatory Affairs Manager at 920/755-7633.



Dennis L. Koehl
Site Vice-President, Point Beach Nuclear Plant
Nuclear Management Company, LLC

Enclosures (6)

cc: Administrator, Region III, USNRC
Project Manager, Point Beach Nuclear Plant, USNRC
Resident Inspector, Point Beach Nuclear Plant, USNRC

ENCLOSURE 1

NUCLEAR MANAGEMENT COMPANY, LLC PLAN TO ADDRESS THE SAFETY CULTURE ISSUES AT POINT BEACH NUCLEAR PLANT CONFIRMATORY ORDER EA-06-178 SECTION IV.4

NRC Confirmatory Order Section IV.4

"By no later than March 30, 2007, NMC shall develop action plans to address significant issues identified as needing management attention in the NMC 2004 and 2006 Comprehensive Cultural Assessments at PBNP; to conduct focus group interviews with Priority 1 & 2 organizations to understand the cause of the survey results; and to review and, as appropriate, reflect nuclear industry best practices in its conduct of focus groups and action plans to address the issues at PBNP.

As part of the development of the action plans, NMC shall also assess and address any legacy issues identified in prior safety culture assessments (i.e., CAP report AR00510074 and Synergy Safety Culture Assessment) that impact the safety culture at PBNP.

The executive summary, analysis, and contemplated action plans shall also be submitted to the NRC."

Nuclear Management Company (NMC) Response

In May 2006 SYNERGY Consulting Services Corporation (SYNERGY) was commissioned by Nuclear Management Company (NMC) to perform a Nuclear Safety Culture Assessment (NSCA) of the Point Beach Nuclear Plant (PBNP). The 2006 NSCA Survey was administered between July 31 and August 9, 2006, and the results were presented to PBNP managers, supervisors, and International Brotherhood of Electrical Workers (IBEW) Local 2150 union leadership on October 2, 2006.

The PBNP 2006 NSCA Executive Summary Report, Revision 1, dated January 25, 2007, is being transmitted under separate cover via letter NRC 2007-0025. It is being withheld from public disclosure in accordance with 10 CFR 2.390.

Development of the Nuclear Safety Culture Improvement (NSCI) Team

The Nuclear Safety Culture Improvement (NSCI) team was established as a site focus group by the PBNP Site Vice-President with an objective to represent the site in developing an action plan in response to the NSCA results. Following the issuance of Confirmatory Order EA-06-178 on January 3, 2007, the scope of the NSCI team effort was expanded to include the 2004 NSCA survey results as well as a review of actions associated with Action Request (AR)00510074.

The NSCI team was comprised of managers, supervisors, individual contributors, and union representatives. Team members were volunteers and were individuals with a desire to change the culture at PBNP. The NSCI team membership included a cross-representation of the following PBNP departments:

Chemistry	NOS
Emergency Preparedness	Operations
Facilities	Procedures
Finance	Safety
Instrumentation & Control	Security
Maintenance (2 representatives)	Training

Oversight for the NSCI team was provided by the Employee Concerns Manager and the Management Sponsor.

Individuals from Salem/Hope-Creek, Southern California Edison, Palisades, and Progress Energy were queried regarding their experiences and site responses to nuclear safety culture surveys. The documents and information provided as a result of these queries were reviewed and provided to the NSCI team members. The information was used in development of problem statements and action plans outlined in Enclosure 4 based upon the NSCI team's analysis of interview results.

Additionally, the following documents and presentations were reviewed in preparation for the focus group interviews and in development of the action plans:

1. 'Basics of Conducting Focus Groups,' Carter McNamara, Authenticity Consulting, LLC, Copyright 1997-2006.
2. ECP Forum Presentation by Southern California Edison (SONGS), "Responding to Identified SCWE Survey Weaknesses," September 12-13, 2006.
3. Culture survey recommended actions and information sharing provided for the Palisades Nuclear Plant.
4. SYNERGY's management presentations to PBNP in 2004 and 2006.
5. NRC Regulatory Issue Summary (RIS) 2005-18, "Guidance for Establishing and Maintaining a Safety Conscious Work Environment," August 25, 2005.
6. 'Safety Culture Initiative: NRC/Industry Interactions and Results,' First Energy Nuclear Operating Company (FENOC).
7. Docketed correspondence associated with the following sites: Hope Creek and Salem Nuclear Generating Stations; Davis-Besse Nuclear Power Station; Indian Point Energy Center.

A charter was developed for the NSCI team, which includes the vision, mission, team membership, implementation, and team responsibilities. Quorum meeting requirements were established and a regular meeting schedule was developed with meeting minutes being maintained. Communication on the survey results and NSCI team efforts have been provided to the site via e-mails, leadership forums, group briefings, and at an all-employee meeting.

A review of actions taken in response to AR00510074 was performed. Corrective action program documents had been previously initiated to refresh and review the meanings of the terms "safety conscious work environment" and "nuclear safety" with employees. Additional corrective action program (CAP) documents were initiated to:

- Communicate the results of major technical and operational decisions to employees, acknowledging events as learning opportunities at all-employee meetings.
- Evaluate whether additional training was needed to aid in rebuilding trust throughout the organization.
- Track the improvement of interpersonal communications between managers/supervisors and their work group.
- Document review of the meaning of "group think" and methods to avoid falling into this error trap.
- Review the process for work order feedback with the appropriate employees involved in the process.
- Evaluate training needs for employees not enrolled in accredited programs.

Based on a review of AR00510074, it was concluded there were no unaddressed legacy issues identified with this subject.

Analysis Utilized to Develop Action Plans

The NSCI team reviewed the NSCA reports and associated attachments prepared by SYNERGY. The team also gave consideration to noteworthy environmental conditions which could have had some effect on the 2006 NSCA results. NSCA attachments, including the percentage of negative responses and color-coded windows, provided background for determining potential questions for each group.

The approach the team took was to first conduct interviews with the 2006 Priority 1 and 2 organizations to gather additional information from the employees to assist with problem identification. In parallel, the NSCI team interviewed several organizations that were consistently graded high or had made significant improvements in order to utilize best practices and lessons learned. The

organizations recognized for their improvement from 2004 to 2006 and high overall ratings included Engineering, Security and Training. Finally, the NSCI team interviewed the groups rated as Priority 1 and 2 in 2004. Enclosure 2 contains a list of the Priority 1 and 2 organizations identified by SYNERGY in the 2004 and 2006 NSCA.

Interviews were conducted by members of the NSCI team who were not associated with the organization being interviewed. The individuals interviewed included a representative sample of the group, including managers, supervisors, individual contributors, and where applicable, Local 2150 union represented personnel. In several cases, the manager and/or supervisors were interviewed separately to ensure that there was an open exchange of information.

The interview findings were discussed, challenged and validated as necessary in an effort to clarify both the NSCA results and the interview comments. The NSCI team was tasked with determining if the NSCA ratings and interview comments were associated with nuclear safety concerns or with general culture and work environment.

The initial approach taken by the team was to review the attributes and drivers present in the higher rated organizations (i.e., Engineering, Security and Training) in order to potentially incorporate the positive traits into Priority 1 or 2 groups. In addition, the negative attributes consistent among the Priority 1 or 2 groups were discussed to determine common or group-specific actions necessary to mitigate the issues. Once the attributes were agreed upon, the NSCI team began to focus on the potential drivers, potential medium to long-term action plan items and "Quick Hitter" actions. "Quick Hitters" are tangible, prompt action items that are implemented as a direct result of communication between the NSCI team and PBNP personnel related to the 2006 NSCA. At least one team member was assigned to each Quick Hitter action item to discuss the recommended action with the appropriate Organizational Manager. Enclosure 3 provides the list of the NSCI team's "Quick Hitters."

As a result of the reviews performed and interviews conducted, the NSCI team identified six common drivers:

- Communication
- Problem Resolution
- Training
- Trust/Respect
- Resource Loading
- CAP Participation

Utilizing the model developed at Salem/Hope Creek, the NSCI team developed an action plan including problem statements and action items. The focus of this action plan was: (1) to incorporate positive traits from the organizations with higher ratings or significant improvements from 2004; and (2) to incorporate actions specific to

Priority 1 and 2 organizations, as required, as well as site-wide actions that would improve the nuclear safety and general culture and work environment at PBNP. The action plan was presented to the senior management team on March 23, 2007. Enclosure 4 provides this plan.

Enclosures 5 and 6 provide tables of significant issues identified as needing management attention in the 2004 and 2006 NSCA, respectively. These tables identify actions taken or planned to address each of the issues included in the Action Plan.

ENCLOSURE 2

**PBNP PRIORITY LEVEL 1 & 2 ORGANIZATIONS
BASED ON INDUSTRY NORMS CRITERIA
2004 AND 2006**

ORGANIZATION	INTEGRATED PRIORITY LEVEL 1 & 2		PRIMARY AREAS OF CONCERN
	2004	2006	
I&C Maintenance	1		NSC, GCWE
		1	NSC
Supply Chain	1		NSC, GCWE
		2	NSC
Radiation Protection	1		NSC, GCWE
		1	NSC, SCWE
Nuclear Oversight	1		SCWE
Chemistry	2		GCWE
Facilities Maintenance	2		GCWE
Maintenance Support	2		GCWE
Other Operations*	2		GCWE ↓
Performance	2		GCWE ↓
Accounting		1	NSC, SCWE
Other Maintenance		2	NSC
Shift Operations		2	NSC
Regulatory Affairs		2	SCWE ↓
Other Business Support*		2	SCWE

*The individuals who comprised these groups could not be identified. Therefore, interviews could not be conducted with these groups.

Key

NSC Nuclear Safety Culture
GCWE General Culture Work Environment
SCWE Safety Conscious Work Environment

ENCLOSURE 3

NUCLEAR SAFETY CULTURE IMPROVEMENT TEAM QUICK HITTER LIST

Quick Hitter	Date Initiated	Source	Action To Be Taken	Status
1	1/15/2007	I&C Interviews	Maintenance Manager to meet with Instrument & Control (I&C) group at morning meeting or D-15 Introduction Session.	Complete
2	1/15/2007	I&C Interviews	Schedule SVP, Site Director or Plant Manager to meet with I&C group monthly during morning meetings or D-15 meetings.	Complete
3	1/15/2007	I&C Interviews	Based on interview comments, I&C does not know their CAP Liaison. Invite CAP Liaison to meet with I&C group.	Complete
3a	1/15/2007	I&C	I&C has requested that the equipment/component identification code be populated for CAPs. This would benefit I&C and Engineering for historical purposes.	In progress
4	1/15/2007	I&C Interviews	CAP Initiators in I&C do not receive feedback on the CAPs they write. Maintenance Manager to provide feedback to initiators.	Complete
5	1/15/2007	RP Interviews	Provide feedback to Radiation Protection (RP) on CAP process in RP (contractor as CAP Liaison, CAP initiators are not receiving feedback or providing input into actions).	In progress
6	1/15/2007	RP Interviews	RP Technicians should provide oversight for nozzle dam training.	Complete
7	1/15/2007	RP Interviews	\$500 K of equipment in stand-by in RP area. Dedicated resources needed.	In progress
8	1/22/2007	Finance Interviews	A recommendation was made by NSCI team that the Finance Group attend another department's D-15 meeting. The intent is to gain a different perspective of the site.	Complete
9	1/22/2007	I&C Interviews	Review the completed actions from the 2004 Nuclear Safety Culture Focused Self-Assessment.	Complete
10	2/5/2007	Ops	Discuss Fire Brigade requirements with Fire Protection Coordinator and Operations management.	Complete
11	2/8/2007	RP	Recommend a team building session for RP (Phase II) with RP Manager.	In progress
12	2/8/2007	Ops	Recommend a team building session for Shift Operations Management (with timeline goal for completion prior to Unit 1 Refueling 30 outage).	Complete
13	2/8/2007	I&C	Recommend a team building session for I&C.	In progress

ENCLOSURE 3

NUCLEAR SAFETY CULTURE IMPROVEMENT TEAM QUICK HITTER LIST

Quick Hitter	Date Initiated	Source	Action To Be Taken	Status
14	2/8/2007	Supply Chain Interviews	Work Management training (improve site familiarity with process).	Complete
15	2/8/2007	Supply Chain Interviews	Concern Regarding Procedure Adherence -- Specific examples from interviewees to be provided by NSCI team.	Complete
15a	2/8/2007	Supply Chain Interviews	Concern Regarding Procedure Adherence -- NSCI team to review the examples provided in QH#15 and take action as required.	Open
16	2/8/2007	Ops	Procedure NP 2.1.4, Operator Burdens, has been in draft form for >1 year.	Complete
17	2/8/2007	Ops	Operations out-of-service list not proceduralized.	Complete
18	2/8/2007	Team Discussion	Management opportunities to recognize positive behaviors with face-to-face reinforcement. Action: NSCI team to engage Plant Manager and Site VP meetings for opportunities to recognize positive behaviors.	Complete
19	2/19/2007	Team Discussion	Make hardcopy action tracking forms available with CAP liaisons and/or admin staff for individuals to write hard copy CAPs.	Closed to 19a
19a	3/23/2007	Team Discussion	Develop communication regarding the availability of the hard copy action tracking forms for submitting CAPs, reinforcing expectations and describing the circumstances for when hard copy submittal is acceptable.	Open
20	2/19/2007	Team Discussion	ACEMAN thumb level to be changed to default of sideways. Discuss ACEMAN thumb level at Plant Operational Focus and Plant Operations Daily Meetings.	Complete
21	2/26/2007	Team Discussion	RP does not currently have a web page for their group.	In progress
22	3/12/2007	Supply Chain Interviews	Supply Chain Stock Handlers are not in an accredited training program. Requests were made to evaluate if a qualification is appropriate for a Stock Handler and to provide training on rigging, shipping of hazardous materials and Hazmat. If this is within scope of non-accredited training efforts, communication should be provided to Stock Handlers.	In progress
23	3/23/2007	Team Discussion	Ensure Training Oversight Committee, Training Advisory Committee and Curriculum Review Committee meetings are listed on the plant calendar.	Complete

ENCLOSURE 4 NUCLEAR SAFETY CULTURE ACTION PLAN

Purpose

The intent of this Action Plan is to improve the work environment at Point Beach by assessing the issues identified by the 2004 and 2006 Synergy Nuclear Safety Culture Assessment, developing actions in response to those identified issues, and providing a mechanism to track these actions to completion.

1. Problem Statement and Associated Actions

There are opportunities for interpersonal and interdepartmental communication at PBNP to be more effective.

Communications training currently exists in the Supervisor Leadership Development Program and initial training; however, both are offered as one-time training only. The evidence requires continuing training in the area of communications.

Tools for departments to use to communicate (e.g., D-15 sheets, NMC Today, clock reset communication sheets, etc.) are acceptable. However, there is evidence of a breakdown in the dissemination of information and further engaging of horizontal and vertical communication. This is evidenced by:

- Perception of a continual reactionary mode;
- Feedback not consistently being provided on CAPs;
- Lack of communication on how priorities are set;
- Changes to policies and procedures not explained to affected personnel and reasons for decisions not explained.

Item	Action	Owner	Due Date
A	Benchmark to determine if Crucial Conversations and/or Crucial Confrontations used elsewhere are effective. Consider other options.	Communications	04/27/2007
B	Select training to be conducted.	SVP Staff Meeting	05/07/2007
C	Determine logistics for training using the Systematic Approach to Training (SAT) process to maximize effectiveness. This includes selecting the target audience (recommend all site personnel for initial training), the trainer (vendor or certify plant staff), the means (by work group or cross-discipline), and the feedback and effectiveness measures.	Training	06/01/2007
D	Establish the schedule to conduct communications training.	Training	06/29/2007

2. Problem Statement and Associated Actions

PBNP has decreased effectiveness in succession and retention planning for some work groups based on attrition due to the aging work force.

In addition to emphasis on the right person for the right job, the objective should be to ensure and emphasize consistent expectations and the right picture.

Item	Action	Owner	Due Date
A	Provide attrition records from 2001 through 2007 to each department manager for his or her department. Include separate report for retiring employees and employees seeking other employment.	Human Resources	04/27/2007
B	Provide a report of the projected attrition through 2017 to each department manager for his or her department based on available information. The report should include anticipated loss of head count by work group.	Human Resources	04/27/2007
C	Based on the reports developed by Human Resources for 2.A and 2.B, Managers of the affected workgroups shall determine an effective succession and retention plan. This plan shall include resources, required qualifications, training, and time required to achieve full qualification status.	Various Managers as determined by outcome of 2.A and 2.B	07/27/2007
D	Conduct First Line Supervisor Training on use of tools available in performance management plan and represented employee evaluation processes to encourage succession planning. Training should emphasize communication between individual and supervisor to discuss desire to progress and potential opportunities.	Human Resources	10/05/2007

3. Problem Statement and Associated Actions

Continuous improvement is needed in the area of timeliness of training before using new equipment onsite.

Consideration of training needs is imbedded in the modification process. To improve on timeliness of training and to prevent installation of equipment without training, training should be consistently included as part of the process to purchase new equipment.

Item	Action	Owner	Due Date
A	Develop a consistent process for evaluating training needs for small capital equipment purchases.	Plant Manager	06/01/2007

4. Problem Statement and Associated Actions

Continuous improvement is needed in the training process to develop a support system to assist personnel in completing required training qualifications, and to enhance individual engagement of Curriculum Review Committees (CRC).

CRCs have been recognized as effective in general. An area for improvement is to increase the visibility of CRCs to site personnel, ensuring that issues and training needs are being identified and prioritized using this process. Operations was recognized as effectively reviewing training requirements and utilizing its CRC.

Item	Action	Owner	Due Date
A	To ensure the CRCs are being used to their maximum potential, each committee chair should evaluate the current membership, assessing: (1) if the people within the committee are the right people for the job and fully understand the mission; and (2) how the committee can be used more effectively.	Chair of each CRC	06/27/2007
B	Develop a support system for assisting individuals in completing training qualifications.	Training Manager	09/30/2007

5. Problem Statement and Associated Actions

Radiation Protection resource issues were identified as the primary reason for their low overall nuclear safety culture rating.

A benchmarking effort is recommended initially for the Radiation Protection group. Prior to contacting other stations, an analysis of PBNP radiation protection tasks should be performed. This task review should consider who does what tasks, what drives the tasks (i.e., tradition, requirements, etc.), and what qualifications are needed.

A benchmark of compatible sites is intended to evaluate not only the staffing levels of both management and craft personnel but also the RP practices. It is recommended that the benchmark team include at least two management and at least two craft personnel from Radiation Protection.

At the conclusion of this effort in Radiation Protection, consideration should be given as to whether benchmarking may benefit other work groups (Action 5.E).

Item	Action	Owner	Due Date
A	Analyze radiation protection tasks. Identify who does what tasks, what drives the tasks, and what qualifications are needed.	RP/Chemistry Manager	06/15/2007
B	Conduct benchmarking of industry RP in accordance with FP-PA-SA-04, "Benchmarking Process" evaluating staffing levels of both management and craft and the RP practices.	RP/Chemistry Manager	09/28/2007
C	Benchmarking team to present the results of the benchmarking report to the Performance Assessment Review Board (PARB) and Plant Manager.	RP/Chemistry Manager	10/26/2007
D	Communicate results of report and resulting actions to entire RP department.	RP/Chemistry Manager	11/02/2007
E	Determine whether this effort was effective for RP and whether it would benefit other onsite groups.	PARB Chairman	11/02/2007

6. Problem Statement and Associated Actions

Enhancements are needed in the area of issue resolution as evidenced by the lack of consistent documentation and lack of consistent feedback to initiators.

The NSCI team recognized that several workgroups identified as Priority 1 and 2 in the nuclear safety culture assessment (NSCA) needed improvement in the areas of issue resolution and communication. However, if those work groups were identified as having a lack of trust in their direct supervision or management, improvement in these areas is difficult to implement internally.

An observer not associated with the work group is recommended to periodically observe interactions within the group and to provide unbiased feedback to the group.

Security was recognized for a best practice by implementing a formal process to ensure issues are documented, resolved, and appropriately communicated.

Item	Action	Owner	Due Date
A	For work groups identified as Priority 1 and 2 in the 2004 and/or 2006 NSCA whose focus interviews identified a lack of trust in direct supervision/management, an observer shall be named to periodically observe interactions within the group and provide unbiased feedback to the group for at least six months.	Human Resources	04/27/2007

7. Problem Statement and Associated Actions

There are opportunities for enhancement in communication of the planned prioritization and resolution of equipment issues.

Item	Action	Owner	Due Date
A	Incorporate communication of recently resolved and near-term equipment issues in PBNP plant-wide communications on a periodic basis.	Communications	04/20/2007

8. Problem Statement and Associated Actions

Continuous improvement of corrective action program is needed in the area of familiarity with the new electronic corrective action program process.

The CAP initiation rate is less for some work groups following implementation of the new process. This is due, at least in part, to unfamiliarity with the process.

No long-term actions were recommended by the NSCI team in the area of familiarity with the new electronic CAP process. This concern was recently identified in AR01079965, Station Perception – Action Tracking Difficult, initiated on March 1, 2007, and AR01080781, "CAP Initiation Thresholds," initiated on March 6, 2007. Action items have been assigned to seven work groups out of AR01080781 based upon a CAP initiation rate that was lower than expected.

Security was recognized for a best practice of providing a group training setting as an opportunity for officers to gain familiarity with the electronic CAP process and initiating CAPs. Operations was recognized for a best practice by developing step-by-step instructions for initiation of action requests, work orders and procedure change requests.

9. Problem Statement and Associated Actions

Enhancements are needed in the area of Work Management as identified by interview statements regarding quality of life and resource loading.

No new actions were recommended by the NSCI team in the area of Work Management. Work Management is a priority area for PBNP and action plans have been developed as a result of the work management root cause evaluation performed in accordance with AR01040188. Corrective actions are being tracked by the Plant Excellence Review Group (PERG).

ENCLOSURE 5

**SIGNIFICANT ISSUES IDENTIFIED AS
NEEDING MANAGEMENT ATTENTION
IN THE 2004 NSCA**

6 pages follow

#	Issue Description	Problem Statements and Associated Actions as Listed in Enclosure 4
1	<p><u>PBNP Site Organization – Summary</u></p> <p>The December 2004 CCA rating of the Overall Safety Conscious Work Environment provided by the PBNP Site Composite Organization is adequate as compared to industry standards. One SCWE-related metric showed a significantly declined rating since the January 2003 CCA.</p> <p>The December 2004 CCA rating of the Overall General Culture & Work Environment provided by the PBNP Site Composite Organization is nominally adequate as compared to industry standards. Most GCWE-related metrics showed declined ratings since the January 2003 CCA.</p> <p>The December 2004 CCA results indicate that management attention is needed to address the underlying causes for the metrics with low and/or significantly declined ratings.</p>	<p>Addressed in 3, 4, 9, and 10.</p>
2	<p><u>PBNP Site Organization – Nuclear Safety Values, Behaviors & Practices</u></p> <p>The ratings of the following NS VB&P metrics and attributes are at levels that indicate the need for particular management attention:</p> <ul style="list-style-type: none"> • "Overall Effectiveness of the Corrective Action Program", as it relates to Nuclear Safety. • "Effective Resolution of identified Nuclear Safety Issues" • "Potential Adverse Impacts of Workload on Nuclear Safety" • "Timely Resolution of identified Nuclear Safety issues" • "Nuclear Safety as Top Priority" <p>The December 2004 CCA results indicate that management attention is needed to address the underlying causes for the low ratings, particularly the ratings of Nuclear Safety Values, Behaviors & Practices.</p>	<p>Action 1 – Communication Action 6 – Observer of Priority 1 & 2 Groups Action 7 – Communication of Equip Issues Action 8 – Familiarity with new CAP process Action 9 – Work Management</p> <p>QH-3 – Maintenance CAP Familiarization QH-4 – Feedback to CAP initiators QH-5 – Feedback to CAP initiators QH-19 – Availability of Hardcopy AR form</p> <p>Forum meeting on safety culture to be provided by SVP in May 2007</p> <p>SCWE training scheduled for June 2007</p>

<p>3</p>	<p><u>PBNP Site Organization – Safety Conscious Work Environment</u></p> <p>Ratings of the following SCWE sub-metrics have declined significantly since the January 2003 CCA:</p> <ul style="list-style-type: none"> • “SCWE Indicators & Precursors for the General Site Environment” <p>The December 2004 CCA results indicate that management attention is needed to address the underlying causes for this low and declined SCWE rating.</p>	<p>Action 1 – Communication</p> <p>Safety Conscious Work Environment guidebooks and briefing provided at Leadership Forum on March 20, 2007</p> <p>Forum meeting on safety culture to be provided by SVP in May 2007</p> <p>SCWE training scheduled for June 2007</p>
<p>4</p>	<p><u>PBNP Site Organization – General Culture & Work Environment</u></p> <p>The ratings of the following GCWE sub-metrics or attributes are at levels that indicate the need for particular management attention.</p> <ul style="list-style-type: none"> • “Performance Appraisal” • “General Communications” • “Overall Personal Satisfaction & Morale” • “Performance Recognition” • “Potential Adverse Impacts of Workload on Quality of Work and Plant Material Condition/Reliability” • “Personnel Development & Training” • “Change Management” <p>The following additional GCWE sub-metric or showed a significantly declined rating that indicates the need for management attention:</p> <ul style="list-style-type: none"> • “Dignity, Trust & Respect” <p>The December 2004 CCA results indicate that management attention is needed to address the underlying causes for the low and declined GCWE ratings.</p>	<p>Action 1 – Communication</p> <p>Action 2 – Succession/Retention Planning</p> <p>Action 3 - Timeliness of Training</p> <p>Action 4 – Engagement of CRCs</p> <p>Action 5 – RP Benchmark</p> <p>Action 6 – Observer of Priority 1 & 2 Groups</p> <p>Action 9 – Work Management</p> <p>QH-2 – Sr. Mgmt meetings with I&C</p> <p>QH-7 – RP Equipment and Training</p> <p>QH-11 – Team Building Session</p> <p>QH-12 – Team Building Session</p> <p>QH-13 – Team Building Session</p>

<p>5</p>	<p><u>PBNP Site Organization – Leadership, Management and Supervisory Behaviors & Practices</u></p> <p>The December 2004 CCA results indicate that management attention is needed to address the underlying causes for the low and declined [Leadership, Management and Supervisory Behaviors, Skills & Practices (LMS)] Topics ratings.</p> <p>Ratings of the following Topical Areas are at levels that indicate the need for particular management attention:</p> <ul style="list-style-type: none"> • “Trust & Confidence in Corporate Management” • “Corporate Communications with the Workforce” • “Trust & Confidence in Site Management” • “Site Management Communications with the Workforce” • “Trust and Mutual Respect between Management and the Workforce” • “Functional Organization Management Communications with the Workforce” <p>The following additional LMS Topical Area showed a significantly declined rating that indicates the need for management attention:</p> <ul style="list-style-type: none"> • “Trust and Mutual Respect between Supervision and the Workforce” <p>The December 2004 CCA results indicate that management attention is needed to address the underlying causes for the low and declined ratings.</p>	<p>Action 1 – Communication Action 2 – Succession/Retention Planning Action 3 - Timeliness of Training Action 4 – Engagement of CRCs Action 5 – RP Benchmark Action 6 – Observer of Priority 1 & 2 Groups Action 9 – Work Management QH-2 – Sr. Mgmt meetings with I&C QH-7 – RP Equipment and Training QH-11 – Team Building Session QH-12 – Team Building Session QH-13 – Team Building Session</p>
<p>6</p>	<p><u>PBNP Site Organization – Topical Areas of Special Interest to NMC</u></p> <p>At NMC's request, the January 2003 CCA included survey questions to fully address the issues included in AR00510074. These survey questions were also included in the December 2004 CCA, thereby providing the bases for trending.</p> <p>The 2004 CCA overall rating by PBNP Site Composite Organization for the issues included in AR00510074 is in the ‘Adequate to Good’ range. This rating has declined nominally since the January 2003 CCA, and is at a level that warrants management attention.</p>	<p>AR00510074 review conducted.</p>
<p>7</p>	<p><u>Organizations – Combined Metrics</u></p> <p>Several individual PBNP Functional Organizations provided significantly lower ratings and/or showed very significantly declined rating trends. These organizations have been identified as warranting particular management attention.</p>	<p>Action Plan and Quick Hitters derived from NSCI team interviews with focus groups.</p> <p>Safety Conscious Work Environment guidebooks and briefing provided at Leadership Forum on March 20, 2007</p>

	For the Priority Level 1 and 2 Organizations, it is recommended that PBNP management further evaluate each situation and take remedial action, as appropriate, in the near-term.	Forum meeting on safety culture to be provided by SVP in May 2007 SCWE training scheduled for June 2007
8	<p><u>Nuclear Safety Values, Behaviors and Practices</u></p> <p>The NS VB&P Topical Areas with the lowest ratings are:</p> <ul style="list-style-type: none"> • "Effective resolution of identified Nuclear Safety issues" • "Timely Resolution of identified Nuclear Safety issues" • "Nuclear Safety as Top Priority" <p>Topical Area ratings indicate that management attention is warranted.</p>	<p>Action 1 – Communication</p> <p>Action 6 – Observer of Priority 1 & 2 Groups</p> <p>Action 7 – Communication of Equip Issues</p> <p>Action 8 – Familiarity with new CAP process</p>
9	<p><u>Safety Conscious Work Environment</u></p> <p>Ratings of the following SCWE sub-metrics is low and has declined significantly since the January 2003 CCA:</p> <ul style="list-style-type: none"> • "SCWE Indicators & Precursors for the General Site Environment" <p>Ratings indicate that management attention is warranted.</p>	<p>Action 1 – Communication</p> <p>Action 6 – Observer of Priority 1 & 2 Groups</p> <p>Safety Conscious Work Environment guidebooks and briefing provided at Leadership Forum on March 20, 2007</p> <p>Forum meeting on safety culture to be provided by SVP in May 2007</p> <p>SCWE training scheduled for June 2007</p>
11	<p><u>V. Detailed Results - Leadership, Management and Supervisory Behaviors & Practices</u></p> <p>Ratings of the following Topical Areas are at levels that indicate the need for particular management attention:</p> <ul style="list-style-type: none"> • "Trust & Confidence in Corporate Management" • "Corporate Communications with the Workforce" • "Trust & Confidence in Site Management" • "Site Management Communications with the Workforce" • "Trust and Mutual Respect between Management and the Workforce" • "Functional Organization Management Communications with the Workforce" 	<p>Action 1 – Communication</p> <p>Action 2 – Succession/Retention Planning</p> <p>Action 4 – Engagement of CRCs</p> <p>Action 5 – RP Benchmark</p> <p>Action 6 – Observer of Priority 1 & 2 Groups</p> <p>Action 9 – Work Management</p> <p>QH-2 – Sr. Mgmt meetings with I&C</p> <p>QH-7 – RP Equipment and Training</p> <p>QH-11 – Team Building Session</p> <p>QH-12 – Team Building Session</p> <p>QH-13 – Team Building Session</p>

12	<p>VII. <u>PBNP Priority 1 and 2 Organizations Based on 2004 CCA Results</u></p> <p>A number of individual PBNP Functional Organizations have been “targeted” for additional management attention. They are identified herein and have been assigned priority levels.</p>	<p>Action Plan and Quick Hitters derived from NSCI Team interviews with focus groups.</p> <p>Safety Conscious Work Environment guidebooks and briefing provided at Leadership Forum on March 20, 2007</p> <p>Forum meeting on safety culture to be provided by SVP in May 2007</p> <p>SCWE training scheduled for June 2007</p>
13	<p>VIII. <u>NMC Special Topics of Interest</u></p> <p><u>AR00510074</u></p> <p>The 2004 CCA overall rating by the PBNP Site Organization for the issues included in AR00510074 is in the “Adequate to Good” range. This rating has declined nominally since the January 2003 CCA and indicates that management attention is warranted.</p>	<p>AR00510074 review performed.</p>
14	<p>X. <u>Opportunities for Improvement</u></p> <p>The primary opportunities for PBNP improvement have been identified in Section I of this Executive Summary Report either as “areas warranting particular management attention” or as “Priority Level 1 or 2 Functional Organizations.”</p>	<p>Action Plan and Quick Hitters derived from NSCI Team interviews with focus groups.</p> <p>Safety Conscious Work Environment guidebooks and briefing provided at Leadership Forum on March 20, 2007</p> <p>Forum meeting on safety culture to be provided by SVP in May 2007</p> <p>SCWE training scheduled for June 2007</p>

ENCLOSURE 6

**SIGNIFICANT ISSUES IDENTIFIED AS
NEEDING MANAGEMENT ATTENTION
IN THE 2006 NSCA**

6 pages follow

SIGNIFICANT ISSUES IDENTIFIED AS NEEDING MANAGEMENT ATTENTION IN THE 2006 NSCA

#	Issue Description	Problem Statements and Associated Actions as Listed in Enclosure 4
1	<p><u>Nuclear Safety Values, Behaviors and Practices</u></p> <p>The NS VB&P rating is the predominant driver of the Overall NSC rating. The key opportunities for improvement of the NS VB&P are in the following area:</p> <ul style="list-style-type: none"> • Individual Functional Organizations providing particularly low ratings of the Adverse Impacts of Workload on Nuclear Safety have been identified. These organizations warrant management attention. 	<p>Action 1 – Communication Action 2 – Succession/Retention Planning Action 5 – RP Benchmark Action 9 – Work Management</p> <p>QH -7 – RP Equipment and Training</p>
2	<p><u>Safety Conscious Work Environment</u></p> <p>The key opportunities for improvement of the SCWE are in the following areas: PBNP Site Composite ratings of several SCWE questions and associated attributes indicate the need for management attention to the general SCWE environment as it relates to:</p> <ul style="list-style-type: none"> • Encouraging open, candid discussion and debate when Nuclear Safety matters are being evaluated; and • Valuing individuals who demonstrate a questioning attitude on matters related to Nuclear Safety and safe plant operations, including treating them professionally with dignity and respect. 	<p>Action 1 – Communication Action 6 – Observer of Priority 1 & 2 Groups Action 7 – Communication of Equip Issues Action 8 – Familiarity with new CAP process</p> <p>Training provided on the Operational Decision Making Issue (ODMI) process to supervisors and managers during 3Q06</p> <p>Safety Conscious Work Environment guidebooks and briefing provided at Leadership Forum on March 20, 2007</p> <p>Forum meeting on safety culture to be provided by SVP in May 2007</p> <p>SCWE training scheduled for June 2007</p>

3	<p><u>Other Opportunities for Improvement</u></p> <p>Individual Functional Organizations providing particularly low or significantly declined ratings of the General Adverse Impacts of Workload have been identified. These organizations warrant management attention.</p>	<p>Action 1 – Communication Action 6 – Observer of Priority 1 & 2 Groups Action 7 – Communication of Equip Issues Action 8 – Familiarity with new CAP process</p>
4	<p><u>Other Opportunities for Improvement</u></p> <p>The PBNP Site Composite ratings of two areas indirectly related to the SCWE (i.e., Quality of Communications with the Workforce, and Maintaining an Environment of Trust & Mutual Respect) indicate the need for continued improvement in these areas. Individual Functional Organizations that provided particularly low or significantly declined ratings of these two areas have been identified. These organizations warrant management attention.</p>	<p>Action 1 – Communication Action 5 – RP Benchmark Action 6 – Observer of Priority 1 & 2 Groups Action 7 – Communication of Equip Issues</p> <p>Safety Conscious Work Environment guidebooks and briefing provided at Leadership Forum on March 20, 2007</p> <p>Forum meeting on safety culture to be provided by SVP in May 2007</p> <p>SCWE training scheduled for June 2007</p>
5	<p><u>Nuclear Safety Values, Behaviors & Practices</u></p> <p>For the PBNP Site Composite Organization, the NS VB&P Metric with a particularly low rating is:</p> <ul style="list-style-type: none"> • Effective Resolution of Identified Nuclear Safety Issues <p>This is an area in need of continued management attention.</p>	<p>Action 1 – Communication Action 7 – Problem Resolution Action 8 – Familiarity with new CAP process</p>
6	<p><u>Nuclear Safety Values, Behaviors & Practices</u></p> <p>Individual survey questions related to NS VB&P with lower ratings indicate the need for continued management attention to the underlying NS VB&P attributes. The vast majority of these attributes have shown improvement since the 2004 NSCA.</p> <ul style="list-style-type: none"> • Within my Functional Organization, we perform line organization self-assessments that are effective in improving our Nuclear Safety performance. 	<p>Action 1 – Communication Action 6 – Observer of Priority 1 & 2 Groups Action 7 – Communication of Equip Issues Action 8 – Familiarity with new CAP process Action 9 – Work Management</p> <p>Safety Conscious Work Environment guidebooks and briefing provided at Leadership Forum on March 20, 2007</p>

	<ul style="list-style-type: none"> • I am confident that the CAP will ensure that potential Nuclear Safety problems are prioritized appropriately. • Overall, the influence of Site senior management in promoting our Nuclear Safety priorities (i.e. by walking the talk and leading by example) is ____ today. • Workload is not having an adverse impact on our ability to identify potential Nuclear Safety issues or concerns. • At our Site, we effectively utilize good practices and operating experience to improve our performance, including good practices or operating experience obtained from the nuclear industry. • At our Site, we effectively utilize good practices and operating experience to improve our performance, including good practices or operating experience obtained from other NMC Sites. • Within my Functional Organization, we value and use the insights and perspectives provided by Nuclear Oversight, Performance Assessment and other independent reviewers because these help us to strengthen Nuclear Safety and to enhance future performance. • Management at our Site ensures that actions taken to address issues related to Nuclear Safety and safe plant operations are defined and implemented in a timely manner. • Overall, the influence of management in my Functional Organization in promoting our Nuclear Safety priorities (i.e. by walking the talk and leading by example) is ____ today. • We properly balance Nuclear Safety, production, schedule and cost priorities as demonstrated by decisions related to continued plant operations. • The prospect of increasing workload for myself or others is currently not having an adverse impact on my willingness to identify and pursue resolution of potential Nuclear Safety issues or concerns. 	<p>Forum meeting on safety culture to be provided by SVP in May 2007</p>
7	<p><u>Effectiveness of the Corrective Action Program</u></p> <p>The PBNP Site Composite rating of the Overall Effectiveness of the CAP is in the "Adequate to Good" range. This rating has improved nominally since the 2004 NSCA and places the PBNP Site in the 15th percentile of the industry.</p> <p>This is an area in need of continued management attention.</p>	<p>Action 1 – Communication Action 6 – Observer of Priority 1 & 2 Groups Action 7 – Communication of Equip Issues</p> <p>QH-3 – Maintenance CAP Familiarization QH-4 – Feedback to CAP initiators QH-5 – Feedback to CAP initiators QH-19 – Availability of Hardcopy AR form</p>

8	<p><u>Adverse Impacts of Workload on Nuclear Safety</u> The PBNP Site Composite rating of Adverse Impacts of Workload on Nuclear Safety is in the "Adequate to Good" range. This rating has improved since the 2004 NSCA and places the PBNP Site in the 39th percentile of the industry.</p> <p>All three of the Adverse Impacts of Workload on Nuclear Safety metrics showed nominal improvement.</p> <ul style="list-style-type: none"> • One Metric had a particularly low rating: Adverse Impact of Workload on Ability to Effectively Resolve Identified Nuclear Safety Issues <p>This is an area in need of continued management attention.</p>	<p>Action 2 – Succession/Retention Planning Action 5 – RP Benchmark Action 9 – Work Management</p>
9	<p><u>SCWE Indicators & Precursors of a Potentially Chilled Work Environment</u></p> <p>The percentage of survey respondents who indicated that they had personally received a negative reaction from their management during the past year for having raised an issue or concern related to Nuclear Safety was 10.5%, which places the PBNP Site in the 17th percentile of the industry. This percentage increased since the 2004 NSCA, reflecting a declining SCWE performance trend.</p> <p>This warrants management attention, particularly for those individual Functional Organizations providing particularly high negative responses percentages.</p>	<p>Action 1 – Communication Action 6 – Observer of Priority 1 & 2 Groups</p> <p>Safety Conscious Work Environment guidebooks and briefing provided at Leadership Forum on March 20, 2007</p> <p>Forum meeting on safety culture to be provided by SVP in May 2007</p> <p>SCWE training scheduled for June 2007</p>
10	<p><u>SCWE Indicators & Precursors of a Potentially Chilled Work Environment</u></p> <p>Individual survey questions related to SCWE Indicators and Precursors (I&P) with the lowest ratings are:</p> <p>The low ratings or high negative response percentages for these questions indicate potentially significant problems related to the underlying SCWE I&P attributes. These attributes represent significant opportunities for continued improvement of SCWE I&P. Some of these attributes have shown improvement since the 2004 NSCA.</p> <ul style="list-style-type: none"> • At our Site, the programs and processes that implement rewards, promotions, personnel recognition and personnel sanctions foster and reinforces attitudes and behaviors that are consistent with a strong Nuclear Safety culture. 	<p>Action 1 – Communication Action 6 – Observer of Priority 1 & 2 Groups Action 7 – Communication of Equip Issues Action 8 – Feedback for Equip Issues</p> <p>QH-18 – Recognizing positive behaviors</p> <p>Training provided on the Operational Decision Making (ODMI) process to supervisors and managers during 3Q06</p> <p>Safety Conscious Work Environment guidebooks and briefing provided at Leadership Forum on March 20, 2007</p>

	<ul style="list-style-type: none"> • At our Site, we value individuals who demonstrate a questioning attitude on matters related to Nuclear Safety and safe plant operations, and treat them professionally with dignity and respect. • At our Site, we encourage open, candid discussion and debate when Nuclear Safety matters are being evaluated. • Concerns about receiving a negative reaction from my management are not having an adverse impact on my willingness to identify and pursue resolution of potential Nuclear Safety issues or concerns. • Concerns about being viewed as uncooperative, a complainer or as someone who is resistant to change are not having an adverse impact on my willingness to identify and pursue resolution of potential Nuclear Safety issues or concerns. • I know someone who, during the past year, has experienced a negative reaction from supervision or management for having raised an issue or concern related to Nuclear Safety. <p>The lower ratings of these questions indicate the need for continued management attention to the underlying SCWE I&P attributes.</p>	<p>Forum meeting on safety culture to be provided by SVP in May 2007</p> <p>SCWE training scheduled for June 2007</p>
11	<p><u>General Adverse Impacts of Workload</u></p> <p>Ratings of the individual survey questions related to General Adverse Impacts of Workload are as follows:</p> <ul style="list-style-type: none"> • Workload is not having an adverse impact on our ability to assure the quality of our work products. • Workload is not having an adverse impact on our ability to maintain plant material condition or reliability. 	<p>Action 1 – Communication Action 9 – Work Management</p>
12	<p><u>Quality of Communications</u></p> <p>Individual survey questions related to Overall Quality of Communications with low ratings indicate the need for management attention to:</p> <ul style="list-style-type: none"> • Management within my Functional Organization effectively communicates the bases for changes in programs, policies and procedures. • Our Site senior managers are straightforward, open and honest in their communications and interactions with the workforce. • Our Site senior managers communicate sufficiently with the workforce. 	<p>Action 1 – Communication Action 6 – Observer of Priority 1 & 2 Groups Action 7 – Communication of Equip Issues</p> <p>QH-2 – SVP, Site Director and Plant Manager meetings with I&C</p> <p>Training provided on the ODMI process to supervisors and managers during 3Q06</p>

<p>13</p>	<p><u>Environment of Trust & Mutual Respect</u></p> <p>Individual survey questions related to Overall Environment of Trust & Mutual Respect with low ratings are:</p> <ul style="list-style-type: none"> • Supervisors and managers in my Functional Organization obtain workforce input and buy-in before implementing significant changes. • Our Site senior managers have earned my trust. • Supervisors and managers in my Functional Organization regard people and their professional capabilities, values and experiences as the organization's most valuable asset. • Management in my Functional Organization has earned my trust. • Supervisors and managers in my Functional Organization practice visible leadership in the field by observing the conduct of work, coaching, mentoring, reinforcing good behaviors and correcting deficient behaviors. 	<p>Action 1 – Communication Action 2 – Succession/Retention Planning Action 3 - Timeliness of Training Action 6 – Observer of Priority 1 & 2 Groups Action 5 – RP Benchmark Action 7 – Communication of Equip Issues</p> <p>QH-2 – Sr. Mgmt meetings with I&C QH-7 – RP Equipment and Training QH-11 – Team Building Session QH-12 – Team Building Session QH-13 – Team Building Session</p>
<p>14</p>	<p>SYNERGY has established and implemented a methodology to identify any specific PBNP Site Functional Organizations that:</p> <ul style="list-style-type: none"> • Provided ratings that failed to meet "Industry Norms of Acceptability" – as interpreted by SYNERGY, or • Represent, on a relative basis, outliers with respect to "Relative Norms of Performance" based upon comparison with PBNP Site general performance norms. • In applying this methodology, key cultural metrics were evaluated to identify both absolute and relative organizational strengths and weaknesses using complementary analytical techniques and specified selection criteria related to: <ul style="list-style-type: none"> ○ Low absolute or relative NSC or SCWE ratings. ○ High absolute or relative negative response rates (i.e., negative pockets). ○ Declining NSC or SCWE ratings since the 2004 NSCA. <p>Based upon the application of this methodology, a number of individual PBNP Site Functional Organizations have been "targeted" for additional management attention. They are identified herein and have been assigned priority levels.</p>	<p>Action Plan and Quick Hitters derived from NSCI Team interviews with focus groups.</p> <p>Safety Conscious Work Environment guidebooks and briefing provided at Leadership Forum on March 20, 2007</p> <p>Forum meeting on safety culture to be provided by SVP in May 2007</p> <p>SCWE Training scheduled for June 2007</p>