



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION I  
475 ALLENDALE ROAD  
KING OF PRUSSIA, PA 19406-1415

May 27, 2010

EA-10-055

Mr. Timothy S. Rausch  
Senior Vice President and Chief Nuclear Officer  
PPL Susquehanna  
769 Salem Boulevard  
Berwick, PA 18603-0467

SUBJECT: NRC RESOLUTION OF AN ALLEGATION OF DISCRIMINATION

Dear Mr. Rausch:

This letter refers to the U.S. Nuclear Regulatory Commission (NRC) staff review of information gathered during the investigation by the NRC Office of Investigations (OI) that was completed on February 4, 2010, at the Susquehanna Steam Electric Station (Susquehanna). The purpose of the staff review of the information collected from this investigation was to determine whether a Senior Reactor Operator (SRO) was discriminated against by an Assistant Operations Manager (AOM) during Susquehanna's refueling outage in March 2008. After careful consideration of the available evidence in this case, and significant internal NRC deliberation, the NRC concluded that the action did not constitute discrimination as contemplated by 10 CFR 50.7, which prohibits taking an action against an individual for engaging in a protected activity. We would emphasize, however, that the circumstances of this case reflect poor performance that created negative perceptions which adversely affected the work environment at the facility.

In 2008, the NRC was aware of the circumstances associated with this issue and the potential negative impact on the safety conscious work environment (SCWE) at Susquehanna. On January 28, 2009, the NRC issued a potential Chilling Effect Letter (CEL) (ML090280115<sup>1</sup>), in part, as a result of the negative perceptions associated with this event (the NRC considers a chilled work environment, or lack of a SCWE, to be a pervasive environment where employees at a facility are discouraged from bringing nuclear or radiological safety concerns to appropriate levels of management so that they can be properly corrected). Several other factors also contributed to the potential CEL, as noted in the January 2009 letter and further described herein.

In December 2006, the NRC informed PPL Susquehanna, LLC (PPL) of feedback received by OI agents from Susquehanna workers regarding the negative perceptions of the SCWE that existed among those performing refuel floor activities (ML063460470). Following the performance of a site-wide culture survey which indicated that some work groups warranted additional attention, PPL developed action plans and implemented corrective actions through

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<sup>1</sup> Designation in parentheses refers to an ADAMS accession number. ADAMS is the NRC's document system, accessible from the NRC web site at [www.nrc.gov/reading-rm/adams.html](http://www.nrc.gov/reading-rm/adams.html). Documents referenced in this letter are publicly available using the accession number in ADAMS.

2007. Independent inspection conducted by the NRC throughout 2007 indicated that PPL's actions appeared appropriate (ML070330186, ML072070055, and ML080770308), and NRC annual allegation program trend reports noted some improvement in the SCWE through 2006 and 2007 (ML071060192 and ML081650435). However, there was a significant increase in the number of allegations that the NRC received from onsite sources in early 2008, several of which involved concerns with the SCWE at Susquehanna. As a result, the NRC engaged PPL and requested additional details and bases regarding conclusions that PPL employees and contractors were willing to raise nuclear safety issues without fear of retaliation. In PPL's June 2008 response to this request, PPL concluded that the work environment at Susquehanna had declined and developed a work environment improvement plan to address these issues. The NRC continued to review and monitor PPL's activities regarding SCWE through 2008, and issued the potential CEL to PPL concerning a potential Chilling Effect at the facility. As indicated herein, the event associated with this investigation was one issue that factored into that letter.

Based on a review of the evidence developed during the OI investigation, the NRC determined that the SRO had been assigned as a night shift Unit Supervisor (US) for the 2008 Unit 1 outage and, as such, was responsible for ensuring that all prerequisites were complete before allowing fuel moves to commence. The SRO testified to OI that this was his first time as an outage US, and that he had requested the assignment in order to gain experience during an outage. During the night shift of March 26, 2008, the SRO was preparing for fuel moves, which were scheduled to commence at 9:00 p.m. The SRO directed the performance of certain unscheduled surveillance tests (STs) that were required to be completed prior to moving fuel, and fuel moves did not begin until approximately 11:00 p.m. When the SRO arrived for his next scheduled shift, he was informed that he had been removed from the US position on Unit 1.

The AOM testified to OI that he had removed the SRO from the outage US position based on feedback he had received from some workers in the Outage Control Center (OCC) and Work Control Center (WCC) that he had exhibited signs of stress. He also testified that he did not want the SRO to commit an error for which he and the SRO would be held responsible, and so he moved the SRO to the operating unit. He further testified that he did not recall being concerned about the two hour delay in commencing fuel moves. However, OI interviewed thirty-nine other individuals who worked at Susquehanna during the March 2008 Unit 1 outage, and who were assigned to the control room, OCC, or WCC. Several of these individuals testified that the AOM was in the control room during the night shift of March 26, 2008, and that he was critiquing the SRO and complaining of the delay.

The NRC has concluded that the AOM's behavior on the evening of March 26, 2008, was not conducive to a healthy SCWE at Susquehanna, and could have given the perception that schedule pressure over safety was part of his motivation. The NRC considered this behavior to be an additional example of the decline in SCWE that the NRC had already been evaluating in 2008.

PPL provided responses to the aforementioned January 28, 2009, NRC letter on February 27, 2009 (ML090620124); March 13, 2009 (ML090760146); May 7, 2009 (ML091320287); June 23, 2009 (ML091800460); and January 25, 2010 (ML100260405), which described PPL's plans to address the NRC's concerns and to preclude a chilled work environment at the facility. The NRC described PPL's long-term corrective actions in Inspection Report No. 05000387; 388/2009003, and they were discussed during a public meeting the NRC held with PPL on

July 6, 2009. Although PPL has implemented numerous corrective actions in response to the NRC's January 28, 2009 letter, the NRC inspection staff did not directly review PPL's actions taken in response to this event so as to not compromise the ongoing OI investigation. In light of the completion and the results of the subject investigation, the NRC requests that you provide a supplemental response to the NRC that either: (1) confirms that these prior corrective actions address the behaviors exhibited by the events of March 26, 2008, and if so, describes which corrective actions address them and how; or, (2) describes the additional actions, taken or planned, to address these behaviors and preclude recurrence. You should provide your response within 30 days of the date of this letter to the Regional Administrator, Region I, 475 Allendale Road, King of Prussia, PA 19406.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and your response will be available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS) accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response, if you choose to provide one, should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your withholding claim (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21. 1

Should you have any questions regarding this letter, please contact Paul Krohn at 610-337-5120.

Sincerely,



David C. Lew, Director  
Division of Reactor Projects

Docket Nos. 50-387; 50-388  
License Nos. NPF-14; NPF-22

cc: Distribution via Listserv

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/RA/  
David C. Lew, Director  
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