

Public Service  
Electric and Gas  
Company

Joseph J. Hagan

Public Service Electric and Gas Company P.O. Box 236, Hancocks Bridge, NJ 08038 609-339-1200

Vice President - Nuclear Operations

JUL 21 1995

LR-N95112

United States Nuclear Regulatory Commission  
Document Control Desk  
Washington, DC 20555

Attention: Richard W. Cooper, II, Director

Dear Mr. Cooper:

Public Service Electric & Gas (PSE&G) submits the following information in response to your letter dated June 21, 1995. Your letter references a complaint from an employee of PSE&G, filed with the U.S. Department of Labor's Wage and Hour Division on August 5, 1994. Your letter also points out that, in response to that complaint, the Wage and Hour Division conducted an investigation and found evidence that discrimination as defined by Section 211 of the Energy Reorganization Act was a factor in some of the employment actions of which the employee had complained.

Your letter requested that PSE&G provide, within thirty days a response under oath or affirmation that describes the actions, if any, taken or planned to assure that this employment action does not have a chilling effect in discouraging other licensee or contractor employees from raising perceived safety concerns.

In sum, our analysis of all relevant data shows that there was no discrimination against the employee. Because the results of our reviews differ sharply from some of the conclusions made by the Department of Labor's Wage and Hour Division, PSE&G has requested an evidentiary hearing be held in October 1995. PSE&G's position on the substantive points raised by the employee's complaint is set forth in our letter to the Wage and Hour Division dated November 9, 1994.

While no specific action to address any chilling effects is warranted in this particular case, PSE&G has undertaken substantial actions to establish and maintain an environment conducive to the identification and reporting of safety concerns within the Nuclear Business Unit (NBU) of PSE&G. The President & Chief Nuclear Officer (CNO) of the NBU has personally expressed his expectations to all employees that they feel free to resolve their concerns through line management and existing procedures.

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Additionally, the February 1995 reorganization of the Quality Assurance/Nuclear Safety Review (QA/NSR) department included the creation of the Employee Concerns Group. The new group was specifically tasked with developing an alternative path, available to all employees, to raise concerns confidentially and/or anonymously. In June, the NBU issued Procedure, NC.NA-BP.ZZ-0008(Z), "Employee Concerns Program" implementing this new program. The program was designed to be comprehensive, and applicable to all NBU employees, as well as contractors. The program allows for confidential and anonymous identification of concerns and is designed to be accessible through multiple mechanisms, including walk-in's, drop boxes, phone-in's, a 24-hour toll free hotline, and exit interviews.

An extensive communications program is now under way to ensure that all personnel are aware of the program and how to utilize it. The program has been publicized in our daily newsletter "Nuclear Today", through direct communications at CNO staff meetings, numerous general manager and manager level staff meetings, a "For Your Information" (FYI) memorandum from the Director of QA/NSR to all department managers, and a letter from the CNO mailed directly to all NBU employees. Also General Employee Training is being revised and a video presentation is being developed featuring the CNO as well as the manager of the Employee Concerns Program and his staff. The video will be mailed to each employee of the NBU and provided to all contract organizations for roll down to their employees.

In an FYI to all employees on April 12, 1995 the CNO reiterated his expectations: "I must emphasize again my expectation that we provide for our employees an open, honest work environment that is receptive to all concerns. Safety is and always will be the NBU's #1 priority. Any actions that can be interpreted as harassment or intimidation or hostile behavior on the part of any NBU employee are unacceptable and they will not be tolerated. Any incidence of this nature will be promptly addressed by management and appropriate actions taken."

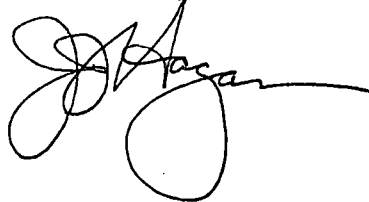
The Employee Concerns Group is working with the Legal Business Unit and the Human Resources Department to develop a training module for all NBU supervisors regarding their roles and responsibilities with respect to employee concerns. The training is expected to be completed in the late summer and fall of this year.



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In summary, PSE&G does not believe that any discrimination took place with regards to this employee, and our initiatives to assure an open and honest work environment demonstrate our ongoing commitment to the safe and reliable operation of our nuclear units. If there are any questions regarding the information provided above, please feel free to contact us.

Sincerely,



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Salem Generating Station

Mr. R. Summers (S09)  
USNRC Senior Resident Inspector  
Hope Creek Generating Station

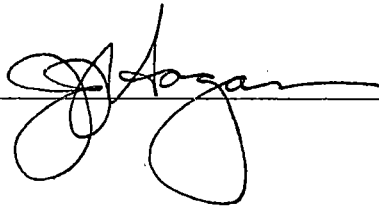
Mr. K. Tosch, Manager, IV  
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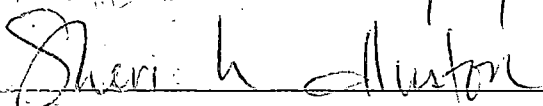
STATE OF NEW JERSEY )  
 ) SS.  
COUNTY OF SALEM )

J. Hagan, being duly sworn according to law deposes and says:

I am Vice President - Nuclear Operations for the Nuclear Business Unit of Public Service Electric and Gas Company, and as such, I find the matters set forth in our letter, referenced above, concerning employee allegations, are true to the best of my knowledge, information and belief

  
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Subscribed and Sworn to before me  
this 21 day of July, 1995

  
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Notary Public of New Jersey

My Commission expires on 12/30/98

