

UNITED STATES NUCLEAR REGULATORY COMMISSION WASHINGTON, D. C. 20555

March 15, 1994

OFFICE OF THE CHAIRMAN

Note to: File

From: Ed Baker

SUBJECT: NOTES FROM FEBRUARY 23, 1994 DROP-IN VISIT BETWEEN THE CHAIRMAN AND BERNIE FOX, PRESIDENT AND CEO, AND BOB BUSCH, SENIOR VICE PRESIDENT, NORTHEAST UTILITIES

Mr. Fox opened the visit with a discussion of NU's recent reorganization into separate business units, nuclear generation being one of them. He then discussed the present business climate, excess power in the northeast, the need to reduce costs and increase capacity factors.

The discussion then moved to Millstone's recent Independent Review Team and the status of the Performance Enhancement Plan (PEP). During this discussion the Chairman suggested that it may be time to review the PEP and determine if it was still an effective tool for improving performance.

There was some discussion of whistleblower activities and that whistleblowers were an indicator of management/labor problems. This led to a discussion of supervisors becoming reluctant to discipline employees and to give employees poor performance appraisals. The meeting ended with a discussion of NRC's use of evaluation panels in ranking employees who have applied for open positions.

cc: PDR

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