

Northeast
Utilities System

107 Selden Street, Berlin, CT 06037

Northeast Utilities Service Company
P.O. Box 270
Hartford, CT 06141-0270
(203) 665-3144

Copy to
T. Martin
A. Russell
J. Milhauser
WCS

May 16, 1994

Robert E. Busch
Chief Financial Officer
President - Energy Resources Group

Mr. James Lieberman
Director, Office of Enforcement
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Dear Mr. Lieberman:

Thank you for the time that you took to meet with us on February 23, and March 16, 1994. We find these meetings an ideal forum to exchange perspectives, to discuss issues of mutual interest, and to update you on our progress in particular areas. As a follow-up to our discussions during those two meetings regarding the correlation between allegations and a licensee's "safety culture," we are taking this opportunity to offer some additional information that relates directly to this topic.

As you are well aware, the January 7, 1994, report of the NRC Review Team titled "Reassessment of the NRC's Program for Protecting Allegers Against Retaliation," emphasizes that a nuclear work environment in which the highest standards of quality, integrity, and safety are understood is in the mutual interest of the licensee and its employees, and that a quality-conscious workplace promotes identification and resolution of safety concerns. The Review Team recommended that licensees focus on maintaining a workplace atmosphere in which employees feel free to resolve their concerns directly and efficiently, and that alternate means for resolving concerns are accessible, credible, and effective. Also, the Review Team discussed the possible benefits of a survey to identify cultural climate improvement areas.

At Northeast Utilities (NU), we support these recommendations. A recent letter to the Staff⁽¹⁾ summarized some recent steps we have taken to improve our work environment in this respect. In mid-1992, as part of our Performance Enhancement Program, we developed an action plan to monitor

(1) J. F. Opeka letter to T. T. Martin, "Additional Information Regarding Allegations Matters," dated April 11, 1994.

JEH 1/0

Mr. James Lieberman
May 16, 1994
Page 2

and enhance the nuclear organization's cultural climate. While this cultural initiative was obviously not initiated as a result of the Review Team recommendation, there are certain parallels. We have established a cultural baseline (through use of an employee survey) for the nuclear organization and have identified the core values we believe will meet the needs of the organization and will further improve the workplace atmosphere at NU. These core values include safety, respect for people, integrity, professionalism, business focus, and clarity.

Baseline data were gathered to identify where core-value change is appropriate in the nuclear organization. We are proceeding to heighten organizational awareness of these core values, and to make broad cultural changes within the nuclear organization as well as more localized changes in areas which warrant attention within specific departments. Incorporation of the core values into the nuclear organization's expectations document, strategic plan, and business plan exemplify cultural awareness activities. Another cultural climate survey has been initiated to assess whether or not, or the extent to which, change in culture has occurred consistent with the previously-defined scope of this action plan.

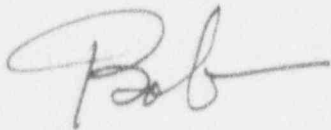
In addition, a Cultural Advisory Committee has been established to relay emerging cultural issues to upper nuclear organization management as they are identified. This committee meets on a monthly basis with the Executive Vice President -- Nuclear. In an effort to solicit more direct and unfiltered feedback from employees, a recent internal news publication was issued in which employees were encouraged to discuss various thoughts and suggestions with committee members.

We recognize that an element of a successful nuclear program is maintaining an appropriate workforce climate, especially during these times of significant change. While achieving this objective will require improvement throughout the entire supervisory population, certain portions are particularly important. The new NSCP Director was selected for his position, in part, for his strong interpersonal skills. He also facilitates the resolution of various employee concerns issues with line management personnel as part of his job function. Further, he is the Action Plan Manager for the cultural analysis action plan.

Mr. James Lieberman
May 16, 1994
Page 3

Thank you again for taking the time to meet with us. As we hope is evident from the variety of activities we have already undertaken to address the issues the NRC Review Team raised in its report, NU recognizes the need for and is committed to maintaining a work environment in which all employees work as a team, in mutual trust and respect, to deal with the important safety mission which is their responsibility. If you have any questions regarding this information, please feel free to contact either me or R. M. Kacich of the Nuclear Planning, Licensing and Budgeting Department.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Bob", with a long horizontal stroke extending to the right.