

March 12, 1999

Mr. David A. Lochbaum
Union of Concerned Scientists
1616 P Street, N.W., Suite 310
Washington, D.C. 20036-1495

Dear Mr. Lochbaum:

This letter responds to the petition you filed with Dr. William Travers, NRC Executive Director for Operations, pursuant to Section 2.206 of Title 10 of the Code of Federal Regulations (10 CFR 2.206) on November 24, 1998. In your petition, you requested that the NRC modify the operating licenses for Diablo Canyon Nuclear Power Plant (DCNPP), Units 1 and 2, to require that the plant's owner have an independent contractor evaluate the plant's safety culture and that the independent contractor monitor the safety culture until the NRC concurs that a safety-conscious work environment has been established and maintained. You also requested an informal hearing near DCNPP to present new information on the safety culture at DCNPP.

On December 30, 1998, the staff of the U.S. Nuclear Regulatory Commission acknowledged receiving your petition and stated pursuant to 10 CFR 2.206 of the Commission's regulations that your petition was being referred to me for action and that it would be acted upon within a reasonable time. You were also told that your request for an informal public hearing did not satisfy the requirements stated in NRC Management Directive 8.11 regarding granting of an informal public hearing. You were informed that a public meeting had been scheduled for January 15, 1999, at which DCNPP and its contractor, Synergy Consulting Services (Synergy), would discuss the scope and results of a safety culture study conducted at DCNPP and that the meeting was to be expanded to permit participation by interested members of the public.

In August 1998 and prior to the submittal of your petition, DCNPP, in response to their own concerns regarding the safety culture at the plant site, hired Synergy to perform an independent safety culture survey. This survey was conducted in October and November 1998, and the findings were presented at the public meeting held on January 15, 1999. A copy of the meeting summary, along with a set of licensee presentation slides, the executive summary from the Synergy survey, and a set of complete meeting minutes were sent to you earlier under separate cover. During the public meeting, Synergy discussed the full scope of its findings with respect to the safety culture at DCNPP. Several areas for improvement were identified and the licensee discussed actions it would take to make improvements. As a result of the actions taken by the licensee, it is our sense that the goal of your petition, i.e., to modify the license to require an independent safety culture survey, was accomplished and, as a result, no modification to the license is necessary at this time.

You also requested that an independent contractor, subsequent to its evaluation of the safety culture, then monitor the safety culture until the NRC concurs that a safety-conscious work environment has been established and maintained. In response to this, it is not typical NRC practice to become involved in the manner you have suggested unless there is a set of egregious circumstances related to a site's safety culture as would be evidenced by complaints that were investigated and determined to be valid by the NRC. In the particular case of Diablo

Canyon, the licensee has proactively taken actions to address safety culture issues, thereby avoiding degradation of the safety culture environment to a level where NRC involvement would be needed. In addition, the licensee stated that it would perform another survey in December 2001 to determine the effects of the changes. The NRC will monitor these corrective actions as part of the routine inspection process. Also, the NRC does respond to individuals with such concerns and maintains an allegation process, inspection staff, and Office of Investigations staff to follow up on issues as necessary. In this particular instance at DCNPP, the NRC has expended and will continue to expend resources to address concerns related to the work environment.

A copy of the Director's Decision (DD-99-05) will be filed with the Secretary of the Commission for the Commission to review in accordance with 10 CFR 2.206(c). As provided for by this regulation, the decision will constitute the final action of the Commission 25 days after the date of issuance of the decision unless the Commission, on its own motion, institutes a review of the decision within that time. The documents cited in the enclosed decision that are not commercially available are available for review at the local public document room for DCNPP located at California Polytechnic State University, Robert E. Kennedy Library, Government Documents and Maps Department, San Luis Obispo, California 93407.

I have also enclosed a copy of the notice titled "Issuance of Director's Decision Under 10 CFR 2.206," which contains the complete text of DD-99-05 that is being filed with the Office of the Federal Register for publication.

Sincerely,

Original Signed By

Roy P. Zimmerman, Acting Director
Office of Nuclear Reactor Regulation

Docket Nos. 50-275
and 50-323
(10 CFR § 2.206)

Enclosures: 1. Director's Decision
2. Notice

cc w/encls: See next page

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Sincerely,

Roy P. Zimmerman, Acting Director
Office of Nuclear Reactor Regulation

Docket Nos. 50-275
and 50-323
(10 CFR § 2.206)

Enclosures: 1. Director's Decision
2. Notice
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UNITED STATES OF AMERICA
 NUCLEAR REGULATORY COMMISSION
 OFFICE OF NUCLEAR REACTOR REGULATION

Samuel J. Collins, Director

In the Matter of)	
)	
PACIFIC GAS AND ELECTRIC COMPANY)	Docket Nos. 50-275
)	and 50-323
(Diablo Canyon Nuclear Power)	10 CFR § 2.206
Plant, Units 1 and 2))	

DIRECTOR'S DECISION UNDER 10 CFR § 2.206

I. INTRODUCTION

By letter dated November 24, 1998, David A. Lochbaum (petitioner) requested that the Nuclear Regulatory Commission (NRC) take action with regard to Diablo Canyon Nuclear Power Plant (DCNPP) regarding his concerns about the work environment. Specifically, the petitioner stated that the work environment at DCNPP was not conducive to an employee raising safety issues freely without fear of retaliation. The petitioner requested that the NRC modify the operating licenses for DCNPP Units 1 and 2 to require that the plant's owner have an independent contractor evaluate the facility's safety culture. The petitioner further requested that the independent contractor monitor the safety culture until the NRC concurs that a safety-conscious work environment has been established and maintained. The petitioner also requested that an informal hearing be held near DCNPP to present new information on the safety culture at Diablo Canyon. On December 30, 1997, the NRC staff acknowledged receipt of the request for a petition pursuant to Section 2.206 of Title 10 of the Code of Federal Regulations (10 CFR 2.206) and informed the petitioner that his request to modify the license

would be granted formal petition status. This reply also explained that the petitioner's request for an informal public hearing would not be granted because the request did not satisfy the requirements as stated in NRC Management Directive 8.11 regarding granting of an informal public hearing and because a public meeting was planned to discuss the results of DCNPP's safety culture survey at which the public would be able to make statements. Notice of the receipt of the petition indicating that a final decision with respect to the requested action would be forthcoming within a reasonable time was published in the FEDERAL REGISTER on January 6, 1999 (64 FR 917).

My decision in this matter follows.

II. DISCUSSION

Request To Modify Operating Licenses for DCNPP Units 1 and 2 to Have an Independent Contractor Evaluate the Facility's Safety Culture and Monitor the Safety Culture Until the NRC Concurs That a Safety-Conscious Work Environment Has Been Established and Maintained.

The licensee, in August 1998, retained Synergy Consulting Services (Synergy) to perform a comprehensive assessment of the DCNPP safety culture. The licensee commissioned Synergy in response to its own concerns regarding the safety culture at DCNPP to determine whether a "chilling" effect exists or had been created by actions that had been taken at DCNPP including removal of a control room operator from licensed duties. Synergy distributed its survey at DCNPP in October and November 1998. Nearly one thousand employees and contractors responded. This represented 62 percent of the workforce. The survey document consisted of 37 multiple-choice questions with 204 subparts. There were also 45 employees interviewed as part of the survey. The survey was commissioned to re-baseline the organizational culture, including the environment for addressing employee concerns. The

survey also covered an assessment of “facilitative leadership” principles and the effectiveness of certain recent organizational changes.

The results of the survey were presented in a public meeting held on January 15, 1999, at the Embassy Suites Hotel in San Luis Obispo, California. Synergy rated the safety culture at DCNPP as “adequate to good” and discussed the full scope of its findings at the meeting. Synergy concluded that DCNPP personnel are very willing to identify potential nuclear safety issues or concerns, but that deliberate actions are required to further improve the safety culture. Synergy ranked DCNPP at the 51st percentile with respect to the safety culture. The Synergy survey indicated that the Nuclear Generation organization ranked the lowest at the 38th percentile. The survey indicated that DCNPP can improve the work environment by generally treating all employees with more dignity and greater trust and respect, and by having managers deal in a straightforward, honest, and truthful manner. These perceptions are related to employee comfort level in voicing general opinions and ideas and the way in which the management has dealt with employees and their issues and concerns. Synergy also made several recommendations on ways to improve the safety culture at DCNPP. Some of these improvements dealt with trust of the management at DCNPP, effective management of change at DCNPP, employee concerns regarding the future of DCNPP, management and supervisory practices, and the employee concerns program. The licensee made a presentation on the corrective actions that have taken place and the plan for future corrective actions to address the recommendations made by Synergy.

Following the licensee’s presentation at the January 15, 1999, public meeting, the NRC opened the meeting for public statements. A copy of the meeting summary, licensee presentation slides, executive summary from the Synergy survey, and a set of complete

meeting minutes was sent to the petitioner. The regional office is reviewing the entire meeting transcript and will identify issues for follow up as appropriate.

Regarding the petitioner's request that the independent contractor monitor the safety culture until the NRC concurs that a safety-conscious work environment has been established and maintained, it is not typical NRC practice to become involved in the manner that was suggested by the petitioner unless there is a set of egregious circumstances related to a site's safety culture as would be evidenced by complaints that were investigated and determined to be valid by the NRC. In the particular case of Diablo Canyon, the licensee has proactively taken actions to address safety culture issues, thereby avoiding degradation of the safety culture environment to a level where NRC involvement would be needed. In addition, the licensee stated that it would perform another survey in December 2001 to determine the effects of the changes. The NRC will monitor these corrective actions as part of the routine inspection process. Also, the NRC does respond to individuals with such concerns and maintains an allegation process, inspection staff, and Office of Investigations staff to follow up on issues as necessary. In this particular instance at DCNPP, the NRC has expended and will continue to expend resources to address concerns related to the work environment.

As evidenced in the above discussion, the petitioner's request to modify the licenses at DCNPP, Units 1 and 2 to require that the licensee enter into contract with an independent contractor to evaluate the safety culture at DCNPP and for the NRC to concur that a safety-conscious work environment has been established and maintained has, in effect, been accomplished. As a result, the action requested in the petitioner's request is not necessary and no proceeding will be instituted in whole or in part, with respect to the request.

III. CONCLUSION

The NRC has determined, for the reasons given in the preceding discussion, that the intent of the petition has been met. It is also concluded that a follow-up survey by DCNPP to measure the success of corrective actions is scheduled to be performed in 2001 and should track progress. Additionally, NRC resources will continue to be applied as appropriate to address work environment concerns.

As provided for in 10 CFR 2.206(c), a copy of this decision will be filed with the Secretary of the Commission for the Commission's review. This decision will constitute the final action of the Commission 25 days after issuance unless the Commission, on its own motion, institutes review of the decision at that time.

Dated at Rockville, Maryland this 12th day of March 1999.

FOR THE NUCLEAR REGULATORY COMMISSION

Original Signed By

Roy P. Zimmerman, Acting Director
Office of Nuclear Reactor Regulation

UNITED STATES NUCLEAR REGULATORY COMMISSION
PACIFIC GAS AND ELECTRIC COMPANY
DIABLO CANYON NUCLEAR POWER PLANT, UNITS 1 AND 2
DOCKET NOS. 50-275 AND 50-323
ISSUANCE OF DIRECTOR'S DECISION UNDER 2.206

Notice is hereby given that the director, Office of Nuclear Reactor Regulation has issued a director's decision with regard to a petition dated November 24, 1998, filed by Mr. David Lochbaum on behalf of the Union of Concerned Scientists, hereafter referred to as the "petitioner." The petition pertains to the Diablo Canyon Nuclear Power Plant (DCNPP), Units 1 and 2.

The petition requests that the Commission modify the operating licenses for Diablo Canyon Nuclear Power Plant to require the plant's owners to have an independent contractor evaluate the facility's safety culture. The petition also requests that the independent contractor monitor the safety culture until the United States Nuclear Regulatory Commission (NRC) concurs that a safety-conscious work environment has been established and maintained. The petition also requests an informal hearing to examine the concerns raised by the petition.

The director of the Office of Nuclear Reactor Regulation has determined that the request should be denied for the reasons stated in the "Director's Decision Under 10 CFR 2.206" (DD-99-05), the complete text of which follows this notice and which is available for public inspection at the Commission's Public Document Room, Gelman Building, 2120 L Street, N.W., Washington, D.C. 20555-0001, and at the local Public Document Room located at

California Polytechnic State University, Robert E. Kennedy Library, Government Documents
and Maps Department, San Luis Obispo, California 93407.

Dated at Rockville, Maryland, this 12th day of March 1999.

FOR THE NUCLEAR REGULATORY COMMISSION

Original Signed By

Roy P. Zimmerman, Acting Director
Office of Nuclear Reactor Regulation

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