



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION I
475 ALLENDALE ROAD
BETHESDA, MARYLAND 20814

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David Nelson (HQ-OE) *RT*
By: Lawrence Chandler; OEMAIL; Rani Franovich
Date: 5/11/04 4:03PM
Subject: 3-Wk e-mails (OI Cases 1-2003-030 - SSES H&I, 1-2003-014 - Hope Creek NOED)
Place: OEMAIL

On May 1, 2003, OI Region I initiated Case 1-2003-030 (Allegation RI-2003-A-0063) to determine if a senior engineer, working at Susquehanna, was discriminated against for engaging in a protected activity. Specifically, the senior engineer felt he received negative performance appraisals, insufficient pay raises/bonuses, and was denied training and employment opportunities because he raised concerns through the SSES Corrective Action Program, the SSES Employee Concerns Program and eventually the NRC.

OI identified that SSES had established expectations for employee use of the corrective action process and that the senior engineer was not meeting those expectations. During the investigation, the senior engineer reiterated a concern he had raised in 2001 (Allegation RI-2001-A-0079) in which a corrective action program "screener" annotated a Condition Report the senior engineer wrote. The senior engineer took exception to what was added to the CR and felt that the screener should have indicated that he/she made the annotation. At that time, Region I referred the issue to SSES for review. SSES acknowledged that this occurred, confirmed that the comments made by the screener may have been inappropriate, took disciplinary action against the screener, and made changes to the process to prevent recurrence. Notwithstanding the disciplinary/corrective actions taken by SSES in response to the senior engineer's concern, the senior engineer apparently continued to have a personal distrust for the corrective action process at SSES and the number of concerns he raised internally progressively decreased. This decrease in identifying problems was assessed by his management as a down trend in work performance.

The senior engineer applied for two separate positions at SSES. OI found that each applicant was provided with information to help prepare for the interviews and that the same questions were used for each candidate. OI found that selection process to be fundamentally fair and unbiased. The senior engineer was not selected for either position based on a combination of a poor interview score, present/prior job performance, and the lack of quality assurance/operations experience.

On August 12, 2002, the senior engineer received an ("acceptable") performance appraisal for the 2001 work year, 8 months after the year ended. The bonus received by the senior engineer appeared to be comparable to those received by others for that time frame, and all received their bonuses at the same time. In 2002, PPL raised the performance bar with every SSES employee being held to a higher standard and expected to do more. For 2002, the senior engineer received a "below expectation" appraisal in part, as a result of the implementation of the new performance directive.

Based upon the evidence developed during this investigation, OI did not substantiate that the senior engineer was discriminated against for having engaged in a protected activity.

The OI report was distributed to the staff on April 5, 2004. An Allegation Review Board (ARB) was held on April 28, 2004, to discuss the matter. The ARB agreed with the conclusions of the OI case and directed that a closeout letter be sent to the alleged closing the discrimination concern and a letter be sent to the licensee with a summary of the OI report, pending any further comments. If no other views are received within 3 weeks of the date of this e-mail, the aforementioned letters will be sent.

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On February 6, 2003, OI Region I initiated Case 1-2003-014 (Allegation RI-2003-A-0018) to assess an NRC staff-suspected wrongdoing issue brought forward during an SSDI inspection at Hope Creek. Specifically, the staff questioned whether employees may have deliberately violated Action "e" of Technical Specification (TS) 3.8.1.1 on December 14, 2002, when they had not completed all of the required testing of their Emergency Diesel Generators (EDGs) during a 24 hour action statement, yet did

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shut down the facility as required.

It indicated that when the NRC first identified the missed surveillance tests on or about December 11, 2002, the licensee was unaware that the surveillances had been missed and that they had never performed them in the manner in which the SSDI directed. Based on the missed surveillances, the licensee entered the first TS 24 hour LCO on December 12, 2002, at 1:07 p.m., which required them to complete the surveillance tests within 24 hours or shut down the plant.

On the morning of December 13, 2002, the SSDI team identified further concerns with the surveillance testing and informed the licensee of those concerns which caused the licensee to re-enter the TS 24 hour LCO at 11:20 a.m. to complete that testing. The TS required that the testing be completed by 11:20 a.m. on December 14, 2002, or shut down the facility.

The testimony as well as documentary evidence brought out by the investigation, which included shift logs, TARP reports and SORC meeting minutes, indicated that on Thursday, December 12, 2002 and Friday, December 13, 2002, the licensee was in the process of completing what they believed were the missed EDG surveillances. It appeared as if the licensee felt as if they had completed the testing they believed was required to satisfy the surveillance requirement, and did not understand that the NRC was asking them to do additional testing.

Based on the evidence developed during this investigation, there was insufficient evidence to conclude that the licensee deliberately violated Action "e" of TS 3.8.1.1 on December 14, 2002, when they had not completed all of the required testing on the EDGs, yet did not shut down the facility as required by the TS.

The OI report was distributed to the staff on April 9, 2004. An Allegation Review Board (ARB) was held on April 30, 2004, to discuss the matter. The ARB agreed with the conclusions of the OI case and directed that a allegation closure memo be completed and a letter be sent to the licensee with a summary of the OI report, pending any further comments. If no other views are received within 3 weeks of the date of this e-mail, aforementioned documents will be distributed.

CC: Alan Blamey; Daniel Holody; Ernest Wilson; Leanne Harrison; Mohamed Shanbaky;
Scott Barber; Sharon Johnson