

Salem Allegation Q's and A's

We have heard that there is an allegation where production pressures took precedence over nuclear safety at Salem and HC ? We also have heard that personnel at the station do not feel free to raise nuclear safety concerns?

NRC policy is not to comment on whether an allegation exists or to reveal any details about an allegation that could reveal an alleged's identity.

The NRC has regulations that preclude a licensee from taking discriminatory actions against an individual for raising nuclear safety concerns. Our desire is for licensee management to create and maintain an environment where individuals feel free to raise safety concerns to management without fear of retribution. We characterize this environment as a Safety Conscious Work Environment (SCWE) and it is a major cross cutting element of the reactor oversight program. The NRC encourages a healthy SCWE at all facilities.

What is NRC's assessment of performance at Salem and HC?

The NRC has noted inconsistencies in performance at Salem and Hope Creek for some time. As a result, we have provided heightened attention to site activities, including a much higher than a normal amount of inspection. In our last annual and mid-cycle assessments of overall site performance, we have identified substantive cross-cutting issues in problem identification and resolution at both Salem and Hope Creek. This means that due to weaknesses noted in PSEG's identification and effective resolution of problems, and the NRC will focus more closely on these areas.

What is NRC's oversight at Salem and HC?

Because of the noted inconsistencies Salem and Hope Creek performance, we have heightened oversight at the facilities, as evidenced by high inspection expenditures at Salem; through September the resources expended at Salem have exceeded the resources at any of the other 15 operating sites in Region I. We have maintained four full-time resident inspectors, treating the plants as two sites, even though PSEG had previously merged operations for Salem and Hope Creek. Additionally, senior Region I managers have made a number of extensive site reviews over the past year involving direct interaction with senior site and plant management.

Within the NRC's Reactor Oversight Program, Salem Unit 1 is within the Regulatory Response Column of the Action Matrix, based on a diesel generator failure in September 2002, while Unit 2 and Hope Creek remain in the Licensee Response Column.

Can NRC shut down Salem and HC if you like?

NRC has regulatory authority to order licensees to shut down reactors. Nonetheless, there is a high threshold to ensure that such an action is merited. Currently, inspection of events and day-to-day activities over the last 12 months has shown that the proper actions have been taken to assure reactor safety and that an acceptable margin of safety exists.

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I heard that a lawsuit was filed in which an individual was fired for raising safety concerns at the facility. Is this true? If so, what is the NRC doing about it?

In September a civil lawsuit was filed in New Jersey, which claims that the affected person was discriminated against for raising safety concerns at Salem and Hope Creek. NRC is aware of the lawsuit and is reviewing the specifics in light of the existing performance concerns at these facilities.

I heard that NRC investigators are working on the same case that the lawsuit against PSEG addresses. Can you confirm that for us?

NRC policy is not to comment on whether an investigation exists or to reveal any details or status about any investigation.

**The following is for NRC internal use / background only.
These questions should not be discussed with the public or
the media as they have the potential to identify an alleged.**

What is the nature of the SCWE allegation at Salem/HC?

A former employee has filed a lawsuit against PSEG and a number of senior managers alleging an adverse personnel action for raising safety concerns at the facility. This employee asserts that an unacceptable work environment exists at station, and that production pressures, starting at corporate level, are excessive. The alleged provided examples where inappropriate decisions were made on plant operation with equipment problems because of pressure from very senior utility management

What is the likelihood that this allegation could become public?

It appears likely at this time. The alleged believes that he/she has a strong case for employment discrimination, and has indicated that in numerous discussions with NRC personnel, and is concerned that NRC follow up to the issues be thorough with the proper outcome. There is a high potential that this case could get extensive public and media attention since the alleged is currently in communication with national public interest groups and has friends in the media (i.e., NY Times). Outsiders might dismiss his/her allegations as motivated by dispute with company (she has filed discrimination claims) but the alleged appears to be genuinely concerned.

What are the bases for alleged concerns about safety of operations at Salem/HC?

The alleged worked directly for former Chief Nuclear Officer and had access to virtually all site personnel including senior executives. He/she was present when former and current top-level licensee officials (e.g., VP level) made sharply-worded statements about serious safety culture problems. Some of the statements are verbatim excerpts from lengthy tape recordings she made of the interactions. (NJ allows one-way taping of conversations - acknowledged by regional counsel)

How significant is the allegor's concern?

Initial interviews have indicated that there have been significant production pressures exerted by senior PSEG management in a number of instances, but there has been no clear cut tie established to a clearly defined nuclear safety issue. There have been identified ties to Labor-Management issues, and to industrial safety issues. The allegor's level of concern has been escalating as evidenced by a direct letter to regional administrator recommending shutdown of the Salem units. The allegor contends that, taken together, the damning statements by very senior PSEG officials are compelling and sufficient, in and of themselves, to make case that safety environment is unacceptable, and that a shutdown should be immediately commenced.

In light of the allegor's assertion, why does the NRC believe that an immediate shutdown is not needed?

This can best be answered by reviewing an excerpt of the NRC's acknowledgment letter to the allegor:

"The NRC has noted inconsistencies in performance at Salem and Hope Creek for some time. As a result, we have provided heightened attention to site activities, including a much higher than a normal amount of inspection. In fact, the inspection resources expended at Salem for this year through September have exceeded the resources expended at any of the other 15 operating sites in Region I. We have maintained four full-time resident inspectors, treating the plants as two sites even though PSEG has merged operations for Salem and Hope Creek. Additionally, senior Region I management has made a number of extensive site reviews over the past year involving direct interaction with senior corporate and site management. In our last annual and mid-cycle assessments of overall site performance, we have identified substantive cross-cutting issues in problem identification and resolution at both Salem and Hope Creek. This means that due to weaknesses noted in PSEG's identification and effective resolution of problems, and the NRC will focus more closely on these areas.

In your September 30, 2003, letter mailed electronically to the Regional Administrator, Region I, you requested an immediate shutdown of the Salem and Hope Creek facilities. Although we also have concerns about operations at the site, based on our extensive oversight, we have concluded that acceptable safety margins still exist and that a directed shutdown of these facilities at this time is not warranted. This conclusion is based on our inspection of events and day-to-day operations during the last 12 months. We have had a number of inspection findings during this period, a number of which were of risk significance, such as a Salem Unit 1 diesel generator failure; however, these findings did not rise to a level which would require a plant shutdown. "

What are NRC's actions to date?

The NRC has conducted a lengthy transcribed interview with allegor. Many of the documents and tapes provided by allegor have been reviewed in detail. The NRC Office of Investigations has completed an initial set of interviews of key PSEG managers. Other interviews are planned.

What are other NRC actions have been taken and are being considered?

While staff does not see need for immediate, extreme action (e.g., shutdown), followup interviews and assessment of allegation in all its complex aspects are proceeding with highest priority. Allegation followup will be done in context of existing high level of regional oversight and inspection (e.g., follow through on plan to have regional senior management at exit meeting for recent Salem and HC special inspections. A broader, safety culture inspection(s) has begun in the form of a special NRC SCWE inspection in which OI is providing an assist to staff which is similar to an option espoused in SECY-98-176 SRM, Proposed Options for Assessing a Licensee's Safety Conscious Work Environment.