

From: [REDACTED]  
To: <jat@nrc.gov>  
Date: 3/8/04 1:49AM  
Subject: Qual cards

Hi Jeff,  
I haven't forgotten. I've only been able to get copies of some of the qual cards. I'm hoping they didn't lose some of them. I hope you are setting the ground work for a better way at Hope Creek.

Sincerely,  
[REDACTED]

ALL 7C

N-24

## OCTOBER 15 UPDATE ON SALEM/HOPE CREEK ALLEGATION

### UPDATE ON OI INTERVIEWS

- OI has interviewed 4 of the key senior managers the allegor pointed to. Overall, while acknowledging there has clearly been increased emphasis and attention to economics, the senior officials interviewed said in no case has production overridden safety. A few were adamant that the allegor's portrayal of an "unsafe" situation is off base. There have been some mixed stories on specific incidents that the allegor has cited in registering her concerns, however, and OI is pursuing these disparities with staff assistance.
- While senior officials say <sup>plant operations are based on safety</sup> ~~that the plants are safe~~ overall, a couple have registered concerns of their own about the environment. One former senior manager said he is considering an employment discrimination case himself, feeling he was let go for having regularly challenged top level management decisions.
- OI has begun review of an extensive investigation performed by Winston and Straun at PSEG's behest in response to previous allegor complaints. The investigation concluded there -- while ~~plant leadership needs improvement~~ -- there was not a "chilled environment" and the allegor was not discriminated. *id'a*

### ALLEGOR STATUS

- The allegor served a civil suit on top PSEG officers on October 10.
- The allegor continues to contact Region I and OI with information and concerns expressed to her by staff (some of which are still on site).

### OFFSITE STAKEHOLDERS

- Congressman Lobiondo's staff approached NRC with general questions about this situation indicating information on the allegor's concerns are becoming more widely known.

### PSEG ACTIONS

- PSEG continues to make management changes at the station. For example, ~~\_\_\_\_\_~~ *16*

### NRC ACTIONS

- The staff and OI are continuing to pursue this matter as a matter of top priority.

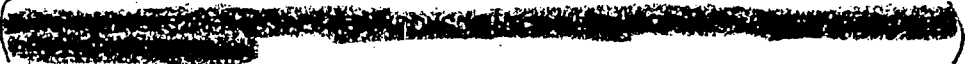
## NATURE OF ALLEGATION

- UNACCEPTABLE ENVIRONMENT AT STATION
  - PRODUCTION PRESSURES – STARTING AT CORPORATE LEVEL – ARE EXCESSIVE
  - EXAMPLES INCLUDE INAPPROPRIATE DECISIONS ON PLANT OPERATION WITH EQUIPMENT PROBLEMS UNDER PRESSURE FROM VERY SENIOR UTILITY MANAGEMENT
- EMPLOYMENT DISCRIMINATION
- SUPPRESSION OF DOCUMENTS (NOT VERY SPECIFIC)
- ALLEGER ESCALATING LEVEL OF CONCERN (E.G., DIRECT LETTER TO REG ADMIN RECOMMENDING SHUTDOWN) – ALLEGER CONTENDS THAT, TAKEN TOGETHER, DAMNING STATEMENTS BY VERY SENIOR PSEG OFFICIALS ARE COMPELLING AND SUFFICIENT, IN AND OF THEMSELVES, TO MAKE CASE THAT SAFETY ENVIRONMENT IS UNACCEPTABLE
- LIKELY TO GET EXTENSIVE PUBLIC AND MEDIA ATTENTION – ALLEGER CURRENTLY IN COMMUNICATION WITH NATIONAL PUBLIC INTEREST GROUPS
- OUTSIDERS MIGHT DISMISS ALLEGATIONS AS MOTIVATED BY DISPUTE WITH COMPANY (SHE HAS FILED DISCRIMINATION CLAIMS) BUT ALLEGER APPEARS TO BE GENUINELY CONCERNED

## BASIS FOR ALLEGER CONCERNS ABOUT SAFETY OF OPS

- ALLEGER WORKED DIRECTLY FOR FORMER CNO – HAD ACCESS TO VIRTUALLY ALL SITE PERSONNEL INCLUDING SENIOR EXECUTIVES
- SHARPLY-WORDED STATEMENTS OF FORMER AND CURRENT TOP LEVEL LICENSEE OFFICIALS (E.G., VP LEVEL) ABOUT SERIOUS SAFETY CULTURE PROBLEMS
- STATEMENTS ARE VERBATIM EXCERPTS FROM LENGTHY TAPE RECORDINGS
- LENGTHY CONTACT LIST OF SENIOR STAFF PERSONS (CURRENT AND FORMER PSEG EMPLOYEES) AND CONTRACTORS WITH ANECDOTAL COMMENTS

## ASSESSMENT OF PLANT SAFETY

- REGION I HAS HAD HEIGHTENED CONCERN ABOUT SALEM/HOPE CREEK FOR THE PAST SEVERAL YEARS. A MUCH HIGHER THAN NORMAL NUMBER OF EVENTS AND PERFORMANCE PROBLEMS HAVE GIVEN RISE TO THIS CONCERN. THESE ARE DOCUMENTED AND EVIDENCED BY CROSS CUTTING ISSUE
- PSEG MANAGEMENT HAS, IN MANY INSTANCES, BEEN DEFENSIVE WITH NRC (WE UNDERSTAND ALSO WITH INPO)
-  7C
- HAVE PICKED UP SOME STRONG VIEWS FROM STATION STAFF IN MANAGEMENT SITE VISITS
- TURNOVER OF STATION STAFF IS HIGH (E.G., MUCH HIGHER THAN NORMAL LICENSED OPERATOR ATTRITION)

BUT

- REGION HAS, FOR SOME TIME, PROVIDED HEIGHTENED ATTENTION TO PLANT
- MUCH HIGHER THAN NORMAL AMOUNT OF INSPECTION (NUMBER OF INSPECTION HOURS, SPECIAL INSPECTIONS, ETC.)

- FOUR FULL TIME RESIDENT INSPECTORS ASSIGNED TO STAFF. REG DID NOT BACK DOWN FROM TWO-SITE LEVEL OF INSPECTION WHEN LICENSE "MERGED OPERATIONS"
- NUMBER OF EXTENSIVE SENIOR REGIONAL MANAGEMENT SITE REVIEWS PERFORMED OVER THE PAST YEAR
- CONCERNS REGISTERED WITH COMPANY APPEAR TO HAVE SOME IMPACT – NEW SENIOR MANAGEMENT TEAM INSTALLED AND ORGANIZATIONAL CHANGES MADE TO INCREASE DEPTH OF MANAGEMENT TEAM
- FROM STAFF INSPECTIONS AND REVIEWS TO DATE, NO SINGLE EVENT OR PLANT ACTIVITY POSES OVERALL, UNDUE RISK TO SAFETY (STILL ASSESSING)
- STATEMENTS BY SENIOR OFFICIALS ARE VERY POSSIBLY NOT AS SERIOUS AS THEY APPEAR ON THE SURFACE – THEY MAY HAVE BEEN JUST PART OF VERY "LOOSE TALK"....SEVERE OVERSTATEMENTS NOT REFLECTING THE TRUE FEELING OF PEOPLE ABOUT OVERALL SAFETY (HOWEVER GIVEN NUMBER AND NATURE OF THE STATEMENTS, THEY CANNOT BE IGNORED AND WE CANNOT COMPLETELY RULE OUT LATER CONCLUDING SIGNIFICANT SAFETY CULTURE PROBLEM EXISTS)

#### PLANT STATUS

- ALL UNITS RETURNED TO FULL POWER FOLLOWING HURRICANE RELATED SHUTDOWN

#### NRC ACTIONS TO DATE

- LENGTHY INTERVIEW WITH ALLEGER
- REVIEW OF DOCUMENTS AND TAPES PROVIDED BY ALLEGER
- OI INTERVIEW WITH KEY OFFICIAL (FORMER HOPE CREEK OPS MANAGER)

#### APPROACH GOING FORWARD

- WHILE STAFF DOES NOT SEE NEED FOR IMMEDIATE, EXTREME ACTION (E.G., SHUTDOWN), FOLLOWUP INTERVIEWS AND ASSESSMENT OF ALLEGATION IN ALL ITS COMPLEX ASPECTS MUST PROCEED WITH HIGHEST PRIORITY
- RAPID OI/STAFF INTERVIEW OF SELECTED KEY COMPANY OFFICIALS QUOTED BY ALLEGER (3 FORMER/ 1 CURRENT)
- SUBSEQUENT, WIDER INTERVIEWS OF CROSS SECTION OF STATION PERSONNEL (E.G., ALL SHIFT MANAGERS)
- ALLEGATION FOLLOWUP WILL BE DONE IN CONTEXT OF ALREADY HIGH LEVEL OF REGIONAL OVERSIGHT AND INSPECTION (E.G., FOLLOW THROUGH ON PLAN TO HAVE REGIONAL SEN MANAGEMENT AT EXIT MTG FOR "LOSS OF POWER" SPECIAL INSPECTION)
- QUESTIONS ABOUT BROADER, SAFETY CULTURE INSPECTION(S) TO BE CONSIDERED ON CONTINUING BASIS AS WE PROCEED IN STEP WISE FASHION WITH CURRENT PLANNED INTERVIEWS – CONSIDERING SECY-98-176 SRM (PROPOSED OPTIONS FOR ASSESSING A LICENSEE'S SAFETY CONSCIOUS WORK ENVIRONMENT), THESE OPTIONS INCLUDE:
  - SPECIAL NRC SCWE INSPECTION
  - ORDER TO DO A THIRD-PARTY ASSESSMENT
- GIVEN NATURE OF ALLEGATION AND LEVEL OF INDIVIDUALS, REFERRAL IS NOT APPROPRIATE

From: Jeffrey Teator | *01*  
To: Scott Barber  
Date: 11/4/03 10:08AM  
Subject: Fwd: cs interview

Scott - think you should include the attached issue in your spread sheet. You can ID the source of the information as "confidential" It should not be put into any record/document that will get released to licensee or the public. Jeff

*OK*