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To: Jarriel, Lisamarie; Miller, Hubert J.; Salem / HC Group; Wiggins, James
Date: 3/16/04 4:16PM
Subject: Additional meeting materials

Q&As and NRC meeting slides for your use and comment

CC: Matakas, Gina

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Salem & Hope Creek Work Environment Letter Q's and A's

(Information that may be discussed with the public and media.)

1. Why did the NRC issue a letter to Salem and Hope Creek on its work environment? What is the NRC doing to assess the work environment at Salem and Hope Creek?

The NRC is issuing the letter because of information received in various allegations and inspections over the past few years raised some concerns about work environment.

Because of the number and nature of these concerns, in late 2003 the NRC initiated a special review of the work environment for raising and addressing safety issues. This review has included numerous in-depth interviews of several dozen former and current Salem/Hope Creek employees at various levels of the organization. We also are continuing to review and assess previous events and inspection findings to evaluate how any new information obtained through interviews impacts our previous assessment of these issues.

We have found no serious safety violations and have not concluded there has been a breakdown in the work environment. We are providing information at this time to enable the company to address potential issues before they become serious and impact plant safety.

2. What is meant by work environment?

Workers who raise safety concerns contribute to the larger objective of safety. Establishing and maintaining an environment that promotes the continued raising of safety concerns without fear of reprisal (i.e., a SCWE) is imperative and protected by regulation. Implicit in this is that an individual can raise issues that may involve disagreements or differing perspectives on plant operating decisions particularly as they might impact on continuing plant operation and outage schedules.

3. Why was the letter issued in January 2004 before the NRC review was finalized?

While our work environment review has been ongoing since late in 2003, we have accumulated information about a number of events which, to varying degrees, call into question the openness of management to concerns and alternative views, strength of communications, and effectiveness of station corrective action and feedback processes. Our ongoing review is not yet complete, but we felt that it was appropriate to share this information with PSEG management now in a proactive way to allow them to perform their own assessment and to enable them to address potential issues before the issues become serious and impact on plant safety.

4. Are the work environment issues at Salem and Hope Creek similar to those at Davis-Besse? Will Salem and Hope Creek be shutdown?

The situation at Salem and Hope Creek is different from Davis-Besse. Our assessments at Salem and Hope Creek have shown that the plants have been operated with good safety margin and that PSEG has some weaknesses in their efforts to identify, evaluate, and correct problems and issues.

Regardless of the similarity or differences, the NRC, as a part of its ongoing assessment processes, monitors the safety performance at all of the power reactors it regulates. These ongoing assessments do include reviews of the work environment and if sufficient concern is raised through the allegations and/or inspections, the NRC may take whatever additional action it deems appropriate. Because of the number and nature of concerns raised at Salem and Hope Creek, we initiated a review of the work environment.

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We have not identified any serious safety violations to this point, and we have no basis to either request or order a shutdown of Salem or Hope Creek. If serious safety violations are detected, then the NRC will take whatever action is deemed appropriate.

5. How does the letter fit within the ROP?

The letter does not affect the action matrix, but the ROP recognizes that regulatory actions can be taken separately in this area.

SCWE is one of three main cross cutting areas. The current policy for addressing SCWE issues is derived from a number of NRC Commission papers that were issued from 1996 to 1998. Because of the potential wide variability in circumstances, the Commission chose not to provide a prescriptive policy, but instead chose to recommend that the staff address these circumstances on a case-by-case basis. The letter issued by NRC Region I is consistent with this approach.

6. What are the likely followup actions?

The letter requests that PSEG preform their own in-depth assessment of the work environment at Salem and Hope Creek. It also acknowledges that PSEG has performed some surveys of the safety culture to begin to address this issue. We also asked them to provide their plan of action within 30 days of the date of the letter. We will also conduct a meeting to better understand the details of their plan later.

7. Is the NRC investigating activities at Salem and Hope Creek?

It is NRC policy to neither confirm nor deny any ongoing investigation.

8. What is PSEG's plan to address the work environment issues at Salem and Hope Creek?

PSEG has formed a Corporate Independent Assessment Team to guide their major recovery effort. This team is conducting interviews with employees at various levels of the organization. It is also reviewing the December 2003 Synergy Survey data and plant events and issues in the recent past. In parallel, an independent safety culture assessment was performed by Utilities Service Alliance (USA) Assessment in early March with the results to follow within about a month.

9. We have heard that the Synergy survey results reflected problems with the SCWE at Salem and Hope Creek. Will the survey results be made public and what is PSEG doing about the results?

PSEG has indicated no plans to make the survey results public. The NRC has had an opportunity to review them and has noted general consistency between the Synergy results and preliminary NRC finding and conclusions.

10. What is the difference between the situation now at PSEG and the situation that existed when the site was ordered to shutdown in 1995?

Answer.

11. What is the status of the Spent Fuel Pool / Tritium leak issue?

Answer.

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12. **Has a court case been filed related to the situation at Salem & Hope Creek? What can you tell us about the court case that been filed?**

Answer.

13. **What is the difference between "Safety Culture" and "Safety Conscious Work Environment"?**

Answer.

14. **Is all of this a result of an allegation made against PSEG? Why did you initiate this review of the work environment at Salem & Hope Creek?**

Answer.

15. **How can the same senior corporate management that existed during the development of the SCWE problems at Salem & Hope Creek be trusted to be able to fix the problems?**

Answer.

16. **How will the NRC monitor PSEG's implementation of the plan?**

Answer.

17. **Are you confident that PSEG is able to solve this problem? If so, why?**

Answer.

18. **What are the NRC's next steps?**

Answer.

19. **What will it take to make the NRC initiate a shutdown order?**

Answer.

20. **Will the NRC approve this plan? What if the NRC finds the plan unacceptable?**

Answer.

21. _____?

Answer.

22. _____?

Answer.

23. _____?

Answer.

NRC logo

Management Meeting between NRC and PSEG

Assessment Plans for Salem & Hope Creek

March 18, 2004

Agenda

1. Discussion of work environment issue by NRC
2. Presentation by PSEG on assessment plan and initial results
3. Detailed discussion on assessment plan between NRC & PSEG
4. Closing remarks
5. Public questions and comments
6. Adjournment by 5 pm

NRC Letter dated January 28, 2004 -

- Interim results of ongoing special review of work environment
- Concerns on work environment
- Emergent equipment issues and operational decision-making
- Request for PSEG in-depth assessment
- PSEG Plan of action within 30 days (Feb. 27, 2004)
- Meeting to discuss plan in detail

PSEG Response Letter of February 27, 2004

- Independent Assessment Team
 - ✓ Team interviews, review of events, and analyses
 - ✓ Synergy survey
 - ✓ Utility Services Alliance (USA) culture assessment
- Immediate actions in response to January 28th NRC letter
- Ongoing actions under *new management*

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