



Northeast
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April 11, 1994

Docket No. 50-336
B14795

Mr. Thomas T. Martin
Regional Administrator, Region I
U.S. Nuclear Regulatory Commission
475 Allendale Road
King of Prussia, PA 19406

Dear Mr. Martin:

Millstone Nuclear Power Station, Unit No. 2
Additional Information Regarding Allegations Matters

Thank you for your letter of March 17, 1994, regarding your office's conclusion that no further NRC action will be taken with respect to the allegations of violations of 10 C.F.R. 50.7 at Millstone Unit 2 investigated by the NRC's Office of Investigations in 1989 and 1992. While we are pleased that this particular matter is now behind us, we know that similar allegations have been made more recently. These allegations continue to be of serious concern to management, as we work to foster an environment where all employees feel free to raise nuclear safety issues that they believe to be important.

Although you did not request a response to your letter, we are taking this opportunity to share with you and your staff some of the more recent efforts we have undertaken to demonstrate our commitment to encourage more open communications and the raising of and proper handling of safety issues in every department of our organization. We have made this objective more visible by including it in our 1994 Business Plan. The Business Plan calls for management to recognize and promote the need for open discussion and resolution of safety issues identified by the organization. The Business Plan, and its implementation program, includes a set of specific initiatives designed to meet this goal.

We fully agree with you concerning the importance of being sensitive to concerns raised by employees, regardless of whether those concerns are made directly to supervision, to the Nuclear Safety Concerns Program (NSCP), to the NRC, or through any other mechanism the employee chooses; of encouraging employees to bring concerns forward, and providing appropriate incentives for doing

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so; and of correcting or resolving concerns brought forth in a timely and professional manner. Indeed, particularly since your pointed comments to our organization while at the Millstone Station in late 1993, we have reassessed the adequacy of our response to safety issues raised by employees, both in terms of substance and timeliness. We recognize that there have been instances where our responsiveness to issues raised was not appropriate or timely and our communication with the employees involved in raising those issues was unsatisfactory. While we are not aware of any instances where these shortcomings resulted in any adverse implication for public health and safety, we have taken these experiences to heart and have learned from them. In addition, steps are actively being taken to share these lessons more widely with the nuclear management team.

For example, our new NSCP Director facilitated a case study during a Vice Presidents/Directors meeting in February 1994 regarding a concern brought to his office in late 1993. A lively discussion ensued during which the participants analyzed both the nuclear safety and the interpersonal communications dimensions of the case. The NSCP Director also periodically conducts facilitated case studies during his quarterly meetings with the NSCP peer representatives. In addition, the NSCP Director recently has begun delivering a portion of the Engineering Ethics training module providing a similar forum for discussion as noted above. Similarly, during a meeting of all Directors and Managers in the Engineering Services Division in March, an individual responsible for raising a concern that was not appropriately handled by the organization was invited to address the group and express his perspectives and feelings, followed by break-out session discussions where managers and directors explored the cause for the dilemma as well as actions that would have prevented it from occurring. We believe that this was a significant insight and of great value to the group, and also provided a benefit to the individual. And, since July 1, 1993, Nuclear Licensing representatives have met on a periodic basis with various members and levels within the Engineering organization to discuss ways to enhance teamwork and more effective resolution of emerging issues. These are examples of recent efforts throughout the nuclear organization to improve the way we handle concerns as well as communications between key groups in our organization. In fact, among our Business Plan initiatives is an explicit mandate to identify methods for communicating management appreciation of employee participation in identifying and resolving nuclear safety issues. The culture of an organization evolves over time, and there are no instantaneous "fixes" to the shortcomings we have identified. These efforts are a top management priority, and progress on the initiatives in this area will continue to be actively monitored.

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We have made a concerted effort to demonstrate to employees who have raised safety issues that their concerns are taken seriously. In one case, management commissioned an outside technical review of the issues, and a meeting on the subject was arranged with an NU representative, the employee, and the NRC. In another case, we responded to the issues raised by requesting a team from Yankee Atomic Electric Company to look into the matter (and write a report on their findings), and by requesting Mr. James Partlow, formerly Associate Director for Projects, Office of Nuclear Reactor Regulation (and now a member of our off-site Nuclear Review Board for Millstone Unit No. 2) to spend several hours with the employee concerning the issues he had raised. In the course of facilitating an open dialogue on these issues, numerous meetings were held between the employee and the involved NU management team.

As a way to reinforce the desired signal to the workforce that management encourages employees to come forward with safety issues, and rewards them for doing so, we have renewed our emphasis on the ways in which we can express management appreciation for those who contribute to nuclear safety in this manner. In particular, we plan to use the "Spot Recognition" program more actively, with its associated monetary awards, to recognize individuals who raise issues professionally and responsibly, as well as managers who promptly and thoroughly address those matters.

Because of our recognition that the flow of information from the workforce is vital to the success of NU's nuclear program, and that supervisors bear an important responsibility in this regard, we also continue to look at ways to improve the skills, through training, of NU managers and supervisors (as well as NU contractors) to enable them to listen effectively and sensitively to employees who raise safety issues. We are, in addition, exploring various support mechanisms for supervisors who may need assistance or guidance in responding to nuclear safety issues.

We are confident that the recent restructuring of our nuclear organization will also help to foster a workplace that encourages the identification and resolution of technical issues. When our new Senior Vice President for Millstone Station came on board, he made it a point to publicly convey his expectation that all managers and supervisors were to respond in a constructive way to any employee raising a nuclear safety issue. Since December 1993, we also have a new Director of the NSCP, as previously noted, and we are confident that his leadership and new ideas will help to inspire enhanced trust and confidence in that Program, for those employees who wish to avail themselves of that option for raising nuclear safety issues.

What is more, our most senior executive and nuclear officers continue their practice of meeting regularly with groups of

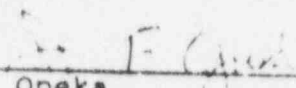
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employees to discuss the direction of NU's nuclear program and any issues or concerns on the minds of employees present. We have received positive feedback from these sessions. A recent experience involving an issue at Millstone Unit No. 2 clearly demonstrated management's responsiveness to an issue and excellent teamwork in resolving that issue.

As we work to address the challenge of assuring an open and responsive culture in our nuclear organization, we always appreciate the feedback and suggestions of the NRC, such as those in your March 17 letter. Should you have any questions or comments concerning this letter, I would be pleased to answer them.

Very truly yours,

NORTHEAST NUCLEAR ENERGY COMPANY



John F. Opeka
Executive Vice President

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