

201114
NOTE TO: Commissioner de Planque

THRU: Eileen McKenna

FROM: Neil Jensen

SUBJECT: DD-94-05: DIRECTOR'S DECISION RE: H&I AT MILLSTONE

RECOMMENDATION: [REDACTED] EX 5

BACKGROUND: In July 1993, Donald W. DelCore requested that NRC take enforcement action against Northeast Utilities because of alleged harassment and discrimination (h&i) against him stemming from his 1991 termination as an employee at Millstone. After his termination, Mr. DelCore filed a Section 211 complaint with DOL; the Area Director found in his favor; NU appealed; a settlement was reached before the ALJ reached a decision. OI did an investigation and interviewed 19 more of his supervisors and co-employees than had DOL. NU's claim is that although Mr. DelCore had been supplying safety allegations over a 4 year period, it was his insubordinate behavior and inability to get along with co-employees that finally led to his firing. Ultimately, [REDACTED] EX 5

[REDACTED] Thus, the Director denies this petition.

DISCUSSION: This matter has been thoroughly investigated and no reason appears to disturb the Director's Decision.

bracketed
portion

Cotton Mather Cleveland

MATHER ASSOCIATES, President (1981 to present)

Principal in this New England based management consulting firm (formerly known as MJD Associates), specializing in human resources and organizational development. Clients in banking, pharmaceutical manufacturing, and the not-for-profit sectors. Consults with executives in organization strategy and restructuring, in manpower and staffing assessments, and in upgrading and reinvigorating human resources functions.

LEADERSHIP NEW HAMPSHIRE, Executive Director (1991 to present)

On retainer part-time to the Leadership New Hampshire Board of Trustees to start-up, organize and administer this statewide leadership program designed to foster and expand the pool of key regional leaders from around New Hampshire and to develop an effective network from which statewide leadership programs can be filled. Program is co-sponsored by the New Hampshire Charitable Foundation and the Business and Industry Association of New Hampshire, and is administratively housed in the latter.

DIRECTORSHIPS:

BANK OF IRELAND FIRST HOLDINGS, Manchester, NH: Director, 1986 to present

FIRST NH BANK, Manchester, NH: Director, 1986 to present

NATIONAL GRANGE MUTUAL INSURANCE COMPANY, Weene, NH: Director, 1991 to present

NORTHEAST UTILITIES, Hartford, CT: Trustee, 1992 to present

APPOINTMENTS:

MONTSHIRE MUSEUM OF SCIENCE: Member, Board of Incorporators, 1992 to present

UPPER VALLEY COMMUNITY FOUNDATION: Member, Board of Incorporators, 1994 to present

GOVERNOR'S COMMISSION ON NEW HAMPSHIRE IN THE 21ST CENTURY: Co-Chair, 1989-91

UNIVERSITY OF NEW HAMPSHIRE: Chair, Vice Chair, Member, Board of Trustees, 1983-91

NEW HAMPSHIRE CHARITABLE FOUNDATION: Incorporator, 1984-92

PRESIDENT'S PERSONNEL ADVISORY TASK FORCE: Member, NH Delegation, 1988-89

NEW HAMPSHIRE PUBLIC TELEVISION: Member, Board of Governors, 1983-85

PREVIOUS EMPLOYMENT:

BLOCK-PETRELLA-WEISSBORD, Plainfield, NJ: Associate, 1980-1981

WARNER-LAMBERT COMPANY, Morris Plains, NJ: Personnel Supervisor/Organization Consultant, 1976-1979

1974-78: Graphic Management Systems, New York City, Office Manager; Whittemore School of Business, University of New Hampshire, Instructor; U.S. Congressional District Office, Concord, NH, Office Administrator.

EDUCATION: University of New Hampshire, Whittemore School of Business and Economics, B.S. magna cum laude.

PERSONAL

hiking in the White Mountains, and cross-country skiing, the theatre, reading.

EX 6

EX 6

4/1

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MEETING WITH NORTHEAST UTILITIES - JIM TAYLOR'S COMMENTS.

WE APPRECIATE THE OPPORTUNITY TO MEET WITH THE BOARD TODAY.

THE PURPOSE OF THIS MEETING IS TO SHARE DIRECTLY WITH YOU OUR CONCERNS WITH THE PERFORMANCE OF MILLSTONE UNIT 2.

OVER THE PAST FEW YEARS THERE HAS BEEN AN INCREASE IN THE NRC SENIOR MANAGEMENT FOCUS ON UNIT 2. (BOTH FROM THE REGION AND HEADQUARTERS)

AS YOU PROBABLY KNOW, THE NRC HOLDS SEMI-ANNUAL SENIOR MANAGEMENT MEETINGS. AT THESE MEETINGS THE SENIOR MANAGERS OF THE AGENCY DISCUSS THE PERFORMANCE OF PLANTS WHICH ARE OF CONCERN TO US. UNIT 2 HAS BEEN DISCUSSED AT OUR RECENT SENIOR MANAGEMENT MEETINGS, AND WE HAVE NOT YET SEEN A DISCERNABLE TREND OF IMPROVED REGULATORY PERFORMANCE.

AT OUR MOST RECENT SMM IN JANUARY, IT WAS DECIDED THAT TODAY'S DISCUSSION WAS AN APPROPRIATE NEXT STEP IN COMMUNICATING OUR CONCERNS.

THIS MEETING PROVIDES US THE OPPORTUNITY, WHICH WE FEEL HAS BECOME NECESSARY, TO COMMUNICATE TO YOU WHAT WE PERCEIVE TO BE THE PROBLEMS AT UNIT 2 AND THE MILLSTONE SITE IN GENERAL.

OUR INTENDED OUTCOME FROM THIS MEETING, AFTER YOU HEAR OUR CONCERNS AND WE ANSWER QUESTIONS YOU MAY HAVE, IS THAT NORTHEAST UTILITIES SERIOUSLY DWELL ON THE UNDERLYING CAUSES OF THE PROBLEMS, AND TAKE THE NECESSARY CORRECTIVE ACTIONS TO ACHIEVE A LONGLASTING TURNAROUND IN PLANT PERFORMANCE.

B/1

MEETING WITH NORTHEAST UTILITIES - BILL RUSSELL'S COMMENTS

NU, PARTICULARLY UNIT 2, HAS HAD LIMITED EFFECTIVENESS IN RESOLVING LONG-
STANDING PERFORMANCE ISSUES.

GOOD PROGRAMS ON PAPER, BUT LIMITED SUCCESS IN IMPLEMENTATION.

* PROBLEMS AT UNIT 2 ARE ~~NOT AS A~~ ^{ONLY PARTIALLY THE} RESULT OF INSUFFICIENT RESOURCES.

MARKED DIFFERENCE IN REGULATORY PERFORMANCE BETWEEN UNIT 2 AND UNITS 1&3.

* WE PROBABLY COULD HAVE ^{HIGHLIGHTED} ~~IDENTIFIED~~ UNIT 2 WEAKNESSES EARLIER; BUT OUR
INSPECTION AND ASSESSMENT PROCESS FOCUSED MORE ON THE SITE PERFORMANCE THAN ON
INDIVIDUAL UNITS.

WE WERE ALSO SOMEWHAT OCCUPIED IN RESPONDING TO THE LARGE NUMBER OF
ALLEGATIONS.

MINDSET ON KEEPING PLANT IN OPERATION AT EXPENSE OF GOOD SAFETY JUDGEMENT;
SOME DECISIONS RATIONALIZED INAPPROPRIATELY.

EQUIPMENT AND MATERIAL CONDITION PROBLEMS HAVE RESULTED IN PLANT STAFF,
PARTICULARLY OPERATORS, HAVING TO WORK-AROUND HARDWARE DEFICIENCIES. RESULTS
IN UNNECESSARY OBSTACLES WHICH OPERATORS MUST OVERCOME DURING ROUTINE
OPERATION AND TRANSIENT RESPONSE. PLANT STAFF EXPECTATIONS SHOULD BE THAT
THEIR EQUIPMENT WILL BE PROPERLY MAINTAINED AND RECEIVE TIMELY REPAIR; NOT
THAT THEY MUST LEARN TO LIVE WITH CORRECTABLE HARDWARE PROBLEMS FOR EXTENDED
PERIODS OF TIME. OTHERWISE, CAN RESULT IN AVOIDABLE OPERATIONAL CHALLENGES
AND SETS PLANT STAFF UP FOR POTENTIAL FAILURES.

ABOVE HARDWARE PROBLEMS RESULT FROM ENGINEERING AS WELL AS MAINTENANCE
SHORTCOMINGS. ENGINEERING DEPARTMENT HAS BEEN SLOW IN RESPONDING TO
LONGSTANDING EQUIPMENT AND MATERIAL CONDITION PROBLEMS. ENGINEERING MUST BE
AN ACTIVE PARTICIPANT WITH OPERATIONS AND MAINTENANCE DEPARTMENT IN ORDER TO
ACHIEVE SUBSTANTIVE IMPROVEMENT IN REDUCING HARDWARE PROBLEMS AT THE SITE.

POOR COMMUNICATIONS BETWEEN UNITS AND DEPARTMENTS HAS LED TO A NUMBER OF
PERFORMANCE PROBLEMS. UNITS DON'T SHARE INFORMATION WELL.

ATTEMPT TO CREATE HEALTHY COMPETITION BETWEEN UNITS INSTEAD RESULTED IN
CREATING INDIVIDUAL SILOS WHICH HAS NOT MAXIMIZED TAKING ADVANTAGE OF
OPPORTUNITY TO LEARN LESSONS FROM NEIGHBORING UNITS.

Tim - focus on
message intended
on X - may not
be totally accurate
Bill

B/2

NOT UNCOMMON THAT EACH UNIT HAS DIFFERENT PROCESS, PROCEDURE, OR APPROACH FOR HANDLING IDENTICAL COMPONENT ISSUES.

WE HAVE SEEN SOME EARLY SIGNS OF IMPROVED PERFORMANCE SINCE THE 442 LETDOWN VALVE ISSUE.



W. T. Russell / T. T. Martin
MILLSTONE VISIT

Wednesday, September 7, 1994

L. CHATFIELD / R. KACICH

THE EMPLOYEE CONCERNS ISSUE IS RECOGNIZED AS A MAJOR CHALLENGE FOR NU

- **NUCLEAR GROUP OPERATIONAL EXCELLENCE OBJECTIVE #3**
 - “Improve employee communications and morale to such an extent that the level of employee allegations falls well below industry norms.”
- **ISSUE SPECIFIC STRATEGY HAS BEEN DEVELOPED AND IS BEING IMPLEMENTED (SEE ATTACHMENT ‘NU STRATEGY - EMPLOYEE CONCERNS’)**
- **NSCP INITIATIVES AND ENHANCEMENTS**
- **IMPORTANT ELEMENT OF 1994 BUSINESS PLAN**

**THE STATUS AND TRENDING OF NSCP
CONTACTS IS OF HIGH INTEREST TO NU
MANAGEMENT**

- MONTHLY STATUS IS INCLUDED IN MOP
- QUARTERLY REPORTS ARE ISSUED TO CEO
- PERIOD UPDATES ARE MADE TO BOARD OF TRUSTEES AND CORPORATE RESPONSIBILITY COMMITTEE

THE NSCP PEER REPRESENTATIVE PROGRAM IS BEING REFINED TO BE COMPATIBLE WITH OTHER RECENT INITIATIVES

- **PRESENT GROUP MEMBERSHIP - 30**
- **CONTACT FREQUENCY 4-6 MONTH ON AVERAGE**
 - SOME QUESTIONING STATUS OF ON-GOING ISSUES
 - SOME WORKING ISSUES IN LINE AREAS
 - » LOOKING FOR HELP/ADVICE
 - SOME WORKING TO TURN OVER ISSUES TO NSCP DIRECTOR
- **PEER GROUP RESTRUCTURE**
 - VOLUNTARY MEMBERSHIP
 - UTILIZED PEER WORKING GROUP TO SHAPE RESTRUCTURE
 - RESULTING FROM NUCLEAR REORGANIZATION
 - » LESS THAN OPTIMUM DEMOGRAPHICS
 - » SUPERVISORY MEMBERSHIP TOO HIGH
 - SEVERAL RESIGNATIONS DUE TO PERSONAL REASONS AND TO REDUCE SUPERVISORY COMPLEMENT
 - THREE NEW APPOINTMENTS IN 1994
 - » CY INFO CENTER, MP3 I&C AND QAS
 - RESTRUCTURE COMPLETION PLANNED FOR FOURTH QUARTER, 1994

INITIATIVES BEYOND THE NSC PROGRAM OFFICE ARE CONTINUING

- **CASE STUDY PRESENTATIONS TO VP/DIRECTORS, NSCP PEERS AND CULTURAL ADVISORY COMMITTEE**
- **PARTICIPATION BY NSCP DIRECTOR IN NUCLEAR ETHICS TRAINING**
- **WORKING WITH VARIOUS NU ENTITIES TO IMPROVE MANAGEMENT DEVELOPMENT TRAINING**
 - **AWARENESS-NEW EMPLOYEE CONCERNS TRAINING PROGRAM**
 - **SKILLS AND KNOWLEDGE - MARC, FLS**
- **PARTICIPATION BY NSCP DIRECTOR IN DEPARTMENTAL MEETINGS**
 - **NTD - TEAM BUILDING**
 - **CASE STUDY PRESENTATION - ENGINEERING SERVICES**
- **WORKING WITH PROFESSIONAL DISSENT ACTIVIST TO BETTER UNDERSTAND PEOPLE RELATED ISSUES**
- **NGP 2.15 UPDATED**
 - **NSC PROGRAM BRIEFINGS TO INDIVIDUALS WHO DO NOT REQUIRE UNESCORTED ACCESS**

VISIBILITY IMPROVEMENT IS THE NSCP #1 **GOAL**

- **MOVE NSCP OFFICE TO MILLSTONE SITE**
- **NSCP VISIBILITY BY WALKING AROUND**
 - **ALL NUCLEAR LOCATIONS**
- **NSCP PARTICIPATION IN TRAINING PROGRAMS (NOTED ABOVE)**
- **NSCP STAFFING LEVEL**

EMPLOYEE CONCERNS ARE BEING ADDRESSED **SYSTEMATICALLY AS GOVERNED BY THE 1994** **BUSINESS PLAN**

- FOLLOW-UP FROM PEP ACTION PLAN ON NUCLEAR SAFETY CONCERNS
- COMPLEMENTARY TO NSCP OFFICE INITIATIVES
- COMPLEMENTARY TO DON MILLER'S CULTURE CHANGE INITIATIVES
- ISSUANCE OF NEW OR REVISED NUCLEAR GROUP POLICIES
- RESULTS OF INPUT COLLECTED FROM NRC TEMPORARY INSTRUCTION ON EMPLOYEE CONCERNS EVALUATED
- RECENT RESPONSE TO CHILLING EFFECTS LETTER PROVIDES CURRENT STATUS

A SUPERVISORY RESOURCE GUIDE TO ASSIST MANAGEMENT IN THE FIELD IS BEING FINALIZED

- **EMPHASIZES SAFETY FIRST**
- **WRITTEN FOR SUPERVISORS, NOT LAWYERS**
- **CONSOLIDATES POLICIES AND GUIDELINES IN ONE LOCATION**
- **PROVIDES A CHECKLIST FOR DEALING WITH NUCLEAR SAFETY ISSUES**
- **IDENTIFIES WHERE TO GO TO GET HELP**
- **ADDRESSES “UNUSUAL” SITUATIONS**
 - **COOPERATION WITH INTERNAL INVESTIGATIONS**
 - **TAPE RECORDING**
 - **SUBPOENAS**
 - **REQUESTS FOR TIME OFF**
- **BEING LINKED TO NEW EMPLOYEE CONCERNS TRAINING
(STARTING Q4, 1994)**

MANAGEMENT SENSITIVITY TO RESPONSIBLY HANDLING EMPLOYEE CONCERN IS DISPLAYED BY OUR ACTIONS

- **THIRD PARTY REVIEWS AND A MEETING IN WHITE FLINT TO ADDRESS GDC-17 COMPLIANCE CONCERNS**
- **SPOT RECOGNITION PROGRAM/OTHER RECOGNITION**
- **MANAGEMENT ATTENTION AND RESOURCES ON MILLSTONE 1 ISSUES**
 - **TECHNICAL REVIEW BY YAEC**
 - **RETAINED J. PARTLOW**
 - **EXTENSIVE MANAGEMENT INTERACTIONS AT MANY LEVELS**
- **THOROUGH AND SENSITIVE RESPONSE TO DPO**

**MANAGEMENT SENSITIVITY TO RESPONSIBLY
HANDLING EMPLOYEE CONCERN IS
DISPLAYED BY OUR ACTIONS**

- **RETROSPECTIVE REVIEW BY MANAGEMENT TEAM OF THE HANDLING OF TECHNICAL QUESTIONS**
- **INITIATIVES REGARDING 10CFR2.206 PETITIONERS**
- **RESOLUTION OF MILLSTONE 1 FWCI ISSUE OF 1989**
- **ONGOING COMMUNICATION WITH FORMER NU EMPLOYEE**
- **COMMUNICATION WITH CONCERNED CITIZENS NEAR SEABROOK**

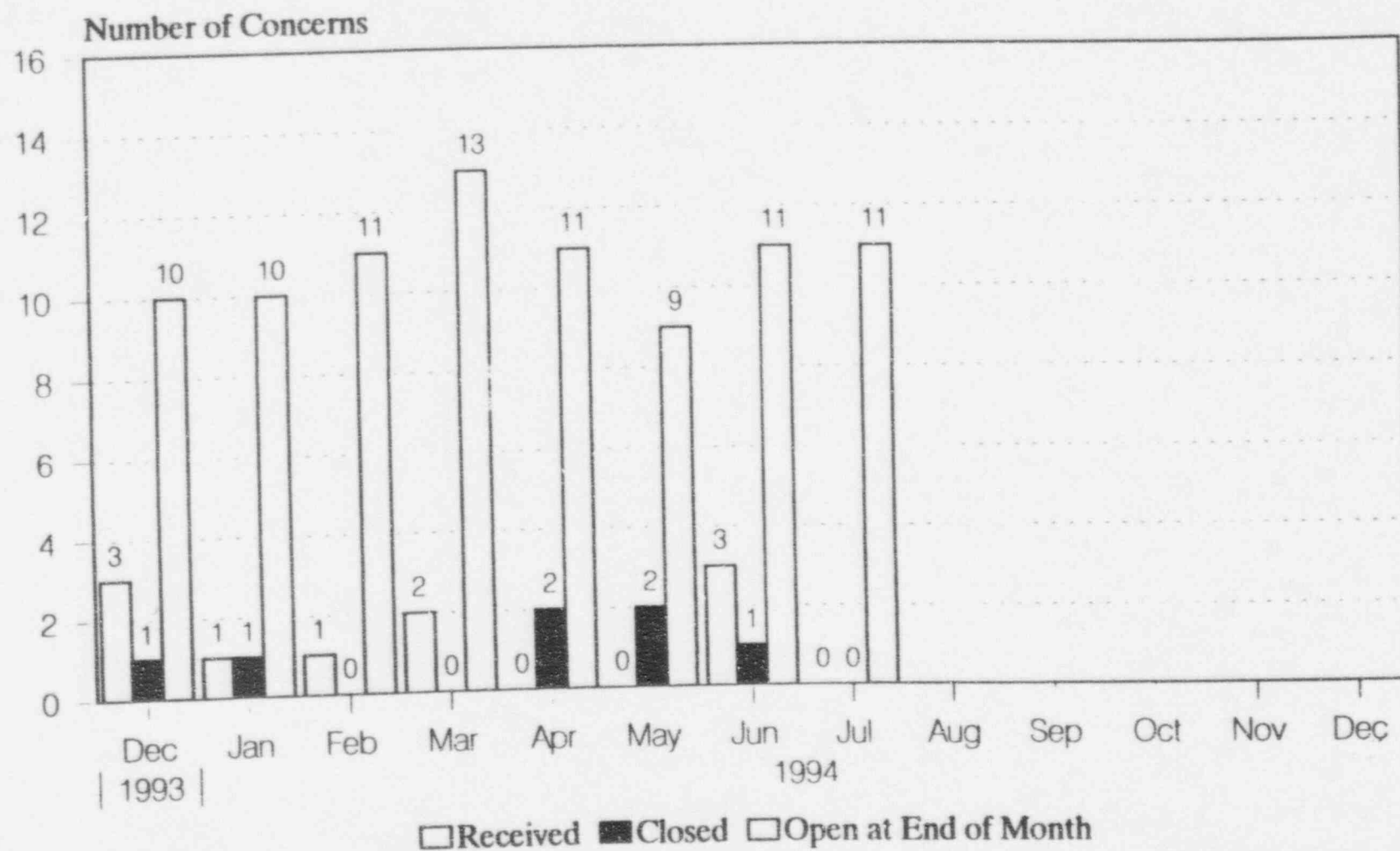
31. Nuclear Safety Concerns

NU Definition: Nuclear safety concerns are nuclear or radiological events or observations believed to violate regulatory requirements or NU policy or procedure concerning nuclear safety, which have not been adequately/promptly addressed by formal Quality Program Reporting mechanisms or fall outside the scope of the formal reporting mechanisms; e.g., Nonconformance Reports, Plant Incident/Information Reports, Drawing Change Requests, etc.

Month-Year	Concerns Received	Concerns Closed	Concerns Open At End of Month
Dec-93	3	1	10
Jan-94	1	1	10
Feb-94	1	0	11
Mar-94	2	0	13
Apr-94	0	2	11
May-94	0	2	9
Jun-94	3	1	11
Jul-94	0	0	11
Aug-94			
Sep-94			
Oct-94			
Nov-94			
Dec-94			

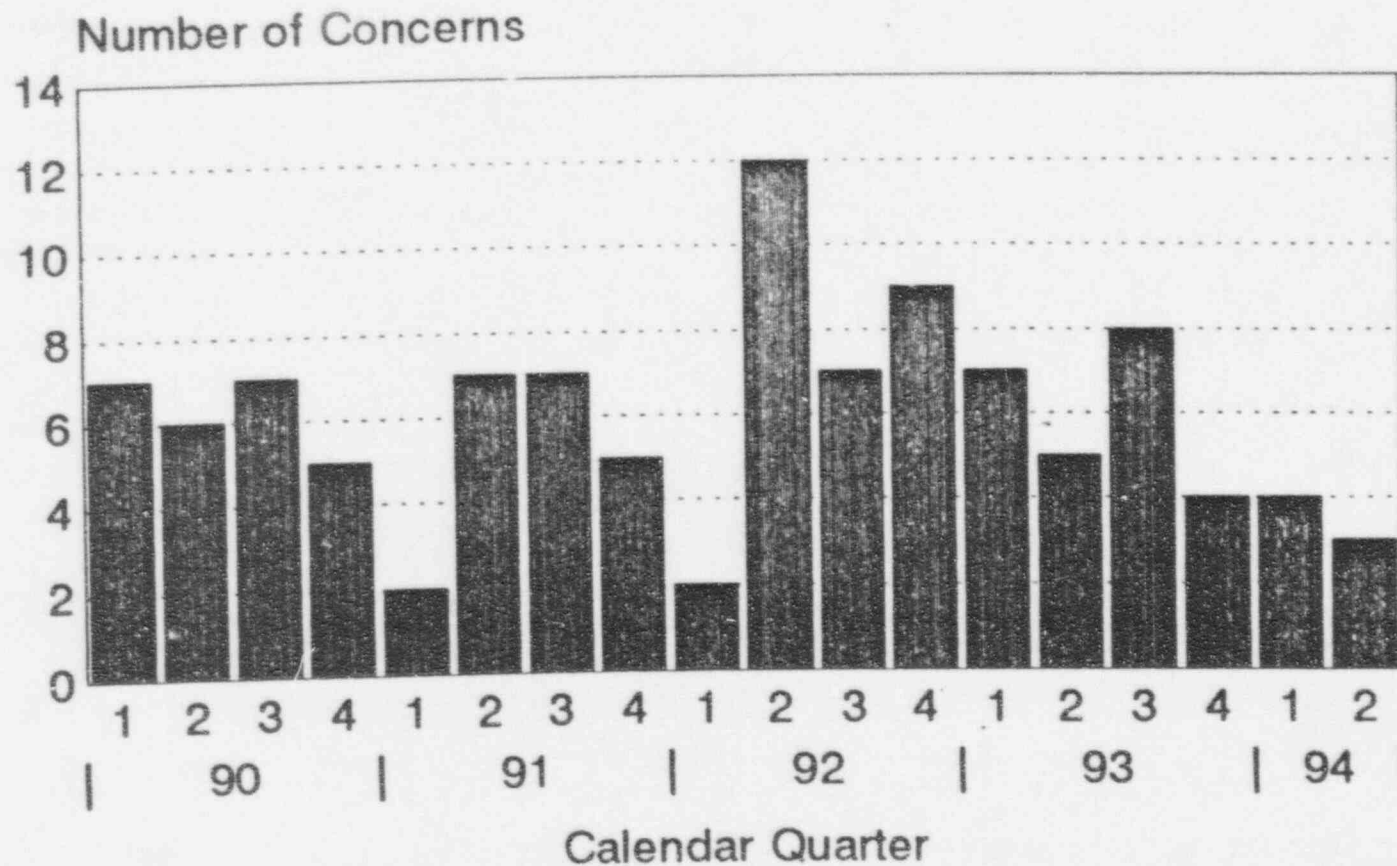
Data Source: L. Chatfield, MP Ext. 4335

31. Nuclear Safety Concerns



Case History To Date

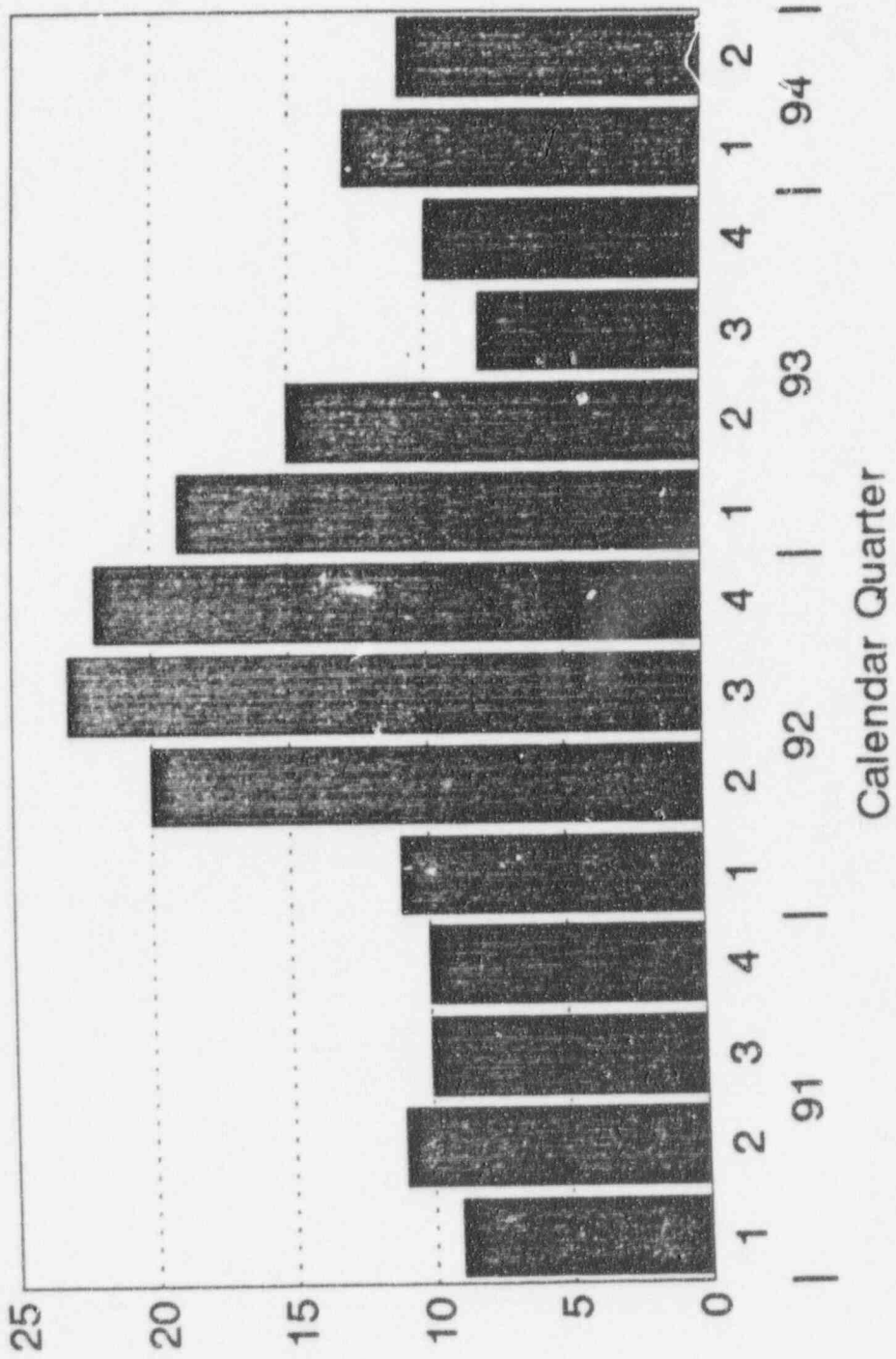
Total Number of Concerns



Total Concerns Received To Date - 107

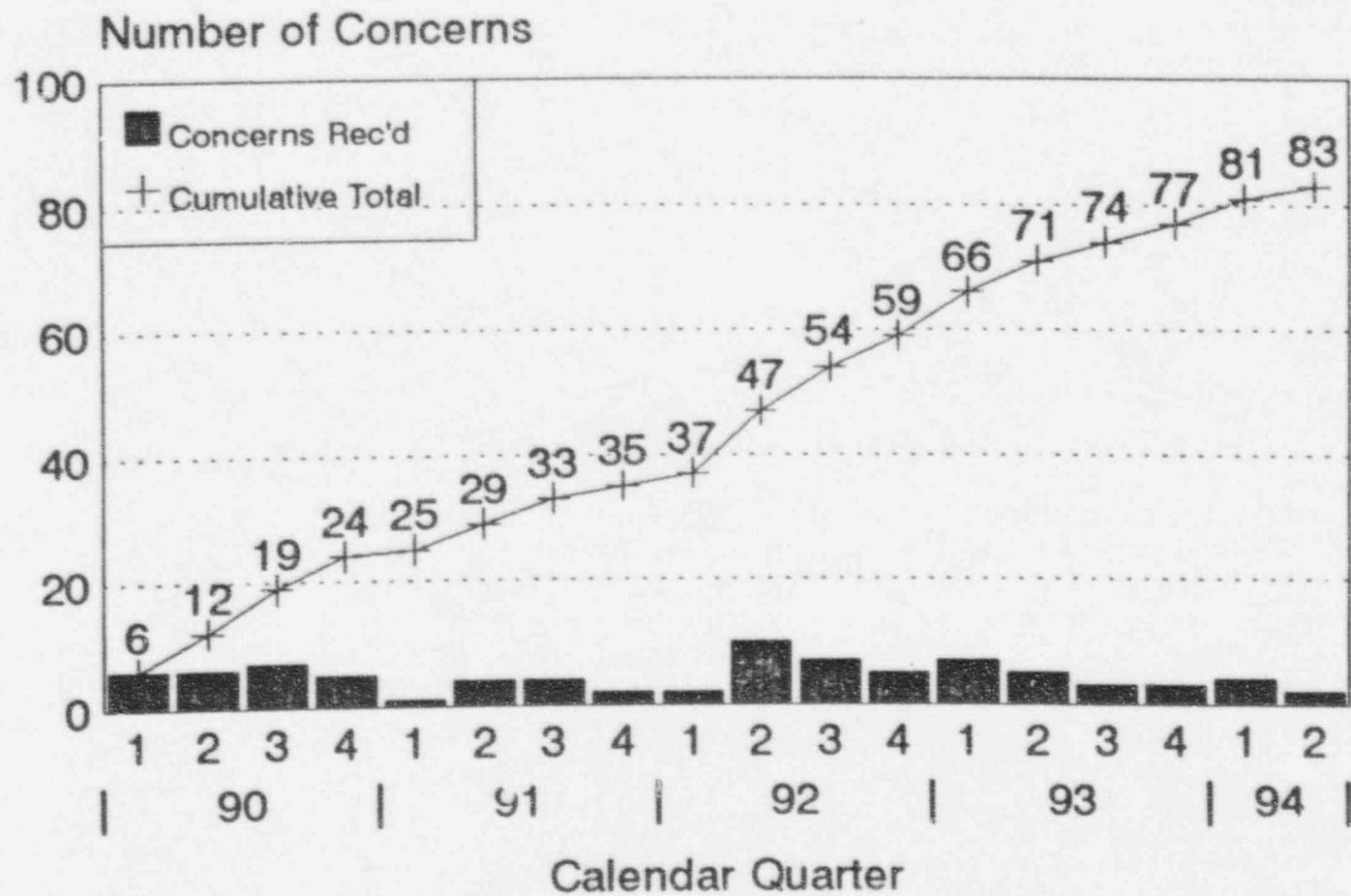
OPEN NSCP CASES

Number Of Open Cases At The End Of Each Quarter



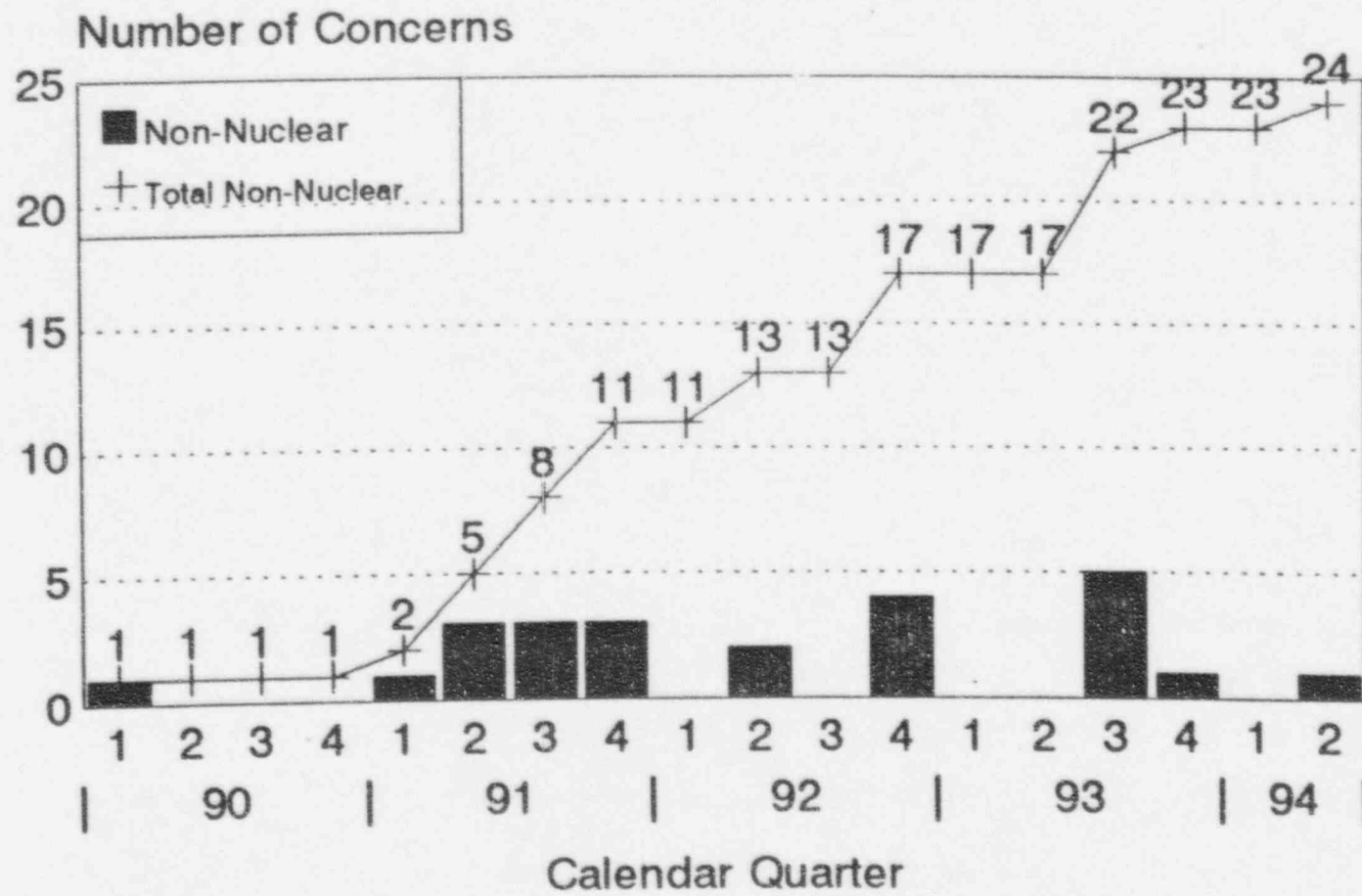
Nuclear

Case History To Date

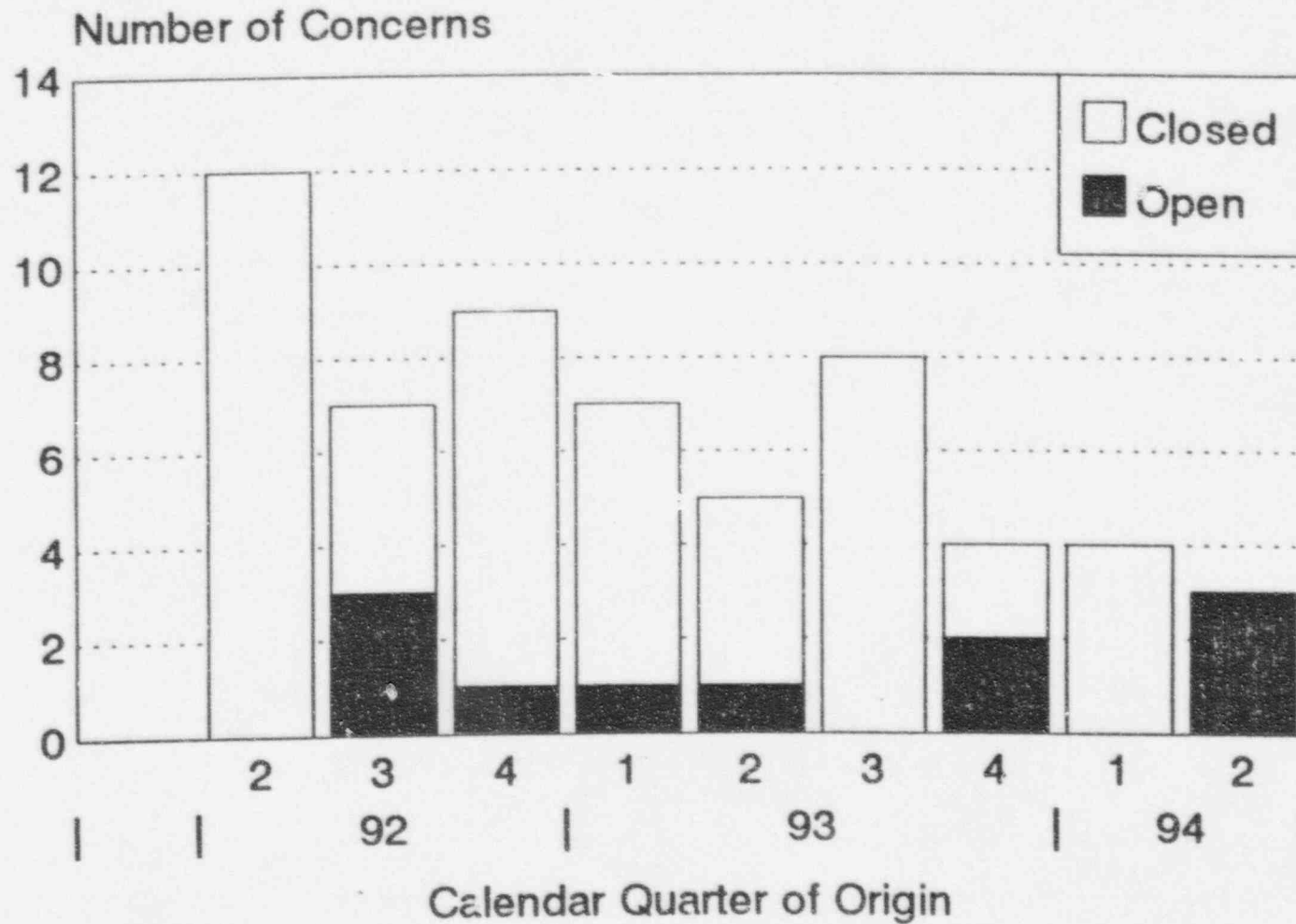


Non-Nuclear

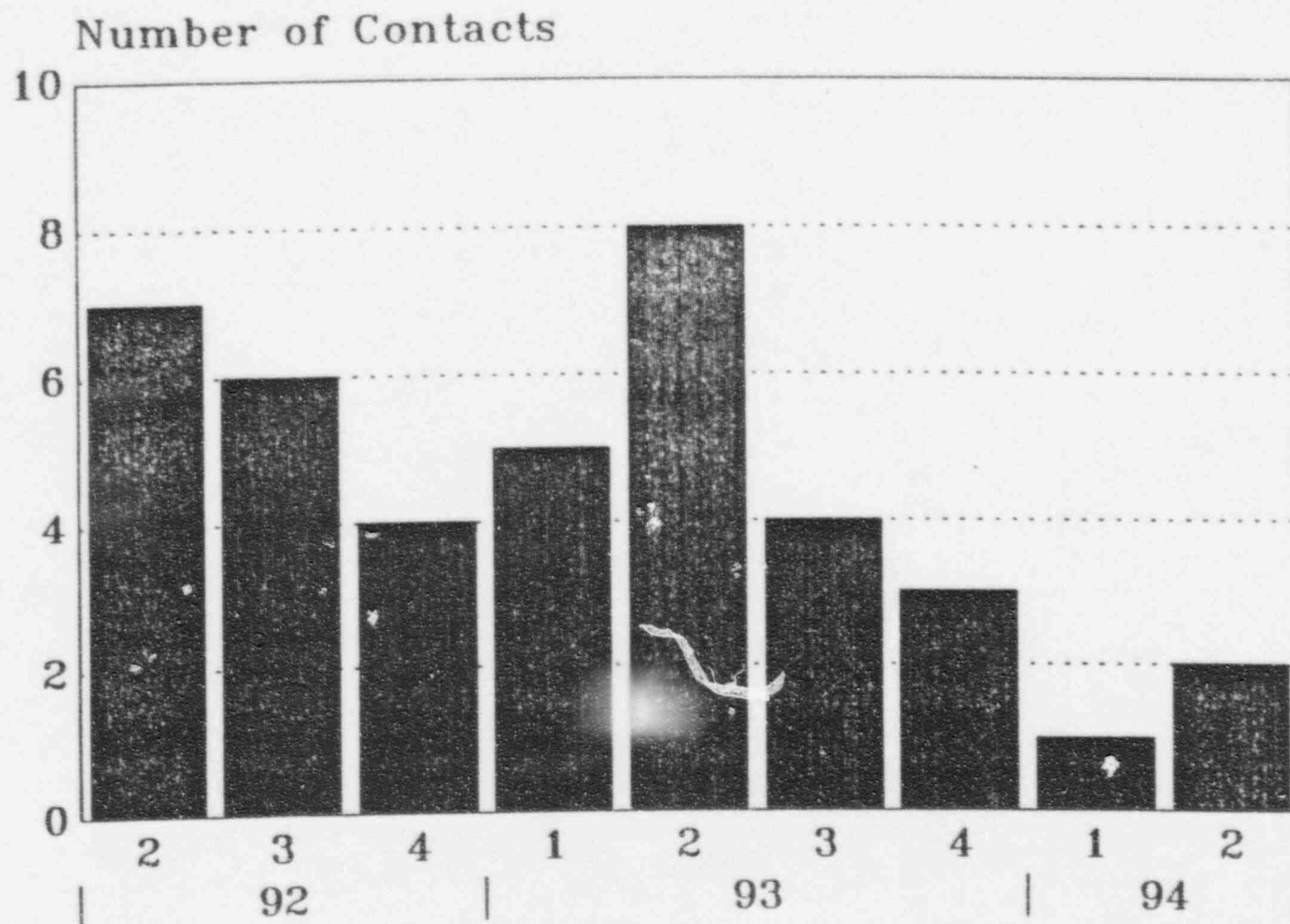
Case History To Date



Open Case History Summary



Peer Representative Activity



August 1994

NU STRATEGY -- EMPLOYEE CONCERNS

OPERATIONAL EXCELLENCE OBJECTIVE #3

Improve employee communications and morale to such an extent that the level of employee allegations falls well below industry norms.

A. Creating the Desired Work Environment

1. Don Miller's Cultural Change Initiatives
 - a. Management by Walking Around
 - b. To-The-Point articles
 - c. Use of OD consultants to reinforce desired behavior
 - d. Responsibly deal with specific cases as they arise
 - e. Awareness Meetings
2. MARC Training
3. Employee Concerns Training (start fourth quarter 1994)
4. Manage employee performance -- ensure accurate and consistent performance appraisal
5. NSCP initiatives to facilitate change within the Nuclear Group

B. Dealing with Employees Who Express Concerns

1. Responsive approach to expressed concerns, in both substance and timing
 - a. Obtain specific detail
 - b. Stay totally objective
 - c. Reward the notable cases, e.g., Spot Recognition, management attaboy
2. Timely and thorough (real root cause) responses to incoming NRC letters regarding allegations
3. Utilize extra measures, as appropriate
 - a. Staff augmentation
 - b. Third-party mediators, facilitators.
4. Keep NRC well informed

August 1994

5. Keep Congressional Staff and the media appropriately informed
6. Coordinate actions in multiple jurisdictions, e.g., NRC, DOL, NLRB. Conference frequently on each case to make sure all parties are informed, on board, and that timely actions are taken.
7. Look for or create opportunities for resolution, e.g., voluntary employee transfer
8. Periodic senior NU management reviews of the big picture to provide guidance and address policy issues