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**SIEMENS**

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USNRC

May 27, 1997

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U.S. Nuclear Regulatory Commission  
Attn: David Meyer, Chief  
Rules Review and Directives Branch  
Division of Freedom of Information and Publication Services  
Office of Administration  
Mail Stop: T6D59  
Washington, DC 20555

Dear Mr. Meyer:

**Subject: Comments on NRC Proposed Strategies Relative to Safety-Conscious Work Environment (Federal Register Vol. 62, No. 38, February 26, 1997)**

The following comments are provided by Siemens Power Corporation (SPC) in response to NRC's proposed strategies relative to the establishment and maintenance of a safety-conscious work environment by NRC licensees. SPC operates a nuclear fuel fabrication plant at Richland, Washington and as such is regulated as a major materials licensee under 10 CFR Part 70 (NRC License No. SNM-1227). In addition to our own comments, we have participated in the development of, and fully support, the comments being forwarded on this issue by the Nuclear Energy Institute (NEI).

Although SPC fully concurs with the need for and the value of a safety-conscious work environment at NRC licensed facilities, we feel strongly that the NRC should not proceed with its proposed actions in this regard. Basic to our position is our belief that an effective safety culture or ethic cannot be "regulated into being." Efforts by the NRC to impose program requirements or particular corrective actions directed to that end constitute an inappropriate encroachment on the management prerogative of licensees. More specific comments are provided below.

Development and maintenance of an effective safety culture is not amenable to a standardized approach imposed by an outside agency. Although exceptions can always be found, the nuclear industry has been highly successful in nurturing a safety-conscious work environment where safety concerns are self-identified, investigated, and resolved. Approaches should be allowed to vary from licensee to licensee; imposed standardized approaches may divert licensee efforts and resources away from innovative, flexible, and effective programs towards strict regulatory compliance.

The NRC has effectively conveyed its message regarding the responsibilities of licensees and the rights, responsibilities, and protections of their employees relative to establishment of a safe working environment. Mandatory posting of NRC Form 3 and the issuance of the May, 1996

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Policy Statement, "Freedom of Employees in the Nuclear Industry to Raise Concerns Without Fear of Retaliation" are examples. In addition, NRC has adequate inspection, corrective action, and enforcement authorities under its current regulatory framework to address safety program/safety culture issues. Although the Millstone situation is a highly visible and recent example, the NRC has a long history of holding licensees accountable for both the technical and less tangible "cultural" aspects of their safety programs. Additional regulations as currently proposed are not needed or warranted.

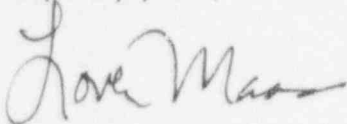
The indicators proposed by the NRC as evidence of emerging adverse trends do not have an objective, consistent, or clearly demonstrated relationship to the actual safety consciousness of the work environment. Allegations made to outside regulatory agencies reporting cases of harassment, intimidation, or safety/regulatory concern can be heavily influenced by confounding variables including labor relations, company downsizing, or individual personnel actions. Furthermore, since two of the listed indicators involve interactions directly between licensee employees and the regulatory agencies, licensee management could be essentially excluded from appropriate knowledge of, evaluation of, or response to these issues as they relate to the safety-conscious work environment. The net result is a regulatory environment where licensees could be evaluated based on information that is subjective, largely unknown to them, and of questionable relation to actual safety program effectiveness.

Lastly, the remedies that the NRC is proposing to require of licensees, determined by NRC to be deficient with respect to a safety-conscious work environment, may or may not be effective in remedying the perceived shortcoming. Independent surveys, independent oversight groups, and wage/benefit holding periods may be clearly beneficial, of little value, or decidedly counter-productive, depending on the specifics of the situation. In this regard, SPC is decidedly against NRC imposition of a holding period policy. The holding period concept can be applied beneficially but is also subject to manipulation and abuse by employees. In any event, it should be decisions by licensee management that dictate these actions.

In summary, SPC feels that industry has adequate programs, and that NRC has adequate existing regulatory options, to assure establishment and maintenance of safety-conscious work environments at NRC-licensed facilities. The actions proposed by the NRC in the Federal Register notice are not needed, would not necessarily be beneficial, and in many cases insert NRC in a management role clearly the responsibility of licensee management. We urge the NRC not to proceed on the course of action outlined in the Federal Register notice.

We appreciate the opportunity to comment on this NRC proposal. If you have questions regarding our comments, please feel free to contact me on 509-375-8537.

Very truly yours,



L. J. Maas, Manager  
Regulatory Compliance