

ENCLOSURE

NORTHEAST UTILITIES

THE GREAT CHARTER UTILITY AND POWER COMPANY
 PROVIDES A COMPLETE RANGE OF SERVICES INCLUDING
 ELECTRICITY, GAS, STEAM, AND WATER
 TO THE COMMUNITY. WE ARE COMMITTED TO
 EXCELLENCE IN SERVICE AND SAFETY.

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P.O. BOX 370
 HARTFORD, CONNECTICUT 06141-0271
 (803) 665-5000

October 25, 1991

Docket No. 50-336
B13952

Mr. Thomas T. Martin
 Regional Administrator
 U.S. Nuclear Regulatory Commission
 475 Allendale Road
 Ring of Prussia, Pennsylvania 19406

Dear Mr. Martin:

Millstone Nuclear Power Station, Unit No. 2
Employee Concerns

Several weeks ago, you were verbally advised that we had contracted with a third-party to conduct an independent review of NU's programs involving employee concerns. The final report provided to us is included as Enclosure 1 for your information and review. This report contains proprietary information and is supported by the enclosed affidavit. Accordingly, it is respectfully requested that the information contained in Enclosure 1 be withheld from public disclosure in accordance with 10CFR2.790.

Very truly yours,

NORTHEAST NUCLEAR ENERGY COMPANY

J. F. Opoka
 J. F. Opoka
 Executive Vice President

cc: w/o Enclosure:
 G. S. Vissing, NRC Project Manager
 E. M. Kelly, Chief, Reactor Projects Section 4A
 W. J. Raymond, Senior Resident Inspector, Millstone Unit
 Nos. 1, 2, and 3

U. S. Nuclear Regulatory Commission
 Attention: Document Control Desk
 Washington, DC 20555

NORTHEAST NUCLEAR ENERGY COMPANY
AFFIDAVIT SUPPORTING REQUEST TO WITHHOLD
DOCUMENTS FROM PUBLIC DISCLOSURE

I, J. F. Opeka, being duly sworn, depose and state as follows:

1. I am Executive Vice President, Engineering and Operations, and as such I am responsible for the review of the information referenced herein sought to be withheld from public disclosure. I am submitting this affidavit in connection with the provisions of 10CFR Section 2.790(b) of the Commission's regulations.
2. The information sought to be withheld constitutes information contained in the personnel files or similar files of Northeast Nuclear Energy Company (NNECO) and/or utilized by NNECO in making personnel determinations and/or which makes reference to the conduct of performance of named individuals.
3. NNECO considers documents relating to personnel matters to be confidential when they contain evaluations of or comments on NNECO employees or other employee-specific information, public disclosure of which would infringe upon the employee's privacy.
4. Further, the information sought to be withheld constitutes an optional analysis undertaken for the purpose of improving corporate performance, and public disclosure of such information could undermine the important public policy interest in the promotion of candid and unimpeded self-evaluation.
5. This information is of a type customarily held in confidence by NNECO and, other than its disclosure to the Commission, is intended to be held in confidence and not disclosed to the public.
6. Under NNECO policy, such information is to remain confidential, and public disclosure of this information would violate employee expectations that personnel information will remain confidential.
7. The information sought to be withheld is being transmitted to the Commission in confidence pursuant to the provisions of 10CFR section 2.790 with the understanding that it is to be received in confidence and withheld from public disclosure by the Commission.

8. The information sought to be withheld, to the best of my knowledge, is not available in public sources, and any disclosure to third parties has been and will be made pursuant only to regulatory requirements that provides for the maintenance of the information in confidence.

The above paragraphs are true and accurate to the best of my knowledge, information and belief.

Executed this 25 day of October, 1991.

J. F. Opeka
J. F. Opeka

State of Connecticut)
County of Hartford) ss. Berlin

Sworn and subscribed to before me this 25th day of October, 1991.

Laurie R. Shuckler
Notary Public

My commission expires:

March 31, 1996

Docket No. 50-336

Enclosure 1

Millstone Nuclear Power Station, Unit No. 2
Employee Concerns

October 1991

HUKILL & HUKILL, Inc.

7 Meadowbrook Lane
Elizabethtown, PA 17022
(717) 367-8642

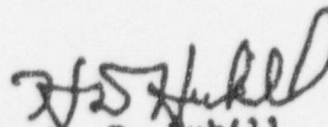
October 17, 1991

Mr. Edward J. Mroczka
Senior Vice President
Nuclear Engineering and Operations
Northeast Utilities
P.O. Box 270
Hartford, Connecticut 06141-0270

Dear Mr. Mroczka:

Enclosed is the Report of my review of the company's programs for employees to raise concerns and the company's reaction to these concerns. This review was concentrated on the Electrical and I&C groups at Unit 2 because of the significant number of concerns raised by individuals in these groups. Should you have any questions in regard to the conclusions or recommendations set forth in the Report, please contact me.

Sincerely,


H. D. Hukill

Enclosure

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Third Party Review in the Area of Employee Concerns

I INTRODUCTION

This review began with a two part purpose, to determine: (1) the willingness of NU personnel to raise concerns through the chain of command or other approved lines of reporting within NU, and; (2) the receptivity of NU supervision and management to such concerns. Since there has been an inordinate number of employee concerns within specific departments at the Millstone, Unit 2, facility, NU requested that personnel within the affected work-units be interviewed in a way that fosters employee confidence and ascertains the root cause for these continuing concerns.

II. BACKGROUND, METHODOLOGY, AND SAMPLE

Enclosure 1 contains my professional background. As that background indicates, I have had no previous involvement with either NU or the Millstone sites. Apart from the information provided in the course of the interviews, no NU manager or representative attempted to direct my efforts in any substantive matter nor review or alter my findings in advance of this report.

Since criticisms over the receptivity of management to employee concerns appeared to be centered within the Electrical and Instrumentation and Controls (I&C) groups at Unit 2, those groups were the focus of interviews.

A set of questions was developed designed to determine the willingness of NU personnel to raise safety concerns and the receptivity of supervision and management to those concerns.

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These questions are set forth in Enclosure 2, however, the attached questions were varied and supplemented in the course of individual interviews so as to stimulate spontaneous, individual responses.

About one to two hour interviews were held with approximately 30 NU personnel. Included among those interviewed were: substantially all Millstone, Unit Two, Electricians; substantially all Millstone Unit Two, I&C Technicians; current and previous immediate supervisors within those two work groups; managers and directors within the chain of command of those two work groups up through the Station Director; operations personnel; the Directors of Units 1 and 3; and other personnel involved in the disposition of concerns currently being raised relative to NU. Questions were intended to define organizational dynamics, processes, and existing concernee motivations and desires.

In addition, a selected document review was conducted to determine the quality of procedures used in addressing the raising of safety concerns, including; Nuclear Engineering and Operations Procedure NEO 2.15, Nuclear Safety Concerns Program, Revision Six, dated April 20, 1990.

III. RESULTS OF INTERVIEWS WITH SELECTED PERSONNEL

1. Introduction

Although all interviews initially followed the set of questions in enclosure 2, and at no time were the names of

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specific individuals initially raised by the interviewer, in nearly every interview the interviewee focused their comments on

[REDACTED] EX 6
[REDACTED] Substantially all personnel interviewed hold strong opinions concerning the manner in which these [REDACTED] EX 6
conduct themselves on site, and as described below, a majority of the personnel interviewed alter their conduct as a result of a concern over, and at times fear of, retribution [REDACTED] EX 6
[REDACTED]

As a result of the information developed in the interviews, this report addresses: (1) the willingness of employees to raise concerns and the corresponding receptivity of management toward those concerns; (2) employee's views of increasing levels of management; [REDACTED] EX 6
[REDACTED] and; (4) the impact of that conduct on the organization and site activities. Finally, recommendations are provided.

2. Willingness Of Employees To Raise Concerns and the Corresponding Receptivity of Management

In the course of interviews, the vast majority of personnel were candid and open, and demonstrated a clear understanding of the need to raise safety concerns to assure the safe operation of the Unit. Personnel generally displayed a mature attitude toward their jobs and had a level of experience at or exceeding the level seen elsewhere. [REDACTED] EX 6
[REDACTED]

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~~_____~~
~~_____~~ personnel were in substantial agreement that raising safety concerns through the chain of command is both the preferred approach and the one desired by NU. Personnel also indicated a general willingness to raise safety concerns through the chain of command. Personnel at the working level indicated that if confronted with a concern which they either couldn't raise, or had raised to no avail with their immediate supervisor, they would either: (1) raise it with a higher level of NU management; (2) go directly to the NRC; or (3) submit it to the Nuclear Safety Concerns Program (NSCP).

Employees at the working level generally understood the NSCP. Although the NSCP was usually characterized as a well-designed program, few employees indicated a willingness to use the program. When confronted with a concern not being adequately addressed by supervision, most employees indicated that they would raise the concern with either second level management or go directly to the NRC. The perception of the NSCP as an effective avenue for concern resolution appears to be hampered by its off-site location, coupled with a preoccupation with confidentiality. Confidentiality is automatically bestowed on a concernee, even if it is not requested and even under circumstances when it cannot be assured in light of the concern expressed. This unnecessarily erodes the program's credibility and impacts its effectiveness.

Personnel at both the working level and management evidence little knowledge of the Nuclear Review Team (NRT)

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program. Few understand its relationship to the NSCP and when one program should be utilized rather than the other. The NAT program appears redundant and unnecessary.

EX. 6

3. Employee's Views of Management

Interviews revealed a mutual respect among employees, as well as good communications among the co-workers and their immediate supervisors. [REDACTED] EX. 6

Employees generally considered their second level managers as accessible as their first-line supervisors. Employees and managers evidenced a mutual respect for one another and good working relationships.

Most employees knew the Unit and Station directors well, and indicated a level of familiarity greater than what is typically seen at other sites. [REDACTED] EX. 6

EX. 6

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EX. 6
[REDACTED] to the director level because it was viewed that in the past directors have not lived up to commitments. There is a sense among working-level personnel that the commitments by onsite directors are overruled by corporate management and accordingly, co-workers lack confidence in raising issues with the directors. There was a generally expressed view that if an issue could not be resolved by the first line supervisor or second level manager, an employee would probably go to the NRC. A smaller number would go to the NSCP under such circumstances. When asked to explain this perception the two examples consistently provided were corporate management's reversal of a site management decision to investigate how

[REDACTED] co-workers and [REDACTED] refusal to cooperate in a company investigation into a [REDACTED] EX. 6

EX. 6
Both employees and site directors perceive an excessive amount of direction from corporate management on issues that are viewed to be properly site issues. As an example, supervisors and managers indicate they do not have the authority to administer discipline, even for minor infractions [REDACTED] without specific direction and/or approval from headquarters. Additionally, corporate managements' decision to overrule site directors' agreement to investigate the apparent unauthorized release of personnel records including,

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employee evaluations, sent a clear message to site personnel regarding the limited authority of those senior managers and

ors on site. Both employees and site directors do not

perceive a strong message from senior management [REDACTED]

EX. 4 [REDACTED] and perceive signals as frequently mixed and/or reversed. Their understanding of

headquarters guidance is "take the high road", don't rock the

boat, and don't in any case [REDACTED] and EX. 6

hopefully the issues will somehow resolve themselves.

In short, the message about bringing concerns through the chain of command is being received by working level personnel, but is not being followed

EX. 4 [REDACTED] Management's inaction to resolve this situation has compounded this perception.

6
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~~100PRD 700 MATERIAL~~

EX. 6
[redacted] refused to discuss with [redacted] management an allegedly improper [redacted] which [redacted] was involved in performing. Similarly, several interviewees indicated that [redacted] intentionally exited the plant with an [redacted] without informing the appropriate company personnel of this fact as required by company procedure. The [redacted]

EX. 6
[redacted] repeatedly indicated their total unwillingness to raise concerns through the company's chain of responsibility or other company programs designed for such purpose.

EX. 6
There is a general perception among most co-workers that [redacted] are on a campaign to harm the company and various levels of NU management, and that the individuals clearly do not accept NU's objectives and strategies.

EX. 6
Based on interviews with [redacted] and their co-workers, no viable path to resolution was identified. Each person interviewed was asked how the situation with [redacted] could be resolved and the majority were unable to suggest a solution short of transfer or termination. [redacted] appear intractable and this perception is shared among the co-workers.

EX. 6
IV. EFFECT ON ORGANIZATION

[redacted] There [redacted]

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EX. 6
workers, and [REDACTED] Equally important, this appears to have contributed to a growing mistrust between workers and managers due to the failure on the part of management to deal with this long-standing situation.

There is difficulty within these work units in planning work since immediate supervision and management are spending an inordinate amount of time resolving concerns. Supervisors have lost their ability to manage their people in ways traditionally seen in work units. For example, a supervisor indicated that they would not even let individuals leave ten minutes early to make a dentist's or doctor's appointment because of an awareness that such treatment would be viewed as favoritism and the subject of a concern to the NRC or the basis for a DOL complaint. Generally, co-workers [REDACTED] to maintain the peace.

EX. 6
The long term effect on both the Unit 2 electrical and I&C groups is an erosion of morale and performance, and a corresponding potential safety issue with respect to their ability to concentrate on work.

V. RECOMMENDATIONS

EX. 4
In light of the information provided in the interviews, as summarized above, the following three basic recommendations are made: [REDACTED] (2)
significantly upgrade the authority and level of on-site

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EX. 6
management (in this regard consideration should be given to an on-site corporate officer to provide the continuity between site activities and the corporate office) and, (3) communicate NU's basis for any action taken relative to [REDACTED] or site management to the working level.

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ENCLOSURE 1

MEMORANDUM FOR D. HUKILL
W. Consultant

Henry D. Hukill retired in December 1990 from GPU Nuclear Corporation where he was Vice President and Director of Three Mile Island Nuclear Generating Station Unit One. During his more than 18 years in this position he played a major role in overseeing modifications and testing following the 1979 accident at Unit Two which led to the successful restart of Unit One in late 1985. Following restart he directed and supervised the operation and maintenance of Unit One through more than three highly successful operational cycles as well as three equally successful refueling outages. For the year 1989 Three Mile Island Unit One had the highest capacity factor of all the operating nuclear plants in the world.

Mr. Hukill has over 30 years' experience in the nuclear field. Before joining GPU he served as a senior civilian special assistant to the Commander, Naval Sea Systems Command. He was responsible for all matters related to the selection, education, qualification, training and professional performance of the Navy's more than 1,200 engineering duty officers.

A native of South Bend, Indiana, he received a bachelor of science degree from the U.S. Naval Academy in 1953. Following graduation he served 22 years with the Navy, which included completion of one year of naval nuclear power training. During his career he was primarily involved with the construction, maintenance and operation of nuclear submarines.

His Navy assignments included five years as Commanding Officer of a Nuclear Submarine and four years on the staff of Admiral Hyman G. Rickover, who for many years headed the Navy's nuclear power program. He was responsible for the selection and engineering training of all nuclear submarine commanding officers. He retired with the rank of Captain.

Since retirement from GPU Nuclear Corporation, Mr. Hukill has remained active in the nuclear industry. He is currently a member of the Nuclear Safety Review Boards for five utilities. He is also a member of the National Nuclear Accrediting Board which reviews the accreditation of utility training programs for the Institute of Nuclear Power Operations (INPO).

From 1976 to 1977 he was associated with the Clinch River Breeder project for Burns and Roe, Inc.

Hukill and his wife, Virginia, reared seven children and currently reside in Elizabethtown, Pennsylvania.

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INTERVIEW GUIDELINES AND LINE OF QUESTIONING

I. Introduction

1. Introduce yourself.
2. Review with the interviewee the points set forth in the letter establishing this interview.
3. Emphasize that it is not the purpose of this interview to receive or discuss specific safety concerns, but rather it the purpose of this meeting to better understand how such concerns are raised by employees and responded to by management.
 - a. Should any interviewee have specific concerns refer them to their supervisor.
 - b. If interviewees are insistent on providing specific concerns, the expert should indicate that he will receive those concerns and provide them to Rich Laudenet for appropriate disposition through the chain of command or Nuclear Safety Concerns Program, as appropriate.
4. Following this general introduction, ask if they have any questions.

II. Specific Questions

1. Current position and how long have you held this position?
2. Positions at Northeast Utilities prior to current position?
3. Positions at other commercial nuclear power plants?
4. What is your current understanding of what is expected of you as an NU employee when you identify a safety concern?
5. Where did you gain this understanding? [OJT, formal training, or some combination thereof]
6. What is the typical response of your immediate supervisor if you raise a concern with him?

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7. If you had a concern, would you raise it with your immediate supervisor? If not, why not?
8. Do you get adequate feedback from your immediate supervisor when you raise a concern?
9. What is your current understanding of what you should do if in the course of performing a task under a procedure you determine you cannot assure compliance with the procedure?
10. Do you believe that it is generally possible to do your job in compliance with the procedures you must work under as they are currently written?..
11. Have you ever identified a nuclear safety concern to your immediate supervisor that was inappropriately responded to? If so, explain.
12. Under what circumstances would you not raise safety concerns you may have with your supervisor? Would you then avail yourself of other employee concern vehicles such as the Nuclear Safety Concerns Program or the Nuclear Review Team? If not, why not?
13. NRC Inspections indicate that there is a responsive atmosphere to communicating safety issues at Millstone reflecting a confidence in supervision with respect to safety concern resolution. Do you agree or disagree with this? What is the basis for your opinion?
14. NRC Inspections also indicate that the employee concerns program is satisfactorily structured, with all the elements of a good program, do you agree or disagree with this conclusion? What is the basis for your opinion?
15. What is your assessment of how effective the current system at Millstone is in resolving employee concerns?
16. Are there any recommendations or other points you would like to make?

III. Conclusion

Conclude by thanking interviewee for their cooperation and ask that they not discuss with others the substance of the matters discussed so that you will have the benefit of each person's individual answers. Finally, once again, ask if they have any questions or anything else to add.

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