

**Northeast
Nuclear Energy**

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The Northeast Utilities System

July 6, 1997

Docket No. 50-245

50-336

50-423

B16529

Little Harbor Consultants, Inc.
Millstone - ITPOP Project Office
P.O. Box 0630
Niantic, Connecticut 06357-0630

Millstone Nuclear Power Station, Unit Nos. 1, 2 and 3
Response to Recommendations

References (a): J. W. Beck letter to D. M. Goebel, "May 13, 1997 Little Harbor Meeting," dated May 21, 1997.

This letter provides the Northeast Nuclear Energy Company (NNECO) response to the recommendations made by Little Harbor Consultants Inc. (LHC) during the May 13, 1997, meeting. These recommendations were also reflected in a letter from Mr. Beck to Mr. Goebel dated May 21, 1997 [Reference (a)]. Accordingly, Attachment 1 to this letter provides NNECO's response to LHC's recommendations.

The following are NNECO's commitments contained within this letter. All other statements within this letter are for information only.

- B16529-1 The Comprehensive Plan (CP) will be supplemented by July 22, 1997, to provide a "roadmap" which describes the full breadth of activities in process to correct the safety-conscious work environment at Millstone Station.
- B16529-2 Success criteria and measurement techniques for each of the ten objectives delineated in Appendix I of the CP will be developed by July 22, 1997.
- B16529-3 The corrective action program efforts will be reflected in the "roadmap" supplement to the CP by July 22, 1997.
- B16529-4 The CP will be revised to include the self-assessment efforts by July 22, 1997.
- B16529-5 The results of the June 23, 1997 culture survey will be processed and reports will be developed by site, unit, and departments. Each nuclear leadership team

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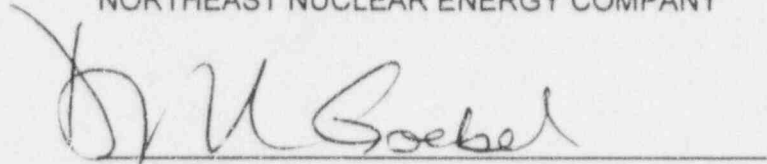
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officer will assure appropriate actions are taken in a timely manner for any areas identified as needing improvement.

Please contact Mr. W. J. Temple at (860) 437-5904 should you have any questions regarding this matter.

Very truly yours,

NORTHEAST NUCLEAR ENERGY COMPANY

A handwritten signature in dark ink, appearing to read "D. M. Goebel", is written over a horizontal line.

D. M. Goebel
Vice President - Nuclear Oversight

Attachment (1)

cc: W.D. Travers, PhD., Director, Special Projects Office
W.D. Lanning, Deputy Director, Inspections, Special Projects Office
P. F. McKee, Deputy Director, Licensing and Oversight, Special Projects Office
S. A. Reynolds, Branch Chief, Licensing, Special Projects Office
H. N. Pastis, Sr. Project Manager, Licensing, Special Projects Office

U. S. Nuclear Regulatory Commission
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Attachment 1

Millstone Nuclear Power Station, Units 1, 2 and 3
Response to Recommendations

July 1997

Recommendation 1

Little Harbor Consultants Inc. (LHC) evaluated the Comprehensive Plan (CP) developed by Northeast Nuclear Energy Company (NNECO) and determined that it is too narrowly focused on the Employee Concerns Program. It does not address adequately the breadth of programs and processes necessary to correct the safety culture at Millstone. LHC therefore concluded that the Comprehensive Plan does not fully comply with the requirements of the NRC order. LHC recommends that the CP be revised to address the following:

- a) Ensure all root causes are effectively addressed so that resultant Action Plans, combined with management's direction, will correct each root cause.
- b) Place the focus on line management's role and accountabilities in achieving the desired safety-conscious environment.
- c) Develop success criteria and measurement techniques.
- d) Require a critical review of current corrective action programs.

Response

- a) We agree that the Comprehensive Plan (CP) does not describe all of the activities underway to correct the safety culture at Millstone. LHC indicated during the May 13, 1997, public meeting that the CP did not provide a "roadmap" that reflects measures to address all of the causes (e.g., ineffective corrective action program, communications and teamwork) that contributed to the employee concerns issues at Millstone.

Although not described in the CP, there are a number of other significant efforts currently underway that, in conjunction with the efforts described in the CP, will resolve the long-standing problems at Millstone Station. For example, a new senior management leadership team now exists, which understands and sets high standards; the corrective action program (CAP) has been extensively modified and management continues to reinforce their expectations regarding the critical nature of an effective CAP; and management emphasis on conducting critical self assessments has increased. These efforts, among others, are all relevant to establish a safety-conscious work environment. These efforts are described in more detail in a document entitled "Progress Toward Restart Readiness at Millstone Station - Northeast Utilities Briefing for the U.S. Nuclear Regulatory Commission." This document was transmitted to the NRC in a letter dated May 30, 1997, "Status of Restart Issues and Measures Used to Monitor Performance." We will supplement the CP by July 22, 1997, to provide a "roadmap" which describes the full breadth of activities in process to correct the safety-conscious work environment at Millstone Station.

- b) We believe that we have placed an appropriate emphasis on line management's role and accountabilities in achieving the desired safety-conscious work environment. For example, on June 9, 1997, the Vice President, Millstone Unit 3, Mr. Mike Brothers, was appointed as the Executive Sponsor for establishing a safety-conscious work environment. This was a significant step taken by the President and CEO-Nuclear to make line management's

accountabilities in establishing a safety-conscious work environment very visible. This emphasizes the line organization involvement in setting the standards for resolving employee concerns issues. The Executive Sponsor's responsibilities include:

- Ensuring that a safety-conscious work environment is given the highest priority by the entire Leadership Team;
- Communicating the importance of raising and resolving concerns in a timely and effective manner;
- Setting the standards that will eventually make the line organization the avenue of choice for resolution of employee concerns for the vast majority of employees; and
- Providing line management's support of the Employee Concerns Program.

In addition, approximately 50% of the action items contained in the CP are related to improving line management's handling of employee concerns. Mr. Brothers has assigned additional resources to review and implement the areas of the CP that are the responsibility of line management.

- c) We will develop success criteria and measurement techniques for each of the ten objectives delineated in Appendix I of the CP. We will complete this action by July 22, 1997.
- d) We agree that a functional corrective action program is integral to a safety-conscious work environment. To accomplish this, the corrective action program at Millstone Station has undergone extensive modification. The corrective action procedure (RP-4) has been modified and training conducted for employees.

To ensure effectiveness of the corrective action program, self assessments are being performed to look at selected elements on a quarterly basis at each unit. In addition to the self assessments, an audit by the Oversight organization of the Unit 2 and 3 corrective action program implementation is currently scheduled to be conducted in August 1997. We believe these efforts will collectively provide the necessary critical reviews of the Millstone corrective action program. The corrective action program efforts will be reflected in the "roadmap" supplement to the CP as described in Response "a," above, by July 22, 1997.

Recommendation 2

LHC recommended that NNECO expand the requirement for formal and periodic self-assessments of each organizational unit. LHC recognizes that there are many efforts underway to correct problems at Millstone. While it is necessary to measure the effectiveness of implementing these programs, it is equally important to have a mechanism to ensure that once fixed, the problems stay fixed. A critical self-assessment program is necessary to fulfill this need. The specific recommendation was:

Revise the CP to expand the requirement for formal, periodic self-assessments by each organizational element.

Response

We agree that a critical self-assessment program is essential to identify performance improvement opportunities, and to ensure those opportunities are effectively addressed. The self-assessment program has been identified by the Chief Nuclear Officer-Millstone Station as a key site-wide issue requiring continued management focus and attention. An Executive Sponsor and Issue Manager have been designated to pursue and ensure resolution of all aspects of the issue. The objective of this key issue is to ensure that an effective self-assessment program is functioning at Millstone Station. The CP will be revised to include the self-assessment efforts by July 22, 1997.

Recommendation 3

LHC made three recommendations based on an evaluation of the Employee Surveys conducted in June and October 1996. These recommendations addressed a) survey content, b) administration of the survey and c) analysis and utilization of survey results. The issues of administration and utilization are as important and should not be overlooked by NNECO. Following the May 13, 1997 meeting, LHC had the opportunity to obtain additional information from the survey developer. This discussion validated the conclusions that the survey was not constructed to measure the Millstone Station safety conscious work environment.

LHC also recommended that before conducting the next survey, NNECO consider the following:

- a) Objectives are clearly defined;
- b) Survey objectives are communicated;
- c) The scope and content of current questions are reviewed and validated;
- d) All areas of culture are included;
- e) Line managers are appropriately prepared and involved;
- f) Management is committed to translate and implement the results into actions.

Response

- a) On June 23, 1997, another FPI-NU Culture Survey was distributed to Northeast Utilities' (NU) employees and loaned employees at Millstone Station. Prior to the conduct of the survey, the survey objectives were clearly defined and communicated to the workforce at Millstone Station. Specifically, the FPI-NU survey was designed to measure the cultural climate at each of NU's nuclear power plants. The survey measures ability for self-improvement, leadership, clear understanding of mission goals, and quality of processes. The survey also measures the safety culture.
- b) Response included in "a," above.

- c) As a result of our review and validation of the survey scope and content, new questions were added to the survey tool on safety culture while other questions were modified. Further, additional questions tied to conservative decision making and senior management's support of a safety-conscious work environment were included in the survey.
- d) Response included in "c," above.
- e) Line managers were advised of the purpose of the survey at a management meeting held on June 18, 1997. With respect to administration of the survey, the survey tool was distributed by the Nuclear Officers. Collection points were located in the various departments and at other remote locations throughout the site.
- f) The results of the survey will be processed and reports will be developed by site, unit, and departments. Each nuclear leadership team officer will assure appropriate actions are taken in a timely manner for any areas identified as needing improvement.