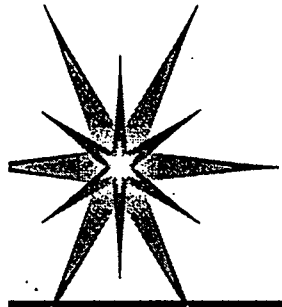


NRC Regulatory Conference

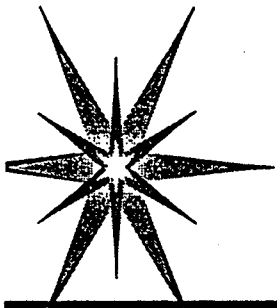
Millstone Unit No. 2 Performance

November 28, 2000



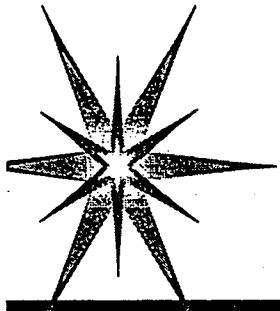
Agenda

- Opening Remarks - Ray Necci
- Corrective Actions Program Improvements-
Steve Heard
- Operations - Chris Schwarz
- Engineering - Paul Grossman
- Oversight Perspective - Mike Ahern
- Summary - Gene Grecheck



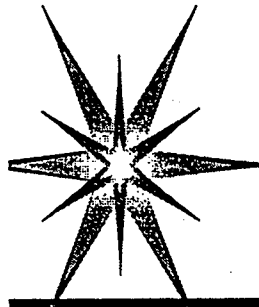
Millstone 2 Operating Performance Has Not Met Expectations

- Agree with violation and findings
- Millstone 2 operating performance has not met our expectations
- Millstone 2 refueling outage addressed many equipment reliability issues



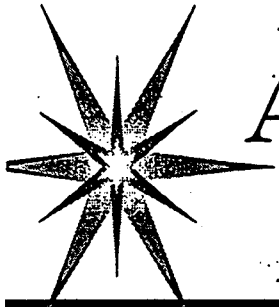
Many Millstone 2 Equipment Issues Were Addressed in 2R13

- Feedwater Heater Level Control
- Control Element Drive System
- Auxiliary Feedwater Pump Mechanical Seals
- ESAS Automatic Test Insert
- Primary Drains Tank Pressure Control
- Main Electrical Generator Rewound
- Main Steam Line Vibration



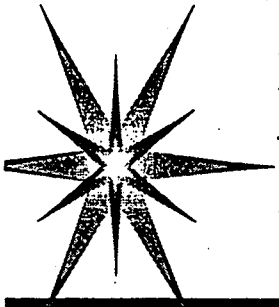
Future Improvements are Planned

- Additional Feedwater Heater Level Control Modifications
- Control Element Drive System Upgrade
- Main Feed Pump Speed Control
- Reactor Protection System Upgrades
- Nuclear Instrumentation Upgrades
- Reactor Building Closed Cooling Water Relief Valves



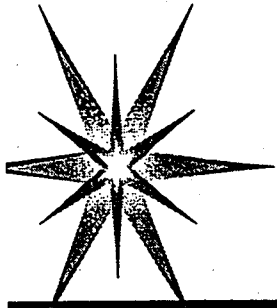
Additional Attention Is Needed In the Following Areas

- Corrective Action Program Implementation
- Operations, Maintenance & Engineering Performance
- Human Performance
- Management is committed to best of best performance



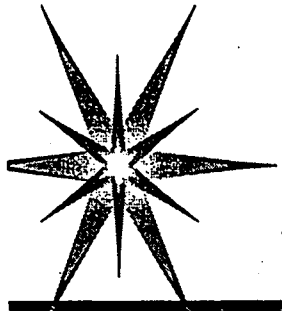
A Review Shows The Corrective Actions Program to Be Strong

- Process is sound
- Threshold for initiation of Condition Reports (CRs) is appropriate
- Program continues to mature



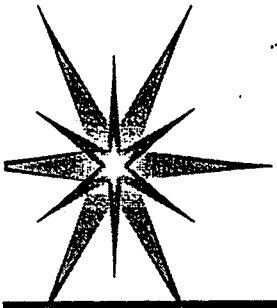
Areas for Improvement Have Been Identified

- Untimely or incomplete Corrective Action implementation for some adverse conditions
- Failure to take prompt corrective action to identify cause of condition consistent with importance to safety



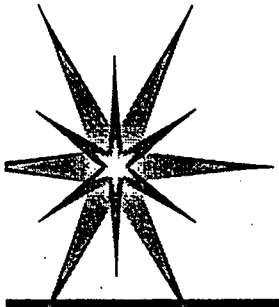
Internal Investigations Initiated

- Two CRs evaluating excessive LERs and NCVs on Millstone 2
- Several CRs generated by Nuclear Oversight and Corrective Actions Department regarding Corrective Action Program implementation



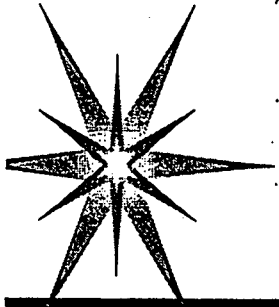
Causes Determined

- Inadequate management oversight of Corrective Action Program implementation
- Lack of aggressive closure of assigned corrective actions to resolve issues
 - Extension of completion date does not appropriately consider risk insight
- Risk insights for corrective action plan implementation not consistent



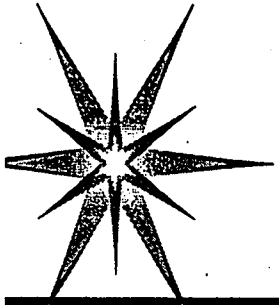
Actions

- Review of Level 1 assignment closure adequacy - ongoing
- Reinforcement of Corrective Action Program expectations with management team
- New metrics have been developed
- PRA Risk insight being incorporated via performance indicators



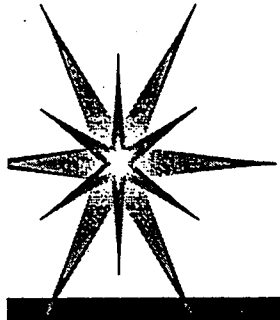
Management Is Focused on Millstone 2 Performance

- Millstone 2 performance has resulted in a significant number of LERs, non-cited violations, one white finding, and one white performance indicator.
- We are focusing improvement efforts in the following areas: Operations Leadership, Human Performance, Maintenance Rule and System Performance.



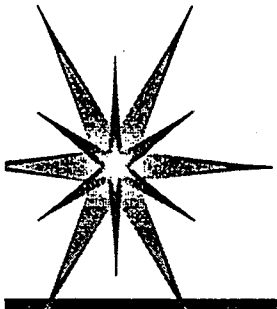
Operations Leadership Is Being Strengthened

- Key personnel moves to improve the operational focus in Operations and Work Control.
 - Focus on attributes of adequate post-maintenance testing scope
 - Focus on utilizing PRA risk insights for priority and scope of preventative/corrective maintenance
- Center for Creative Leadership training for key personnel: Operations Managers, Shift Managers - in progress



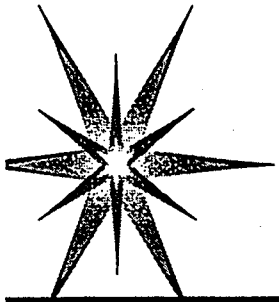
Operations Leadership Is Being Strengthened

- Supervisory training program upgrade for newly selected team - in progress
- Newly licensed operators in pipeline coming on shift
- Next license class selected to start spring 2001
- Integrating operations organization between units



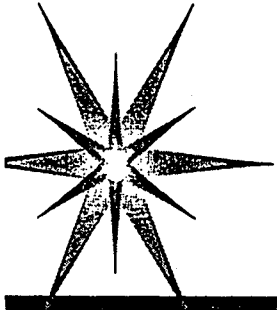
Human Performance Improvement Plan Is in Progress

- Enhance visibility of human performance program at Millstone
- Establish clearer ties and expectations of human performance relative to the corrective action program
- Use human performance mockup to enhance coaching techniques
- Ensure involvement at all levels through establishment of Human Performance Steering and Review Teams



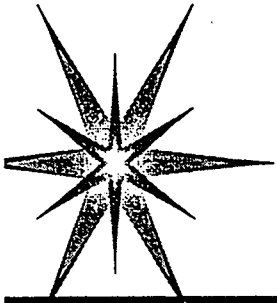
Human Performance Improvement Plan Is in Progress

- Long term plan using INPO -recommended utility (Seabrook) as a template - being rolled out
- Short term Human Performance strategy:
 - Increased management oversight in control room
 - Use of Unit 3 Shift Managers, Unit Supervisors and Plant Operators as coaches



Equipment Challenges and Successes

- Feedwater Heater Level Control Improvements
- Control Element Drive System Improvements



Maintenance Rule & System Performance

- Focus organization on risk significant equipment unavailability reduction - in progress
- Operability decision making - in progress



System Engineering Strengthened, Areas For Improvement Remain

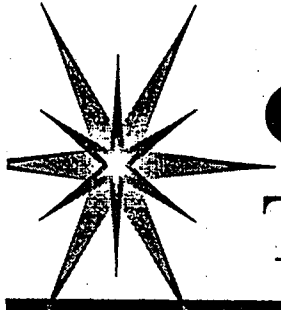
- Roles and Responsibilities
- System Quarterly Health Reports
- System Performance Monitoring



System Engineering Management Continues to Reinforce Standards

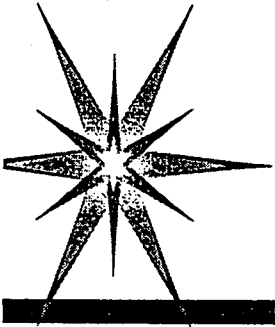
Continue to reinforce:

- Ties to risk significance
- Understanding of issues (causes)
- Ensuring extent of condition is investigated
- Timeliness
- Intolerance for deficient conditions
- Continued attention during Unit 3 outage



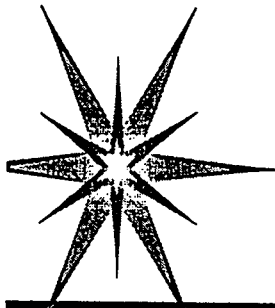
Good Equipment Performance Is Key To Safe and Reliable Plant Operation

- Key Equipment Problems List (KEPL)
- Maintenance Rule Unavailability -
Millstone 2 Vs. Millstone 3
- Preventative Maintenance
- Integrated Preventative Maintenance
Program (IPMP)



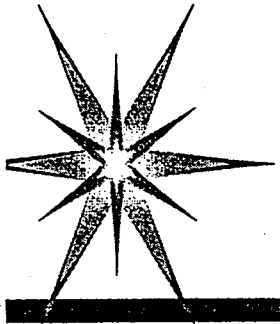
Oversight

- Auxiliary Feed Water condition was misjudged
- Station Management and Oversight have identified areas for improvement in Corrective Action Program performance
- Learning Culture - Root Cause Evaluations and follow through, Extent of Condition, use of Risk Insight - needs to improve



Oversight

- Nuclear Oversight Verification Program has provided useful insights to improve Station performance
- Self Assessment used to identify “Best of Best” criteria to assess well performing groups



Summary

- Robust and Effective Corrective Action Process is Key
- Higher Expectations
 - Common standards
 - Emphasis on resolving issues
- Reorganization Will Enhance Focus and Accountability