

1 U.S. NUCLEAR REGULATORY COMMISSION  
2 FIRST ENERGY NUCLEAR OPERATING COMPANY  
3 PUBLIC MEETING

3 Meeting held on Tuesday, July 16, 2002, at  
4 2:00 p.m. at the Oak Harbor High School, Oak Harbor, Ohio,  
5 taken by me Marie B. Fresch, Registered Merit Reporter, and  
6 Notary Public in and for the State of Ohio.

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8 PANEL MEMBERS PRESENT:

9 U. S. NUCLEAR REGULATORY COMMISSION

10 Mr. John Grobe, Chairman, MC 0350 Panel  
11 William Dean, Vice Chairman, MC 0350 Panel  
12 John Jacobson, Branch Chief,  
13 Mechanical Engineering Branch, DRS  
14 Anthony Mendiola,  
15 Section Chief PDIII-2, NRR  
16 Douglas Pickett, Project Manager, NRR  
17 Christopher (Scott) Thomas,  
18 Senior Resident Inspector - Davis Besse  
19 Christine Lipa, Projects Branch Chief

20 FIRST ENERGY NUCLEAR OPERATING COMPANY

21 Lew Myers, FENOC Chief Operating Officer  
22 Robert W. Schrauder,  
23 Director - Support Services  
24 J. Randel Fast, Plant Manager  
25 James J. Powers, III  
26 Director - Nuclear Engineering  
27 Howard Bergendahl, Vice President-Nuclear  
28 Michael J. Ross,  
29 Manager - Operations Effectiveness  
30 Michael J. Stevens, Director - Maintenance  
31 Steve Loehlein

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1           MR. GROBE:           Good afternoon. I  
2 was trying to set the tone by taking my coat off. Please  
3 feel free to. It's a bit warm today.

4           My name is Jack Grobe. I'm the Director of Reactor  
5 Safety for the Nuclear Regulatory Commission Office for  
6 Region 3 in Chicago. We have responsibility to the office  
7 for the safety of the nuclear power plants in the midwest.

8           We're here today for our third meeting, public  
9 meeting with the Licensee, First Energy, responsible for  
10 operation of Davis-Besse Nuclear Power Station. The focus  
11 of this meeting is what we refer to as the Manual Chapter  
12 0350 Restart Oversight Panel. In a minute, I'll introduce  
13 the panel members and other NRC staff that are here today.

14          Our meeting today is being transcribed by Marie  
15 Fresch. And Marie was here last time and had some trouble  
16 hearing. I think Mr. Stocker has the microphones turned  
17 way up, so that should help, but please make sure when  
18 you're making comments today, so the public can hear in the  
19 audience, as well as Marie transcribing the meeting, that  
20 you use the microphone.

21          Let me start by introducing the NRC staff here  
22 today. On my far right, is John Jacobson. John is a  
23 Senior Mechanical Engineer in Region 3 Office and a member  
24 of the Restart Panel.

25          Right next to me on my immediate right is Christine

1 Lipa. Christine is a Projects Branch Chief. She's the  
2 Manager of Region 3 responsible for oversight at the  
3 Davis-Besse Plant on a day-to-day basis.

4 On my immediate left is Bill Dean. Bill is the Vice  
5 Chair of the Restart Panel and Senior Manager in our  
6 office, Nuclear Reactor Regulation, our office  
7 headquarters, and it's in the Washington, D. C. area.

8 Two of the, two other additional staff from the  
9 office of Nuclear Reactor Regulation. Tony Mendiola. Tony  
10 is the manager responsible for overseeing the licensing  
11 activities. And on his left is Doug Pickett. Doug is the  
12 Licensing Project Manager specifically for Davis-Besse.

13 Then at the end of the table is a very important  
14 person. That's Scott Thomas, Senior Resident Inspector  
15 that works at the Davis-Besse Plant every day. He works  
16 for the Region 3 Office of the NRC.

17 We have a couple of additional NRC staff I want to  
18 recognize. Helping out at Davis-Besse is the Resident  
19 Inspector from the Perry Plant, east of Cleveland, it's  
20 John Elgood; and John is operating the slide machine right  
21 now, but he's been inspecting the plant to help us out.

22 Nancy Keller was out front. Nancy is our  
23 Administrative Assistant. She's done an outstanding job.  
24 I appreciate her support. Nancy had out front a stack of  
25 handouts both from the NRC as well as the Licensee

1 available for you. If you didn't receive one, please feel  
2 free to obtain one of those handouts.

3 In addition out front, Nancy had what we refer to as  
4 feedback forms. They're preaddressed, no postage necessary  
5 forms that you can fill out and give us feedback on the  
6 quality of our meeting, and other aspects of the conduct of  
7 the meeting or content of the meeting; either one.

8 We would certainly appreciate and encourage you to  
9 fill out one of those forms and give us feedback, so we can  
10 continually improve the quality of our interface with the  
11 public.

12 At this time, Lew, I would like you to introduce  
13 your staff here today.

14 MR. MYERS: Okay. Thank you  
15 very much. We have some people out front of our audience  
16 that are our technical, some of our technical experts. We  
17 also have our Root Cause Team, that we'll introduce later  
18 on.

19 First with our technical experts, I would like to  
20 introduce Tim Chambers. Tim is in charge of the  
21 Containment.

22 Mark McLaughlin, also the Containment.

23 Dave Baker, Head Resolution.

24 Dave Eshelman -- is Dave here? Dave is in charge  
25 of helping us with Human Performance.

1 Clark Price is our Restart Action Plan Lead.

2 Tony Staller, Restart and Post Restart.

3 Neil Morrison. Neil comes to us from our Beaver  
4 Valley Plant, and he's helping us with program reviews.

5 Bill Rogers. He's doing our System Health Reviews.

6 So, for each one of these, we have a man at the  
7 table that has responsibility, and technical leads with us  
8 today.

9 Would you want me to go on to our desired outcomes  
10 now?

11 MR. GROBE: If you don't mind,  
12 introduce your staff at the table.

13 MR. MYERS: Okay. To my right  
14 is Howard Bergendahl.

15 Steve Loehlein is next. Steve is doing the  
16 Management in Human Performance and Root Cause.

17 Jim Powers is next to him. Jim is the Director of  
18 Engineering.

19 Bob Schrauder next to him. Bob is taking, a new  
20 employee taking the job as Service Director, is new with  
21 our company, new with that position.

22 Randy Fast is after him. Randy is our Plant  
23 Manager.

24 And, Mike Stevens is Director of Maintenance.

25 And, at the very end I think is Mike Ross. I can't

1 see. So, Mike Ross comes to us from, he's a new addition,  
2 comes to us from, from the Three Mile Island Plant. So,  
3 the Plant Manager there is really experienced, and is part  
4 of our discussions later on.

5 MR. GROBE: Okay, thank you.

6 At this time, if there is public officials or  
7 representatives of public officials here in the audience, I  
8 would like to give you an opportunity to introduce  
9 yourself. Please stand and up introduce yourself. Do we  
10 have any public officials with us today?

11 MR. KOEBEL: Carl Koebel,  
12 Ottawa County Commissioner.

13 MR. WITT: Jere Witt, Ottawa  
14 County Administrator.

15 MR. GROBE: Any others?

16 Okay, very good. Thanks, Carl and Jere.

17 John has a slide up on the overhead projector right  
18 now that describes the agenda, and each of you should have  
19 a copy of that.

20 In a moment, I'm going to allow Lew to make opening  
21 remarks, and then I'm going to briefly summarize the last  
22 meeting we had on June 12th. We'll then turn the meeting  
23 over to First Energy for presentation of the information  
24 that they have prepared for today.

25 Then the NRC is going to discuss the framework that

1 we're using for, what we refer to as our research  
2 checklist. I'll talk about that a little later, and a  
3 number of the staff will help describe the framework for  
4 our research; that is the NRC research. We'll conclude the  
5 business portion of the meeting at that time.

6 Following the business portion of the meeting  
7 between the NRC and First Energy, we'll open the meeting up  
8 for public questions and public feedback or inquires to the  
9 NRC staff. I certainly hope that we have a good  
10 participation by members of the public here today. At that  
11 time, we'll adjourn the meeting.

12 In addition to this afternoon meeting, there is  
13 going to be a meeting this evening at 7:00. Bill Dean will  
14 chair that meeting. And that meeting is specifically  
15 focused on receiving input from the public, as well as  
16 answering any questions members of the public have.

17 So, if you're here this afternoon, and you think of  
18 something, any additional questions or comments later this  
19 evening, please come back at 7. We're also making it  
20 available to other individuals who were unable to be here  
21 this afternoon.

22 I think that concludes the logistics for the  
23 meeting.

24 Oh, I do want to recognize Mr. Stucker. He's been  
25 here for each of our meetings. Oak Harbor High School

1 continues to make this fine facility available for our  
2 meetings, and we certainly appreciate that. And,  
3 Mr. Stucker works very hard to make sure that the sound  
4 system and lighting and everything is just right. And, I  
5 certainly appreciate his efforts and I want to thank Oak  
6 Harbor High School and Mr. Stucker for that.

7 Did you have some comments before we begin, Lew?

8 MR. MYERS: We're ready to get  
9 started. Is that okay?

10 MR. GROBE: Okay. Do you want  
11 me to just summarize the June 12th meeting first?

12 MR. MYERS: Yes.

13 MR. GROBE: Okay, very good.

14 Next slide, John.

15 I wanted to make you aware, particularly members of  
16 the public aware, of several documents First Energy has  
17 submitted over the past several months, and make you aware  
18 of our Web site where those can be obtained.

19 An Early Risk Assessment was provided by First  
20 Energy. That was received by the NRC on April 8th, 2002.  
21 We continue in our assessments of the risk plan and we're  
22 using the input that we receive from First Energy,  
23 evaluating the input and continuing to ask questions and do  
24 analyses to support the risk assessment that the NRC is  
25 conducting.



1 A Preliminary Root Cause Analysis Report was  
2 submitted on April 18th. That addressed in preliminary  
3 fashion both the technical side of root cause, what caused  
4 the cracking of the head penetrations, as well as the  
5 corrosion; and also to a certain extent addressed the  
6 contributing factors to that situation.

7 The Return to Service Plan; the first revision of  
8 that was submitted to us on May 21st, and it was recently  
9 revised last week July -- I'm sorry, yes, July 12, 2002.

10 All of these documents are available on the NRC Web  
11 site at [www.nrc.gov](http://www.nrc.gov). And you can get to the Davis-Besse  
12 link on that Web site, which contains just a tremendous  
13 compendium of information; that would be head degradation  
14 issue that occurred at Davis-Besse, NRC activities,  
15 Licensee activities in response to that. So, please feel  
16 free to gain access to that Web site to obtain that  
17 information.

18 Our last meeting of the Restart Oversight Panel was  
19 June 12th.

20 John, next slide.

21 The focus of that meeting was the Return to Service  
22 Plan that First Energy submitted to the NRC. Return to  
23 Service Plan had associated with it a number of what First  
24 Energy called Building Blocks. They're listed there on the  
25 slide.

1       We discussed in some detail their plans at that  
2 time, with the first five of the Building Blocks, and had a  
3 number of questions regarding those various Building  
4 Blocks.

5       First Energy's evaluation of what they were trying  
6 to accomplish as well as receiving input from the NRC  
7 resulted in a revision to their Restart Plan and Building  
8 Blocks, and I anticipate during today's meeting that we're  
9 going to get into several Building Blocks in more detail  
10 than we talked about last June, as well as get into a  
11 substantial amount of detail in the Management and Human  
12 Performance area.

13       So, we're going to continue with these meetings. At  
14 this point, to a large extent, we've been addressing and  
15 discussing the plans that First Energy is proceeding. And  
16 we'll continue to discuss those plans.

17       During this meeting, get into, I think, more  
18 progress that they're making; and, as these meetings  
19 continue over the summer months, we will be getting into  
20 greater and greater detail in the implementation of those  
21 plans, the results that the company is seeing, and  
22 corrective actions that they're taking.

23       We are transcribing this meeting this afternoon.  
24 We'll also be transcribing the meeting this evening. Those  
25 transcripts will be available on the Web site when they're

1 completed. As I'm sure you can appreciate, it takes a  
2 couple weeks to get a transcript typed up, reviewed and  
3 ready for posting on the Web site.

4 The transcript of the June 12th meeting is available  
5 on the Web site. And as I said, these transcripts will  
6 also be available within several weeks for those  
7 individuals who are unable to attend the meeting.

8 At this point, Lew, I would like to turn it over to  
9 you and your staff for the presentation that you prepared  
10 for us today.

11 MR. MYERS: Okay. Thank you  
12 very much.

13 It's our pleasure to be here today to discuss Return  
14 to Service Plan that we discussed last time. Our desired  
15 outcome today is to show that we're no longer in the  
16 planning phase. Typically, you go through a planning  
17 phase, a discovery phase, and implementation phase. Today  
18 we want to demonstrate that we're fully in the  
19 implementation phase towards safe, reliable and sustained  
20 operation for the Davis-Besse Plant.

21 We want to provide you with a status of several of  
22 our Building Blocks. We want to demonstrate the closure of  
23 several of the actions that were discussed at our last  
24 meeting, and also in our Restart Oversight Plan Meeting the  
25 day before.

1       We also want to introduce you to some of the  
2 Management and Human Performance elements in our Management  
3 and Human Performance Excellence Plan that we've laid out;  
4 some of the things that we know now, and we'll be prepared  
5 to discuss that in detail today.

6       Starting out, you remember the last time, I thought  
7 we had really seven Building Blocks, six of which are  
8 Building Blocks that feed into the Restart Action Plan.

9       The Reactor Head Resolution Plan was sponsored by  
10 Bob Schrauder, who is at the table. Our Program Compliance  
11 Plan was by Jim Powers, the Director of Engineering. The  
12 Containment Health Assurance Plan sponsored by Randy Fast,  
13 the Maintenance Director. And the System Health Assurance  
14 Plan is Jim Powers' responsibility. Restart and Post  
15 Restart Test Plan is Randy Fast. And finally, the  
16 Management and Human Performance Excellence Plan, I'm  
17 responsible for that.

18       As you see, our plans all feed into the Restart  
19 Action Plan, and that feed goes to what we call a Restart  
20 Overview Panel. That's a very important ingredient, and  
21 people are talking about it independent of oversight.

22       Let me share with you the Restart Overview Panel, if  
23 you will. This panel provides an independent oversight and  
24 review of all of our plant activities. You can see this of  
25 the FENOC Senior Executive Team.

1 That team consists of Bob Saunders, President;  
2 myself, Gary Leidich, and Bill Pearce. Gary is in charge  
3 of the, Executive in charge of Engineering. Bill Pearce is  
4 in charge of Oversight.

5 All of us may or may not be at any one meeting,  
6 because of other obligations. The majority of us are at  
7 each meeting. Let's talk about the panel members that we  
8 asked to give us input.

9 First, we looked for someone who had extended outage  
10 experience, and we picked Chris Bakken from the D.C. Cook  
11 Plant. D.C. Cook went through some very tough times a few  
12 years ago. And Chris Bakken was the Executive of the  
13 Restart Plan, and has good experience.

14 We wanted somebody from the industry. Somebody that  
15 communicates to us and to the industry. That person is  
16 Buzz Galbraith. Buzz works the Nuclear Operations, which  
17 is an industry oversight review group that has basic  
18 building blocks, one of which is, one of the cornerstones  
19 is operating experience. So, he shares that with us.

20 Finally, we wanted somebody on our Nuclear Review  
21 Board. We normally have a Nuclear Oversight Review Board,  
22 and we wanted somebody to feed into that Nuclear Review  
23 Board. That person is Jack Martin. Jack Martin is on our  
24 board and he's very involved with this panel and our routine  
25 activities going on at the plant.

1           Finally, we wanted somebody that had real raw based  
2 experience from a nuclear regulatory standpoint and a  
3 troubled plant standpoint that could help us through this.  
4 So, we went and got Joe Callan. Joe was the Executive  
5 Officer of the NRC at one time, and he's retired now;  
6 provides us raw base experience, many years of experience  
7 with other plants, extended shutdowns like this.

8           We wanted somebody from the community. Jere Witt  
9 supplies that for us, a community leader here in Ottawa  
10 County.

11          We wanted somebody that had a good history of the  
12 plant, so we brought back one of the previous executives at  
13 the Davis-Besse Plant that was here for the previous  
14 problems through good performance. We brought in Lou Storz  
15 to help us throughout whatever developments, what's changed  
16 at the time of good performance.

17          So, we believe, we believe today that we have an  
18 Oversight Review Panel. As that panel is made up today, it  
19 provides very good independent input to First Energy's  
20 Senior Team to help us ensure that we can not only restart  
21 Davis-Besse in a safe and reliable manner, but insure that  
22 we have safe performance.

23          We've also made several changes in our management  
24 structure since our last meeting that we'll talk about.

25          Howard, do you want to continue?

1           MR. GROBE:       Lew, before you go  
2 on, who chairs the Restart Oversight Panel, or Restart  
3 Overview Panel, who is the chairman of that?

4           MR. MYERS:       Right now, I've  
5 been chairing the panel. We've been talking to Joe Callan  
6 about the possibility of chairing that panel; and the  
7 reason for that is to give us a true balance, has more  
8 independence.

9           MR. GROBE:       Okay. Thank you.

10          MR. MYERS:       Okay, Howard.

11          MR. BERGENDAHL:   Okay, I wanted  
12 to -- can you hear me?

13           I wanted to introduce some of the new members of our  
14 team. There is an organization chart there, which  
15 highlights basically the yellow blocks, are individuals  
16 that are new in positions since about the first of the  
17 year. So, there has been a lot of change at the site, and  
18 many of the oversight individuals, Lew has already  
19 mentioned across the top of the organizational chart, but  
20 we have some of the key senior managers from Davis-Besse  
21 sitting here at the table and I wanted to take an  
22 opportunity to introduce them.

23           We've put together a team of very experienced and  
24 qualified nuclear professionals that puts together the  
25 senior management team that I know can do a good job at

1 Davis-Besse.

2 I'm going to start with Jim Powers, two seats over  
3 to my right. Jim is the Director of Engineering. I think  
4 we introduced him last time. He joined us from the Perry  
5 Plant. He has an excellent reputation and a major asset to  
6 our organization.

7 Next to Jim is a new addition to the Davis-Besse  
8 organization. He's been with First Energy, but he's now  
9 joined Davis-Besse full time, Bob Schrauder will be our  
10 Director of Support Services. Bob has had experience as  
11 the Director of Engineering and also as a nuclear plant,  
12 Plant Manager. And so, he brings a wealth of experience to  
13 the team.

14 Next to Bob is Randy Fast. We've introduced Randy  
15 in the past. He's new to Davis-Besse in January. His  
16 background includes Beaver Valley and a long stretch at the  
17 South Texas Plant.

18 Next to Randy is Mike Stevens. Mike is brand new in  
19 the position of Director of Maintenance. And Mike has been  
20 with First Energy for about two years. He spent most of  
21 his career with the Cinergy Plants down in Southeastern  
22 United States and most recently he joined First Energy from  
23 the Exelon Corporation.

24 We've also hired in some experience from outside the  
25 company, from other power plants in the industry. Mike



1 Ross at the end of the table comes to us from another  
2 Babcocks and Wilcox designed plant at Three Mile Island  
3 Station. Mike led the Operations Department at Three Mile  
4 Island through their brief start through many years as an  
5 Operations Manager and Plant Manager. Mike has joined  
6 Davis-Besse to provide oversight to our operations  
7 activities to ensure we have high standards that we know  
8 Mike accomplished through Three Mile Island.

9 Also not at the table here today, joining our  
10 company July 30th, is Pete Roberts. We hired Pete from the  
11 sale of Oak Creek Station, New Jersey, to be our new  
12 Manager of Maintenance.

13 So, we put together quite a team here and I know  
14 we've got good things to come.

15 MR. MYERS: Bob Schrauder  
16 would like to take a few moments and discuss the Reactor  
17 Head Resolution Oversight Plan, if you will. We're going  
18 to the phase now where we're going to present the status of  
19 several of our plans.

20 Go ahead, Bob.

21 MR. SCHRAUDER: Thank you, Lew.

22 Thanks, Howard.

23 First, let me start out by saying, I'm very pleased  
24 to join the Davis-Besse team, after what seems like a  
25 short nine and a half year hiatus from the plant. I do

1 believe, as Howard does, that we have a good solid team in  
2 place, and that we will lead Davis-Besse back to a safe,  
3 reliable plant that shows sustained performance.

4 Since our last meeting, I have been really pleased  
5 on the progress that we have made on obtaining a new head  
6 for Davis-Besse. We have accomplished a great deal in a  
7 very short 30 days.

8 One of the things I'm really happy to report is that  
9 we've executed in excess of 30,000 person hours at the  
10 Midland site retrieving that head, under some significant  
11 challenging circumstances there.

12 As this slide indicates, we are on target with the  
13 head replacement to support safe, reliable plant  
14 return-to-service sometime during fourth quarter of this  
15 year.

16 I'll talk a little bit about our activities at  
17 Midland. We were able to successfully open the  
18 containment. We had to chip away about three and a half  
19 feet of concrete. We had to remove three layers of rebar,  
20 and we had to detension the pre-cement tensioning elements  
21 in this containment.

22 These two pictures up here show us the progress of  
23 opening that containment and then in the lower right-hand  
24 corner with the team that helped us open that containment.  
25 Again, the team worked very safely and very effectively for

1 us.

2 The service structure at Midland, service structure  
3 on these reactor vessel heads is in three parts. The lower  
4 two parts will remain on the Midland head and we will  
5 transfer the upper portion from the Davis-Besse head onto  
6 this service structure.

7 We have implemented the modification on the service  
8 structure, the lower portion of the service structure at  
9 Midland with ten large diameter openings that will allow us  
10 clear access to the bare head inspections that we will do  
11 on this head going forward in the future. That  
12 modification, as I said, is completed.

13 The last time we got together, we had indicated our  
14 inspection plan for this head. We had divided those  
15 inspections, and identified they have three purposes. The  
16 first was to supplement the original co-data package that  
17 went with this head. The second was to baseline this head  
18 for ongoing in-service inspection program. And the third  
19 was to provide supplementary exams to assure ourselves that  
20 no damage had occurred to the head during its storage  
21 period at the Midland Plant.

22 I'm pleased to tell you that all of those  
23 inspections have been completed satisfactorily on the  
24 Midland, on the replacement head for Davis-Besse, and we  
25 know now that we do have a very good compliment for use at

1 Davis-Besse.

2 One of the records that we also talked about last  
3 time associated with the co-data package was the  
4 radiographs; both for the dome, the flange weld on the  
5 head, and the radiographs on the flange to nozzle. The  
6 records that we were able to retrieve did not have either  
7 of those films, nor did they have the records of the  
8 inspections of those films, other than a signed-off log  
9 entry that indicated that the exams had been completed  
10 satisfactorily.

11 So, in order to resolve that, we reradiographed  
12 those major welds on this head, and they did confirm that  
13 we had good welds in all those locations. We were able to  
14 achieve a hundred percent coverage of the flange-to-nozzle  
15 weld and we achieved a 95 percent coverage of the  
16 dome-to-flange weld. And, the remaining part of that weld  
17 we were unable to get to, due to the lifting devices that  
18 were put on the head after the original manufacturing.

19 Again, though, we confirmed with those that we did  
20 have very good welds in all those locations. And that  
21 information, coupled with the previous records that we had  
22 that identified that the previous owner had accepted this  
23 head and had identified that it had all the appropriate  
24 records, and the signed off co-data form from the American  
25 Nuclear Insurer, we assured ourselves that we did have a

1 good head and good going forward records.

2 As a result of the 95 percent coverage, we will be  
3 submitting our results to the NRC for their concurrence  
4 approval that we do in fact have a high level of assurance  
5 and certainty that this weld is good.

6 MR. JACOBSON: Bob, let me just  
7 mention briefly some of the inspection activities we've  
8 done in this regard. We've dispatched one of our  
9 nondestructive examination experts out to the Midland site  
10 and he spent a few days out there observing some of the  
11 inspections that, that FENOC was doing on the head; also  
12 reviewed all the radiographs that were done on the head.  
13 And I did also, I reviewed a good portion of the  
14 radiographs. So, that's some of the work that we've done  
15 to date.

16 And the next phase is going to be to review all the  
17 documentation of the head that supports the code, code and  
18 stamp that needs to be on that head in order to use it.

19 MR. SCHRAUDER: Thanks, John.

20 That's a good point. I wanted to say our nuclear  
21 inspector was present during all of these examinations  
22 also, as well as our code experts and our departmental  
23 experts.

24 The picture you see up there with the lifting glove.  
25 That's Lew inspecting that lifting glove and those are the

1 attachments that are used to lift this head off and on the  
2 reactor during service.

3 MR. GROBE: John, before we go  
4 on, could you characterize the results of your inspections  
5 to-date?

6 MR. JACOBSON: Pardon?

7 MR. GROBE: Could you  
8 characterize the results of your inspections to-date?

9 MR. JACOBSON: The results of the  
10 radiographs that we've looked at to-date were, met all code  
11 requirements; and, in fact, the weld on the flange to the  
12 dome was extremely clean, extremely good. It's one of the  
13 best welds that I've personally seen in a long time. And,  
14 I've looked at a lot of them. So, we did get that done.

15 We've also looked at some of the welds up on the  
16 control rod drive penetrations, and those also meet all  
17 code requirements. So, to-date, all of the nondestructive  
18 examination that we've reviewed is acceptable.

19 MR. SCHRAUDER: Thank you. At  
20 Midland right now our activities are centering around final  
21 cleaning and preparation for shipment of the head. This  
22 picture that you see here, is the, now there is a cover on  
23 it. This is a cover on the reactor vessel head, but  
24 this is actually the reactor vessel head being lifted off  
25 the stand that it was sitting on at Midland.

1 Next picture, please.

2 This is our opening, and that is the head stand that  
3 we had to pull out in order to be able to retrieve the  
4 head.

5 And in the next picture, again, the head being  
6 readied to be lowered onto a temporary transportation  
7 system to get it out to its main transport.

8 This is a picture of the type of transporter that  
9 we'll be using to bring the head to Davis-Besse. That head  
10 weighs about 80 tons. And this small truck that you see is  
11 about 180 feet long. We will be transporting that head for  
12 arrival at Davis-Besse prior to the date we set earlier,  
13 which is August the 1st, which would be the latest date  
14 that we would expect to have that on the site.

15 Now let's talk about some of the activities under  
16 way at Davis-Besse. Our reactor pressure -- our head at  
17 Davis-Besse is being repaired for removal from the  
18 containment.

19 This is a picture of the service structure that I  
20 spoke of earlier. The upper portion of the service  
21 structure, which we will use on the new head when it  
22 arrives. We will lift that off, that's a 40,000 pound  
23 piece of equipment that's floating through the air to its  
24 temporary resting place where it would be repaired for  
25 installation on the Davis-Besse head. And, the head now at

1 Davis-Besse is being properly cleaned and prepared for  
2 removal from the containment building.

3 We have gotten our construction packages from our  
4 vendor and we are in the process of reviewing those now.  
5 We have got the engineering packages available, and these  
6 engineering packages are the packages that we put together  
7 to open the containment and subsequently restore the  
8 containment to its full design requirements.

9 We are making preparations for the containment  
10 building opening itself. Again, this is a shot of the back  
11 side of our containment where we will be making  
12 approximately a 20 foot by 20 foot opening into that  
13 containment, which happens to coincide with the original  
14 construction opening in this building.

15 The process again for opening this containment will  
16 not be the chipping or cutting techniques that we used at  
17 Midland. This is a very high pressure water wash system,  
18 which essentially separates the cement from the aggregate  
19 in the concrete, washes it off the rebar. Then the rebar  
20 is tagged, cut and removed and replaced in its original  
21 condition when we're ready to restore the container.

22 We did have to do some leveling of the ground in  
23 this area in order to get our transport mechanism that will  
24 go through the containment to move the old head out and new  
25 head in. We did some ground leveling in there.



1           And we are in the process of right outside this,  
2 just off to the righthand side out of your view on this  
3 picture is our start-up transformer at the plant. We will  
4 tag that transformer out, disconnect it, and put protection  
5 around it so there is no way to injure that transformer  
6 during the period of time that we're under construction.

7           Another item that came up in our last meeting is the  
8 restoration of the pressure vessel. Again, the containment  
9 at Davis-Besse is a shield building made out of about three  
10 feet of concrete and a freestanding pressure vessel with  
11 annular space between them. Both of those obviously have  
12 to be cut to get access into the containment, moved ahead  
13 in and out. Then we have to restore that pressure vessel  
14 per code requirements.

15          We had indicated the last time we were here that we  
16 were contemplating doing a localized test around that  
17 restoration process, in that we had just completed an  
18 integrated test on this pressure vessel at previous  
19 outings.

20          Since that time, we have identified several other  
21 things that we'll be doing in containment, and we have  
22 reached the conclusion that the best thing to do is to  
23 perform an integrated leak grade test on this containment  
24 vessel when it is restored.

25          Those are our current plans that are incorporated

1 into our plan and process. Unless there are questions,  
2 that's all I have on the activities for replacing the  
3 head.

4 MS. LIPA: I do have one  
5 question. I walked down the area where this transformer is  
6 yesterday. What plans do you have for protection, what  
7 kinds of barrier?

8 MR. SCHRAUDER: The major plans  
9 are to disconnect it, and then there are coverings that  
10 will go over the bushings and the like on the transformer  
11 itself, and I believe there is going to be a  
12 scaffolding-type arrangement around it. Basically, we're  
13 protecting the major components on getting any kind of  
14 water spray or dust or aggregate into it. Make sure that  
15 -- we have to put up a large scaffolding and large platform  
16 in order to get into that. That opening is about 20 feet  
17 off the ground, 18 feet off the ground. We want to make  
18 sure that scaffolding we have up there also doesn't have,  
19 if it should happen to fall for any reason, it won't impact  
20 or harm the transformer.

21 MS. LIPA: Okay, thank you.

22 MR. GROBE: Bob, you said that  
23 you have construction procedures that have been submitted  
24 and engineering packages that are nearing completion.  
25 Could you describe in a little more detail the scope of

1 those construction procedures and engineering packages and  
2 what they address?

3 MR. SCHRAUDER: Well, the  
4 construction procedures are the procedures for opening up  
5 the containment, the detailed process on how do you go  
6 about opening up the containment.

7 We're looking at things in those packages, and I  
8 want to separate the construction package and the  
9 engineering package; these are each, have some element of  
10 the other.

11 We look at things, like the travel path for the  
12 vehicle that would bring the head in on. As you know, at a  
13 lot of nuclear plants or all the nuclear plants, there are  
14 underground piping, underground utilities there. We have  
15 to go through and assess all of those to make sure that  
16 this vehicle won't impact those.

17 Engineering packages includes things like the  
18 NCFR 5059 Evaluation to see if this could be done without  
19 formal approval of the NRC or whether it fits within the  
20 regulation, allows us basically to do those, if they don't  
21 change our updated safety analysis report.

22 Those are included in those; and the detailed  
23 engineering on, for instance, the pressure vessel itself,  
24 has equipment hanging on it as part of its design. We have  
25 to make sure that taking a 20 foot by 20 foot section out

1 of that pressure vessel doesn't impact its structural  
2 capabilities, and where we would need to put in reinforcing  
3 supports or the like for that. Also we analyze things like  
4 missile protection, while it's open.

5 MR. GROBE: Any other  
6 questions? Okay, very good. Thank you, Bob.

7 MR. MYERS: Thank you.

8 As you can see, we're making good progress on the  
9 placement head project, and we're well into the  
10 implementation phase. New head is being prepared for  
11 shipment. We've opened up our containment and the whole  
12 head has been dismantled, making good progress there.

13 The next area is Containment Health Plan. Jim  
14 Powers and Randy Fast would discuss that.

15 MR. FAST: Good afternoon. I  
16 too am excited about our new team. Today I will discuss  
17 the status of our Containment Health Plan Building Block.  
18 As you can see, the last time we met, we called this  
19 containment condition. It was focused principally on boric  
20 acid corrosion on mechanisms which encountered with our  
21 reactor vessel head; however, it became apparent that we  
22 wanted to expand the scope for all of containment to really  
23 talk about the health of everything that's within that  
24 building.

25 Part of that plan scope was increased to include

1 containment vessel, the liner evaluation. And, we have had  
2 ongoing work there. We have done an analysis. We have a  
3 team undergoing a review, a comprehensive review of the  
4 design requirements, but as well we did ultrasonic testing  
5 to ensure metal thickness and we have an interim  
6 disposition on that. However, we can do more exhaustive  
7 testing to ensure with every confidence that it meets  
8 design requirements.

9 We've also included environmental qualification of  
10 our equipment.

11 MR. GROBE: Randy, before you  
12 go on, I believe at our last meeting, one of our inspectors  
13 Mel Holmberg identified a question regarding a potential  
14 for corrosion below the concrete base mat on the inside of  
15 the, of the pressure vessel and also around the outside of  
16 the annular region. Have you done anything to evaluate  
17 that issue?

18 MR. FAST: That evaluation is  
19 ongoing. A team is assembled and we'll be doing  
20 comprehensive reviews, which will include all of the  
21 containment liner areas.

22 MR. MYERS: We have taken some  
23 action to-date.

24 MR. FAST: Yes. We did about  
25 1700 ultrasonic examinations for metal thickness in the

1 areas that were adjacent to those areas that Mel had  
2 identified. That was our immediate corrective action;  
3 however, we're looking at all of the containment vessel for  
4 integrity.

5 MR. GROBE: Okay. I read in  
6 the paper this morning something that I think was already a  
7 focus of both the NRC and First Energy, that's the issue of  
8 what's referred to as MIC, or microbial induced corrosion.  
9 Could you comment on that a little bit?

10 MR. FAST: Well, that's  
11 something that has to be evaluated. Micrologically induced  
12 corrosion, MIC, as it's called, is a naturally occurring;  
13 and if we've had ground water in-seepage around the vessel  
14 area, that would potentially be susceptible. So, we'll  
15 have to do some evaluation and analysis to ensure that we  
16 do not have any MIC present.

17 MR. BERGENDAHL: We have, in fact  
18 have an individual working on that right now.

19 MR. POWERS: I'm taking water  
20 samples to physically look for that as well as corrosion  
21 problems.

22 MR. GROBE: Okay.

23 MR. FAST: We're aware as  
24 well it is an item that is under investigation and  
25 evaluation.

1           MR. GROBE:        I don't believe  
2 that Mel has had a chance to come back and look at the  
3 results of your ultrasonic tests. Could you briefly  
4 summarize the results of what you found?

5           MR. FAST:         What we did was an  
6 analysis that looked at minimum wall thickness. That  
7 vessel liner is about an inch and a half thick. We didn't  
8 see any significant degradation. There is some local  
9 surface pitting, which is just expected of a carbon steel  
10 component, but no deduction in the overall ability of the  
11 areas that we did evaluate; nothing that would require any  
12 additional remediation.

13          MR. GROBE:        You indicated, you  
14 indicated that you were planning additional inspections.  
15 Could you characterize those?

16          MR. FAST:         Well, I try to  
17 describe what this vessel liner looks like for our folks  
18 out in the public. If you've ever changed out a thermos  
19 bottle, the glass liner inside that bottle is effectively  
20 what our pressure vessel in the containment is like.

21          So, you see the concrete structure outside that  
22 extends about 240 feet above the grade elevation; 2.4  
23 million cubic feet of volume, but within that is a steel  
24 structure much like this thermos bottle. And that's the  
25 structural integrity that ensures that under a design basis

1 accident, that peak pressures that would be held during  
2 that event are being contained within the containment; that  
3 is the barrier that protects the environment from a design  
4 basis accident.

5 So, that thermos bottle with its steel structure,  
6 the integrity of that has to be evaluated to make sure it  
7 meets design requirements.

8 So, part of those inspections is in the annular  
9 space. That's about a four foot wide space outside the  
10 steel liner, but inside of the concrete, the external  
11 concrete structure. We'll be building scaffolding and  
12 doing hand-over-hand reviews of the structural integrity,  
13 as well as put together some additional ultrasonic tests to  
14 make sure we meet the minimum wall requirements for  
15 pressure retention. That will extend all the way to the  
16 top of the vessel.

17 MR. GROBE: Okay. And, are  
18 you doing similar inspections on the inside of the  
19 containment?

20 MR. FAST: Yes, we are.

21 MR. GROBE: What sort of  
22 inspections are you planning, for lack of a better phrase,  
23 for the subterranean section of the vessel?

24 MR. POWERS: I'll handle that  
25 one. We did inspections on the inside where there was a



1 gap identified between the concrete at the base of this  
2 containment thermos bottle Randy described. Concrete was  
3 originally poured at the base on the inside and interfaced  
4 right up against the steel vessel structure.

5 With time that concrete has shrunk a bit and there  
6 is a narrow gap formed there, and there was concern about  
7 whether water could have gotten down into that gap. So, we  
8 went in and we did stick feeler gauges down to as much as  
9 42 inches into that gap and found no moisture.

10 So, that was positive result from those initial  
11 tests, and we're going to continue further to characterize  
12 all the way down to the bottom areas what the situation is,  
13 whether there is any moisture down there, and characterize  
14 what the wall thickness is and integrity at the lower  
15 elevations.

16 MR. GROBE: Okay.

17 MR. FAST: Just to try to  
18 clarify the ultrasonic tests that we've done so far. In  
19 the area adjacent, in the lower elevation of containment  
20 where Mel identified the small annular space where the  
21 concrete had shrunk and there is some gap between the  
22 concrete and steel liner, where Jim just identified we dip  
23 sticks. On the exterior side, there is a section about a  
24 couple, three feet on the outside where there is no  
25 concrete; and we were able from the annular space to do

1 ultrasonic testing to be sure we had full integrity.

2 That would tell us if there were degradation in  
3 areas that could not be seen by the naked eye, that you  
4 would be able to tell we had full depth and integrity on  
5 the steel liner.

6 MR. GROBE: Okay.

7 MR. FAST: The other areas  
8 that we've incorporated as part of our Containment Health  
9 Environmental Qualification is we're concerned about such  
10 things as electrical equipment, such as air operated or  
11 motor operated valves. We'll be going through a  
12 comprehensive review of that equipment and other  
13 environmental qualified, to ensure that the conditions in  
14 containment, that all of that equipment is operated in or  
15 as fine a condition within its design requirements.

16 One of the areas that we're focusing on, this is  
17 really an industry lesson learned is the containment sump;  
18 and we're looking from a design perspective at ensuring  
19 that the emergency sump is intact and that it meets  
20 requirements. As a matter of fact, our vision of success  
21 is to improve margin.

22 We think there is opportunities to actually extend  
23 and improve the isolation from around the containment  
24 emergency sump. So, we have a team in place that will be  
25 looking at that as well. Looking at, where we're moving

1 fibrous insulation, we could impact clogging that sump.  
2 So, that will be removed from containment. We will have  
3 all metal insulation.

4 The other things that we're looking at is, the Decay  
5 Heat Valve Pit, which is, I'm going to call it a legacy  
6 issue. There are two motor operated valves, which are  
7 located in a pit adjacent to the emergency sump. And we  
8 have traditionally sealed those plates and done a pressure  
9 test, what we call a drop test, to ensure in a design basis  
10 condition those valves are not environmentally qualified,  
11 so we have to keep them from the flooded conditions when it  
12 exists. And we've traditionally gone in and sealed those  
13 and verified their integrity from this drop test.

14 But that's not a standard that we continue to  
15 operate to. So, we have a design team looking at that and  
16 we have several options under evaluation, which would  
17 include extending the operators outside of the flooded  
18 region, putting valves outside of containment, or  
19 qualifying operators that could operate under the harsh  
20 environments that would exist on design basis access.

21 So, all of those are being evaluated and again, our  
22 intent is to improve our margin of safety in this area.

23 Containment air coolers.

24 MR. GROBE: Tony is clearing  
25 his throat. I wanted to make sure.

1           MR. MENDIOLA:     I did have a  
2 question.

3           MR. GROBE:        Okay. Go ahead.

4           MR. MENDIOLA:     I want to retreat  
5 a second. Going back to the liner for a second. Two  
6 questions I have.

7           MR. FAST:         Yes.

8           MR. MENDIOLA:     When you mentioned  
9 that you evaluated the inside gap between, I guess, the  
10 concrete and the inside of the liner, going down with a  
11 feeler gauge and you found no moisture, but is there any  
12 plans on sealing that gap or, or leaving the gap as found?

13          MR. POWERS:       We're still in  
14 evaluation on that one, Tony. We're working on an overall  
15 plan about surveiling the lower elevations even below that  
16 gap area and restoring that as necessary. So, it's a  
17 detail we haven't finalized yet, but it's part of our  
18 evaluation.

19          MR. MENDIOLA:     Okay. Then  
20 similarly, is there a similar gap on the outside of the  
21 liner, something like that's on the inside.

22          MR. POWERS:       On the outside,  
23 there is ground water that has seeped through the  
24 concrete. It's not unusual for this to happen with any  
25 type of concrete, has small cracks in it. And what Randy

1 described earlier with surveiling the outside, yes, there  
2 is, there is an area or space where water can migrate  
3 alongside of the liner.

4 In fact, in the past, originally we did  
5 modifications in that area injecting the ground to work on  
6 sealing that, sealing that gap. And then we're going to be  
7 evaluating that as part of the overall integrity assessment  
8 of the vessel; that's going to be included.

9 MR. MENDIOLA: Okay, thank you.

10 MR. GROBE: Just feel free to  
11 clear your throat at any time.

12 I had just a couple of questions. Some of these  
13 activities appear to be directly related to the boric acid  
14 issue. Some of these activities appear to be unrelated.

15 You mentioned that the containment emergency sump,  
16 there have been questions in operating experience from  
17 other plants as well as you yourself have identified the  
18 decay heat valve pit as something that you want to look  
19 at.

20 Why weren't these issues identified and corrected  
21 earlier? Why are they being identified and corrected now?

22 MR. BERGENDAHL: Let me take a  
23 shot at that. As we're going to discuss later, the  
24 management issues, according to one of the things we're  
25 looking at is the standards of the oversight and ownership

1 of the power plant and programs. And as part of our new  
2 initiatives to raise the standards and clarify that we're  
3 meeting requirements is not our standard. Our standard is  
4 to exceed and do things the best.

5 The fresh outlook has exposed some areas where we  
6 have performed to meet requirements, and that's it. So,  
7 although that pit may have met the requirements, it doesn't  
8 meet our new standards of robust safety way.

9 MR. MYERS: I've been on the  
10 Davis-Besse Oversight Review Board Meetings several times  
11 over the years. We've been looking at those two issues and  
12 they're not new issues to us. So, while we're in this  
13 extended outage, why not go and take them up. Perfect  
14 opportunity to do that. That's what we're going to do.  
15 And it will give us an opportunity to gain knowledge.

16 MR. GROBE: Okay.

17 MR. FAST: Next item, our  
18 containment air coolers, and we're going through complete  
19 remediation. This is another example where our intention  
20 is to improve margin.

21 We've investigated the opportunity to get some  
22 coolers of higher efficiency, better thermoconductivity and  
23 we'll be doing a complete remediation of those containment  
24 air coolers. So, they will be brought up to better than as  
25 new condition; all three of those containment air coolers.

1 That's the comprehensive plan. We'll actually start the  
2 disassembling of those coolers next week.

3 MR. MYERS: Where are those?

4 MR. FAST: Those are the  
5 original coolers that were installed at the plant. It's  
6 like a radiator in your car, the way I would describe it  
7 for the public, obviously. And it has deteriorated over  
8 time.

9 It's a normal phenomenon for equipment and it's time  
10 now to go in and replace it and renew it and bring it up to  
11 standards. And in this case, we can gain, because of  
12 improvements in technology over the years, should have an  
13 opportunity to actually improve their thermo performance.

14 MR. DEAN: Randy, are you  
15 talking about replacing them or just refurbishing them by  
16 replacing the tubes or innards?

17 MR. FAST: Primarily, the  
18 design of the containment air cooler is a series of heat  
19 exchangers. And those heat exchangers were replaceable  
20 individually as a maintenance function. However, over the  
21 years they degrade, so we're going to be replacing probably  
22 90 plus percent of those coolers. I'm trying to think how  
23 many coolers there actually are, but there are a few that  
24 have been replaced recently as part of the normal  
25 maintenance process, the old coolers were galvanized

1 steel. The newer ones are stainless steel. They have  
2 improved in design and improved thermoconductivity.

3 So, effectively when you look at it now, there are  
4 other elements of the containment air coolers. We did  
5 receive notification of motor problems and we have two  
6 brand new motors, two of the three will receive brand new  
7 motors and as well the register, the duct work have been  
8 completely reworked and will be remediated to, to as-new  
9 condition, so principally, that heat exchange will be  
10 replaced.

11 MR. GROBE: Okay. So, this  
12 wasn't necessarily an artifact of the boric acid situation,  
13 this was just an aging, normal aging, equipment aging?

14 MR. FAST: Well, there are  
15 really two factors, Jack. First is the aging, the normal  
16 aging process of equipment, but the other is, that through  
17 the trailing of boric acid, those would collect on the  
18 fins and those have been cleaned numerous times by our  
19 staff, that did take their toll, the boric acid that  
20 collected on the, on those cooling fins could be cleaned.  
21 But, that repetitive action did degrade the equipment.

22 MR. GROBE: It sounds like  
23 modification, not replacement for the component limit.  
24 Will there be a substantive test program, heat transfer  
25 testing program, following the replacement?



1           MR. FAST:           One of the things  
2 we're not going into a lot of detail today is restart, post  
3 restart test plan, but all modifications for the plant will  
4 undergo an extensive testing prior to restart of the plant.  
5 So, that is, when you look at the chart or for the Restart  
6 and Post-Restart Test Plan, that comprehensive test or plan  
7 extends beyond the reactor coolant system and all the  
8 support systems, and in this case that would be tested  
9 extensively.

10           MR. MYERS:          Jack, you asked  
11 the question, one of the things we can tell you, we could  
12 probably go out and clean these coolers up, work on them  
13 and meet the minimum requirements. We have, we have an  
14 opportunity to replacement and gain on the margin, so  
15 that's what we're going to do.

16           MR. GROBE:          Okay.

17           MR. FAST:          Okay, there were  
18 questions as we met last time about our inspections for  
19 systems that contained borated water outside of the  
20 containment. We talked about that, and said, where do we  
21 want to do those reviews to ensure that we have a good  
22 comprehensive review of systems outside of containment.

23           I mentioned here that we did roll that into our  
24 System Health Assurance Plan to insure that any systems  
25 that contain borated water are thoroughly evaluated for

1 their functional requirements and design capability. So,  
2 it's not part of the Containment Health Plan, however that  
3 element has been rolled into the System Health Assurance  
4 Plan.

5 Since we met last, we have gone through a review of  
6 our Inspector Training Program, and we actually saw  
7 opportunities to improve. As we had talked previously  
8 about inspection criteria, inspection requirements, we went  
9 back and used our systematic approach to training to  
10 review, to insure that our engineers were qualified to the  
11 right standards for the inspections that had been done.

12 We saw opportunities to improve it by using the  
13 systematic approach to training. Did incorporate it then,  
14 lessons learned and being able to then apply inspection  
15 techniques to civil, structural, electrical, mechanical and  
16 our Alloy 600 reviews.

17 So, subsequently, we revamped our training program  
18 for our engineers, and we have trained them. We have job  
19 familiarization guides that are implemented and we are in  
20 the process of reestablishing our baseline inspections and  
21 verifying inspections that were done previously were, would  
22 meet our standards of excellence.

23 We'll be detailing any differences between the  
24 initial inspections and the subsequent inspections. And  
25 using condition reports to identify those differences, and

1 they'll go into the engineering evaluation process.

2 MR. GROBE: I think I have two  
3 things there I want to make sure I understand it. I think  
4 I hear that you're going to reperform inspections and if  
5 you identify any deficiencies, those deficiencies will go  
6 into corrective action guidelines, condition reports, but  
7 in addition, I think I heard you say that when you identify  
8 deficiencies between your first inspection and the  
9 reinspection for the improved training that you're going to  
10 identify that difference as something to learn from, from  
11 the standpoint of the systematic approach to training. Is  
12 that, help me understand?

13 MR. FAST: We want to make  
14 sure that we understand that the inspections that were  
15 done, we want to see what differences there are. We see  
16 improvements in the training. In fact, the previous  
17 training program, we brought some industry experts in and  
18 tested them, and we identified shortfalls with even  
19 industry experts in their understanding and knowledge of  
20 inspection techniques. So, we've incorporated that.

21 We think we have an excellent training program. And  
22 we expect to see that through this reinspection, there will  
23 be some differences. And what we want to do is document  
24 those differences. Now, if we saw something that were  
25 generic in nature, we want to certainly apply that across

1 the board, but we will be documenting many of those  
2 differences and doing evaluation and inspection.

3 MR. DEAN: Randy, you  
4 characterized what it was that drove you to revise the  
5 field inspection training program?

6 MR. FAST: Yeah, I'll try to  
7 digress a little bit. As we originally identified our  
8 extended condition, we were focused on extended condition  
9 principally in the area of boric acid degradation through a  
10 threat of Alloy 600 components.

11 We adopted a standard, which was set by the American  
12 Society of Mechanical Engineers called a VT-2 Inspection.  
13 We applied that VT-2 Inspection. We had some problems,  
14 problematic problems in our inspection program. We went  
15 back, rebaseline, redeveloped that program. And as we  
16 raised standards, we self-identified that there were  
17 shortfalls, that although this would be good for credible  
18 Alloy 600 Inspections, it did not meet our inspection in  
19 other areas, such as electrical components or other  
20 structural components within the containment. So, we took  
21 on a more, I would say, full body inspection program with  
22 better criteria.

23 Okay, the other thing that we originally, in our  
24 original plan had inspection plans that were developed by  
25 engineering. We have subsequently rolled all of our

1 inspection plans into plant procedures.

2 Plant procedures are in hand. Have specific  
3 criteria requirements for the entry and exit from those  
4 procedures. And so part of our training program as well is  
5 on these new procedures and the use of these procedures.

6 As identified the validation of inspections is in  
7 progress. As well, we have now a group of independent  
8 inspectors that are as well going through, using the same  
9 criteria inspection programs that we'll be doing validation  
10 of our inspected areas.

11 MR. GROBE: Help me understand  
12 the word independent. Independent of what?

13 MR. FAST: It's not the same  
14 folks we're using principally; our engineers from design  
15 engineering and from our performance engineering, plant  
16 engineering. These are individuals that we brought into  
17 the organization with experience outside of Davis-Besse;  
18 and they were trained to our same program and they will be  
19 looking independently at the inspections and checking and  
20 verifying and validating that we've done a good job on  
21 those inspections.

22 MR. GROBE: I just want to  
23 make sure I understand this. When I think of the different  
24 kinds of assessments of work that's done on nuclear plants,  
25 which is what I refer to as line assessments; those were

1 assessments by the organization responsible for conducting  
2 the work. And then there is independent assessments that  
3 we've recently established, Vice President of Oversight,  
4 and that's a second level of independence. What kind of  
5 independence are we talking about?

6 MR. FAST: We actually have  
7 two pieces of independence. One is our First Energy's  
8 quality assessment and that is ongoing. So, our quality  
9 organization under Bill Pearce, the Vice President of  
10 Quality, has also been training or doing assessments, but  
11 we also brought in an external assessment organization.  
12 So, we have both internal oversight and external  
13 oversight.

14 MR. GROBE: Okay. The  
15 external oversight reports to the containment health team  
16 as part of that team's activities?

17 MR. POWERS: That's correct,  
18 yes.

19 MR. GROBE: Yes.

20 MR. POWERS: Containment health  
21 organization has a new kind of review and oversight  
22 organization, and that's part of our engineering assessment  
23 board that we've assembled consisting of outside industry  
24 experts, you know, providing oversight of all of our  
25 activities.

1 MR. GROBE: Okay.

2 MR. FAST: Since we met  
3 previously, we made significant progress in containment.  
4 As an example, we have off-loaded all of our nuclear fuels,  
5 177 bundles have been transferred to spent fuel pool. This  
6 has allowed us now to make the record cool system more  
7 available for other inspections.

8 We have installed nozzle dams. We are in the  
9 process this week. We will refill the cavity. We will  
10 reinsert the import thimbles, then drain down, remove the  
11 sealing plate, remove the insulation adjacent to the  
12 reactor vessel flange, and we'll be doing thorough  
13 inspections of the tops of the nozzles adjacent to the  
14 reactor vessel itself.

15 After that is completed, we will also then be able  
16 to do cleaning, and as well, we are going to be installing  
17 a permanent cavity seal, which is something many plants  
18 across the country have been able to install a permanent,  
19 it's a stainless steel plate that joins the liner from the  
20 cavity to the vessel to insure that there is no leakage  
21 path, which is one of the items.

22 If you have a temporary seal, then you have some  
23 temporary, some minimal amount of leakage, leak path that  
24 comes down the vessel. With the permanent cavity seal,  
25 there is no leakage. Subsequently, we have no opportunity

1 then for any additional degradation under the vessel. So,  
2 that is part of our going forward plans.

3 The other things we're doing is we have mobilized a  
4 significant number of painters, went through a  
5 qualification program. We've got some pictures, some  
6 slides here that show. We currently have 20 fully  
7 qualified painters, effective in containment right now.

8 If you go in, you'll see these four foot by four  
9 foot squares where each painter actually went through a  
10 qualification process. That was the in-field exercise to  
11 insure that they met standards of excellence for coating.  
12 And you can see their names and Social Security numbers on  
13 the wall where we did this. And we go back subsequently  
14 and test and verify the paint is applied properly.

15 We have an additional 20 painters that are in the  
16 pipeline in training, and they'll be reporting to the  
17 station to help as well, and with coatings in the  
18 containment. And another 14 will come this week.

19 So, we have a significant number of painters, and  
20 they'll be painting the entire containment dome, and as  
21 well all of the surface areas from 603 elevation, that's  
22 the operating deck, up to the polar crane.

23 So, it's a nice bright white and we are in the  
24 process of prepping it right now. As a matter of fact, I  
25 was in yesterday and you can see where, you can see over



1 the years, many years of operation and training, just dirt  
2 and normal dust, oils and thing that have collected on the  
3 walls. Just like in your home, that can be cleaned and  
4 those areas are brighter significantly.

5 That's part of the preparation for the surface  
6 prep. And that's going to brighten the containment  
7 significantly, but that will demonstrate our standards and  
8 our expectations for the quality of condition of the  
9 containment. So, I'm particularly excited about that.

10 Additionally, we've decontaminated a significant  
11 amount of areas in containment. All of the containment air  
12 cooler duct work, which we've had people inside doing that  
13 work. We do have the containment air recirc fan running,  
14 which is redistributing air throughout the containment.

15 We also have a temporary cooling package, which is  
16 connected to our containment purge supply, and that is  
17 providing cooler air, so that we get better environmental  
18 conditions for the folks working inside containment.

19 That's made environmental conditions more favorable  
20 and really putting a lot better situation for the work that  
21 we're doing. So, we have a significant measurable progress  
22 in cleaning and housekeeping remediation in our  
23 containment.

24 That concludes my presentation. Any questions?

25 MR. THOMAS: I have one, Randy.

1 When they scope the evaluation for the containment air  
2 coolers --

3 (Requested speaker to repeat.)

4 MR. THOMAS: I asked if the  
5 evaluation of the grade containment, potentially degraded  
6 air coolers would include a past operability evaluation and  
7 scope of their inspection?

8 MR. FAST: The simple answer,  
9 Scott, is we are doing a past operability determination.

10 MR. THOMAS: Thank you.

11 MR. DEAN: Randy, I have a  
12 question about where, can you give us a sense of where you  
13 gauge the percentage of which you have completed, at least,  
14 the evaluation phase in terms of impact for the boric acid  
15 disposition containment.

16 MR. FAST: I try to use  
17 numbers. I believe these are accurate. Mark, if I'm  
18 wrong, you can correct me. But we have about 280 condition  
19 reports, which is actually about over 2000 individual line  
20 items that have to be dispositioned. About 30 of those  
21 have been dispositioned and turned into work orders for  
22 work that's going to occur. The rest are in some phase of  
23 evaluation and will be forthcoming.

24 I see a nod there, so it looks like I was pretty  
25 close.

1           MR. GROBE:        Let me make sure I  
2 understand what you said, Randy. When you said that a  
3 certain number of your 2000 or so items of observations  
4 have been dispositioned by creating work orders, I want to  
5 make sure I understand that.

6           MR. FAST:        Okay. There is  
7 280 condition reports. All of the inspections that were  
8 done generated a condition report for any deviations,  
9 didn't meet our standards. Each one of those condition  
10 reports would have one or many individual items that  
11 required disposition.

12         Of the 280 condition reports that have been written,  
13 about 30 of those condition reports, which would be  
14 somewheres in the 15, 20 percent range, have been  
15 dispositioned. The physical work that needs to be done  
16 generates a work order. The work order is the actual  
17 maintenance process to complete the work. And those 30 are  
18 in progress.

19         MR. GROBE:        Okay. So, you  
20 have condition records -- the focus of my question wasn't  
21 clear. I apologize.

22         Have the condition reports been closed out to work  
23 order, or condition reports won't be closed out until the  
24 work that's specified in the work order is completed?

25         MR. FAST:        The condition

1 reports will not be closed until the work is completed and  
2 verified.

3 MR. DEAN: Then you would say  
4 that those 280 condition reports essentially encompass the  
5 results of the inspections. Although, the way I understand  
6 it, you still have some validation effort ongoing, but  
7 you've completed your initial inspection?

8 MR. FAST: That is correct,  
9 Bill. The 280 are the original inspections. I would  
10 expect it will be generating some differences, based on  
11 those reinspections.

12 MR. GROBE: Any other  
13 questions on Containment Health? I have a couple more.  
14 I just want to make a couple comments. I think the  
15 Containment Health Plan is a substantial improvement from  
16 what you showed us last month. For one thing, you have  
17 detailed procedures in place for the inspections. The  
18 scope of the inspections is much more comprehensive with  
19 respect to evaluating the condition of the equipment inside  
20 containment.

21 Based on, again, this is just based on what you've  
22 told us, you haven't done extensive inspection in these  
23 areas, but based on what you told us, it appears that  
24 you're going beyond what, the event, the head corrosion  
25 would have caused you to do. And I think that's helpful.

1 Nuclear plant workers work to procedures. They  
2 understand that. Quality assurance program assures that  
3 procedures are adequate; they're adequately implemented.  
4 So, this context of detail procedures and systematic  
5 approach to training, that's a nuclear standard. Those are  
6 very good attributes of the program and assure the results  
7 of high quality activities.

8 I'm very encouraged to hear that you're having as  
9 part of your inspection program a separate independent  
10 look. And that's important from two standpoints. One is  
11 it's always better to have two sets of eyes than one, but  
12 secondly, quite frankly, there was a question regarding  
13 the, the standards of the workers that were making  
14 decisions in the plant. And I don't want to infer by that  
15 that all the workers at Davis-Besse don't have the right  
16 standards. That's not what I'm trying to say. But there  
17 was a question. And this will give you insight as to  
18 whether or not that is a broad question, a narrow question  
19 and what it means as far as the accuracy of your  
20 inspections. So, that's good.

21 I also heard you say, as I was pursuing the question  
22 of what independent inspections meant, that completely  
23 independent at Davis-Besse organization, the folks in Bill  
24 Pearce's organization are going to be doing independent  
25 assessments.

1           And Lew, I think it would be very healthy for us to  
2 hear Bill's staff's evaluation next time we meet on the  
3 activities that you're presenting. And, I would fully  
4 expect, let me say, I would be surprised if his evaluation  
5 is completely rosy. Hopefully, he's finding some things  
6 that continue to have done.

7           So, I would hope that next time we meet, not only  
8 can we hear from the staff that's doing the work, but I  
9 would like to hear from Bill's staff to get on the FENOC  
10 corporate independent assessment, the quality of the work  
11 that's going on in the field.

12           MR. MYERS:           That would be  
13 good. We would do that.

14           MR. GROBE:           Anything else  
15 before we move off of Containment Health?

16           Okay. Good. Thank you, Randy.

17           Marie, we've been at it for about an hour and 15  
18 minutes; is it time for a five minute break?

19           MS. FRESCH:           Sure.

20           MR. GROBE:           Okay. Let's do  
21 that. The last time, we wore out her fingers.

22           MR. MYERS:           Could I just  
23 summarize on the Containment Health Plan?

24           MR. GROBE:           Sure.

25           MR. MYERS:           I think once again

1 we demonstrated at the last meeting we were in the plan  
2 phase, doing some discovery, doing implementation or  
3 physically doing work. And, you know, we've taken on some  
4 value and expanded the program.

5 We're upgrading our coolers. We're extremely  
6 pleased with that. The thermo cavity seal is a major,  
7 major effort that would add a lot of value and margin to  
8 our plant; and it will produce, or does make our plant a  
9 better plant. So, we're moving to good implementation on  
10 that.

11 MR. GROBE: Okay. My watch  
12 says 16 after. Let's be prompt at 21 after, five minutes,  
13 and that way we can keep things moving.

14 (Off the record.)

15 MR. MYERS: The next area we  
16 would like to discuss is System Health Assurance Plan and  
17 Howard Bergendahl will do that.

18 MR. BERGENDAHL: Good afternoon.

19 As Lew indicated, we are committed to the safe operation of  
20 Davis-Besse, more importantly, sustained safe operation.  
21 So, we're examining much more than the reactor vessel head  
22 and containment building. I'm going to briefly describe  
23 where we are on System Health Issues.

24 MR. GROBE: Just a minute.

25 Could you please close the doors back there?

1 Thank you.

2 MR. BERGENDAHL: There is two  
3 Building Blocks we're trying to cover, The System Health  
4 Assurance Program Compliance -- and these two Building  
5 Blocks, as I indicated, are expansions over what we just  
6 described.

7 The first one is System Health Assurance Plan.  
8 Basically, a review of the key systems from three different  
9 perspectives. Taking an operational look, basically  
10 focusing on the needs of the operator. A second  
11 perspective would be the system reliability, and that's the  
12 system engineer's view of the system as a whole. And third  
13 is the design perspective of a system.

14 Now, the first one, called the Operational Readiness  
15 Review; that was the operating perspective, as I  
16 indicated. The plant manager led those reviews and they  
17 are complete. That was a team review of some key systems  
18 and review of the indicators on how that system is  
19 performing and when it's ready for safe operation.

20 That first cut review by Randy and some of his staff  
21 identified some of those issues I mentioned earlier that  
22 may have met compliance, but did not meet the standards for  
23 future operations. So, that produced some work activities  
24 that we had maybe identified for future implementation,  
25 pull those up to current, to current outage.



1 That review is complete. And, then moved on to  
2 System Readiness Review, which is a more structured review  
3 of the risk significant maintenance rule systems, focusing  
4 on material condition of the plant and including some  
5 detailed system walkdowns. And walkdowns would be done of  
6 course, with procedure.

7 And the results of these reviews would then be  
8 presented to an independent board, which is our Program  
9 Review Board, which is a subcommittee of the Engineering  
10 Assurance Board, which we mentioned earlier.

11 MS. LIPA: Howard, I have a  
12 question for you.

13 MR. BERGENDAHL: Yes.

14 MS. LIPA: On the operational  
15 readiness reviews that are complete, is that complete and  
16 identifying what needs to be worked or is all the work  
17 done?

18 MR. BERGENDAHL: It's complete in  
19 identifying the issues of what needs to be performed; that  
20 work has been identified, and it is not all completed.

21 MS. LIPA: And then are you  
22 also looking at operating workarounds as part of that  
23 review?

24 MR. BERGENDAHL: Yes. That was  
25 part of the perspective of what systems have operating

1 workarounds, outstanding modifications, things of that  
2 nature.

3 MS. LIPA: Okay, thank you.

4 MR. GROBE: That's, that's a  
5 new one for me. I wasn't aware that you were specifically  
6 looking at operator workarounds. Let me make sure I  
7 understand that.

8 When I think of an operator workaround, I think of  
9 things that are embedded into procedures, things are  
10 embedded into the culture of operating the system,  
11 operational characteristics of a control room of a system,  
12 as well as operational characteristics in the field;  
13 things our operators are having to work around potentially  
14 a design, not deficiency, but lack of optimal design.

15 Are you looking at those kinds of things, scouring  
16 through procedures, the workarounds?

17 MR. BERGENDAHL: Yeah. The first  
18 Operational Readiness Review that Randy chaired, he can  
19 describe it in a little more detail, but it was designed to  
20 flush out issues like you describe.

21 MR. FAST: Jack, what we put  
22 together in this process, 36 systems, as I recall, and five  
23 other systems, like gear operated valves, motor operated  
24 valves, breakers, things of that nature. We established  
25 criteria. Had the system engineer come to review panel,

1 which consists of myself, operations and engineering and  
2 maintenance folks. And we were focused on the system  
3 health.

4 Brought into view then the performance of the system  
5 in the past and its present health. We use criteria like  
6 operator; we have a level one, level two, and level three  
7 workaround, we track in our operations group. So, as an  
8 individual would bring in a system, they would identify any  
9 outstanding work orders on the system, modifications that  
10 were pending for it, any operator workarounds that have  
11 been established, procedures that needed to be revised or  
12 written to support system health.

13 And that board was really, I'm going to say, an  
14 advocacy to the system engineer in creating a form where  
15 they could bring the issues to the table and get the  
16 appropriate level of support to ensure that those items  
17 would be complete.

18 As we did those reviews, some of the legacy issues,  
19 I'll call them legacy issues, system engineering; we said  
20 if there were longstanding issues with problems of the  
21 performance of the system, bring those forward with your  
22 recommendations as well.

23 And, I'll give an example. I'm trying to be  
24 specific. Something like the high pressure injection  
25 motors. Been there since the life of the plant. Never

1 been taken out, sent out for complete overhaul and health  
2 check.

3 One of the engineers came forward and said, I would  
4 like to talk about the health of the motors and where we  
5 are and make proposals to send those out and have complete  
6 inspections done. And, we subsequently agreed and are in  
7 the process of taking those actions.

8 So, right now as we speak, their HPI motor is being  
9 rigged out of the building to be sent out for complete  
10 remediation.

11 There were other items, like items, diesel start  
12 systems. System engineer said, here's one that's pending  
13 modification. We need to put some emphasis on it. We  
14 agreed. We applied the engineering resources, and that is  
15 undergoing design, and that will be implemented as well.

16 Those are the kinds of things that the Operational  
17 Readiness Review did.

18 MR. GROBE: Let me just ask a  
19 little bit more, get into little more depth here.

20 Something like a motor that hasn't had a  
21 comprehensive amount of maintenance in 25 years, would that  
22 be consistent with the vendor recommendations for that  
23 motor?

24 MR. FAST: The original  
25 design of those motors for life of the plant was 40 years;

1 however, they're not outside of their design basis, but  
2 it's just prudent maintenance activity to take those out  
3 and do a health check on them.

4 So, we were doing the vendor recommended  
5 preventative maintenance. Those items that are required;  
6 bearings, lubrications and such, were within their period,  
7 but it's the unknown, it's the unknowns about that which  
8 really require a teardown and review.

9 So, they don't go through much of a duty cycle, but  
10 it is just a prudent maintenance practice. This is above  
11 and beyond what the vendor would recommend.

12 MR. GROBE: Okay. Let me ask  
13 a question, you just mentioned a couple specifics. This  
14 diesel air start modification; was that something that was  
15 a pending modification or was that something that had not  
16 been requested?

17 MR. FAST: That was a pending  
18 modification, did not have implementation plan or target  
19 date for at least in the near term. And that was an  
20 example, we said we're going to pull that forward and  
21 complete that work.

22 MR. GROBE: Okay. So, back to  
23 the original question, which was operator workarounds. You  
24 included in your Operational Readiness Reviews, operator  
25 workarounds that had already been identified. Did you go

1 through a systematic review with, or was the intent of the  
2 scope of this to find out review of the workarounds that  
3 were latent?

4 MR. FAST: That was not  
5 really, the focus was on system health. If there were any  
6 outstanding operating workarounds, those are tracked by the  
7 system engineer. He knows he's got a level one or level  
8 two workarounds.

9 Our Return to Service Plan included completion of  
10 all the operator workarounds activities. So, those came up  
11 and when we said, so what are we doing about this level two  
12 operator workarounds, it might be that we needed to  
13 implement a minor change to the design of the system. Then  
14 we said, let's progress that, get the work order and get  
15 that out.

16 MR. GROBE: Okay, thank you.

17 MR. BERGENDAHL: Now, the next  
18 level reviewed is System Readiness Review, were more  
19 structured comprehensive. That would flush out more of the  
20 items, Jack, I think you refer to, which are not tracked as  
21 an operator workarounds, but procedure aspect.

22 In that review, we will review the close condition  
23 reports for the last few years to see how we dealt with  
24 problems. Closed maintenance work on a plant, on a system,  
25 open and close modifications, operating experience. It's a

1 more structured review and it goes through a panel to  
2 independently assess the thoroughness of that review.

3 In addition, on the next slide, we've added a new  
4 program called the Latent Issues Review. This is a more  
5 detailed look which gets beyond even the areas I just  
6 discussed and goes into the System Health Plan design  
7 perspective as well.

8 This program has been used at our Beaver Valley  
9 Station. We've adopted this program and identified some  
10 systems to go after first. And ones that you see here are  
11 systems that we selected to put this thorough team review.

12 Now, this type of review, very broad detailed  
13 review, takes a team of people a couple weeks to perform.  
14 This review goes back and looks at the original design  
15 basis, the emergency procedures, all kinds of industry  
16 operating experience, any operability reviews that were  
17 performed, problematic risk assessment; and a very detailed  
18 look.

19 We selected the Reactor Coolant System, Auxiliary  
20 Feedwater System, Component Cooling Water System, Emergency  
21 Diesel Generators and the Service Water Systems in these  
22 reviews.

23 And we have currently assembled teams. We've put  
24 together the guidance and structure for doing these  
25 reviews, and the teams are starting reviews now. I believe

1 as of this week we have all the teams assembled.

2 MR. GROBE: Before you go on,  
3 Howard -- I'm sorry. Go ahead, Dean.

4 MR. DEAN: I was going to ask  
5 you, do you intend to do these design reviews or latent  
6 issue reviews in parallel or do maybe one or two and gain  
7 any lessons learned and apply that to the other ones?

8 MR. BERGENDAHL: We started on the  
9 Aux. Feedwater System as kind of a pilot to see if there  
10 was any process improvements that could be gained. Make  
11 sure we got the right scope and expertise.

12 So, we initiated that one. Did learn some things  
13 from that, and modifying our process and using that. We  
14 expected this new program would be continued to be used at  
15 Davis-Besse. It's proven itself at Beaver Valley, and it  
16 really does a good thorough job of examining the systems,  
17 going back to the original design.

18 So, we plan to continue this program.

19 MR. MYERS: Let me comment on  
20 that too. Neil Morrison is with us today. Neil was the  
21 person that spear-headed our reviews at our Beaver Valley  
22 Station for the past two or three years. How many years  
23 now?

24 MR. MORRISON: Two and a half  
25 years.



1           MR. MYERS:       Two and a half  
2 years. And so there is, he's got a lot of lessons learned  
3 there, so this is not a new program for us. We're just  
4 moving it to this plant.

5           But if you look at where we've been spending our  
6 money at other plants, a lot of our money has been spent on  
7 a lot of things, finding these latent issue reviews. We  
8 found significant ways to improve the quality of our  
9 systems at our other plants. So, we're really excited  
10 about bringing this program to our plant. We think it's  
11 the additional margin for the plant.

12           MR. GROBE:       Howard.

13           MR. BERGENDAHL:    The output of  
14 these reviews again goes through the engineering assurance  
15 board to get an independent check on thoroughness and rigor  
16 on the reviews of the systems.

17           MR. GROBE:       I've got a couple  
18 questions. It's an interesting list of systems that you're  
19 doing the Latent Issues Review on. Reactor Coolant System  
20 is clearly a focus of the shutdown of the plant;  
21 recognizing that the head is part of the Reactor Coolant  
22 System.

23           Auxiliary Feedwater System, Component Cooling Water  
24 Systems, Emergency Diesel Generators and Service Water  
25 Systems are normally four of the five primary systems that

1 I'm familiar with that comprise almost the entire risk of  
2 problems at the plant, but the fifth one is DC Power. Is  
3 that a significant risk contributor at your plant? I'm not  
4 familiar with PRA.

5 MR. POWERS: It's a good one.

6 The fifth one is, Jack, the Diesel Center --  
7 (Requested speaker to repeat.)

8 MR. POWERS: I'm sorry. DC is  
9 part of the Reactor Coolant System, for instance, diesel  
10 generators. The Aux. Feedwater System, Service Water and  
11 Component Cooling Water Systems.

12 MR. GROBE: Jim, my question  
13 was, normally when you look at say 95 percent of the risk  
14 contribution, it would come from those four systems plus DC  
15 Power. And I'm not that familiar with your risk analysis  
16 for Davis-Besse Plant. Does DC Power play a significant  
17 role in the risk contributions at Davis-Besse?

18 MR. MYERS: I don't know if we  
19 know the answer to that.

20 MR. GROBE: I don't expect you  
21 to know every answer to every question.

22 MR. POWERS: No, I have an  
23 answer for you. What we've done, is on the preceding  
24 level, what we have learned to do on our System Health  
25 Reviews, we've included the 1.50 DC Systems as part of

1 that. Those are the main systems; there were 35 of them  
2 that we are going to be going through, Jack. So, we're  
3 going to be looking at those in some level detail.

4 We didn't select those for the deep cut, but we  
5 think the deep cut in the five systems that we've listed  
6 here is going to tell us generally how, what the health of  
7 our systems are.

8 MR. GROBE: Okay.

9 MR. BERGENDAHL: The System Health  
10 Review will identify further evaluations that are  
11 required. We need to do a more thorough evaluation.

12 These systems were selected, as you indicated,  
13 important systems. A couple of them had system health  
14 indicators, indicated that we had some issues with the  
15 system in the past couple of years. And then we added a  
16 couple that our indicators show very reliable performing as  
17 well, but since they were high impact systems we added  
18 those; and allows us to validate our monitoring programs.

19 MR. MYERS: We still haven't  
20 answered that question; how does it affect PSA that you  
21 want us to look at. We'll give you an answer to that  
22 shortly.

23 MR. GROBE: Okay.

24 MR. BERGENDAHL: Any other  
25 questions on the system reviews?

1 MR. GROBE: Any other  
2 questions?

3 MS. LIPA: Yeah, I have one  
4 question. On the, in your plan dated July 12th, you talk  
5 about that, through these reviews you're going to identify  
6 conditions that need further evaluation that could impact  
7 the function of a system. And it sounds like a subset  
8 would be restart items. What criteria are you using to  
9 decide what items become restart items?

10 MR. BERGENDAHL: In our Return to  
11 Service Plan, we laid out a process. Every condition, any  
12 appliance we have will be documented on condition reports.  
13 These condition reports go through a station review board  
14 that we would send to specifically evaluate all the  
15 conditions against restart criteria. Technically, on the  
16 restart action plans. Multi-field criteria. Safety.  
17 Importance of safety -- I don't have the criteria  
18 memorized. I could get that for you, Christine.

19 MS. LIPA: Okay.

20 MR. BERGENDAHL: It's, actually we  
21 met today and we drafted a procedure for our Return to  
22 Service Plan in process -- Let me correct. Our Restart  
23 Action Plan process. And that criteria is in the procedure  
24 which we reviewed today. It will be used in that.

25 MS. LIPA: Okay.

1           MR. BERGENDAHL:     It's also in the  
2 chart for that station review board, clearly documented.

3           MR. GROBE:           Howard, have you,  
4 follow-up on Christine's question; have you done the  
5 screenings through your restart criteria and if so, how  
6 many have you determined, what's the population restart  
7 items to date?

8           MR. BERGENDAHL:     The answer is yes,  
9 we've started. Every day, any reviews that are going on  
10 generating condition reports immediately upon  
11 identification. I'm not sure of the exact number. There  
12 is probably four hundred some odd actions that have been  
13 identified that we will get resolved prior to restart.

14          MR. GROBE:           I think in the  
15 future meetings, Lew, one of the things we would want to  
16 do, I know that you're developing some performance  
17 indicators, I haven't peeked ahead, so I don't know if  
18 you're going to talk about that, but one of the things we  
19 want to understand in some detail is flow rates of work;  
20 what's coming in and what's going on out, and what's in the  
21 business to be worked as far as restart items, and other  
22 issues that might go into performance indicators that you  
23 developed as far as your approach toward restart.

24          And, I appreciate we're still very early in this  
25 process, but we're going to need to start getting into

1 somewhat detail in that regard. So, at future meetings, we  
2 would possibly get that sort of data and start looking at  
3 detailed future work, backlog work, accomplishment of work,  
4 things of that nature.

5 MR. MYERS: What we can do, is  
6 Clark is in the audience, he's a building block on our  
7 restart action list and we can start putting him up there  
8 to tackle that.

9 MR. GROBE: Whatever you think  
10 is necessary.

11 MR. MYERS: Let's do that next  
12 time.

13 MR. GROBE: Okay. Did you  
14 have a question?

15 MR. MYERS: Clark, get  
16 ready.

17 MR. GROBE: I had one other  
18 question regarding the Latent Issue Reviews. I understand  
19 you used these at one of your other sites in the FENOC  
20 system; really two questions.

21 This type of activity has been done on a number of  
22 plants, several on the east coast and midwest that I'm  
23 familiar with, but I'm sure there is others also. Have you  
24 tapped into the expertise of what's been occurring at other  
25 plants to ensure the comprehensiveness of your Latent

1 Issues Review?

2 MR. BERGENDAHL: Absolutely. The  
3 D.C. Cook Plant, gone through some pretty good reviews and  
4 we've visited that site, and we look for best practices  
5 throughout the industry, and we have adopted lessons  
6 learned from those.

7 MR. GROBE: Okay. Can you  
8 give me an idea of something that you might have learned  
9 from your D.C. Cook evaluation that improved your Latent  
10 Issues Review?

11 MR. POWERS: As a matter of  
12 fact, we are previewing not only the procedures D.C. Cook  
13 used, also the people that have come over here and are  
14 helping us now lay out the strategy. People experiencing  
15 what was done at Cook, Millstone, Salem and are using the  
16 composite of all that knowledge.

17 What we learned most specifically, Jack, is the  
18 level of detail to go into, we believe, that drive the  
19 FENOC Latent Issues Program another step, higher standards  
20 as part of this. It's gone quite well for us. And we have  
21 used others, past several years, but we think this process  
22 is going to go to a higher level of detail. So, we think  
23 we're on the right line.

24 MR. GROBE: I think Cook is a  
25 good place to go. A number of the people came from Salem,

1 Christie River, Oak Creek; most of them that put that  
2 program together. So, it's kind of one-stop-shopping, so  
3 to speak.

4 MR. MYERS: It is dependent,  
5 you know, on our steam generator -- on our head  
6 replacement. We brought people in that just replaced steam  
7 generators at the Cook Plant. We have some welders from  
8 the, that were over in the --  
9 (Requested speaker repeat.)

10 MR. MYERS: We brought some  
11 craft members. We brought some experienced people, people  
12 welding rebar back on containment. So, we're looking for  
13 that kind of experience.

14 We're using, it's Cook is really good. There is  
15 some other places you can gain valid experience too. It's  
16 a little different for our case, like the steam generator  
17 replacement. You have to cut a hole in the containment and  
18 put that on, like we're doing to install the reactor head.  
19 It's not something that they did at Cook. See what I'm  
20 saying?

21 So, we're trying to get the best everywhere, and are  
22 applying some of that information that's necessary for our  
23 operation.

24 MR. GROBE: Okay. I had one  
25 other question on Latent Issues Reviews. I think I know



1 the answer to this question, but I want to make sure.

2 This is something that was used to some level of  
3 success at Beaver Valley and it's going to be used at  
4 Davis-Besse. Is this something that's going to become part  
5 of, say, the culture of First Energy System?

6 MR. BERGENDAHL: Absolutely.

7 MR. GROBE: That you're going  
8 to do this type of review at all the plants?

9 MR. MYERS: The Latent Issues  
10 Reviews. One of the operational officers, one of the  
11 things I was going to do even if I was running one of the  
12 bigger plants in the country would be to take a couple  
13 systems a year, and look at them from this latent issues  
14 effect, because to make sure that you're maintaining your  
15 design, your documentation. It's a good process, and I  
16 would use it at all of our plants. So, the answer to that  
17 is yes.

18 MR. GROBE: Okay, thank you.

19 MR. BERGENDAHL: Okay, the next two  
20 slides are just some photographs of the work that Randy  
21 indicated we initiated some work on the Decay Heat Pumps,  
22 and the next slide is just some, bringing in many  
23 additional resources, as Lew indicated, craftsmen from  
24 around the midwest to help us with the work we have going  
25 on at Davis-Besse; a lot of scaffolding to support the

1 inspection of containment and work activities.

2 So, we have a good work force out there and a lot of  
3 good work. The items that we identify are being worked off  
4 very well.

5 Next area is Program Compliance Plan. And, this  
6 also has two different, we call them phases. They actually  
7 parallel. Doing a program readiness review, which is a  
8 baseline of our plant programs, we will assess, based on  
9 the root cause of reactor head problems.

10 We identified some issues and standards and  
11 ownership and oversight, and we set up some criteria to go  
12 back and review our key programs on site, and assess them  
13 against this criteria; present those results to our  
14 independent review board; and really understand the overall  
15 compliance and implementation of health of those programs;  
16 to look at things like the qualifications of the  
17 individuals involved, the interfaces, the individual  
18 program owners have with the other groups. And again, then  
19 present those to an outside independent oversight board.

20 In addition, much like the Latent Issues Review, we  
21 developed a phase two or detailed program review, and Lew  
22 mentioned Neil Morrison would be working on the System  
23 Latent Issue review. We asked Neil to come over to  
24 Davis-Besse and apply that same rigor to programs. We  
25 designed a program and wrote a procedure and we're using

1 that procedure to do these detailed program reviews.

2 They're in-depth systematic review of key programs.

3 Now, the first programs we're starting review on,

4 the next slide shows the implementation of this program.

5 Starts off with using it on the, the programs that were

6 identified in our root cause and we have some issues.

7 Each of the programs on this list when we did our

8 detailed root cause on the reactor head degradation, there

9 were some issues identified on each one of these systems.

10 So, we selected these systems to initiate our new detailed

11 program and review on.

12 Now, we started a pilot, we call Probabilistic

13 Safety Assessment Program. Since this had not been used at

14 any of our other facilities, it was new initiative. We

15 piloted it and thought Probabilistic Safety Assessment

16 Program to ensure the process was sound and our assumptions

17 and criteria were right.

18 We completed that pilot review, and we've moved on

19 to the Boric Acid Corrosion Control Program, and scheduled

20 the rest of these programs all to be put through this

21 thorough review process prior to restart at Davis-Besse,

22 and then we'll continue much like the Latent Issues Review

23 to apply this problematic review to additional areas of the

24 site.

25 Again, it's a good thorough look at Davis-Besse's

1 systems and programs. It's under way, it's identifying  
2 improvements, issues and we're following off on these  
3 issues as well.

4 Any questions on our Program Compliance Plan?

5 MR. DEAN: Howard, can you  
6 share with us some of the insights you gained from the  
7 pilot review that you referred to just a moment ago?

8 MR. BERGENDAHL: Yes, the pilot on  
9 the PSA, I don't have any specifics, but what we did there,  
10 is we took a program. The reviews are done by an,  
11 independent team members, we bring in from the outside of  
12 Davis-Besse. So, what we did with that, is pilot putting  
13 together a plan, bringing in the outside members,  
14 developing a report and presenting that report to the  
15 review board.

16 I don't know if you have any lessons learned, Jim?

17 MR. POWERS: I think some of  
18 the insights that we found, our pilot program, that's our  
19 Probabilistic Safety Assessment, that's one of the  
20 strengths that we have. I think at the Davis-Besse site  
21 and I think you've seen that with interface with your PSA  
22 Supervisor, Ken Berg. So, it's an opportunity to look at  
23 what is a fairly healthy program with good ownership.

24 Now, what we've also found is we've been moving  
25 forward with the Boric Acid Control Program and Corrective

1 Action Program; those are ongoing. We've made substantial  
2 progress in both of those.

3 That Boric Acid Corrosion Control Program, we've got  
4 a draft report, final review stages now. So, we can learn  
5 from those areas more significant areas of improvement that  
6 are required; ownership, corporate industry results; in the  
7 case of Boric Acid Corrosion Control Program.

8 In the Corrective Action Program, we're looking very  
9 specifically at, you know, detail regulation and how the  
10 program matches the regulation and going through lining  
11 those up one by one and every process, and there are areas  
12 of improvement there. You'll be seeing those results  
13 coming out of those. So, we're finding areas in issues  
14 that need improved.

15 MR. DEAN: Are you  
16 incorporating a new benchmarking relative to, for example,  
17 best industry practices, for using info to give you?

18 MR. POWERS: Yes. As a matter  
19 of fact, that's a good point. Kind of a key element of  
20 this. These reports as we do them are being provided to  
21 INPO, and in some cases on the detailed reserve, INPO is  
22 participating on the team.

23 They are set up down in Atlanta to take our reports,  
24 as we review all our programs and send them out to industry  
25 experts at other sites that they've identified where there

1 is good industry practices from benchmarking they've  
2 conducted, and we'll be getting feedback from those peer  
3 sites to help us improve our standards.

4 MR. MENDIOLA: Are these  
5 benchmarking, these lessons learned, these program  
6 improvements being reflected back to the other plants at  
7 First Energy?

8 MR. MYERS: Yes.

9 MR. GROBE: I have a couple  
10 thoughts, I guess, on System Health Assurance Plan. The  
11 Operation Readiness Reviews, the scope of that activity  
12 clearly was something that needed to be done following the  
13 situation that occurred with the head.

14 The System Readiness Reviews, I think some aspects  
15 of that also were direct outgrowths of the lessons that you  
16 learned from the head situation.

17 The Latent Issues Review clearly goes beyond the  
18 depth of what would normally be expected, and I'm glad to  
19 see that you've taken these significant systems to do this  
20 Latent Issues Review. I have confidence based on your  
21 experience at Beaver Valley and the input that you're  
22 getting from outside your organization that those reviews  
23 should be of good scope.

24 The programs area, likewise, I think the level  
25 review reflects not only what happened during the head

1 corrosion event, but also some things that you're going  
2 beyond the scope of what may have been directly indicated  
3 from the initial findings of the head corrosion event. So,  
4 I think that likewise is good.

5 We're still in the phase of, in many of these areas  
6 of inspecting all good plants. In a couple of areas, John  
7 talked earlier about some inspection work that we've done  
8 already on a nondestructive examination we've had.

9 And Mel has done some early inspection work and  
10 provided substantive feedback to you on the containment,  
11 early containment health work, or extended issue work, I  
12 guess it was called at that time.

13 There will be substantive inspections that will be  
14 coming as you get into these in greater detail, and start  
15 completing some of this work. We'll be taking a good hard  
16 look at that, and also giving you feedback.

17 We're going to be working closely with your staff  
18 that are implementing these activities to make sure we  
19 understand your schedule and what activities will be ready  
20 for inspection.

21 We don't plan on inspecting things before they're  
22 done. We're not part of your team. We're not supporting  
23 the success of your program. We want to look at what  
24 you've accomplished, and we'll achieve our confidence based  
25 on the quality of work you do.

1           You've mentioned a number of occasions assessment  
2 boards and review boards. I've watched over the last  
3 several weeks as things evolved, and you've got quite a  
4 different character of outside influence on these review  
5 boards, created more review boards, structured them. In a  
6 future meeting, I would like to get some feedback from the  
7 value added, a little bit more detail on the structure of  
8 those boards, what their function is, what they're  
9 accomplishing, and also some feedback value added from  
10 those boards. What they're seeing.

11           Because those boards will give you a direct  
12 reflection of the quality of the work, not only that the  
13 people are doing in the field, but also the folks that  
14 review and approve that work. Because the boards shouldn't  
15 see that work until it's been through your review process,  
16 you know, in your line organization.

17           So, I'm hoping to get some insight from that.  
18 Hopefully, that can be on the agenda for the next meeting.

19           MR. MYERS:           We can do that.

20           MR. GROBE:           Okay. Any other  
21 comments on systems or programs?

22           Let's move on.

23           MR. MYERS:           Before what you  
24 commented, I think the programs review is something that  
25 helps us understand that each one of our programs is a



1 pretty significant list of programs out there that we have  
2 best industry implementation, doing the industry  
3 implementation. It's not the minimum criteria, it's where  
4 we have the margin. And that we have good ownership, and  
5 finally that we're implementing that program properly in  
6 the field.

7 So, that's really the structured process to go into  
8 this whole latent issues process in and out. I note the  
9 long term, I see that as an essential building block.

10 The next area that we have to talk about is  
11 Management and Human Performance Excellence Plan; and  
12 particularly the Management Root Cause. I would like to  
13 introduce that.

14 It's hard, as folks say, to call your baby up. But,  
15 in the last meeting, I indicated that management,  
16 "Management ineffectively implemented processes, and thus  
17 failed to detect and address plant problems as  
18 opportunities arose"; especially in the forecast approach.

19 There is four key areas of focus that we're looking  
20 at; Ownership, Oversight, Standards, and Decision-making.  
21 And, our Boron Program does not have good ownership at the  
22 engineering level to insure that we were meeting the  
23 standards in industry, and that the requirements in our  
24 program were proper.

25 The oversight groups in our management team were not

1 properly involved with that program to insure that we have  
2 proper implementation. We're not out in the field looking  
3 at what we were doing.

4 When problems were found, we did not have a good  
5 questioning attitude in this boric acid issue that lead to  
6 the easy conclusions. It was easy to justify that no leaks  
7 in the past were the cause of this boron buildup. It was  
8 an easy conclusion.

9 Our initial management reviews have come up with  
10 some assessments that we can share, and that's that  
11 standards have existed for many years at Black River in  
12 problem solving. Our reviews are going back to the 1980's,  
13 and have indicated this lack of problem solving at the  
14 management level is something we have to work on.

15 Another thing we can say now is when there has been  
16 times at Davis-Besse Plant that we had strong management  
17 leadership. In the 1980's and 1990's, the trend was to  
18 properly identify problems and resolve them. So, that lack  
19 of rigor was not evident and you saw improvements in the  
20 performance.

21 For example, I had a supervisor tell me today that  
22 in the early 90's, Davis-Besse was setting the standards  
23 that everybody else was coming to look at. That's one of  
24 those standards we need now.

25 As industry hired many of our leaders at the

1 Davis-Besse Plant, replacements reduced strong daily  
2 involvement that resulted in a lax attitude of fixing the  
3 problems. Let's just get the problem fixed. And since you  
4 have that lack of rigor in decision-making down below, the  
5 problem came evident.

6 Let me say this. The Davis-Besse Plant has operated  
7 well for many years and it's still in very, very good  
8 material condition. As good as most plants in the  
9 country. However, as new problems arose, without strong  
10 upper level involvement, and the lax rigor, the  
11 decision-making process appeared to be narrowly focused in  
12 several cases that we've looked at.

13 Our approach has been simple. We initially assessed  
14 the root cause of the head degradation. What would cause  
15 this problem? As we did that, we also looked at some  
16 management issues. We did that because we had noted that  
17 there was a time performance at our Davis-Besse Plant. So,  
18 by going to the technical root cause, we could first give  
19 us some time to make some of the overall structure changes  
20 that we wanted to make.

21 For example, we created the job I'm in now, the  
22 Chief Operating Officer, to provide additional plant  
23 oversight of all three of our plants.

24 We created a new position, an elevated position of  
25 oversight and promoted Bill Pearce. We brought in Harry

1 Light, an executive from the Institute of Nuclear Power  
2 Operations to be our Executive Officer of Engineering. We  
3 need that time to make those strong implement changes.

4 We brought in a new group of executives from the  
5 industry to provide us as a management team with some  
6 insight on the types of problems we might be encountering.  
7 And they gave us a tremendous amount of insight. Several  
8 VP's from several top notch utilities came in.

9 I was personally moved to the Davis-Besse Plant, so  
10 we could ensure that we had plans and organization to  
11 return Davis-Besse back to service in a safe and reliable  
12 manner. And I plan to devote a significant amount of my  
13 time until I feel confident that our performance would be  
14 sustainable.

15 I chartered the Root Cause Team to look at the  
16 management issues. Steve Loehlein will now discuss with  
17 you the methodology we've gone through.

18 MR. LOEHLEIN: Thank you, Lew.

19 Lew mentioned to you the AIT's report and our own  
20 technical cause report talked about degradation of the head  
21 over the years. What we're doing now, is caused now, is  
22 looking at the why; why this happened over a period of  
23 years, that this was not identified and dealt with.

24 I would like to say first to you, Jack, this team  
25 that we have working on this particular issue really

1 understands how important the answer to this problem  
2 statement is, because we know we can assure that the right  
3 solutions are pursued so the plant will be able to sustain  
4 safe performance.

5 Now, Lew mentioned earlier some of the assessments  
6 have already been done by various industry leaders. And  
7 they do provide a lot of understanding to many of the  
8 performance shortcomings. What we're really doing in this  
9 process is assuring that we're digging down.

10 Our objective is to compliment the effort that has  
11 been taken on so far by applying the rigorous root cause  
12 analysis technique, and that will ensure that they're more  
13 subtle nonetheless very important causes for this upcoming  
14 overall project.

15 Next slide.

16 We have our Root Cause Team in the front row. I  
17 would like to ask them to stand. It's a group, I'll tell  
18 you who they are. We have from our Perry Plant, we have  
19 Mario Destafano and Bill Babiak. In our Quality Assurance  
20 Organization there, we have Bill Mugge, Bobby Vallines and  
21 Joe Sturdavant, who are all Davis-Besse men.

22 We have a couple of experts from Conger and Elsea,  
23 Lesley Wildfong and Dick Smith. Now Conger and Elsea is  
24 the company that developed the Root Cause Analysis  
25 Technique that we're using to develop about 20 years ago.

1 It's been used on a lot of very significant investigations,  
2 including the challenge.

3 Final member we have here is Doctor Spyros  
4 Traiforos, who was with us for many months also. We use  
5 his analysis technique.

6 Now, the team -- oh, I'm sorry, I missed my own, my  
7 comrade from Beaver Valley is Randy Rossomme. You forget  
8 our own. Randy is from Beaver Valley in our Quality  
9 Assurance.

10 And myself, I'm also with Beaver Valley. I was  
11 Technical Lead. My title at Beaver Valley is Principal  
12 Nuclear Consultant.

13 MR. GROBE: Steve, if you  
14 could get those names to our stenographer, I'm sure that  
15 would help her.

16 MR. LOEHLEIN: I'm sure they can,  
17 some of those aren't easy to spell.

18 It's a balanced team. What we're looking for, a  
19 continuity for Technical Root Cause, which is one of the  
20 main reasons I'm on the team. We have process expertise  
21 from outside consultants. We brought in the objectivity of  
22 off-site personnel.

23 Then, we wanted to make sure we included the  
24 ownership factor of on-site personnel. There are people  
25 that need to be a part of this team, carry the message

1 forward to the rest of the team, if you want quality by  
2 example. People that really know firsthand, understand  
3 what we found, what it means to the organization. More or  
4 less be disciples to the rest of the organization.

5 Now, not members of the team, but also helping us  
6 are some oversight folks for us. We had Tony Maschari, who  
7 has worked with nuclear power, excellent in human  
8 performance. He's not been down to the site. I believe he  
9 plans to be down sometime in the future.

10 Leonard Rone, an organizational effectiveness expert  
11 that met last week with us, and he's providing us with  
12 insights as well.

13 Next slide.

14 We have a few photos here. We don't have all the  
15 team members in the upper photo, what we have in the room  
16 at this time. Here you see us working on a discussion  
17 topic. That's Lesley standing there, I'm sure making a  
18 point about the process.

19 This is approach. Again, Lew mentioned earlier the  
20 Technical Root Cause results. The Technical Root Cause  
21 pointed us in a couple of specific directions. One is the  
22 errors in the decision-making occurred over a lengthy  
23 period. We saw that there were opportunities to do various  
24 things over about ten years that were missed. And that has  
25 caused us to recognize that the timeline is also therefore

1 lengthening that we need to consider.

2       The other thing that was important on a Technical  
3 Root Cause was we had other plant indications that have  
4 allowed earlier detection on a problem. These were not  
5 properly understood or acted upon.

6       So, from those key understandings we're  
7 investigating four major areas. One is the head itself.  
8 Focus there to why wasn't the significance of the boric  
9 acid buildup on the head recognized.

10       The next item there is pressurizer spray valve.  
11 For any of you that read the Technical Root Cause  
12 Investigation, there was an issue with boric acid pressure,  
13 on the pressurizer spray valve in 1998 for which the plant  
14 took a number of significant actions to try to gain  
15 an understanding of the site focus, and guard for boric  
16 acid. Yet somehow the effectiveness of the actions taken  
17 there were not accurate to ensure that we identified the  
18 problem on the head in the 2000 time frame.

19       We wish we had an opportunity at the time we were  
20 reviewing that to regard that as significant issue to look  
21 into.

22       The third one is the condition of the Containment  
23 Air Coolers. The question asked was why wasn't the  
24 significance of the increasing frequency and cleaning of  
25 these coolers recognized.



1           And the last major one listed there is similar.  
2           It's the Radiation Monitor Filters, also the Technical Root  
3           Cause of the monitors filters for them, were developing  
4           clogging, boric acid, iron oxide; and why wasn't the  
5           significance of that, that happening recognized.

6           Next slide, please.

7           We're using an in-depth approach on this, does take  
8           some time, developing event and causal factors chart, and  
9           we'll see a piece of that on the overhead here. We're also  
10          using a hazard barrier target analysis technique in  
11          conjunction with that.

12          The analysis process that we're using is referred to  
13          as MORT. It stands for Management Oversight and Risk Tree  
14          Technique. That has a number of sections; one on the right  
15          side of the tree analysis chart that's designated as  
16          Management Time Issues.

17          We've identified five key sections of that MORT  
18          style analysis that we think are relevant here. One is  
19          Technical Information Systems that are listed there. One,  
20          I'll speak to for this.

21          I know the NRC, many of you are probably familiar at  
22          NRC, used MORT yourself quite often over the years, many of  
23          your trainings referring to it. But for those of you who  
24          are unfamiliar with it, if I were to pick one of these out,  
25          so management support oversight people understand why this

1 tree concept works.

2 If you look at management's role, this process  
3 per se, management has three primary branches in our  
4 obligations. One is to set policy or establish standards.  
5 The next would be their responsibility to implement those  
6 standards. And then the third major branch would be the  
7 concept of managing risks.

8 Now, if you took that concept of managing risks and  
9 looked at its branches, and set three branches to that,  
10 would be information systems. How does management get  
11 information it needs to understand what the risks are.

12 Then there is a process that evaluates called hazard  
13 analysis. Now, that's the process you have in place to  
14 make sure whatever happens out there you're evaluating  
15 correctly, so it can be understood.

16 And the third branch to that particular process is  
17 program monitoring, that the programs you have in place  
18 inform you and analyze the risks are effective in doing  
19 that for you.

20 So, it's a very detailed analysis technique, which  
21 is designed to see exactly where in these processes the  
22 errors occur. As we get down through the conclusions of  
23 them, we'll develop recommendations for consideration.

24 Next slide.

25 I can't see it very well, but from the copy I have

1 here, that upper left-hand photo shows really the cause  
2 factors chart going down the lefthand side. What it shows  
3 there is the information we collected for 1997 up to the  
4 present.

5 We do have data points that go all the way back to  
6 the early 80's, but that's because that's when the first  
7 industry information came out regarding boric acid and how  
8 it may affect the fasteners. So, we don't have a lot of  
9 data that far back, but we're being thorough in going down  
10 all the trails in relating to these issues and sections  
11 that we're investigating.

12 So far, we have information from 69 interviews, and  
13 well over 300 documents that are supplying the information  
14 for this. The second photo shows, giving us a little tour  
15 of the work chart.

16 Next slide.

17 As Lew mentioned earlier, we have from the  
18 information we have, the understanding we have been able to  
19 work with, at least, we've talked to Lew about other  
20 management team, these management attributes, management  
21 oversight-type things, been at the site. I pointed out a  
22 lot of things, but we've also seen management attribute  
23 factors that represent things that the site can work on in  
24 terms of prebaseline proper standards and staff. And these  
25 are the insights we have clearly from our data.

1 As we mentioned earlier, we have had standards and  
2 for years have lacked rigor. That strong management and  
3 leadership has been able to have the right things happen,  
4 and performance of the plant has been good in those  
5 periods. There has been lack of management oversight that  
6 resulted in lax rigor in process implementation, and the  
7 questioning attitude in some cases is not evident as well.

8 So, the actual work analysis is continuing. It's  
9 pretty short timeframe, but we're working right along. I  
10 can't take too long on getting certain things done. It  
11 doesn't work that way, but for now these are our insights.

12 Lew, I'll go back to you.

13 MR. MYERS: Thank you.

14 MR. GROBE: Before we go on,  
15 we have a few questions.

16 Christine.

17 MS. LIPA: An obvious  
18 question, and I'm sure there is no answer yet, you know,  
19 the timeline for when you're going to start putting some  
20 actions into place, because that will be important that we  
21 decide how to do our inspections on those various tasks.  
22 What's your estimate at this point?

23 MR. LOEHLEIN: What we're doing  
24 right now, that's why we're working so close with Lew. So  
25 much what we're doing now is, represents what we call

1 baseline proper standards, plus information out there on  
2 the performance, can be measured as seen by, in forming  
3 plans.

4 We need to do these conclusions and see what sort of  
5 adjustments we have to make to those plans for any other  
6 results we may conclude.

7 MR. MYERS: I think the report  
8 will be this month.

9 MR. LOEHLEIN: We're expecting  
10 it. Again, root cause, iron clad prediction on when we're  
11 to be done, but we're expecting to be done with our  
12 analysis and conclusions at the end of the month, and  
13 that's where we are.

14 MS. LIPA: You plan to submit  
15 that to us?

16 MR. MYERS: Yes.

17 MR. DEAN: Lew, this  
18 question is not for you, but Steve. Clearly, you can take  
19 some preliminary insights, and I'm sure they jive pretty  
20 well, you know, even with what we do; conclusions you come  
21 to just by seeing what transpired and how you get where  
22 you've got.

23 Are there actions being taken now in terms of  
24 rebaseline proper standards, but the things that we talked  
25 about earlier, your revamped management team in terms of

1 driving those sort of standards and expectations down?

2 MR. MYERS: Yes, they are.

3 I'm going to talk about some of those in closing remarks.

4 As you said, we've made management changes, restructured

5 some, brought in people already, created some additional

6 oversight and a few positions; myself and Gary, and Bill

7 Pearce. So, we are taking actions as we move forward.

8 We're very conscious about the actions we're taking not

9 being negative actions, you know. So, yes.

10 MR. GROBE: I have to say, I'm

11 still frustrated in this area. I have a great deal of

12 confidence that once you apply yourselves, the technical

13 problems and the systems area and reactor head and

14 containment setup condition and all those things, that you

15 can do that work well, but safe restart, and more

16 importantly, safe operations after restart on a continuing

17 basis, is key in this area.

18 And, these preliminary insights, while I know that

19 you have more data to support them, these insights today,

20 we could have probably sat down a week after the discovery

21 of the cavity and come up with these issues.

22 And like I said, Steve, I know you have a lot more

23 data to support these issues and will be developing further

24 insights, but this is the key in my mind, to long term

25 improvement of the plant. And it's also the key to

1 restart, along with all of the mechanical processes that  
2 you're going through the systems.

3 Christine asked a question, and maybe I'm just  
4 asking the same question again. When are we going to have  
5 a clear understanding of specific actions; what your  
6 expectations are as a result of those actions, what your,  
7 how you're going to measure progress in those areas, what  
8 performance indicators you're going to use on how  
9 performance in these areas are changing?

10 Before you answer that, let me just add one more,  
11 one more thought. Some of these issues deal with  
12 management, some of them deal with staff. Clearly, you've  
13 made a substantial change in your leadership team, your  
14 senior leadership team, but day in and day out every  
15 individual in the plant has to be a leader for excellence.

16 And, the first level of oversight doesn't come from  
17 management. It comes from first line supervisor,  
18 maintenance foreman, the field operator is overseeing  
19 implementation work by other operators. I don't see  
20 anything in here regarding that level. Could you speak to  
21 those issues a little bit?

22 MR. MYERS: Yes. Let me go  
23 through my closing remarks a little bit. I think that will  
24 answer these questions.

25 I think we've demonstrated today that our Building

1 Blocks have moved from the planning, discovery and into the  
2 implementation phase in many areas. Okay.

3 We have taken strong actions to incorporate the  
4 comments from our Restart Overview Panel, the meetings we  
5 have had with the NRC and the comments we've heard since  
6 the last meeting.

7 We are taking management actions that are  
8 substantial and demonstrative.

9 Let me explain that. As I said, we created a new  
10 position of Chief Operating Officer, so that we would have  
11 more day-in day-out involvement in making sure standards  
12 between our staffs are fine.

13 Let me give you an example. At our other two  
14 plants, we're running the same process in corrective  
15 action. And when we ask for operability determination,  
16 inoperability determination; at Davis-Besse it was  
17 inoperability justification.

18 That minor difference sent the wrong message. We  
19 created the executive, the position of Executive Vice  
20 President in Gary Leidich. And then we created VP of  
21 Oversight. Those were all pretty substantial changes at  
22 the senior level. New senior management team, and a strong  
23 management team is now present with, every day at our  
24 Davis-Besse Plant with proven leadership. And we've  
25 clearly shown that, when we have the strong leadership at



1 the plant that's involved with everyday activities, that  
2 the performance of the plant is efficient.

3 We've brought Mike Ross in, just at the end of the  
4 table, to focus on the operations area. We've already  
5 chartered mine. We evaluate attributes of every operator  
6 at our station, until we have the right attributes for each  
7 position; from nonlicensed operator, to the licensed  
8 operator, to the, to the control advisors, he's charting  
9 that activity.

10 We're providing a case study with all of our  
11 employees that sets expectation that change of ownership  
12 and standards need to be made. We're sitting down with  
13 your boards and spending a lot of time in that effort. We  
14 will be going back and evaluating each of our employees to  
15 our standards. We're rebaselining our standards; do we  
16 have the right standards.

17 I've seen some cases where I thought some of the  
18 leadership action standards, if you will, that we've had in  
19 place, have deteriorated. We're going to rebaseline those  
20 standards. And they will clearly learn, monitor and  
21 reinforce those standards at supervisor and manager  
22 levels to make sure they understand and they can comply.  
23 It's that simple.

24 We've created a new engineering standards of  
25 excellence already. That will be a model for each of our

1 groups. We created a new Engineering Assessment Board. We  
2 intend to use that board, it's in their charter to provide  
3 you the input you need to know about the quality of the  
4 work. And, we'll continue to do that in other areas.

5 The Plant Manager, Randy Fast, is now chairing our  
6 Corrective Action Review Board. In my mind, this is the  
7 most important program at our plant. And I intend to have  
8 Randy provide me detailed performance indicators on the, on  
9 the thoroughness of corrective action from that board.

10 How many comments do they have to make for our  
11 standards and how many outages have they checked. But  
12 Randy is going to charter that board. That's not short  
13 term. I consider that permanent.

14 The new operations of leadership to ensure the plant  
15 operational focus is absolutely necessary. It was missing  
16 in this, this whole issue over the years. It was ours.  
17 And if you look, we brought in Mike Ross, and we chartered  
18 him to provide us indications that we have the right  
19 performance modeling tools in assessing the office of the  
20 organization. That's his charge.

21 We need, have to build teamwork between our  
22 managers, supervisors, and line workers. If we can't get  
23 that done, then we probably won't be ready to restart; not  
24 ever for restart. So, we have to be all on the same page.

25 At our next meetings, we intend to provide you

1 performance indicators on how each one of these actions are  
2 taking place. What's the effects. What are we seeing from  
3 the Corrective Action Program, Engineering Assessment  
4 Board, and what are we seeing out of the Oversight Review  
5 Boards that we put in place, some on a temporary basis.

6 But we consider Engineering Overview Board a  
7 permanent fixture. I don't see those ever going away. Who  
8 continue to be committed to comprehensive approach to  
9 ensure the Davis-Besse Plant is safe and reliable, and once  
10 again, we will make sure that we will have sustainable  
11 performance. We want to let you know that.

12 That's what I have to say.

13 MR. GROBE: Okay. Any  
14 questions?

15 Okay. Before we go on to the next session of the  
16 agenda, which is discussing the framework for restart  
17 checklist, I think it's appropriate for a couple comments  
18 right now.

19 This has been a very comprehensive presentation on  
20 the status of a variety of activities. I think over the  
21 past month we've seen a substantive change in the focus and  
22 scope on a number of the activities. And that's been the  
23 result of your assessments of what you're doing and how  
24 you're going to accomplish it. It's been the result of  
25 some input from our staff, as well as some input from

1 outside influences. And, I think that's very healthy.

2 The area as I mentioned a moment ago; many of these  
3 activities in the management performance area were clearly  
4 future tense activities. I'm eager to get into some more  
5 detail in this area, to understand specifics of what these  
6 activities look like, how you measuring them, what your  
7 expected outcomes are on specific activities, and what your  
8 personal restart criteria are going to be in these areas.

9 And, I think this is very important.

10 At this time, John?

11 He's good. Let's move on.

12 I wanted to provide framework, clearly comprehensive  
13 framework for the NRC Restart Checklist. Obviously, you've  
14 got your, one of your Building Blocks here at your restart  
15 plan, specific criteria for whatever items that need to be  
16 resolved from restart, whatever items that possibly can be  
17 deferred until restart. I suspect before you're done, you  
18 already have a, many hundreds of items identified that  
19 you're going to screen, and probably several hundreds that  
20 you've probably already identified that are a result of  
21 restart.

22 Our research in this has to be much simpler. And  
23 it's going to have a framework that covers a number of  
24 areas. Obviously, we have to see root cause, is very  
25 important. The adequacy of structured systems and

1 components hardware in the plant. We've added some  
2 programs.

3 This is, our restart checklist is to a large extent  
4 going to mirror your restart plan. Adequacy of  
5 organizational effectiveness in performance.

6 As I mentioned a few moments ago. I personally  
7 strongly believe that the first line supervisor is the key  
8 to the long term exceptional performance. And this is  
9 written a little bit different than what yours is,  
10 management effective. We've structured this more I think  
11 broadly organizational factors. And, sub items we're going  
12 to get into in a little detail.

13 Readiness for restart, what we're going to be  
14 looking at in several areas, both the hardware as well as  
15 the people, and licensing issues. And, as this restart  
16 checklist involves, and I'm going to talk about a couple of  
17 these sections in more detail; Christine is going to talk  
18 about one or two; Bill is going to be talking about one of  
19 the sections.

20 But as the checklist gets formulated, and is issued  
21 by the NRC, it's important that we have a clear  
22 understanding of the specific items. And I think as you've  
23 gone through your structuring and restart plan, you can  
24 find a very close alignment. We can provide you with a lot  
25 of feedback. And I think it's going to naturally meld

1 together, because the issues that are important to us,  
2 we've been identifying the issues that you've identified or  
3 reports have been good.

4 So, I expect there will be a clear alignment. One  
5 of the purposes of publishing the restart checklist. There  
6 is actually two purposes. One is a very clear  
7 communication between us of what the expectations are. I  
8 would say minimum expectations on prior to restart. We  
9 would like to go far beyond these specific activities in a  
10 number of areas. And secondly, to clearly indicate to the  
11 public what the NRC expectations are prior to restart.

12 Let me talk a little about bit root cause. We've  
13 received documents from you regarding what I'll call  
14 technical recalls. And Steve, you mentioned that earlier.  
15 It was called something different. I think it was actually  
16 called root cause analysis, but didn't go into the level of  
17 detail that Steve's team is using today, more to his  
18 industry recognized processes at this point, which many of  
19 our staff do.

20 It's very solid approach to identifying all the  
21 organizational factors in the problem, so I'm certainly  
22 looking forward to that. The technical response is  
23 specifically focused in two areas, that's cracking,  
24 penetration, corrosion, what caused that, what contributed  
25 to it. That was presented, I believe, on May 7th at

1 headquarters, public meeting to the NRC staff and other  
2 folks. I think that's very well understood and we were  
3 completing our evaluation of that part of the root cause  
4 and that would be published and when we complete our  
5 review, we will provide that to you.

6 The second area of the reconnaissance, what I refer  
7 to as the software side, that's the organizational  
8 programmatic and people, and obviously, you haven't had  
9 your review yet, so we haven't performed our formal review  
10 of the facility; and we'll be doing that.

11 Christine, I think, has some scope of the advocates  
12 of the systems out, to go over there.

13 MS. LIPA: Sure, let me just  
14 talk a little bit in general about the checklist we have.  
15 I don't know if you guys got a copy of it. It was in our  
16 handouts and we can't see the projector.

17 But this is, we're calling this a framework for the  
18 checklist. This is not the checklist. And the panel is  
19 working to develop the checklist based on some of the  
20 things Jack referred to in root cause, AIT Inspection  
21 results and other items.

22 Then, once the checklist is developed and approved  
23 by the panel, it would be reviewed and approved by agents  
24 and management. So, this is the framework for today.  
25 We'll get you a handout.

1       The first item that I have on here, 2 A, is the  
2 Reactor Pressure Vessel Head Replacement. John gave you  
3 some details earlier on some of the inspections that have  
4 already been started. The inspections will continue.

5       The second item is Containment Vessel Restoration  
6 Following The RPV Head Replacement and obviously opening  
7 the containment and reclosing and testing as part of that  
8 inspection that we'll be doing.

9       The third one are Structures, Systems and Components  
10 Inside Containment; and it's really similar to the  
11 presentation you gave earlier. The things that we're  
12 interested in are some of the things you're interested in.  
13 What damage might have been done to various components  
14 within the containment head as a result of the boric acid.

15       That includes equipment, electrical equipment,  
16 mechanical equipment, environmental qualification for some  
17 of that equipment, the containment air coolers and the  
18 radiation monitors. We'll also be taking look at the  
19 monitor plan on the sump and fibrous insulation issue.

20       And then the final supplement in this area, our  
21 Systems Outside Containment. Specifically systems that  
22 contain borated water and also some of your important  
23 systems determined by your managerial criteria.

24       That's how we intend to approach this area.

25       Jack?



1           MR. GROBE:           I just wanted to  
2 comment. These are broad categories. When we describe as  
3 framework; specific inspection, the scope of inspection in  
4 each of these areas will be different. They will be  
5 dependent upon the root causes of what resulted in the head  
6 degradation issue at Davis-Besse.

7           The reason we haven't presented this checklist  
8 earlier is that I didn't want to be in a position to find  
9 what was necessary. You've been working through a number  
10 of these areas. You've evolved over the last month, month  
11 and a half, and I want to be sure there was, you had a  
12 clear vision of what you thought was important.

13          We've provided feedback already in a number of these  
14 areas. Also done a variety of inspection activities; Mel  
15 Holmberg on the structure systems and components; John and,  
16 Don Jones have done a number of inspections regarding  
17 vessel head replacement in the area, nondestructive  
18 examination; and we've already laid out the inspection plan  
19 for the, what we're planning on looking at with respect to  
20 the, the code records for the necessary vessel head.

21          Shortly after we finalized this checklist, which I  
22 expect in the next week or two, we'll be finalizing our  
23 inspection plans, and get that schedule to you as well as  
24 some detail on the scope of the inspection.

25          Schedule obviously is dictated by you. We can't

1 inspect anything until you've completed work. And, we may  
2 be able to do some, or some inspections have to be done in  
3 process. For example, nondestructive examination  
4 inspection had to be done in process and that's already  
5 been completed.

6 So, as we begin to develop the inspection scopes at  
7 least, we will be clearly communicating that to you. The  
8 leaders in each of these areas will be working closely with  
9 your staff. I understand your schedule and my staff's,  
10 watch the progress in those areas and be able to step in  
11 and do our inspection at the appropriate times.

12 I think Bill was next going to talk about  
13 problematic areas.

14 MR. DEAN: Very briefly. I  
15 think it would probably seem a pretty good matchup here in  
16 terms of programs that we're interested in looking at are  
17 relative to the ones that you identified yourself here  
18 today. Clearly, the basis of looking at these is that we  
19 need to assure ourselves that the Licensee are assessing  
20 your programs and they are in a self-critical manner; and  
21 putting in place effective corrective actions which would  
22 ensure those programs are effective in the future.

23 You will participate in assessment of the accuracy  
24 of some of the programs. The one there that is a bit of a  
25 delta is items received as audit and self-assessment

1 programs. And our intent there is that, we believe that we  
2 can look at organizationally how do you put in place, say,  
3 a process by which you have independent and organization  
4 itself critical process, and that the results that emanated  
5 from that process are treated appropriately.

6 So, that's one that's a bit of a delta that you have  
7 to provide us here today.

8 MR. GROBE: Thanks. I think  
9 that's a real good point. We view corrective action  
10 program, an operating experience program, a self-assessment  
11 program as really part of the corrective action program;  
12 and, to be completely effective, it requires a number of  
13 components, and we've separated that out in our checklist.

14 You're taking actions in all of these areas. It's  
15 just that you haven't specifically defined in your  
16 programmatic reviews things quite the same way as we have  
17 here.

18 I was going to talk a little bit about  
19 organizational effectiveness. This is the area you  
20 probably won't get a lot of specificity from our checklist  
21 at this point, but there are no NRC requirements in this  
22 area. The organizational effectiveness and human  
23 performance are actually critical safe operations. The  
24 detailed look at this is going to be driven by, to a large  
25 extent, by what you choose to do in this area.

1       The results of this activity, of your effectiveness  
2 in this area would be directly reflected in all of the  
3 other inspections. And, organizational effectiveness,  
4 human performance, will be measured by your performance in  
5 all these other areas.

6       So, I will be closely monitoring activities, as well  
7 as the outcomes of those, as the organization performs  
8 during its approach to the restart.

9       The next area is Readiness for Restart, and I would  
10 expect that the Systems Readiness for Restart is different  
11 than your System Reviews. That's more akin to what you may  
12 call a checklist. It's part of the systems in an  
13 operational configuration for operations.

14       Operations Readiness for Restart is an operational  
15 organization of people. Operations, are they ready to make  
16 the transition from shutdown plant to operating plant. And  
17 obviously, test program, a number of activities that are  
18 going to be accomplished both prior to restart as well as  
19 during restart process, accomplish testing.

20       So, those are the three focus areas or the framework  
21 for the restart.

22       I'm going to ask Doug Pickett to talk a little about  
23 the licensing issues, and I'll wrap it up.

24       Doug.

25       MR. PICKETT:     Okay, regarding the new

1 reactor vessel head, there is a number of licensing  
2 issues. This is where we require approval prior to  
3 restart. And all the issues under item 6 are basically  
4 documentation issues of paperwork, if you will. They  
5 shouldn't require any modifications or plant repairs.

6 The first four items are basically requests from the  
7 NRC code. The next are the spec requirements, and they  
8 allow us --

9 (Requested speaker to repeat)

10 MR. PICKETT: The regulations  
11 allow the staff to accept alternatives to the ASME Code,  
12 providing the staff is convinced there is an equivalent  
13 level of safety. Staff makes at times findings on all  
14 plants.

15 The item 6e, is documentation of the reconciliation  
16 between ASME Code, the new Midland Reactor Pressure Vessel  
17 Head.

18 And the final item is additional documentation  
19 provided on Verification of Technical Specification  
20 Pressure/Temperature Curves for New Vessel Head.

21 And, your staff is aware of these issues, and it's  
22 my understanding that you're preparing letters for the  
23 staff's review, and we should see those shortly.

24 MR. SCHRAUDER: That's  
25 correct.

1 MR. GROBE: Okay.

2 Thanks, Doug.

3 I believe that -- well, all of these areas are  
4 fluid. We're going to shortly tie down what we believe to  
5 be the restart checklist in the NRC perspective.

6 As Christine mentioned a few moments ago, once the  
7 panel finalizes what it thinks should be on the restart  
8 checklist, that will be by Jim Dyer, Regional Administrator  
9 in Region 3 in Chicago, as well as Sam Collins, the  
10 Director of the Office of Nuclear Reactor Regulations.

11 And, not until they approve it will we issue it to you and  
12 to the public.

13 I wanted to go into some detail today just to give  
14 you a scope and framework for what we're looking at from  
15 the restart checklist perspective.

16 One area that may have the most validity is the  
17 Licensing Issues Resolution. There may be other activities  
18 that come up that require either substantial safety  
19 regulations, or licensing actions as you go through all  
20 your system reviews. And certainly licensing actions are  
21 something we would have to take a significant safety  
22 evaluation, and complex safety evaluations, we'd likely  
23 take a look at also.

24 So, that area is going to be somewhat fluid as  
25 things evolve over the last couple of months. The other

1 areas likewise can also have issues added to them. It  
2 depends on the significance of the issue. We're going to  
3 be identifying a lot of things. I wouldn't expect many of  
4 them to appear on this checklist, but if it's something of  
5 particularly significance, the checklist would be updated  
6 and they would be added to the checklist.

7 This is the first time I've shown this to you. I  
8 wanted to get it out on the table and make sure you had a  
9 clear understanding and respond to any questions you may  
10 have regarding this framework.

11 Any questions from your side?

12 MR. BERGENDAHL: Give an example,  
13 like something that is systems outside containment.

14 MR. GROBE: Sure. The one  
15 specific issue, again restart checklist should be driven  
16 from issues that result in the shutdown. So, clearly  
17 systems containing boric acid. Water has boric acid in  
18 it. I want you to focus for those constant factors.

19 But in addition, many of these areas; the  
20 organizational effectiveness on human performance  
21 characteristics that were, that resulted in head  
22 degradation, may have resulted in other system  
23 degradation. And so, we're going to have to see in that  
24 area also.

25 I can't give you scope of the inspection at this

1 point, but I can tell you that we would be scanning a  
2 variety of the work that you're doing in the area of your  
3 system reviews, as well as some independent work. Areas  
4 that you may not have done to benchmark the quality of work  
5 that you have completed.

6 So, does that help out?

7 MR. BERGENDAHL: Yeah, I understand  
8 that.

9 MR. GROBE: Other questions?

10 Okay. Very good.

11 Lew, do you have any concluding remarks before we  
12 finish the business portion of the meeting?

13 MR. MYERS: Well, I thought  
14 this was a productive meeting. I think we accomplished our  
15 desired items. What I heard was next time we will have  
16 Bill Pearce here to talk about oversight; Clark Ross will  
17 give us performance indicators and work off curves and what  
18 we're doing and what we're identifying, have that at the  
19 next meeting. And finally, on a management issue, focus on  
20 the actions we're going to take and how we're going to, the  
21 amount of the effectiveness of the actions. Okay?

22 MR. GROBE: Sure.

23 MR. MYERS: Okay.

24 MR. GROBE: Let me add one or  
25 two things to that, just to make sure you have a complete



1 list.

2 MR. MYERS: Okay.

3 MR. GROBE: I think we talked

4 about the oversight boards. And, did you mention that,

5 value, they're adding what their function is?

6 MR. MYERS: Right.

7 MR. GROBE: And also, I would

8 like to hear specifically about some of the more

9 substantive issues that your activities have identified.

10 So, that's more of a specific finding focus discussion.

11 So, not only the performance indicators, or how many things

12 that you're finding and how many things you're working on,

13 that sort of thing, but also some specifics on more

14 specific issues.

15 And, as we go through and inspect those activities,

16 we'll also be presenting these meetings on special

17 findings. So, we'll be discussing results of our

18 inspections.

19 So, I think that's kind of a healthy going-forward

20 spectrum for these meetings. Performance indicators, work

21 progress, specific findings that you have, value added

22 oversight boards, value added from Bill Pearce's staff and

23 oversight, and then we'll give you our feedback as we have

24 from the results of our inspections.

25 MR. MYERS: You know, I think

1 if you look at the event, and we had our first meeting,  
2 this is our third; I think we made good progress for the  
3 last meeting, and this meeting I think, I believe we've  
4 moved into implementation, and now we're going to go into  
5 really good monitoring of some of these things we're  
6 talking about. We'll be ready to do that the next time. I  
7 don't see any problem.

8 MR. GROBE: Just a final  
9 thought. I've, over the last couple of months, I've seen  
10 an evolution in your approach towards this project.  
11 Clearly, what you've articulated here today is a more  
12 comprehensive and more thorough evaluation than what might  
13 be the minimum mandated by the, the issues contributed to  
14 the head degradation. And I think also clearly what you've  
15 articulated today is commitment to go beyond those issues  
16 as far as improving not only the reliability of the plant,  
17 but safety of the plant and margins to safety.

18 So I think those are good, good indicators. And,  
19 you also presented today some, in the area of the head,  
20 specifically head replacement and substantive problems.  
21 And we've been inspecting those activities and found good  
22 results from your work, as far as the work that you've  
23 done.

24 So, I think this meeting has been helpful to us.  
25 It's been fairly comprehensive. It's been giving us a good

1 benchmark where you're at, and going. And we look forward  
2 to our next meeting, which I expect would be around the  
3 middle of the month, next month. And we'll work out that  
4 schedule with your staff.

5 MR. MYERS: Thank you.

6 MR. GROBE: At this point, why  
7 don't we take a eight minute break, which I expect will be  
8 ten by the time everybody gets back in their seats; give  
9 Marie a break; and then we'll convene the public portion of  
10 this meeting where we can receive questions from the  
11 public; NRC staff can receive questions from the public, as  
12 well as any feedback that you may have that you want to  
13 share with us.

14 So, we will be convened. I have five minutes  
15 until. Let's convene at three minutes after. Thank you.

16 (Off the record.)

17 MR. GROBE: This portion of the  
18 meeting is particularly focused on the NRC staff receiving  
19 input and feedback from the public. And there is a pad of  
20 paper on the podium up here, as well as the microphone.

21 And I would like to begin with any local members of  
22 the community in the Oak Harbor area, in the areas  
23 surrounding the Davis-Besse Plant as well as any local  
24 officials that have thoughts or questions that they want to  
25 ask, and then move into any other individuals that have

1 thoughts or questions.

2 So, anybody that's interested in providing us some  
3 thoughts or comments or has a question, please come up to  
4 the podium, and we're available to answer those.

5 I didn't think you'd miss a chance at this.

6 HOWARD WHITCOMB: I guess I have to  
7 lead it off, Jack.

8 In follow-up to your comment that you made about  
9 first-line supervision, I would offer the following  
10 observation. This afternoon, I've heard essentially two  
11 prongs, if you will. One is a technical fix to the  
12 corroded reactor vessel head and then the other is the  
13 software fix or management fix involving the root cause  
14 analysis determination, so forth.

15 What's been provided by First Energy this afternoon  
16 is a time frame for the technical fix. What has not been  
17 provided is a time frame for the management fix. Clearly,  
18 the technical issue is probably the least significant, but  
19 I haven't this afternoon, Mr. Grobe, heard First Energy's  
20 first prioritization of the management issues.

21 In other words, what are the root cause  
22 determinations? Why did they occur? And how is First  
23 Energy going to address them to prevent recurrence? And  
24 this afternoon, we haven't heard anything with respect to  
25 what priority First Energy has attached to that aspect and

1 how that's going to essentially factor into restart of the  
2 Davis-Besse Plant.

3 MR. GROBE: Okay. Excellent  
4 question. I think I heard two parts. I think both  
5 Christine and I had asked very similar questions today.

6 You're correct that the root cause analysis is not  
7 complete. The specific structure of what activities need  
8 to be taken by the plant has not yet been decided by the  
9 plant. And, we're here to get those also and look forward  
10 to those more detailed specifics at our next meeting next  
11 month.

12 The other question I think is also a fair question,  
13 and it's not one for me to answer, but I would ask Lew or  
14 Howard if they want to comment on what priority you place  
15 on the, addressing the causal factors of more on the human  
16 performance organization effectiveness as contrasted with  
17 the priority placed on the hardware fixes?

18 MR. MYERS: Well, in my mind,  
19 the management issues, I'm sponsor to the management  
20 issues, is pretty high priority. That's the reason I am  
21 the sponsor, because we realize we've had, we've made some  
22 pretty significant organizational changes already at the  
23 upper levels. We've improved the senior team at the  
24 station, has changed considerably.

25 As we go through finish up with the work processes,

1 we'll probably find some additional insights of training  
2 and standards that we need to take. And then finally the  
3 programs reviews.

4 As you go through these program reviews, we've got  
5 to make sure we've got good industry standards on our  
6 programs, that we have good ownership of our programs, and  
7 we have to go on to monitor implementation of each and  
8 every program. We're going to do that. I don't know that  
9 every one of those is required before restart, but we're  
10 certainly going to look at our programs very hard for  
11 restart.

12 And the final thing is our independent review board  
13 that I talked about. We won't restart the plant until that  
14 board thinks we're ready to go.

15 MR. GROBE: Okay. Anything  
16 else, Howard?

17 HOWARD WHITCOMB: No, that should do  
18 it.

19 MR. GROBE: Okay, thank you.

20 I did realize that I had forgotten to introduce one  
21 NRC staff member that is here today. And, I thought he had  
22 left. So, I was really feeling badly, but I just noticed  
23 that he came back in the room. So, let me take this  
24 opportunity to introduce Marty Farber.

25 Marty, where did you go? There he is over in the

1 back.

2 Marty is a very experienced inspector in the Region  
3 3 office. Outstanding performer for us. And he has taken  
4 on the responsibility to be a leader on the, what we call,  
5 the AIT follow-up inspection. He's been working in  
6 Regional office for several weeks and is on-site this week  
7 bringing focus on the AIT findings, as far as the, whether  
8 those findings or which of those findings represent  
9 regulatory violations and what the significance of those  
10 violations are.

11 So, over the next couple of weeks, I expect Marty  
12 and possibly some other staff from Region 3 support will be  
13 completing the AIT follow-up inspection.

14 I didn't want to miss the opportunities to introduce  
15 Marty. So, I apologize Marty for not catching you earlier.  
16 You were on my list and I missed you.

17 Are there other members of the Oak Harbor community  
18 that have questions or comments?

19 Any elected officials that have questions or public  
20 officials that have questions?

21 Okay. Very good.

22 Are there other members in the audience today that  
23 have questions for us or comments that they want us to  
24 consider?

25 Yes, sir?

1                   JOHN MILLER:       My name is John  
2 Miller. I'm a reporter.  
3       Mr. Grobe, if you were king, what would you do about  
4 the notion of the safety culture of the emphasis you put  
5 today on first line supervisors having the kind of safety  
6 attitude so that they catch problems as they arise rather  
7 than pinning the safety of the plant only on the senior  
8 management in some kind of bureaucratic process of CRs that  
9 would, that would find problems?

10       In other words, what do you think ought to be  
11 happening, not only at this plant, but around the industry  
12 in this matter of training or evaluating safety culture?

13                   MR. GROBE:       That's a big  
14 question. First off, let me take a step back. Our  
15 inspection program is built upon a number of fundamentals.

16       And, Bill, maybe you can, as I go through a couple  
17 things, maybe you can think through this and provide some  
18 additional thoughts.

19       We have characteristics in our inspection program,  
20 which we call cross-cutting issues. And what cross-cutting  
21 issue means is, it's something that affects safety  
22 performance across the plant in any of the various safety  
23 cornerstones, is what we're calling them.

24       One of the cross-cutting issues is Human  
25 Performance, and it's the focus of our inspection program.



1 Second cross-cutting issue is the Corrective Action  
2 Program, and safety culture of the plant. What we  
3 sometimes refer to as the safety conscious work  
4 environment.

5 These issues are underpinning issues for our entire  
6 inspection program, and we have a number of activities that  
7 we conduct that focus on those. One of them has to do with  
8 periodic, what we refer to as problem identification and  
9 resolution inspection. And, that is specifically, focuses  
10 on the activities it takes to evaluate problems, identify  
11 problems, evaluate them, resolve them. It's a risk-focused  
12 inspection, meaning take the highest risk significant  
13 issues and ensure that those issues are being identified  
14 and resolved.

15 We also have periodic activity where we go into  
16 depth. Some people refer to it as drilling down into an  
17 issue. Where an issue of particular, what appears on the  
18 surface to be more significant than other issues that come  
19 up on a day-by-day basis, we will drill down into the  
20 issue; not at the same extent, but similar to what Steve  
21 Loehlein has done with respect to this issue, and make sure  
22 that the Licensee is going to do a good job identifying the  
23 causal factors and correct it.

24 The last aspect of what we do currently focusing on  
25 safety, but I think you used the word safety culture, is

1 each of our inspectors when they go out to a site, whether  
2 they're health physicists, security inspectors, engineering  
3 inspectors, whatever different flavor of technical  
4 expertise they have, spends a certain period of their  
5 inspection time on site looking at the effectiveness of the  
6 Licensee's programs to identify problems and fix problems.

7 Bill, do you have, any thoughts that you have?

8 JOHN MILLER: Maybe if I could  
9 rephrase the question, because I think, I think I did  
10 confuse you. You said to Mr. Myers; Mr. Myers, you know,  
11 I'm frustrated, I don't believe you have done enough in  
12 telling me about how anybody at the plant below high level  
13 management is going to be operating in a sufficiently  
14 safety-minded mode; and you told him you want to see next  
15 time what he's going to do about that.

16 So, I'm asking you, what do you think he ought to  
17 do?

18 MR. GROBE: I appreciate,  
19 maybe I misunderstood your question. I apologize.

20 JOHN MILLER: It wasn't clear,  
21 I'm sorry.

22 MR. GROBE: It's certainly not  
23 my place to tell Mr. Myers how to fix his problems, it's my  
24 place to evaluate how effectively he does it. And there  
25 are many ways to choose to address these kinds of issues.

1 And they've been addressed at a number of plants around the  
2 country. And, outside of nuclear power, there are  
3 organizational effectiveness experts, and they're applied  
4 in big corporations, small companies across the country.

5 So, it's, Mr. Myers and his team's responsibility to  
6 bring to the table what they plan, and we make sure that to  
7 our satisfaction that it is comprehensive, and then we'll  
8 make sure from a planning prospective and make sure to our  
9 satisfaction that, that it's been effectively implemented.

10 And, we'll be presenting to you the results of our  
11 inspections at these types of meetings in the future.

12 JOHN MILLER: Okay. If you  
13 would humor me just one more time.

14 Back to the first question. If you were king, if  
15 you were the NRC Commission, you would be safe to saying  
16 something more generic than I would just let all of the  
17 utility managers around the country find their own way to a  
18 program that ensures that first level supervisors are all  
19 safety minded enough. What would those generic  
20 requirements be?

21 MR. GROBE: Again, it's, in  
22 the organization, as well as any other organization, there  
23 is all kinds of different ways. Each organization has, has  
24 a character to it; and one solution in one organization  
25 might not apply. Different parts of the country have

1 different characteristics of people and how they, what  
2 motivates them. What brings focus to their work. There is  
3 no cookie cutter solution to this kind of a problem.

4 And, what's important is for Mr. Myers to define  
5 what it is that he thinks is going to fix the issue here at  
6 Davis-Besse, and then we'll evaluate his implementation.

7 And, as I mentioned earlier, the results are going  
8 to be in the performance in the other areas of the restart  
9 checklist. Whether his activities are successful or not  
10 would be clearly evident, not only in the performance  
11 indicators that he develops to evaluate human performance  
12 and organizational effectiveness, but also the results of  
13 the specific activities that are undertaken to improve the  
14 plant, to accomplish the work.

15 Randy Fast talked about replacing the air coolers.  
16 That's a fairly large work activity that involves  
17 engineering, involves maintenance workers, involves maybe  
18 construction workers, depending on the scope of the work.  
19 And, you know, we'll be inspecting those sorts of  
20 activities in the plant.

21 And so, there is a number of ways that we're going  
22 to be evaluating the effectiveness, not only through the  
23 specific limitation actions under that cornerstone -- I'm  
24 sorry, building block, but also in looking at the  
25 performance of the staff and the organization.

1           JOHN MILLER:        Could I ask one  
2 more question on a different point?

3           MR. GROBE:            Certainly. That's  
4 what we're here for.

5           JOHN MILLER:        One could make a  
6 case that this is an example of something, that  
7 Davis-Besse's situation is an example of something that the  
8 NRC hopes never to see.

9           MR. GROBE:            I'm sorry, what?

10          JOHN MILLER:        NRC hopes never to  
11 see. What's that, given that you don't have enough  
12 resources to inspect everything, you have a kind of  
13 sampling inspection program; you inspect some things, not  
14 others. You have a risk base analysis. Hopefully, it's  
15 what appears to be the most important things.

16          But we now have a plant that by your annual  
17 inspection performed quite adequately, but under new  
18 management you say, it's clear over perhaps a decade or  
19 more, numbers of individuals missed what in hindsight would  
20 seem to be very simple indications of problems.

21          And the last time on June 12th at the public  
22 meeting, at least, I think you and your assistant both  
23 agreed that, that the local inspectors priorities on what  
24 to inspect would not have this kind of a situation, boric  
25 acid on the reactor head, anywhere near the top of the

1 list; it would be way down on that person's radar screen.

2 Given that, what would you say to the argument that  
3 maybe this inspection team doesn't work; and, if NRC wants  
4 to be able to prove to its own satisfaction and to the  
5 satisfaction of the public that such a thing is never going  
6 to happen again, given that it was such a near miss to a  
7 LOCA, that the only solution would be a much larger  
8 inspection program, inspecting many more things than are  
9 required, many more financial on the human resources.

10 MR. GROBE: I apologize, I've  
11 forgotten your name.

12 JOHN MILLER: John Miller.

13 MR. GROBE: John, there is a  
14 number of things that are ongoing. You ask very good  
15 questions, and Bill is itching to add to my response. I'll  
16 pass the microphone to him in a moment.

17 I'm sure you've heard the old adage, don't throw the  
18 baby out with the bath water. I'm certainly not willing to  
19 condemn the entire inspection approach or other, any of the  
20 other broad statements that you've made, but what the NRC  
21 has undertaken, is ongoing right now, here last month, if  
22 you had an opportunity to hear Art Howell and Ed Hackett  
23 present publicly what we refer to as a Lesson Learned Task  
24 Force.

25 And the Executive Director, the head guy of the

1 Regulatory Commission has chartered a group of people  
2 completely independent of anybody that's involved at  
3 Davis-Besse to take a real hard look at inspection  
4 programs; how we handled generic safety issues, our  
5 interrelationship with the international community, and  
6 lessons to learn. And I think there were a couple other  
7 items on the charter for Lessons Learned Task Force.

8 I can't remember all of them off the top of my head,  
9 but that task force is working. They have spent a good  
10 deal of time at the Davis-Besse site talking to Licensee.  
11 They've talked to an incredible amount of NRC staff.  
12 They've collected a wealth of documents.

13 The task force is fairly broad, and as far as  
14 numbers and scope or perspective individuals that come from  
15 a variety of parts of our organization, technically as well  
16 as geographically. So, I'm looking forward to the results  
17 of their assessment, things that we can follow on a  
18 inspection program.

19 Bill, did you have additional comments?

20 MR. DEAN: John, I just want  
21 to point out two things. One is, that if you looked at  
22 nuclear industry as a whole, and where performance was ten,  
23 fifteen years ago, and where performance is today as an  
24 industry, there has been a lot of benefit gained from the  
25 collective experience, and our inspection program has been

1 designed relative to that collective experience.

2 And, what we have here at Davis-Besse is a new  
3 experience. And I would offer that our inspection program  
4 has the flexibility to be able to be modified, if  
5 appropriate, to address new phenomenon and new issues that  
6 might emerge.

7 And, relative to your comment about boric acid on  
8 the vessel head not being important. I guess I would like  
9 to point out that over the past couple of years, as we have  
10 learned more as an agency and as an industry about issues  
11 associated with CRDM nozzle cracking and learning about the  
12 different types of phenomenon and so on and so forth, I  
13 think there is a fairly significant track record over the  
14 last couple of years that indicates the significance and  
15 the seriousness with which the agency has considered and  
16 asked and required Licensees to take specific action,  
17 quote, for the vessel head degradation which occurred at  
18 Davis-Besse as well as on the aftermath of that.

19 So, I think that, that provides an example of the  
20 fact that any, any industry is not a static situation.  
21 That things change. That we continue to learn. That's one  
22 of the important things that we have to have that comes out  
23 of this, that we as an agency, Davis-Besse as the Licensee,  
24 and the nuclear industry as a whole, learns from this, so  
25 that the factors that led to this don't repeat themselves



1 in the future.

2           JOHN MILLER:       One follow-up, if  
3 I could. Accepting that your comment that performance is  
4 better now we have experience; and accepting Mr. Grobe's  
5 comment that in general, throwing the baby out with the  
6 bath water is not a good idea. But we have the convenience  
7 of not having had the LOCA that we avoided only by what is  
8 fair to say, dumb luck, because stainless steel is put in  
9 there only for corrosion resistance, not for structure.

10        If we were now having this meeting in front of a  
11 congressional committee examining why there was this LOCA;  
12 do you really believe they would be convinced by the  
13 argument don't throw the baby out with the bath water?

14           MR. GROBE:        I apologize.  
15 There was so many premises to that question, I'm not sure I  
16 can answer it effectively.

17        What I would suggest is that you and I have a chance  
18 to talk and go privately after this meeting, and we can get  
19 into a bit more detail on this, because I think it is  
20 important for you to understand in a little more detail the  
21 scope of our programs, the activities that occurred prior  
22 to Davis-Besse, the activities that have occurred after  
23 Davis-Besse.

24        And, I think I don't want to give you the impression  
25 that I feel any differently than this. I think a number of

1 managers, the agency, including myself, has stated this  
2 should never happen. And it's the Licensee's  
3 responsibility to make sure these types of issues don't  
4 happen.

5 It's our responsibility to have an inspection  
6 program that provides a high level assurance that what  
7 they're doing is the right thing. And, our inspection  
8 program did not disclose this as early as it should have,  
9 and certainly the Licensee did not perform in a manner that  
10 was appropriate, and it resulted in the head degradation.

11 So, with that said, let's get into this separately  
12 after the meeting, because I don't want to tie everybody  
13 else up with an extended discussion of this topic. Okay.

14 MR. MYERS: Can I make a  
15 comment?

16 MR. GROBE: Sure, Lew.

17 MR. MYERS: Let me make a  
18 comment; a couple. Most likely, from an engineering  
19 standpoint the situation we had would have caused leakage  
20 that would have shut us down before it broke. One gallon  
21 would shut it down. So, that was really first in there.  
22 It shouldn't have happened. We should have found this.

23 But what I do think is healthy, I never thought I  
24 would say this, but I've been in this industry for over 30  
25 years, and the performance improvements that we see are due

1 to some of our oversight reviews and nuclear power  
2 operations and processes that we go through like we're  
3 going through here when we find something new.

4 I think they're right. We've learned something new  
5 that we need to share with the industry about this  
6 particular program. And I think that this is not, this is  
7 not a fun process, but it's healthy. And these processes  
8 that plants have gone through over the years to improve the  
9 material condition of our plants, the air operated valve,  
10 the leak rate programs; boric acid program, we should have  
11 had in place better, have made this industry perform well  
12 over the years.

13 And that's the reason for these type of things that  
14 we go through with the institute of nuclear power, because  
15 assessments of those every 18 months. And you're own  
16 internal self-assessments; if we do find a problem, there  
17 is going to be problems with any industry, that it gets to  
18 this level of detail, has really improved the performances  
19 of our plants; not only from an operation standpoint, but  
20 from a safety standpoint, that the NRC monitors.

21 You know, I really do believe that. This is not a  
22 fun process sitting up here on this stage, talking about  
23 this issue, but it's probably healthy.

24 MR. GROBE: Are there any  
25 other members of the public that have a question or

1 comment?

2 Let me ask, before we get started, Mr. Stucker, can  
3 you turn on the house lights?

4 BEATRICE MIRINGU: My name  
5 is Beatrice, B E A T R I C E, and Miringu, M I R I N G U.

6 I just want to get an indication from First Energy.  
7 You said that you have an independent panel that select  
8 people different experiences for different knowledge and  
9 from different areas, but you also said that you have  
10 brought in somebody who will help in facilitating  
11 communication between you and First Energy.

12 It's my understanding that you have, NRC has two  
13 staff members at every nuclear department. And indeed, the  
14 problem that you would be having with Davis-Besse  
15 especially with the boric acid problem has nothing do did  
16 with communication between you and NRC.

17 So, if you could elaborate on what you mean by some  
18 real facilitating or making it easier for you to  
19 communicate to First Energy, to NRC, or NRC communicating  
20 to you?

21 MR. GROBE: Ma'am, the portion  
22 of this meeting is to help the NRC with questions for us  
23 and comments for us. I would suggest if you have a  
24 specific question with First Energy, visit with those folks  
25 after the meeting and you can get feedback from them

1 directly, okay?

2 BEATRICE MIRINGU: Well, I thought  
3 since it was mentioned at this meeting that probably they  
4 could bring it like that.

5 MR. GROBE: I understand it.  
6 Outside of the context of the specific portion of the  
7 meeting, this section of the meeting is for us to hear from  
8 the public, us meaning the NRC staff. So, please feel free  
9 to direct your question to them after we complete this part  
10 of the meeting.

11 MR. BERGENDAHL: We'll gladly be  
12 available.

13 BEATRICE MIRINGU: Okay.

14 MR. GROBE: Thank you.

15 BEATRICE MIRINGU: Then the question  
16 I have also for, First Energy. You say at this meeting  
17 that you have moved from the planning phase and going into  
18 the implementation phase. And I understand that inspection  
19 is an ongoing process, but from what you presented today,  
20 there seems to be more inspections that need to be done;  
21 and therefore, I think that you really are not in a  
22 implementation state, and you're in the planning state.  
23 Thank you.

24 MR. GROBE: Okay, thank you.

25 Are there any other members of the public that have

1 a question or comment for the NRC staff?

2 By the way, if it's reporters that have questions;  
3 myself, the staff, and First Energy staff will be available  
4 to discuss specific questions. So, we can do that in a  
5 more informal way, after the meeting, if you prefer that.

6 Yes, sir?

7 WILLIAM BRUML: Yeah. My name is  
8 William Bruml, B R U M L.

9 First, I was going to comment that I am rather  
10 relieved to see at this meeting that management is the  
11 major cause issue here. Clearly, when you have a ten year  
12 train wreck, the question isn't why didn't the brakes work;  
13 it's a question of why didn't someone set the brakes. I'm  
14 glad to see that, seeing you here, and I hope it continues  
15 to, to be there.

16 Also in response to one remark Lew made about, that  
17 he expected that if the situation had continued, they would  
18 have had leakage rather than, rather than a LOCA.

19 Does the NRC have any intention to publish the  
20 results of the inspections that it's been doing on the  
21 sections of the reactor head, so other members of the  
22 general public might kind of have more of a sense of what  
23 you guys are seeing?

24 MR. GROBE: That's an  
25 interesting question. I think you're talking about the

1 detailed analysis of the materials head; is that correct?

2 WILLIAM BRUML: Yes. Something as  
3 simple as a cross section of what, you know, of how the  
4 condition of the hole in the head; and, how the degradation  
5 that was going on in the stainless steel. So, that the  
6 rest of us can understand what people are talking about.  
7 Someone from either side here says, well, gee, this doesn't  
8 look like it's going to perform a full blown LOCA effect.  
9 And I hear about all this steel that's corroded away. I  
10 don't have a whole lot of confidence in that until at least  
11 I see something that talks about it.

12 MR. GROBE: Sure. I just want  
13 to make sure I understand the question before I answer it.  
14 I think there is going to be two areas of documentation may  
15 be of interest to you. The first is NRC is going to  
16 complete a risk assessment which will get into some of  
17 those issues, from a risk perspective. What was the risk,  
18 loss of contacts, rupture of the liner that remained,  
19 things of that nature. And that will be published as part  
20 of our inspection activities.

21 The second area of documentation may be of interest  
22 to you is the results of some detailed analysis that is  
23 being done by our research organization, the Office of  
24 Nuclear Reactor Research -- Regulatory Research, excuse  
25 me. And, there is a number of what we refer to as user

1 needs. I'm a user, so I sign a user need research and I  
2 respond to that. And they're in the process of responding  
3 to that. And they'll be published from that.

4 I don't have the time frames on either of those, but  
5 I'm fairly confident that the inspection documentation  
6 would precede formal publication report from research, and  
7 that should be out in the next month or two. And  
8 certainly, call at least with specific questions and we do  
9 have a response team.

10 WILLIAM BRUML: I have a second  
11 question.

12 MR. GROBE: Sure.

13 WILLIAM BRUML: I heard Christine  
14 mention in passing the issues of other in containment  
15 equipment, electrical equipment, and I wonder if we could  
16 hear a little more detail of what that means? One issue  
17 that you folks are close to this more often, often think,  
18 oh yeah, this is obvious, but to me it was a hole. Gee,  
19 what do you do about this? Is the issue here you have a  
20 building, you know, containment building that has a lot of  
21 electrical equipment, much of which is safety related;  
22 and, some of which has been opened up while inspection or  
23 service for some reason, during the course of this long  
24 period of boric acid on the containment vessel, containment  
25 building.



1 Which leads to the question of, gee, is this more  
2 severe than what the equipment is qualified for, since most  
3 of it is like, do you mean boric acid on the site? So, I  
4 guess my question is, is there a process ongoing to  
5 identify the equipment that might have that problem, how,  
6 you know, what is the general tone of that issue?

7 MS. LIPA: Let me tell you  
8 what I know so far. That was the one of the items that's  
9 on our format framework for the checklist. There is a  
10 plan to have an inspector develop a detailed inspection  
11 plan, and then go out and look at very specific things.  
12 That inspection plan is likely to contain looking at a  
13 number of things, such as cables, cable trays, junction  
14 boxes, things, you know, all types of things within  
15 containment pretty much top to bottom. What could have  
16 been affected by the boric acid. That's the scope of that  
17 particular line item.

18 MR. GROBE: I want to make  
19 sure, you understand that our inspection will be the  
20 sample. We won't be looking at everything. But the  
21 Licensee's activities, they have the components of their  
22 containment health review, which includes environmental  
23 health equipment and they'll be looking much more  
24 comprehensively.

25 We'll be sampling the activities they do as well as

1 some other activities or some other equipment that we may  
2 want to look at in a different way to both evaluate what  
3 they're doing as well as independently assess the depth and  
4 adequacy of what they're doing. Okay? Thank you very  
5 much.

6 Looking for other comments or questions.

7 I thought you were going to come forward. You stood  
8 up, now you're required to come forward. Just kidding.

9 Other questions and comments? Yes, ma'am?

10 VICKY HEIDEL: My name is Vicky  
11 Heidel and I have a question. Understanding that you're  
12 about ready to transport the Midland nuclear head, you said  
13 prior to August 1st, does that mean the NRC has given its  
14 stamp of approval that this is in excellent condition even  
15 though it's an old or new old nuclear head?

16 MR. GROBE: John, you want to  
17 briefly discuss our scope of the inspection activities for  
18 the head, and explain what sort of certification goes along  
19 with component base like this.

20 MR. JACOBSON: Right, there is a  
21 couple of components to the inspection that we're going to  
22 do regarding the head replacement, and one of them we've  
23 already done; and that is look at some of the  
24 nondestructive examination that was done, that the Licensee  
25 did to supplement some of the documentation that they did

1 have for the head. Some of it was missing. It's gone over  
2 the years. And they did some supplemental inspections.

3 And we've looked at those inspections as to how good  
4 inspections were done, as well as the results of those  
5 inspections. And so far, that part of it, we have no  
6 problem with. What we saw was done well, and the results  
7 were acceptable.

8 The next part of the inspection that's going to be  
9 done is looking at a sample, a good sample of the  
10 documentation; both the new work that was done, as well as  
11 documentation that exists from when the head was originally  
12 manufactured. And we need to do that so that we can verify  
13 for ourselves that this head in its condition today meets  
14 all the requirements of the American Society of Mechanical  
15 Engineers Boiler and Pressure Vessel Code.

16 And in that code, there is requirements, for  
17 example, for the radiographs. There is requirements as to  
18 how those radiographs will be taken and there is  
19 requirements as to what the acceptance criteria is for any  
20 flaws or discontinuities that are found during the  
21 nondestructive examination.

22 And that's just an example of the kinds of things  
23 that we will be looking at. And then the last part of the  
24 head replacement that we're going to be looking at is the  
25 actual opening and then restoration of the containment to

1 place the head in the Davis-Besse containment.

2 VICKY HEIDEL: So, this  
3 inspection will be done prior to its being transported  
4 here, the total inspection?

5 MR. JACOBSON: Part of it has  
6 been done already, part of it is about to start. Whether  
7 the Licensee decides to transport this head now or they  
8 decide to transport it six months from now, is really not  
9 our concern.

10 VICKY HEIDEL: Okay.

11 MR. JACOBSON: And if they want  
12 to move the head, it's their head, and they can move it,  
13 but ultimately, restart of the facility, that decision will  
14 be made by the NRC.

15 VICKY HEIDEL: Is there any  
16 danger in transporting it that we should be concerned about  
17 that?

18 MR. JACOBSON: Any danger?

19 VICKY HEIDEL: Any danger of  
20 transporting the actual head.

21 MR. JACOBSON: With respect to  
22 what, radiation, radioactive?

23 VICKY HEIDEL: Yes, exactly.

24 MR. JACOBSON: No, the head has  
25 never been used and there's no radioactivity associated

1 with it at this time.

2 VICKY HEIDEL: Lastly what do you  
3 do with the old reactor head?

4 MR. JACOBSON: That's a question  
5 that the Licensee would have to answer at this point.

6 MR. GROBE: Let me respond to  
7 that in a little bit of detail. And if you, if you want to  
8 respond or ask your question to First Energy after the  
9 meeting, that's fine.

10 The Licensee has performed an analysis of the  
11 existing head to characterize what sort of waste it is.  
12 There is different categories of waste within our  
13 regulations and we're expecting to perform an inspection of  
14 that assessment that they've done, how they made the  
15 measurements and the validity of the assessment.

16 In addition to that, we have a routine aspect of our  
17 inspection program that deals with package and  
18 transportation of waste and we'll be performing those  
19 routine inspections on this very nonroutine type activity.

20 So, we will have a thorough inspection of what  
21 Licensee is planning. It's my understanding that they are  
22 currently not planning on transporting the head to a waste  
23 facility. They've currently characterized it, based on my  
24 information, of what's referred to as class A waste, which  
25 is low specificity waste. And we will be performing

1 inspections and reporting the results of those inspections  
2 during future meetings like this one.

3 VICKY HEIDEL: All right, last  
4 but not least, I have understand that a brand new head has  
5 been ordered, and will that ever be installed at  
6 Davis-Besse?

7 MR. GROBE: That's really not  
8 the scope of our activities.

9 Lew, do you want to respond to that?

10 MR. MYERS: The answer is  
11 yes.

12 MR. GROBE: Okay, thank you  
13 very much.

14 I didn't realize what time it had gotten to be. Why  
15 don't I ask if there is any one additional question, and  
16 then we need to move on since we have another meeting at  
17 7:00. Any additional questions?

18 Okay. I thank you very much for attending. I  
19 appreciate the questions we received. If per chance you  
20 think of something or felt that you didn't get a chance to  
21 ask a question, feel free to come back at 7:00.

22 Thank you very much.

23 (Off the record.)

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1 CERTIFICATE

2 I, Marie B. Fresch, Registered Merit Reporter and  
3 Notary Public in and for the State of Ohio, duly  
4 commissioned and qualified therein, do hereby certify that  
5 the foregoing is a true and correct transcript of the  
6 proceedings as taken by me and that I was present during  
7 all of said proceedings.

8 IN WITNESS WHEREOF, I have hereunto set my hand and  
9 affixed my seal of office at Norwalk, Ohio, on this  
10 27th day of July, 2002.

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Marie B. Fresch, RMR

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NOTARY PUBLIC, STATE OF OHIO  
My Commission Expires 10-9-03.

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