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PUBLIC MEETING  
BETWEEN U.S. NUCLEAR REGULATORY COMMISSION O350 PANEL  
AND FIRST ENERGY NUCLEAR OPERATING COMPANY  
OAK HARBOR, OHIO

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Meeting held on Tuesday, September 17, 2002, at  
2:00 p.m. at the Oak Harbor High School, Oak Harbor, Ohio,  
taken by me Marie B. Fresch, Registered Merit Reporter, and  
Notary Public in and for the State of Ohio.

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PANEL MEMBERS PRESENT:

U. S. NUCLEAR REGULATORY COMMISSION

- Mr. John Grobe, Chairman, MC 0350 Panel
- William Dean, Vice Chairman, MC 0350 Panel
- Anthony Mendiola,  
Section Chief PDIII-2, NRR
- Christine Lipa, Projects Branch Chief
- Douglas Simpkins, NRC Resident Inspector
- Scott Thomas, Senior Resident Inspector  
at Davis-Besse

FIRST ENERGY NUCLEAR OPERATING COMPANY

- Lew Myers, FENOC Chief Operating Officer
- Robert W. Schrauder,  
Director - Support Services
- J. Randel Fast, Plant Manager
- James J. Powers, III  
Director - Nuclear Engineering
- Clark Price, Manager - Business Services
- Michael Stevens  
Director - Work Management
- Michael Roder, Manager - Operations

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1           MR. GROBE:           Good afternoon.  
2   Why don't we get started. My name is Jack Grobe. I'm the  
3   Chairman of the Davis-Besse Overview Panel. It's a special  
4   NRC panel that the NRC has chartered to provide oversight  
5   of the Davis-Besse facility during this extended shutdown  
6   situation.

7           This is a continuing, continuation of our regular  
8   meetings. These meetings are publicly observable. Purpose  
9   of the meeting is to discuss with FirstEnergy the status of  
10  the project at Davis-Besse and to provide feedback that we  
11  might have.

12          The agenda is up on the screen. Before we get  
13  started, let me take a moment and introduce the NRC staff,  
14  and then we'll ask FirstEnergy to introduce their staff.

15          On my far left is Scott Thomas, Scott is a Senior  
16  Resident Inspector at Davis-Besse. He inspects at the  
17  facility every day; lives in the local community here.

18          Next to him is Tony Mendiola. Tony is the  
19  Supervisor of Licensing Activities in the NRC Headquarters  
20  Office, responsible for the Davis-Besse project.

21          On my immediate left is Bill Dean. Bill Dean is the  
22  Deputy Director of the Division of Engineering in our  
23  Headquarters Office, as well as the Vice Chairman of this  
24  panel.

25          On my immediate right is Christine Lipa. Christine

1 is Branch Chief in the Region 3 Office in Chicago,  
2 responsible for Davis-Besse.

3 We also have Doug Simpkins, who is operating the  
4 overhead right now and he'll be joining us at the table in  
5 a moment. Doug is the Resident Inspector at the  
6 Davis-Besse facility for the NRC.

7 And in the audience, there is two NRC staff, Jan  
8 Strasma. Jan raise your hand. Jan is our Public Affairs  
9 Officer out of the Region 3 Office. And also Rolland  
10 Lickus, and Roland is a our State and Government Affairs  
11 Officer. And they're also here to answer any questions you  
12 might have.

13 There is a number of handouts in the foyer,  
14 including a monthly public report that the NRC is issuing  
15 on the status of the Davis-Besse project. A copy of the  
16 handouts, the agenda and handouts that we're going to be  
17 using today as well as a copy of the Licensee's handouts.

18 There is a couple other things I would like to bring  
19 to your attention. The NRC is always looking for  
20 feedback. There is a one-page feedback form. You don't  
21 even have to put 34 cents on it. Just fold it up and send  
22 it back to us with any comments you might have for and  
23 including the format and content of our meeting here  
24 today. Please take an opportunity to fill that out. We're  
25 always looking for opportunities to improve.

1 Lew, would you like to introduce your staff?

2 MR. MYERS: Yes, thank you  
3 very much. To our far left we have Clark Price. Clark is  
4 one of our Building Blocks, Review Process, and Return to  
5 Service Process.

6 Next to him is Bob Schrauder. Bob is in charge of  
7 Support Services Director at our plant. Additionally, he's  
8 been lead Project Manager for Head Restoration.

9 Jim Powers is next to me. Jim is our Director of  
10 Engineering.

11 Randy Fast, our General Manager of Operations, Plant  
12 Manager.

13 Mike Stevens, next to him. This is the first time  
14 that Mike has been here with us. Mike came to us with a  
15 broad base of experience from energy plants and Excelon  
16 plants, and has been with First Energy for several years  
17 now. Brought him over as Director of Maintenance, Work  
18 Control, if you will. So, he's with us today. This is his  
19 first time up here.

20 Then Mike Roder is also with us today. He's the  
21 Manager of Operations. He's going to talk about our  
22 Restart Plan, if you will. Okay.

23 MR. GROBE: Okay, very good,  
24 thank you.

25 I would now like to ask if there is any

1 representatives of, local public officials or if we have  
2 local officials here, I would like to ask them to stand up  
3 and introduce themselves.

4 MR. KOEBEL: Carl Koebel,  
5 Ottawa County Commissioner.

6 MR. GROBE: Thank you, Carl.  
7 Anybody else? Okay. Very good.

8 Our agenda today is very simple. It's the same  
9 agenda we use for each of these meetings. I'm going to ask  
10 Christine Lipa in a moment to give a very brief summary of  
11 our very last public meeting, and present a little bit of  
12 background information on the status of NRC activities.

13 After that, we'll turn it over to the Licensee for  
14 their presentation and certainly questions from the NRC  
15 staff here.

16 At the end of our business portion of the meeting  
17 today, we'll adjourn briefly, and then reconvene for an  
18 opportunity for members of the public to ask questions and  
19 provide comments.

20 Christine?

21 MS. LIPA: Okay. Thank you.

22 The next slide. This shows the Building Blocks that we  
23 talked about at the last public meeting, which was held on  
24 August 20. We did cover most of the Building Blocks during  
25 that meeting, but not all of them. And, the Licensee gave

1 us an explanation of the current status of the ongoing work  
2 in these areas.

3 We also heard from Bill Pearce, the Vice President  
4 of Nuclear Oversight on his assessment of QA's role. And  
5 during that meeting, the NRC folks presented some recent  
6 results of NRC inspections, including the AIT Follow-up  
7 Inspection and the Containment Extended Condition.

8 One of those inspection reports has been issued, The  
9 Extended Condition, and it will be available on our  
10 website. And the plan is as each of these inspection  
11 reports is issued, they will become available on the  
12 website, and available in ADAMS.

13 And the rest of the discussion at the August 20  
14 meeting is available on our website at the transcript  
15 that's been posted.

16 Next on the agenda is the NRC Restart Checklist, and  
17 this was issued in August, so it hasn't changed since it  
18 was issued. And, I won't go through all the items, but the  
19 purpose is to ensure common understanding of the specific  
20 activities that will need to be corrected and reviewed  
21 before restart. And this will be a living document, and if  
22 it's updated we will brief you on that at future meetings.

23 And then another item is the status of NRC  
24 inspections. I mentioned we completed two inspections; an  
25 AIT Follow-up and the Containment Extended Condition. And

1 right now, there are five inspections that are ongoing.  
2 The Vessel Head Replacement Inspection is ongoing, the  
3 Containment Extent Condition Part Two is ongoing. There is  
4 also a Program Effectiveness that started last week and  
5 that will continue on. Also starting last week was  
6 Management and Human Performance Inspection; and that will  
7 be ongoing for several more weeks. And then finally,  
8 System Health Inspections has started.

9 And then just to let you know some other items in  
10 your handout today, are the agendas that we'll be using for  
11 tonight's meeting at 7 p.m. and tomorrow morning at 9 a.m.  
12 at the Davis-Besse Administration Building, we'll be having  
13 another public meeting.

14 So, those agendas are in your handout.

15 That's all I have.

16 MR. GROBE: Okay. Let me  
17 just expand a little bit on the meetings, because it's, our  
18 schedule of meetings is a little different this month than  
19 it has been in prior months.

20 On August 15th in a public meeting, the Licensee  
21 FirstEnergy presented to us what they believed were the  
22 root causes of the problem that occurred at Davis-Besse in  
23 the area of organizational effectiveness, and that involves  
24 management, programs, processes and human performance.

25 Tomorrow, since August 15th they've completed their

1 Corrective Action Plan to address those causative factors.  
2 That discussion would be fairly extensive. I plan on  
3 having a fairly extensive discussion tomorrow on that. It  
4 would have dominated this meeting and prevented us from  
5 having thorough broad base dialogue of what's going on at  
6 the plant. So, we decided to schedule a separate meeting.

7 That meeting, like Christina indicated, is tomorrow  
8 at 9:00 in the morning. In an effort to not be too  
9 disruptive to the school activities, we're holding that  
10 meeting at the Davis-Besse Administration Building, which  
11 is on Route 2.

12 So, as I indicated, that is a public meeting and  
13 you're welcome to attend that if you so desire.

14 Lew?

15 MR. MYERS: Thank you.

16 Our agenda is changed somewhat today. We have  
17 several desired outcomes. First, we want to demonstrate  
18 Davis-Besse is making good progress towards restart. And  
19 we wanted to discuss our resolve and identify and fix any  
20 problems in doing the job correctly the first time.

21 To that, Mike Stevens will provide you information  
22 on the schedule and our milestones and also some of the  
23 quality problems that we are having from time to time.

24 We will discuss the major restart items. Mike  
25 Stevens will do that. And our integrated schedule, will be



1 the first time we discussed that at this meeting.

2 Finally, there is some updates we would like to  
3 provide you, been in the favor of recent events with the  
4 old head inspections. We'll do that today. Jim Powers  
5 will do that.

6 We'll try to provide you with some updates on some  
7 of the Building Blocks, the System Reviews which are  
8 through our discovery phase now, and the program reviews.

9 And then Clark Price will provide you information on  
10 performance indicators today and what you sort of see  
11 there, the discovery is beginning to level off. And that's  
12 a good indicator for us.

13 Then finally Mike Roder for the first time will talk  
14 about our Integrated Restart Plan and how we plan on  
15 approaching restart of the plant.

16 With that, I'll turn it over to Mike Stevens.

17 MR. STEVENS: Thank you  
18 Lew.

19 Can you all hear me okay? Not too good? How about  
20 now? Okay.

21 I'm Mike Stevens. I'm the Director of Maintenance  
22 at Davis-Besse. I've got about 20 years experience in  
23 nuclear power, both in engineering and maintenance. I've  
24 worked with Intergy, Excelon at the Perry Nuclear Power  
25 Plant, as Lew said, here at Davis-Besse now.

1       What I would like to discuss this afternoon is our  
2 recovery plans and the schedule that supports recovery at  
3 Davis-Besse. We've taken our schedule and incorporated  
4 into it not only the work activities for restoring plant  
5 equipment, but also our program reviews, our NRC Checklist  
6 items; and additionally major work activities that this  
7 management team wants to complete prior to start,  
8 restarting Davis-Besse.

9       With that I would like to talk about the milestones  
10 some, if I could. The first one is Restore the Containment  
11 Vessel and the Shield Building. What that milestone is, is  
12 to weld back the containment plate and pour the concrete  
13 after assembling all the rebar to reestablish the  
14 containment vessel itself.

15       There has been a lot of activities going on here.  
16 We're currently setting the opening in place, making preps  
17 for welding that. We've qualified the concrete to repour  
18 that containment vessel. That entailed mocking up the time  
19 it would take to go from the batch plant to the station.  
20 We've had concrete trucks driving around the area for about  
21 70 minutes simulating that. Then we poured the concrete,  
22 test it, to ensure it's of the right quality and meets the  
23 specifications.

24       Then you can see we have our System Health Readiness  
25 Reviews, our Latent Issues Reviews. The Latent Issues and

1 the System Health Reviews are centered around reviewing our  
2 plant systems to make sure that they're ready to perform as  
3 designed from a readiness to start the plant up.

4 The Latent Issues Review looks at the longstanding  
5 problems that may have been recurring, and we want to  
6 identify those to get those corrected as appropriate.

7 We have a milestone for FENOC Decision Making  
8 procedure to be implemented.

9 We have the Containment Extent of Condition  
10 Inspections and Evaluations. That's from the activities  
11 where we expanded the containment, initial inspections into  
12 the overall health of containment.

13 Then we have the Regulatory Compliance Program to be  
14 implemented. We'll complete our Program Reviews. And  
15 we'll implement Conduct of Operations Policy effectively.

16 Next slide.

17 Some of the more major milestones lead up to Core  
18 Reload, on or around October the 30th. I say that for a  
19 couple reasons. As we've laid out our schedule and our  
20 plans and integrated that altogether, and are executing  
21 that work, we're finding as we provide oversight and  
22 inspect how the work is going that there is certain times  
23 it's more appropriate to stop the work, revisit the  
24 standards, ensure that the quality of the work meets the  
25 highest standards. And we've had to do that on a couple of

1 occasions.

2 Most recently, I stopped the work associated with  
3 upgrading our polar crane, because it didn't meet the high  
4 standards for performance as well as return to service.

5 That's having an impact on some of the milestones.  
6 I'll tell you, that milestone looks like it's on track for  
7 October the 30th, but our containment vessel closure, even  
8 though we're to the point of welding it up, it's about a  
9 week to two weeks behind what we originally planned.

10 So, our schedule is sending a message, that I'm  
11 sending to the folks and this management team is holding  
12 its support to make sure that the job is done correctly and  
13 if it's not, we'll take the time to get it done correctly,  
14 and of high quality.

15 The next milestone is Implement Corrective Action  
16 Programs and Systems Reviews; get our new reactor vessel  
17 head on the reactor; and enter Mode 5, November the 3rd.

18 Now, that Mode 5, means the reactor vessel head, the  
19 new one is installed on the reactor with all the bolts  
20 tightened. It's the final closure of the reactor vessel  
21 itself. Then we will fill the Reactor Coolant System and  
22 vent it, and do an extensive review of the restart  
23 readiness for the plant.

24 What that entails is revisiting all of the  
25 activities we put in place, inspection of those activities,

1 and as well as the paperwork and the documentation from the  
2 reviews.

3 When we're satisfied that we're ready for restart,  
4 we'll enter Mode 4 on November the 19th. Mode 4 is an  
5 important milestone, because that's when we'll establish  
6 the containment, and be ready to heat up the reactor  
7 nonnuclear, to normal operating pressure and temperature,  
8 which is what we call Mode 3.

9 The next slide.

10 Once we get to that point, without having the  
11 reactor critical, we're going to do a full pressure  
12 containment inspection of the reactor coolant system and  
13 associated piping, to make sure that it is intact and  
14 leakfree.

15 We want to do that to revalidate what we know from  
16 the work activities we perform as well as assure ourselves  
17 there is no other unknowns there.

18 Then we will go to our Restart Overview Panel and  
19 ask them for recommendation. If they recommend restart,  
20 we'll be asking the NRC for approval on or around November  
21 the 18th.

22 Then, we'll enter Mode 2, which is currently set for  
23 December the 4th, and that's actually starting the reactor  
24 up leading to a hundred percent power, December the 7th.

25 MR. GROBE: Mike, before you

1 go on, just two questions that I have. On your first  
2 slide, your last bullet, you talked about conduct of  
3 operations effectively implemented. Were you going to talk  
4 more about that today?

5 MR. STEVENS: Mike has a portion  
6 of that in his presentation.

7 MR. GROBE: Okay, good. And  
8 then, in discussing Core Reload, you talked a little about  
9 the polar crane. Could you get into a little more detail  
10 on that; what you found and why that occurred?

11 MR. STEVENS: Okay. We --  
12 everybody hear the question okay? He's asking about the  
13 polar crane.

14 Polar crane is a pretty good size crane we have in  
15 our containment vessel that we use to disassemble and  
16 reassemble the reactor. While we were down, we took the  
17 opportunity to upgrade that polar crane and install new  
18 motors, new electrical panels, new controls, to improve its  
19 reliability when it's in service to be used.

20 We had taken a look at that work that was performed,  
21 and I went over and looked at the polar crane and I wasn't  
22 satisfied that we had taken all the tools off the polar  
23 crane that we could have, and clean it of some of the  
24 leftover debris from putting it, putting those cabinets and  
25 stuff up there. We had some minor metal shavings, but that

1 was unacceptable. We had some screws missing in some  
2 panels.

3 Later on, we're going to be able to meet the perform  
4 maintenance on that polar crane. When we went to look at  
5 the wiring, we had to label all the wires like we should,  
6 so we could trace them out later during the construction.  
7 And we didn't set the upper and lower limits on the hook.  
8 There was backup limits for that, that would physically  
9 interfere with moving the polar crane. But there is gear  
10 limits, so that we don't challenge those backup limits.

11 I took a look at that. I had the electricians in  
12 the maintenance shop go up and look at it. There were some  
13 light bulbs out on the polar crane. Our procedure for  
14 checking out the polar crane is check those light bulbs,  
15 make sure they were in good working order. They weren't.

16 We had a couple broken globes that protect light  
17 bulbs that weren't in place. We didn't want to put it in  
18 service like that.

19 MR. GROBE: The issue  
20 regarding wiring and the limits on movement of the crane  
21 hook; were those part of a, is this a maintenance work  
22 order or was this a modification that you were doing?

23 MR. STEVENS: Those were from a  
24 maintenance work order; they weren't part of the  
25 modification.

1           MR. GROBE:           How was it that  
2 these activities weren't caught in your post-maintenance  
3 testing that's required and they had to be caught by you?

4           MR. STEVENS:        The post-  
5 maintenance testing for the modification was performed. It  
6 was performed satisfactory. It did not include adjusting  
7 those limits, or the lighting and some of the other  
8 activities. I think it goes to lack of understanding and a  
9 teachable moment of what the standard is from years of not  
10 attaining that standard.

11          MR. GROBE:        Should those  
12 checks have been included in the post-maintenance testing?  
13 Was that part of the maintenance activity?

14          MR. STEVENS:        I thought so.

15          MR. GROBE:        And these  
16 activities, as far as the maintenance were being completed,  
17 that was completed and signed off by your mechanics and  
18 electricians and then reviewed by the supervisor and it had  
19 gone through all its reviews and approvals?

20          MR. STEVENS:        No, we had a  
21 project manager using some outside contractor help; and I  
22 don't think they had, we had the appropriate supervision  
23 over those personnel to ensure that this work was performed  
24 to the correct standards.

25          MR. GROBE:        Okay. I think



1 it's great that you were in there and you took a look at it  
2 and asked questions, but I'm trying to understand what the  
3 root cause of this was, and what actions were necessary to  
4 address the root cause.

5 MR. STEVENS: Well, we  
6 documented that on a condition report, had the team taking  
7 a look at that. And what occurred here, as well as some of  
8 the other activities we stopped work on, to make sure that  
9 we understand and have the right level of supervision and  
10 oversight on these activities, because quite frankly, if we  
11 stop the work going back, these milestones won't be met.  
12 But we will do that to be sure the work is high quality and  
13 done correctly.

14 MR. GROBE: You indicated  
15 that this work was being performed by contract electricians  
16 and mechanics.

17 MR. STEVENS: Yeah. They were  
18 experts in the field of crane maintenance, and that's why  
19 we were utilizing them.

20 MR. GROBE: Did their training  
21 and qualifications meet your standards?

22 MR. STEVENS: No, and I took  
23 them out of the picture as far as actually working on plant  
24 equipment at this point, and I'm treating them as  
25 consultants. I have a good sense of the equipment and how

1 it operates and bring a lot of experience to the table in  
2 that regard. That's what we need for going forward.

3 We have qualified mechanics and electricians. We  
4 need to rely on our contract resource and that's why we're  
5 putting a team together, to make sure we're helping them be  
6 successful; making sure we're integrated with them going  
7 forward and they're working to the correct standards.

8 There is another piece of that, and that's the sense  
9 from some of the individuals, particularly one of the guys  
10 that was leading this project had a sense that the schedule  
11 was important. And he was hurrying through and made some  
12 decisions about not putting all the screws in the panel for  
13 future work and whatnot, not taking the time to correct the  
14 light bulbs. He was interested in meeting that scheduled  
15 date.

16 And if it's not right, we can't go forward. So,  
17 move the date, and we'll go get it right.

18 I think that takes a lot of courage. I think it has  
19 to be demonstrated, and taking a leadership role is what I  
20 was willing to change that to be. So, I think it's  
21 appropriate that I got involved, stepped up and did that;  
22 so that it's okay. I think at any rate it's not the end  
23 of the world, and we're getting the right stuff going  
24 forward. So, if there was any question in that individual  
25 or other individuals mind on how we're going to proceed,

1 that should be alleviated.

2 MR. MYERS: One of the other  
3 things also is, Mike is also a Director, so we're going  
4 into an added mode since the last meeting, so he is the  
5 Director. He's not really doing a function right now,  
6 Director of Maintenance, as much as Mike being that  
7 Director, so you would expect him to take these kind of  
8 actions.

9 MR. GROBE: You have a lot of  
10 contractors on site now doing a variety of work. How do  
11 you assure that the contractors come on site meet your  
12 standards as far as competencies and work quality  
13 standards?

14 MR. STEVENS: Well, there is a  
15 lot to that question. We go through quite a few ways.  
16 Many of the contract supervision that we use, we put them  
17 through training and we qualify them to our standards. If  
18 they don't meet that qualification, we don't let them  
19 supervise personnel.

20 For the majority of the building trades that come up  
21 out of the local union, most of those folks we know. For  
22 the other folks that come in that we don't know as well,  
23 haven't used before, we rely on the union hall and some of  
24 our key contractors to provide us with information about  
25 those individuals, and we try and pair them up with folks

1 that have been on the station before.

2 MR. MYERS: There is two  
3 things, specialty contractors, the crane mod, you know,  
4 we're not crane experts, and we work on our own and work  
5 maintenance, but you wouldn't come to us to buy a crane.  
6 So, we want to update this crane, we went to a crane  
7 vendor; well known crane vendor, who we saw their standard  
8 of workmanship in the field.

9 We're a customer. They work with cranes and bridges  
10 and everything else, but they're crane experts. And we  
11 brought some modifications from them.

12 So, contractor oversight here is a key part of  
13 this. We have an extreme situation, and we bring  
14 contractors in. There is a lot to manage there.

15 MR. GROBE: You mentioned the  
16 project manager that worked the schedule that may not have  
17 met your quality standards. Is that FirstEnergy's Project  
18 Manager?

19 MR. STEVENS: Yes.

20 MR. GROBE: What, how did that  
21 come about, that your oversight of this contractor's  
22 activities didn't ensure appropriate quality?

23 MR. STEVENS: I'm not sure I  
24 understand the question. How did my --

25 MR. GROBE: How did it come

1 to a situation, where you're depending on what should be a  
2 qualified contractor, accomplish work at an appropriate  
3 level of quality, but with some oversight, and your manager  
4 is one of the people that's providing that oversight, but  
5 he puts schedule ahead of quality; how did that come to be;  
6 what was it that caused him to do that, or her?

7 MR. STEVENS: I'm not sure I  
8 know what he was thinking there. We found that, I found  
9 that by going in and looking to validate, so I was sure and  
10 confident that I understood what that piece of equipment  
11 is; and followed up.

12 I don't know how else, it all goes back to  
13 management performance. Have employees working, you  
14 follow-up with what they're doing, provide feedback; ask  
15 what you can do to help them be successful, make sure they  
16 have the right resources.

17 And then you have to take a look at the work they're  
18 doing. If the work they're doing doesn't meet the  
19 standard, then you have to provide the leadership to get  
20 them up to the proper standard, and carry on.

21 Now, not everybody is not meeting the standard, but  
22 there are some.

23 MR. GROBE: This is truly  
24 good news, bad news story. I truly appreciate that you  
25 were in containment and provided some independent oversight

1 of this work, but of course, the bad news is that the  
2 contractors weren't performing at a quality standard and  
3 your people on the job weren't providing oversight to  
4 assure appropriate quality. They placed schedule ahead of  
5 quality.

6 Have you talked to other project managers after this  
7 situation?

8 MR. STEVENS: We certainly did;  
9 talked to project managers, talked to the shops. And like  
10 I said, we have a team put together of some of our more  
11 experienced people taking a look at what are, what are the  
12 circumstances surrounding this mark here, so that we don't  
13 make assumption and not get it. That's what we're doing.

14 MR. GROBE: Okay, how did you  
15 do that? Did you stop work and get all the project  
16 managers together and use this as a, you used the word,  
17 teachable moment?

18 MR. STEVENS: Through the work  
19 support center, which is a team of folks we have from each  
20 of the disciplines. We brought this problem up. We  
21 discussed what we needed to do. I have a strong project  
22 manager individual that's going, we just brought over from  
23 Perry, that's the Outage Manager. Also had Supervisor of  
24 Projects, where more critical projects are taken by that  
25 projects group per se.

1           Then we have, so I had them pull together. They  
2 know how to be successful in projects. We discussed where  
3 the shortcomings were. I reiterated to the Outage Team the  
4 need to perform in a quality manner, and take the time to  
5 do it right.

6           Last Friday, we had an all-hands meeting at the  
7 station. I gave a presentation to the power plant. Used  
8 this and a couple other examples; it's the right thing to  
9 do it right the first time. I don't have a whole lot of  
10 time to do it right more than once. You got to get it  
11 right the first time.

12          And changed the way during the outage meeting that I  
13 had set up previously, I believe. And at least that's the  
14 feedback I'm getting from some of the participants. We go  
15 around the room and ask them; what can I do to help you be  
16 successful; what concerns or problems are you having; and,  
17 flush out any other issues.

18          In addition to that, what the Work Support Center  
19 Team -- everybody know what that is? That's the  
20 maintenance guy, ops guy, engineering, the scheduler,  
21 safety, the containment manager.

22          We get those guys together and we're looking at the  
23 upcoming projects, and we're bringing the project managers  
24 in and being proactive to make sure we understand what  
25 their needs are, where they're at with their project and

1 what we can do to help them be successful, or maybe  
2 reschedule a couple activities that aren't critical in the  
3 chain to give them some more time to prepare and get  
4 ready.

5 MR. MYERS: We did work, we  
6 had a stand down for a couple days.

7 MR. STEVENS: Yeah, we still,  
8 that polar crane is not going back into service until I  
9 inspect it.

10 MR. MYERS: And, now with  
11 the crane, we're putting a hold on that, it knocks some  
12 other job off.

13 I would comment that we're not talking that the  
14 crane was falling apart or anything like that. The issues  
15 we're talking about, if you went to a normal-type business,  
16 you probably wouldn't find the little wires we're looking  
17 for; you wouldn't probably find a bolt out of a cabinet,  
18 but this doesn't meet our requirements, and we're trying to  
19 improve the requirements.

20 One of the good things we have now is, I think it's  
21 different than we've seen the past couple months, our  
22 directors are the Outage Directors. Mike is one of our  
23 directors in the past.

24 And I asked someone the other day at Davis-Besse,  
25 you know, how long have you been Outage Director. It was



1 one of the directors of the plant. He couldn't remember  
2 the last time.

3 So, it's setting new expectations and that's what  
4 we've got to do. So, when we talk about a schedule here,  
5 or to schedule, I don't think the schedule means everything  
6 is going to go perfect; not everything is going to go  
7 perfect. If we need to stop, we'll stop. And that's the  
8 main thing we need to do.

9 MR. GROBE: I think we spent  
10 enough time on this, but I just wanted to emphasize --  
11 okay, Tony, go ahead.

12 MR. MENDIOLA: I need to  
13 understand the timeline of moving the two heads; the old  
14 head out of containment and new head into containment; and  
15 the realization of the polar crane problems. Were they  
16 discovered after the heads were removed or prior to the  
17 heads removed or during the heads were removed?

18 MR. STEVENS: They were  
19 discovered after the heads were moved.

20 MR. MENDIOLA: By a walkdown of  
21 the crane after the heads were removed?

22 MR. STEVENS: Yes.

23 MR. MYERS: You know, you  
24 don't understand. We tested that crane, did a load test  
25 and everything else, for our head move. We found on the

1 low limits, which is where we were going down to the very  
2 bottom of the containment, we found the crane hook; this is  
3 a massive hook on the side, and we found a problem there  
4 and that's when we started checking the limits and all. We  
5 totally tested the crane to make sure it was fine; we moved  
6 loads and everything else before that, you know.

7 MR. MENDIOLA: My reaction to  
8 that quite clearly is some of the stuff that you've  
9 indicated that you're modifying and correcting with the  
10 maintenance work order was stuff, if you will, that was  
11 already there, if you will, when you used the crane, rather  
12 than occurred after the crane is used to move the heads.

13 MR. MYERS: That's correct.  
14 That's correct.

15 MR. STEVENS: It goes to minimum  
16 compliance, the crane tested fine. You go to the panel and  
17 there is a dozen bolts to hold the panel on, and five of  
18 them are missing, that's not right.

19 MR. MENDIOLA: I understand what  
20 you're saying. You have to understand that I can't  
21 rationalize, you're indicating to me now that you can't use  
22 the crane because of its current status, but you were using  
23 crane.

24 MR. STEVENS: I understand. I  
25 said I took it out of service so that we could get it

1 completed and correct. That's all.

2 MR. MYERS: We could probably  
3 make a management decision to use that crane in the state  
4 it's in right now, but it's not correct, it's not the  
5 standard you would look for. That crane would work fine.

6 MR. MENDIOLA: So, you hold that  
7 the crane is currently in compliance and you're just  
8 improving it; is that the, is that your current view of the  
9 crane?

10 MR. STEVENS: I think the crane  
11 is in compliance, minimum compliance. I think per ANSI  
12 standards, we performed the inspection on the hook lock and  
13 wire rope and what's required, it would probably meet  
14 that.

15 MR. MYERS: Absolutely.

16 MR. STEVENS: I don't think  
17 that's the way a crane should be operated, and I've got  
18 some, I'm not the only one; I mean, other people know or  
19 will know or will come to learn that that's what's in  
20 place, and that's not the right standard for performing  
21 work at the station. And we are finding and using those  
22 types of work activities to raise the standard beyond what  
23 the minimum procedure requirement is.

24 MR. MYERS: Once again, we  
25 have a team doing detail investigation. And once we get

1 that done, we can share more information with you, but  
2 right now, you know, I don't know of anything that would  
3 say that crane was unsafe in any way. I don't know of any.  
4 It could come to light, but I don't know it now.

5 MR. GROBE: The, I just  
6 wanted to wrap up this topic by simply observing that the  
7 quality of the work being performed by the folks at the  
8 working level and the emphasis of schedule over quality are  
9 two of the issues we are going to be discussing tomorrow  
10 morning; and it's clear that, at least at this one work  
11 activity that you haven't adequately addressed those  
12 issues.

13 And there is a lot of work going on at the site and  
14 I'm glad to hear that you've stood down and had an  
15 opportunity to talk with everybody about your  
16 expectations. It's critical that those expectations come  
17 to life in the plant. And, these kinds of behaviors that  
18 resulted in this, fortunately, Mike, you were in the plant  
19 and you observed these activities, need to change.

20 MR. MYERS: We have 1,300  
21 contractors inside now. You're right, there is a lot of  
22 work going on. And we need to stop this. This does not  
23 set the standard.

24 As we finish our investigation more and more, we'll  
25 share that with you. This rigorous standard is what we

1 want as a working standard. This provides the workmanship  
2 that we like, you know, going on.

3 MR. GROBE: Okay.

4 MR. THOMAS: Can I just ask a  
5 question?

6 MR. GROBE: Go ahead.

7 MR. THOMAS: Just along the  
8 same lines, you said you had a large number of contractors  
9 on site. Do you feel you have an adequate staff to enforce  
10 your expectations to, Davis-Besse expectations on these  
11 contractors while they're working on the system?

12 MR. MYERS: You know, that's  
13 a hard question. I have to answer that every day. You  
14 know, something we should be concerned with, but at this  
15 time, I don't see that being a major issue. In fact, what  
16 I anticipate is staffing should be reduced in the future,  
17 because, we're in the startup phase now; all the system  
18 reviews, all the steps getting done. So, I would look for  
19 the total number of staff, contractor staff reduced by this  
20 time next month.

21 I don't think we have a serious problem right  
22 now, but we're at our limit, 1,300 contractors is a lot of  
23 contractors.

24 MR. GROBE: Okay, thank you.

25 MS. LIPA: I have one more

1 question before we go on, Mike.

2 On this very slide, you show Core Reload October 30,  
3 and then a couple bullets down entering Mode 5 on November  
4 3th. The second bullet on the page is very important.  
5 Corrective Actions for Program and System Reviews  
6 Implemented. It's my understanding that those reviews are  
7 still ongoing now and all the corrective actions have not  
8 yet been determined. So, what's your window for completing  
9 your reviews and starting your implementation of those  
10 corrective actions to get them all done by November 3rd?

11 MR. MYERS: We'll talk about  
12 that tomorrow.

13 MS. LIPA: This is the  
14 Program and System Reviews.

15 MR. MYERS: A lot, the big  
16 one is Corrective Action Program. That is on our agenda  
17 tomorrow, is Corrective Action tomorrow, so we'll spend  
18 quite a bit of time on that program tomorrow.

19 MS. LIPA: Okay. We'll talk  
20 about it tomorrow.

21 MR. GROBE: Okay.

22 MR. STEVENS: Any other  
23 questions on this?

24 Let's go to the next slide.

25 Here's the NRC Restart Checklist items that we have

1 integrated into our schedules. I just put the bullets up  
2 there.

3 The next slide.

4 Here's some of our current work activities. Some of  
5 the big ones we felt were important, wanted to share with  
6 you in addition. We have the Reactor Coolant System Hot  
7 Leg Thermowell Repair. Cut those old thermowells out, weld  
8 new ones in. That's been a recurring problem for us.

9 We're going to upgrade the Containment Emergency  
10 Sump; make it almost 30 times bigger than it is now as far  
11 as square foot opening goes. That will improve the safety  
12 margin at the station.

13 We have a, major work activities for coatings inside  
14 the containment. 40,000 square foot dome in containment is  
15 being stripped of its paint and being recoated, as well as  
16 some of the other areas in the containment, like the flood  
17 tank and clean air grooves.

18 The Safety System Performance capability --

19 MR. GROBE: Mike, let me  
20 interrupt you just for a moment. Could you talk a little  
21 more about the containment sump and what you found when you  
22 inspected that, and the relationship between that issue and  
23 containment coatings.

24 MR. STEVENS: Jim is going to  
25 talk more about the technical side of the emergency sump in

1 his presentation.

2 MR. GROBE: Okay.

3 MR. STEVENS: So, from a work  
4 standpoint, we're going to add a great deal of square feet  
5 to that surface structure. Work entails some of the  
6 undervessel area, as well as repairing some of the area by  
7 the decay heat pit. There's pretty extensive amount of  
8 work in the containment to make that modification.

9 MR. GROBE: Okay. We'll be  
10 patient then for Jim.

11 MR. STEVENS: The Safety System  
12 Design Performance Capabilities, with the Service Water  
13 System, the High Pressure Injection System and the 4160  
14 Volt Electrical Distribution System.

15 We are recoating our main condenser, although it's  
16 not a safety system, it's on the secondary side; and we're  
17 doing that to prevent any leakage at our condenser.

18 We're going to upgrade and modify our Emergency  
19 Diesel Generator Air Start System. A couple things that  
20 does for us, is it relieves the maintenance department of  
21 some recurring maintenance. Gets some components that we  
22 don't think are as reliable as they'd like them to be out  
23 of the system, as well as improves the capability of  
24 them, of the air start.

25 MR. GROBE: I also had a



1 question about service water system and particularly  
2 service water supplied in containment air coolers; is that  
3 also on your agenda, Jim?

4 MR. POWERS: I could touch on  
5 that, Jack.

6 MR. GROBE: Okay.

7 MR. THOMAS: What's the date  
8 these activities will be complete prior to restart?

9 MR. STEVENS: We're intending  
10 for all these to be completed prior to restart. We're  
11 driving to make the plans to that effect.

12 MR. THOMAS: Cutting the  
13 restart amount?

14 MR. STEVENS: Only, the only  
15 uncertainty there is whether or not the manufacturer is  
16 making the receiver tank for us, but preliminary it looks  
17 like it can, and looks like it fits in our schedule.

18 MR. MYERS: As a minimum,  
19 we'll get the dryers in.

20 MR. STEVENS: We have our high  
21 pressure Feedwater 1-6. We're replacing the pumps in it.  
22 We've elected to take two of the reactor coolant pumps out  
23 of service. We're going to take the impellers out of them,  
24 totally refurbish them and take motors, or put new motors  
25 on the reactor coolant pumps.

1       Talked a little about the Polar Crane Reliability  
2 Upgrades.

3       We're going to install a permanent seal for the  
4 reactor cavity.

5               MR. MYERS:           That's a major  
6 project too, the cavity seal.

7               MR. STEVENS:       We have the two  
8 valves in the decay heat pit. We want to resolve the  
9 leakage into the decay heat pit, make sure there isn't  
10 any. We're going to make a modification to that and  
11 provide a good seal.

12       We've included all the Operator Workarounds,  
13 Temporary Modifications, so our intention is not to have any  
14 of those when we start up.

15       With that, I would like to ask if there is any more  
16 questions?

17               MR. MYERS:       I think it's  
18 important, none of these things, feedwater pumps or the  
19 reactor pumps; the cavity seal would prevent any -- the  
20 plant came with original temporary seal, a seal which you--  
21 (Requested speaker to repeat.)

22               MR. MYERS:       Cavity seals, like  
23 installing the other pressurized water reactor. And, you  
24 know, those are the pretty big mods that we're making to  
25 include an overall margin of safety and reliability of our

1 plant. So, we're pleased with that list.

2 MR. DEAN: I have a couple  
3 questions. First, going back to the discussion of restart  
4 milestones. I think you're all aware that historically  
5 plants that are in the O350 process, extended shutdowns,  
6 historically, there is a pattern of slippage as things  
7 emerge. We've discussed the polar crane is going to be an  
8 example. I heard you all talk about that today. Your  
9 intent is to make sure you're doing things right, and if  
10 that results in schedule slips, so be it. You want to do  
11 things the right way.

12 In terms of then the dates you've established here,  
13 and I particularly note one where it says, we are entering  
14 Mode 4 on November 19th, and then Full Pressure Containment  
15 Inspections entering Mode 3. Then you have NRC approval  
16 for restart November 18th.

17 I think it would be unlikely for us to provide  
18 approval for restart until we have an opportunity to see  
19 things like, you know, did the system hold LP and LT. So,  
20 I'm guess I'm trying to point out there is some  
21 discontinuities here already.

22 Given all that, in terms of confidence level and the  
23 types of things that you're seeing, just had a long  
24 discussion of the polar crane issue, revealing some of the  
25 things that led to the vessel head degradation, production

1 orientation, minimum compliance. So, clearly, you know,  
2 those are underlying issues that we're really interested in  
3 seeing resolved. Clearly you're not there yet.

4       Given all that, what's your confidence level in  
5 terms of these milestones?

6               MR. MYERS:           Let me sort of  
7 answer that. We spent a lot of time since the last  
8 meeting, in fact, we brought a copy of our schedule today.  
9 How many pages is it?

10              MR. STEVENS:        About 1,240.

11              MR. MYERS:        We have thousands  
12 of activities in there. You know, we're, from what we  
13 know, all boils down, and system reviews, that we've done,  
14 from hardware standpoint; we feel pretty comfortable in the  
15 range that we're talking about. We could be a few weeks  
16 off here and there, but generally, we believe we can get  
17 most of that work done. And we feel real good about it, as  
18 a matter of fact.

19              MR. DEAN:           So, your  
20 projections are based on physical work accomplishment.

21              MR. MYERS:        Physical work.  
22 And we do have, before a lot of management stuff,  
23 management reviews, all of the training that we plan; all  
24 that's loaded into the schedule also. So, it's really a  
25 totally integrated schedule. And it is a very, very

1 aggressive, it's an aggressive schedule.

2 But the quicker that we can take the plant to a  
3 point where the head is back on and we can pressurize up,  
4 and go around and look for leaks -- we're going to repack a  
5 hundred valves. So, you know, whenever you repack a  
6 hundred valves, you may have some leakage from some of the  
7 repacks.

8 The quicker we can do that, the quicker we can go,  
9 cut back down and fix these things that need fixed. And  
10 the other thing it does, is give us confidence to regulate  
11 our public, we're coming with a very leak tight plant, a  
12 very, very leak tight plant. You know, it's not minimum  
13 standards, but extremely tight.

14 MR. DEAN: I think that would  
15 be an important way to come up.

16 MR. MYERS: You're exactly  
17 right.

18 MR. DEAN: Given the meeting  
19 we're having tomorrow, talking about the Management Human  
20 Performance Plan; can we expect to hear tomorrow more how  
21 you expect to assess the efficacy of the plant and how  
22 you're going to do that?

23 MR. MYERS: Yes, sir; and  
24 also some compensatory measurements we have in place. I  
25 could sit here and say, we're not quite, have the standards

1 at levels we would like them to be before we start up, but  
2 we'll have compensatory measures in place to ensure we're  
3 doing high quality work.

4 For instance, our Engineering Oversight Board will  
5 not go away. We'll keep that as a permanent part of the  
6 process. It's like another barrier that we ensure the  
7 quality of that documentation. So, we'll do some of that.

8 MR. DEAN: The second  
9 question I have, it gets to the issue of standards. And  
10 the fact that, you know, mentioned 1,300 contractors on  
11 site, the challenge that it is to oversee quality work of  
12 all these contractors. Do you all have anything in your  
13 contract or arrangements that either provides an incentive  
14 or disincentive to contractors relative to quality and  
15 work?

16 MR. MYERS: Depends on the  
17 contractor and the contract. Like this crane job, we pay  
18 for that in steps. And sometimes it's an incentive. We  
19 have, like our building trade, we normally use NPA's for  
20 building trades and we have engineering agreements with  
21 some of our engineering firms, but the smaller contractors,  
22 specialty contractors, typically, not, no.

23 MR. DEAN: Then the last  
24 question I have, goes back to the work that you described  
25 now I think in terms of major activities. I guess I would

1 like to get a sense for how much of this work was in your  
2 original outage work package and how much have you added  
3 either because of moving forward, capital improvements you  
4 had planned on the future or have resulted from discovery  
5 activities over the past several months?

6 MR. STEVENS: I don't know if I  
7 could give you the exact percentages, but I know we first  
8 did our Operational Readiness Reviews, we identified some  
9 work activities. We needed to go improve system  
10 performance.

11 Then, as we've gone through system reviews, we  
12 haven't really found a whole lot more. I think we found  
13 minor stuff and rolled it in, but I think the majority of  
14 this work was identified back when we did our System  
15 Readiness Reviews in May; about May time frame.

16 So, there is a few since then. And, you mentioned  
17 the Service Water Header Expansion. That's a part of the  
18 reviews that are ongoing, so that's popping up. In  
19 containment air coolers, we're going to go do that after we  
20 went in and looked at them. It was just whether or not we  
21 could get by or we should upgrade it.

22 MR. DEAN: So, getting back  
23 to the original part of that question, which was the  
24 original outage work scope package before February or March  
25 when the head degradation was discovered, how much has been

1 added to that?

2 MR. STEVENS: Just about

3 everything.

4 MR. MYERS: About all of it.

5 MR. STEVENS: We had March, March

6 time frame, about 85 to 90 percent of the outage work scope

7 completed, so.

8 MR. DEAN: Okay.

9 MR. MYERS: You know, the

10 plant, you know, like our condenser. Our condenser was

11 probably in decent state, but while we're down this long,

12 we have an opportunity to go put a new coating on it. And

13 that includes, that should be reliable in years time. So,

14 we won't have to fight this in another outage, so might as

15 well take advantage of it now.

16 Same thing with the reactor coolant pumps. While

17 we're down, we have fuel out of this core so long, rather

18 than just hit and miss, we normally have a packing program,

19 we get a few valves an outage. We're going to go down and

20 repack about a hundred valves. So, we're going to work

21 now, as much as, so that should set us up for the long

22 term.

23 MR. DEAN: Okay.

24 MR. STEVENS: I feel like I need

25 to say something to some people in the audience. These



1 aren't bad people doing this work. It's one thing to say,  
2 I want it done and I want it done right, and take your time  
3 you need to get it done. That's the big explanation; and  
4 then live with that.

5 Some folks may have got caught up in previously  
6 being trained that the right thing is to meet the milestone  
7 and get everything done to get to some understanding.

8 I don't mean in answering questions that there  
9 aren't good people at Davis-Besse. They have the right  
10 standard. We have to support them, and support what their  
11 needs are to get that done right.

12 I just thought I needed to say that, because we've  
13 got some good people sitting in the audience that are part  
14 of this success at Davis-Besse, and I didn't want you to  
15 think that I'm the only one or this team is the only team  
16 here that has high standards.

17 MR. GROBE: I appreciate  
18 that, Mike.

19 And Lew, you commented on the potential of having  
20 some compensatory actions in place at the time of restart.

21 The thing that is particularly troubling in the  
22 situation is the polar crane, that's why I wanted to  
23 explore that a little bit, that your project manager placed  
24 schedule over quality. And certainly down at the level of  
25 first line supervisor, I would expect prior to restart that

1 every one of those people is operating at a level that you  
2 expect as far as quality standards.

3 You folks are demonstrating, as you have Mike, that  
4 you have the right standards, but there is only eight of  
5 you, and there is a thousand people working in that plant,  
6 so you can't be everywhere all the time. So, we're going  
7 to need to continue to understand what corrective actions  
8 and human performance area are going to be in place at the  
9 time of restart, which ones you will have confirmed in fact  
10 are effective prior to restart and what role compensatory  
11 measures will play.

12 Okay, let's go on.

13 I'm sorry, Tony.

14 MR. MENDIOLA: Just one more  
15 quick question. Was the polar crane part of a system  
16 readiness review?

17 MR. STEVENS: I don't know the  
18 answer to that.

19 MR. POWERS: No, I don't think  
20 it was ever part of a system readiness review.

21 MR. FAST: We did cover as  
22 part of readiness review, the individual crane engineer did  
23 present information to our Operation Readiness Review. We  
24 had talked about being able to implement the upgrades. So,  
25 that was done at the tail end of the Operation Readiness

1 Review, because I was the chair of that and recall the  
2 discussions that we had.

3 MR. MENDIOLA: So, it was a part  
4 of another readiness review, not its own readiness review?

5 MR. FAST: Just to take us  
6 back in time, I sat on a board looking at system readiness  
7 back in May. I had operations, maintenance, engineering  
8 representation and had system engineers come and present  
9 information. We did look at the polar crane at that time.

10 MR. MENDIOLA: Did you consider  
11 the polar crane and understand what it was going to do; I  
12 know it's the operation of the polar crane to move the  
13 head, or only as a self-contained system?

14 MR. FAST: No, as a  
15 self-contained system.

16 MR. MYERS: We also knew the  
17 head, we had cranes that we brought, we brought in;  
18 temporary cranes would be brought in and move stuff off the  
19 truck. And we look at the quality of the polar crane now.  
20 It doesn't mean -- we're upgrading the control panels, the  
21 control panels we have removed from our operations. So, we  
22 have to work on them, the plug-ins.

23 So, it was a pretty nice upgrade that we bought from  
24 this vendor. The material condition of the polar crane  
25 does not follow in the footsteps. It's still a very nice

1 looking crane. Probably better quality than what you can  
2 go rent from some vendor on these temporary cranes that you  
3 get. Doesn't meet our standards as a permanent piece of  
4 plant equipment. I don't want to leave this audience with  
5 the thought that that crane is falling apart. It's just  
6 not falling apart.

7 MR. GROBE: Okay. Other  
8 questions?

9 Jim?

10 MR. POWERS: Okay, thank you,  
11 Lew.

12 I'm Jim Powers, Engineering Director. I want to  
13 talk about an issue that has become apparent over the past  
14 several weeks and many of you probably saw it in the  
15 press. It relates to the cladding that was on the exposed  
16 head due to the boric acid corrosion on the old head. And,  
17 we had an ongoing evaluation in a laboratory down in  
18 Lynchburg, Virginia that has been underway since the time  
19 we cut this sample out of the head at the site.

20 Just to refresh you on what we did. We cut a  
21 17-inch diameter piece of that head out, using a water jet  
22 process. And, working with NRC review of what we were  
23 doing and approval of each step, cut that sample out and  
24 quarantined it and sent it down to the laboratory for  
25 further evaluation. All those evaluations tests have also

1 been approved, jointly developed by ourselves and approved  
2 by the Nuclear Regulatory Commission.

3 So, this ongoing process, the laboratory cleaned up  
4 the cladding there, and prepared it for further  
5 evaluation. One of the things that was found was some  
6 cracking on the top surface of the cladding. You can see  
7 it there where the arrow is pointing in the picture on the  
8 screen. And what we've got is several small cracks that  
9 are parallel and they appear to be on the welds leading  
10 between two pieces of clad application weld.

11 And when you look at the, initially at this  
12 magnification, you can see, based on the ruler that is in  
13 view, about a 3/8 inch long crack. Now, we have more  
14 detail reports come in since the time this photograph was  
15 sent up to us. If you look very closely along that weld  
16 seam, it looks like those cracks may extend to about two  
17 inches long. We're still in the process of evaluating  
18 those cracks and what they mean.

19 The laboratory is looking very carefully at the  
20 bottom side of the cladding to see whether they had  
21 penetrated the neck or not and is holding the pressure  
22 boundary as we had believed, but this does concern us in  
23 terms of capability of the cladding; done quite a bit of  
24 analysis of that, as you know, and we need to factor this  
25 finding into that analysis and revise what we've done

1 there.

2 And, I'll point out also, that that, this also  
3 changes the plans that we're going to be going forward on.  
4 So, we are bringing metallurgists to bear on this finding  
5 to determine what further tests we should do and how we  
6 should change the test program, so we got as much  
7 information about the cladding as possible, and get a very  
8 accurate picture on what its capability was and what those  
9 cracks mean, the pressure capability.

10 There was also in the lab was found that the  
11 cladding in general was measured there a bit thinner than  
12 what we measured when the cladding was in the reactor. And  
13 so, we are investigating that to find out what those  
14 discrepancies, what the cause of those discrepancies are.

15 We use ultrasonic testing at the site, tape  
16 measurements of clad. We also compared it to measurements  
17 at Framatone facility in Virginia; with half the Midland  
18 head, the Midland being two heads down there; and got very  
19 comparable results from those UT measurements, but the  
20 laboratory tests are a bit different. We're not sure  
21 what's that related to, perhaps some clean up of the  
22 sample, and perhaps that affected it, but we need to get to  
23 the basis on what those differences are.

24 When we did our assessment capability of the  
25 pressure retaining strength of the cladding, we had

1 analyzed two thicknesses; one was an average as found  
2 thickness, which was .297 inches; and the other was a  
3 minimum specified allowable thickness from the original  
4 design and that was 1/8 of an inch. And we didn't have any  
5 areas of 1/8 of an inch, they were .125.

6 We haven't seen anything that low in any of the  
7 measurements that we've taken either at the site or at the  
8 laboratory. So, that minimum case analysis still presents  
9 an accurate picture of the clad capability, a very thin,  
10 what's assumed to be very thin.

11 So, we know there is more work to be done in this  
12 area. This concerns us in terms of what the capability was  
13 of that clad.

14 Any questions?

15 MR. MYERS: We found out  
16 about this, and really it was a joint effort, but we bore  
17 that sample out. We sent it to the lab, and it's been an  
18 ongoing laboratory research project. As soon as we found  
19 this indication, you know, for the public, we picked up the  
20 phone and within an hour, let you all know what we found.  
21 It's been in the paper somewhat, but we wanted to share the  
22 results at this meeting.

23 MS. LIPA: Appreciate that.

24 MR. MYERS: It's going to take  
25 some work on the analysis.

1           MR. GROBE:           I know you've  
2 been working very closely with the chemical laboratory at  
3 Lynchburg, Virginia.

4           MR. MYERS:           I'll turn it over  
5 at this point to Bob Schrauder.

6           MR. SCHRAUDER:       I'm Director of  
7 Support Services at the plant. One of my major roles right  
8 now is overseeing the replacement of the reactor vessel  
9 head.

10          We have continued to make progress on that. We are  
11 somewhat behind schedule, as Mike indicated, largely due to  
12 modification and waiting for the crane to be available for  
13 us to move the old head out of the reactor; or out of  
14 containment and move the new head in.

15          Once we did get the, once we had tested the polar  
16 crane and were able to use it, those lifts went very well  
17 for us. And as we speak today, the old head has been  
18 removed from containment. It is placed in our turbine  
19 bay in temporary storage.

20          We are preparing a more, more permanent temporary  
21 storage, if you will. While we have the head on site,  
22 we're going to move it over to the pad that we poured for  
23 our dry cast storage some years ago, and we're going to  
24 construct a temporary building around the head weld and  
25 maintain that at the Davis-Besse site, waiting to take some



1 more samples out.

2 Our new head has been transported into the  
3 containment building and has been lifted and set on the  
4 reactor head safely inside the containment.

5 Just a comment. It was a major milestone for us  
6 that we managed to get that new head in place inside the  
7 containment. The crews and the people who had been  
8 standing by to make those moves were visibly excited to see  
9 the job finally go off.

10 We had prepped them for several days going into the  
11 activity. And the cranes were available to lift the head.  
12 And people were pleased to see the new head inside  
13 containment.

14 The service structure is the next step in the  
15 process for us. It is ready for installation on the  
16 reactor vessel head. We have repaired the access openings  
17 that were cut into the upper portion of the service  
18 structure to allow us access into the upper region above  
19 the installation when our approach was to attempt to repair  
20 the old reactor vessel head.

21 We had to put some temporary openings in there. We  
22 have restored those temporary openings. We have taken the  
23 surface structure down to bare metal again after that  
24 repair and we have repainted the surface structure.

25 The next step along the way will be to lift the

1 structure, lift the surface structure from its current  
2 location, place it on the reactor vessel head itself, and  
3 then there is a series of very careful and precise  
4 alignments to make sure that that surface structure sits  
5 exactly on our new head to allow proper movement of the  
6 control rods through that. So, we'll carefully align it.

7 And, then as we talked about, the massive service  
8 structure will be welded onto the lower skirt that sits on  
9 the reactor vessel head and we will be bolting it on.

10 Then, we'll begin the process of bringing back our  
11 control rod drive mechanisms and bolting them back onto the  
12 head. That in turn will raise up the space that we need to  
13 move the reactor cooling pumps off the location. That's  
14 kind of the next step where we will be going with that.

15 Containment restoration is in progress. As Mike  
16 talked about before, what we call the door or the large  
17 piece of pressure vessel itself which was cut out to allow  
18 access into containment has been lowered back into its  
19 location, and we will be welding that back into place in  
20 the next few days.

21 The other thing we have to weld is the reinforcing  
22 bar that, in the concrete shield structure itself, there is  
23 a series of bars, as in any reinforced concrete, that will  
24 be rewelded back into place, a process that uses cad  
25 welders. We began that work yesterday. We expected that

1 work will probably be complete late this weekend or very  
2 early next week.

3 And then of course we go in and pour concrete back  
4 into the shield building again, restoring the containment  
5 back to its original design specifications. And later on  
6 in the process as we complete the rest of the work in the  
7 containment building itself; do an integrated leak grade  
8 test on the containment building to assure ourselves that  
9 it is a leak tight containment pressure vessel itself.

10 Now, this job has gone very well for us, but it has  
11 not gone perfectly. The next slide shows a couple of  
12 difficulties that we've encountered along the way, caused  
13 us some schedule delays.

14 One was simply waiting for piece of equipment that  
15 we use to move those heads; that was the polar crane  
16 upgrade that Mike has talked about.

17 Then after we had moved the head in, we were  
18 preparing to restore the containment. We did have some  
19 work practice, following issues that we had to deal with  
20 our contractor here. In our preparation for a couple of  
21 these activities, we have to do some training, some  
22 testing. One of the testing activities that we had to do  
23 is, we talked about it before, verifying our concrete  
24 supplier was going to give us high quality concrete. And  
25 it's a way, about an hour away from the plant.

1        So, we had to go through a series of qualifying the  
2 concrete, making sure as we bring it onto the site, its  
3 transport won't take too long and it will be good concrete  
4 when we put it in. And in that process, we noted some  
5 failure to follow some of the procedures set up for that  
6 testing activity. We identified those earlier. And then,  
7 we had identified that on a condition report from our  
8 oversight of the project.

9        Then, as we got towards qualifying the welders to  
10 this head welding process, they were in training. And one  
11 of your inspectors as well as our project managers were in  
12 that training, and confirmed that some of the process  
13 documents from the manufacturer with specific setup and  
14 configuration we were using were not being used in that  
15 training.

16        At that point, these issues were coupled or  
17 aggravated, I'll say, by quality oversight of the job.  
18 Bechtel, our contractor, part of their responsibility was  
19 also to provide quality control and quality assurance  
20 oversight. Of course, we have our own quality oversight.  
21 They were responsible to have their own quality people  
22 observing what they were doing.

23        These people were on the job. We had some problems  
24 with them not spending enough time specifically at the  
25 location inside containment where we wanted them, and also

1 were in the same class as these categories where this  
2 activity was not being done properly and the quality  
3 organization is not responding appropriately in our minds.

4 So, at that point, we identified those concerns on  
5 another condition report. The contractor in this case  
6 stopped all their own work, put together a going-forward  
7 plan for us, and included changeouts of personnel. Re --  
8 I don't want to call it training, but had a standdown with  
9 all the personnel involved with this job; reaffirming the  
10 expectations and the need to precisely follow the  
11 procedures and to make sure that we were provided with  
12 quality trained people.

13 They undertook their corrective actions. They  
14 provided us with their plans for going forward. And, we  
15 approved that plan and put them back to work on the  
16 permanent plan structure.

17 Now, I said that they were, we did get new quality  
18 oversight from Bechtel in that process. We also confirmed  
19 that none of the work that was done to-date suffered as a  
20 result of any of the problems that we had seen. We did  
21 verify that there was sufficient quality control  
22 oversight.

23 The real job of certain, taking the concrete out, is  
24 not, not much to do to harm the rest of the containment  
25 there. But in cutting the steel on the pressure vessel

1    itself, containment pressure vessel, there is some controls  
2    that you need to keep by way of keeping that proper heat  
3    and stuff. We did have the records to indicate that those  
4    heats were maintained, that there was system quality  
5    oversight to that, so we confirmed that none of the work  
6    that had been done to-date suffered as a result of those.

7            So, that's where we're at with that. Next couple of  
8    things, just a few pictures. This is kind of an  
9    interesting picture where the old reactor head is being  
10   transporting out at the same time it's going right past the  
11   new one coming, on its way in. It was out with the old and  
12   in with the new.

13           The old reactor head is covered in blue. That is a  
14   temporary paint that's put on the head itself to make sure  
15   that the examinations go right on the head during its  
16   transport. That was on its way over to the place where we  
17   stored it.

18           The next picture shows the new head. It's a work  
19   platform. Above it is the opening in containment where the  
20   crane is moving the head into the containment.

21           The next picture is --

22                   MR. MYERS:            Wait a minute,  
23   come back. If you'll look on the head, that's the polar  
24   crane. That's the crane we rented to make the lift on the  
25   outside, but you see the taped off area at the top of the

1 gray or the top of the head, that's; what are those?

2 MR. SCHRAUDER: Right there,  
3 these are the new, this is the lower support of the service  
4 structure, and actually the next picture we'll go to that.  
5 This is the reactor vessel head sitting on the stand in the  
6 containment. These gray cores that you see here, are the  
7 openings that were made into this service structure, lower  
8 support service structure, to enable us to do accurate and  
9 adequate inspections of this reactor vessel head.

10 The new service structure comes on, will sit right  
11 on that ring, on the support skirt and then it will be  
12 welded into place there.

13 These things that are covered here, are the bottom  
14 flange where the control rod drive mechanisms will be  
15 brought over and service structure put on and bolted in  
16 place.

17 That is the reactor vessel. The new reactor vessel  
18 head is sitting on the stand in containment.

19 Next slide shows the old -- not the old, but the  
20 yellow picture up there is our service structure as it was  
21 standing on the stand. It is a nice new white coat down  
22 there in the lower right hand corner. The service  
23 structure is waiting to be lifted and placed on the reactor  
24 vessel head.

25 And this, the next picture is just, we talk about

1 cad welding and placing the rebar and reinforcement bar  
2 back to containment. That's what rebar looks like. The  
3 center section here is the piece that's packaged onto the  
4 rebar. This is actually in a test rig here.

5 One of the things we had to do is qualify this cad  
6 weld while we were doing it. So, we take that in and put  
7 it onto a representative piece of the rebar, and then apply  
8 pressure to it. And the goal is to have the rebar itself  
9 break before this weld apparatus let's loose. In this  
10 case, we have a successful activity there where we did  
11 break the rebar before the splice was.

12 Questions on the reactor vessel head, and status?

13 MR. GROBE: Nope. Thank  
14 you.

15 MR. SCHRAUDER: Okay. The next  
16 speaker is Randy Fast.

17 MR. FAST: All right. Thank  
18 you, Bob.

19 Myself and Jim Powers both worked on the System  
20 Containment Health.

21 Go to the first slide.

22 We've already talked about a lot of the major  
23 projects that we have going on. I just have a couple of  
24 items that I want to update in relation to containment  
25 health. First of which is our inspections are essentially



1 completed. We're about 99 percent complete with those  
2 inspections.

3 We had some minor areas that were obscured, because  
4 of scaffold or something else that have been noted; that  
5 detail has been identified and we'll go back for a  
6 subsequent inspection. But the areas are small. We don't  
7 think there will be anything significant that comes from  
8 those inspections.

9 The good news is as well, we didn't find a lot of  
10 different things. Most of the issues are minor in nature.  
11 There is some minor surface corrosion in the areas that  
12 have to be recovered, but most of those can be recovered by  
13 minor maintenance and using the existing work practices.  
14 So, we don't see any major challenges in that arena.

15 Next item is the containment sump. And if you just  
16 go to the next slide, you'll be able to show really a  
17 conceptual drawing of what that emergency sump will look  
18 like.

19 Took a page from water technology, you'll see on the  
20 far right toward the bottom is the existing emergency  
21 sump.

22 Thank you.

23 You'll see a drilled pipe that connects to that, and  
24 goes to what I'll call a boxcar arrangement, which extends  
25 the sump surface area from the existing 50 square feet into

1 an array that actually will go to upwards of 1100 square  
2 feet.

3 Because of the flexibility of this design, this will  
4 also allow us to extend the sump in the other direction.  
5 We don't have that artist's rendition here, but it will  
6 actually allow us to extend the sump in the other direction  
7 around the containment down into the access core that goes  
8 under the vessel.

9 So, this is a very flexible design. I think this is  
10 really going to add opportunity for the rest of the  
11 pressurized water reactors to take a page from the lesson  
12 learned here at Davis-Besse. We'll share this technology  
13 and these ideas, and be able to help others. Actually,  
14 improving this margin will put us in the leadership role or  
15 at the high end of PWR, Pressurized Water Reactor  
16 technology in the surface area. We feel pretty good about  
17 what we're able to get in the way of containment sump.

18 And the last item I was going to talk about is all  
19 the insulation has been removed in the piping systems and  
20 containment coatings walkdowns are completed.

21 We do have about 15,000 square feet of surface area  
22 that are not qualified coatings. We have a couple  
23 options. We can take those coatings and evaluate those for  
24 qualification, or we can remove those. And, one of the  
25 areas Mike had talked about for flood tanks about 3,000

1 square feet each; those coatings will be removed and  
2 reapplied with a coating that does meet the standards.

3 Those coatings were existing from the original plant  
4 design. So, we do have some, about 15,000 square feet of  
5 remediation for coatings in the containment.

6 MR. GROBE: What went into  
7 determining the surface area design for the new containment  
8 sump? How did you conclude that you needed 1100 square  
9 feet?

10 MR. FAST: Lew just said, as  
11 big as possible. This is one of the cases where we gain  
12 considerable margin. Because this is an industry issue in  
13 having available surface area to ensure that through a  
14 design basis accident, that water can free flow and provide  
15 the net positive suction head necessary for the pump for  
16 recirculation. The larger the sump the better, is the  
17 bottom line; and it allows a lot more margin for.

18 So, we took existing space that was available in the  
19 containment and that's why this, this actual boxcar  
20 arrangement provided that flexibility.

21 MR. POWERS: Which also, Jack,  
22 there has been some studies on the industry in general or  
23 PWRs containment size versus sump size. And we took a look  
24 at that, experience benchmarking in other plants and this  
25 size will put us at the top, top desk level in terms of

1 size of sump relative to containment. So, that's another  
2 benchmark we used to make sure we had the capacity we  
3 needed.

4 MR. GROBE: Just to make sure  
5 I'm clear. You have not concluded that the original sump  
6 size was insufficient to provide net positive suction head  
7 for the pumps?

8 MR. POWERS: Let me talk about  
9 that. We had a concern as we got into the details to  
10 evaluate the sump capability on its size. It's a  
11 relatively small sump. And it was designed as were many of  
12 the emergency sumps back in the original design of the  
13 structure of the plants for 50 percent blockage, and the  
14 pumps would have adequate suction through that if it was 50  
15 percent blocked. And that was provided in the regulations,  
16 that was the requirement, and we followed that.

17 Now, on more recent walkdowns on containment health,  
18 including the coatings qualification issue, we've found,  
19 and as Randy described, we found that a number of areas we  
20 don't have qualified coatings. That includes the four  
21 flood tanks, there is some smaller pieces of equipment that  
22 need touchup work in the containment, and as well as the  
23 coating on the dome of the containment requiring  
24 restoration because it was beginning to peel off.

25 So, we found a number of areas where coating may

1 come off in an accident-type situation. And that's  
2 typically from design basis. Accident with a large break,  
3 lot of energy, temperatures, high temperature steam is  
4 released, and coating can come loose. And if it is enough  
5 flow through the containment of steam and condensed water,  
6 that coating debris can get washed down to the containment  
7 sump and potentially block it. So, that's what we're  
8 concerned about.

9 Now, there is a lot of work that goes behind  
10 assessing and evaluating that. That leads to the transport  
11 theory, in terms of what are the pathways that, where it  
12 has to navigate to get down to the sump. There is in many  
13 cases a tortuous path that it needs to take.

14 So, we're in the process of evaluating the  
15 ramifications of the coatings in containment and the size  
16 of the sump. And, we're looking where we stood relative to  
17 the sump's capabilities in the past. In the future, we're  
18 going to have one of the largest sumps in the industry.  
19 And we'll have quite a bit of margin over the plant.

20 MR. MYERS: You know, really  
21 it's the coating we talked about. We've got the qualified  
22 coating list, provide some of the coatings on the simple  
23 things. If we go to another vendor to get that coating  
24 qualified, then the issue is not nearly as big. So, we  
25 don't know that it couldn't qualified the coating we're

1 talking about, but the simple thing to do, when you need  
2 another coating is take it off and replace it. From a  
3 management standpoint, it might be the easiest thing to  
4 qualify.

5 MR. GROBE: When you did the  
6 containment inspections, did you find any other  
7 deficiencies with the sump?

8 MR. POWERS: Yes. There was a  
9 couple deficiencies we found in terms of, we found one  
10 small opening in the sump that didn't meet its specified  
11 criteria. The sump is intended to have quarter inch,  
12 screen out quarter inch particles from the suction flow.  
13 And we found that an opening, small rectangular opening, I  
14 think it was in the range of 3/4 inches wide by 5 or 6  
15 inches long. That would not have met that requirement, so  
16 that's another, another issue we found with the sump.

17 There was also some work having done in the past  
18 that really wouldn't meet our standards today, in terms of  
19 closing off other small openings in screens. And this is  
20 typically an industry issue where structural steel  
21 penetrates through the screens or the screens interface as  
22 a box is put together for a sump, there may be openings  
23 that are screen size along those interfaces.

24 And we found some of those that in the past had been  
25 covered over with lead bricks to sit on top of any of those

1 openings and it doesn't meet our requirements, expectations  
2 or standards for modification in containment for the sump.

3 We're going to rectify that along with this  
4 modification. So, there is a couple of other issues there  
5 that we're addressing in terms of health and functional  
6 capabilities of the sump and where we're at.

7 MR. GROBE: You mentioned  
8 insulation removal, when you complete this work, or it's  
9 completed now, does that mean that all fibrous insulation  
10 has been removed from containment?

11 MR. POWERS: I think a large  
12 portion of it is going to be removed. Insulation removal  
13 is ongoing for continued inspection and pressure boundary  
14 of the Reactor Coolant System is part of completing our  
15 inspections there. So, that refers to initially going in  
16 and engineering replacement of insulation. So, there may  
17 be some areas where the established insulation is  
18 encapsulated and it's nowhere near any pipe break zones or  
19 any other events that could break it free. We're going to  
20 the major extent, most of the pipe installation will be  
21 removed and replaced with alternative insulation that is  
22 not fibrous.

23 MR. GROBE: Okay. Thank  
24 you.

25 MR. MENDIOLA: I may have missed

1 this, but where does this idea, this concept come from?

2 What was its origin?

3 MR. POWERS: Over at the Perry

4 Plant, we put in what was at the time the largest suction

5 strainer in the world during a refueling outage in 1996.

6 That was shortly after Lew arrived at the plant.

7 MR. MYERS: We've done this

8 before.

9 MR. POWERS: Right, and that

10 was over a hundred feet in diameter. And the containment

11 at Perry, one of the water reactors is quite different than

12 this. There is a water pool at the bottom that the pumps

13 take their suction from, emergency pumps. And we put a

14 strainer there that went all the way around. Some of the

15 engineers affectionately refer to it as a naval strainer.

16 But it's over a hundred feet in diameter, over eight

17 pieces weighing four tons each. And we put it in at a

18 refueling outage in 12 days underwater with divers bolting

19 that and putting it into place.

20 So, we have that experience, and we have brought the

21 same engineering organization to bear upon this, same

22 individuals personally containment walk this down; for

23 bringing this perforated screen concept to this, it's

24 slightly different, but it's the same, same type of

25 concept.



1           MR. MENDIOLA:       It's not exactly  
2 what I was asking. But what I'm saying, somebody had to  
3 step up. Some engineer someplace said, hey, look, I have  
4 an idea; and offered it to you or your organization and my  
5 concept with an understanding of how, a radical move idea  
6 like this, germinates to an actual plant modification?

7           MR. POWERS:       How the idea goes  
8 forth? Really, it's looking to see the longstanding  
9 issues at the plant, and with experience that we've brought  
10 from the outside, what improvements could be made. In  
11 talking to the engineers at the plant on various -- that  
12 they would like to see improvements, and asking about  
13 this. We knew from our experience at Perry that there was  
14 an issue with sumps that were being addressed in the  
15 industry, and there is a lot of operating experience in the  
16 industry.

17         So, there was a looking forward to what is going to  
18 evolve. The NRC is setting of course some regulations on  
19 that in the near future. And, some of the industry groups;  
20 Nuclear Engineering Institute, or Nuclear Energy Institute,  
21 has provided guidance on it.

22         Collective significance of all that knowledge on the  
23 industry issue led to us going in there and assessing where  
24 exactly do we stand and found out that the size of the sump  
25 was relatively small relative to the industry peer plants.

1 And so we put one of our plant employees as a project  
2 manager to work on coming up with an appropriate solution  
3 and we gave him the resource of our outside engineering  
4 firm, to provide designs.

5 So, they've been working in concert and this  
6 engineer is going to be able to see his concept come to  
7 fruition. Basically, getting behind it and making it  
8 happen as priority for safety function.

9 MR. SCHRAUDER: The sequence  
10 of events, Tony, was we identified we wanted to increase  
11 the size of the sump. That was the first idea. Then set a  
12 team of engineers in place to say, go look at some options  
13 to see how we can be able to increase the size of the sump.  
14 And they looked at several opportunities to increase the  
15 size, increase the pit size, opening up some more areas on  
16 containment.

17 One of the persons on the team came up with the  
18 arrangement of how we should increase the size of the  
19 sump.

20 MR. MENDIOLA: I take it this has  
21 been months in the making, years in the making, since the  
22 first of the year?

23 MR. POWERS: I would say we  
24 have been working for several months on this one.

25 MR. MYERS: It wasn't one

1 person. We brought some stuff in from Perry Plant that we  
2 had done. We had an engineering firm there. We were  
3 talking about the issues and industry experience. I think  
4 it was a team effort.

5 MR. POWERS: Right, talking  
6 with the people at the site, how they felt about it,  
7 looking back on it, and where we stood. So, it was a team  
8 effort.

9 MR. MYERS: It was a good  
10 team effort. There isn't one person you can point to. It  
11 was a team effort. We had the engineering firm together  
12 and everybody sat in a room and this is what we hammered  
13 out.

14 MR. POWERS: The nice feature,  
15 although it hasn't been going on for a long time, it's made  
16 up of perforated pieces of pipe, stainless steel pipe that  
17 we bolted together. So, a large amount can be built in the  
18 shop in a controlled environment and shipped to the site.

19 MR. MYERS: Pretty neat.

20 MR. GROBE: Okay. Okay.

21 MR. FAST: With that, I'll  
22 turn it over to Jim talking about System Health Plan.

23 MR. POWERS: The System Health  
24 Plan, we had talked at the last meeting about the walkdowns  
25 coming to completion. At that time, they were just about

1 complete and we have completed those walkdowns and that was  
2 by multi-disciplined teams of maintenance, mechanics and  
3 engineers, operators, system engineers and management  
4 members going out and walking down systems.

5 We have our 31 reviews ongoing is what we refer to  
6 as Maintenance Significant Systems, System Health Readiness  
7 Review level. And those reviews, they're ongoing, making  
8 good progress. Each system engineer of the systems had  
9 several experienced contractors from the outside that have  
10 gone through plant reviews such as this supporting, and  
11 they're going through the past work orders, modifications  
12 and corrective actions in our system, to assure themselves  
13 that the right thing has been done; and if not, we have  
14 questions about it and document it on a CR and Corrective  
15 Action Program for evaluation.

16 And thus far, we have had 500 of those questions in  
17 the Corrective Action Program, that the Restart Safety  
18 Review Board has categorized as restart related requiring  
19 evaluation prior to restart.

20 We have a pretty low threshold for issues.  
21 Walkdowns, we found a number of small issues. I talked  
22 about them the last time. Areas of the plant where there  
23 may be some rust. It is a 25-year-old plant. So, there is  
24 some areas where refurbishment would be recommended, some  
25 cleanliness issues.

1        There is also a few issues where we needed to make  
2 changes to restore operability. So, we had the full gambit  
3 of small housekeeping observations to equipment issues.  
4 And, good thing about the whole process was we have teams  
5 of people working together to find out what standard they  
6 had been living to and was it really acceptable to them  
7 collectively when they got out as a team. They found no.

8        It was easy for them to write down things they felt  
9 were areas for improvement, and we got positive feedback  
10 even from the maintenance people on the teams. They  
11 thought it was very worthwhile to get together with some of  
12 their other peers, working together. We're going to carry  
13 that forward into a future requirements over at the  
14 Davis-Besse Plant and other FENOC stations to do these type  
15 of walkdown reviews.

16        We have five of the System Reviews have been  
17 completed by the responsible engineers and their teams. Of  
18 those, there is four reports that were prepared and sent to  
19 the Engineering Assessment Board. Two of the reports were  
20 approved in terms of their comments noted on those, are  
21 being incorporated now, but they passed muster through that  
22 review board.

23        Two of the other reports need further work before  
24 they go entirely through the board. One is getting,  
25 addressed to get prepared for the board. It's issues like

1 format, consistency and looking at this work for several of  
2 these, we're trying to get comments on these, taking these  
3 back to the other reports ongoing.

4       So, we're at the beginnings of issuing out the  
5 product. We have to go to the Engineering Assessment Board  
6 and Comments Incorporated. Then, they will go through  
7 validation process where an independent team will look  
8 through them to see if they meet procedures provided to  
9 you. And tell us what we're going to do. When they  
10 believe they're completely correct, it goes to a Restart  
11 Management Team, which ultimately recommends approval of  
12 these reports. And then they'll be available for your  
13 inspection.

14       So, we're beginning to see that process now, and  
15 continuing that. I think it's bearing fruit in terms of  
16 improvement to the plant and raising the standards.

17       Next on Program Review?

18               MR. MYERS:        Yes.

19               MR. POWERS:       Approximately 70  
20 percent overall completion is how I characterize where  
21 we're at. As you know, we have two levels of system  
22 reviews; the 31 systems we're talking here; the  
23 maintenance, our working system.

24       We also had five systems that we were looking at in  
25 greater detail, very eye level detail. We had good

1 sampling, digging down to things like calculations and  
2 design basis. And those are going along pretty well also.  
3 And overall, I would say our effort is about 70 percent  
4 through.

5 We've done an assessment recently on how well we're  
6 doing in terms of staying on track, because we do have  
7 multiple teams working on individual systems. We want to  
8 make sure we have consistent quality, consistent  
9 expectation of driving into the documentation and following  
10 threads on issues that are found. So, we've some  
11 individuals, experienced individuals, who are planning  
12 recovering items and assessments and we think we're doing  
13 pretty well.

14 Reinforcing the people of quality. It's important,  
15 important to schedule. We want to make sure quality gets  
16 incorporated completely into the effort. We're looking at  
17 our management team every day to what we can do to provide  
18 resource, remove obstacles and barriers to get the work  
19 done on the schedule, but with the appropriate quality.  
20 So, that's what we're, that's what we're about.

21 In terms of issues, there is tremendous smaller  
22 issues. We're looking at those. We're looking at those  
23 from a microsignificant standpoint of getting into  
24 evaluation of the issues to see, see that there is, if  
25 there is anything major.

1           One of the ones I wanted to talk about was tornado  
2 missile protection. I think I touched upon it in the last  
3 meeting. This would show a typical issue that we've come  
4 up with in the plant, and given this plant is 25 years  
5 old.

6           This is the missile shield that's over in exhaust, an  
7 exhaust pipe, if you will, from diesel generator at the  
8 plant. And during the system health walkdowns, it was  
9 found that the attachments on the parapet on the building  
10 roof, there was some standing was cracked and it was  
11 falling, probably from water intrusion and freeze/thaw,  
12 cracking in the concrete.

13          So, that is not acceptable. That's not standard we  
14 want to abide by when we're out there in the plant. So,  
15 that's being addressed, and resolved.

16          We're also, as we address this, we're looking at a  
17 broader picture on our tornado protection features at the  
18 plant and looking more broadly on how we stand at tornado  
19 missile protection. And we have that up to par the way we  
20 want that, to importance of license basis and sign basis of  
21 the plant. There is more work in that area.

22           MR. GROBE:           Jim, missile  
23 shield is a concept that we talk about all the time. Folks  
24 in the audience might not understand what you're talking  
25 about. These are not SCUD missiles. Let's talk about what



1 a missile shield is.

2 MR. POWERS: Right. At the  
3 nuclear plants, we design in case of a tornado, a tornado  
4 can pick up missiles like, that might be lumbar that's  
5 around the plant, or trees or fencing, or you know, you've  
6 been out in the tornado damage. Well, we're designed for  
7 the maximum credible tornado in the area to withstand that  
8 in the plant for safety systems. So, they have barriers  
9 over them to protect them from tornado missiles.

10 So, that's what this is. And, that's what tornado  
11 missiles is about. Thank you.

12 Okay, the next slide.

13 I talked about recent assessments of how we're doing  
14 with System Reviews and work is on track according to the  
15 plant. We're essentially answering the right questions,  
16 working our way completely through the plants. We do have  
17 some issues I'll touch on briefly. We're several days  
18 behind, and as I mentioned, we work with this every day to  
19 see what we can do to help the teams be successful, get the  
20 work done, high quality for the plant. Targeting the  
21 schedule we would like it to be.

22 A couple of technical issues we'll be working on  
23 that's been identified, our Aux. Feedwater System. There  
24 is strainers in there to pump function. There is a  
25 function in the system that would be provided from not in

1 it's normal source within the plant concept system, but  
2 from the Service Water System.

3 And service water to the systems take outside pond  
4 water, if you refer to, refer to it that way. And, process  
5 it through the system. And that, those pipes can sometimes  
6 collect silt and dirt, and there was a concern identified  
7 that it's not used very frequently, so that supply may need  
8 to be cleaned to make sure it's clean and won't block the  
9 strainer; and also inside the strainer, whether that needs  
10 changed.

11 Another one is HELB stands for High Energy Line  
12 Break. In the plant, we look at our high energy line, a  
13 200 pound PSI pressure lines, and if they were to break,  
14 for some reason, what would happen. And we protect all  
15 throughout the plant the important equipment should that  
16 happen sometime.

17 And the calculation basis of that is the engineers  
18 going through and looking at this. This is part of the  
19 System Reviews. Looking at this type of detail, how, what  
20 state of calculations are easily retrievable. They  
21 reference each other well. They've been kept up-to-date.  
22 They meet today's standards for analyses and calculations.

23 And there is areas in here, collective significance  
24 of some of the issues that they've found. We'll be going  
25 through those calcs.

1           That's kind of, two typical problems that we  
2 identified. We think what we've seen so far the restart  
3 activities that are being accomplished in the plant. The  
4 corrective action documents that we're issuing; issuing a  
5 number of them every day as we go through here and finish  
6 up with them. We do them, and turning our attention to  
7 evaluate them, not only individually, but collectively what  
8 they mean, and putting resource on them.

9           It's going to be a process of discovery, as we then  
10 go with a problem that's been identified, research it,  
11 determine what needs to be done to fix it. Some things may  
12 be a minor matter of work. Some things may need more  
13 work. So, we're getting that done in the plant. Determine  
14 that, and find a lot of resource on that to make sure that  
15 happens.

16           Questions?

17           MR. GROBE:           Any questions?

18           MR. DEAN:           Jim, I had a  
19 couple questions. One is going through the System Health  
20 Plan Reviews and working with the staff, is I think a good  
21 opportunity for you all to reinforce your message regarding  
22 standards.

23           I guess what I would be interested in hearing is,  
24 what are you using to ascertain whether something makes it  
25 to your restart list, as opposed to what's been a

1 nonrestart item?

2 MR. POWERS: Bob could

3 answer that.

4 MR. SCHRAUDER: I chair the

5 Restart Station Review Board and it is our charge to review

6 all of those documents that have come out for whether they

7 are classified as restart or not.

8 What we're doing as far as the corrective actions

9 go; we categorize them as either being specifically

10 addressed on the O350 criteria. That's table one.

11 Table two is a series of related things to deal with

12 nuclear safety, radiation protection, reliability of the

13 plant, a couple of other activities. And then there is

14 another category, there is minor maintenance does impact

15 the functionality of the system, some minor issues.

16 We're taking each of the CR that comes out on a

17 daily basis. We put it back to the first day of the

18 outage, an issue for. And myself, and the production, what

19 I call the production managers at the plant, that is the

20 operations manager, the design engineering manager, plant

21 engineering manager, radiation techs manager and

22 maintenance manager sit on a daily basis, go through those

23 lists and see how they match up with those two tables.

24 We're also looking at work orders, at all the open

25 work orders. We're looking at determining whether they are

1 needed to be done prior to restart. How they impact the,  
2 potentially impact the functionality of the system. Are  
3 they on-line work? Are they just old issues that we've  
4 decided we want to get done?

5 The work orders we've categorized as a series of one  
6 hundred, two hundred, three hundred, four hundred; let's  
7 take one hundred; those represent issues that are again  
8 identified as part of the head issue and the review  
9 process.

10 Two hundreds are as management just said, we are  
11 going to complete these prior the restart and we are  
12 willing to hold up the restart if they're not completed.

13 Three hundred are a lot of less significant issues  
14 that we're saying, well, we're down right now. We have the  
15 work force here that we have. We would like to get as many  
16 of these tests accomplished as possible, but we do have  
17 some flexibility. If they don't get done, we can come back  
18 to them before restart and decide whether we can complete  
19 them or not.

20 And four hundred, are items that are on-line work  
21 activities that aren't impacting the systems capability,  
22 and they can be scheduled for after the outage.

23 That's kind of the process we've been through.  
24 We're also looking at seeking changes and we'll look at,  
25 what we've done first with the corrective actions is as CRs

1 are written, we first categorized whether the evaluation  
2 itself on that condition needs to be done prior to  
3 restart. Then, for all of those that we evaluated prior to  
4 restart, we'll go through a similar process to determine  
5 the corrective actions that come out of those evaluations  
6 need to be done; which ones need to be done prior to  
7 restart and which ones can be scheduled after the plant is  
8 restarted.

9 MR. DEAN: So, the decision  
10 making process is really an expert panel chaired by  
11 yourself and other key managers of the various departments?

12 MR. SCHRAUDER: That's right. And  
13 we also have, we do have an expert on the panel with us,  
14 that is going through these. And QA organization  
15 frequently comes in and observes our process and monitors  
16 how we're doing.

17 MR. DEAN: Second issue I  
18 want to raise.

19 MR. MYERS: Can I have a  
20 moment?

21 MR. DEAN: Go ahead.

22 MR. MYERS: One of the things  
23 that we've done --

24 (Requested speaker to repeat.)

25 MR. MYERS: A couple things

1 that we're done at our other plants in FENOC, and we've  
2 institutionalize here, we do a restart assessment with the  
3 senior management team, why we should restart. And we'll  
4 do that prior to, before ourself.

5 And, usually that meeting will last a couple days  
6 and we'll bring in various groups, including a private  
7 panel, and do an assessment of our overall work outstanding  
8 and work we got done, are our departments ready to support  
9 restart, our training we've done. And so before we ever  
10 move up into Mode 4, we'll sit down for a couple days and  
11 do that overall assessment in an integrated manner, until  
12 we feel comfortable that we're prepared to go forward.

13 So, that's something we haven't done at this stage  
14 of the process.

15 MR. DEAN: The second issue I  
16 wanted to raise, you talked about the System Health  
17 Reviews, but there is also, you didn't provide any  
18 information that I saw on five or unless they're included  
19 under the five maintenance system reviewed, the latent  
20 issues review?

21 MR. POWERS: Those reviews are  
22 going forward. They, the team is making good progress  
23 there. We're finding some other issues. In the case of  
24 those, we're digging into design basis. We're finding some  
25 issues there in terms of calculations and how they can be

1 cross-referenced.

2 We're looking to testing programs that have been  
3 done for the systems and how well they are linked to the  
4 design basis calculations and licensing basis. And, we're  
5 finding issues in those areas. And as we get those  
6 Condition Reports in, we'll be evaluating that  
7 collectively, see what the overall picture is. That we're  
8 making pretty good progress, you know, we found some issues,  
9 nothing, nothing great.

10 MR. DEAN: I guess my  
11 question there, it would seem to me that the latent issue  
12 review would be the process by which you would determine if  
13 you had other systems, safety systems that were impacted,  
14 similarly reactor vessel head was impacted, due to the  
15 determination of latent type issues. So, I was wondering  
16 if you would see anything that would replicate that pattern  
17 or have some of those factors that you've seen?

18 MR. POWERS: No, we haven't  
19 seen anything, we haven't seen anything specific yet. I  
20 talked a little earlier the fact on that line, line break  
21 calculation, collective significance. That would be one of  
22 those cross-cutting issues.

23 This is one we found specifically the Auxiliary  
24 Feedwater Pump Area. We'll be assessing that to see  
25 extended condition, is this a whole set, type of



1 calculations, needs to be improved or not. So, we are  
2 seeing that sort of thing, but a couple cases like that.  
3 Program is giving us that type of information.

4 MR. GROBE: Thanks, Bill.

5 That was an excellent question. It brought to mind  
6 something I think I wanted you to talk about.

7 Could you talk a little bit about the pipe stress  
8 issue that you identified on service water and containment  
9 air cooler impact?

10 MR. POWERS: Right. On the  
11 containment air coolers, which are in containment, and  
12 we've talked about those in past meetings. We are  
13 replacing the containment air cooler coils, which are like  
14 radiators. And they cool the containment air, keep it  
15 cool; and they run service water through the coils, kind of  
16 like a radiator in a car.

17 And they were degrading because of the Boron in the  
18 area containment getting on the cool phase, and into the  
19 piping. And so we replaced those, we're upgrading to  
20 stainless steel and we're providing more easily inspection  
21 of the cleanliness of the inside of them.

22 What part of the specification process is going  
23 through the engineering to put in the new coils, we  
24 developed some questions on the past design in the area of  
25 these coils. In that the, the annulus, I assume that the

1 nozzle connection from the piping to the coil, that's  
2 basically the bolt to flange connection, was very flexible  
3 and that thermal growth in a high temperature condition in  
4 containment, thermal growth of piping pushing against those  
5 nozzles would be acceptable.

6 Our engineer is looking at that now, to question  
7 that input. So, we're getting good detail in terms of  
8 fitting, looking for what's been done in the past, not just  
9 accepting things as they are, but questioning them.

10 In this case, there is a question on that. We think  
11 nature nozzles were stiffer than what was assumed in the  
12 past analysis of the old coils and we're evaluating now  
13 what that means. They may have been overstressed from a  
14 code op, stress standpoint, but they may have been  
15 functional in terms of some defamation, but maintaining  
16 functional capabilities, structural integrity.

17 So, we're evaluating that captured in the corrective  
18 action process, Jack, and that's what that issue is about,  
19 an issue we found. And we're addressing it both past  
20 operability concerns, plus looking forward on that. We've  
21 changed the design of those manifold through pipe  
22 connection coils. We've made it much more easy to access  
23 and inspect cleanliness inside the piping and now we're  
24 looking at probably adding flexible hose fashion, so there  
25 is very little thermal stress.

1 MR. GROBE: Any questions?

2 Before we move onto Clark, I think you were ready to  
3 move on; is that correct?

4 MR. POWERS: Yes, I'm ready to  
5 introduce Clark Price to talk about Performance Indicators.

6 MR. GROBE: Before we do that,  
7 why don't we take a five minutes break. It's 5 to 4  
8 according to my watch. Let's be back at 5 after. Okay,  
9 thank you.

10 (Off the record.)

11 MR. GROBE: I had a couple of  
12 questions during the break regarding the board. I want to  
13 emphasize that the technical issue with the crane were not  
14 uniquely safety significant. The issue that Mike Stevens  
15 identified was a workmanship quality issue, more than it  
16 was a safety concern with the crane itself.

17 The reason I spent some time on that issue was not  
18 so much the importance of the deficiencies with the crane,  
19 it was more the root cause, as the individual worker  
20 commitment to quality and supervision of the workers in the  
21 field. The fact that it took Mike Stevens, the senior  
22 management out in the field to identify the concern; that's  
23 the good news. The bad news is, it was there.

24 I just want to make sure everyone is understanding  
25 that the specific conditions with the crane itself were not

1 particularly safety standard.

2 Why don't we get on to Clark.

3 MR. PRICE: Thank you, Jack.

4 Good afternoon. My name is Clark Price. I'm the  
5 Manager for Business Services at Davis-Besse for the  
6 Restart Plan. I am the owner of the Restart Action Plan.

7 As you've heard, we're making good progress towards  
8 our restart, but we also have many challenges ahead and the  
9 next slide I'll show will demonstrate that.

10 One of my responsibilities as owner of the Restart  
11 Action Planning Process is to maintain a set of performance  
12 indicators for the Davis-Besse Restart Management Team.  
13 To both assess our progress towards restart, and also to  
14 monitor a number of performance improvement areas that we  
15 have targeted in our restart efforts.

16 The first slides we chose for today's presentation  
17 will monitor our progress on three of the building block  
18 areas that we discussed today. The restart actions that  
19 we'll talk about are those conditions that we have found  
20 through many inspections and reviews that need evaluation  
21 and correction prior to restart.

22 And Bob Schrauder explained what the Restart Station  
23 Review Board does in the evaluation of those activities.

24 So, that led real well into this discussion. If you have  
25 any questions on these charts as I go through them, please

1 stop me at any time; and myself, or one of the panel  
2 members will try to address them. Otherwise, I'll keep  
3 going through them.

4 This first performance measure tracks our Extent of  
5 Condition Reinspection on the containment for the Boric  
6 Acid conditions. And as you can see and Randy talked about  
7 earlier in his discussions on containment, we are just  
8 about completed now with those reinspection activities.  
9 So, this marks a very major milestone in our efforts for  
10 the extent of condition as a result of the, the head  
11 issue.

12 This next performance measure, performance indicator  
13 tracks our Open Containment Health Restart Actions. One of  
14 the things that we've done differently this time from the  
15 last presentation, I need to point out at this time, is  
16 that we removed the corrective actions from this  
17 performance indicator. We had both the corrective, the  
18 Condition Reports and the corrective actions. We were  
19 trying to combine them on performance indicators for  
20 overall restart actions. It got way too complicated and we  
21 weren't able to monitor it well. So, we broke those two  
22 part.

23 This particular indicator here is looking at  
24 Condition Reports that have been generated from all the  
25 inspection activities as a result of the inspections in

1 containment. As you can see here, we have over five  
2 hundred Condition Reports.

3 The latest activity you see with the dark bars in  
4 the chart represent the reinspection activities that are  
5 going on as well as coating inspection activities going on  
6 for the last several weeks. As you can see now, the  
7 inspection findings and the condition, of course, is  
8 starting to drop off in that area.

9 The next performance indicator is our System Health  
10 Readiness Reviews.

11 MR. GROBE: Clark, before you  
12 go on. Each conditional report may have several corrective  
13 actions that are necessary to resolve it.

14 MR. PRICE: Yes, I'm glad you  
15 stopped me here. There is one thing I failed to mention.  
16 One of the things that we had done with our restart  
17 actions, as you can see, our pile got quite high with  
18 Condition Reports. On each of these three Building Blocks  
19 I'll be discussing here, the restart station, our senior  
20 management team has assigned project managers for each of  
21 these. And, they are responsible for working, putting  
22 together the plans and getting necessary resources to work  
23 these Condition Reports off.

24 Jack, what was your specific question? I failed to  
25 answer it.

1 MR. GROBE: Corrective actions  
2 necessary.

3 MR. PRICE: Oh, yes. It's  
4 part of that, as a matter of fact, the project manager who  
5 discussed this at the last senior management team meeting  
6 discussed about six corrective actions will come out of  
7 these Condition Reports on average. With about four of  
8 those corrective actions actually resulting in field  
9 activities.

10 MR. GROBE: Okay.

11 MR. PRICE: You can give an  
12 idea how that will expand.

13 MR. GROBE: Okay, thank you.

14 MR. MYERS: Again, there is a  
15 lot of these corrective actions in groups, like something,  
16 or one work order, could be a whole bunch at one time.

17 MR. PRICE: This also  
18 represents the Condition Reports. As Bob Schrauder mention  
19 earlier, we've been very conservative in our application of  
20 restart required classifications relative to the Condition  
21 Reports that come out of all the inspection activities.

22 Our next phase will be looking at the corrective  
23 actions and then also finding restart criteria to the  
24 corrective actions. And some of these corrective actions  
25 may or may not be required before restart, but a fair

1 number of them will be.

2 In the System Health Readiness Review area; as Jim  
3 discussed earlier, Jim Powers, we have completed two  
4 reviews, our first two reviews now. And they are going  
5 through validation process and they will be ready for  
6 inspection by the NRC.

7 In the small box there you can see that we have a  
8 number of them, these are in various phases they go  
9 through, so there is a lot of work going on in the System  
10 Readiness Review area with 25 of those that have been  
11 scoped out to be Engineering Assessment Board; five are  
12 actually ready for the Engineering Assessment Board review;  
13 and two of those that have actually gone through the  
14 review. So, eventually, the far right box in the right  
15 will fill up to the 31 counts of service, which this is  
16 completed; all inspection reviews are completed.

17 The next slide shows all the efforts of the System  
18 Health Readiness Reviews. Offhand, also the Latent Issues  
19 Reviews. Also, what falls in here, should note is the  
20 Operational Readiness Reviews that were done earlier in the  
21 year. All of those have been formulated into Condition  
22 Reports for corrective action. But these Condition Reports  
23 here now again, were developed with in excess level of five  
24 hundred Condition Reports that have been identified as  
25 walkdowns and reviews, part of the Restart Action Plans



1 underneath the System Health Building Block.

2 You can see from this graph another thing that these  
3 graphs are helping us to see, in the dark bars in the graph  
4 are the incoming Condition Reports each week. And, about  
5 three weeks ago, we see that we peaked out as the  
6 inspections and walkdowns were being completed and  
7 Condition Reports were being generated as a result of  
8 those, that happened in the last three or four weeks.

9 Now we're seeing that tapering off. So, we believe  
10 we're well getting through the discovery phase on this.  
11 Although the Latent Issues Reviews, which are probably the  
12 area where Bob would say 50 percent complete right now, we  
13 still generate some Condition Reports going forward.

14 Again, we have a project manager now assigned to  
15 work on these directly associated with getting the  
16 resources and putting together a plan to work down the  
17 Condition Reports to get those evaluations completed and  
18 corrective actions identified for System Health.

19 In the program area graph here today is representing  
20 Phase One Program Reviews. This is the Program Reviews;  
21 we're doing 66 of these. And, what this graph represents  
22 is that we have completed now 15 of those reviews. They  
23 have gone through the Program Review Board and approved as  
24 ready for restart by the Program Review Board. So, we're  
25 making good progress on that.

1           There are another 17 that have been conditionally  
2 approved by the Program Review Board, but they will require  
3 going back to the board for final approval before we take  
4 credit for them.

5           MR. GROBE:           You just said  
6 something, Clark, that confused me. Let me make sure I'm  
7 understanding this correctly. I've looked at, I cheated  
8 and I looked ahead a couple pages too. I would describe  
9 all of these as discovery activities, meaning completing  
10 inspections, completing reviews to discover whatever  
11 problems you think you need to fix. You just said that  
12 with the Phase One Program Reviews, those that have been  
13 completed are ready for restart, but they're corrective  
14 actions that came out of these reviews, right?

15           MR. PRICE:           With the program  
16 reviews in this population of Phase One, the 15 that are  
17 ready for restart, there were Condition Reports that did  
18 come out of those potentially; however, none of the  
19 Condition Reports in those 15 were required to be completed  
20 prior to restart.

21           MR. GROBE:           Okay. Were those  
22 less extensive programs, less significant programs, is that  
23 why -- I would have expected the Condition Reports out of  
24 each of these reviews out of more complicated programs  
25 rather than just fix before we start.

1           MR. PRICE:           There is an  
2 initial recommendation made by the Program Review Board and  
3 the Restart Station Review Board then goes through the  
4 condition report, and either confirms or may disagree with  
5 that classification. The two boards get together and when  
6 there is any dissension, and come to a decision on that.

7           These could be more significant or less significant  
8 programs. I can't really tell you the population of 15,  
9 however they were determined by the Program Review Board to  
10 be ready for restart.

11           MR. GROBE:           Why don't you  
12 go to the next slide.

13           I'm sorry. Bob?

14           MR. SCHRAUDER:       A lot of the  
15 findings, Jack, coming out of the Program Review that are  
16 being documented on the CRs are in fact recommendations for  
17 enhancing the program, not necessarily a fault in the  
18 program, but an opportunity to improve the program. And  
19 those are being asked for the condition reporting process  
20 and tracking.

21           We had things in there like you have a primary  
22 program owner, but not a backup to that program. Owners of  
23 the program should leave tomorrow, you don't have somebody  
24 waiting in the wings to step into that. That's one that we  
25 would not categorize as required for restart, but good

1 enhancement to the program.

2 MR. GROBE: Why don't you go  
3 on to the next slide.

4 MR. PRICE: Again here, we  
5 have the Open Program Compliance Restart Actions. Again,  
6 these are coming out of the Phase One Program Reviews and  
7 the Phase Two Program Reviews.

8 As you can see here, we have in excess of 140 that  
9 are currently open. One of the things we see happening in  
10 this area of the programs, is as we were writing Condition  
11 Reports they're also going, they're being evaluated kind  
12 of an as we go basis. So, we've had over two hundred  
13 Restart Condition Reports identified. We're around 50 to  
14 60 of those have already been evaluated and corrective  
15 actions identified out of them.

16 So, this performance measure is showing us that,  
17 again, we're kind of getting through the large review  
18 phase. We're seeing that drop off a little bit, and we're  
19 also seeing an increase in evaluations. So, that's one of  
20 the things Senior Management Team is going to be focusing a  
21 lot of attention on. As a matter of fact, probably on a  
22 weekly basis, we'll be preparing the project managers on  
23 these three areas to discuss, make sure they have the  
24 resources and getting problems out of the way that they  
25 have evaluating these Condition Reports.

1           MR. DEAN:           Clark, this is  
2 something that triggered in my mind relative to what you're  
3 tracking here. The items that are captured under the out  
4 portion, does that indicate that corrective actions have  
5 been identified and not completed or corrective actions  
6 have been identified and completed?

7           MR. PRICE:           They're only  
8 identified in this particular chart. We have another chart  
9 that we'll track corrective actions.

10          Okay. This particular chart here now is showing the  
11 total restart actions that we have for the plant, have  
12 identified through the process to-date. And as you can  
13 see, there is over 1400 Condition Reports now are in the  
14 evaluation phase and are required to be evaluated prior to  
15 restart. And a number of those will require corrective  
16 actions that will come out of those that will be required  
17 before restart.

18          As you can see here too on the dark bars down below,  
19 we have gone through our peak, what we believe is our peak;  
20 again, because of the inspections, walkdowns and reviews  
21 that have been going on, we're seeing that those numbers  
22 reduce, which is good, but we also now start seeing the  
23 lighter bar, which is the evaluations increase a rather  
24 significant rate, because as you can see, we have quite a  
25 workoff here that we have to accomplish. That's our

1 challenge.

2 MR. MYERS: If we don't turn  
3 this curve down, we can not operate this plant. I'm sure  
4 you understand.

5 MR. PRICE: Okay. The next  
6 three performance indicators are looking more for  
7 performance in what we've classified or put in our charts  
8 as Organizational Readiness, Human Performance Readiness  
9 area. This first chart here is looking at the  
10 self-identification rate in our condition reporting  
11 process. Let me explain that just for a second.

12 Our self-identified Condition Reports are those that  
13 are identified by workers or management, and are identified  
14 before they become really a problem; ends up lending itself  
15 to us. Something also in nonidentified pile would be our  
16 Quality Assessment Organization, if they discover and write  
17 a Condition Report on something, that goes into the  
18 nonself-identified. Also any kind of NRC inspection or  
19 IMPO inspection or any material assessment would be done,  
20 would be certainly not self-identified.

21 So, our goal in this particular performance member  
22 is keep identification rate in excess of 80 percent through  
23 restart. And we're doing fairly well in that area right  
24 now, but we have to keep our eye on this, because we have  
25 had a huge population of Condition Reports that have been

1 through a self-identification process, they're Building  
2 Blocks. And as those now start tapering down, we have to  
3 make sure we're continuing to keep that performance.

4 MR. MENDIOLA: Quick question.  
5 On the number of Condition Reports that you have measured  
6 here, how many of them would you estimate are contractor  
7 identified?

8 MR. PRICE: Contractor  
9 identified?

10 MR. MYERS: What do you mean?

11 MR. MENDIOLA: Found by  
12 contractors, rather than plant staff.

13 MR. MYERS: We have  
14 contractors in the system walkdowns.

15 MR. MENDIOLA: I understand.

16 MR. MYERS: Are you including  
17 those?

18 MR. MENDIOLA: Just to get an  
19 estimate of how many are from your contractors?

20 MR. MYERS: I don't know.

21 MR. SCHRAUDER: I don't have that  
22 breakdown, if we're identifying by contractors. We are  
23 getting, contractors are identifying issues and are using  
24 the Corrective Action Program, but like Lew said, on a  
25 large percentage of the walkdowns that are being done on

1 the System Health Reviews, so the percentage right now is  
2 going to be very high, much higher than our typical  
3 organization, because that's what we've got the people out  
4 doing, is specifically looking for these and the  
5 documentation process is the CR.

6 MR. THOMAS: The process is  
7 once they identify issues under the restart programs,  
8 that's a part of them, that they issue a Condition Report  
9 when they find a problem; is that correct? I guess I'm  
10 curious, maybe this is what Tony's asking, is if you have  
11 contractors that aren't working toward, or working the  
12 procedures directly, direct them to initiate Condition  
13 Reports when they find deficiencies, how many Condition  
14 Reports do they generate? Do you have any idea?

15 MR. SCHRAUDER: No.

16 MR. THOMAS: They actively  
17 contribute to the business of Corrective Action Program,  
18 though?

19 MR. MYERS: Oh, yeah.

20 MR. DEAN: I think why this  
21 is kind of a pertinent question. In some of our earlier  
22 discussions we had this afternoon, we talked about the  
23 large number of contractors, we had an issue with  
24 contractor standards; and one of the things that would  
25 indicate to you whether the contractors are operating to



1 your standards are whether they are inputting into your  
2 Corrective Action System issues. So, I think that's what  
3 Tony's question is.

4 MR. MYERS: Some of the major  
5 contractors, typically, they did very well. I don't know  
6 the number. We can go over, work one out.

7 MR. GROBE: One more  
8 observation in this Performance Indicator. It's good that  
9 it's above 80 percent, but I'm not sure I can translate  
10 that to the health of the organization, for two reasons;  
11 one, is you're only out there finding problems. You're in  
12 the discovery phase. So, it would be very surprising if it  
13 was lower than what it is. Secondly, large number of the  
14 staff, as these guys have pointed out, are not your staff,  
15 they're contractors, they've just specifically been brought  
16 in, because they have experience and capability in this  
17 area. So, it's over the next couple of months, that will  
18 be the swerve, if that number stays up there.

19 It's interesting to me how you define  
20 self-identification. Let me ask a question or two. If an  
21 operator goes out and finds a fitting on something that's  
22 wrong; is that a self-identified? Okay. What if that  
23 instrument was recently worked on by maintenance? It  
24 might be self-identified that the operator found it, but  
25 it's a maintenance deficiency that maintenance work wasn't

1 performed correctly and it wasn't found during the  
2 post-maintenance test. How do you handle something like  
3 that?

4 MR. STEVENS: Self-identified.

5 MR. MYERS: It's  
6 self-identified. Put a note on, this is for management to  
7 look at.

8 MR. GROBE: We've talked  
9 about this before, but our inspections, as Christine  
10 mentioned, we have five inspections with upwards of 15 to  
11 20 people going on right now. Those inspections are going  
12 to focus in a number of areas sequential, first looking at  
13 the activities that you've planned and you're  
14 accomplishing; then doing an independent inspection to  
15 confirm not only the results of our evaluation of watching  
16 your people do work, but independently confirm that we  
17 agree that their outcome is correct, but also look at the  
18 performance indicators in each area and all identity of  
19 those performance indicators and whether they tell you what  
20 you think they're telling you, and we agree those are  
21 items.

22 As we do our inspections, the Human Management  
23 Performance Management Team that was on site last week will  
24 be looking at these types of issues to be sure the  
25 performance indicators you have appear to be valid and also

1 that they're sufficient to give a correct picture of what  
2 you're trying to identify.

3 MR. MYERS: I think, right  
4 now with all the walkdowns, we know, we try to say, we know  
5 that this is good. We don't know that we're that good yet,  
6 you know. If we can hold this high a level, as we reduce  
7 contractor staff, complete our system reviews, program  
8 reviews, that would be better to tell us. Right.

9 MR. PRICE: Okay, this next  
10 Performance Indicator we have is on Root Cause Quality. We  
11 discussed this last month. This is just a continuation  
12 now. What we have, what we're looking for in restart  
13 goals, is a positive trend towards our long term goal of 90  
14 percent approval rate by the Corrective Action Review  
15 Board.

16 This performance measure basically assesses whether  
17 or not the evaluations are meeting the standards, the  
18 requirements of the procedure and the standards set by the  
19 Corrective Action Review Board of which Randy Fast chairs.

20 Right now we're seeing a bit of plateau in that  
21 area, over the period of the restart period where we're  
22 tracking, we're seeing a positive trend, but we need to see  
23 that still continue to climb.

24 MR. GROBE: Is this like a  
25 rolling average or something?

1 MR. PRICE: Yeah, it's a  
2 weighted average.

3 MR. GROBE: Okay.

4 MR. PRICE: On the last  
5 performance indicator we have for today is, again, was  
6 presented last month, Design Engineering Quality. This is  
7 a performance measure that's basically created by the  
8 Engineering Assessment Board and is a measure of an average  
9 score of the engineering products that go through the  
10 Engineering Assessment Board.

11 The EAB or Engineering Assessment Board scores on a  
12 scale of zero to 4, with zero being the best. What you can  
13 see here is kind of jumping up and down. Our long term  
14 goal, restart goals to stay consistently below 1.0 for a  
15 weekly average score.

16 I believe we indicated that our indicators are  
17 showing positive progress, and we believe our restart  
18 activities are showing improving trends, but as you well  
19 know we have some time to spend looking at these, and over  
20 the next several weeks, these are going to become some  
21 really important indicators for us to focus attention on.

22 MR. DEAN: Clark, I have one  
23 question. I know what you've provided us here is not the  
24 comprehensive set of performance indicators that you have.  
25 The vast majority of these focus on, you know, tangible

1 sort of things, these last two you talked about really  
2 getting more of qualitative stuff. Tomorrow's meeting, we  
3 have a chance to discuss more of the types of performance  
4 indicators and the tools you're using to assess the  
5 Management and Human Performance?

6 MR. PRICE: Yes, part of that  
7 presentation tomorrow, we'll discuss that. Some of these  
8 human performance measurements are in development and we're  
9 still working on them. Some of them are included in here.  
10 We have a normal batch. We have about 34 per performance  
11 measures right now which will probably grow slightly. This  
12 selection was kind of hard to package.

13 MR. DEAN: We'll hit more  
14 tomorrow is the question.

15 MR. PRICE: Yes.

16 MR. MENDIOLA: My question is  
17 more specific to root cause Quality Performance Indicator,  
18 the one that you indicate is bottomed out. I think you  
19 explained that Mr. Fast's Corrective Action Review Board.  
20 Do you have a view of why the root causes approval rate is  
21 where it is right now, what needs to be done in order to  
22 get it up higher?

23 MR. FAST: Yes. Typically,  
24 we don't see one to one correlation between root cause and  
25 corrective actions. They're not aligned. Sometime we see

1 a root cause is an apparent cause or doesn't meet our  
2 quality standards for really asking the question why, why,  
3 why; getting to the root of the issue.

4 So, we are trying to improve the quality of those  
5 reports, so we look at them critically as a board, do that  
6 as a prereview and come to the table, and we want excellent  
7 clarity in the writing and the analysis of the report and  
8 we're improving the standards in that area.

9 So, we're looking at these very closely, very  
10 carefully. And if they, very few of them get through right  
11 now as everything was done, done well, clearly and root  
12 cause was clear and there is a direct correlation between  
13 root cause and corrective actions.

14 So, we have a lot of comments come out of those  
15 reviews. We expect that the support of the issue by  
16 another review board we have, Corrective Action Review  
17 Group, which is a lower level of the organization, really  
18 which is where we provide some of the emphasis and the  
19 teaching on improving quality on the lower level  
20 documents.

21 So, I think we are, I'm going to call culture  
22 change, in that we are, our expectations are high, and  
23 we'll provide the feedback for the managers and the root  
24 cause evaluators on the quality of products that they  
25 deliver.

1           MR. MENDIOLA:     I assume then your  
2 expectations are confined to, passed down and everybody  
3 understands these are higher expectations this board sees.

4           MR. FAST:         That's one of the  
5 actions as a matter of fact that we've been taking, is  
6 we're documenting results of the board review, and  
7 providing feedback to our management team.

8           We have a couple of outstanding actions to go back  
9 to our membership team and communicate these standards and  
10 some of the things we're seeing programmatically.

11          MR. MENDIOLA:     Thank you.

12          MR. GROBE:        Randy, I think  
13 there is a different group that reviews basic causes. I  
14 can't remember what it's called.

15          MR. FAST:         It's Corrective  
16 Action Review Group. What we call CARG.

17          MR. GROBE:        Great. Do you  
18 have a similar trend plot on their assessment?

19          MR. FAST:         That's a much more  
20 detailed analysis. There is a scoring sheet for the  
21 Corrective Action Review Group. It gets into numerical  
22 base calculation. That's again an opportunity to provide  
23 feedback to the investigative teams groups.

24          MR. GROBE:        Are you trending  
25 those or is that not one of the PI's?

1           MR. FAST:           I know we have the  
2 data. Can you answer that?

3           MR. PRICE:           The performance  
4 improvement unit does track that it's not currently a  
5 restart performance level we've established.

6           MR. GROBE:           Any other  
7 questions? Okay.

8           MR. PRICE:           If there are no  
9 other questions, I'll turn it over to Mike Roder who will  
10 discuss the Restart Test Plan.

11          MR. RODER:           Thank you, Clark.

12          Good afternoon. My name is Mike Roder, the  
13 Operations Manager of Davis-Besse. I'm a lifelong resident  
14 of Ottawa County. I have 16 years of experience at  
15 Davis-Besse. I'm a Senior Reactor Operator License for  
16 nine years at Davis-Besse. I'm committed to the safe  
17 restart of Davis-Besse and continued safe operation of the  
18 facility.

19          Cornerstone for restart is our Restart Test Plan.  
20 This plan is a comprehensive plan designed to ensure our  
21 systems, structures, components and operators are ready to  
22 support the safe operations. Key components of the plan  
23 include reviewing the proposed post-maintenance and  
24 post-modification testing for adequacy, create an  
25 integrated startup test procedure, verifying operator



1 readiness for sustained safe and reliable operation.

2 One item there, reviewing the proposed  
3 post-maintenance and post-modification, realize that those  
4 activities were proposed in support of our original outage  
5 schedule. Conditions have changed. We need a re-review of  
6 those modification and maintenance tests to ensure they're  
7 still adequate for the new conditions that we've  
8 discovered, such as our containment conditions.

9 The Startup Test Procedure is going to integrate  
10 normal plant startup evolutions that we currently have with  
11 key activities that will lead to incorporate, verify the  
12 systems, structure and component readiness. Part of that  
13 will perform an integrated leak rate test to prove  
14 containment vessel integrity after we open the vessel and  
15 restore the vessel.

16 We will also establish holds at low pressure and  
17 again at a high pressure to verify the highest standards of  
18 reactor coolant system integrity.

19 We're also incorporating management and oversight  
20 reviews prior to Mode 4 or the start of escalation and  
21 pressure temperature, and again at Mode 2 or prior to  
22 reactor startup. And again, approximately 50 percent  
23 power, we have the second feed pump in service and also  
24 the--

25 MR. GROBE: Mike, Mode 4 is

1 where you go over 212 degrees.

2 MR. RODER: 200.

3 MR. GROBE: I understand.

4 And Mode 2 is where you can begin generating heat with  
5 nuclear?

6 MR. RODER: Mode 2 is,  
7 actually nuclear heat is into Mode 2.

8 MR. GROBE: Okay.

9 MR. RODER: Prior to Mode 4,  
10 we're also going to train our operators on the restart test  
11 procedures of the OR simulator. After the training is  
12 complete, we're also going to have an evaluation of  
13 operators to ensure the performance is up to standards and  
14 supports the safe, reliable operation of the facility.

15 In conclusion, the Restart Test Plan is specifically  
16 focused on ensuring that my plant will be returned to  
17 service only after safety readiness.

18 I've also included, my operator offered to bring  
19 this picture in to show you an example of their commitment  
20 to safety. Here's some of my operators on the righthand  
21 side. As you'll notice, they're in booties and gloves.  
22 It's pretty close there inside containment.

23 On the lefthand side is our new reactor vessel  
24 head. We got the opportunity to tour, touch and look at  
25 our reactor vessel head. And it was quite a rewarding

1 moment for us as we talked about earlier bringing that into  
2 the containment.

3 MR. GROBE: Would you go back a  
4 slide, please?

5 Are you planning on any augmented oversight on shift  
6 through the startup evolution?

7 MR. RODER: Yes. We're going  
8 to have, I'm going to have, right now I have two  
9 superintendents on days and nights. We will continue  
10 that.

11 So, I'll have a superintendent on shift during  
12 reactor startup. We'll have various managers to sign for  
13 oversight, that previously held licenses, that type of  
14 activity. I'm sure our friends in QA will be there also as  
15 additional oversight. And, that's where we plan to go.

16 MR. MYERS: We wanted the  
17 staff, our support center, we take that attitude first,  
18 with the NRC support for us too; we decided that management  
19 has a lot to do when you go to about 70 percent power. Not  
20 half bad. So, then you can see us over on the left.

21 MR. GROBE: Anything else,  
22 Bill?

23 MR. DEAN: Yeah, I'm probably  
24 going to sound like a broken record.

25 This Restart Test Plan that you generally describe

1 here, focuses on hardware, focuses on operators. I would  
2 expect that tomorrow we'll hear the forward to this,  
3 relative to Management and Human Performance, the types of  
4 things you're going to do to test their readiness and the  
5 processes readiness for restart.

6 MR. MYERS: That's correct.

7 MR. GROBE: I think we got  
8 the guy that's going to write the agenda for tomorrow's  
9 meeting.

10 MR. DEAN: Just taking  
11 notes.

12 MR. GROBE: There you go.

13 MR. MYERS: Go back and work  
14 hard tomorrow.

15 MR. GROBE: I just want to  
16 emphasize a little bit of what our inspection activities  
17 are going to be if and when you get to the point of  
18 restarting the plant.

19 I anticipate that we will have multiple people on  
20 site providing 24-hour observation of your operating crews,  
21 both in the control room as well as in the field and any  
22 emergent work that's going on to give us a sense of their  
23 readiness for restart prior to restart authorization.

24 Any other questions, Tony?

25 MR. MENDIOLA: On the Operator

1 Readiness, you talk about training operators, evaluating  
2 operator performance and simulator, also evaluating  
3 operators startup operations.

4 But are you going to augment with any outside  
5 organization to implement them or is this all in-house?

6 MR. RODER: What I've talked  
7 about is all in-house. We're having a, this is nuclear  
8 power is coming up as part of our preparation for restart  
9 to assess leadership skills and our leadership plan.

10 MR. FAST: We do have, I  
11 don't know, classify or clarify as independent oversight in  
12 that we have Mike Ross, who is a retired plant manager from  
13 Three Mile Island working with our staff. He's providing  
14 tremendous insight or oversight of our operations crew.  
15 So, we are not solely using our own folks. We're getting a  
16 good perspective of people like Mike.

17 MR. THOMAS: I just have one  
18 question before your closing remarks, before we get to that  
19 point.

20 MR. SIMPKINS: I have a question  
21 on training. Mike normally on cycles, you have operators  
22 going through training at all times. Around the plant, I  
23 see a lot of those operators participating in the System  
24 Health Reviews and tagouts. Are you still maintaining that  
25 current regimen of training of your operators?

1 MR. RODER: Yes, we are. We  
2 just started a cycle this week, and we are maintaining all  
3 employee activities.

4 MR. SIMPKINS: So, when will you  
5 begin your augmented training activities?

6 MR. RODER: We are, well, one  
7 of the activities, several activities start October 21st.  
8 I have set aside that particular week to schedule a lot of  
9 activities. So, that really, all that means is being  
10 doubled up elsewhere in the schedule so we can maintain  
11 consistent recall. And then the rest would have to be  
12 scheduled.

13 Our challenge is, we have our annual exam coming up  
14 also, which we will maintain that also. So, it's a  
15 scheduling challenge, which is right to do and we'll do.

16 MR. SIMPKINS: Will you focus on  
17 specific crews or will all crews be trained the same?

18 MR. RODER: Right now, I'm  
19 focusing on all crews, just so that I have the ability to  
20 be flexible.

21 MR. SIMPKINS: Okay.

22 MR. THOMAS: I guess my  
23 question is, you know, with issues, with polar crane work,  
24 concrete for containment, feedwater heat repairs, cad  
25 welding qualification for containment rebar, these are all

1 issues that in some respect impact contractor quality and  
2 quality of their work product.

3 I know you've touched on this a couple times so far  
4 this afternoon, but could you revisit it one more time.  
5 I'm still a little unclear on going forward having verified  
6 the quality of the operators and contractor work.

7 MR. RODER: You're asking  
8 for--

9 MR. GROBE: From anyone.

10 MR. MYERS: Do you want to?

11 MR. STEVENS: Yeah. Through  
12 verification of the system performance, we've got QA  
13 involved providing oversight. We've got a team put  
14 together. And one of the things that team recommended, I'm  
15 not sure we're going to do just yet, I want to understand  
16 it, is take our Davis-Besse employees, pair them up and  
17 make sure we have the right match, number of Davis-Besse  
18 employees to contractors, help provide insight and  
19 leadership for the standards.

20 Some of it, some of the things that are occurring  
21 are, we're not necessarily familiar with at Davis-Besse  
22 procedure, we're doing the work, not in accordance with.  
23 So, we have to stop, get those folks up to speed; like with  
24 the feedwater heat work.

25 So, we've had this thing done, just communicating

1 the standards. We've utilized our contract resource with  
2 NPS and their supervision. We have qualified supervisors  
3 are making sure we have the right ratio for them. That  
4 doesn't seem to be enough. So, I've got a team assembled.  
5 I'm asking them to take collectively and look at these  
6 issues to see where and what they need from us.

7 One of their immediate recommendations is let's pair  
8 up some of the craftsmen, some of the engineers, to make  
9 sure we have the right mix of Davis-Besse contractors.

10 Let's also understand, the folks we have doing  
11 project management work, are they strong or are they weak?  
12 You know what I mean? There's different levels of project  
13 management, not used to being a project manager, but to  
14 handle the scope of the project, we might have to augment  
15 that person with somebody who is familiar with execution of  
16 the work in the field, for instance.

17 That team is evaluating that real time right now.

18 MR. THOMAS: Thank you.

19 MR. MYERS: I think also, just  
20 so you know, as you see, you read some of the special  
21 organizations, we'll be able to focus on, like NPS. And  
22 that's going to allow us to have a better focus on a  
23 particular contract group.

24 Right now, we have so many different groups out  
25 there, so many different contractors, it makes it more



1 difficult for us to manage just because of all the  
2 organizations. What we want to do is roll back into the,  
3 the contract organizations that we typically have during  
4 the outage over the next few weeks. So, you will see us  
5 lending a number of different contractors we have,  
6 companies at the site.

7 We're doing that now with our corporate organization  
8 and we're making moves to really get ourselves in control  
9 and only having a handful of different contracting  
10 companies on site, which make it easier for management;  
11 right?

12 I don't know if that helps you or not.

13 MR. MENDIOLA: To be honest, I  
14 think the issue here is expectation management. In other  
15 words, you had a certain expectation of what you wanted  
16 from both your, your own staff and your contractors.

17 MR. MYERS: Right.

18 MR. MENDIOLA: And clearly in a  
19 perfect world those expectations are passed to your staff  
20 and through the line organization, and then the line  
21 organization transfers effectively those expectations to  
22 the contractors. Well, the contractors who are doing the  
23 work, doing inspections, doing reviews, they're the group  
24 that's going to, if you will, do the right thing, and meet  
25 your expectations.

1       Clearly, there has been some cases here where there  
2       might be an issue or two associated with whether or not  
3       those expectations are being understood, and communicated.  
4       And, you know, here's some lightning rods; we've picked on  
5       the polar crane, for example; that show that maybe the  
6       expectations aren't getting down to the guy who is turning  
7       the wrench. And they, you know, some more reinforcement  
8       may be necessary, and evaluation of how the message is  
9       being sent and how the message is being received.

10           MR. MYERS:        We'll get there  
11       and we'll work alongside. It's that simple. We'll get it  
12       fixed.

13           MR. MENDIOLA:    I'm more  
14       comfortable with the first part than the second. Spreading  
15       the expectation, and getting the work done correctly the  
16       first time is a much more pleasurable response.

17           MR. MYERS:        The other day we  
18       had a problem with the quality organization, the Bechtel.  
19       We had to change some people out. That was a totally  
20       unacceptable thing. We gave them fair warning. We worked  
21       with them. Didn't fix the problem. So, we changed the  
22       resources out.

23           MR. STEVENS:      We're also  
24       getting help from our sister plants; putting them in charge  
25       of some of the projects and they can bring in what we're

1 doing wrong too. It's one thing to talk and communicate  
2 expectations, it's another thing to actually get in the  
3 field and have a discussion on what that really means.  
4 There is a lot of what we're doing at Davis-Besse right now  
5 to change that behavior and that culture.

6 MR. MENDIOLA: In order to change  
7 the culture, you need to make sure the expectations are  
8 heard, understood and followed.

9 MR. STEVENS: It's significant,  
10 if we see bad work, to go do a rework at Davis-Besse, right  
11 now.

12 MR. MYERS: Another thing, I  
13 said, that some of the training programs, you know, I think  
14 that our training for contractors on expectations is pretty  
15 good. It's pretty consistent what we do at our other  
16 sites, as a matter of fact.

17 Once again, a lot of activities going on. And I  
18 look for us to push back, produce the number of contracted  
19 companies and be able to manage those contracted companies  
20 more effectively the next couple weeks.

21 MR. GROBE: Other questions?

22 MR. SIMPKINS: I have one. Are  
23 all contractors that come on site, trained on the  
24 sensitivities of Correction Action Program? In other  
25 words, do they understand the appropriate threshold on when

1 and when not to appropriate Condition Reports?

2 MR. MYERS: Yes.

3 MR. SIMPKINS: So, everyone is.

4 MR. MYERS: Yes.

5 MR. SIMPKINS: Okay, thank you.

6 MR. MYERS: I never use the

7 word everyone. Our program has a contractor trained.

8 There's been times I have situations, contractor brought

9 somebody as a visitor or something. Everyone is a tough

10 word.

11 MR. SIMPKINS: But then they

12 wouldn't be a contractor if they're a visitor.

13 MR. MYERS: Maybe the key is,

14 we expect people to be trained on Condition Reports.

15 MR. SIMPKINS: Okay, thank you.

16 MR. GROBE: Any other

17 questions?

18 Lew, before you go to your closing remarks, could

19 you please move the microphone a little closer.

20 MR. MYERS: Sure.

21 MR. GROBE: Thanks.

22 MR. MYERS: The last meeting

23 we had, there were some questions on our vision, mission

24 and specifically our values in FENOC. Roughly so, since

25 that meeting, I made the comment that I was embarrassed at

1 where we are today. Which I am.

2 Today I felt differently. I will close by talking  
3 about that somewhat. If you look at our FENOC plants, the  
4 good thing that we have is we have a fleet of plants. Our  
5 vision in all of our plants is the same. That's operation  
6 excellence. We want to be recognized as operators of  
7 excellent plants. And this situation certainly doesn't  
8 help us in that area.

9 To accomplish that, we have a mission of people  
10 providing safe, reliable and cost effective nuclear  
11 generation.

12 And the value you start out as safety, as a  
13 cornerstone, in the lefthand corner. When we talk about  
14 safety, we talk about safety culture, and services made,  
15 and commitment that we have as management team operating a  
16 safe plant. This event did not help us in that area.

17 Teamwork is also important. That we have a flexible  
18 work force. One thing I'm proudest to say today is, if I  
19 look at our organization as a whole, and our fleet, every  
20 day at our plant we have a large number of people taking  
21 corrective actions for our other sites. In fact, some  
22 actions are actually performed at the site before they even  
23 come here. Procedures changes, nuclear operator procedure  
24 changes, and things like that.

25 So, the efforts that we're getting from our

1 employees coming from other sites are just outstanding. In  
2 fact, there has been a few of them kept, after they got  
3 here. The skilled work force, feedback valued in  
4 decisionmaking and open communication; that's all  
5 teamwork.

6 We then go to Accountability and Ownership. One of  
7 the things that I believe failed at our plant, we sought to  
8 developing our leadership and managers and supervisors four  
9 or five years ago at Davis-Besse. At one of our other  
10 plants right now, we have our best people in SRO Class and  
11 there is 27 people in that class. We haven't been doing  
12 that at Davis-Besse, and so, many leaders left and the  
13 skills dried up.

14 We didn't endorse our Leadership in Action  
15 Programs. We appeared to train the programs at our  
16 Davis-Besse Plant, but they don't seem to be instilled like  
17 they are at our other two stations.

18 Then there is honesty, ethical behavior and  
19 management involvement; all of which appeared to be  
20 somewhat missing at Davis-Besse Plant. In fact, my boss,  
21 Bob Saunders, likes to comment as a President of FENOC, he  
22 was actually in the containment more than many of our  
23 managers during the last outage; and he was in the  
24 containment one time. That doesn't meet with our  
25 expectations.

1 Finally, accomplishment. Once you have good people,  
2 teamwork, good training, you can accomplish a lot of  
3 things. And what that does is add value to the  
4 organization, and adds value to FirstEnergy.

5 So, the reason I want to go through this today, you  
6 know, those are visions, that's our vision, and then our  
7 values that I live as an executive for over 30 years and I  
8 really believe in these values.

9 There is only two assets that you have; the plant  
10 itself and the people. And the plant itself usually runs  
11 very well, from history, if you have good people that are  
12 technically qualified, good management and leadership  
13 programs in place. And I think that's a very good thing to  
14 serve by.

15 With that being said, we have a new Senior  
16 Management Team at our Davis-Besse Plant. One of the  
17 things we're sharing with our employees now, we have  
18 hanging on all the walls, we want to share with you; is the  
19 standards that we developed and we talked about we being  
20 part of the standards. We did that ourselves as the Senior  
21 Management Team.

22 On every wall what we're telling our people is, we  
23 expect you to grade us and hold us accountable to our  
24 standards, and then we expect if we don't meet those  
25 standards, you tell us.

1       And often I'm the poster child probably, you know,  
2 not meeting something. But if I don't, we'll correct  
3 that. If I don't, I would expect you to go to my boss, to  
4 the quality organization, if necessary to NRC. We're  
5 telling our employees that in every meeting.

6       Let's go over the standards we came up with. We are  
7 committed to implementing the FENOC Mission, Vision and  
8 Values. That's very important. In fact, what we found at  
9 Davis-Besse was a different mission and vision than we have  
10 for FENOC.

11       We will demonstrate our commitment to safety;  
12 demonstrate leadership courage with safety first and  
13 foremost. That's very important to the public, and it's  
14 also very important to our employees. Just hold us  
15 accountable to that.

16       We will recognize our value -- the value of our  
17 people. Only ask that we have good people. You know, if  
18 we let them become complaisant; we don't develop good  
19 technical skills, good leadership skills and good  
20 management skills; then you find complaisancy that we had  
21 that resulted in the head issue we have today.

22       We pledge to uphold our Leadership in Action  
23 Principles. We have a group of principles and standards  
24 that we train people to at our other facilities and they're  
25 on our walls in every meeting room. And we enforce those



1 standards and the way we do business every day; and  
2 principles.

3 And what we find is they're not visible at our  
4 Davis-Besse Plant, but they will be as of tomorrow; along  
5 with these standards in every meeting room we have.

6 We will earn the right to lead through our behaviors  
7 and actions. You know, that's important. Now, we're  
8 talking about this more at tomorrow's meeting, but we  
9 expect our employees, the public and NRC to hold us  
10 accountable to these standards.

11 We have a lot of work to do to restart the plant and  
12 gain public confidence. We know that. We hope we're  
13 demonstrating that we're doing more than that. Thank you.

14 MR. GROBE: Thank you.

15 Any questions or comments?

16 Appreciate your presentation today. I appreciate  
17 you folks that haven't been here before too.

18 The message that you've given is clear, that you're  
19 well into the discovery phase. That you're completing your  
20 inspections. You're completing system reviews, interviews,  
21 you're identifying a lot of deficiencies. Some of the  
22 issues that you're identifying are substantive, and that's  
23 good. We talked about a number of them today.

24 The next step, of course, is planning all the work  
25 to resolve those Condition Reports, and getting the work

1 done.

2 We look forward to continuing to have these broad  
3 overviews of what's going on at the plant. And as  
4 necessary to have specific meetings like what we have  
5 scheduled for tomorrow, where we have a unique topic we  
6 want to spend a longer period of time on.

7 Unless there is any other comments, what I would  
8 like to do now is take a break for about five minutes.  
9 It's 3 minutes after five, so at 5:10 we'll reconvene for  
10 public comments and questions. Thank you.

11 (Off the record.)

12 MR. GROBE: Thank you for  
13 your patience. The purpose of this part of the meeting is  
14 to answer any questions that you might have, for receiving  
15 thoughts or comments that you might want to share with us,  
16 and we certainly are open to those.

17 I would like to invite speakers to the podium. We  
18 have a microphone up there. In a sequence; I would first  
19 like to hear from any local public officials or  
20 any representatives of local officials that have any  
21 thoughts or questions; and follow that with local  
22 residents, those with any emergency planning zone; and then  
23 continue on with any other members of the public.

24 And if you have, if you have comments, I would like  
25 you to limit them to about five minutes. So, are there any

1 members of the local elected officials or representatives  
2 that have any thoughts or comments that they would like to  
3 share with us or questions.

4 Very good.

5 Any members of the local community? I'm sure that  
6 would include folks that work at the plant.

7 Okay. Any other members of the public?

8 Well, this is exciting. That either means that  
9 we're highly successful or that we've bored you to sleep;  
10 one or the other.

11 We do have a meeting this evening.

12 AMY RYDER: Jack.

13 MR. GROBE: Yes, ma'am. I'm  
14 glad you're here.

15 AMY RYDER: I bet you are.

16 You could use some lemonade out front, refreshments.

17 That's all I have to say.

18 My name is Amy Ryder. I'm with Ohio Citizens in  
19 Action. I have, just have a brief comment, and that is,  
20 after today's meeting, I have absolutely zero confidence in  
21 FirstEnergy's ability to run this plant. It seems the more  
22 they try to restart the plant, the more problems that  
23 they're discovering with their operations and the facility;  
24 and I think the best solution for this facility is to keep  
25 it closed permanently. Thanks.

1           MR. GROBE:           I appreciate your  
2 comment. We focused on a couple of issues that have gone  
3 poorly today, and exposed those. A recent inspection  
4 report on the Containment Health inspections received a  
5 great deal of number of activities we reviewed were  
6 conducted fine. We did find a lot of problems in some  
7 areas, and it will go that way. But I appreciate your  
8 comment.

9           Any other questions? Comments?

10          Very good.

11          We're going to reconvene here at 7:00. And, for a  
12 change, we might have time for dinner. And, that's good.

13          I appreciate that, Lew. You were little bit more  
14 timely. The meeting this evening, we'll just give a brief,  
15 very brief summary of what has happened this afternoon and  
16 then seek out questions and comments from the public.

17 Thank you very much.

18 (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 25th  
10 day of September, 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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