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

Meeting held on Tuesday, September 17, 2002, at
7:00 p.m. at the Oak Harbor High School, Oak Harbor,
Ohio, taken by me, Marlene S. Rogers-Lewis, Stenotype
Reporter, and Notary Public, in and for the State of
Ohio.

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PANEL MEMBERS PRESENT:

U. S. NUCLEAR REGULATORY COMMISSION

John Grobe, Chairman, MC 0350 Panel

William Dean, Vice Chairman, MC 0350 Panel

Christine Lipa, Branch Chief, Region 3

Anthony Mendiola, Section Chief PDIII-2, NRR

Christopher (Scott) Thomas,
Senior Resident Inspector - Davis-Besse

1 MR. GROBE: Good evening. My
2 name is Jack Grobe. I work for the Nuclear
3 Regulatory Commission office in Chicago, Illinois.
4 We have responsibility for the nuclear power plants
5 and the safety of the nuclear power plants in the
6 Midwest including, of course, the Davis-Besse
7 facility.

8 Let me start by introducing the NRC staff
9 that are here tonight. On my far left is Scott
10 Thomas. Scott is the Senior Resident Inspector.
11 He is a member of the staff of Region 3 that works at
12 the Davis-Besse nuclear power plant every day, lives
13 in the community.

14 Also is Doug Simpkins -- raise your hand,
15 Doug.

16 MR. SIMPKINS: (Indicating).

17 MR. GROBE: Doug's the Resident
18 Inspector at Davis-Besse. Also works here every day.

19 Next to Scott is Tony Mendiola. Tony's a
20 supervisor in our headquarter's offices in Rockville,
21 Maryland. Tony has responsibility for licensing
22 activities associated with Davis-Besse along with a
23 number of other plants.

24 On my immediate left is Bill Dean. Bill is
25 the Deputy Director of the Division of Engineering

1 and headquarters. He is also the Vice Chairman of
2 the Davis-Besse oversight panel. It's a panel that
3 the NRC has chartered. I'm the chairman of that
4 panel.

5 On my right is Christine Lipa. Christine is
6 a Supervisor in the Region 3 office. She supervises
7 Scott and Doug and has responsibility for two other
8 plants also.

9 In addition to Doug in the audience, we have
10 Jan Strasma. Jan, raise your hand.

11 MR. STRASMA: (Indicating).

12 MR. GROBE: Jan is our Public
13 Affairs Officer in the Region 3 office, and Roland
14 Lickus is State and Govern Affairs officer in the
15 Region 3 office. I think that's all the NRC staff
16 that's here tonight.

17 The purpose of the meeting tonight is to give
18 you a little bit of background on the meeting we had
19 this afternoon, as well as Christine is going to talk
20 a little bit about the meeting we have tomorrow, and
21 then we look forward to questions, any questions that
22 you might have, as well as any comments that you want
23 to provide us. We're here to receive input and to
24 answer your questions. We've been doing this for a
25 number of months now.

1 Let me first get a -- kind of a lay of the
2 land; is there anybody that's here this evening that
3 has not been to any of the prior meetings that we've
4 had on the Davis-Besse plant?

5 THEREUPON, several members raised their hands
6 indicating first time attendance.

7 MR. GROBE: Excellent, excellent.
8 The -- maybe I should go back since we have about a
9 dozen folks here that haven't been here before. Let
10 me talk a little bit about the background of what
11 happened at Davis-Besse and what we're all about, and
12 then we'll get into it. I appreciate you folks
13 coming out.

14 Davis-Besse shut down in the middle of
15 February this year for a routine refueling outage.
16 In addition to the normal refueling activities that
17 occur during those types of outages, they also were
18 implementing some special inspection activities that
19 were issued by the NRC in what we refer to as a
20 Bulletin. It's a document that we send all
21 Licensees and ask them to take certain actions, and
22 the action that we requested was that plants like
23 Davis-Besse, pressurized water reactors, perform an
24 inspection of the reactor head because we've
25 experienced a number of other plants that had some

1 leakage through some tubes. They are about four inch
2 diameter pipes that go through the reactor head and
3 those pipes -- they're referred to as penetrations or
4 nozzles. The purpose is for equipment to go in and
5 out of the reactor head. There is about 69 of these
6 penetrations on top of the reactor. When we refer
7 to the head, it's a semi-circular, bolted on top to
8 react to the pressure vessel. The presser vessel is
9 the part of the reactor that holds the nuclear fuel,
10 and that's where heat is generated, and eventually
11 that heat is converted into electricity through a
12 steam -- steam cycle.

13 The Company identified a number of cracks in
14 the penetrations which was not unexpected. Some of
15 those cracks went the whole way through the
16 penetration, and they had leaked out onto the top of
17 the reactor pressure vessel head.

18 In the process of repairing those cracks, the
19 Company identified that there had been a cavity that
20 developed next to one of the penetrations. When I
21 say a cavity, what I mean, it was about four to five
22 inches wide and about six or seven inches long. It
23 was kind of an oblong shaped -- and it went the whole
24 way through the six and a half inches of steel in
25 that area, and what happened is boric acid corroded

1 the steel away. Boric acid is an additive to the
2 reactor coolant. It's added to the reactor coolant
3 at very mild levels on the orders of hundreds to a
4 couple of thousands parts per million to control the
5 nuclear reaction, the system controlling the nuclear
6 reaction. The element boron is useful in that
7 regard.

8 When the leakage occurred through the
9 penetration, the cracks in the penetration, the boric
10 acid became more concentrated and corrosive and
11 corroded the steel. The -- the result of the
12 corrosion was that the liner on the inside of the
13 normal steel that's referred to as low alloyed steel,
14 there's a stainless steel liner, and that's the only
15 material that was left that was retaining the reactor
16 pressure, the reactor coolant system pressure.

17 The Agency's response, the NRC's response, to
18 these findings at Davis-Beese were to charter this
19 panel. It's referred to as the -- sometimes you'll
20 see it referred to as the 0350 panel or the oversight
21 panel. It's -- 0350 refers to a procedure, an
22 internal procedure we have. It's a procedure number.
23 The purpose of this panel is to provide enhanced
24 oversight by the Agency, by the NRC, to ensure that
25 we're doing a good job evaluating Licensee's

1 performance and making sure that should this plant
2 get to a point where it can restart that we've done
3 our job and provided appropriate inspections and
4 licensing activities.

5 Situations like the situation Davis-Besse
6 finds itself in are fairly complex from our
7 perspective. It requires a lot of unique
8 inspections that are not part of our normal
9 inspection program. It also requires oftentimes
10 unique licensing activities. Currently, the Company
11 has six licensing actions into us for various
12 different issues, and because of the complexity of
13 the project, the Agency puts together a multi-faceted
14 panel with folks from headquarters, as well as the
15 region office or the resident office, and our goal is
16 to coordinate activities to make sure that the Agency
17 does what it needs to do.

18 As I mentioned, Bill Dean is a Senior Manager
19 from our headquarter's office. I'm the Senior
20 Manager from the region office in Chicago, so it has
21 a high level of management attention both from
22 regional office as well as headquarters.

23 We have been conducting meetings now for
24 several months. Our goal is to make our activities
25 as available to members of the public as possible so

1 we conduct the vast majority of our meetings in the
2 public here in the local area. We've had the need
3 to conduct a couple meetings -- excuse me, either in
4 Chicago or in Washington just because of logistical
5 purposes, but the majority of our meetings will be
6 out here, and we'll normally be conducting business
7 meetings during the business day, but it's my
8 expectation that whenever you come out, we'll be
9 conducting an evening meeting for those of you that
10 can't make it to a meeting during the business day.
11 You'll have an opportunity to come and ask us
12 questions and provide us input.

13 Any other background information -- oh, thank
14 you.

15 THEREUPON, the panel brought up the issue of
16 the handout.

17 MR. GROBE: When you came in this
18 evening there was a number of handouts out on the
19 table. I hope you had an opportunity to pick them
20 up. One of them is a newsletter we put out on a
21 monthly basis now. It's got six or seven pages.
22 Looks like this. It's called NRC Update --
23 Davis-Besse Reactor Vessel Head Damage, NRC Update.
24 It provides a variety of background information, but
25 also the last two or three pages are activities that

1 we currently have undergoing and activities that we
2 expect to be happening in the next six weeks, and it
3 will give you a sense for where we have been, where
4 we are now as an Agency and what to expect in the
5 future.

6 There also is a one page form in the back on
7 the table out front. It's what we refer to as a
8 feedback form. You can fill it out, fold it up, put
9 a staple on it, and drop it in the mailbox, and it
10 will come to us. We would certainly appreciate your
11 feedback on the format of these meetings, the
12 content, what we discussed, suggestions on how we can
13 improve these types of meetings, so if you'd take a
14 few minutes, if you can, and fill one of those out,
15 send it back to us.

16 Anything else?

17 (No response).

18 Okay, very good.

19 What I'd like to do now is ask Christine to
20 talk about the meeting we're having tomorrow morning.
21 It's a little bit different situation. We had a
22 topic we wanted to spend an extended period of time
23 focused on one topic, so we scheduled a separate
24 meeting for that. It is a public meeting, and
25 Christine will talk to you a little bit about that.

1 MR. STRASMA: Jack, you might
2 mention that it's also available by telephone.

3 MS. LIPA: Right, right, okay.

4 As Jack mentioned, we have been having these
5 public 0350 panel meetings here every month, and then
6 when we have a special topic that we want to discuss,
7 we try to see if we can fit it in that meeting, if a
8 second meeting is warranted.

9 On August 15th we held a meeting in the
10 Region 3 office where the Licensee came in and
11 presented the results of their root cause of the
12 Management and Human Performance issues that led to
13 the degradation, and following that meeting, they let
14 us know just recently that they're ready to come in
15 and present to us their corrective action plan for
16 the findings from that root cause, so we've scheduled
17 a meeting for tomorrow morning at 9:00 a.m., from
18 nine to noon, and this meeting is actually going to
19 be held at the Davis-Besse administration building,
20 which is the building right there on Route 2. It's
21 pretty obvious what the building is, and you'll be
22 able to get in and the auditorium is on the second
23 floor, and it will be obvious. There will be signs,
24 and so we're planning to have this meeting tomorrow
25 from nine to noon. It will be a public meeting.

1 It will also be -- phone lines will be available for
2 people who are not able to make the meeting and want
3 to call in and listen in and ask questions at the
4 end.

5 We will also have the Licensee's
6 presentation, will be posted to our web page so that
7 people can print it out or follow along during the
8 meeting, and that meeting will also be transcribed
9 just like we're have this meeting tonight
10 transcribed. We've got Marlene down here, and we
11 have our regular business meetings every month
12 transcribed, and then we try to get those on our
13 website within about three weeks. We did get some
14 feedback from our earlier meeting that the
15 transcribed file was too large, so we've broken that
16 up into 50 page segments, and that seems to be easier
17 for users, so that's what I wanted to say about the
18 meeting tomorrow.

19 Another thing, when you came in, there might
20 have been left over handouts from this afternoon's
21 meeting so that will give you a sense of what we
22 talked about this afternoon, and then Bill will give
23 us some more details.

24 UNIDENTIFIED: What is the phone
25 number, please?

1 MS. LIPA: The phone number is on
2 the web page. I don't have it with me.

3 MR. GROBE: Jan, do you have it?

4 MR. STRASMA: No, but I'll get it.

5 MR. GROBE: If somebody needs
6 information like the phone number for that meeting
7 tomorrow morning, just let us know what you need, and
8 we'll get it to you. That's not a problem at all.
9 The way we set this up is there's a large number of
10 phone lines available, and the sound quality should
11 be good. I'm not sure how many we set up, 50 or
12 100, probably, so don't hesitate -- if you're unable
13 to attend the meeting tomorrow, if you're unable to
14 attend the meeting tomorrow, and you want to get on
15 by phone, don't hesitate to call in. If you have
16 access to a computer, the Licensee's presentation
17 materials will be on our website.

18 Let me talk a little bit more about our
19 website for those of you that are -- have access to
20 computers. The NRC website is very simply
21 WWW.NRC.GOV, and a home page will come up in the
22 upper right-hand corner, will be a segment that talks
23 about current issues. There's an indicator, a link
24 as it's referred to, for Davis-Besse, and that will
25 take you right to the Davis-Besse website, which is,

1 I think, very well organized and has an enormous
2 amount of information on it. It's fairly easy to
3 navigate through, so if you're interested, you can
4 get a large amount of information -- access to a
5 large amount of information through that process, and
6 you can always call us, myself or Roland or Jan, and
7 get questions answered.

8 MS. LIPA: (Indicating).

9 MR. GROBE: Oh, you have the phone
10 number?

11 MS. LIPA: The phone number for
12 tomorrow's meeting is 877-601-4713, and then the pass
13 code is Davis-Besse, so that's 877-601-4713, and
14 that's 9:00 a.m. to noon tomorrow.

15 MR. GROBE: Yeah, that phone
16 number is for an MCI operator and just tell her you
17 want Davis-Besse, and she'll get you onto the right
18 conference call.

19 Let me talk a little more about the meeting
20 tomorrow because it's a very important meeting.
21 There is a number of issues that caused the problems
22 of Davis-Besse. Obviously there is some equipment
23 problems that need to be fixed. The Company is
24 working on finding all those problems and fixing
25 them, but the issues at Davis-Besse weren't caused by

1 equipment. They were caused by organizational
2 problems, management problems, organizational process
3 problems, and, quite frankly, problems with the
4 workers.

5 The Davis-Besse organization didn't do what
6 it needed to do. There were plenty of indicators
7 that there was a problem going on at the plant.
8 Their response to those indicators was insufficient.
9 We conducted what we refer to as an augmented
10 inspection team. It's an event response type
11 inspection right after this issue was identified, and
12 we just completed a follow-up to that inspection
13 which will document all of the deficiencies that were
14 identified in April right after the event occurred,
15 but last August, August 15th, the Company presented
16 to us what they believe are the organizational
17 problems that contributed to the event at
18 Davis-Besse, and the meeting tomorrow, the Licensee,
19 FirstEnergy is going to present to us what they
20 believe are the corrective actions that will fix
21 those organizational problems.

22 The key to fixing the issues at Davis-Besse
23 is not fixing hardware. It's fixing the
24 organizational problems that occurred, so tomorrow
25 morning's meeting is very important to us in fixing

1 these issues that resulted in low quality standards
2 and, quote, communications in the organization that
3 allowed an issue to go on for years where there were
4 clearly indicators that something was going wrong.
5 Those issues are the most important ones to fix, and
6 that's what I refer to as the root cause.

7 As Christine mentioned, the meeting is at the
8 Davis-Besse administration building. Just pull up
9 and park. There is only one door in the front, you
10 can't miss it. In fact, the auditorium is on the
11 first floor right on the right, and there will be
12 people to direct you to that meeting if you're
13 interested.

14 Bill is going to talk a little bit about the
15 meeting this afternoon and what we discussed.

16 MR. DEAN: I don't want to spend
17 too much time rehashing this afternoon's meeting
18 'cause the main objective of being here tonight is to
19 try to establish a dialogue with the community and
20 receive your feedback and answer any questions you
21 might have, but for those that were not able to
22 attend the meeting this afternoon we had with the
23 Licensee, as Christine noted earlier was one of our
24 monthly meetings we've had with the Licensee to
25 discuss the status of their Return to Service Plan

1 and give us an opportunity to have a dialogue with
2 the Licensee to pulse them on some issues that are on
3 our radar screen and to get a sense of where do they
4 think they are in terms of finding issues and
5 resolving them. I would say that today's meeting
6 given the topic of tomorrow's meeting being on the --
7 what we believe to be the major focal point in terms
8 of what the root cause of the problem was.
9 Tonight's meeting was really more focused on the --
10 pretty much the hardware issues, the types of things
11 that the Licensee has found in doing their various
12 evaluations of systems and equipment at the plant,
13 the types of things that they are pursuing in terms
14 of trying to enhance the capability of the plant and
15 improve its performance from equipment perspective,
16 and so that's what we spent most of our time on.
17 Talked about the various statuses of their Building
18 Blocks, their performance improvement plan, and there
19 was a couple areas where the NRC focused attention
20 and -- and challenged the Licensee on some of the
21 issues that we've seen emerge, and one issue that we
22 spent a particular amount of time on, not so much
23 because of the issue in and of itself was safety
24 significant, but that it reveals and indicates some
25 of the underlying issues that led to the vessel head

1 degradation that still need to be addressed, and this
2 is an issue they had with their polar crane, which is
3 a large crane inside their containment that they use
4 to move heavy pieces of equipment, like the reactor
5 vessel head, and some of the concerns that they had
6 with work that was done on that polar crane and the
7 standards that existed leaving the polar crane in the
8 condition that they felt was less than optimum and
9 the fact that this involves control of contractors,
10 assuring that the contractors are working to
11 standards that the Licensee believe that they need to
12 have.

13 It's important to note that with all of the
14 work that's going on at Davis-Besse, it's not all
15 being done by plant staff. In fact, I think they
16 used the number today of approximately 1,300
17 contractors are at the site doing various types of
18 work at the plant, and so that's a large -- that's a
19 large number of people to try and ensure it has the
20 same values and standards regarding work performance,
21 so we challenged the Licensee quite a bit to various
22 aspects of the meeting in terms of understanding how
23 are they going about ensuring contract work is being
24 done in accordance with their standards, and I think
25 we need to have further dialogue. I think we left

1 the meeting today with some unanswered questioned and
2 we're looking for some more information from the
3 Licensee and a better demonstration of how well they
4 are managing their contract work force.

5 A second area that came up, we discussed
6 briefly mainly because it's still an emerging issue,
7 and we don't have all of the information, but about a
8 week or so ago, the piece of the reactor vessel head
9 that was removed and sent to a -- framatone labs in
10 Lynchburg, Virginia for analysis it was discovered
11 that the liner that Jack referred to that was serving
12 as the pressure retention barrier between the reactor
13 coolant and outside of the containment when the top
14 of the reactor vessel head corroded, it was
15 discovered some surface cracks at the top of that
16 liner, and, you know, that calls in question perhaps,
17 you know, some of the assumptions we've made
18 regarding the pressure retention capability of the
19 liner, and it's an issue that we and the Licensee are
20 going to have to delve into to understand what does
21 that cracking mean, what does it represent, you know,
22 does it represent something of significance, or is it
23 something to be expected for that type of -- of
24 material giving its interface with the reactor vessel
25 head, so there's a lot of unanswered questions that

1 that issue raises. That will probably take us some
2 amount of time to understand, and so we really just
3 touched on that topic, but there is a lot more to
4 come in terms of what the implications are of that
5 surface cracking that was identified.

6 The Licensee updated us on the status of
7 where they are with the reactor vessel head that they
8 purchased from Midland. That reactor vessel head
9 has been moved into containment. The old reactor
10 vessel head has been moved outside of containment.
11 Most of you may be aware that in order to move these
12 reactor vessel heads they had to cut a large hole in
13 the shield building and containment vessel itself.
14 The Licensee is now in the process of rewelding the
15 large metal plate that was removed from the
16 containment and re-establish the rebar in concrete
17 shield building wall, and those are activities that
18 will be ongoing over the next week or so. We have
19 inspectors on site that are watching what the
20 Licensee is doing with respect to that activity, and
21 so we'll be providing our NRC oversight of that
22 effort.

23 I guess the last point to make is that in the
24 Licensee's efforts to demonstrate that they are
25 addressing one of the root causes that Jack referred

1 to, and that is an approach or a mentality towards
2 operating at a minimum compliance level as opposed to
3 operating at a level where they try to, you know,
4 have an appropriate -- more appropriate focus on
5 safety and enhancing performance of the plant. The
6 Licensee identified a number of activities that they
7 are undertaking while the plant is shut down in order
8 to try and improve performance and improve safety
9 margin, and they described a couple in particular.

10 One being, the reactor containment sump which
11 is an area that if there were to be an accident at
12 the plant where you had a loca, a large break, where
13 water was going into containment this water would
14 collect in a sump area. That then could be used at
15 some point in time to be recirculated back into the
16 reactor vessel in order to keep the cool fuel and
17 keep the fuel from melting, so it's a very important
18 part of the emergency defense and depth layer that
19 any nuclear power plant has, and so they describe
20 activities ongoing to a large capacity of that sump,
21 a significant amount to give them what they believe
22 to be a large amount of safety margin, so that was
23 one of the major evolutions that they described.

24 Somewhat oriented with that is an emerging
25 issue with components inside containment that have

1 coatings that the Licensee has noted to be degraded
2 and potential for these coatings to -- in a very
3 harsh environment that you might have in an
4 accident -- to perhaps peel off and collect in the
5 sump area, and so we have some questions for the
6 Licensee regarding the aspects of that from a safety
7 perspective, but we had some discussion on that topic
8 today. I think the Licensee still has more analysis
9 to do. That's something we're going to follow very
10 closely because that does have some implications
11 about -- or potential implications about safe
12 operation of a plant in an emergency situation, so
13 I'm not sure if there is anything else that anyone
14 feels we ought to touch on.

15 (No response).

16 MR. GROBE: Thanks, Bill. I
17 caught myself like most highly technical disciplines,
18 we have our own language, and we're going to try to
19 make sure we don't speak in lingo. I've referred to
20 FirstEnergy or Davis-Besse as the Licensee. That's
21 what we call them because they have a license that we
22 issue to operate the plant, so if we talk about a
23 Licensee, that's Davis-Besse.

24 Bill used the phrase loca, which is a loss of
25 coolant to accident. It's one of the more

1 significant things that we worry about and the plant
2 is designed to, has safety systems and back up
3 systems that are designed to deal with that kind of
4 an accident, but what happens is if a pipe breaks
5 where you get a hole in the head of the reactor that
6 actually goes through the head of the reactor you can
7 loose the coolant that's inside the reactor that
8 keeps the fuel cool and that coolant ends up going to
9 the basement of the containment building and this
10 sump area that Bill was talking about is where the
11 emergency pumps would suck the water in and pump it
12 back into the reactor to keep the fuel cool, so it's
13 a very important component.

14 If we slip up and talk in lingo, just throw
15 something at us and we'll correct it and make sure
16 that we communicate effectively.

17 We'd like to try to keep these very
18 comfortable and informal type meetings, but I would
19 like to describe just a little bit of structure.

20 Before I do that, I'd like to ask any elected
21 officials or representatives of public officials to
22 stand up and introduce themselves. I know Carl is
23 here.

24 MR. KOEBEL: Carl Koebel, Ottawa
25 County Commissioner.

1 MR. GROBE: If you didn't hear
2 that, it's one of your Ottawa County Commissioners.

3 Are there any other elected officials or
4 representatives of elected officials here today?

5 (No response).

6 Okay, good.

7 Carl, do you have any questions or comments
8 that you want to make?

9 MR. KOEBEL: Do you want me to
10 come up there?

11 MR. GROBE: Yes, please, come up
12 to the podium. If -- when you come up to the
13 podium, there's a pad of paper and -- I hope a pen,
14 are pens disappear. We have to keep stocking them,
15 sign in and then announce your name and then ask your
16 question and make your comment. We have the
17 transcriber down here, so you have to speak clearly
18 into the microphone.

19 MR. KOEBEL: Thank you, Jack.

20 My name is Carl Koebel, Ottawa County
21 Commissioner.

22 One thing, I would again like to thank the
23 NRC for establishing the oversight committee. I
24 believe it's very important and provides us the
25 assurance that when Davis-Besse restarts that not

1 only will the material and the hardware be correct,
2 but that the proper attitude will be established by
3 the industry, and I think that's extremely important.

4 One thing I do -- and, as I've said before, I
5 believe also, and I didn't hear it tonight, but I
6 have heard some indications of it in the past, I
7 believe strongly that the NRC's are the overseers of
8 this plant, have some role and some responsibility in
9 what occurred in allowing it to occur, and I hope
10 that as the plant oversees the way it will operate
11 that NRC also will oversee how it will operate.

12 Today, I've heard and maybe I was confused
13 tonight, I heard the plant today talk about doing
14 some additional recoating and some establishment of
15 some enlarged sump pump devices, and I thought I
16 heard in the presentation tonight from Mr. Dean that
17 it was kind of NRC was indicating that that this
18 needs to be done and it just seemed to me today it
19 was something that the plant said they found in their
20 investigation and were looking into it. I just
21 wanted a clarification on that.

22 MR. GROBE: You reminded me of a
23 couple things, Carl, thanks.

24 I do want to talk about the other activities
25 we have going on outside of Davis-Besse and I want to

1 talk a little bit about schedule.

2 Bill, do you want to give some more
3 information on -- in response to Carl's question, the
4 sump and the coatings?

5 By the way we use the word coatings, it's
6 paint, but it's a very special kind of paint, so we
7 call it a coating. The -- let me take a crack at
8 it.

9 MR. THOMAS: I'll do it.

10 MR. GROBE: Go ahead, Scott.

11 MR. THOMAS: Just a clarification
12 on the modification that the Licensee is intending to
13 do. It's not directly with the sump itself. It's
14 modification to the screens that filter fluids coming
15 from the containment basement area to the suction of
16 the pumps that would pump the water back either to
17 the reactor or to -- well, to the reactor
18 post-accident to further cool the fuel in the
19 reactor, so the modification itself is an increase in
20 screen area for the emergency sumps, and it's not an
21 increase in size to the sumps themselves. Is that
22 what you were looking for?

23 MR. GROBE: In addition to that, I
24 think Carl was pointing out that this is an issue
25 that the Licensee has taken on. It wasn't an NRC

1 requirement, but they are substantially expanding the
2 screens on the top of the containment sump. That
3 will give additional margin to safety if there is an
4 accident, and there is some material that get into
5 the cooling water. There is more screen to filter
6 it out, so that's an improvement in the plant.

7 I wanted to -- I mentioned that we have the
8 0350 panel. We also have a lot of inspections that I
9 wanted to touch on just briefly, but in addition to
10 that, other than Davis-Besse, the NRC also missed
11 this issue for a number of years. We an inspectors
12 at the site. In addition to that, we have about 40
13 or 50 inspectors in the regional office that travel
14 from site to site and do inspections, and this issue
15 has been going on for a number of years. We
16 certainly had the opportunity to identify it also.
17 We only have two inspectors at the site. We do
18 about 15 inspections a year. Each of those
19 inspections might last anywhere from a few days to
20 several weeks, so it's -- we have substantially fewer
21 resources than the Company does, but we also have to
22 look at ourselves, and to do that, the head of our
23 Agency chartered what's referred to as the Lessons
24 Learned Task Force. It's a group of managers and
25 technical staff from around the agency. None of them

1 have been associated with the Davis-Besse plant in
2 any substantive way, so they are independent of
3 Region 3, they are independent of the headquarter's
4 offices that deal with Davis-Besse on a regular
5 basis, and they are looking very broadly at a number
6 of the aspects of the Agency's operation; our
7 inspection program, our oversight program for
8 operating reactors, how we deal with what we call
9 generic issues, such issues that affect a number of
10 plants. Some of the information that was -- came
11 out in the early 1990's regarding this type of
12 cracking came from Europe. Reactors in France.
13 They're looking at how we deal with International
14 information, so you're looking at a very broad
15 spectrum of Agency activities and behaviors to make
16 sure that we're as good as we can be also, so I
17 appreciate those comments, Carl.

18 MR. DEAN: I have one addition.

19 MR. GROBE: (Indicating).

20 MR. DEAN: I have just one
21 addition to the feedback regarding the modifications
22 that the Licensee is making to the screens for their
23 sump.

24 As Jack noted, the Agency does have what we
25 call generic issues, issues that are pertinent or

1 applicable to a number of plants, not just one or
2 two, and the Agency does have a generic safety issue
3 in its processes that we're looking at relative to a
4 capacity of sumps at plants like Davis-Besse and
5 being able to handle debris and things like that, so
6 the Licensee's efforts are -- as they have noted are
7 in anticipation of future guidance from the NRC to --
8 relative to sumps, so they think they're getting
9 ahead of the Agency and getting ahead of the industry
10 in resolving that issue.

11 MR. GROBE: The other thing I
12 wanted to mention this afternoon, the Licensee --
13 excuse me, FirstEnergy provided a schedule publicly
14 that they believe is attainable. It has the plant
15 regime for our evaluation for restart in the middle
16 of November and then restarting in December. I want
17 to emphasis that the NRC is not driven by or bound to
18 any sort of schedule. If and when this plant is
19 ready for restart, based on our inspections and
20 evaluations, then we'll give it permission to
21 restart. If it's not, it won't. It's important that
22 the Licensee have a schedule, that based on all the
23 work they've identified to date, they have laid all
24 that out and they believe late this year is an
25 attainable schedule, and if they can attain that and

1 do it well, that's fine. If it takes longer, that's
2 fine with us, too. Our focus is safety, making sure
3 that this plant doesn't restart 'til it can clearly
4 restart in a safe manner and operate safely into the
5 future.

6 We have a number of inspections. There's
7 been a lot of interest in NRC observations and
8 findings. We've had some inspections up to now, but
9 not a lot, quite frankly, because there wasn't a lot
10 to inspect yet. The Company is getting to the point
11 now where they have a lot of activities that are
12 completed. We don't want to become part of their
13 process where we inspect while they're doing things.
14 They need to complete work before we inspect it.
15 Currently, we have five inspections going on with
16 about, I'll estimate, 15 to 20 inspectors looking at
17 various areas, systems, the adequacy of systems, the
18 adequacy of the equipment inside containment, the
19 adequacy of the Licensee's programs for making sure
20 that work is done well, the adequacy of their root
21 cause for human factors and organizational behaviors
22 and their corrective actions for those activities,
23 so -- and, oh, the fifth one is -- actually is
24 happening this evening. We have some inspectors that
25 are looking at the preparation for welding the

1 containment vessel and that will be going on for the
2 next several days, so we're just now getting to the
3 point where there is things for us to inspect. We
4 have had a lot of inspectors out here that are going
5 to be in and out every week looking at various
6 activities. As we have results from those
7 inspections, we provide them to the Company, and
8 we'll discuss them publicly during our routine
9 meetings.

10 At this time, what I'd like to do is invite
11 anyone that has a question or comment that's from the
12 local community, and when I say local community, I'm
13 talking within the emergency planning zone, within
14 about 10 miles of the plant, so if there is any local
15 residents or folks that live in this area, I'd
16 encourage you if you have a question or comment to
17 come to microphone, and we'd be glad to answer your
18 questions.

19 If you don't feel comfortable coming forward,
20 you can jot a question down on a piece of paper and
21 slide it over to either Roland or Jan, and they can
22 bring it up and we can answer it that way, too.

23 Are there any questions or comments from
24 members of the local community around the plant?

25 MR. LENZ:

 My name is Tom Lenz.

1 I live close to the plant and been here most of my
2 life. I've been reading the paper and coming to the
3 meetings and there was talk about fines against
4 Davis-Besse, and according to the news media and so
5 forth, this could equal up to a million dollars in
6 fines. Is this correct?

7 MR. GROBE: It's a -- it's a
8 actually very complicated question.

9 Bill, do you want to talk a little bit about
10 the ROP?

11 MR. DEAN: A number of years ago,
12 about three -- three or so years ago, the Agency
13 changed to some degree its approach in terms of how
14 it enforced its regulations relative to things like
15 civil penalties to Licensees. It was determined
16 looking at the history of enforcement and the types
17 of civil penalties that we levied that the civil
18 penalties in and of themselves do not serve as much
19 of a public deterrent as did the fact that the issues
20 were made public, that they were discussed in public
21 forum and the impact that that had on the Licensee in
22 other venues, financial market impacts and things
23 like that, and so in the assessment of how to go
24 about assessing Licensee performance and levying
25 fines and things like that, the Agency has taken an

1 approach that tries to focus on the safety
2 significance of the issue and give that a
3 characterization. Those of you that might have gone
4 to our website to look at individual plant
5 performance and go to Davis-Besse, we have a scheme
6 that takes inspection findings and characterizes
7 those inspection findings according to their safety
8 significance and assigns a color -- green, white,
9 yellow or red, depending on significance, and that's
10 an escalating scale, and depending on what the
11 significance of those findings are, that determines
12 what sort of regulatory response we might have.
13 Additional inspection is one thing, an order that
14 could be issued to the Licensee to do something
15 specific is a higher order type of enforcement
16 action, but the use of civil penalties is being
17 preserved for special circumstances. For example,
18 something that might be extremely egregious on the
19 part of the Licensee involving things like perhaps
20 willful behavior, and, for example, here at
21 Davis-Besse, you all may be aware that there are
22 certain investigations that are ongoing both on the
23 part of the NRC, as well as Congress has sponsored
24 some investigations. The Licensee has done their own
25 internal investigation that would be looking for

1 elements like that that might involve what we would
2 call wrongdoing, and those types of activities still
3 have the capacity to have civil penalties assigned
4 depending on, for example, level of management that
5 might be involved, the degree of the willfulness, so
6 if you were to see a civil penalty or fine levied, it
7 would generally be within that context.

8 MR. GROBE: Bet you didn't think
9 you asked that kind of a complicated question, did
10 you?

11 MR. LENZ: Who ends up paying the
12 fine if there is one?

13 MR. GROBE: The Company pays the
14 fine. Of course, they are a company that is publicly
15 traded. They have stockholders and profits and
16 things like that, so it comes out of the Company.

17 As Bill indicated, it's unusual anymore for
18 us to issue fines. The only situation we would do
19 it would be if we do find that the behavior was
20 deliberate in violation or requirements, it wasn't
21 just simply an oversight or an error. We have
22 investigation ongoing to determine whether or not
23 there were behaviors on the part of individuals
24 involved in this that was not appropriate, and if we
25 do conclude that, then we will proceed in the process

1 of civil fines and different sorts of actions in --

2 MR. DEAN: Actual safety --

3 MR. GROBE: For deliberate
4 situations, oftentimes we also will take action
5 against the individual, and we're not a criminal
6 prosecutorial type organization, but we have the
7 capability and have in the past issued orders to
8 individuals barring them from working in the
9 industry, so those are the types of actions that we
10 would consider both for the Company and for any
11 individuals that may have behaved inappropriately, if
12 that were the case here at Davis-Besse.

13 If we do have a situation where there's a
14 deliberate violation for our requirements, we also
15 refer that matter to the Department of Justice who
16 does have criminal prosecutorial authority, and
17 deliberately violating our regulations is a crime and
18 has sanctions associated with it that include
19 potential fines, personal fines, so that's a very
20 serious matter. We don't get into that kind of
21 situation likely. We have investigators that do
22 thorough investigations, and that kind of thing is
23 ongoing right now.

24 TOM LENZ: I understand it helps
25 the news media sell their product when they can talk

1 about a million dollars worth of fines, but if it
2 does come down to that, the Company has to pay the
3 fine, why isn't the people that created the problem
4 pay the fine rather than the Company who is going to
5 end up passing it off to me and the majority of the
6 people here, the consumer? We didn't make the
7 mistake. Why should we have to pay a fine?

8 MR. GROBE: That's an excellent
9 question. As I mentioned, if we had a situation that
10 involved deliberate violations, we would hold the
11 people accountable, but we also hold the Company
12 accountable. They're responsible for making sure
13 their people behavior appropriately, and I appreciate
14 your point of view. I don't believe there's a
15 direct connection between fining a company and
16 electric rates. I think there's a direct relation
17 between fines and profits. That's, you know, that's
18 business that's outside of my area --

19 MR. STRASMA: Jack, I think the case
20 is that the fines are not --

21 MR. GROBE: Stand up to the
22 microphone. This is Jan Strasma.

23 MR. STRASMA: The fines are not put
24 in a rate base, but rather it's taken out of
25 stockholder's equity. I think that's pretty much

1 uniform state to state, and that is fines or
2 penalties are not passed onto the rate payer, but
3 rather are taken out of stockholder's equity.

4 MR. GROBE: Okay. Thanks, Jan.

5 MR. LENZ: One other question,
6 you're talking for the safety of the plant; what
7 about the workers and the hours they're putting in?

8 I'm friends with quite a few people that work
9 out there, and I know some of them have been on 12
10 hour shifts or more and six and seven days a week
11 since September 11th of last year. That cannot be a
12 safe working environment to have these people working
13 those kind of hours for that length of time.

14 MR. GROBE: I'm not sure what
15 areas your friends work in, but for any work that's
16 related to safety activities, whether it's a
17 maintenance work or a guard or an operator, we have
18 restrictions on the number of hours that they can
19 work in a day, the number of hours they can work over
20 several days, the number of hours they can work over
21 a week, and those are specifically designed to ensure
22 that the workers are fresh and not fatigued, and I
23 know the Company is also sensitive to that, and I
24 think just recently provided several days off for
25 everybody, but it is a difficult situation for the

1 Company, and it's going to take a lot of work to get
2 out of it, and that's why they have so many entry
3 workers on site.

4 MR. LENZ: Thank you.

5 MR. GROBE: Thank you. I'm eager
6 to have somebody else step up to the microphone.
7 Well -- Howard?

8 MR. WHITCOMB: I won't disappoint
9 you, Jack.

10 MR. GROBE: I missed your shirt
11 and tie, though.

12 MR. WHITCOMB: Good evening, members
13 of the panel. My name is Howard Whitcomb.

14 In follow-up to something you said earlier,
15 Mr. Grobe, as well as the gentleman who spoke before
16 me and the concerns being, perhaps, a little
17 different focus in his mind at least with the fines
18 and the passing on of the fines to the consumer.

19 I've been to a number of these meetings, I
20 don't know if I have been to every one, but nearly
21 every one if I haven't been to every one over the
22 last four months. The plant has been down for six
23 months.

24 Early on, there was an effort to produce
25 identification by the Licensee, by FirstEnergy, to

1 determine the problem areas, both hardware-wise as
2 well as management-wise, and then set forth an
3 implementation plan to correct those problems, and I
4 believe they're involved or have been involved with
5 the implementation plan now for about two months.

6 Last month, Mel Holmberg of your organization
7 reported to us that he had completed an investigation
8 during the month of essentially July and that he
9 identified two violations. As I recall the
10 violations of the Federal law, one of them was -- I
11 think they both had to do with a violation of a
12 pending speed criterion, which is quality related
13 violations, but, essentially, the first one was lack
14 of adequate acceptance criteria in the documents that
15 dictated the work performed at Davis-Besse,
16 specifically, the VT-2 inspection, visual
17 inspections, and, secondly, the second violation had
18 to do with use of unqualified personnel.

19 Now, the things that's troubling about that
20 is it took an NRC inspector to find that, and that
21 came at a time when the public would have expected
22 the Licensee to be a little more cautious and careful
23 about who was doing the work in the field and what
24 procedures were being used. Mr. Holmberg, because of
25 his experience, identified the problems.

1 Today, FirstEnergy presented to us a
2 different scenario having to do with the polar crane,
3 and while I acknowledge and share with you, Mr.
4 Grobe, that the safety significance of the polar
5 crane perhaps is minimal in this particular
6 situation, the problem areas identified by the
7 Licensee, specifically the director of maintenance,
8 was a lack of post-maintenance testing -- adequate
9 post-maintenance testing criteria and the use of
10 questionably qualified personnel to perform the work.
11 Now, that comes about as a result of a senior level
12 manager in the plant finding a kind of a problem like
13 that, and he was not happy with what he saw and
14 stopped the work or made the polar crane unavailable.

15 Now, those actions are certainly good. The
16 problem with it is, five months into this shutdown,
17 we're still -- or FirstEnergy is still experiencing
18 problems that they shouldn't be experiencing.

19 More concerning to me, though, is that today
20 we heard the managers on stage from FirstEnergy
21 acknowledge that they were having -- experiencing
22 problems with contractor control; in other words,
23 there was approximately 1,300 contractors currently
24 on site, which were helping and assisting in the
25 activities there, but they were having trouble

1 controlling these people, and they cited a number of
2 different types of problems. They should not be
3 having those problems. They control who comes
4 through those gates. If those people who come
5 through those gates call themselves specialty
6 contractors, it is up to the Licensee to verify and
7 confirm that, in fact, they have those qualifications
8 and are competent to do the work. It's unacceptable
9 to let them through the gates, go out and do work and
10 later find out, well, gee, maybe -- maybe they aren't
11 qualified. Maybe the procedures that they're using
12 don't conform to what we expect the procedures to
13 conform to, or, I also heard that they had examples
14 of the contractors weren't even using site
15 procedures.

16 Now, in the nuclear industry, that's
17 unacceptable, and, certainly, in light of what has
18 happened at Davis-Besse with the degraded reactor
19 vessel head, it would appear that due prudence would
20 dictate a more cautious approach to current work
21 activities at the site. This blind reliance on
22 specialty contractors, this inability to control the
23 contractor work force is troubling, and when the
24 lowest levels of the work force and the lowest level
25 of supervisors are not there to provide the checks

1 and balances, which are expected, and we're relying
2 on senior level managers to find the problems, both
3 from the NRC, as well as FirstEnergy, it gives one
4 pause to consider that maybe the root cause of what
5 had transpired in the time frame up until March of
6 this year has not been identified, has not been
7 addressed and the same superficial maintenance
8 practices that existed prior to March of this year
9 still exist today.

10 Now, I understand there's a meeting tomorrow
11 that's going to address the management issues, but
12 what we saw today was a very aggressive, hardware
13 related fix to a problem, and we're talking Mode 1 in
14 early December and there has been absolutely no
15 demonstration whatsoever that these people have
16 corrected the issues that brought the plant down in
17 the first place.

18 What is the NRC's position in view of what
19 has transpired over the last six weeks?

20 MS. LIPA: Well, let me try to tackle
21 that. You made a lot of comments, and I agree with
22 most of them. Let me just point out a couple if
23 things to put them in perspective.

24 The things you talked about with the
25 contractors and Mel's findings, those are all true,

1 and then we talked a lot about the polar crane today,
2 and I think you understand exactly why we're asking
3 so many questions about the polar crane to find out
4 what they did, what they knew about it, why it was
5 occurring and why it wasn't detected by somebody
6 else.

7 I'm not sure, though, that I heard the same
8 thing about examples of contractors not using site
9 procedures, I'm not sure I heard that.

10 The other thing I wanted to put in
11 perspective, the inability to control contractors.
12 There's a way of saying that that can be
13 misconstrued, and what we're talking about here is
14 they bring contractors in, they go through a training
15 program, they have levels of oversight and
16 supervision, and what we talked about today was in
17 one case, specifically the polar crane, and also the
18 example you used of Mel Holmberg's, there were some
19 examples where the contractors were not doing exactly
20 what Licensee management wanted them to do, so it's
21 not like the contractors are out of control. They do
22 have to get to this issue of supervising some of the
23 contractors.

24 The other thing about a blind reliance on
25 specialty contractors, again, the Licensee brings in

1 contractors for specific purposes. They go through
2 training, and they are also supposed to have
3 oversight, so there is an oversight problem that the
4 Licensee needs to address.

5 I did want to point out to you that we have
6 an inspection that started last week. It's called a
7 Management and Human Performance Inspection, and that
8 inspection is looking closely at the Licensee's root
9 cause assessment, what they came up with for all
10 those root causes that we talked about at the August
11 15th meeting and what their plans are to do about it,
12 so we've addressed it in these meetings, but the
13 Panel's ability to fully assess what the Licensee is
14 doing is a combination of what we talked about in
15 meetings and what the inspectors find out in the
16 field looking at the data, so I wanted to make sure
17 you were aware of that, and that's all I have on that
18 issue unless you had any other --

19 MR. GROBE: Let me -- Howard,
20 just let me provide a little bit more perspective.

21 This may not sound like it and I'm certainly
22 not trying to defend the Licensee, but this is an
23 improvement. It's very clear based on this one
24 example that the root cause that contributed to the
25 head degradation also contributed to what happened

1 with the polar crane, and those issues are worker's
2 standards, supervision, priorities, and focus on
3 safety. Those issues were missing from the work on
4 the polar crane, and that's why I chose to dwell on
5 that a little bit this afternoon and dive into that
6 because I wanted to make sure that I fully understood
7 it, that the Company fully understood our view of
8 that, and I think you took many of your remarks from
9 the remarks we made this afternoon. This one issue,
10 this activity was a clear indicator that they haven't
11 fixed all the problems and all the nooks and crannies
12 of the organization. You see that Mel's inspection
13 report which was issued this past week and if you
14 read that report closely, you'll find that many of
15 the activities that he inspected were well performed.
16 Some of the inspectors that didn't meet the
17 qualification and training requirements that the
18 Licensee had put into their procedures had performed
19 inspections of readequate inspections. The
20 Company's response to that was not the same response
21 that you may have seen a few years ago based on what
22 we know now about Company priorities. The Company's
23 response was to stop that entire job, to bring in a
24 whole new set of inspectors, to raise their training
25 standards, not only do the new inspectors meet the

1 standards that existed before, but they were even
2 higher standards and to make sure that that work was
3 all completely reperformed, and they're just now
4 completing the re-inspections of those areas, so I
5 don't want to leave the impression that all the work
6 that's being done at Davis-Besse is being done
7 poorly. I also don't want to leave the impression
8 that we have any belief that the problems have been
9 fixed. The corrective action program that the
10 Company is going to present to us tomorrow are the
11 actions that they believe are going to address these
12 issues. The difference now is the senior managers
13 are out in the plant reinforcing standards, stopping
14 work when it doesn't meet their standards, and they
15 have a set of standards that are much higher than
16 what existed prior to the shutdown, so it's kind of a
17 good news/bad news situation. It's clear that there
18 is still a lot of work to be done.

19 Did you have another question?

20 MR. WHITCOMB: Well, yes, a
21 follow-up. I heard Mr. Mendiola ask today, and I
22 think he asked Mr. Stevens whether the crane was
23 acceptable or met minimum standards, and what I heard
24 today was "I think" or "I believe" that it would, and
25 I'm troubled by that because here we have a major

1 evolution where we're moving the old reactor vessel
2 head out and the new reactor vessel head in, and I
3 would have thought that the director of maintenance
4 would have made absolutely sure that that crane was
5 minimally acceptable, and to use words like "I
6 believe" or "I think", I find troubling.

7 You have mentioned, Mr. Grobe, first line
8 supervision and paying attention to the problems at
9 the lowest grass roots level. I haven't seen any
10 effort on the part of the Licensee to address that
11 specific issue and that is troubling. We're still
12 finding levels at the highest organizational
13 management and that is -- that is not the way that
14 these plants are going to be successful. We're
15 talking about safety of the public. We're talking in
16 addition to financial obligations. Obviously this is
17 a very expensive endeavor for FirstEnergy and a lot
18 of that will be passed on in terms of rate increases
19 eventually, so the consumers are going to pay down
20 the road, but what we want is to ensure and you've
21 asked for public confidence, and we want you to
22 ensure you're asking the tough and the right
23 questions and ensuring that they're doing what they
24 need to be doing.

25 MR. GROBE:

I think that's what

1 you heard this afternoon. I want to tell you that
2 it's very clear that the problems aren't fixed yet.
3 That doesn't mean that actions haven't been initiated
4 and things aren't moving in the right direction. We
5 are finding that there's work that's being done very
6 well. We're also finding problems, and we have a
7 number of inspectors that are on site now, and we'll
8 be getting additional insights into that. The
9 Company is also finding problems, and they're
10 addressing them as they find them, and I think this
11 is a bit uncomfortable because I don't work for
12 FirstEnergy by any stretch of the imagination, but
13 since you're asking questions regarding what they're
14 doing and what -- in response to our questions this
15 afternoon, what they indicated was that they stopped
16 the job, that they had what was referred to as a
17 stand down. What that means is they stop all work.
18 They brought all their project managers together and
19 explained to them this is what happened on this one
20 job, there is why it's unacceptable, this is why it
21 doesn't meet their standards, their management
22 standards, and I want to make sure all the project
23 managers that are supervising all these different
24 jobs on site understand that this wasn't acceptable,
25 and we have to do better across the board, so those

1 are the kinds of actions that we give the change, the
2 organization, make sure that the work is done
3 correctly.

4 In addition to that, there's a number of
5 checks and balances. In the case of the polar crane,
6 many of them didn't work, but we're going to be out
7 there inspecting and with people just like Mel
8 Holmberg, and we had a lot from the regional office
9 in areas where we don't have expertise, we're getting
10 contractors to help us, and we'll do a good job, and
11 I appreciate you coming to all these meetings because
12 you always give good perspective. You can continue
13 watching and listening to our findings.

14 MR. WHITCOMB: Well, I have --

15 MR. GROBE: The plant won't
16 restart until these issues are addressed to our
17 satisfaction.

18 MR. WHITCOMB: I have one quick
19 question. This afternoon Mr. Price alluded to the
20 hiring of an outside person, expert, to be part of
21 the restart committee.

22 Do you know the name of that individual?

23 MR. GROBE: I'm not sure which
24 committee and which person -- there's several
25 different oversight activities that they have.

1 MR. WHITCOMB: It's a restart
2 committee that mentioned specifically.

3 MR. GROBE: Let me just talk
4 about the different committees. There is one that's
5 called the Restart Oversight Panel, and that reports
6 to the President of FirstEnergy, Bob Saunders, and
7 that is comprised almost entirely of outside
8 individuals. The -- including a former NRC senior
9 managers, former industry senior managers, your
10 County Administrator is on that committee, Jere Witt,
11 so it's a very brought spectrum of having capable
12 people.

13 There's another oversight board. It called
14 the Engineering Assurance Board, and that includes a
15 number of outside individuals.

16 There's a Corrective Actions Review Board.

17 There's a number of different boards that
18 have been put in place and they've utilized both
19 inside expertise, FirstEnergy expertise from
20 Davis-Besse and from their other facilities, Perry,
21 Beaver Valley, as well as outside expertise to
22 provide balance and breath to the reviews that are
23 being done, so I'm not sure exactly which Board
24 you're talking about, so I don't know what person it
25 might have been, but --

1 MR. WHITCOMB: It's a restart
2 committee --

3 MR. GROBE: Well, the Restart
4 Oversight Panel is always entirely outside. It's
5 people from -- instituted nuclear power operations,
6 private contractors, people from other utilities, so
7 it's -- with the exception of Bob Saunders, who's the
8 President; Gary Leidich, who is the Executive Vice
9 President; Bill Pearce, who is Vice President of
10 Quality and Lew Myers, they also have attended all of
11 these meetings for us. The rest of the panel is
12 from outside, so I'm not sure --

13 MR. WHITCOMB: The discussion this
14 afternoon then was with Clark Price, then you don't
15 know who he was referring to?

16 MR. GROBE: I just don't recall
17 which panel he was talking about.

18 Do you have any other questions?

19 MR. WHITCOMB: The second question
20 was, it was the Reactor Restart Committee Panel?
21 The oversight committee, Restart Oversight Committee
22 Panel, so you don't know the answer?

23 MR. GROBE: That's correct.

24 MR. WHITCOMB: All right. Thank you.

25 MR. GROBE: Thank you.

1 Any other members of the local community here
2 that have questions or comments?

3 (No response).

4 Okay, I'd like to now move onto anybody else
5 from the public, and if you're from the local
6 community, you can still come up, but if there are
7 any other members of the public that have a question
8 or comment, I'd be glad to entertain those.

9 MR. LOCHBAUM: Good evening. My name
10 is Dave Lochbaum. I'm with the Union of Concerned
11 Scientist in Washington, D.C. I want to follow-up
12 on some of the issues that Howard raised.

13 Jack, as you said we're here today because of
14 some organizational problems that FirstEnergy had
15 that manifested themselves with some equipment
16 problems of an unprecedented nature.

17 I spent a good portion of last week looking
18 at the inspection reports that the NRC issued prior
19 to March of this year and some self-assessments that
20 the Company had done in about three years prior to
21 this year, and both of those -- both sets of
22 documents basically looked at how the plant was
23 doing, including some of the equipment conditions
24 that we're talking about tonight and basically gave
25 the Company very high marks and concluded that they

1 had a good safety focus. I think that shows among
2 other things the benefit of hindsight. Now that the
3 event occurred, you go back and look at the same
4 data, in hindsight, and the conclusion is a little
5 bit different in that the Company put production
6 ahead of safety.

7 With that in mind, you're now looking at how
8 the organization is changing to address some of these
9 organizational problems to evaluate whether they are
10 effective or not. I guess the concern we have is
11 that we know the Lessons Learned Task Force is doing
12 work and at some point will make recommendations --
13 potentially make some recommendations of how the NRC
14 needs to change what it does, how it does it, but
15 until that point, the NRC is going to use the same
16 processes and the same methods that weren't
17 successful in the past.

18 Why would you think they would be successful
19 now if they didn't work in the past?

20 We would think that it's pivotal to have the
21 Lessons Learned Task Force make recommendations, the
22 NRC change its processes so when it goes in and
23 evaluates these organizational changes, you don't
24 simply recognize that this is not what was there
25 before, but this is actually effective and it looks

1 like without having made any changes to what you do
2 or how you do it, you don't have much of a chance of
3 doing that.

4 Would you agree or disagree with any of that?

5 MR. DEAN: Yeah, let me --

6 MR. GROBE: Let Bill start.

7 MR. DEAN: Let me take the first
8 shot at that. If what you're referring to is the
9 routine oversight process that we use to monitor
10 performance at Davis-Besse, clearly what we're doing
11 now is not routine oversight, so I would offer to you
12 that since that day in March when the issue emerged
13 and we sent an augmented inspection team and elevated
14 the regulatory approach at Davis-Besse, put the 0350
15 panel in place, so on, so forth, we're not operating
16 the same operational mode that we did in the prior
17 years, so we're not the same process.

18 Your question about lessons learned, what
19 lessons learned will we have and will we implement,
20 if you're talking about oversight at over nuclear
21 power plants, I'm not sure if that's the drift that
22 your getting at to --

23 MR. LOCHBAUM: No. It takes a
24 portion of Davis-Besse restarts, and a problem
25 develops, you know, they haven't fixed the

1 organizational problems that caused this one, you're
2 the public's guardian.

3 MR. DEAN: Right.

4 MR. LOCHBAUM: And if you don't
5 change your processes before the plant restarts,
6 we're going to have deja vue all over again, and
7 that's not fair to anybody.

8 MR. DEAN: Yeah. Looking at the
9 Lessons Learned Task Force and the recommendations
10 that they're going to make, and it's our expectation
11 within the next week or two, that they'll have the
12 report and share it with us and provide the lessons
13 learned and their recommendations. I'm pretty sure
14 that you will see the NRC respond pretty promptly in
15 terms of taking those lessons learned and making
16 appropriate adjustments to our process as warranted.

17 I would offer from my own perspective if
18 there's an area where we as an Agency might have
19 failed or dropped the ball relative to what
20 transpired at Davis-Besse, I think you might find it
21 in the world of operational experience and taking
22 insights that we gain from operational experience,
23 either from other countries or past history and
24 insuring somehow that we continue to monitor Licensee
25 activities put in place as a result of operating

1 experience, for example, in the past we issued a
2 generic letter back in 1988 about boric acid
3 corrosion, and how virulent that can be as a
4 corrosive mechanism, and a Licensee should put in
5 place a boric acid corrosion control programs, and,
6 shortly thereafter, we went and did inspections at a
7 number of plants to see what Licensees were doing in
8 response to that generic letter and assured ourselves
9 that, in general, Licensees were taking the
10 appropriate corrective actions and putting in a
11 process in place that give us some confidence and in
12 the future that would continue to monitor their
13 systems for evidence of boric acid corrosion and make
14 sure that it didn't get to the point that it did here
15 at Davis-Besse.

16 Clearly, we didn't maintain our eye on the
17 ball over this ensuing one or two decades and an
18 important element of the NRC regulatory oversight
19 regime is that we rely on the Licensees to operate
20 their plant safely. We can't be everywhere at all
21 times and we have to pick and choose where it is we
22 devote our resources. I think maybe the lesson
23 learned here is that we have to be cautious in making
24 the determination that once we do some additional
25 evaluation -- okay, the industry has this under

1 control, let's move onto the next issue as opposed to
2 coming back periodically to assure ourselves, and,
3 you know, my own personal perspective, I think that's
4 probably the major lesson learned from an oversight
5 perspective.

6 I don't know, Jack, do you have any --

7 MR. GROBE: We're just
8 speculating on what might be the findings of the
9 Lessons Learned Task Force, but that was the one I
10 was going to bring up also. That really doesn't
11 have anything to do with Davis-Besse.

12 The 0350 panel, this oversight panel, has two
13 responsibilities; one is to make sure that before we
14 bring forward a recommendation for restart, that the
15 plant is ready to restart in a safe manner, and the
16 second one is that after restart, that the Licensee
17 demonstrates that the issues are fixed for the
18 long-term. This panel doesn't disappear at restart.
19 We will provide oversight of licensing inspection
20 activities to make sure that appropriate actions are
21 taken, that if the plant gets to a performance level
22 where it's safe to restart, then we would recommend
23 to our management that the plant be allowed to
24 restart. After restart, we will continue with an
25 enhanced inspection program at Davis-Besse and the

1 panel will continue to meet and will continue to meet
2 out here publicly reviewing performance, and so you
3 make very good points, David, about the importance of
4 the Lessons Learned Task Force, but it really has
5 limited relevance to restart at Davis-Besse because
6 we're going to be here well after restart and until
7 we're convinced that the Licensee is demonstrating
8 safe performance and that the problems are not
9 recurring, then we'll make recommendation to our
10 management that the panel be disbanded, and that this
11 plant be put back under the routine oversight
12 program, so we're looking forward -- we haven't heard
13 what the Lessons Learned Task Force has come up with,
14 and we're looking forward to getting their results
15 late this month, and we'll respond to those with
16 respect to the inspection programs. We use them at
17 other facilities.

18 MR. LOCHBAUM: I appreciate that
19 answer, but I guess I would, I'm not -- I don't take
20 much comfort in it, in that I think there is a direct
21 link between that activity and the 0350 panel, and if
22 you look at the NRC's scoreboard for Davis-Besse on
23 February 15th of this year, it was all green. You
24 were comfortable with the safety level, the safety
25 performance of this plant on February 15th. Using

1 the inspection program and the inspection procedures
2 that you're now using to determine whether they fixed
3 those problems, the problems that you didn't have any
4 clue were there, and it just seems a little bit faith
5 rather than fact, or that you can prove that the
6 problems that you didn't know existed have been
7 fixed.

8 MR. GROBE: I guess the message I
9 would like to leave with you and others here
10 listening is that the oversight program at
11 Davis-Besse is nowhere near routine, and I think Bill
12 emphasized that. We're going to be here, both Bill
13 and I have extensive experience, as well as the rest
14 of the team, and we're going to keep our eye on the
15 ball. I think he's coached baseball once or twice
16 lately.

17 MR. DEAN: Softball.

18 MR. GROBE: And we won't --
19 airballs, how's that? We'll make sure that the NRC's
20 oversight program at Davis-Besse is robust and
21 sufficient to make sure that the plant has fixed
22 these problems completely, and I am confident that
23 the Agency will respond to any issues brought forward
24 by the Lessons Learned Task Force and address those
25 as well. I expect a lot of findings from the

1 Lessons Learned Task Force and a lot of opportunities
2 to improve.

3 The other thing I'd like to point out is that
4 our routine inspection programs -- well, let me step
5 back.

6 It was not a good day the day that I had the
7 AITites in the morning and explained to the public
8 and to the Company the extent and nature of our
9 findings -- from our Augmented Inspection Team, I
10 apologize for talking in acronyms -- and then in the
11 afternoon we had our annual meeting to present to the
12 public the results of our inspections over the last
13 year and those inspections indicated that things were
14 going well. That was not a good day for me and --
15 nor for anybody in the Agency, and the Lessons
16 Learned Task Force is going to help us from having
17 repeat that kind of situation.

18 The other thing I'd comment on is the
19 inspection programs, focus of the industry over the
20 past 10 to 15 years has resulted in substantially
21 improved performance obviously not at Davis-Besse,
22 but across the Board, and so I don't want to be
23 condemning the inspection program necessarily for
24 activities that we haven't fully reviewed yet. We
25 still have our investigation ongoing, so it's not

1 clear yet completely what went on here, and we'll fix
2 the inspection program.

3 MR. DEAN: I'm sorry, can I offer
4 one other insight, though, David, because I think you
5 make a valid point, and I have -- I mean, I have been
6 involved with a number of plants, and I know you have
7 observed and been involved, too, in plants that have
8 had degraded performance, and, you know, the
9 interesting thing about Davis-Besse is it doesn't fit
10 the pattern that we've seen in the past like at
11 Millstone or Indian Point or D.C. Cook, you know,
12 where you have examples that occur over time with
13 problems with equipment or problems with performance
14 or issues of harassment or intimidation, things like
15 that. The issue here at Davis-Besse, you know,
16 really, you're on February 15th, we wouldn't have
17 predicted that. We wouldn't have predicted all of
18 the underlying things that have emerged from root
19 caught analyses, and augmented inspection team,
20 inspections, and things like that. An issue like
21 safety culture, which I think everybody kind of
22 points to as a root cause, is something that doesn't
23 cause changes overnight in performance. Just like
24 addressing safety culture, you're not going to see a
25 dramatic change in performance like an on/off switch,

1 and it's my expectation we're going to continue to
2 come up with issues much like the polar crane issue
3 that we talked to Howard about and talked to the
4 Licensee about, and so we have to look at things in
5 terms of how does the Licensee react to issues like
6 that when they are discovered, and is the Licensee
7 discovering those issues themselves and not the NRC
8 discovering those issues, so one of the perspectives
9 that I have on this in terms of Davis-Besse and why
10 was the program up to February 16th indicating this
11 was a plant that was operating pretty well, and, you
12 know, in some respects, you know, this vessel head
13 degradation may very well be the tip of the iceberg.
14 It may have been the beginning of a series of issues
15 much like we had at Millstone or Salem where you had
16 ongoing performance issues and maybe this was the
17 first one.

18 MR. LOCHBAUM: Other than the one in
19 1999 and 2000, this was the first one?

20 MR. DEAN: Well, I mean --

21 MR. LOCHBAUM: There were plenty in
22 the past that were overlooked, so that you can't say
23 this was the first one, unless you ignore all the
24 ones that happened in the past that are documented in
25 the root cause report, so I don't think we can say

1 this is the first one unless a very liberal
2 interpretation of what counts and what doesn't count.

3 MR. DEAN: Well, I'm talking
4 about the first one that had had --

5 MR. LOCHBAUM: This year?

6 MR. DEAN: Well, that had this
7 level --

8 MR. GROBE: Let's be clear.

9 MR. LOCHBAUM: Since nothing has ever
10 approached this level --

11 MR. GROBE: Sure.

12 MR. LOCHBAUM: -- so this is the
13 first one, I'll stipulate to that.

14 MR. GROBE: It's important --
15 there's a lot of people here that don't appreciate
16 maybe that we work together all the time and --

17 MR. LOCHBAUM: All too often.

18 MR. GROBE: -- we talk about
19 these issues all the time, and they don't understand
20 what you're talking about.

21 The Company had a boric acid corrosion
22 problem in 1999, okay, it had to do with the valve,
23 and the NRC was under its old enforcement policy and
24 they issued a finding and the Company took extensive
25 corrective actions, and those corrective actions

1 clearly were ineffective. Those corrective actions
2 included extensive training on the effects of boric
3 acid, how to inspect for it, and the people that were
4 involved in inspecting the head attended that
5 training. We're still trying to figure out through
6 our investigation process how it came to be that
7 there is boric acid corrosion in the head, so those
8 issues, the Company responded to, the NRC responded
9 to. The Company's response was ineffective.

10 Possibly that's another lesson learned that the
11 Lessons Learned Task Force will come up with and that
12 is an additional focus, accurate significant
13 enforcement action like that on follow-up inspection.
14 I don't know what the LLTF is going to come up with.

15 MR. LOCHBAUM: Also, I don't want
16 to leave the impression -- Jack, you and I have
17 worked together on the 350 panel -- 0350 panel for
18 D.C. Cook. I'm glad the 0350 panel is there. I
19 think it's a very positive thing, so I don't mean to
20 say that this is a waste of effort. I don't mean to
21 imply that 'cause I don't think that, and I'm glad
22 it's there.

23 I guess the only point I was trying to make
24 is, you know, I sat here this afternoon and listened
25 as the Company listed or reviewed literally hundreds

1 of things they're going to do before this plant
2 restarts.

3 There is not a single thing that you've
4 identified that you're going to do before this plant
5 restarts to fix the problems that led to you not
6 discovering them earlier? That just --

7 MR. GROBE: Well, if you wait two
8 more weeks for these things --

9 MR. LOCHBAUM: -- if you balance
10 these things --

11 MR. GROBE: If you wait two more
12 weeks, the Lessons Learned Task Force report is
13 supposed to be issued at the end of the month, so
14 we'll find out what we're going to do.

15 MR. LOCHBAUM: Those would be just
16 recommendations. There is no guarantee that those
17 will be done before this plant restarts or not.

18 MR. GROBE: I can assure you that
19 those recommendations will go to the person that
20 heads our agency. He's called the Executive
21 Director, and he will take them very seriously, and
22 I'm certain that there will be recommendations and
23 many aspects of the Agency operation that will be
24 acted upon.

25 MR. LOCHBAUM: As I recall the draft

1 order shut down Davis-Besse to do the inspection last
2 year also with the same individual, and it didn't
3 happen. Is that not correct?

4 MR. GROBE: I'm not sure I
5 understood your question. There was --

6 MR. LOCHBAUM: The draft order that
7 was issued last year to shut this plant down by
8 December 31st of last year went to that same
9 individual and no action was taken, so are we going
10 to get a little different response this time, do you
11 think?

12 MR. GROBE: You can watch.

13 MR. LOCHBAUM: We will.

14 MR. GROBE: There will be a public
15 presentation.

16 MR. LOCHBAUM: I guess the last
17 question I had, had to do with one of the reasons why
18 this problem may have gone on for as long as it did.

19 Federal safety regulations and the plant's
20 operating license don't allow any reactor coolant
21 pressure boundary leakage and yet this plant operated
22 for many months, if not years, in that very
23 condition.

24 The plant's operating license required once
25 that condition existed -- or was detected

1 technically, required it to be shut down within six
2 hours, and that never happened, at least not in time.

3 What's going to be done to ensure that if
4 there is reactor coolant pressure boundary after
5 restart that the plant complies with safety
6 regulations rather than wait 'til its next refueling
7 outage when it might -- might just be discovered?

8 MR. GROBE: It's an interesting
9 and complicating question which you knew when you
10 asked it --

11 MR. LOCHBAUM: That's not lawyer
12 quest. I don't know the answer.

13 MR. GROBE: There's a number of
14 different ways in which the reactor is operating
15 there could be leakage, and leakage is permitted at
16 certain levels. What's referred to as identified
17 leakage, which means there might be a valve leaking,
18 the Company doesn't know it's leaking, but they
19 detect some leakage. They go in and do some
20 inspections and see that it's a valve that's leaking.
21 Identified leakage could be permitted up to, I
22 believe it's 10 gallons per minute at Davis-Besse's
23 license.

24 There is another category, which is known as
25 unidentified leakage, which is you can't identify the

1 source of the leakage, that that is permitted to
2 occur up to one gallon per minute.

3 There is another category of leakage.
4 Normally all of that types of leakage is through
5 bolted connections where a flange is bolted on or a
6 valve is bolted to a pipe, or a seal in a pump, or
7 what is referred to as a packing, which is a seal on
8 a valve stem.

9 There's another kind of leakage, which is
10 called pressure boundary leakage, and that's leakage
11 through cracks and metal. That's not permitted at
12 all, as David correctly indicated. If there is any
13 pressure boundary leakage identified, that the plant
14 has to be shut down within six hours. The problem
15 here is that the Company did inspections inside
16 containment. When the unidentified leakage rate went
17 up, could not identify the source of the leakage.
18 There is many areas of the plant when the plant is
19 operating that cannot be inspected, and that's
20 somewhat of a dilemma. Unidentified leakage is
21 permitted up to one gallon per minute. The Company
22 never exceeded that. Pressure boundary leakage is
23 not permitted. The Catch-22 here is that
24 unidentified leakage could be pressure boundary
25 leakage. In this case it was, and I'm sure the

1 Lessons Learned Task Force is looking at that also.

2 MR. LOCHBAUM: I guess the point
3 would be --

4 MR. GROBE: Whether or not how our
5 different technical specifications mesh with each
6 other and whether or not there is sufficient guidance
7 in that area.

8 MR. LOCHBAUM: Well, how does that
9 affect the restart of Davis-Besse if that tech
10 spec -- had it been enforced and complied wouldn't
11 have allowed this condition to get as bad as it was,
12 so how --

13 MR. GROBE: I'm confident that had
14 the Licensee known that this was pressure boundary
15 leakage that they would have shut down the plant in
16 accordance with their tech specs. They were
17 operating in accordance with their tech specs as they
18 knew with the information they had, and we were aware
19 of the leakage.

20 MR. LOCHBAUM: Not exactly because
21 GDC -- General Design Criteria 30 of the Federal
22 Regulations require monitoring of reactor coolant
23 pressure boundary leakage. This Company was not
24 doing any monitoring. To say it's to the extent
25 practical, they didn't put a camera in. They didn't

1 put leak detection devices in. They didn't do
2 anything. To say that they were complying with tech
3 spec is a little bit gratuitous.

4 MR. GROBE: We could debate this
5 for quite a while, and I'm not sure that that's
6 benefitting other folks in the audience. I'd be glad
7 to talk to you afterwards about this. It is somewhat
8 of a challenge with respect to interpreting the
9 technical specifications when you haven't identified
10 leakage, and I think we'll leave it there. It's --
11 unidentified leakage is permitted, and as much as
12 Davis-Besse knew, and we were aware of the
13 unidentified leakage rate, they were complying with
14 their technical specifications for operating
15 requirements.

16 MR. LOCHBAUM: They thought they
17 were.

18 MR. GROBE: Yeah.

19 MR. LOCHBAUM: Both you and they were
20 wrong.

21 MR. GROBE: That's correct.

22 MR. LOCHBAUM: And these people were
23 placed at undue risk because you and they were wrong,
24 so all we're asking is try not to be wrong in the
25 future, take some actions to prevent that wrong.

1 That's all. Thanks.

2 MR. GROBE: Thank you, David.

3 Any there any other questions or comments?

4 (Indicating).

5 MR. GROBE: Yes, ma'am.

6 MISS RYDER: My name is Amy Ryder,
7 I'm with Ohio Citizen Action. I have a question.

8 How confident are each of you that
9 FirstEnergy will reach their goal of restarting the
10 plant by December 7th?

11 MR. GROBE: I think I already
12 answered that. We're not bound by schedules.

13 One of the milestones that FirstEnergy has on
14 their schedule is at what point in time they think
15 the NRC will be approving restart.

16 MISS RYDER: Right.

17 MR. GROBE: And that's necessary
18 for them to have a schedule because we have to
19 approve restart, but we're not bound by schedule, and
20 I have no basis to express confidence or lack of
21 confidence in their schedule. They believe it's
22 attainable, and we'll do our inspections, and they
23 will do their work, and we'll see.

24 MISS RYDER: Well, here's what
25 worries me is that the Utility thinks that they will

1 be ready in a few months to restart the plant, and,
2 you know, you keep saying that the problems clearly
3 are not fixed, and we're not going to let them
4 restart until those problems are fixed, but I don't
5 necessarily see it that the problems aren't fixed
6 that they continue to make the same problems -- or
7 the same mistakes over and over again, and at a time
8 when the eyes of the country are on this country you
9 would expect that they would be on their best
10 behavior and if what we're seeing now is their best
11 behavior, I don't see how this Company is qualified
12 to continue to operate this plant. I'm not
13 comfortable with the phrase, "when they restart the
14 plant." I don't think we've gotten past whether or
15 not they should be allowed to restart this plant.

16 MR. GROBE: Well, I don't think
17 you've heard anybody in the NRC talk about when they
18 are going to restart. They won't restart until
19 we're satisfied that they have met corrective actions
20 to fix the problems, and there have still been
21 examples of situations where those same causal
22 factors have resulted in additional problem as we
23 discussed this afternoon.

24 As Bill indicated -- I think it was Bill a
25 few minutes ago, the kinds of issues that Davis-Besse

1 is dealing with are not the easy, straightforward
2 kinds of issues. We have a piece of equipment
3 that's broken, and we need to replace it and fix it.

4 MISS RYDER: Right.

5 MR. GROBE: They are changing the
6 organizations, they are changing the way people do
7 work, and those are difficult things to change, and
8 they take time, so -- how much time it takes, I can't
9 project.

10 What I can tell you is that we'll be
11 monitoring what they're doing and make sure that they
12 have these issues fixed before they reschedule.

13 MISS RYDER: But the very fact that
14 they think they will be ready in three months tells
15 me that they are not thinking realistically about
16 solving the problem.

17 MR. GROBE: You'll have to take
18 that up with them, and come to our meetings, which I
19 know you do.

20 MISS RYDER: You should invite them
21 up on the stage during public comment, and I would
22 take it up with them.

23 MR. GROBE: I'm sorry, I couldn't
24 hear you.

25 MISS RYDER: If you invite them up

1 on the stage during public comment, I would take it
2 up with them.

3 MR. GROBE: The purpose of these
4 interfaces are for you to ask us questions. We work
5 for you. We represent you, and for you to provide
6 your comments and thoughts to us. You certainly can
7 write to the Company --

8 MISS RYDER: I know.

9 MR. GROBE: -- call the Company,
10 and suspect you do, and they will answer your
11 questions as they see fit.

12 MISS RYDER: Thank you.

13 MR. GROBE: Interested in other
14 questions or comments?

15 (No response).

16 Okay, well, I thank you for coming this
17 evening. I would ask you to fill out the feedback
18 forms, especially those of you that have come for the
19 first time.

20 The -- we get fresh insights from you, so
21 please take a few moments to fill out a feedback
22 form, fold it up, drop it in the mail, and you'll
23 help us get better.

24 I also want to recognize Oak Harbor High
25 School, and, particularly, Mr. Stucker.

1 Waive your hand up there, Mr. Stucker.

2 MR. STUCKER: (Indicating).

3 MR. GROBE: He's just an
4 incredible guy to prepare this school --

5 THEREUPON, the audience applauded.

6 MR. GROBE: -- and does an
7 outstanding job supporting these meetings, and it's a
8 real commitment to the community that the school is
9 willing to open up their doors for us, and we really
10 appreciate it. It's, I think, a very comfortable
11 setting.

12 MR. DEAN: (Indicating),
13 Christine's got a comment.

14 MR. GROBE: Any other questions or
15 comments before Christine's got a comment?

16 (No response).

17 MS. LIPA: Yeah, I just wanted to
18 remind everybody that we print a monthly newsletter
19 that Jack referred to, and in the last paragraph it
20 has the phone numbers for our Public Affairs Officer,
21 so if you read this and have questions, feel free to
22 use those phone numbers and give us a call, and, you
23 know, we try to answer your questions. That's what
24 we're all about here, so take us up on it. Thank
25 you.

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MR. GROBE: Thank you very much
for coming.

THEREUPON, the hearing was adjourned.

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CERTIFICATE

STATE OF OHIO)
) ss.
COUNTY OF HURON)

I, Marlene S. Rogers-Lewis, Stenotype Reporter and Notary Public, within and for the State aforesaid, duly commissioned and qualified, do hereby certify that the foregoing, consisting of 75 pages, was taken by me in stenotype and was reduced to writing by me by means of Computer-Aided Transcription; that the foregoing is a true and complete transcript of the proceedings held in that room on the 17th day of September, 2002 before the Nuclear Regulatory Commission.

I also further certify that I was present in the room during all of the proceedings.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office at Wakeman, Ohio this 25th day of September, 2002.



Marlene S. Rogers-Lewis
Notary Public
3922 Court Road
Wakeman, OH 44889

My commission expires 4/29/04