

Palisades

**Taking Pride in our Progress
While Meeting New Challenges**



**NRC Briefing
October 30, 2002**



Road to Palisades Excellence



SAFE = Doing What Is Right

PREDICTABLE = Doing What We Say and When We Say It Will Be Done / Finding Our Own Problems Before Others

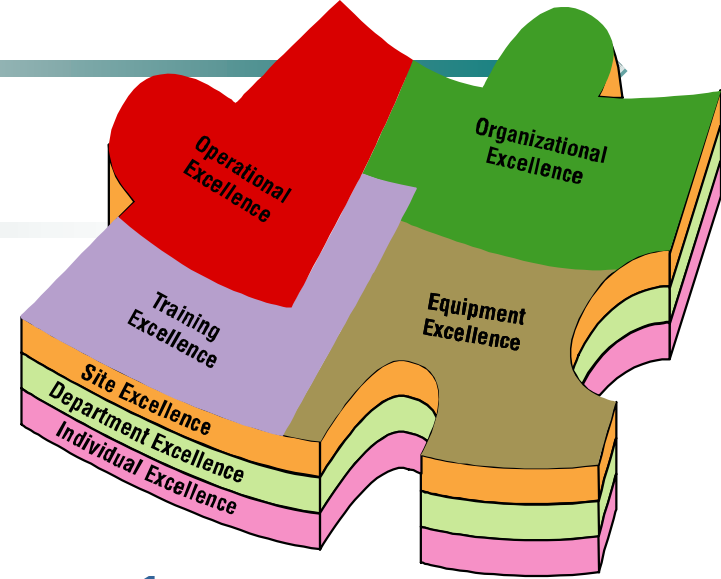
RELIABLE = Focused On Long-Term Success / Preventing Instead of Reacting

LEADER = Respected by Employees, Peers, Community, Shareholders, and Industry

Principles

Picture of Excellence

- **Right People / Right Job**
- **Right Picture**
- **Right Processes**
- **Right Management Coaching / Right Worker Involvement**

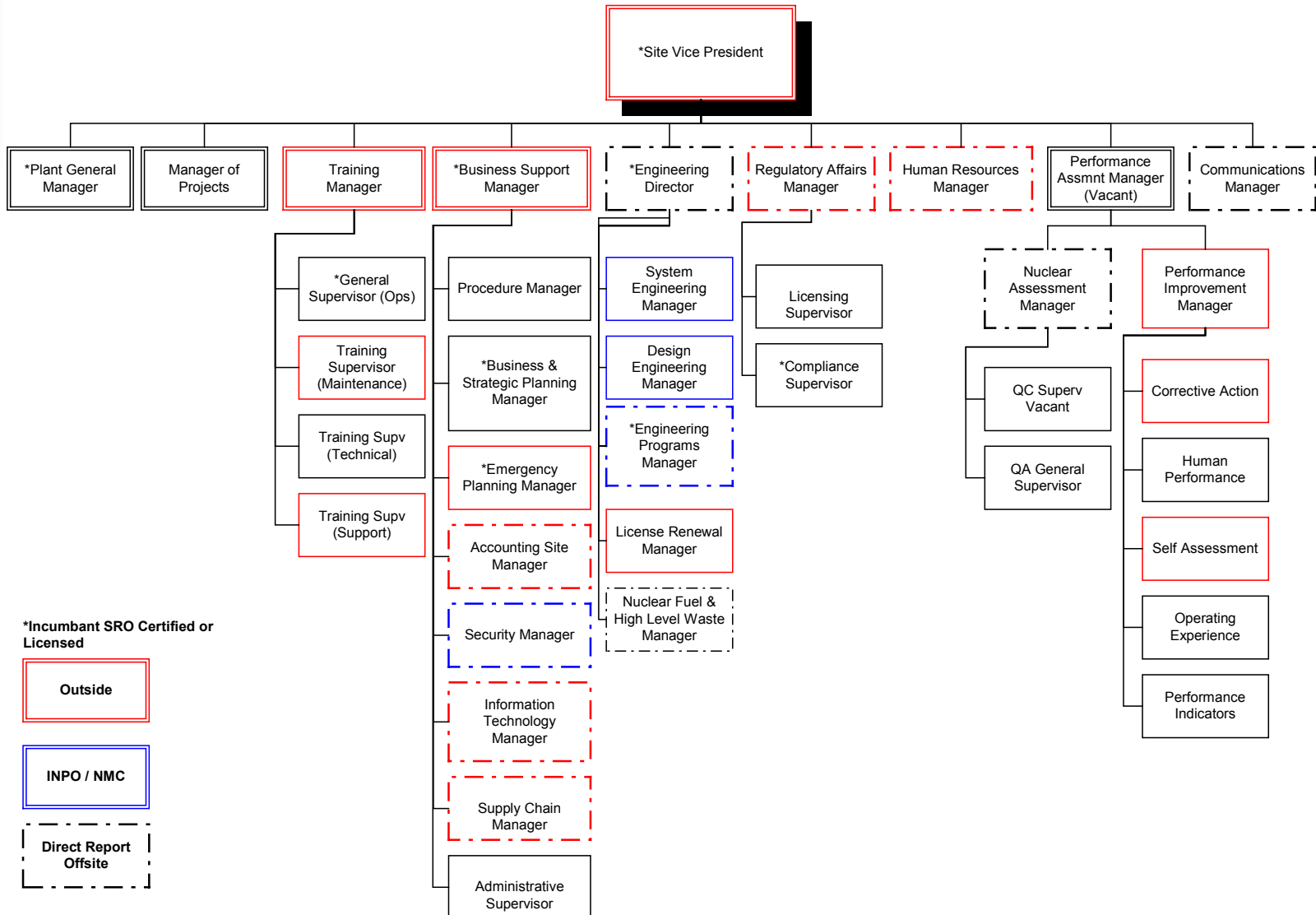


Right People Right Job

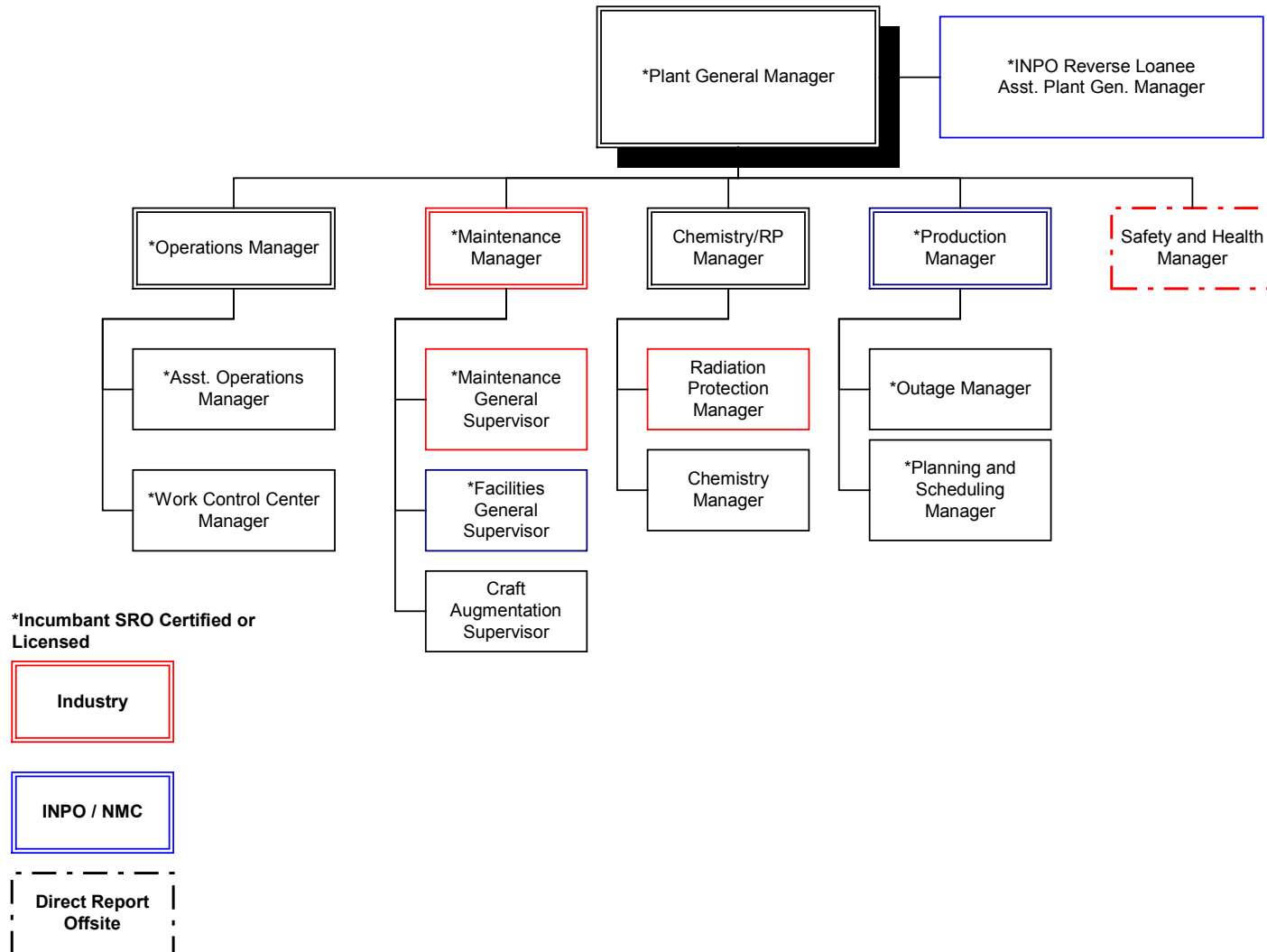
Right People / Right Job

- **Joined Nuclear Management Company (NMC)**
- **Balanced team of:**
 - **Internal Candidates**
 - **External Candidates**
 - **INPO Experience**
 - **Fleet Experience**
- **Succession Plan**

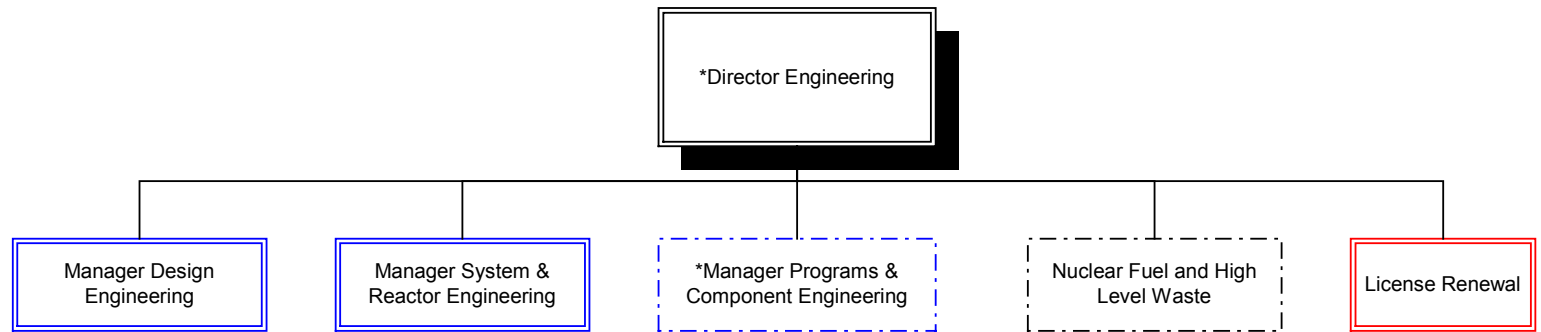
Site Leadership



Production Team



Engineering Team

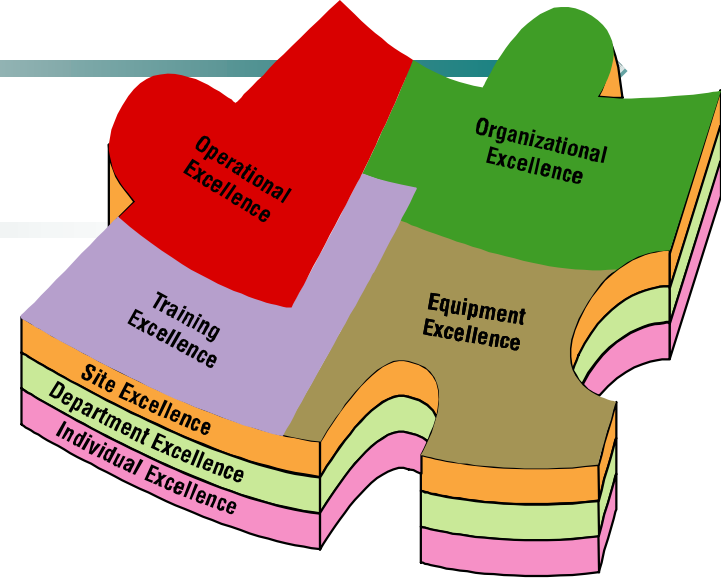


***Incumbant SRO Certified or
Licensed**

Outside

INPO / NMC

Direct Report
Offsite

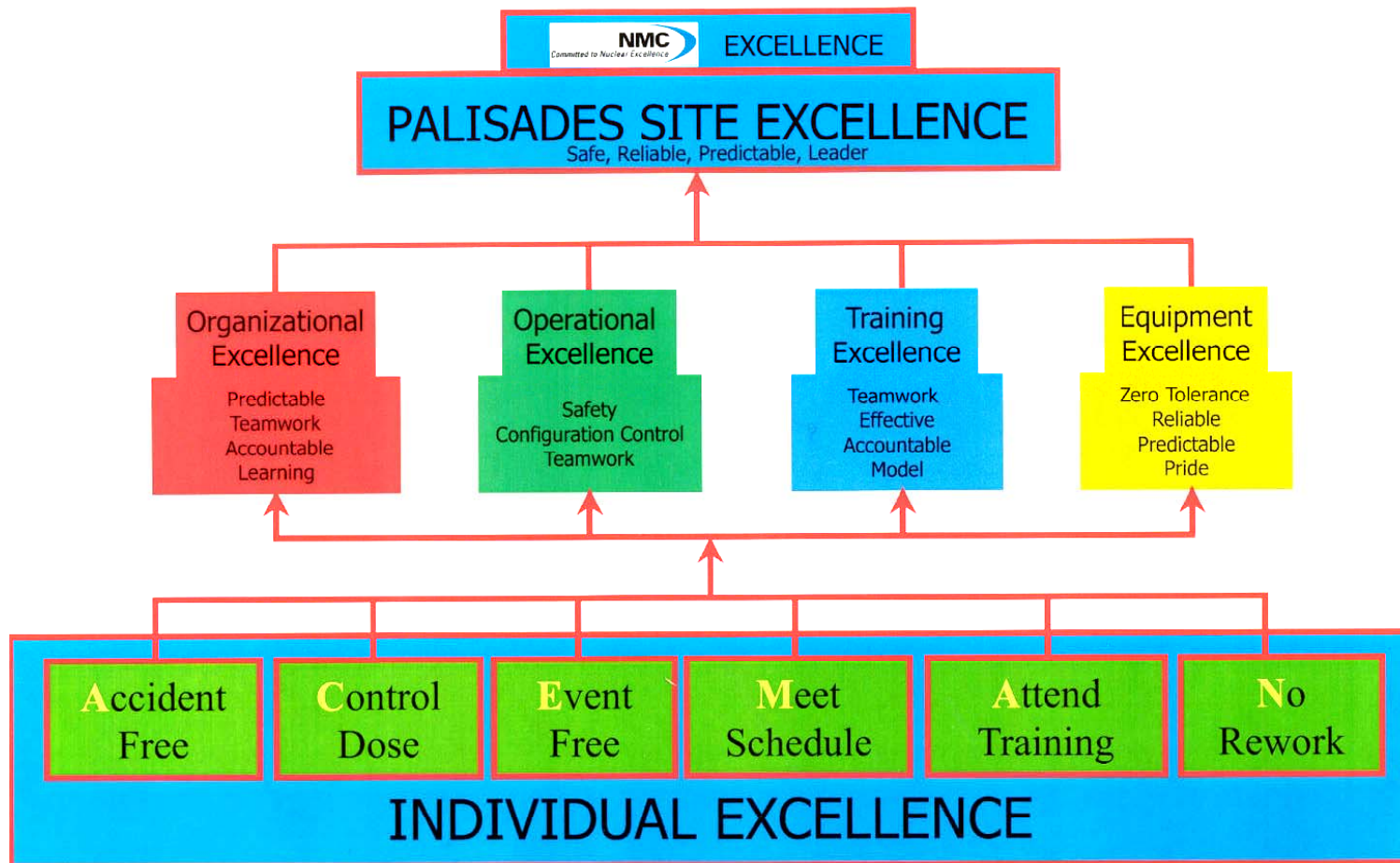


Right Picture

Picture of Excellence

Palisades' Picture of Excellence

"Where We'll be in 2003"



Organizational Excellence

Predictable

- ♦ Doing What We Say and When We Say It Will Be Done

Teamwork

- ♦ Don't Walk Past Problems Regardless Of Who Owns It
- ♦ Communicate What Is Expected And What Is Needed
- ♦ Know Our Roles

Accountable

- ♦ Holding Ourselves To Highest Standards
- ♦ Our Own Toughest Critic

Learning

- ♦ Improving From The Experience Of Ourselves and Others

Operational Excellence

Safety

- ♦ Nuclear Safety Is Palisades' Highest Priority
- ♦ Doing What Is Right

Configuration Control

- ♦ Maintain and Understand Design Basis
- ♦ Maintain Plant Configuration

Teamwork

- ♦ Operating Seamlessly Across Organizational Lines
- ♦ Palisades Success = Individual Success = Palisades Success



PALISADES EXCELLENCE

Safe

- ♦ Doing What Is Right

Predictable

- ♦ Doing What We Say and When We Say It Will Be Done
- ♦ Finding Our Problem Before Others

Reliable

- ♦ Focused On Long-Term Success
- ♦ Preventing Not Reacting

Leader

- ♦ Respected By Employees, Peers, Community, Shareholders, Industry

Training Excellence

Teamwork

- ♦ Partnership Between Line And Training For Success
- ♦ Training Improves Individual And Plant Performance

Effective

- ♦ Training Is Valued By Users

Accountable

- ♦ Line Organizations Responsible For Content
- ♦ Training Champions The SAT Process

Model

- ♦ Training Expectations = Plant Expectations

Equipment Excellence

Zero Tolerance

- ♦ Repetitive Problems Are Unacceptable
- ♦ What We Touch Is Left Correct

Reliable

- ♦ Preventive/Predictive Maintenance Exceeds Corrective Maintenance
- ♦ Focused On Long-Term Success
- ♦ Preventing Not Reacting

Predictable

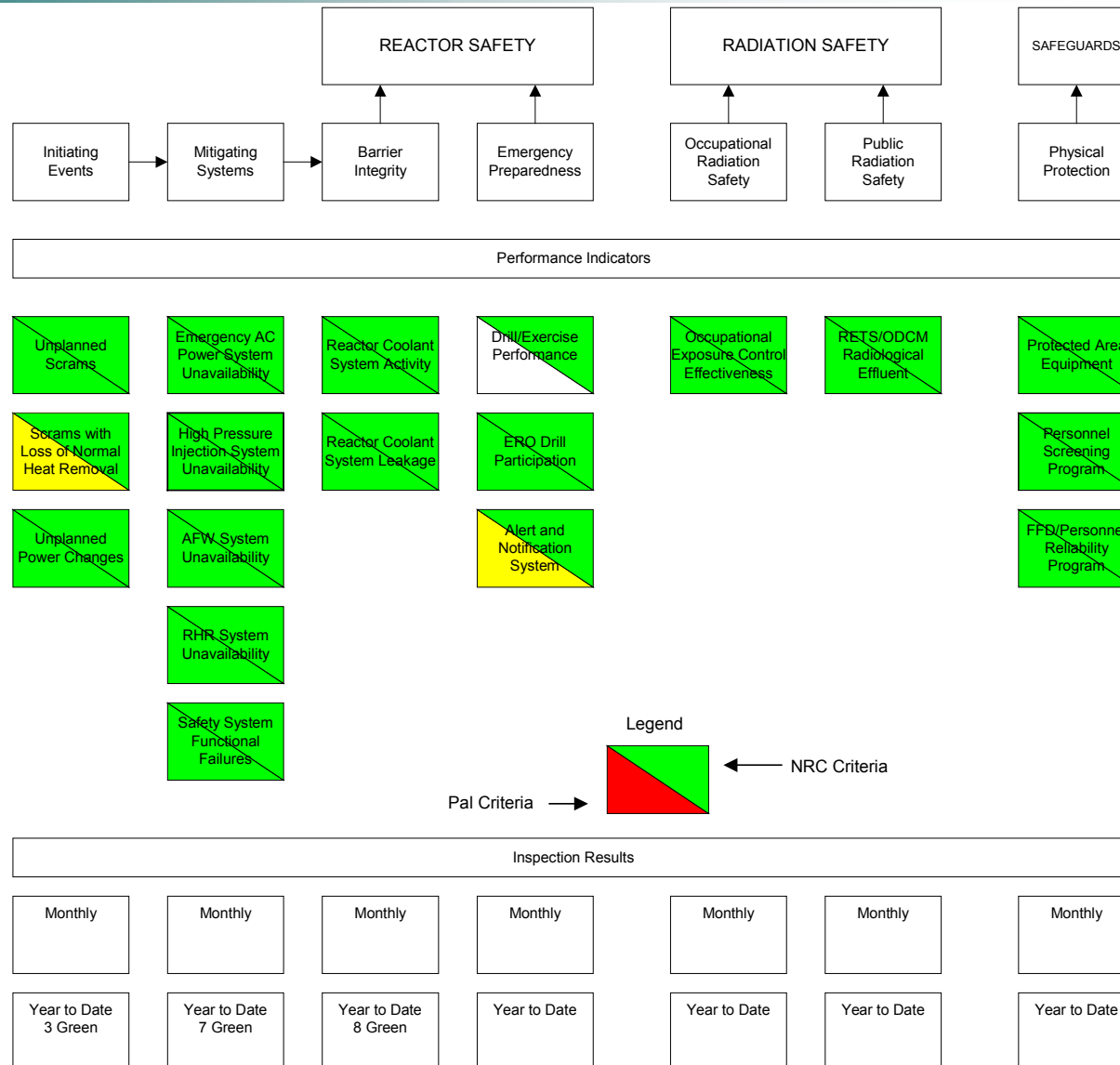
- ♦ Doing What Is Right
- ♦ Meet Schedules With Properly Prioritized Work

Pride
















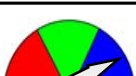


- ♦ Proud Of Appearance And Performance
- ♦ Appearance = Performance


NWC FOUNDATION

NRC Performance Indicator Summary – September 2002



Picture of Excellence – Site Excellence Summary

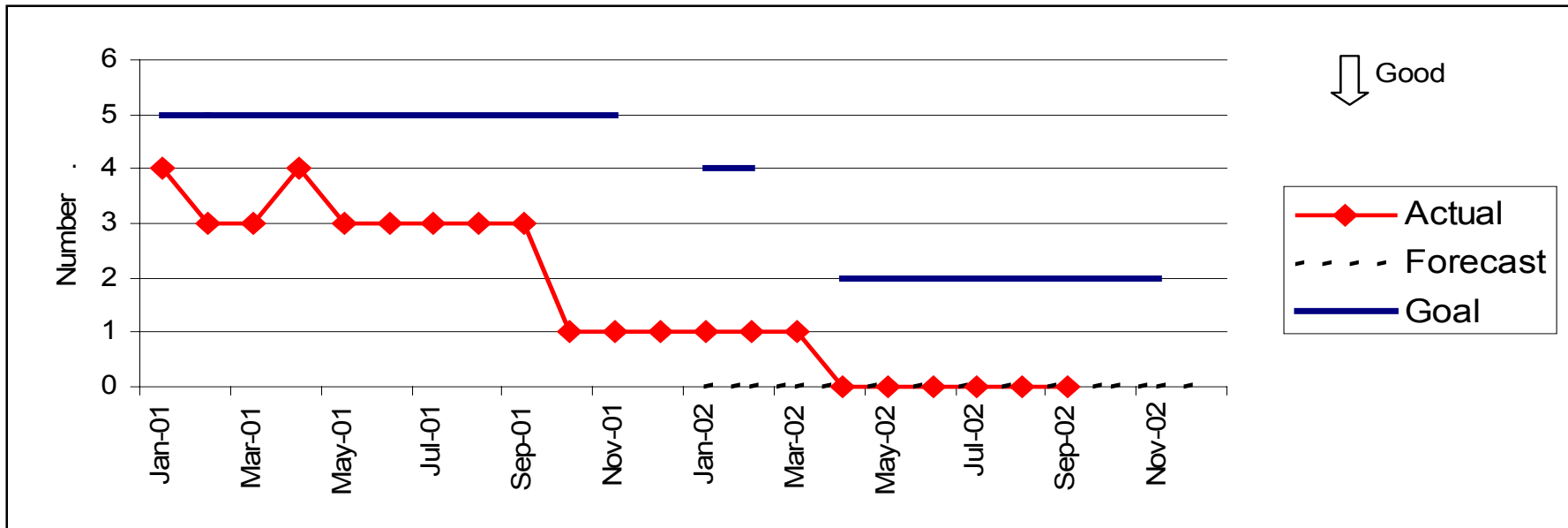
September 2002		
Indicator	Path	Picture
Days between OSHA Recordable Events		
External Assessments Validate Internal		
Unscheduled EFPD less than 100% power		
Employee Communication		
O&M Cost per MWH		
Palisades Actual Capital		
Human Performance Related LERs		
Submittal Quality		
Refueling Outage Duration		



 Doesn't Meet Meets Exceeds

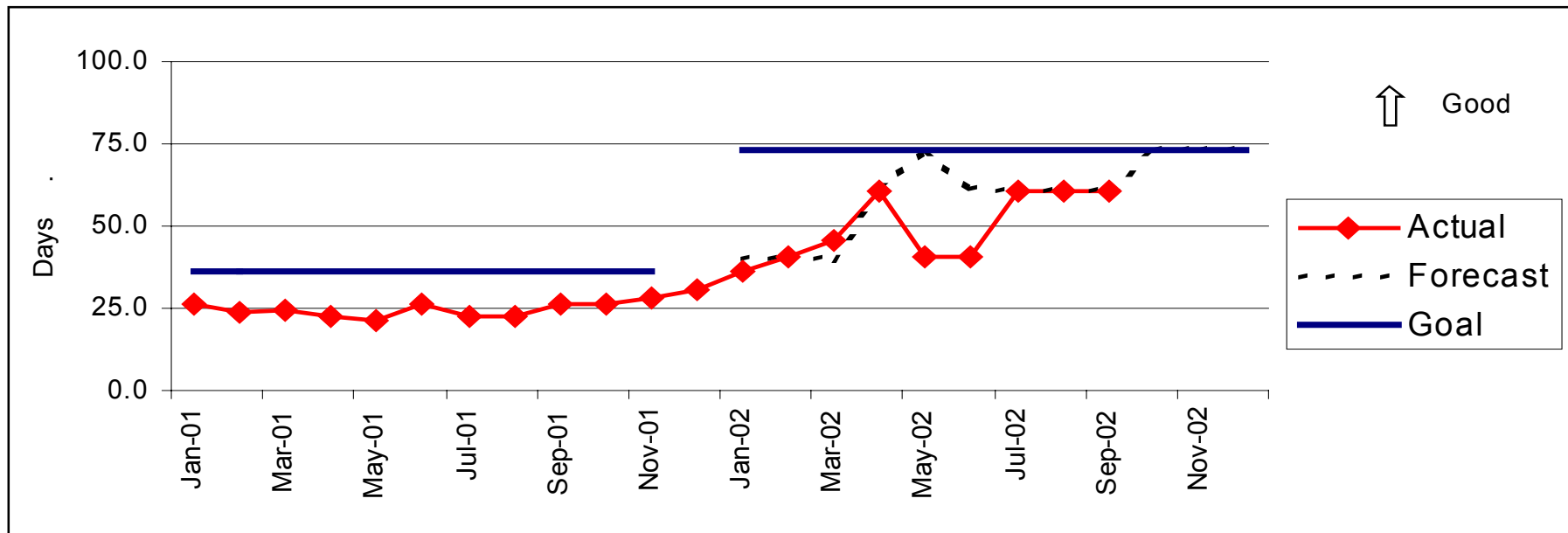
Picture of Excellence

Human Performance Related LERs in Prior 12 Months



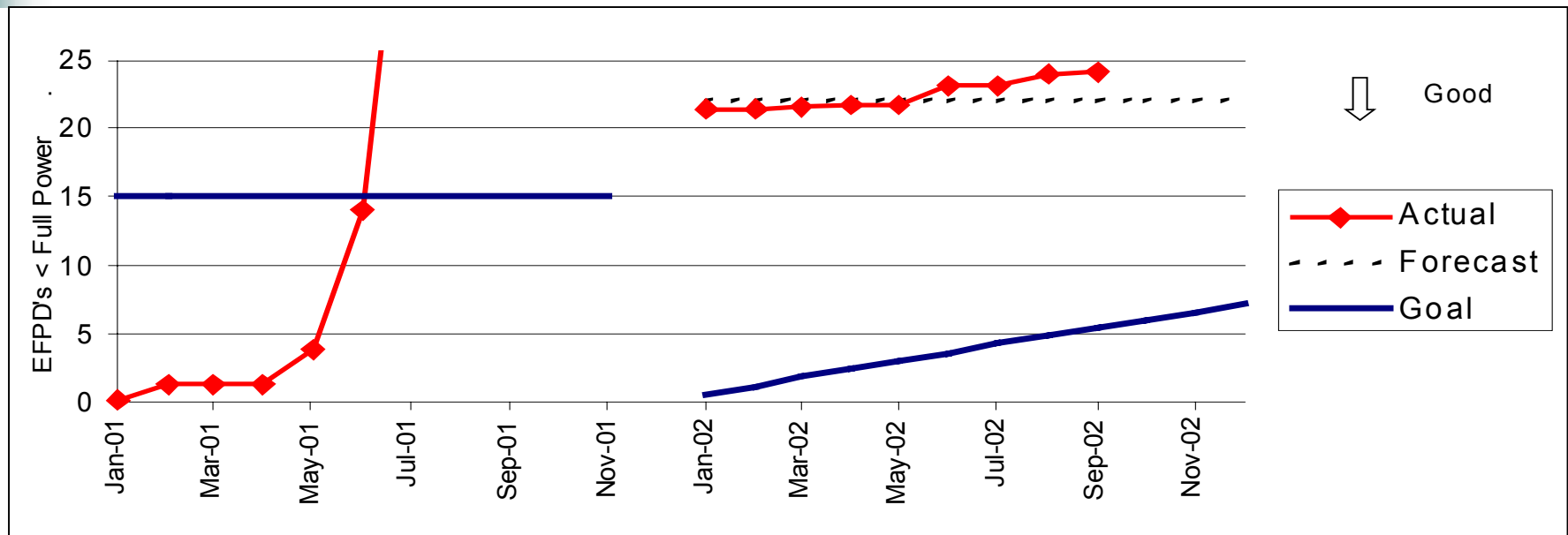
Picture of Excellence

Average Days Between OSHA Recordable Events



Picture of Excellence



















Unscheduled EFPD Less than 100% Power




Challenges

- Control Rod Drive Housing Replacement
- Primary Coolant Pump Oil Leaks
- Heater Drain Pump Cooling Line
- Cooling Tower Pump Trip
- Turbine Intercept Valve Cycling
- Variable High Power Trip Alarms

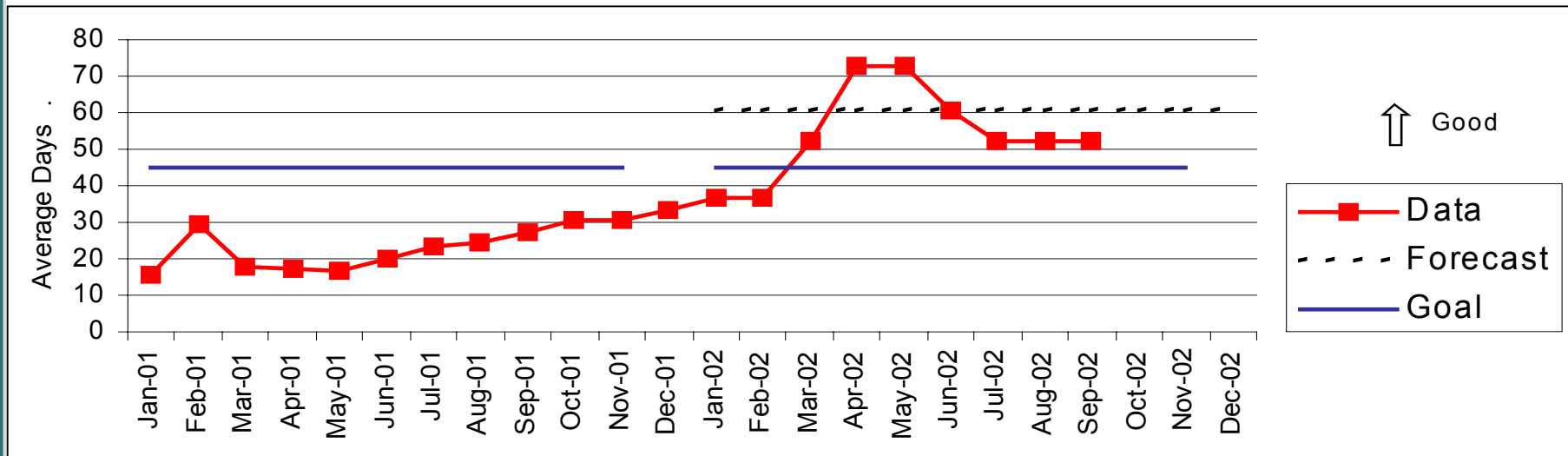
Picture of Excellence – Organizational Excellence Summary

September 2002		
Indicator	Path	Picture
Non-Bargaining Unit Percent Paid Overtime		
Bargaining Unit Percent Paid Overtime		
Commitments Met		
Attendance at Developmental Activities		
Human Performance Event Clock		
Root Cause Evaluation Quality		
Corrective Action Imp. Effectiveness		
OE Evaluation Effectiveness		
Site Measures Not Meeting Performance Milestones		

Doesn't Meet  Exceeds

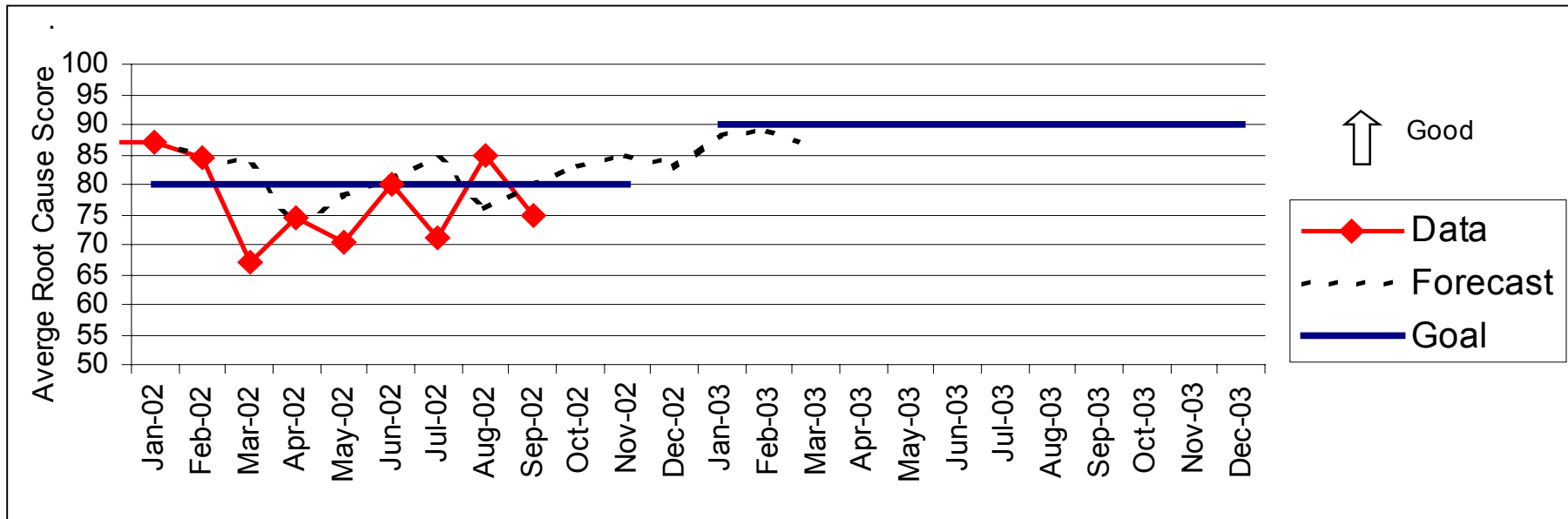
Picture of Excellence

Average Days Between Human Performance Event Clock Resets










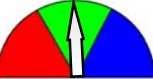










Picture of Excellence


Root Cause Evaluation Quality Index



Picture of Excellence – Operational Excellence Summary

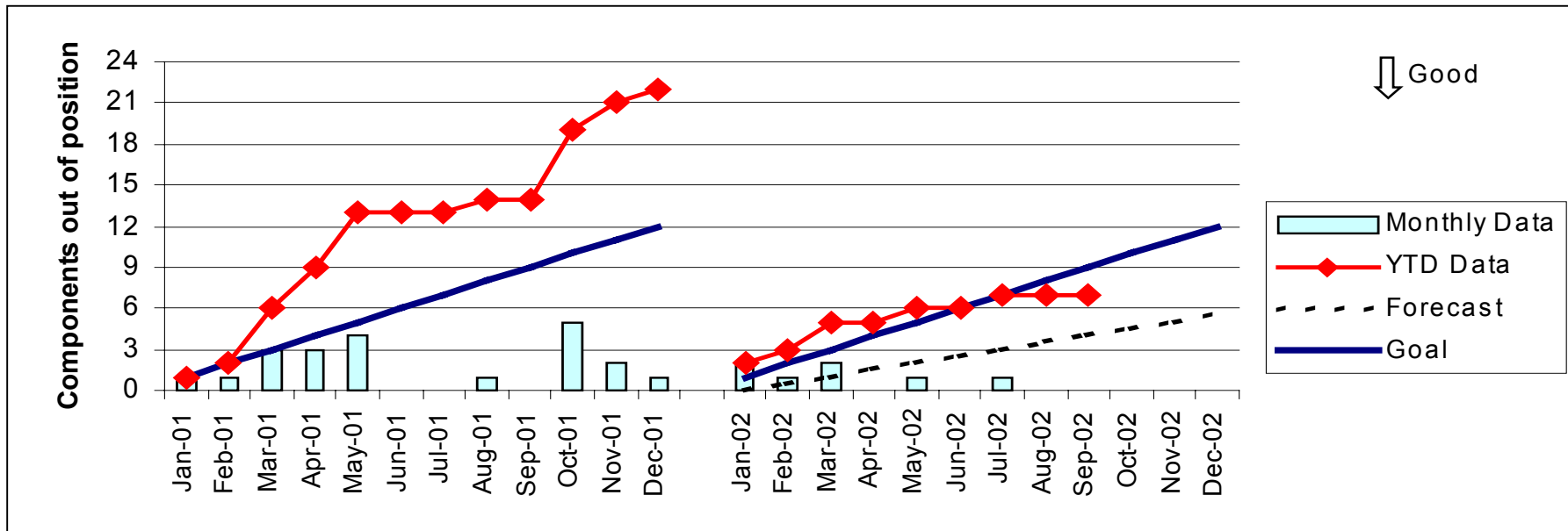
September 2002

Indicator	Path	Picture
Reactivity Management Events		
Daily Risk Management Effectiveness		
Components Out of Position		
Temporary Modifications		
Operator Workarounds & Challenges		
Non-Refueling Outage Collective Radiation Exposure		
Refueling Outage Collective Radiation Exposure		
Effluent Dose		
Lit Annunciators		

Doesn't Meet  Meets Exceeds

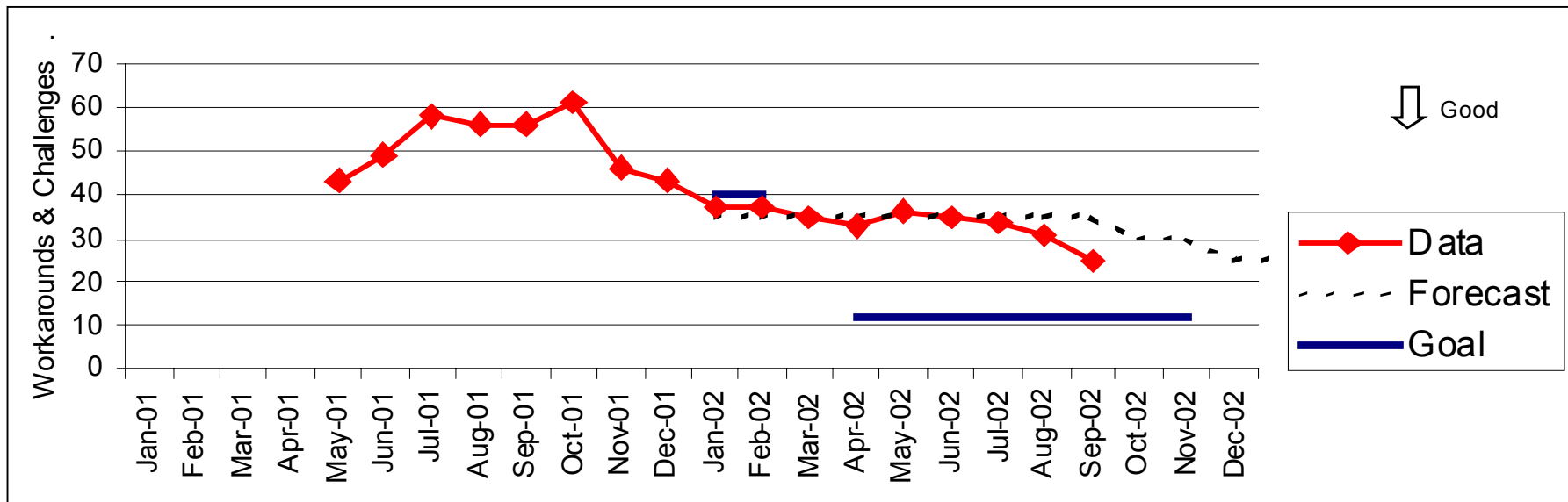
Picture of Excellence

Components Out of Position












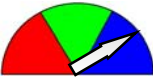
Picture of Excellence


Operator Workarounds and Challenges



Picture of Excellence – Training Excellence Summary















September 2002


Indicator	Path	Picture
Training Staffing		
Line Ownership of Training		
Training Schedule Adherence		
Training Attendance		
Training Program Corrective Actions		

Doesn't Meet  Meets Exceeds

Picture of Excellence – Equipment Excellence Summary

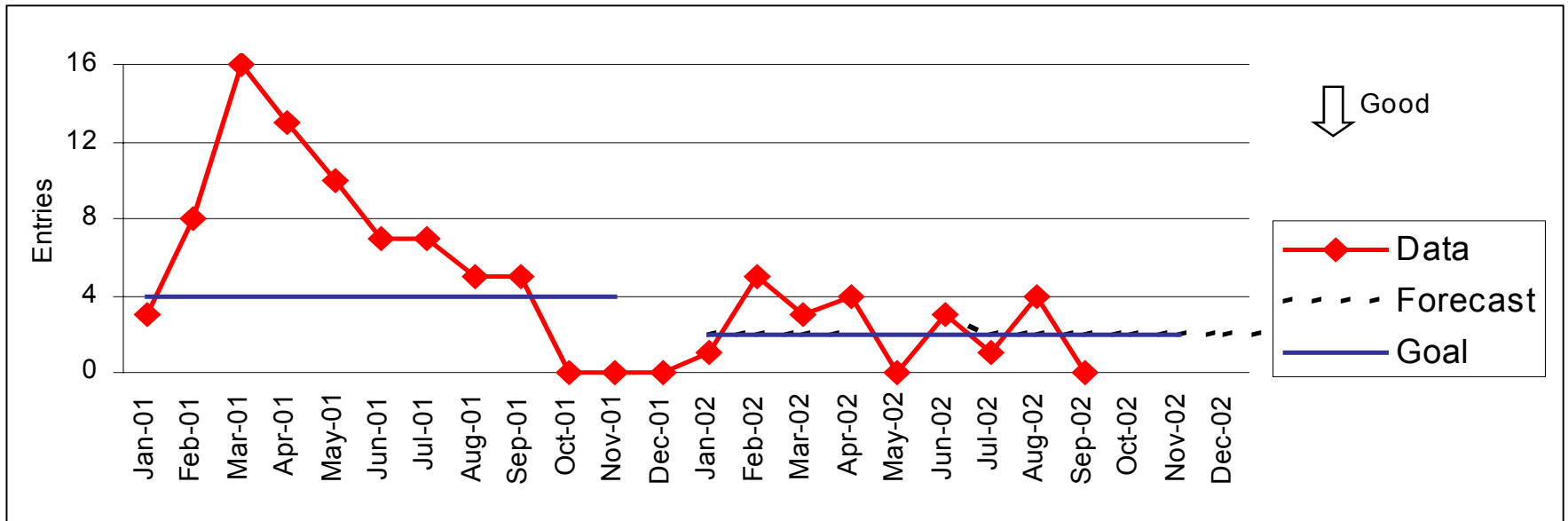
September 2002

Indicator	Path	Picture
Unplanned LCO Entries		
Preventive Maintenance Performance		
Maintenance Rework		
Corrective Maintenance Backlog		
System Health Assessments not Meeting Expectations		
Thermal Efficiency Loss Factor		
Programs Not Meeting Expectations		

Doesn't Meet  Meets Exceeds

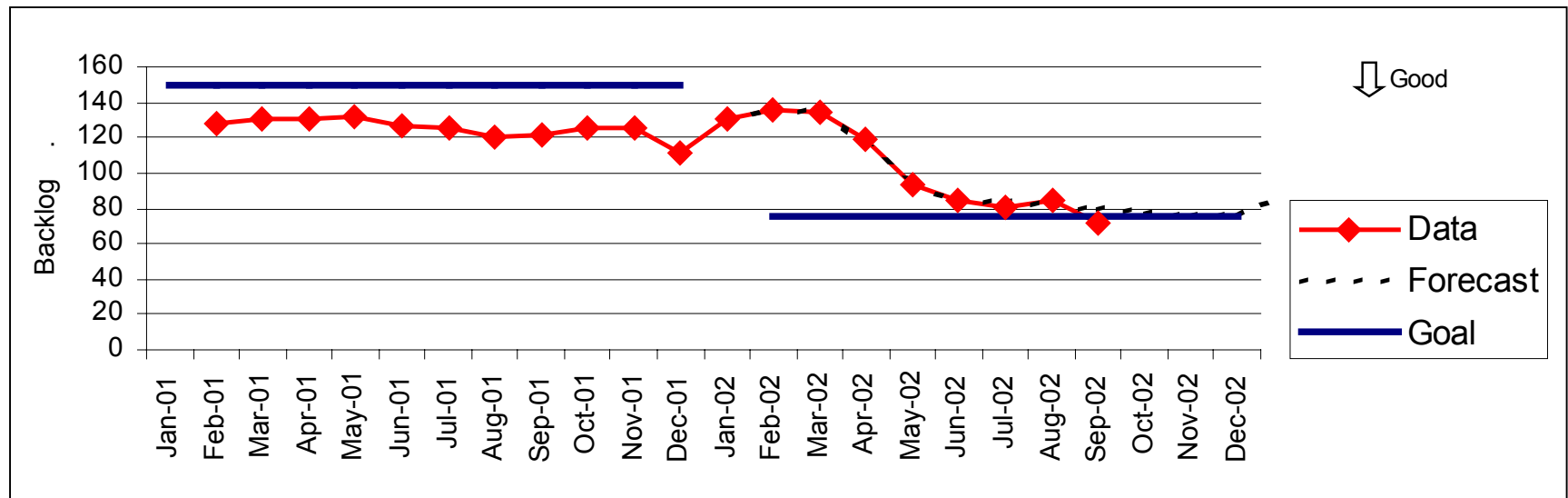
Picture of Excellence

Unplanned Technical Specification Action Entries



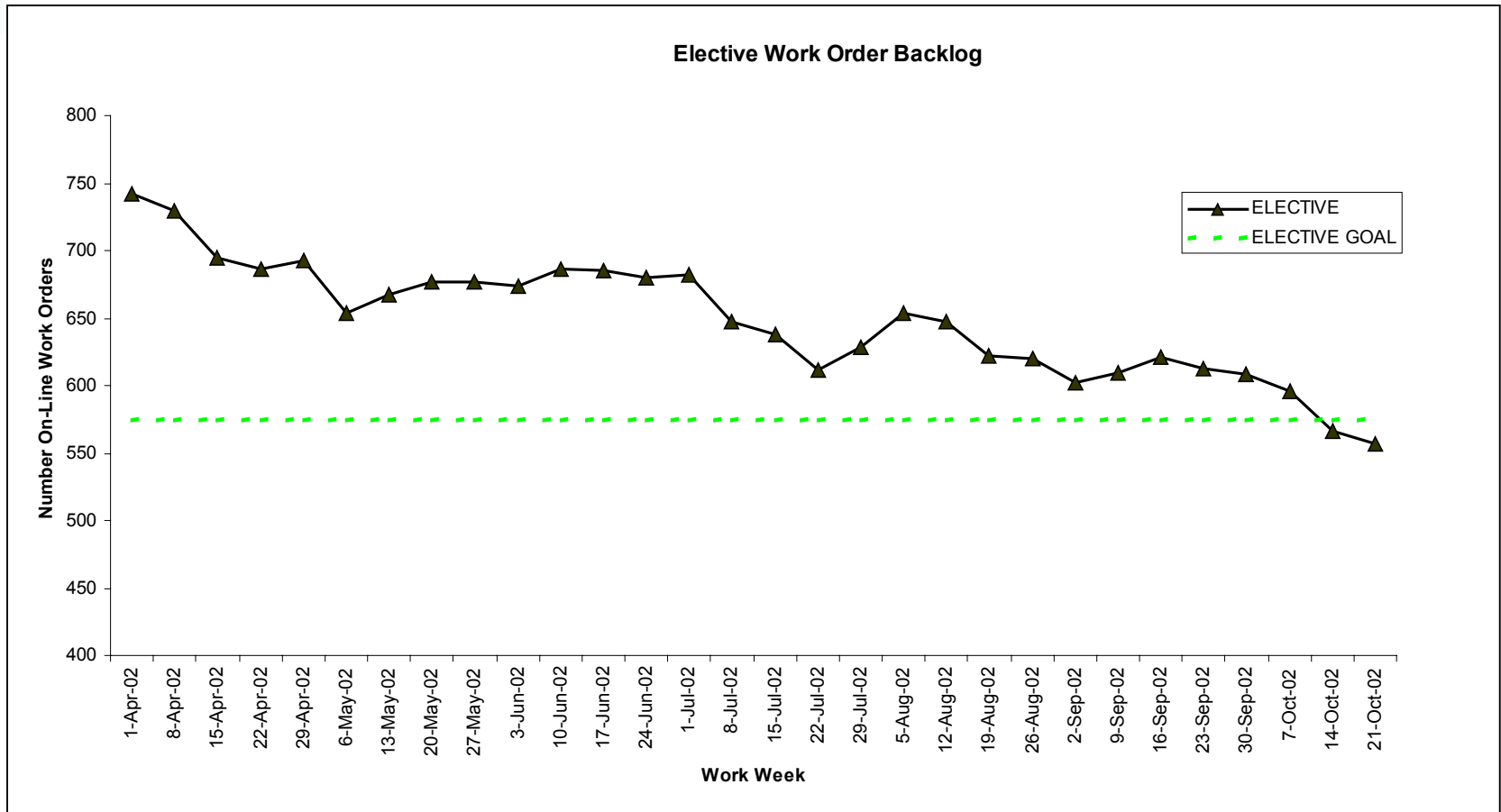
Picture of Excellence

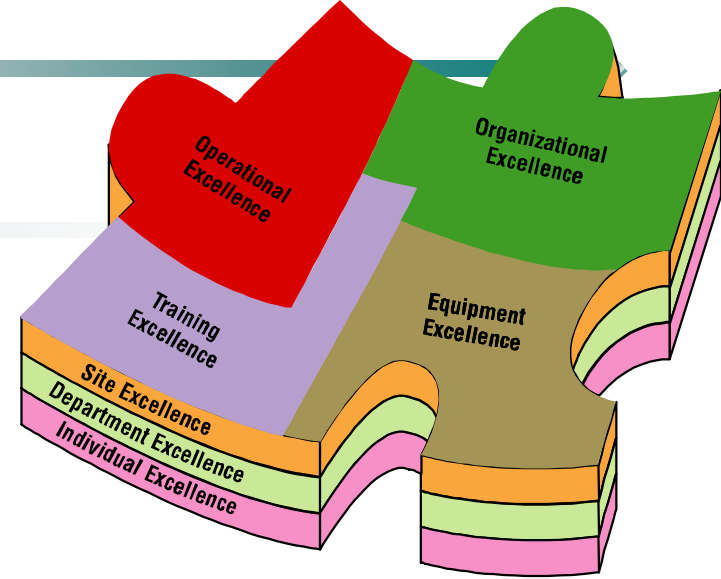
Corrective Maintenance Backlog



Picture of Excellence

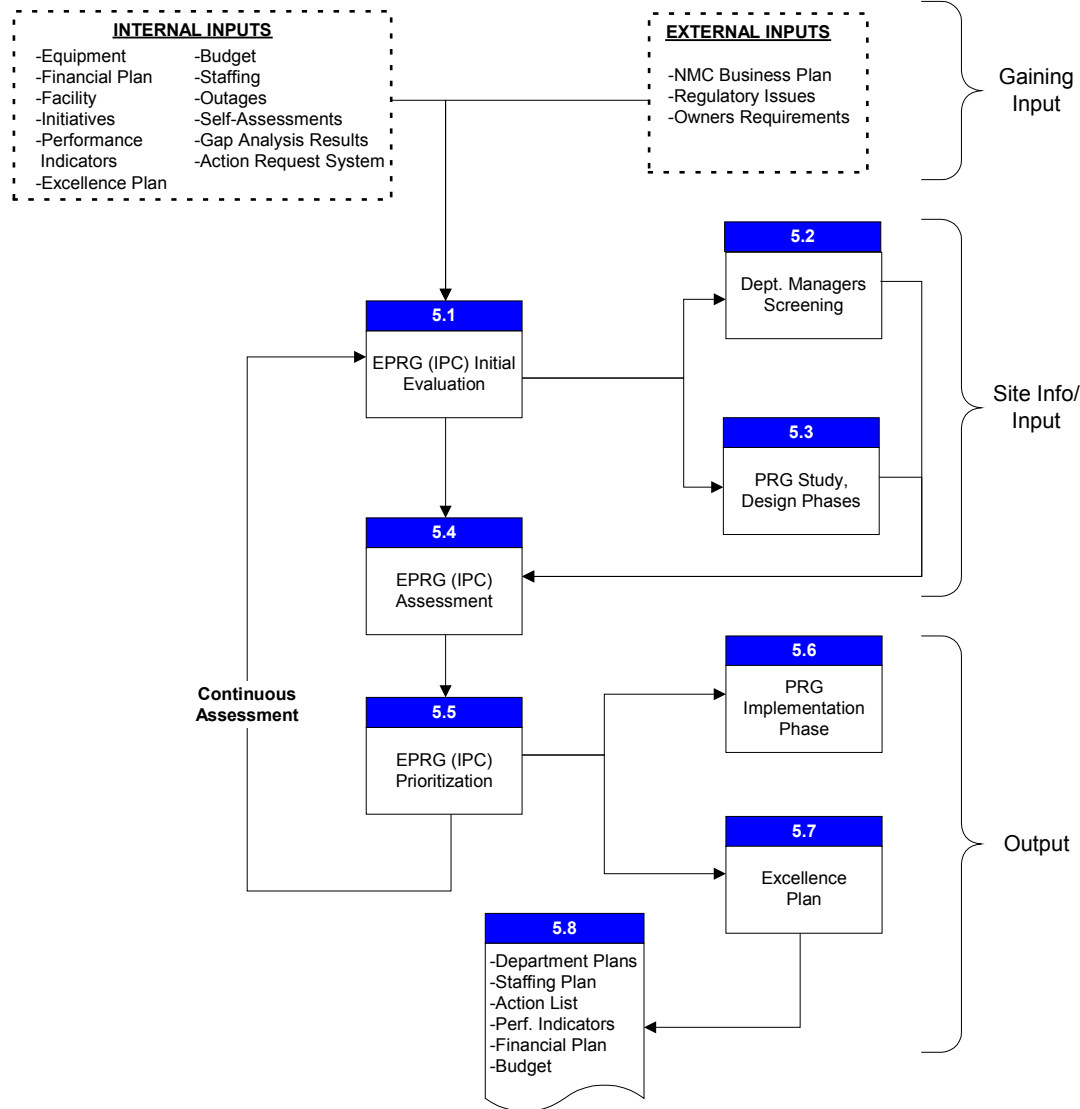
Elective Maintenance Backlog





Right Processes

Right Processes – Integrating Priorities

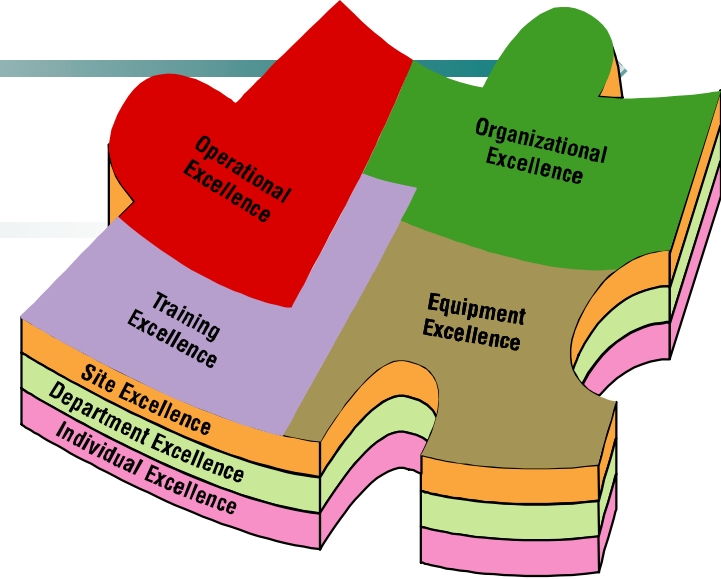


Right Processes

- **Focus on Key Processes:**
 - **Work Management Process**
 - **Corrective Action Process**
 - **Training**

Right Processes

- **Corrective Action Improvements**
 - **Line Management Ownership**
 - **Evaluation Timeliness**
 - **Initiation Rate**
- **Corrective Action Process Challenges**
 - **Root Cause Quality**
 - **Corrective Action Age**
 - **Use of Operating Experience**
 - **Corrective Action Effectiveness**



Right Management Coaching / Right Worker Involvement

Right Management Coaching / Right Worker Involvement

ACEMAN

September 2002

PALISADES NUCLEAR PLANT

<i>Department Section Name</i>	<i>Accident Free</i>	<i>Control Dose</i>	<i>Event Free</i>	<i>Meet Schedule</i>	<i>Attend Trainin</i>	<i>No Rework</i>
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PALISADES NUCLEAR PLANT

Sections

PALISADES NUCLEAR PLANT

BUSINESS SUPPORT

O'Leary Timothy J

PALISADES NUCLEAR PLANT

ENGINEERING

Harden Paul A

PALISADES NUCLEAR PLANT

HUMAN RESOURCES

Allen Clifford

PALISADES NUCLEAR PLANT

LICENSING

Lahti Laurie A

PALISADES NUCLEAR PLANT

NMC DIRECTED HUDSON

Haskell Nathan L

PALISADES NUCLEAR PLANT

PERFORMANCE ASSESSMENT

Russell Pat J

PALISADES NUCLEAR PLANT

PLANT OPERATIONS

Malone Daniel J

PALISADES NUCLEAR PLANT

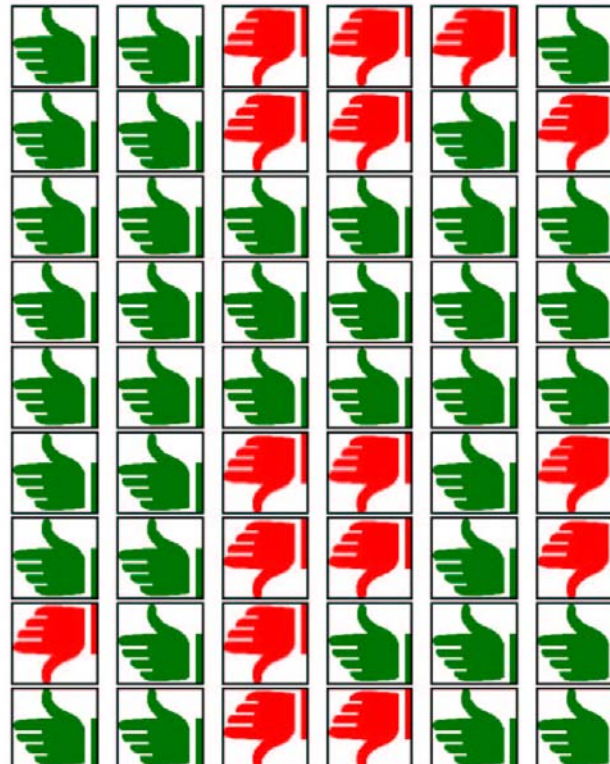
SECURITY

Rowland Bruce A

PALISADES NUCLEAR PLANT

TRAINING

Bogue Elizabeth A



Right Management Coaching / Right Worker Involvement

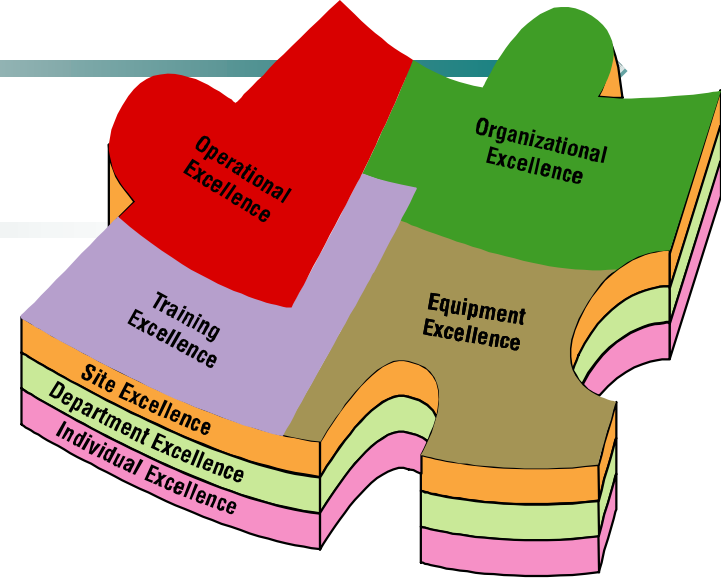
- **Focus on Behaviors:**
 - **Develop Supervisor/Manager Coaching Skills**
 - **Clarify Expectations, Roles and Responsibilities**
 - **Establish Worker Coaching as a Priority**

Right Management Coaching / Right Worker Involvement – Engineering / Human Performance

- **Inspection conducted during control rod drive housing outage raised concerns about Engineering products**
- **NRC expressed concerns about potential implementation of inadequate modifications**
- **NMC acknowledged that rigor in Engineering products needed improvement**
- **NMC disagrees that NRC intervention was needed**

Right Management Coaching / Right Worker Involvement – Engineering / Human Performance

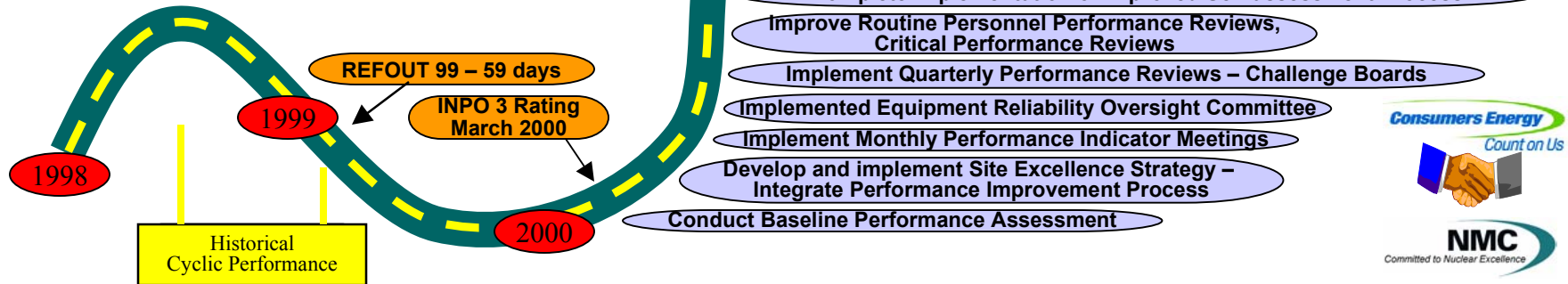
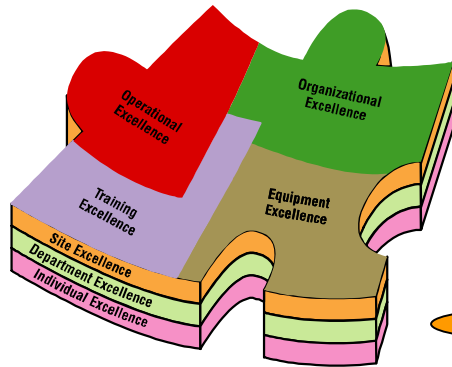
- **Redefined Roles and Responsibilities**
- **Defined Engineering Standards and Expectations**
- **Conducted Human Performance Training**
- **Formed Quality Review Team**
- **Increased Supervisor Involvement**
- **Restructured Engineering Training**



Results



Road to Palisades Excellence



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Summary

- **Excellence Plan Developed in 2000**
- **Excellence Plan Reviewed and Adjusted as Necessary**
- **Excellence Plan will Continue to Drive Palisades Excellence**