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

Meeting held on Tuesday, December 10, 2002, at  
7:00 p.m. at the Camp Perry, Clubhouse #600, Port  
Clinton, 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 (Jack) ~~Grove~~ Grobe, Chairman, 0350 Panel
- William Dean, Vice Chairman, MC 0350 Panel
- Christine Lipa, Branch Chief, Region III
- Christopher (Scott) Thomas,  
Senior Resident Inspector - Davis-Besse
- Jon Hopkins, Project Manager

1 MS. LIPA: We're just about ready  
2 to begin. Well, good evening and welcome. This is  
3 the U.S. NRC, the Nuclear Regulatory Commission's  
4 public meeting today with members of the public. We  
5 held a meeting earlier today, and we'll give you a  
6 summary of what we discussed earlier, but the main  
7 purpose of this meeting is just to inform anybody --  
8 interested stakeholders of the NRC's Oversight Panel  
9 activities, and up here, the five of us are members  
10 of the NRC, and also there is other NRC in the  
11 audience, so I'll just go through briefly.

12 Scott Thomas is the Senior Resident for the  
13 NRC at the Davis-Besse facility.

14 I'm Christine Lipa, and I'm the Branch Chief,  
15 and I'm stationed out of Region III, which is near  
16 Chicago, Illinois.

17 Bill Dean is the Vice Chairman of the  
18 Oversight Panel, and he's stationed in Rockville,  
19 Maryland.

20 Jack Grobe is the Chairman of the Oversight  
21 Panel, and he's stationed in Region III.

22 And then Jon Hopkins is the Project Manager,  
23 and he's stationed in Maryland also.

24 Next slide shows that one of the goals of  
25 this meeting is to receive comments and questions

1 from members of the public, and to ensure that we can  
2 hear everybody's comments today, we ask that you  
3 limit your comments or questions to five minutes.  
4 Now, we have a lot of people tonight, so that will be  
5 important as we go through, and then we'll follow the  
6 format we've used in previous meetings where we'll  
7 start with local members of the public first before  
8 we go onto other members of the public that are  
9 interested and want to provide comments or questions  
10 to us.

11 I want to mention a few handouts that were in  
12 the foyer on the way in. One of those is the NRC's  
13 newsletter for the month of December, and it provides  
14 a summary of the vessel head degradation issue, as  
15 well as some recent NRC Oversight Panel activities.  
16 There is also a feedback form that you can use to  
17 provide feedback to us on the format of this meeting,  
18 how the sound system works, if you can see the slide,  
19 which I'm thinking already we're partially blocking  
20 it, but any kind of feedback, we would really  
21 appreciate it. This is the first time we have used  
22 this facility, it's a very nice facility, but we need  
23 to work out the bugs and make sure it works for us  
24 going forward.

25 Also in the foyer there was a copy of the

1 utility slides from the earlier meeting today. There  
2 were some of those left if you wanted to grab one of  
3 those, and, you know, get a sense for what we  
4 discussed earlier. Also there's a summary of the  
5 Lessons Learned Task Force report out there that you  
6 can review.

7 The next thing I would like to go through on  
8 the agenda is a summary of the vessel head  
9 degradation issue, and we have some pictures that we  
10 can show you. Scott Thomas will walk through parts  
11 of that.

12 MR. GROBE: Everybody that's got  
13 an empty chair next to them, raise your hand.  
14 There's a lot of folks in the back here, why don't we  
15 just take a minute, and you folks can come up and  
16 find a seat. I don't want to -- and there's some  
17 seats up here in the front if you want to get that  
18 close to us. There is no splash zone here so you  
19 don't have to worry about that. Let's try again,  
20 there is about 10 more people in the back. Raise  
21 your hand if you got a chair next to you. Come on  
22 up, guys. There's seats up here. You just want to  
23 leave early, huh? Okay. Okay, good enough.

24 MS. LIPA: Okay. Thank you,  
25 Jack.

1 MR. THOMAS: How many are here for  
2 the first time, this is your first public meeting?

3 THEREUPON, several audience members raised  
4 their hands.

5 MR. THOMAS: What I'm going to do  
6 for the people that aren't familiar with the issue  
7 and with nuclear power process in general, we have  
8 five or six slides that we're going to talk -- go  
9 through very briefly and just give you a general idea  
10 of the issue that happened at Davis-Besse.

11 What we have here is a very simple depiction  
12 of what the power plant -- what makes up the power  
13 plant. This area here is the containment building,  
14 which is comprised of an inner containment, which is  
15 an inch and a half steel liner, kind of like if you  
16 picture a Thermos, the glass portion of the Thermos  
17 would be the containment, and then the outer building  
18 is what you see -- is the shield building, that's  
19 what you see from the road as you drive by. It's  
20 approximately two and a half feet thick, rebar  
21 reinforced structure. Inside containment you have  
22 the primary systems which consists of the reactor  
23 where fission occurs and generates heat. It's  
24 transferred to the steam generators where water is  
25 boiled which makes steam which drives the turbine

1 which drives the generator which makes electricity.  
2 One thing to note is that this cycle is a closed  
3 cycle, and this cycle is a -- is a cycle, and these  
4 two don't mix. This is hot, high pressure  
5 radioactive water, and this is non-radioactive water  
6 and steam cycle, so I think that's it for this one.

7 Next slide, please. This is a picture of  
8 the top of the head. It's comprised of -- this is  
9 the reactor vessel head. These are the control rod  
10 drives, and these are the nozzles that penetrate the  
11 reactor head. Where you have this circled area is  
12 where the degradation occurred. We have a better  
13 picture of that, I think.

14 MS. LIPA: Yeah.

15 MR. THOMAS: One area -- prior to  
16 one of the things that lead to the inability to  
17 observe and clean the reactor head is this is a very  
18 tight clearance. This is an insulation piece.  
19 This is a steel assembly, and the only way into this  
20 area is through rectangular -- they are called weep  
21 holes, mouse holes -- they have a number of names  
22 which are positioned right about here. Since then  
23 there has been inspection ports cut here around the  
24 periphery, but one thing that lead up to the issue  
25 was difficulty to be able to inspect this area here.

1           Next picture. This is a depiction of a  
2 nozzle. My pointer gave out. This is a nozzle  
3 itself. This is the head area. The way this is  
4 put into the reactor head is, it's a compression fit,  
5 the nozzle is a compression fit in the head with the  
6 J-weld here, and that's how it's held in place, and  
7 that's about all we get out of this picture.

8           Next slide. This is a picture of the reactor  
9 vessel head post 2000 outage. What you're seeing  
10 here is these are the studs and the bolts that hold  
11 the reactor head on. This is the transition between  
12 the head to the service structure, and remember when  
13 I just -- the last slide I talked about the weep  
14 holes, these are the weep holes. They're about five  
15 by seven, about this size, (indicating). What you  
16 see here is a -- boric acid combined with iron oxide  
17 that has come from the cavity area that was on top of  
18 the head, flowed down the top of the reactor head,  
19 down the side of the head and collected on the  
20 reactor flange area.

21           Next slide, please.

22           MR. COLLINS:       Oh, sorry.

23           MR. THOMAS:       This is a -- excuse  
24 me, a drawing of the cavity itself. This is the  
25 reactor head. This is the nozzle penetration. This

1 is another -- this is nozzle 11. This is nozzle No.  
2 3. As you can see, it doesn't have -- the nozzle's  
3 been removed here, but this area is a -- a depiction  
4 of the cavity itself, so that was the shape of the  
5 cavity. All that was left was the cladding on top  
6 of the reactor vessel right here.

7 Next slide. And, excuse me, this is an  
8 actual picture of the cavity itself. Go back to  
9 that one real quick. This where nozzle 3 would have  
10 gone in, and the cavity itself goes back this way  
11 toward nozzle 11, and there's been a number of  
12 descriptions of the cavity, anything from football  
13 size to milk bottle size to -- a number of  
14 descriptions. A football size would be an accurate  
15 description.

16 Next. This is just another picture of the  
17 cavity. I don't have anything to add for this one.

18 Any specific questions on this what I have  
19 shown here? This is just a brief overview of the  
20 issue itself.

21 MS. RYDER: I had a question about  
22 one of the photos.

23 MR. THOMAS: Yeah.

24 MS. RYDER: The one with the red  
25 rust down the side.

1 MR. THOMAS: Yes.

2 MS. RYDER: How is it that your  
3 inspectors didn't know that that photo existed?

4 MR. GROBE: That's a good  
5 question, Amy. The -- why don't you introduce  
6 yourself?

7 MS. RYDER: My name is Amy Ryder,  
8 I'm with Ohio Citizen Action group.

9 MR. GROBE: There's really, I  
10 think, two answers to that question. As I'm sure  
11 you can imagine there is roughly a thousand people  
12 that work at an industrial facility this size, and  
13 there's a lot of activities that go on, and we sample  
14 different activities, and we didn't choose during the  
15 course of our day-to-day work to look at this  
16 specific inspection photograph that was taken in  
17 April of 2000, I guess.

18 Second answer is, back last fall in the, I  
19 think it was September through late November into  
20 December time frame, we had quite a long dialogue  
21 with FirstEnergy employees regarding the condition of  
22 the reactor head. It was following up the issuance  
23 of a bulletin. A bulletin is a document that we use  
24 to communicate with a number of reactor licensees.  
25 In this case it was all pressurized water reactors,

1 Davis-Besse is a pressurized water reactor. We  
2 asked for information that would assist the NRC in  
3 understanding the condition of the head, and that  
4 photograph was not provided. Quite a bit of  
5 information was provided, but that specific  
6 photograph was not provided by the company.

7 MS. RYDER: Do you find that  
8 acceptable? Doesn't it seem like they were  
9 intentionally hiding the problem?

10 MR. GROBE: That's kind of a  
11 loaded question. The folks that do inspections are  
12 engineers. They're not investigators. Whenever we  
13 come across a situation that doesn't seem quite right  
14 to us, we have an office called the Office of  
15 Investigations, and these are all former criminal  
16 investigators, and in this situation it didn't seem  
17 quite right to us that some of the information didn't  
18 come to our attention, and we initiated an  
19 investigation. That investigation is ongoing, and  
20 when it's completed we'll know the results.

21 MS. RYDER: I'm not an engineer or  
22 investigator and looking at that photo, you'd think  
23 the photographer would have said, look, guys, I think  
24 we've got a problem here.

25 MR. GROBE: It's, like I said,

1 when things don't appear quite right, we ask our  
2 investigators to take a look at it, and they're in  
3 the process of doing that. When they complete their  
4 investigation, that will be public knowledge.

5 MS. RYDER: What do you think of  
6 it?

7 MR. GROBE: I'll have to wait for  
8 the investigation results, Amy. Thanks.

9 MR. THOMAS: Anything else about  
10 the basic description? We'll have a question and  
11 answer session later on, but I can answer any basic  
12 questions about what I have talked about here. Sir?

13 MR. DUSSEL: Yes, I was  
14 wondering --

15 MR. GROBE: Could you approach the  
16 microphone, please?

17 MR. THOMAS: And please state your  
18 name, too, for the stenographer.

19 MR. DUSSEL: My name is Tim Dussel,  
20 and I was wondering -- I've read articles where I  
21 believe some 20 years ago Davis-Besse was told to  
22 open up those inspection holes so inspections could  
23 be done and a lot of things I've read about  
24 inspections, they keep saying that the lid was clean  
25 as far as people could see. I think that's kind of

1 a loaded question there.

2 Is there any reason why they went 20 --  
3 almost 20 years when they knew that those inspection  
4 holes should have been opened up so you could get in  
5 to see or inspect the rod ends?

6 MR. THOMAS: Well, it wasn't a  
7 requirement for them to install this modification,  
8 so -- plants have operated successfully without it,  
9 so --

10 MR. GROBE: Because of the  
11 difficulty in inspecting the head, as I think some of  
12 you -- Jay, could you put up that drawing of the  
13 head? Yeah, that one.

14 MR. COLLINS: Yes.

15 MR. GROBE: As you can appreciate,  
16 because of the curvature of the reactor head, it  
17 would be difficult to inspect, and the way that was  
18 done was with a camera that was remotely controlled  
19 on a pole, and the -- Davis-Besse internally  
20 initiated a modification to install inspection ports.  
21 They're about one foot diameter ports that are much  
22 higher than service structure. As Scott indicated  
23 earlier, they are up here. There is seven reactors  
24 that are very similar to Davis-Besse, and they're  
25 manufactured by Babcock & Wilcox Corporation. Five

1 off those seven had installed the inspection ports,  
2 two had not, and Davis-Besse was one of them. The  
3 decision was based on their belief that they had the  
4 ability to inspect reactor heads sufficiently from  
5 the weep holes, so it's not like they were directed  
6 to do this. It was an enhancement, and they chose  
7 not to do it at that time.

8 MR. DUSSEL: I just don't  
9 understand how an inspection can be done if you can't  
10 see. You know, that strikes me very peculiar. I  
11 just don't understand how all these inspections have  
12 been done and I keep reading and reading where the  
13 lid was clean, and how could anyone say it was clean  
14 if you can't see if it was clean and 900 pounds of  
15 boric acid taken off? 900 pounds of boric acid, how  
16 many burlap sackfuls would that be?

17 MR. GROBE: It's -- maybe we  
18 should give a little bit more background because it's  
19 clear that some of you don't have the depth of  
20 knowledge that others may have.

21 There's requirements both through the  
22 American Society of Mechanical Engineers as well as  
23 through internal procedures at the site that require  
24 certain types of inspections. Boric acid is a  
25 constituent of the reactor coolant and pressurized

1 water reactors -- there are roughly 70 pressurized  
2 water reactors in the United States. Every one of  
3 them has boric acid in the reactor coolant. It's an  
4 additive that is used to help control nuclear  
5 reaction. Because boric acid -- the solution of  
6 boric acid that is actually in the coolant is very,  
7 very mild. It's not corrosive. The concern is  
8 the -- if there is a leak in the reactor coolant  
9 system, wherever the leak exists, the water which has  
10 boric acid in it -- a very mild solution can exit  
11 through the leak and the water immediately vaporizes,  
12 and leaves a higher concentration of boric acid on  
13 the surface, so the -- back in the late '80s, the NRC  
14 required licensees not only to have the American  
15 Society of Mechanical Engineering standards that deal  
16 with potential corrosiveness of boric acid, we  
17 required licensees to explain to us how they were  
18 going to control boric acid corrosion because it's  
19 a -- an artifact of this type of reactor, but you  
20 need to be able to do that, so each licensee put into  
21 position a procedure that whenever there was a  
22 discovery of boric acid, it appears to be a white  
23 powder when it is left, a white residue. Whenever  
24 you see that you have to clean it off, and it's a  
25 requirement through a number of different

1 regulations, you have to clean it, you have to clean  
2 it down to bare metal. You have to clearly inspect  
3 the metal to make sure there isn't any corrosion. If  
4 there is corrosion, you have to repair it or in some  
5 cases you can justify why -- if it's a very mild  
6 pitting or something like that, you can justify that  
7 that's an acceptable leave as is. Davis-Besse did  
8 not follow those requirements, and through the course  
9 of the '90s -- from the mid '90s to the late '90s  
10 they left boric acid residue on the reactor head, and  
11 I think your number is one that I've heard before,  
12 and I don't know that anybody knows the quantity of  
13 boric acid that was on the head with precision, but  
14 it was in the hundreds of pounds of boric acid.  
15 That obstructed the view of the individuals that were  
16 trying to inspect the head. Those individuals  
17 didn't follow station procedures and the American  
18 Society of Mechanical Engineering requirements that  
19 required them to clean that boric acid, and internal  
20 documents documented that it had been cleaned and  
21 that the head was inspected, and there was no damage,  
22 and, in fact, that had not occurred. All of these  
23 issues are being looked into, but the fact of the  
24 matter is, this was a completely preventable  
25 situation, and that photograph -- Jay, put up the

1 picture that shows the red rust. This is a clear  
2 indication that there is corrosion going on. It's  
3 rust. It's iron oxide, and that was not adequately  
4 responded to by the staff at Davis-Besse. These are  
5 things that happened in the past, and they were not  
6 corrected, and these are cited as violations in our  
7 inspections. There's an investigation ongoing into  
8 why it happened, and once we find out why it  
9 happened, we will take appropriate actions.

10 MR. DUSSEL: What do you think  
11 appropriate actions would be for falsifying records?  
12 Evidently, there was --

13 MR. GROBE: We need to have the  
14 results of the investigation before we can make that  
15 determination.

16 MR. DUSSEL: Is Davis-Besse going  
17 to be allowed to operate and start running before the  
18 investigation is done?

19 MR. GROBE: We need to get our  
20 arms around what those issues are and make sure that  
21 NRC adequately dealt with before we restart.

22 MR. DUSSEL: Thank you.

23 MR. GROBE: Uh huh.

24 MS. LIPA: Okay, thanks, and  
25 those are good questions, but what I want to do

1 before we get into the question and answer period,  
2 we're actually going to provide for everyone's  
3 benefit who was not here earlier today a summary of  
4 the afternoon meeting with FirstEnergy, and then the  
5 next item on the agenda following that summary is  
6 questions and answers, so everybody will get a chance  
7 to ask their questions, it's just let us give a  
8 summary of the afternoon meeting and Bill will do  
9 that and following that, we'll get into more  
10 questions and answers. Thank you.

11 MR. DEAN: Thanks, Christine.  
12 Hopefully I'll make this short, so we can get to the  
13 answers and questions. We do have a fairly large  
14 audience tonight, but it is important, one of the  
15 purposes of this meeting that we have it in the  
16 evening with the public is to give you the  
17 opportunity to be informed as to the types of things  
18 that are transpiring, the types of things that the  
19 NRC and this Oversight Panel is doing relative to  
20 monitoring the activities at Davis-Besse, and so it's  
21 important to do a recap of today's meeting.

22 We discussed, first off, some of the  
23 activities that have been ongoing in the last month  
24 or so from the NRC's perspective. There are two  
25 inspections that have been completed and inspection

1 reports issued which are available -- publicly  
2 available. One of those is the containment extent  
3 of condition. That report generally found that the  
4 licensee has done a good job of evaluating their  
5 containment in terms of the spread of boric acid and  
6 its impact on containment components. There are  
7 some unresolved issues that we're still looking at.  
8 There is some work that is still ongoing that we will  
9 continue to follow, but that inspection report  
10 basically documents what the licensee has done to  
11 date.

12 The other one is the reactor pressure vessel  
13 head replacement activities. Basically the effort  
14 to cut the hole in the shield building and  
15 containment and to move in and out the replacement  
16 reactor vessel head and move out the old one and get  
17 that in place, ready for installation, and basically  
18 that inspection report determined that the licensee  
19 did a pretty good job on all of those activities,  
20 maintained good positive control of what was going  
21 on. Some of the things that are ongoing, there are  
22 inspections ongoing that are not yet completed, will  
23 not be completed because completion of them is  
24 contingent upon activities that the licensee still  
25 has ongoing relative to things like program reviews.

1 There is a number of programs that the licensee has  
2 endeavored to evaluate and assess those programs, for  
3 example, boric acid corrosion control program, the  
4 corrective action program, and so on, that were  
5 instrumental in this event occurring, and so they've  
6 gone back and done an in-depth review of those  
7 programs. We are inspecting their efforts in that  
8 area and they still have some additional work to do  
9 so we will not complete our inspection until they are  
10 done. Another area is system health. Obviously,  
11 we felt it was important, as did the licensee, that  
12 they had to assess the health of other safety systems  
13 in the other plant not just the reactor vessel head  
14 to assure themselves, assure us and assure the public  
15 that they don't have other issues of safety  
16 significance, and so those activities are ongoing.  
17 We have not completed our inspection efforts in that  
18 regard because the licensee still has a certain  
19 amount of work to do in terms of their system health  
20 assurance efforts. The other issue and one of the  
21 things really that Scott didn't address in terms of  
22 the event, but really is kind of at the core of the  
23 issue that occurred here and this is failure in terms  
24 of managerial organizational behavior at Davis-Besse.  
25 Some of you may hear this referred to as safety

1 culture issues. We have a substantial part of our  
2 assessment process to look at what is the licensee  
3 doing relative to organizational effectiveness and  
4 human performance and then, of course, we have the  
5 Resident Inspector and the Senior Resident Inspector  
6 on site that do daily observations of ongoing  
7 activities of the licensee, and so those are all  
8 ongoing, continuing NRC activities that have yet to  
9 be completed.

10 One meeting of note to discuss or that  
11 occurred over the past month; on November 26th, we  
12 had a meeting in the headquarter's office in  
13 Rockville, Maryland to discuss with the licensee  
14 their activities regarding the bottom of the reactor  
15 vessel, the picture that you saw, the oxide and the  
16 boron that collect at the top of the reactor vessel.  
17 Over the course of time some of those materials found  
18 their way down the side of the reactor vessel and you  
19 could actually see, some of you that might have gone  
20 to our web site -- unfortunately, we don't have any  
21 pictures to show you --

22 MS. LIPA: Yeah, we do.

23 MR. DEAN: Do we?

24 MR. COLLINS: Give me a minute.

25 MR. DEAN: Okay, Jay is going to

1 pull up a picture what the bottom of the reactor  
2 vessel looks like. Basically, they had some distinct  
3 trails of both iron oxide, rust, as well as boric  
4 acid trailing down and collecting to the bottom of  
5 the reactor vessel, and when the licensee pulled off  
6 the insulation to see where those trails led, the  
7 bottom of the reactor vessel head had notable trails  
8 of boric acid deposit and rust, and so that raises  
9 the question is -- are those items at the bottom of  
10 the vessel a result of just wash down, things that  
11 have collected from the top of the reactor vessel, or  
12 are they indeed -- and there you see an example of  
13 the bottom of the reactor vessel. This is after it  
14 was cleaned. Go back to that previous one, Jay.  
15 This is an example of what the collection looked like  
16 at the bottom around one of the penetrations, and  
17 there is another example, you see how it was  
18 collected, so that raises questions. Is that  
19 leakages perhaps from these penetrations, or is it,  
20 indeed, just wash down and trails from all of the  
21 materials, the 900 pounds of boric acid, and so on,  
22 that were at the top of the reactor vessel, and so  
23 the licensee has yet been unable to definitively  
24 determine that, and so they came to the headquarter's  
25 office to meet with a number of our engineering

1 specialists there to describe their plans to try and  
2 assure that these penetrations at the bottom of the  
3 reactor vessel -- which are not the same at the top,  
4 they operate at a lower temperature, they're much  
5 smaller. There is not a history of leakage or  
6 cracking from those penetrations both internationally  
7 and domestically, but it still a question that has to  
8 be answered, and so they described their plans to do  
9 testing. Basically, what they intend to do is at  
10 some point next year bring the plant up to normal  
11 operating pressure, normal operating temperature and  
12 have it sit there for seven days, and then go in and  
13 do a close visual inspection of all those  
14 penetrations. That is why it's important if you go  
15 back to the one that was clean, shows a clean head,  
16 they would be able to go in there and do a visual  
17 inspection, and see if there was any of these little  
18 boric acid crystals that Jack was talking about,  
19 these white crystals. That would an indication that  
20 perhaps there might be a small leak, and so we had  
21 that meeting on November 26th, and I don't think that  
22 meeting summary is yet available, but I think -- are  
23 the meeting slides?  
24 MR. HOPKINS: The slides are up on  
25 the web site.

1           MR. DEAN:           Okay. The meeting  
2 slides are up on the web site, so if you were to  
3 access our web site, you could see the licensee's  
4 presentation. That was a pretty important meeting.

5           The other thing that came out of that meeting  
6 is that the licensee described their plans to install  
7 a sensitive leak detection system. It's called a  
8 flus, F-L-U-S, which is a system of German design,  
9 and that's been used at some European facilities. It  
10 hasn't been used here in the United States which is  
11 basically a very sensitive moisture detection system  
12 which they would install at the bottom of the reactor  
13 vessel. They hope to be able to do that before this  
14 extended outage period is completed, so they  
15 described their plans to do that.

16           Okay, to talk about what the licensee  
17 described in terms of their restart readiness plan,  
18 the other major purpose of our meetings -- we come  
19 here every month and meet with the licensee is to get  
20 an update from them on where they are in terms of all  
21 of their activities related to their Return to  
22 Service Plan. In the area of Management and Human  
23 Performance, which I said was a very important area,  
24 they talked about some of the things that they're  
25 doing in terms of enhancing communications and

1 training. In particular, they have accomplished some  
2 things over the past month relative to specific  
3 training for supervisors and managers relative to  
4 assuring a safety conscience work environment. They  
5 also described -- they have a fairly active -- what  
6 they call their management observation program and  
7 the purpose of that is to get managers out into the  
8 field to look at ongoing activities and work and to  
9 assure themselves that the types of things that they  
10 have developed in terms of expectations for  
11 performance and how they expect work and activities  
12 to be accomplished, are there safety standards being  
13 met by the work force, and, generally, they describe  
14 a fairly satisfactory results from their management  
15 observation program thus far. They do have issues  
16 relative to things like job planning, housekeeping,  
17 some documentation issues, but, in general, they felt  
18 that the results have been fairly satisfactory in  
19 terms of how well they believe their safety standards  
20 and expectations are being translated to the staff.

21 The other major area they talked about is --  
22 one of the issues that has emanated from looking at  
23 the licensee's root cause is the role that their  
24 operations department has played relative to  
25 establishing safety standards at the plant, and I

1 think the licensee has determined, and we would ~~degree~~  
2 agree that their operations department did not take  
3 a leadership role in the past in establishing safety  
4 standards, and it's something they want to embody  
5 into their organizational philosophy, so they  
6 described some of the ongoing activities that they  
7 have in terms of developing this approach, bringing  
8 the operations department to the floor in terms of  
9 leading safety standards, and they describe some of  
10 the activities that their operations department is  
11 getting involved in and taking a greater role, things  
12 like plant safety reviews and maintenance work  
13 activities.

14 The second area they discussed talked about  
15 some of their near goals relative to activities to  
16 support potential plant restart, and we talked to  
17 some degree about some near term activities mainly to  
18 support this testing that I talked about of the  
19 bottom of the reactor vessel head to assure  
20 themselves and assure us that those penetrations are  
21 not leaking, and what they described is that  
22 basically beginning in about the middle of January or  
23 so they hope to be able to begin the evolution of  
24 reloading the fuel in the core, putting the reactor  
25 vessel head, the new reactor vessel head on top of

1 the core, performing an integrated leak rate test of  
2 the containment. Of course, they got this big hole  
3 to move the reactor vessel heads in and out. They  
4 have to assure themselves that containment is leak  
5 tight, so they have to do what's called an integrated  
6 leak rate test, where they pressurize containment and  
7 observe it for leaks, and then eventually bring the  
8 actual reactor plant up to normal operating pressure  
9 and temperature using basically their large reactor  
10 coolant pumps and the pump heat that that generates  
11 to bring the plant up to temperature and basically do  
12 a seven day stay at that and then go and look around  
13 evaluate the plant for leaks. Also to give them an  
14 opportunity to test a number of these systems that  
15 they have been working on, so they described their  
16 plans to do that. There is a lot of work that  
17 remains physically before the plant can even be at  
18 the position to be able to do that. They have a  
19 number of valves that are being worked on to assure  
20 leak tightness. They're doing some major work on  
21 some of their reactor coolant pumps to assure that  
22 those are going to be leak-free, and there is a  
23 number of issues that have emerged from all of the  
24 work they have done to try and identify all the  
25 issues that -- basically what they call mode

1 restraint. In other words, they can't change their  
2 mode of operation until they complete a lot of these  
3 activities, and so there's hundreds of those issues  
4 that still need to be resolved, so the licensee still  
5 has a lot of work on their plate to even get to that  
6 point.

7 Third area we talked about with the licensee  
8 was their containment health. Basically they have  
9 completed for the most part their discovery  
10 activities in terms of identifying all of the issues  
11 in containment that would have been a result of the  
12 boric acid and leakage, and so they basically have  
13 about 900 plus issues. They have not yet identified  
14 or reviewed all of those issues to determine what the  
15 corrective actions are; however, they do have some  
16 major work in progress, in particular, rebuilding the  
17 containment air coolers, expanding a screening area  
18 for the emergency sump, and, basically, recoating and  
19 painting the entire containment and some of the core  
20 flood tanks.

21 Let's see, system health reviews, I talked  
22 about this earlier as an area that the NRC has  
23 ongoing inspection activities. They still have a  
24 lot of work to do in that area, though, they have  
25 completed many of the reviews and are awaiting

1 management to sign off basically, and approval of the  
2 results of those review, but there's a number of key  
3 design issues that have emerged from those reviews  
4 that await resolution. We, matter of fact, will have  
5 a meeting with the licensee probably on December 23rd  
6 in the Region III office to discuss some of their  
7 plans and activities as result of the lessons learned  
8 and the findings that they have had from their system  
9 health assurance, so that will be a pretty key  
10 meeting for us to get a better feel for where they're  
11 going in terms of system health.

12 Plant programs is an area where much of the  
13 review work is done. I talked about that as an area  
14 the NRC still has ongoing inspections; however, the  
15 licensee is further ahead in assessing their programs  
16 and revamping them, and so we will probably be able  
17 to complete some of our inspection activities  
18 hopefully in January regarding that, and then,  
19 finally, some of you may have the opportunity -- I  
20 noticed earlier some of you were looking at -- over  
21 on the side there, the licensee put up some of their  
22 performance metrics that they were using to basically  
23 monitor progress at the plant, and one of the points  
24 that they try to make is that if you looked at those,  
25 basically those show that they believe they're at a

1 point where they've completed the majority of their  
2 discovery, and by that, I mean, basically they're  
3 identification of issues that need to be resolved  
4 whether they're physical issues or program issues and  
5 that their work off rate is now starting to exceed  
6 their discovery, so, basically, that's kind of a  
7 critical point in terms of plant recovery and a plant  
8 that's in an extended shut down, when you complete a  
9 lot of the work in terms of discovery and now your  
10 work off rate exceeds that, so you start to see a  
11 decline now on all of the work that's on their ~~plant~~ plate,  
12 so they have kind of reached that turning point, but  
13 that doesn't mean they're anywhere near being ready  
14 for restart. That's a lot of work that remains on  
15 their plate just from a physical point of view, not  
16 to mention where are they in terms of safety culture  
17 assessment which is a big issue we raised with them  
18 and something we want to make sure that they discuss  
19 with us at our meeting next month. We want to hear  
20 some fairly detailed discussion about their  
21 activities related to safety culture, how are they  
22 monitoring and measuring that, and so that's an issue  
23 that we will have some detailed discussion with the  
24 licensee next month, so that's probably a little bit  
25 longer than I wanted to take, but it was a fairly

1 lengthy meeting and a lot of good discussion. Jack,  
2 do you have anything to add?

3 MR. GROBE: Thanks, Bill, that was  
4 a really good summary. While Bill was talking -- I  
5 already heard the meeting, so I wasn't listening very  
6 closely, but I was trying to think of what might be  
7 good information to share with you. We're involved  
8 in this day in and day out in a great amount of  
9 detail and sometimes we get lost in the trees and  
10 when folks like you come out to find out what's going  
11 on, you're not in the level of detail that we are,  
12 and we sometimes lose sight of the fact that some  
13 foundational information might be helpful. I wanted  
14 to just spend three or four minutes and tell you what  
15 this is all about because it probably appears kind of  
16 strange.

17 Over the last several years we've put in  
18 place a reactor oversight program for all of the  
19 operating reactors in the United States that has a  
20 number of elements that are foundational to its  
21 success, and that reactor oversight program is  
22 comprised of two principle things; one is performance  
23 indicators, each licensee in the United States, each  
24 operating utility is required to report on a  
25 quarterly basis to the NRC a set of performance

1 indicators and we've specified what those indicators  
2 are and then collect the data, report them to us and  
3 we double-check in the field if that data is actually  
4 accurate and representative of the true performance  
5 of the plant, and going along with that set of  
6 performance indicators is our regular inspection  
7 program which is comprised of roughly 2000 hours of  
8 inspection by both resident inspectors, like Scott  
9 Thomas, who is the Senior Resident at Davis-Besse, as  
10 well as regional specialists that travel around to  
11 different reactor sites. They're experts in various  
12 technical disciplines, so the performance indicators  
13 and the inspection program work together. We call  
14 that our routine reactor oversight process.  
15 Underpinning or foundational to that reactor  
16 oversight process is several items, several things.  
17 One is the belief that this industry has been around  
18 for a while and it's a mature industry. If you look  
19 at the safety performance of the nuclear industry  
20 over the last decade to 20 years, it has steadily  
21 improved and the nuclear plants in the United States  
22 are safer today than they have ever been in the past,  
23 so it was based on that fact that it was a recognized  
24 appreciation that this is a mature industry, and then  
25 there are three things that we call crosscutting

1 issues. One of them is the safety culture of the  
2 plant and that is absolutely pivotal to the safety  
3 performance of the plant. The second one is the  
4 corrective action program. Sometimes you've heard  
5 people talk about a learning organization -- you can  
6 call it a number of different things, but it's an  
7 organization that is mature enough to listen to  
8 what's going on in the plant and react to it, so that  
9 if on day in and day out they find issues, they don't  
10 ~~hind~~ hide them, they don't ignore them, they deal with  
11 them. We call that the corrective action program,  
12 and the third one is capable and competent staff.  
13 There's two aspects, two of those three crosscutting  
14 issues that the revelations that occurred last March  
15 came through loud and clear, those foundational  
16 elements didn't exist, and that is the corrective  
17 action program. A number of the issues that you saw  
18 in the pictures tonight, those issues were known to  
19 members of the plant, corrective action documents  
20 called condition reports were initiated and then not  
21 adequately resolved. The corrective action program  
22 was not functioning effectively, and the second thing  
23 is it came through clearly and the company reported  
24 to us that they had lost focus on safety, that they  
25 were putting production pressures ahead of safety

1 issues. Because of those issues the agency, the  
2 NRC, Nuclear Regulatory Commission, determined that  
3 this plant could not -- within our context, we  
4 couldn't apply the routine oversight program to  
5 Davis-Besse. We have a special -- you might call it  
6 a circuit breaker in our inspection program. It's a  
7 procedure. Sometimes you have heard at this panel  
8 referred to as the 0350 Panel. That's a procedure.  
9 It's Manual Chapter 0350. It describes for those  
10 situations when you come into a circumstance that is  
11 not appropriate for our routine inspection program,  
12 it sets out a set of criteria, so this panel has  
13 become the routine inspection program for  
14 Davis-Besse. In situations like this, the agency  
15 brings together a group of experts from very diverse  
16 backgrounds. Bill Dean is the Senior Executive in  
17 our headquarter's offices. I'm a Senior Executive  
18 from Chicago. Jon's an expert in licensing.  
19 Christine is an expert in inspection, the Resident  
20 Inspector, and there is a number of typical staff and  
21 managers that are on this panel, and we replace the  
22 routine oversight program because the commission has  
23 lost confidence -- had lost confidence in Davis-Besse  
24 that they could effectively function and we could  
25 provide effective oversight with our normal

1 inspection program. So what this panel done is  
2 observe day-to-day activities at the plant, and we  
3 structure an inspection program that's appropriate  
4 for Davis-Besse in its situation today. We were  
5 chartered in April, I guess, and one of the  
6 expectations of the panel is to identify those key  
7 issues that are necessary for resolution if the plant  
8 is permitted to restart -- would be permitted to  
9 restart. We call that a restart checklist, and  
10 we've published that. It's been revised once since  
11 it was published. It contains approximately 15 or  
12 20 specific items on it covering systems, programs,  
13 people, management structures -- a whole plethora of  
14 different types of issues that this panel has  
15 determined need to be adequately addressed prior to  
16 this plant being permitted to restart. Our  
17 responsibility as a panel is to provide oversight to  
18 gain the resources necessary for both headquarters  
19 and the regional offices. We've had inspectors from  
20 our other regions as well as headquarters, contract  
21 inspectors out here doing inspections at the plant  
22 and provide oversight to those inspections and make  
23 sure that before this plant would be permitted to  
24 restart, that we are comfortable that it could be  
25 restarted and operated safely. The process for that

1 decision -- because I know many of you might be  
2 interested in that -- is that this panel would do its  
3 work. If we come to the conclusion that we think the  
4 plant is ready to restart, then we have to present  
5 that to our bosses. My boss is Jim Dyer. He's a  
6 regional administrator in Chicago, the Region III  
7 office. Bill's boss is Sam Collins, Director of the  
8 Office of Nuclear Reactor Regulation. Sam has  
9 responsibility for every reactor in the United  
10 States. Jim has responsibility for the Region III  
11 reactors, and we would make a recommendation and have  
12 to defend that recommendation to those two gentlemen  
13 and only then would a decision be made by the NRC  
14 that the plant could restart.

15 The focus of this panel is safety. There  
16 have been a number of questions that have come up  
17 over the past several months about schedule pressures  
18 and things of that nature. Schedule is not our  
19 business. The licensee is going to make whatever  
20 progress they make. We're going to monitor that  
21 progress with appropriate inspection resources and  
22 oversight, and as they make progress, we're measuring  
23 that progress through our independent inspection. We  
24 will evaluate whether or not sufficient progress has  
25 been made and whether the plant can be operated

1 safely. We're not at that point yet. As Bill  
2 pointed out, there's a lot of work yet to be done, so  
3 I wanted to give you a little bit of that foundation  
4 of what we are and why we're here. There are some  
5 other groups working on this project and Amy brought  
6 one to light a few minutes ago, and that is our  
7 Office of Investigations, completely independent,  
8 they're looking at things that happened before March  
9 and they're looking at why they happened, so that  
10 investigation is ongoing. Our Inspector General is  
11 looking at us. They report to Congress because we  
12 did not perform up to standard either. Our  
13 inspection program didn't discover this issue that  
14 was progressing over a number of years, so we've got  
15 a number of different groups looking at us. Our  
16 Inspector General is looking at our performance. In  
17 addition to that, Bill mentioned we have a Lessons  
18 Learned Task Force that was a group of NRC experts  
19 that were brought together that have nothing to do  
20 with Davis-Besse, and they're looking at -- they were  
21 chartered to look at a number of the programs and  
22 behaviors of the Commission, the staff and the  
23 Nuclear Regulatory Commission and why we missed this  
24 issue, and they are making recommendations for  
25 improvement in our programs, so there's a lot of

1 different activities going on, but this panel itself  
2 is responsible from April onward to look at what's  
3 necessary to have confidence that this plant can  
4 operate safely and measuring whether or not the  
5 company is approaching those standards, and if at  
6 some time in the future they get there, then we'll be  
7 able to have confidence that the plant can move  
8 forward because we will have done an extensive amount  
9 of inspection above and beyond our routine type of  
10 oversight.

11 So, Christine, why don't I give it back to  
12 you, and you can moderate questions.

13 MS. LIPA: Sure. Let me just  
14 cover a couple administrative items, first of all.  
15 It occurs to me that since there are so many people,  
16 you might not have all gotten handouts, but I wanted  
17 to let you know that our web site, which is [www.nrc.com](http://www.nrc.com)  
18 [www.nrc.gov](http://www.nrc.gov), has a lot of documents. Go to that web  
19 site and there is a Davis-Besse link. This is our  
20 December newsletter, and on the back page it has  
21 contact information for our Public Affairs Officer, I  
22 wanted to point out Viktoria Mitlyng in the back and  
23 her information, her phone number and her E-mail are  
24 all on here if you want to contact her with any  
25 questions.

1           Also, we have question cards for anybody who  
2           does not want to come up to the podium and ask  
3           questions tonight, we have question cards, or you can  
4           contact us by E-mail after this meeting and we'll try  
5           to get back to you and answer your questions.

6           The other thing I wanted to pointed out is  
7           this meeting is being transcribed. We have Marlene  
8           here transcribing the meeting, and what we have been  
9           doing for our public meetings for at least six months  
10          or so now is, we have a transcript that is available  
11          about four weeks after the meeting that we put on our  
12          web page. And, again, because it's being  
13          transcribed when you come up to the podium to ask a  
14          question, speak your name clearly for the record and  
15          then ask your question. Try to keep it to five  
16          minutes, please. That's important tonight with so  
17          many people here, and that's all I have for that. I  
18          also wanted to point out a few other NRC folks.  
19          We've got Roland Lickus in the back.

20          MR. LICKUS:        (Indicating).

21          MS. LIPA:           And he's the State  
22          and local Government Affairs from the Region III  
23          office. We also have Nancy Keller. She's our  
24          resident office assistant.

25          MS. KELLER:        (Indicating).

1 MS. LIPA: We have Jay Collins,  
2 he's running the slides for us today. He's an  
3 engineer on rotation from headquarters.  
4 MR. COLLINS: (Indicating).  
5 MS. LIPA: And there are some  
6 other NRC inspectors in the room as well, and then  
7 there's Doug Simpkins. Doug Simpkins is in the  
8 back. Doug is the Resident Inspector, and he and  
9 Scott are the two NRC inspectors that are at the  
10 plant day-to-day, and the next -- so next we'll start  
11 with public questions and comments, and I wanted to  
12 started with the young group of folks here since you  
13 had your hand up earlier, if you guys wanted to go  
14 first that would be all right.

15 MS. SHAW: I'm a little bit  
16 shorter. Hi. My name is Lori Shaw, and I'm here  
17 with a group of students. I wanted to make a  
18 comment and ask two questions.

19 My first comment is -- and I'm sure this was  
20 not intentional, but I saw a lot of students'  
21 eyebrows go up, and the comment was, maybe you don't  
22 have the depth of knowledge, and my comment when we  
23 were at another meeting a comment was made by an NRC  
24 person, well, maybe you couldn't read that off the  
25 web site, and I just wanted to make a comment that

1 that can be intimidating to people in the audience  
2 who want to get up and voice their opinions.

3 The two questions that I have is, one, for  
4 the NRC, these students who have been doing some  
5 research, they're 10 to 12 year old -- 13 year olds,  
6 sorry, Sam, students -- and before this was announced  
7 they had dug up that for 10 years there had been  
8 warnings to the NRC and the industry that these  
9 nozzles would leak and France had done moisture  
10 detective devices, and so the question is why didn't  
11 the NRC, when they knew it was a problem, take  
12 prevention ahead of time, and why would a group of  
13 students come up with a recommendation like this  
14 before industry leaders?

15 MS. LIPA: Okay. Well, first of  
16 all, thanks for your comment at the beginning. The  
17 issue of the nozzle cracking has actually been known  
18 for several years in the United States as well, and  
19 the NRC has issued generic correspondence which is  
20 generic letters and bulletins to the utilities to be  
21 on the lookout for this. I don't think it was until  
22 recently that it was -- became a big problem, like it  
23 has become. Previously, it was just a known  
24 phenomenon that could occur so the utilities were  
25 expected to do inspections and be on the lookout for

1 leakage.

2 MS. SHAW: The second question  
3 was, I was concerned that maybe I had heard that  
4 wrong, was that after you did a start-up trial and  
5 let the plant run that they would do visual  
6 inspections, and it seemed like that was the thing  
7 that got Davis-Besse in the problem in the first  
8 place because only through ultrasonic technology and  
9 the moisture tapes can we really tell if there is a  
10 problem, and so how would that provide accurate  
11 information if after start-up if they are only going  
12 to do visual inspections?

13 MR. DEAN: Good questions, Lori.  
14 Let me embellish first the answer that Christine gave  
15 you relative to, you know, what did the NRC know  
16 about cracking, it happened in France, how come we  
17 didn't do anything about it, and, in fact, we did do  
18 a number of things about it, but I think if you look  
19 at the Lessons Learned Task Force report that the  
20 independent group that Jack talked about and the NRC  
21 developed, one of the things that they identified was  
22 that while the issue was known in the United States,  
23 okay, the approach the United States took was one of  
24 increased leakage monitoring, and the fact that what  
25 was observed in France and what was observed here

1 early in the United States were cracks that were of  
2 an ~~axle~~ axial orientation which were not considered other  
3 than being potential for small leaks of reactor  
4 coolant which could be cleaned up and repaired if  
5 they occurred, were not a safety issue, and it wasn't  
6 until an inspection was done at Oconee, as a result  
7 of NRC activities for plants to be conscious and look  
8 at this, well, they detected cracks that were of a  
9 circumferential nature. In other words, they were  
10 now the -- around the nozzles, where if those things  
11 were to progress to a through wall position, could  
12 then if there were some sort of transient cause  
13 ejection, so then now you have a significant safety  
14 issue, and that was in the late '90s, 2000 where that  
15 issue was discovered at Oconee, and so from that  
16 point on, the NRC's posture relative to this cracking  
17 issue changed to one where we started issuing a -- as  
18 Jack said, bulletins, which are very significant  
19 correspondence from the NRC that provides specific  
20 guidance to the industry on what to do and how to  
21 treat the issue, so we did not approach it the way  
22 the French did. The French said, we'll just replace  
23 reactor vessel heads. The agency and the industry  
24 took an approach that this is not a significant  
25 safety issue because of the axial orientation of the

1 cracks. It wasn't until it became circumferential  
2 that that elevated the NRC's safety posture.

3 MS. SHAW: Thank you.

4 MR. GROBE: Bill, why don't you  
5 explain why a circumferential crack is of greater  
6 concern?

7 MR. DEAN: Jay, can you throw up  
8 that --

9 MR. COLLINS: Yeah, wait a second.

10 MR. DEAN: Okay. This is a  
11 diagram of a typical control rod drive mechanism  
12 nozzle, and what I was referring to is that the  
13 cracks that have been observed in France and the ones  
14 we observed in the United States were basically  
15 cracks of an axial orientations, basically  
16 length-wise along that nozzle, and all that would  
17 really accomplish or create if this crack became  
18 through wall is that you could get leakage and you  
19 would get some seepage of boric acid and reactor  
20 coolant up here, and as Jack noted earlier once that  
21 reactor coolant hits the top of the head, the  
22 moisture evaporates and you leave the boric acid  
23 crystals, and the boric acid crystals is basically a  
24 white powdery substance really are relatively benign  
25 as long as they're not wet. Okay? The issue that

1 occurred here at Davis-Besse was that because of the  
2 boric acid that was not removed -- I think Tim noted  
3 earlier, okay, that was not removed, they had a crack  
4 develop, but you had a cap as you will of boric acid  
5 that prevented this seepage from the axial crack in  
6 the nozzles from getting up here and evaporating, and  
7 basically what you have was basically a formation of  
8 a boric acid, kind of a liquid pool of boric acid  
9 that is very corrosive, and that's what you saw the  
10 results of in that cavity, and that's a direct result  
11 of the failure of the licensee to effectively clean  
12 the head and be able to inspect and evaluate this  
13 area. Okay?

14 Now, to answer the question about  
15 circumferential, if you were to have a crack -- a  
16 through wall crack in this orientation, you could  
17 actually have through a pressure transient  
18 separation, which would cause ejection, and now you  
19 would have a loss of coolant accident. You would  
20 have coolant now coming out through this hole in the  
21 reactor vessel and so that's when we elevated our  
22 safety -- when we started seeing cracks in a  
23 circumferential orientation. Now, we have this  
24 concern about possible separation and ejection of the  
25 nozzle.

1           MS. SHAW:        Thank you. I'm not  
2           sure after some of the comments the students will  
3           feel comfortable getting up and asking stuff, but  
4           maybe after the meeting they can share some of their  
5           questions and concerns with you.

6           MR. GROBE:        I hope so, and I also  
7           appreciate your first comments. I wasn't trying to  
8           be critical of anybody in the audience. I was being  
9           critical of ourselves. Sometimes we lose sight  
10          because we're so meshed in this and engrossed in  
11          everything that's going on, we lose sight of making  
12          sure we communicate effectively, and I wanted to make  
13          sure we provided sufficient background of information  
14          so that you could understand what was going on.

15          We just received a comment, and I'm glad  
16          somebody is using the question forms. Let me read  
17          it, and I think I understand the question, and I can  
18          answer it.

19          Acknowledging that Davis-Besse information  
20          sharing related to the head condition in late 2001  
21          was not accurate, please characterize the licensee's  
22          recent reporting and sharing -- out of batteries?  
23          -- please characterize the licensee's recent  
24          reporting and sharing of information related to the  
25          0350 process.

1           Has Davis-Besse provided accurate timely  
2 information to support this review process? The  
3 answer to that, to the best of my knowledge, is yes.  
4 We have extensive interaction with the licensee  
5 almost on a daily basis both from headquarters and  
6 the regional office, and I have no experience where  
7 information complete and accurate information wasn't  
8 provided on a timely basis, and there has been a lot  
9 of information sharing, so I appreciate that  
10 question.

11           MS. LIPA:           Okay. Are there any  
12 other local members of the public that would like to  
13 come up and ask a question?

14           MS. MUSER:           Hi, my name is Mary Jo  
15 Muser. I have a brief comment and then a couple  
16 questions.

17           The fact that FirstEnergy omitted pictures of  
18 the deterioration of the reactor head to the NRC and  
19 that the NRC admits that the regulatory process  
20 relies heavily on trust between the NRC and the  
21 nuclear industry, is not sure that the rust recently  
22 found on the bottom of the reactor is not going to  
23 entail more cover ups on the safety of this plant in  
24 regard to the industry. The NRC's failure to order  
25 an immediate shut down when leaks were suspected back

1 in November of 2001, given the fact that air filters  
2 had to be routinely changed every other day due to  
3 clogging from airborne rust particles means you  
4 failed to comply with your own regulations.

5 Why did you reject an independent panel to  
6 review the safety of this plant? Let me finish.  
7 Also, seeing how nuclear experts agree that if there  
8 had been a core breach, people as far as way as a 500  
9 mile radius would get sick of cancers. How can we  
10 feel safe with Davis-Besse's 10 mile radial  
11 evacuation plan.

12 Also, have you ever refused a plant from  
13 reopening, and who is going to be held accountable  
14 for all this?

15 MS. LIPA: Okay, well, I'm not  
16 sure I can keep track of all the questions, so let me  
17 talk a little bit about the 2.206 petition that you  
18 referred to, and that was a request by a group of  
19 people to have an independent panel, and the NRC  
20 considered that request. We also, as Jack described  
21 earlier, when the plant was placed under the 0350  
22 process which is a completely different process of  
23 inspection than the reactor oversight process, that  
24 was one of the bases for why we did not believe an  
25 independent panel was warranted because there is

1 additional oversight as a result of the Oversight  
2 Panel, that's what most of these people are part of  
3 the panel, so that's the answer to that question.  
4 I'm trying to think -- what was one of the other  
5 questions?

6 MS. MUSER: Basically by failing,  
7 you failed to comply with your own regulations, so I  
8 don't understand why. You really didn't answer why  
9 an independent panel -- I think the public would have  
10 felt more safely about that. Also about the  
11 evacuation plan. A 10 mile radius I don't feel is  
12 very effective. I think everybody else would agree  
13 with that.

14 MS. LIPA: Well, I don't have the  
15 details on that, but I know that that was all built  
16 into the licensing basis for the plant, and that was  
17 all reviewed before the plant was licensed to operate  
18 here, the basis for the 10 mile. I can't get into a  
19 lot more specifics on that.

20 Anybody else on the panel that has more on  
21 that?

22 MR. GROBE: Sure.

23 MS. MUSER: I mean, if you lived  
24 11 miles away and there was a breach of the core,  
25 would you evacuate?

1           MR. GROBE:        Let me make sure we're  
2           operating from a sound technical basis here. There's  
3           a number of barriers in a nuclear reactor from the  
4           release of radioactive materials. The first barrier  
5           is the ~~fuel~~ fuel pellets themselves. The vast majority  
6           of the radioactive materials created in a nuclear  
7           reactor is contained within the ceramic pellet of  
8           that fuel, and it never leaves that pellet. Each  
9           pellet is about the size of the tip of your little  
10          finger.

11          The second barrier is the fuel pin itself,  
12          and there is a lot of these fuel pins in the reactor,  
13          and each one of those is designed to be leak tight.

14          The third barrier is the reactor coolant  
15          system, and this is the barrier that was degraded at  
16          Davis-Besse. It wasn't breached. It was degraded,  
17          it was significantly degraded.

18          And then the fourth barrier is the  
19          containment structure, and Scott described earlier  
20          the containment structure and how it's built at  
21          Davis-Besse. Each of these barriers is capable of  
22          preventing the release of radioactive materials.  
23          Three of those four barriers were still completely  
24          intact. The fourth barrier was degraded, so in the  
25          event of loss of a coolant accident, that's what we

1 call if the reactor coolant system had been breached  
2 we call that a loss of coolant accident, if in the  
3 event of a loss of coolant accident there are a  
4 number of safety systems that are designed to  
5 mitigate that type of accident, so you have these  
6 other barriers, but you also have systems to mitigate  
7 the consequences of a ~~hot~~ loss of coolant accident.  
8 Those systems -- there is two of everything. We call  
9 that redundancy, and in many cases the specific  
10 pieces of equipment where there is redundancy or  
11 different, we call that diversity, so that you might  
12 have a turbine driven pump and a motor driven pump.  
13 We try to design things that way, so there's an  
14 extraordinarily low risk of what we call common cause  
15 failure which would have both systems fail  
16 simultaneously when you need them.

17 The only reactor accident that I'm aware of  
18 that has resulted in significant contamination, a  
19 great distance from the plant is the Chernobyl  
20 accident. The reactor designs ~~and~~ in the Soviet Union at  
21 that time did not have a containment structure. The  
22 Chernobyl plant was a very, very significantly  
23 different design. It's a graphite moderated gas  
24 cooled reactor, so it's a very, very different  
25 reactor than what we have in the United States.

1       There has been an accident in the United States where  
2       there was a loss of coolant situation. That was the  
3       Three-Mile Island. At Three-Mile Island, there was  
4       no release of radioactive materials of any  
5       consequence, and that's because these other barriers  
6       provided the defense in-depth that is designed into  
7       the safety of nuclear plants in the United States.

8               Now, I don't want anyone to get the  
9       impression that what I'm doing is -- what I'm saying  
10      is diminishing the importance of what happened at  
11      Davis-Besse. The violations that occurred and the  
12      degradation of reactor coolant system is very  
13      significant, but there are a number of barriers that  
14      are there to prevent the release of radioactive  
15      materials and to mitigate the consequences of an  
16      accident. The basis for the 10 mile emergency  
17      planning zone is founded in good health physics, and  
18      health physics is a study of radiation effects on  
19      people, and it was concluded that that was an  
20      appropriate distance to mitigate the consequences of  
21      an accident should it occur.

22             MS. MUSER:        Have you ever refused  
23      a plant that was deemed unsafe from reopening?

24             MR. GROBE:        There have been a  
25      number of plants that have not reopened once they

1 have gotten into this condition. Those decisions  
2 were made based on finances by the company that  
3 operated the plant. An example in our region, in  
4 Region III, the midwest would be the Zion plant  
5 outside of Chicago. It got into a situation like  
6 this, had a restart oversight panel, an O350 Panel,  
7 and the company eventually determined that it was not  
8 in their best interest to restart the plant. What I  
9 said earlier and I'll reiterate here because it's  
10 very appropriate, the focus of this panel is safety,  
11 and the plant will not restart unless it can be  
12 restarted safely. That could take a short period of  
13 time, matter of months, it could take a matter of  
14 years depending on how the utility approaches the  
15 effort and what kind of progress they make. We're  
16 here for the duration, and the plant won't restart  
17 unless we're comfortable that it can restart safely.  
18 If prior to that point in time the company decides  
19 not to restart, that's their business decision and is  
20 of no concern to this body.

21 MS. MUSER: Thank you.

22 MR. THOMAS: We have a question  
23 that was passed up that I'll answer real quick.

24 The question is, how could the NRC let  
25 Davis-Besse operate with the six inch hole in the

1 reactor? I guess my quick answer is we wouldn't let  
2 it operate with a six inch hole even the degradation  
3 that was found, we didn't know that this degradation  
4 existed at the time the extension was granted to let  
5 it operate until mid February, so the short answer to  
6 your question is, we would not let it operate in this  
7 condition, and it would be required to be shut down.  
8 Hopefully that answered your question.

9 MS. LIPA: Come on up.

10 MR. BLATT: Good evening. I'm  
11 John Blatt, a resident of Port Clinton, Ottawa  
12 County. Davis-Besse is just down the beach from my  
13 home on Westshore Boulevard in Port Clinton. I'm  
14 not a Clevelander or a Columbus resident. I'm here  
15 as a local. I'm former Mayor of the Village of  
16 Put-in-Bay, about 10 miles downwind from here. I  
17 was a nuclear trained operator in the Navy in the  
18 '60s and remain current in the industry since then.  
19 I believe nuclear energy is absolutely essential to  
20 our need to have abundant, low cost electricity in  
21 the area for economic use and growth. Suggestions  
22 from some to convert this plant to fossil fuel or to  
23 close it down are ill-conceived. Coal and oil  
24 create pollution which we cannot afford in this  
25 tourist area. The trucks or trains to bring the

1 fuel would further congest the region. Nuclear  
2 power is state of the art and is the least expensive  
3 way to provide the services to us.

4 I understand that the operator and the  
5 Nuclear Regulatory Commission made some mistakes and  
6 the newspapers are correct and feel confident that  
7 the present safeguards would make this a very safe  
8 electrical generating facility. I worked with the  
9 Nuclear Regulatory Commission in the past and have  
10 nothing but confidence and respect for their  
11 procedures. Do not let us become another California  
12 where well intentioned misguided individuals  
13 permitted a state not to prepare for its electrical  
14 needs. Thank you.

15 (Applause).

16 MS. LIPA: Thank you for your  
17 comments, John.

18 MR. SCHRAUDER: Good evening. My name  
19 is Bob Schrauder. I'm the Director of the Support  
20 Services Department at Davis-Besse, and I wanted to  
21 answer a question that the woman prior had, and,  
22 first of all, I cannot, will not take responsibility  
23 for decisions that were made by past management. I  
24 want everybody to understand that when we talk about  
25 the management at Davis-Besse the management is

1 different, so when you talk about the management at  
2 the plant now, you're talking about me, and so I take  
3 it personally, as you would, so I won't respond to  
4 what previous management did, what information they  
5 had, why they made the decisions that they will, but  
6 I do have an answer as to how do we know that the --  
7 what we're looking at at the bottom vessel will be  
8 dealt with openly and honestly and that we will relay  
9 accurate information to the very best of our ability  
10 to the NRC, and the answer to that question is  
11 because I'll make sure we do, and I will put my  
12 integrity up against anybody's in the room or in the  
13 country. I believe very strongly nuclear power and  
14 I believe very strongly in Davis-Besse, and the  
15 answer to your question is, you have my word, and  
16 that is all I can give you, is my word that I will  
17 make sure that to the very best of our ability all of  
18 the knowledge that we have relative to the bottom of  
19 the reactor vessel will be shared with the public and  
20 with the NRC and will be dealt with appropriately.

21 MS. LIPA: Thank you, Bob.

22 (Applause).

23 MR. WHITCOMB: Good evening, Ms.

24 Lipa, gentlemen. My name is Howard Whitcomb. I'm  
25 a resident of Ottawa County, I'm a former employee of

1 Davis-Besse, and I was there when Mr. Schrauder was  
2 there. I'm also a former NRC inspector.

3 My prepared comments tonight support what  
4 Lori said earlier. It's clear to me that the people  
5 in Northwest Ohio are a lot smarter than the people  
6 in Lisle, Illinois want to give them credit for.  
7 Over the last eight months, the NRC has made claims  
8 regarding this restart checklist and its intent to  
9 assure the public that FirstEnergy corrects the  
10 glaring mismanagement problems at Davis-Besse.  
11 Noticeably absent tonight from your presentation is  
12 any update as to where you are with that restart  
13 checklist. Over the last eight months, the public  
14 has had to endure repeated attempts by both the NRC  
15 and FirstEnergy to mislead and confuse the public  
16 regarding important issues at Davis-Besse Nuclear  
17 Plant. In other words, the comments raised tonight  
18 about the information or the lack of apparent  
19 information. A lot of the public gets their  
20 information from what's provided to them by the NRC,  
21 and if they're not up to speed it's because somebody  
22 has carefully and craftily put information out that  
23 they only want the public to know about. I have  
24 personally raised some issues over the last several  
25 months, and based on recent articles provided by the

1 local news media, it is clear that the NRC continues  
2 to fail in its efforts to regain the public's trust.

3 In a recent article on December 2nd, the  
4 Sandusky Register reported that a particular  
5 photograph, and I believe the photograph to be the  
6 one that Ms. Ryder raised questions about earlier  
7 showing the image of a rust reactor head was not  
8 provided by FirstEnergy management pursuant to a  
9 request by the NRC in October of 2001. A spokesman  
10 for FirstEnergy is quoted as saying, quote, it was  
11 there for the asking, unquote. Four days later in a  
12 briefing to the members of the Advisory Committee on  
13 Reactor Safeguards, you, Mr. Grobe, claimed that the  
14 commission has seen definite improvement in the  
15 safety culture at Davis-Besse since March 2002. Mr.  
16 Grobe, upon what basis do you make such a ridiculous  
17 statement?

18 MR. GROBE: Appreciate your  
19 question, Howard. Let me respond, first, to a  
20 couple of your premises. We are committed to  
21 providing full information, full access to the  
22 public, to all of the information we know, all of the  
23 findings we have. We put ourselves here in front of  
24 the public on a monthly basis, and, quite frankly,  
25 every time we come to the site, we put ourselves in

1 front of the public to answer your questions. We  
2 have, at which I know you have access to an extensive  
3 web site providing all sorts of information. We've  
4 made both video and teleconferencing available for  
5 all of our meetings that aren't conducted here in  
6 Ottawa County. The vast majority, probably well over  
7 90% of our meetings are conducted right here, so that  
8 the public can come, see what we're doing, listen to  
9 what's going on, and then in the evenings we provide  
10 an opportunity to answer questions. For those that  
11 can't make it, we provide transcripts that are  
12 available on the web site and also available publicly  
13 so that anybody that's interested can get whatever  
14 information you want. The basis for my comments to  
15 the Advisory Committee on Reactor Safeguards were  
16 both my personal experiences over the last eight  
17 months or nine months as well as the results of  
18 numerous inspections that have been conducted. I  
19 think during the month of September and October we  
20 had over 20 inspectors at the Davis-Besse plant doing  
21 a variety of inspections of programs and systems of  
22 activities that the licensee was performing and  
23 independent inspections of the design of systems.  
24 It's -- it's clear to us that there is a demonstrable  
25 change in the culture of the organization.

1           Now, the company discussed today during our  
2 meeting this afternoon and Bill summarized it earlier  
3 that two areas that they're going to provide more  
4 details on in our next monthly meeting, and I invite  
5 you to come to the afternoon meeting next month,  
6 the -- one of those areas is the leadership of the  
7 operation organization at the site, and the  
8 initiative that they have undertaken to put the  
9 licensed operators back in control of the plant.  
10          They've concluded that over the past years prior to  
11 March, that the organization lost its focus on safety  
12 and the operations organization, particularly, lost  
13 its focus on safety, and they have undertaken a  
14 number of activities to re -- to reinvigorate --  
15 that's not the right word, to establish the right  
16 foundation that should have existed through the '90s,  
17 where the operations organization, the operators that  
18 are licensed by the NRC to operate that plant are the  
19 ones that are driving the safety culture at  
20 Davis-Besse, and that's the way it should be.  
21          The second thing that they agreed to provide  
22 a broader focus on next month is the activities that  
23 they have undertaken to evaluate and measure and  
24 monitor the safety culture at the plant. For those  
25 of us that are engineers, that seems somewhat odd

1 because we're used to measuring and monitoring  
2 equipment that, but, in fact, you can. There are  
3 ways to measure things like the culture of  
4 organization, there are experts in that, and the  
5 company has done surveys in the past of their staff  
6 to get a sense of what's going on in the minds of the  
7 people that work at plant. They plan on continuing  
8 those surveys and augmenting that with a broader  
9 overview of the safety culture, and they're going to  
10 report next month on those issues, so those are two  
11 things that -- I think I answered your question on  
12 what the basis for my statement was. You may not be  
13 satisfied with it, but that was the basis for my  
14 statement.

15 MR. WHITCOMB: Are there any specific  
16 findings that you have?

17 MR. GROBE: Absolutely.

18 MR. WHITCOMB: What are they?

19 MR. GROBE: We issued at least  
20 four or five reports in the last three months where  
21 we have a number of findings of our inspections.

22 MR. WHITCOMB: Well, what specific  
23 changes have you seen at the site that support a  
24 change in the safety culture?

25 MR. GROBE: I can give you

1 examples. I don't pretend that this will be a  
2 comprehensive dissertation of -- on safety.

3 UNIDENTIFIED: Can we have five  
4 minutes? I can give you the five rule.

5 MR. GROBE: Let me try to answer  
6 the question, and then if some of the FirstEnergy  
7 people want --

8 MR. WHITCOMB: Is this a meeting for  
9 the NRC to answer the questions, or is this a meeting  
10 for FirstEnergy --

11 MR. GROBE: Howard, in the past  
12 you've complained that FirstEnergy wouldn't come to  
13 these meetings.

14 (Applause).

15 MR. WHITCOMB: You're correct, Jack.

16 MR. GROBE: I'm sorry.

17 MR. WHITCOMB: You're correct, Jack,  
18 but I've also complained in the past that FirstEnergy  
19 and the NRC are sharing the same bed.

20 (Applause).

21 MR. GROBE: Please, let's show  
22 some respect here. Let's keep these comments  
23 professional, and I'd appreciate no reactions like  
24 that from the people in the audience, please. I'm  
25 trying to think of where I was a minute ago, Howard.

1           MR. WHITCOMB:     Well, I asked for some  
2           specifics and what had --

3           MR. GROBE:         You asked for  
4           specifics, okay.  A number of things that the  
5           licensee has initiated under what they call their --  
6           now, I can't remember the name.  It's something like  
7           the management organizational effectiveness building  
8           block.  They've structured their restart activities  
9           under a series of what they call Building Blocks.  
10          There's one for systems and one for programs, and  
11          there is one that deals with the people in the  
12          organization, and there's been a variety of  
13          activities that they have undertaken, which from my  
14          perspective, are bearing fruit.  Those activities  
15          include first documenting the management culture and  
16          expectation with respect to safety, and there have  
17          been documents issued by Peter Berg, Chairman of the  
18          Board; Bob Saunders, President of FirstEnergy, as  
19          well as Lew Myers, the Chief Operating Officer and  
20          second Vice President on his expectations for  
21          people's behavior in a safety culture in a nuclear  
22          power plant.

23          In addition to that, Lew has had meetings  
24          with several hundred employees, small group meetings  
25          where they talk about issues.  They've had training

1 on safety conscience work environment. They've  
2 brought in experts in the industry that have worked  
3 at other nuclear plans including Millstone,  
4 reestablishing a safety culture there, and they've  
5 provided training to every supervisor in safety  
6 culture and safety conscious work environment, so  
7 these are just a couple of the examples of actions  
8 the company has taken. We have not inspected all of  
9 those activities, but we have begun through our  
10 inspections to see the fruits of those activities,  
11 and those are comprehensive self-assessments.

12 We've concluded and reported on at our last  
13 monthly meeting, and I believe you were at that one,  
14 that the process and the reviews that the company is  
15 performing in the area of programs and systems have  
16 been robust, that the evaluation of the equipment  
17 inside containment was completed. We completed our  
18 inspection in that area. The company has undertaken  
19 a number of activities and is spending a great deal  
20 of money to make improvements to the plant that are  
21 not required by the NRC that go far beyond minimum  
22 requirements. I think that's another indicator of a  
23 different attitude towards safety, so those are a  
24 number of indicators, but what I would like to ~~emphasize~~  
25 emphasize is that we haven't made a decision. What I

1 said to the ACRS is I have seen demonstrable  
2 indicators of improvement in the culture. I haven't  
3 said the work is done.

4 We have -- we began our inspection in this  
5 area, and that inspection is ongoing and will be  
6 ongoing for the next couple of months where we  
7 evaluate the adequacy of the corrective actions and  
8 the effectiveness of their implementation and at the  
9 completion of that inspection before this plant is  
10 allowed to restart we will have confirmed  
11 independently that the safety culture has changed, so  
12 I think that answers your question.

13 MR. WHITCOMB: Would you agree or  
14 disagree that the statement I quoted earlier, it was  
15 there for the asking, comes from a safety conscious  
16 environment or not?

17 MR. GROBE: No, that's not an  
18 appropriate response. The NRC --

19 MR. WHITCOMB: That was from the  
20 FirstEnergy --

21 MR. GROBE: Excuse me, Howard. I  
22 was answering your question. The NRC has made it  
23 clear, and I think Brian Sheron was the next one  
24 quote in that article, as well as Sam Collins, who is  
25 the Director from the office of Nuclear Reactor

1 Regulation, and his deputy for technical assessment  
2 which is Brian Sheron. They both stated publicly  
3 that had they seen that picture which we put up on  
4 the screen earlier that the plant would have been  
5 shut down. It was very clear that there was  
6 corrosion going on in the head, so, clearly, that's  
7 not acceptable. The NRC asked for information and  
8 was not provided complete information. There's  
9 about -- I'm estimating six or eight examples of that  
10 documented and inspection report that I believe was  
11 issued in August of examples of inaccurate  
12 information both with internal records as well as  
13 submittals to the NRC and the root cause of those  
14 inaccuracies. Those are things that occurred in the  
15 past as being evaluated by our Office of  
16 Investigations, so what I'm talking about is  
17 something going forward, and, no, I would agree that  
18 that's not an appropriate response to that question.

19 MR. WHITCOMB: But since that comment  
20 was made about a week ago, doesn't that draw any  
21 concerns on the part of the NRC that that still is  
22 lingering in FirstEnergy's ranks?

23 MR. GROBE: You'll have to ask --  
24 you'll have to ask why the individual that made that  
25 comment made it and what the context was. That's a

1 FirstEnergy person.

2 MR. WHITCOMB: Well, I'm asking you  
3 as the NRC.

4 MR. GROBE: The objective evidence  
5 that we see from our inspection programs and the  
6 assessments that we review -- and we will continue  
7 doing those assessments, and we'll continue to bring  
8 you results of those publicly to you and these other  
9 folks here in the room on a monthly basis, and we'll  
10 continue to respond to your questions on a monthly  
11 basis.

12 MR. WHITCOMB: Well, I'm hearing you  
13 say that you're not concerned about the statement.

14 MR. GROBE: That's not what I  
15 said, Howard.

16 MR. WHITCOMB: Okay.

17 MR. GROBE: What I said was I've seen  
18 objective and demonstrable evidence of a change in  
19 nature --

20 MR. WHITCOMB: But I'm talking about  
21 a specific concept --

22 MR. GROBE: Howard, please let me  
23 answer your question.

24 MR. WHITCOMB: You're not answering  
25 my question, Jack, that's the problem. You're not

1 answering it.

2 MR. GROBE: No, you don't like  
3 the answer that I'm giving you.

4 MR. WHITCOMB: No, you're not  
5 answering it. I'm talking about a very specific  
6 statement.

7 Okay, it is a concern to the NRC or not? Not  
8 Jack Grobe personally, the NRC?

9 MR. GROBE: If I believed, the  
10 NRC believed, if we believe that that was, in fact,  
11 the culture of the organization, I would be  
12 concerned. The statement made was very  
13 inappropriate. It was concerning something that  
14 happened in the past where the NRC asked for  
15 information and was not provided complete  
16 information. Please step back.

17 UNIDENTIFIED: Oh, I'm sorry. I  
18 thought he was finished.

19 MR. GROBE: Yes, the statement  
20 made was inappropriate, was not reflective of an  
21 appropriate safety culture as reported in the  
22 newspaper.

23 MR. WHITCOMB: Okay.

24 MR. GROBE: Do you have another  
25 question, just one more, if you don't mind, because

1 we've probably exceeded our five minute limit?

2 MR. WHITCOMB: Well, I think you  
3 exceeded the five minute limit. I don't know that I  
4 have.

5 What about the restart checklist, why isn't  
6 that part of the presentation?

7 MR. GROBE: I don't know -- that  
8 was an oversight.

9 MS. LIPA: Yeah, I was thinking  
10 about that after you said that, and, actually, that's  
11 a good suggestion. What we did during the afternoon  
12 meeting was we put up the bullets that are on the  
13 restart checklist and in each of the inspection  
14 reports that we issue, the cover letter describes  
15 which restart checklist it's covering and what's  
16 still open, so we didn't have any -- there is none  
17 that are closed yet, but I think it's a good  
18 suggestion. I think we'll do that in future  
19 meetings.

20 MR. WHITCOMB: You've done it in the  
21 past.

22 MS. LIPA: Well, to give like an  
23 update as far as and here -- you know, this is what  
24 we covered during the 2:00 meeting, we covered the  
25 items on the restart checklist. We talked about some

1 of them and their status, but we didn't go into a lot  
2 of detail, and I think that we should probably do  
3 better on that one.

4 MR. WHITCOMB: Thank you.

5 MR. THOMAS: Can I slip in a  
6 question from the audience?

7 Why hasn't the NRC released the tape of  
8 reactor inspections, and I'm not real clear on what  
9 this question is, and if you have -- if I don't  
10 answer your question, please approach me after the  
11 meeting, and I'll try again, but I believe what  
12 you're asking is about the videos of the head  
13 inspections. Those have been released in a number  
14 of venues. There have been Freedom of Information  
15 Act request, that -- they have been released as part  
16 of that. They have been released as part of  
17 congressional inquiries, so I'm not real clear on  
18 what your question is, but please feel free to  
19 approach me afterwards, and I'll try to clear it up.

20 MS. LIPA: One of the things I  
21 would like to cover about that topic is, we received  
22 a lot of documents. They don't all necessarily get  
23 issued. There certainly can be some of them. Some  
24 of them are documents that we get while we're on site  
25 doing inspections. We don't necessarily publish all

1 those. Usually by reference in our report of what  
2 item we used and what document it was that we used to  
3 make our decision, but we don't necessarily issue all  
4 of those reports, but when we get a Freedom of  
5 Information Act request, we do look at the documents  
6 that are being requested if we have them in our  
7 possession. If they are not proprietary -- there  
8 are certain rules on things we can't release, but I'm  
9 sure that's what we would do with the tapes if they  
10 were requested. Go ahead.

11 MR. GRIMM: My name is John Grimm.  
12 I didn't really intend to come up here and speak, I'm  
13 a bit nervous. First of all, I'm here to talk about  
14 the safety culture at the plant. I came from the  
15 Perry Power Plant three months ago, and I came here  
16 because three of my friends who I've worked for in  
17 the past said they needed some help, and they needed  
18 some help changing the culture at the Davis-Besse  
19 plant, and I can tell you the first step that this  
20 place made was to take proven individuals who have  
21 safety conscious culture built into their careers and  
22 have proven that performance, take the help to  
23 Davis-Besse. I have been here for three months and  
24 I can tell you right now that I have seen changes,  
25 but I've also been at days where we all have been

1 overwhelmed at the huge amount of work that lies  
2 ahead of us, but we know it has to be done prior to  
3 even us considering restart of the plant. I'm  
4 participating in implementing change on both the  
5 safety culture and some of the processes that might  
6 be streamlined so we can free up people to  
7 concentrate on safety. I'm also taking part in  
8 changing people's basic decision-making that becomes  
9 the basis for a safety culture. I've learned this  
10 because I have been in the nuclear industry for  
11 almost 25 years. I started on a consulting firm,  
12 Three-Mile Island was a client of ours. I've got  
13 samples and data from Three-Mile Island by the  
14 accident it was happening and it moved me very  
15 greatly, and I can also attest that Three-Mile Island  
16 was a reactor that saw the most severe accident that  
17 this country has ever seen, and I have analyzed the  
18 samples that would have proven what radioactive  
19 materials went out of there, and they weren't  
20 significant. It's very unfortunate that this plant  
21 is where it is, but I have seen intimately inside of  
22 containment the improvements we're making. I'm  
23 familiar with the designs we are making in the plant  
24 today. They are robust. We're lining portions of  
25 this plant with one inch thick stainless steel so

1 that we can protect valves that have to be available  
2 during accidents. We're volunteering this. We're  
3 looking for stuff that I have never ever seen in a  
4 new plant before. We've uncovered things that we're  
5 fixing, and I've crawled around new plants all my  
6 life, and I haven't seen these things. We've had  
7 hundreds of people crawling through containment for  
8 months looking for where boric acid has caused any  
9 damage to any component, and we have not shied away  
10 from one particular component that might have had any  
11 damage. I have seen this. We have 900 corrective  
12 actions or condition reports that we will have to  
13 address before we even think about starting this  
14 plant up. I know the people personally. I have  
15 children. I have lived near nuclear plants all my  
16 life. We're technical people. We're not used to  
17 talking like this in front of people, but I can tell  
18 you we're very thorough. What I do know about some  
19 of the people who are -- or some of the things I've  
20 heard is that I sense that the statements come from  
21 the fact that conclusions are drawn and data is being  
22 gathered to support those conclusions, and what I  
23 mean is I hear a lot of people that have concluded  
24 that Davis-Besse should shut down. What I can tell  
25 you is that we have not concluded that Davis-Besse

1 should start up. We're worried that it won't, but  
2 we're working very hard to make it so.

3 (Applause).

4 MS. LIPA: Thank you, John.

5 MR. POWERS: My name is Jim Powers,  
6 Director of Engineering at FENOC. Like John, I came  
7 over from the Perry Plant, FENOC's Perry plant  
8 shortly after the degradation was found. I came on  
9 board to help improve standards here. I came on  
10 board to help turn the plant around, and, Jack, you  
11 were asked what objective evidence are you seeing of  
12 change in culture, and I just wanted to say, the past  
13 two days I've spent reviewing and signing out,  
14 approving reports that we've done in this case on our  
15 system reviews and 36 reports, enough of them to  
16 cover a large conference table with technical work  
17 that's been done. Very critical technical work  
18 pointing out problems, things that people want to  
19 improve lead by our system engineers, getting into  
20 very specific areas with a lot of technical detail.

21 Now, in the industry one of the most  
22 important things that we hold dear is being  
23 self-critical, having a questioning attitude. It's  
24 one of the things that may have lead to the head  
25 degradation, the lack of questioning attitude and

1 being effective in questioning each other in the past  
2 and all I can tell you from what I seen in the past  
3 two days going through the reports that we've  
4 prepared out at the plant that that is turning around  
5 substantially, you know, the quality of the reports,  
6 the thoroughness of the reports and we can see it,  
7 and you can see it back here on the wall.

8 What we've got posted are indicators. These  
9 are the corrective actions that we've written as a  
10 result of our reviews. Every time we find an issue  
11 we think we need to investigate and follow-up on, we  
12 document it. We write it down, and then we  
13 investigate it, and we work on it, and all of those  
14 documented problems are available for review, either  
15 by the NRC, ~~INPO~~ INPO, any of our oversight  
16 organizations, our quality assurance as well, so it's  
17 all very open at the plant, and you can see the  
18 number of issues that have been generated back there.  
19 You can see also see the curves and performance  
20 indicators turning and the work off of those problems  
21 gaining momentum towards the restart of the plant, so  
22 the staff out there is focused not only on finding  
23 the issues, but on resolving them, and I think we've  
24 got the objective evidence of that right up on the  
25 wall.

1 MS. LIPA: Thank you, Jim.  
2 What I'd like to -- oh, did you want to make  
3 a comment?  
4 MR. DEAN: No, no. I had a  
5 question from the audience.  
6 MS. LIPA: What I wanted to do  
7 is take a break, though, because it's been over an  
8 hour and a half already, and we need to give our  
9 transcriber a break, and then you two can be first  
10 right after the break, so let's take five minutes.  
11 Okay?  
12 THEREUPON, a brief recess took place.  
13 MS. LIPA: Hello, let's get ready  
14 to get going.  
15 MR. DEAN: Okay, I wanted to  
16 address one of the questions that was asked earlier  
17 about the tapes of the reactor inspections, and Scott  
18 had given an answer that had intimated that those  
19 tapes were available for public release. In  
20 reality, those tapes were things that we became aware  
21 of and review as part of our Augmented Inspection  
22 Team activities in the aftermath of discovering the  
23 degradation in the vessel head, but those tapes are  
24 what is called proprietary information. They have  
25 been provided based on a request from Congressmen

1       Tauzin and Gillmor as part of their efforts to  
2       investigate and understand the situation from their  
3       perspective, and so they have the tapes, but they are  
4       what we call proprietary which means they are not  
5       releasable for public dissemination.

6             Another question came up with respect to,  
7       basically, why didn't the NRC pick up the boric acid  
8       build up as part of our inspections. That's a good  
9       question. Certainly it's a big question we have been  
10      asking ourselves. That was one of the keys of the  
11      Lessons Learned Task Force that looked at the NRC's  
12      practices and why didn't we pick up on this issue.  
13      I will describe a couple things about our inspection  
14      program. I think Jack mentioned earlier our  
15      inspection program is basically a sampling process.  
16      You know, these nuclear power plants are large, very  
17      complex sites that have a multitude of equipment,  
18      systems, components, structures, that we have  
19      basically two resident inspectors on site, plus  
20      periodic visits from region based inspectors to look  
21      at very specific things. Our inspection program is  
22      designed around trying to focus on those things with  
23      our limited resources that are most significant,  
24      those things that have the capability to have the  
25      most significance, and I would say that, perhaps, one

1 of our failings in this issue relative to the reactor  
2 vessel head was our belief that, you know, these  
3 reactor vessels are very huge, thick steel, carbon  
4 steel structures, that, you know, are basically  
5 impregnable and our focus of some of our inspections  
6 really are on places where there are connections,  
7 things like welded pipes, and, of course, we had had  
8 the information relative to the cracks, the first  
9 lady, Lori, who had questioned -- asked questions  
10 about the French nozzle cracking and why didn't we  
11 take the same approach the French did, but we had in  
12 place our requirements and expectations that licensee  
13 would monitor those penetrations for potential  
14 leakage, and that gets to a real basic premise of the  
15 NRC's oversight of nuclear power plants is that the  
16 ultimate responsibility for operating these plants  
17 safely has to lie in the hands of the licensee, okay?  
18 We can't be everywhere. We can't look at  
19 everything. We have to pick our spots and try to  
20 focus on those things, and, unfortunately, in this  
21 case, the reactor vessel head was not necessarily an  
22 area that we had integrated into our inspection plan.  
23 It wasn't an area that we would necessarily include  
24 in our samples of things we would look at.  
25 Obviously, a lesson learned from there is, you know,

1 maybe that is an area that ought to be included in  
2 our sample plan. It ought to be something that ought  
3 to be looked at in a different way than we have in  
4 the past, and, you know, that kind of points up to  
5 one of, I think, for me one of the key learnings from  
6 this is that if you look at the Lessons Learned Task  
7 Force report, you know, their bottom line is that  
8 this event was preventable. It was preventable both  
9 from an industry and licensee perspective, but it  
10 also was preventable from an NRC perspective. There  
11 were things that were occurring at the plant that  
12 maybe if we had connected all the dots properly, we  
13 would have tumbled to them, and we would have asked  
14 the right questions, and maybe would have spurred the  
15 licensee to find the issue. Unfortunately, it took  
16 a number of bulletins for us to issue that founding  
17 of the licensee show to look at that more closely  
18 where they actually found the degradation, and, of  
19 course, it was too late at that point, but the big  
20 learning is that, do we appropriately integrate  
21 operating experience that we gain both from  
22 international and domestic experience and do we as an  
23 agency -- you know, this boric acid issue was an  
24 issue, as Jack said, back in the '80s. We issued a  
25 generic letter back in 1988. We went out an

1 inspected various licensees, including Davis-Besse to  
2 look at their boric acid corrosion control programs,  
3 and we assured ourselves that licensees had indeed  
4 put in place appropriate programs to monitor their  
5 boric acid corrosion control, and, basically, we  
6 didn't really look too much at it after that, and so  
7 that's probably the other failure besides operating  
8 experience is that perhaps we have a need  
9 periodically to go back and look at these safety  
10 issues that we think we have resolved by putting in  
11 place guidance and asking licensee to put in place  
12 programs, maybe we need to be a little bit more  
13 proactive in looking at those more periodically, so  
14 those -- you know, those are -- that's kind of a  
15 long-winded answer to a very good question, but it  
16 does provide some learnings for us as the NRC, and  
17 those are two of the major ones that I have taken on  
18 in this whole evolution.

19 MS. LIPA: Okay, thanks, Bill,  
20 and then I told you guys you could go next, and after  
21 that, I want to make sure we get the local members of  
22 the public before we go to other members of the  
23 public, but come on up.

24 MR. RHODES: So far, so good  
25 because I am local.

1 MS. LIPA: Great!

2 MR. RHODES: I live in Oak Harbor,  
3 Ohio. My name is Steve Rhodes. I'd like to --  
4 mine's going to be comments basically, but I would  
5 like to say that I have every belief that the people,  
6 the professionals that will be responsible for  
7 restarting this plant will use safety as their  
8 driving issue. I can't believe it would be any  
9 other way.

10 My statement is basically different on a  
11 front, though. As a property owner and taxpayer and  
12 a resident of Salem Township in Ottawa County, since  
13 the 1970's, our community has taken a calculated risk  
14 by allowing the Davis-Besse plant to operate in our  
15 backyard.

16 As a degreed mechanical engineer, I assure  
17 you that I am completely familiar with those risks.  
18 In exchange, we have been the beneficiaries of a  
19 significantly better economy. An economy that  
20 benefits our local business, schools, Government  
21 entities and our families. For over nine months I  
22 have watched and waited patiently for people like  
23 U.S. representative Marcy Kaptur, U.S. representative  
24 Dennis Kucinich and others, some have made comments  
25 tonight, to take a break from a tax on our nuclear

1 power plant and present us with a plan to replace the  
2 economically devastating loss of funds that could  
3 result in facing the closing of this plant.

4 As an elected member of the Benton Carroll  
5 Salem Local Board of Education, I can tell you that  
6 we are already struggling with the issues and early  
7 effects of deregulation on our school funding. I  
8 could not imagine the damage that would result to our  
9 community should this plant be closed for good.

10 It's apparent to me that these people have no such  
11 funding alternatives since they do not represent the  
12 interest of the local people like me. I would  
13 respectfully suggest that they -- until they have an  
14 alternative plan that would address all of the issues  
15 that maybe those statements should cease. It's safe  
16 to say that anyone living in the community who is  
17 comfortable with this hugely beneficial relationship  
18 have the opportunity -- I'm sorry, was uncomfortable  
19 with relationship that was uncomfortable with nuclear  
20 power, have the opportunity to cash in properties at  
21 elevated prices because of this plant and move to an  
22 area that was more suited to their needs. The rest  
23 of us chose to stay here and share that burden and  
24 benefit. I'm tired of hearing from a small group of  
25 individuals who receive the economic benefits but

1 can't seem to find the backbone to uphold their end  
2 of the bargain. I would respectfully request that  
3 the influx of people who have chosen our unfortunate  
4 incident as a way to further their cause pack up and  
5 go home. This is a local issue. It is our issue,  
6 and we need to have the input from the local, the  
7 local input. That's important to me. For those  
8 people who are left, the concerned people who are  
9 left that are taken out of this group -- and I am  
10 fairly sure we are the majority, we need to come  
11 together to remove the road blocks so that we can  
12 solve this very dangerous problem and assure that it  
13 never happens again. We need to get this plant up  
14 and running. We've talked about it long enough.  
15 We need to make sure the actions stay forward and not  
16 lose sight of what the goals are to safely restart  
17 this plant.

18 I urge the NRC, FirstEnergy, plant employees,  
19 local officials, the media, and our entire, to stop  
20 the unproductive finger-pointing and get on with the  
21 business of restoring safe operation of this  
22 facility. I would argue that we have the most  
23 qualified workers in the world from the nuclear power  
24 industry working right here in our community. It's  
25 time to let these people do their jobs and train them

1 in whatever it takes to make this a ~~save~~ safe environment,  
2 make sure that they have the tools to do the job.  
3 Let's utilize this talent, make the necessary  
4 corrections in procedure to overcome operational  
5 shortcomings and move on. At one point in time this  
6 plant was a star in the nuclear industry. I am  
7 confident if everyone cooperates we will regain that  
8 status once again. Thank you.

9 (Applause).

10 MS. LIPA: Thank you for your  
11 comments.

12 MR. SHUTT: Good evening. I'm Dan  
13 Shutt. I'm here as an independent contractor working  
14 at Davis-Besse and to help get the plant restarted.  
15 I had no intention of coming up here and speaking  
16 tonight. I wanted to see what this is like, but  
17 being that I'm a father with children ranging from 10  
18 to 15, when I heard the teacher mention her opening  
19 comment about Mr. Grobe, you know, assessment saying  
20 that perhaps not everybody has the information they  
21 need to be properly educated or whatever, it occurred  
22 to me that the reason I got into this business back  
23 in 1979 was because of Chernobyl. When I was coming  
24 out of high school, I didn't know what I wanted to  
25 do. I ended up getting a degree in nuclear

1 engineering specifically because of that, and since  
2 that time I have had the opportunity to work at a  
3 variety of different plants. I was fortunate enough  
4 to be at the opening of two plants in Pennsylvania.  
5 I've gone on the road as a contractor. I have been  
6 to Cook, which was also going through the 0350  
7 process, a shut down, rather extended shut down. I  
8 got here a little bit before John Grimm from Perry.  
9 I was working up there for a whole other issue.  
10 I've seen good sides, and I've seen bad sides, and  
11 the point that I wanted to make here was that the  
12 most important people in the room in my mind are the  
13 students that have come to see what's going on  
14 because that's the kind of country we live. If you  
15 want to look around you're going to see kind of three  
16 distinct parts to this puzzle. On one side, you've  
17 got utility, which has a financial interest, which  
18 has a whole bunch of smart guys working towards a  
19 goal to provide a safe, reliable source of energy for  
20 everybody. Another side of this puzzle is the  
21 regulators who have been called under scrutiny  
22 themselves because of apparent problems within their  
23 own oversight admitted and in the process of being  
24 corrected, but the third piece of the puzzle, I think  
25 sometimes gets a bad rap, and that is there's a lot

1 of people that come here to work real hard. I've  
2 come from a distance to work at this plant. My  
3 children are 600 miles away. There's a lot of  
4 people that work for the utility working very hard on  
5 this plant to try and get it restarted, doing their  
6 best intention, very smart people. Same with the  
7 regulators, they are putting a lot of hours in,  
8 taking time from their families, taking time to do  
9 public meetings in the evenings, but I don't want to  
10 boo-hoo the people that have come from far out of  
11 town to speak their mind on an issue, because that's  
12 the nature of this country. It's exactly that that  
13 allows this plant to not to be a Chernobyl, and  
14 that's important to remember. We talk about the  
15 technical aspects of the design of a Chernobyl,  
16 that's -- that's -- maybe that's over my head, and I  
17 have been in the industry a while, but the fact  
18 remains that a Chernobyl could not be licensed in  
19 this country because we have regulatory bodies like  
20 this, but, more importantly, it could not be licensed  
21 in this county because we have well-meaning -- if  
22 some people say misinformed, disinformed,  
23 misdirected, whatever, but still well-meaning and  
24 hard-working advocates who are watching and we're  
25 raising questions and asking questions. I have

1 worked in jobs long enough to know that there's times  
2 when you're working and you see something so clearly,  
3 as you did, about how is it that you can see those  
4 rust stains and it wouldn't occur to you that there's  
5 a problem, you know, how can a student body here --  
6 one of the comments you made was it was so obvious to  
7 you why would it escape the regulators, and I can  
8 tell you that more than one time I sat at my desk and  
9 wondered what's wrong with my boss and his boss and  
10 the other boss, that they couldn't see something that  
11 I could see so plainly, so my only comment tonight is  
12 I'm glad you're here, and I'm glad you get the  
13 opportunity to participate in this and learn  
14 something because it's exactly that about this  
15 society bringing youth into it, bringing public  
16 advocates into it, bringing all sides of the  
17 discussion together. In the end, reason always  
18 falls on the side of the right decision, and I  
19 believe, my own personal spot, that reason falls on  
20 the side of restarting this plant doing it in a safe,  
21 carefully guarded, carefully watch and carefully  
22 rewatched method. Who's watching the watchers,  
23 that's what I love about this country, there is  
24 always somebody on it, somebody watching, so -- I  
25 feel safe, I live within a mile of this plant. I

1 could walk there. That's it.

2 MS. LIPA: Thanks for your

3 comments, Dan.

4 (Applause).

5 MS. LUEKE: Hi.

6 MS. LIPA: Hi.

7 MS. LUEKE: My name is Donna

8 Lueke, and I'm a local resident. I live in

9 Marblehead, and I have several questions. Most of

10 them are factual.

11 A while ago, the employees were surveyed, in  
12 fact, they have been surveyed twice as far as I know  
13 about their confidence in the management and because  
14 there was a big concern about the corporate culture  
15 not responding to the questions that the employees  
16 had about the safety issues, and that they were  
17 concerned that they couldn't take those issues to  
18 their managers, and since those that work at the  
19 plant are the ones that are in the first line of  
20 danger, they're the ones most likely to lose jobs if  
21 the plant closes down. I think we really need to  
22 hear from them again, and do you know if there is a  
23 plan to survey the employees again and find out what  
24 their level of confidence is in the management now  
25 because it looks like there have been a lot of

1 changes in management. There are a lot of good  
2 things that we're hearing tonight, but I want to know  
3 what the people that work there day-to-day, my  
4 neighbors and friends, what they have to say, do they  
5 trust what's happening because they have been burned  
6 by what's happened in the past. How do they feel  
7 about the new management? Do they feel they go to  
8 them? Do they feel they can talk about safety  
9 issues?

10 MS. LIPA: Well, that's a good  
11 question, and I can tell you we did talk about this  
12 at a couple of the previous public meetings during  
13 the afternoon. We didn't really get into it really  
14 too much today, but the utility does have plans to  
15 assess their safety conscience work environment and  
16 do more work in that area. The NRC also has plans  
17 to do more inspections in the area of what the  
18 utility is finding and what we find ourselves talking  
19 to the folks in the field, so there is more work  
20 planned for that. I can't give you a status  
21 tonight, though.

22 MS. LUEKE: Wouldn't it be  
23 helpful to use the same kind of survey that was used  
24 before? I think it was an independent survey.

25 MS. LIPA: Well, possibly. I

1 mean, there's a lot to survey science, so I can't  
2 tell for sure if you just keep taking the same survey  
3 over and over again if that's the best indicator of  
4 change in safety conscious work environment, but  
5 that's one of the things on our plate to assess.

6 MR. THOMAS: Christine, the  
7 licensee has said that they will resurvey their  
8 employees, so the answer to your question is, yes,  
9 they will resurvey. Whether it will be identical to  
10 the type of survey they did previously, we don't know  
11 that, but they have said they will resurvey their  
12 employees.

13 MS. LUEKE: I guess the benefit  
14 would be that you have a baseline to work from and a  
15 place for comparison.

16 For the first time, the management at  
17 FirstEnergy, in fact, I believe it was Mr. Berg has  
18 talked about the possibility of Davis-Besse not  
19 restarting, and I believe that's significant and that  
20 was mentioned by another person tonight also that  
21 that is a very real possibility.

22 If FirstEnergy decides to not restart  
23 Davis-Besse, if they make that decision as a business  
24 decision, what happens then?

25 What's the NRC's involvement? How long does

1 it take to shut down a facility?

2 MS. LIPA: Well, there's a whole  
3 process if they do make that decision to  
4 decommissioning and the whole bit. I'm not sure how  
5 long it really takes, but there's a whole process  
6 that's already been established. Other plants have  
7 been through that process.

8 MS. LUEKE: How long has it taken  
9 other plants?

10 MR. DEAN: Christine, let me help  
11 you out here. We have an organization at NRC that  
12 is focused expressly on the decommissioning of  
13 nuclear power plants, and they can take any form. A  
14 lot of it depends on what approach the licensee wants  
15 to take. Does the licensee want to take an approach  
16 were -- because with the plan, what we call a safe ~~stored~~  
17 storage situation where basically they just, you know,  
18 kind of button everything up and let it sit for a  
19 while, or do they want to take a very proactive  
20 approach and actually dismantle the plant, ship off  
21 all the components and basically return the plant to  
22 what we call a greenfield concept, which basically  
23 means it's habitable, okay? And, so, a lot depends  
24 on what approach they decide to take. I will say  
25 taking the plants that have taken the aggressive

1 approach, for example, there's a small nuclear power  
2 plant in Massachusetts called Yankee Rowe which took  
3 the approach to dismantle the plant, you know, I  
4 don't even think -- Jon, help me out here. I don't  
5 know -- that started almost a decade ago at least  
6 and --

7 MR. HOPKINS: And it's still  
8 ongoing.

9 MR. DEAN: -- it's still  
10 ongoing, yeah, but most of -- a lot of the major  
11 components have been dismantled and shipped off.  
12 They have not yet reached the point of a greenfield  
13 concept.

14 MR. HOPKINS: I think Maine Yankee  
15 is the best one. There's a plant in Maine called  
16 Maine Yankee which shut down, is going into  
17 decommissioning, and I think they have done the most,  
18 have been the most successful for a big plant, and  
19 they still have someone watching them, so it takes  
20 years.

21 MR. DEAN: Maine Yankee has  
22 gotten to the point where they taken a large area  
23 where -- which incorporated the nuclear power plant  
24 site and have now narrowed that to a much smaller  
25 area which basically consists of the fuel storage

1 area, and so -- so there's a variety there, but if  
2 the plant were to get to that point, what we would  
3 have is a decommissioning group comes out and has  
4 public meetings much like this to explain to the  
5 public what is the process, what are the different  
6 options, and so it's a very public -- they have a  
7 very proactive public posture in terms of informing  
8 people.

9 MS. LUEKE: Because one of the  
10 commitments that was made when Davis-Besse was first  
11 opened was that after a fixed period of time it would  
12 be returned to -- what do you call it, greenfield?

13 MR. DEAN: Uh huh.

14 MS. LUEKE: Greenfield state, and  
15 naturally since the plant here is surrounded by  
16 national wildlife refuge, by areas that are being  
17 expanded into eco-tourism, and so I just wanted to  
18 comment on that, that was a commitment that was made.

19 How long is Davis-Besse's license now  
20 currently?

21 MR. GROBE: The license is for 40  
22 years. I don't remember when it started.

23 MR. THOMAS: I believe it's 2017.

24 MR. GROBE: 2017.

25 MR. THOMAS: I'm getting head

1 shakes from the licensees personnel, so 2017.

2 MS. LUEKE: Has FirstEnergy

3 applied for renewal at this point?

4 MR. THOMAS: No.

5 MS. LUEKE: I know that several

6 nuclear power plants have applied for renewal

7 licenses. Have all of those been granted?

8 MR. DEAN: All of the plants

9 that have applied for license renewal have thus far,

10 I think there's been four or five that have

11 successfully gone through the license renewal

12 process. There are a number of plants that in

13 process now where reviews are ongoing and assessment

14 is being done whether to grant them their license

15 renewal extension or not, so --

16 MS. LUEKE: You mentioned that the

17 plant that was completely returned to -- or the most

18 pristine that has been returned to at this point,

19 still had the fuel pool there --

20 MR. HOPKINS: Correct, fuel storage.

21 MS. LUEKE: -- fuel storage there.

22 Is that the used fuel?

23 MR. HOPKINS: Yes, that's the used

24 fuel.

25 MS. LUEKE: And where does that

1 go now?

2 MR. GROBE: Currently, the  
3 Department of Energy has a process underway to obtain  
4 the licensing -- a license for the Yuca Mountain  
5 long-term storage facility in Nevada, and that's in  
6 the licensing process. That storage facility hasn't  
7 been approved. Until some sort of long-term storage  
8 or reprocessing is approved, fuel like at that plant  
9 or also at the Big Rock plant, many plants across the  
10 country have what is referred to as dry cask storage,  
11 and they store used fuel on site.

12 MS. LUEKE: So it's on site  
13 everywhere at this point?

14 MR. GROBE: Yes.

15 MS. LUEKE: So even if we're  
16 returned to a greenfield situation there is nowhere  
17 to go with this spent fuel at this point?

18 MR. GROBE: Right.

19 MS. LIPA: That's correct.

20 MS. LUEKE: Okay. I think  
21 that -- oh, just two more factual questions.

22 MS. LIPA: Okay, quickly,  
23 because we have --

24 MS. LUEKE: Yes. Why have so  
25 many independent contractors been released in the

1 last few weeks? I'd heard that like 400 independent  
2 contractors -

3 MS. LIPA: We talked about that  
4 a little bit during the afternoon meeting and that  
5 was a business decision on FirstEnergy's part. It  
6 really had nothing to do with -- we had been given a  
7 purview over.

8 MS. LUEKE: Okay, and there's a,  
9 I guess for lack of a better term, a post-mortem  
10 being conducted on the old head somewhere. I think  
11 part of it is in Oak Ridge and part of it is  
12 somewhere else. Do you have any reports back on  
13 that yet?

14 MS. LIPA: There is continuing  
15 work being done on parts that were sent to Lynchburg,  
16 Virginia, and the licensee continues -- their  
17 contractors doing work on that. Do you have anymore  
18 on that, Jon, the status?

19 MR. DEAN: Well, let me -- one of  
20 the things that the NRC has asked for, and the  
21 licensee has agreed to do this is to cut out certain  
22 parts of the old reactor vessel head and ship them to  
23 laboratories that are under contract to the NRC to do  
24 some further analysis and assessment that we think  
25 might help us in understanding things like crack

1 initiation and propagation. There's a lot of  
2 uncertainties about, you know, how do these cracks  
3 begin, how do they grow, how do they go from an axial  
4 orientation to a circumferential orientation, so  
5 these are questions that we have, our Office of  
6 Research -- NRC's Office of Research are pondering,  
7 and so they have asked the licensee to cut out  
8 various samples of key parts of the reactor vessel  
9 head that we think might be able to provide us to  
10 some materials that will allow us to do testing and  
11 research and analysis that maybe in the span of a  
12 year or two, might be able to have some better  
13 answers and better understanding of what actually  
14 occurs from a metallurgical and materials point of  
15 view.

16 MS. LIPA: And those pieces have  
17 not been cut out yet, but that's the plan right now.

18 MR. GROBE: The rest of that  
19 answer is that the head is currently stored on site,  
20 with the exception of a one 17-inch disk that was  
21 sent down to Lynchburg for review. The licensee has  
22 agreed to take these samples that Bill is talking  
23 about and they will do that when they have time and  
24 have them shipped and the radioactive waste to a  
25 waste repository.

1 MS. LUEKE: Thank you. And just  
2 one more comment. I'm a local resident with no  
3 particular axe to grind or anything, but a deep  
4 concern about what has happened and I do think in  
5 spite of all the good people that are involved here,  
6 good people that work at the plant, the good people  
7 coming in as independent contractors and with the  
8 NRC, we must learn lessons from the past and what  
9 happened in the past was not acceptable to anyone,  
10 not to the NRC, not to the local residents and we  
11 really want to know why it happened, and we want some  
12 sort of more comfortable feeling that it's not going  
13 to happen again than what we have so far, and I just  
14 don't think that all the questions have been answered  
15 yet, and to -- to our comfort level, and that's the  
16 same with a lot of people I talked to.

17 MS. LIPA: Okay. Well, thank  
18 you for your comments, I understand.

19 MR. GROBE: We couldn't agree with  
20 you more. The questions aren't answered to our  
21 comfort, and that's why we're still here and until  
22 they are answered to our comfort level, the NRC won't  
23 permit restart of the plant, so we'll continue to be  
24 here. We have our meetings scheduled for the next  
25 three months, and we'll continue to schedule them as

1 we need them into the future. This panel will be  
2 here if the plant is permitted to restart eventually.  
3 This panel will be in existence after restart to  
4 continue to monitor the performance of Davis-Besse  
5 and to assure that the corrective actions are  
6 lasting. Thank you.

7 MS. LIPA: Yeah, as Jack  
8 mentioned we have the meetings going forward, have  
9 been set up for January 14th, February 11th and March  
10 11th, and we tentatively have this place scheduled,  
11 and it's a fine facility, but we'll see how it works  
12 and decide for sure where the next meeting will be  
13 located. Hi.

14 MR. SCHNEIDER: Hi. I'm Todd  
15 Schneider. It's my job to talk to the media about  
16 FirstEnergy issues. I was the one who was quoted in  
17 the paper that was brought up here recently, and I  
18 agree those comments were inappropriate for today's  
19 time frame. Things have changed at the plant. My  
20 discussion with the Plain Dealer was involving the  
21 situation in 2001, and at Davis-Besse that was a  
22 long, long, long time ago. It's a new world there.  
23 As we get closer to completing projects, safety  
24 becomes more important every day. As this project  
25 becomes completed, safety takes even a higher

1 priority. As another one does, safety is -- is a  
2 high priority, no matter what we do. I -- I guess  
3 the bottom line was, maybe my better response to the  
4 newspaper should have been was, we should never have  
5 allowed the plant to get to that condition so there  
6 was ever such a photo. We made mistakes along the  
7 way. We're trying to rectify those now. I work  
8 with Lew Myers and Bob Schrauder and Jim Powers for a  
9 long time, started way back at the Perry plant, and  
10 I'm not a technical person. I'm the guy who has to  
11 put it into plain English -- try to put it in plain  
12 English. It's hard sometimes, but what I can say  
13 about Lew and Bob and Jim, the rest of the senior  
14 management team that's there, when I go to them with  
15 a question, I trust them. They have given me the  
16 straight stuff. We don't try to mislead anyone  
17 here. I certainly don't. Sometimes my comments in  
18 the paper may look like that, but I don't. The  
19 management team doesn't, and the most important thing  
20 I can say is that I trust that management team.  
21 They're strong leaders and safety is first and  
22 foremost with all of them and they can return the  
23 plant to safe and reliable service. Thank you.  
24 MS. LIPA: Thank you, Todd.  
25 (Applause).

1           MR. THOMAS:       We have a question  
2           from the audience. The question reads, does holding  
3           a public meeting in a military facility where those  
4           who wish attend must produce identification to enter  
5           encourage public attendance or discourage it? Let  
6           me say this. It's our attempt to hold these meetings  
7           in the nicest facility that's available to us. As  
8           you know, we have been holding them at Oak Harbor  
9           High School for the past eight or nine months.  
10          There was some scheduling conflicts occurred there  
11          where we could only have them on Wednesdays. It  
12          came to our attention that there is other community  
13          activities that occur on Wednesday evening, so to  
14          foster participate or to encourage increased  
15          participation, we decided to keep them on Tuesdays.  
16          This is a trial, using this facility was a trial.  
17          We encourage your input, suggestions, if you have  
18          suggestions that are -- where we should have these  
19          public meetings, please fill out a comment card and  
20          we'll take that into consideration. I guess that's  
21          all I can say on that issue, but, please, you know,  
22          if you don't like this facility, please give us  
23          comments, and so we can move it to somewhere that  
24          better would suit your needs.  
25          MS. LIPA:           Thanks, Scott. Go

1 ahead.

2 MR. OPFER: My name is Darrell  
3 Opfer, and I am a local resident. My driveways is  
4 12342 West State Route 105, and I'm proud of the fact  
5 that I live within seven miles of Davis-Besse.

6 To the questioner about being on a military  
7 reservation or whatever, as a former County  
8 Commissioner and State representative, I have  
9 attended a number of meetings here and, frankly, the  
10 security at Davis-Besse is much, much stricter than  
11 it is to get into -- enter Camp Perry. One of my  
12 employees reported practically being strip-searched  
13 to get into a meeting at Davis-Besse, so, you know,  
14 everything is relative, and also with my experience  
15 in coming through the gate is no one takes your name,  
16 phone number, or whatever down. They're simply  
17 making sure that you have proper identification to  
18 get on base.

19 I would like to make a comment as one of the  
20 previous speakers reported that he was a former lot  
21 of things. I'm a former lot of things, too. I was  
22 a Government teacher at one time, so I appreciate  
23 having students here, and I appreciate the comment  
24 about democracy, and the fact that in that kind of  
25 system, unlike Russia, where you had Chernobyl and

1 where a few people make decisions, we have decisions  
2 being made by people such as this, with experts able  
3 to testify, with questions being able to be given and  
4 so on. Enough of being a Government teacher.

5 I was also a former County Commissioner for  
6 10 years in Ottawa County and have been through the  
7 plant on a number of occasions and was also very  
8 involved in the building of the emergency management  
9 agency in the basement of the courthouse with the  
10 support of Davis-Besse.

11 I'm also as a County Commissioner, I was a  
12 member of the member Utility Radiological Safety  
13 Board, which gave me a new experience in dealing with  
14 folks who either didn't understand nuclear power  
15 plants or generally because they were from a long  
16 distance away had not been exposed to them as folks  
17 in Ottawa County have. I became a State  
18 representative and one of my -- my roommate in the  
19 State Legislature was very anti-nuclear, in fact, he  
20 still is unfortunately, but the reason that folks  
21 have questions is because of the lack of familiarity.  
22 Folks generally around here, people who have lived  
23 here a long time, have relatives, have friends, I  
24 have students and the students have students who work  
25 at Davis-Besse, so that we have knowledge of what's

1 going on, and we're comfortable with it. It is a  
2 safety issue as is the chief plant in Toledo and a  
3 number of other plants around Northwest Ohio. I'm  
4 particularly proud of the employees who have  
5 testified here this evening and that's exactly the  
6 type of employees that I believe that we have  
7 throughout the power plant, and it's what's going to  
8 get the plant back on course. I'm looking forward  
9 frankly to a renewing of the license and even perhaps  
10 to building of an additional plant as originally been  
11 planned because we have a number of needs in this  
12 area.

13 I have been a State representative for nine  
14 years. During that time, I served as my caucuses  
15 spokesman on the deregulation issue, so I understand  
16 from Government some about of those issues.  
17 Frankly, one of the things that I would like to find  
18 out more about from the NRC is whether you are  
19 concerned or doing anything to look at the effect of  
20 deregulation in some of the states on nuclear safety  
21 and the nuclear industry.

22 Currently, I am Director at the Ottawa County  
23 Improvement Corporation which is the economic agency  
24 for the County. This afternoon I provided some of  
25 my own testimony with regard to my beliefs about the

1 importance of Davis-Besse in Ottawa County. One of  
2 the comments that I would like to reiterate is the  
3 environmental contributions that Toledo and  
4 Davis-Besse have provided to our County. Comments  
5 have been made about our wildlife refuges, our  
6 national park -- our national and State parks and  
7 wildlife areas, but you need to know that a large  
8 chunk of that or a large portion of our marsh areas  
9 and so on is owned by Davis-Besse and managed by the  
10 staff so that the eagles will nest there and our  
11 travel and tourism can benefit from the environmental  
12 things that Davis-Besse has provided.

13 One of the things that I received this  
14 afternoon on my E-mail is a number of comments from  
15 area political leaders and business leaders. I  
16 provided a copy of that to the secretary. I'd like  
17 to read two of them. One is from the Mayor of Port  
18 Clinton, Tom Brown. He said -- told me that he was  
19 not able to come tonight because of a City Council  
20 meeting. He said as Mayor of the City of Port  
21 Clinton, I would like to go on record in support of  
22 the Davis-Besse Nuclear Power Plant. Since its  
23 inception it has been one of the largest employers,  
24 biggest taxpayers and has brought service and retail  
25 dollars into our communities. I have toured the

1 facilities as Mayor of the City and learned about  
2 nuclear energy and its importance to providing a  
3 strong power base for our citizens of Ottawa County.  
4 The open houses that I have attended were outstanding  
5 in explaining the operations and safeguards of this  
6 type of energy.

7 In addition, the Ottawa County Emergency  
8 Management Agency is the best in the State. The  
9 warning system that was used during a recent tornado  
10 was very instrumental in saving lives and the various  
11 tests and drills throughout the year shows what a  
12 proactive approach to disaster can result in  
13 life-saving procedures. This would not have been  
14 possible had it not been for the work of the Edison  
15 management and staff with their significant  
16 contributions towards the safety of people.

17 Toledo Edison has been a tremendous corporate  
18 citizen. Civic involvement such as the Mural Park,  
19 Christmas tree lighting, Walleye Drop, Downtown  
20 Revitalization and many other contributions have made  
21 it possible for our community to benefit from their  
22 assistance.

23 In closing, I hope that the plant is soon up  
24 and running. Our economy needs are depending on  
25 Davis-Besse. Nuclear energy, in my opinion, is

1 safe, and I support the scientist who best know the  
2 safeguards of this form of energy. We have  
3 benefited from it since its inception. Signed Mayor  
4 Thomas Brown, City of Port Clinton.

5 We have also received from business leaders  
6 such as Larry Durivage, owner of Durivage Pattern and  
7 Manufacturing in Williston. Dick Spicer, President  
8 of the Port Clinton Chamber of Commerce, and another  
9 that I would like to read is from Jeff Crosby who was  
10 here this afternoon, but had to go to Columbus.

11 He said, I planned on being at the 2 p.m.  
12 meeting. I must leave however by 3:15. I will  
13 give you the following in case I don't have the  
14 opportunity to testify.

15 My name is Jeff Crosby and I manage Erie  
16 Industrial Park. I have been employed by USCO  
17 Logistics at Erie Industrial Park since 1976. I  
18 have spent 27 years working next to and alongside our  
19 corporate neighbor to the west Davis-Besse.  
20 Davis-Besse is an integral part of the economy of  
21 Ottawa County. Not only for the jobs it supplies  
22 and the school funding it provides, but for the  
23 energy needed by a growing Ottawa County.

24 I have had the opportunity to work with the  
25 Emergency Management Agency of Ottawa County. It is

1 my opinion that it ranks second to none in the state.  
2 We recently had the unfortunate chance to see how the  
3 agency performed under fire during the recent  
4 tornados. Their performance was outstanding. If  
5 it had not been for the warning sirens funded in  
6 large part by Davis-Besse the loss of life in Port  
7 Clinton could have been staggering. Davis-Besse has  
8 been a good corporate neighbor. Ottawa County needs  
9 Davis-Besse up and running.

10 Other comments from Craig Trick, Business  
11 Development Manager of Telamon Construction; from  
12 Charles Elum, President of Scrambl-Gram Incorporated  
13 in Port Clinton and also one that was just handed to  
14 me by Jim McKinney, who is property manager of Erie  
15 Industrial Park.

16 I appreciate your coming to the County on a  
17 monthly basis, for your patients in answering  
18 questions by people who obviously have not been  
19 involved in the process before, and so we do  
20 appreciate that. Thank you very much. We look  
21 forward to the return, the safe operating return of  
22 Davis-Besse, and to many more years of electric  
23 generation. Thank you.

24 MS. LIPA: Thank you for your  
25 comments.

1 (Applause).

2 MS. LIPA: Before we go to your  
3 comments, Carl, let me -- I have got a card here.  
4 Let me read the question.

5 Since Davis-Besse has been shut down, have  
6 there been any brownouts or blackouts in the area or  
7 anywhere in the region providing electricity to the  
8 communities previously provided with power by  
9 Davis-Besse, and the answer to that question, as far  
10 as I understand, there have not been any brownouts or  
11 blackouts in the area.

12 The second question is a series of questions.  
13 Who will pay for the incompetence, neglect and  
14 deception that led to the near miss at Davis-Besse,  
15 will it be NRC employees, FENOC executives or area  
16 utility rate payers? Who will pay for the vessel  
17 head replacement? And on this question, it's my  
18 understanding that the utility is responsible for  
19 paying for these items, and that's all I have on  
20 that.

21 MR. KOEBEL: Thank you. My name is  
22 Carl Koebel. I'm President of the Ottawa County  
23 Commissioners. I'm representing not only myself, but  
24 Steve Arndt, a fellow commissioner, and John Papcun,  
25 fellow commissioner.

1           Earlier tonight I heard the words, lack of  
2 confidence, and I have to say that when these public  
3 forums started, that comment was made on a regular  
4 basis by the people taking the podium, and I believe  
5 I even stated that because of the lack of direction  
6 by the NRC and what I saw as a lack of pride and now  
7 the new terminology, safety culture at Davis-Besse,  
8 that I had lost some of the confidence in  
9 Davis-Besse.

10           This afternoon's meeting, I said I think I  
11 was hungry at that meeting, at this one I'm tired,  
12 but -- this afternoon we saw a great example of what  
13 safety culture is and how it's being developed and  
14 how it's being nurtured in a plant. Tonight we're  
15 seeing evidence of what safety culture is. I've  
16 attended every meeting both morning and evening -- or  
17 afternoon and night since this started, and this is  
18 the first night that I've seen this number of  
19 Davis-Besse employees here standing up with pride for  
20 what they do. That speaks volumes in raising my  
21 confidence level in this plant. I go to church with  
22 these people. My kids go to school with their kids  
23 or my grandkids do -- my kids are out of school now.  
24 These are our community people. They are our  
25 community leaders. They know the importance of what

1 they're doing and they lost that. They have it  
2 back. They have it back even better than they had  
3 it before, and I'm sure that once this plant reopens  
4 it will once again be the star of nuclear power  
5 industry and not only in the United States of  
6 America, but throughout the world. Thank you.

7 (Applause).

8 MS. LIPA: Thank you, Carl.

9 Are there anymore comments or questions from  
10 local members of the public or from others while  
11 we're here? We only have a few more minutes, but go  
12 ahead, come on up.

13 MR. MATHERLY: Good evening. My  
14 name is Greg Matherly. I am an employee at  
15 Davis-Besse in the Operations Department, but I'm not  
16 here to speak because I'm an employee at Davis-Besse,  
17 more importantly I'm a local resident of Benton  
18 Township.

19 My comments are short, at least to a short  
20 question for each of you on the 350 Oversight Panel.

21 Davis-Besse is my employer, but, quite  
22 honestly, I feel I work for the people of Ottawa  
23 County. I run the plant. It's my job to operate  
24 the plant and whenever we get up and operating again,  
25 it's my job to ensure that it's ran safely. I do

1 that for each of you, but, more importantly, I do it  
2 for my family. I'm a family man first. I'm a  
3 husband, and I'm a father. Many of these people  
4 here are husbands and fathers or mothers and wives.  
5 We wouldn't go to a plant and operate it with the  
6 knowing fact that we could do something that would --  
7 as some people have raised concerns that we would do  
8 something that would bring harm to our families, so  
9 as a father and a husband, my question to you guys,  
10 as the 350 Oversight Panel, that is ensuring that  
11 we're going to start up safe, I mean, I know that I  
12 would never do anything, but the confidence needs to  
13 be that, would you, Ms. Lipa, would you, Mr. Grobe,  
14 if you lived next-door to the plant have the  
15 confidence to say, okay, you can restart because I  
16 know my family would be safe, and that's my question  
17 to you guys.

18 MS. LIPA: Thank you. As we've  
19 stated before our plan is to review all the --  
20 through inspections and through assessment all of the  
21 activities that lead to restart, and we will not make  
22 a recommendation for restart unless the panel is  
23 convinced that the plant can operate safely.

24 I would also, just on a personal note, let  
25 you know that I used to be the Resident Inspector out

1 at Perry, and I didn't live within the 10 mile zone,  
2 but I was probably about 12 miles away from the  
3 plant, and I have small children, and I felt  
4 comfortable living there and reporting to the  
5 facility every day for my job, so that's on a  
6 personal note.

7 I don't know if somebody else has anything to  
8 say?

9 MR. THOMAS: I'll just add that --  
10 although I live in Toledo so I guess that doesn't  
11 make me a local resident, but the resident at this  
12 site lives downtown Oak Harbor, and he has five  
13 children, so we have a say in whether Davis-Besse  
14 starts up again, so we are local, and so -- it won't  
15 happen until we feel comfortable as well, so --

16 MR. GROBE: Okay. Very good.  
17 Any additional questions?

18 (No response).

19 MR. GROBE: Lots of eager  
20 listeners, no more questions?

21 (No response).

22 MR. GROBE: Okay, I would like to  
23 make a couple closing remarks. This has been an  
24 exceptional meeting. I can't tell you how much we  
25 appreciate you folks coming out. We come here for

1 this reason to stand in front of you and try to  
2 answer your questions and listen to your input and  
3 whatever it might be, that's why we're here, and I  
4 think it's a real tribute to this community that so  
5 many folks are willing to come out and share your  
6 views and listen to others views, and we respect you  
7 for that and we appreciate you coming out.

8 As Christine indicated, we've got at least  
9 three more month's worth of meetings scheduled, and  
10 we'll be back. Please come, listen to what's going  
11 on, if you can be here in the afternoon. If you  
12 can't we'll continue to summarize what's discussed in  
13 the afternoon. Please pay attention to the  
14 information that's on the web site. There's just a  
15 wealth of information available. If you can't get  
16 access to what you need, you can always call Vika  
17 Mitlyng. Her number is plastered everywhere or her  
18 counterpart, Jan Strasma, in our Region III office,  
19 and there is toll free numbers for that, or you can  
20 E-mail her or you can always get ahold of Christine  
21 or myself or Scott and Doug at the plant, so our  
22 purpose here is to ensure that you have an  
23 understanding of what we're doing and to ensure that  
24 we have an understanding of what your concerns are,  
25 and I think tonight's meeting has been a success.

1 Thank you very much.

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4 THEREUPON, the meeting 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 114 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 10th day of December, 2002 before the U.S. 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       day of       , 2002.

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

My commission expires 4/29/04