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

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Meeting held on Tuesday, January 14, 2003, at  
2:00 p.m. at the Camp Perry Clubhouse, Oak Harbor, Ohio,  
taken by me, Marie B. Fresch, Registered Merit Reporter,  
and Notary Public in and for the State of Ohio.

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PANEL MEMBERS PRESENT:

U. S. NUCLEAR REGULATORY COMMISSION

John "Jack" Grobe, Chairman, MC Oversight Panel  
William Dean, Vice Chairman, MC Oversight Panel  
Douglas Simpkins, NRC Resident Inspector  
Christopher Scott Thomas,  
Senior Resident Inspector  
U.S. NRC Office - Davis-Besse  
Jon Hopkins, Project Manager Davis-Besse  
Anthony Mendiola,  
Section Chief PDIII-2, NRR

FIRST ENERGY NUCLEAR OPERATING COMPANY

Lew Myers, FENOC Chief Operating Officer  
Robert W. Schrauder,  
Director - Support Services  
J. Randel Fast, Plant Manager  
James J. Powers, III  
Director - Nuclear Engineering  
Michael J. Stevens,  
Director - Nuclear Maintenance  
L. William Pearce,  
Vice President FENOC Oversight  
Mike Ross,  
Manager - Operations Effectiveness

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1           MR. GROBE:           Good afternoon.  
2   My name is Jack Grobe. I'm the Chairman of the NRC's  
3   Oversight Panel for the Davis-Besse facility.  
4        Our purpose today is to discuss Davis-Besse's  
5   progress on the Return to Service Plan, as well as to  
6   inform the public of the NRC's activities at the  
7   Davis-Besse facility. This meeting is between the NRC and  
8   FirstEnergy Nuclear Operating Company; and it's open to  
9   public observation.

10       Before the meeting is adjourned, there will be an  
11   opportunity for the public to ask questions of the NRC  
12   staff and provide comments. We're having this meeting  
13   transcribed to maintain a record of the meeting and also to  
14   allowed others who are unable to attend the meeting today  
15   in person, the opportunity to review the information  
16   presented and discussed today. The transcript of this  
17   meeting will be posted on the NRC's Website in  
18   approximately three weeks.

19       Today's agendas and handouts are available in the  
20   lobby, as well as our monthly report. I hope you folks had  
21   an opportunity to pick that up and look at it. It's a  
22   monthly public document that the NRC publishes. And there  
23   is one other important document out there and that's what  
24   we refer to as a feedback form. It's a one-page form. It  
25   gives you an opportunity to provide comments on the format

1 and content of this meeting and give us your feedback, so  
2 that we can improve the meetings.

3 As evidenced by the risers today, one of the  
4 comments last month in this facility was that folks  
5 couldn't see us. And now we have to be careful standing  
6 up, for fear of hitting our heads on the ceiling. So,  
7 hopefully, you can all see us today.

8 I would like to introduce the NRC staff that's here  
9 today. On my immediate left is Bill Dean. Bill is the  
10 Deputy Director of the Division of Engineering in our  
11 Headquarters Office and he's the Vice Chairman of this  
12 panel.

13 On his left is Tony Mendiola. Tony is the  
14 Supervisor in the Licensing Area in our Office of Nuclear  
15 Reactor Regulation in Headquarters.

16 And, on his left is Jon Hopkins. Jon is the  
17 Licensing Project Manager and Jon specifically works on  
18 Davis-Besse.

19 On my right is Scott Thomas. Scott raise your  
20 hand. Scott is the Senior Resident Inspector at the  
21 Davis-Besse facility; reports to work every day at  
22 Davis-Besse.

23 And, on his right is Doug Simpkins. Doug is the  
24 Resident Inspector.

25 Also, in the audience is Jay Collins. Jay is an

1 engineer out of our Headquarters Offices on rotation at  
2 Davis-Besse. He's also working at the site every day.

3 In the audience is Jan Strasma. There is Jan. Jan  
4 is our Public Affairs ~~Office~~ Officer in Region III; and is  
5 available to help anybody with public information  
6 questions.

7 Rolland Lickus. Where is Rolland? There he is.  
8 Rolland is our State Liaison Officer.

9 We also have Nancy Keller out in the foyer. Nancy  
10 is the Resident Office Assistant of the Resident  
11 Inspector's Office here at Davis-Besse.

12 And, of course, we have Marie Fresch again, who is  
13 our transcriber.

14 I would like now if there are any public officials,  
15 local public officials, I would like to give them an  
16 opportunity to introduce themselves.

17 STEVE ARNDT: Steve Arndt,  
18 County Commissioner.

19 JOHN PAPCUN: John Papcun,  
20 Ottawa County Commissioner.

21 CARL KOEBEL: Carl Koebel,  
22 Ottawa County Commissioner.

23 JERE WITT: Jere Witt, County  
24 Administrator.

25 TOM BROWN: Tom Brown, Mayor

1 of Port Clinton.

2 MR. GROBE: Welcome. Thank  
3 you for coming today.

4 Slide three, please.

5 During the meeting today, we'll summarize the two  
6 recent meetings we had in December, as well as recent  
7 inspection activities; and then turn the meeting over and  
8 ask FirstEnergy for their presentation.

9 As I mentioned earlier, we'll take a brief recess  
10 and then invite questions and comments from the public.

11 Lew, at this time would you introduce your staff?

12 MR. MYERS: Yes, thank you.

13 At the end of our table at the right, we have Bob  
14 Saunders -- Bob Schrauder, I'm sorry. Bob is in charge  
15 of, he comes from our Perry Plant. He's our Support  
16 Director. Bob is now working on, with the engineering  
17 staff on our engineering issues.

18 Next to him is Mike Ross. Mike Ross is filling in  
19 for Bob at the present time in his capacity.

20 Jim Powers next to me. He's our Director of  
21 Engineering.

22 I'm Lew Myers, I'm the site Vice President, and  
23 Chief Operating Officer of FirstEnergy Nuclear Operating  
24 Company.

25 Randy Fast next to, on my left here, is our Plant

1 Manager; and has been with the plant for about a year or  
2 so, before that he was at our Beaver Valley Plant.

3 Mike Stevens next to him. Mike came to us from,  
4 from our Perry Plant, been here a couple years, Director of  
5 Maintenance.

6 And then Bill Pearce is next to him. And, Bill is  
7 our VP of Oversight.

8 In the audience also, we have Bob Saunders with us  
9 today. Bob is the President of FirstEnergy Nuclear  
10 Operating Company.

11 And also have Fred Giese with us today. Fred is the  
12 FENOC Manager in charge of Human Resources.

13 MR. GROBE: Okay, very good.  
14 Thanks.

15 Let's go to slide 4. At this time, I would ask Bill  
16 Dean to briefly summarize the December 10th, 2002 meeting.

17 MR. PEARCE: Thank you, Jack.

18 First of all, one of the things that we discussed at  
19 that meeting was the status of current NRC activities as  
20 they relate to inspections of Davis-Besse activities. In  
21 particular, we noted at the meeting that we had released  
22 inspection reports related to our inspection of Davis-Besse  
23 containment, extended condition efforts, as well as our  
24 efforts regarding reactor pressure vessel head  
25 replacement. And that those inspection reports were

1 publicly available.

2 We also described the status of some of our ongoing  
3 activities related to things like Program Effectiveness,  
4 System Health Assurance, Organizational Effectiveness and  
5 Human Performance and Resident Inspector Activities; and  
6 noted that a key aspect of completing those procedures is  
7 the fact that they are contingent upon progress that the  
8 Licensee makes relative to their own programs in trying to  
9 restore those activities.

10 With respect to information that the Licensee  
11 provided to us and that's pretty much conveyed on the slide  
12 in terms of the key topics discussed. Under Management and  
13 Human Performance, we spent some time talking about the  
14 Safety Conscious Work Environment and Organizational  
15 Alignment, and efforts that the Licensee has to try and  
16 improve and solidify those areas, as well as insights  
17 gained from their Management Observation Program to-date,  
18 which they are using to determine how well safety standards  
19 and expectations are being translated and implemented to  
20 the field.

21 We spent some time talking about their Root Cause  
22 Assessment of Operations. The key aspect of that Root  
23 Cause Assessment was that Operations did not take a  
24 leadership role in assuring plant safety. And they  
25 described efforts that were in place to try and embody this

1 in their site activities; and the greater involvement in  
2 things like plant reviews and maintenance work.

3 We discussed some of the near term goals that the  
4 Licensee had identified and need to be completed in terms  
5 of supporting potential plant restart; and they described a  
6 sequence of events, including reloading the core,  
7 performing integrated leak rate test of containment,  
8 reaching normal operating pressure and normal operating  
9 temperature in order to do a leak test of the Reactor  
10 Coolant System, with some particular focus on areas where  
11 they had done work in the Reactor Coolant System as well as  
12 the bottom of the reactor vessel head.

13 Under Containment Health area, the Licensee noted  
14 that they felt they had completed the discovery activities,  
15 though there still was a substantial amount of effort  
16 needed to characterize corrective actions for those things  
17 that they identified, and that major work was in progress  
18 on components, such as the containment air coolers,  
19 modification to the sump in containment and paint and  
20 coatings activity within containment.

21 In the System Health area, it was noted that many  
22 reviews had been done and were awaiting Senior Management  
23 review. That there were, through their assessment, they  
24 identified several key design issues, including things like  
25 calculational problems, service water temperature issues



1 and diesel loading. That they were taking these lessons  
2 learned and conducting a thorough, more thorough assessment  
3 of 15 key safety systems, and that there would be a meeting  
4 on the 23rd of December in the Region to discuss these  
5 plans, and Jack will summarize that meeting in a few  
6 minutes.

7 Under the area of Plant Programs, they noted much of  
8 their review work had been done. A key aspect of that was  
9 development of a Integrated Leakage Program, which would be  
10 one of the things that we will assess.

11 Over there on the wall facing the lake are some  
12 performance indicators and trends. And at the last  
13 meeting, the Licensee utilized the same approach towards  
14 showing where they were relative to what we call discovery  
15 versus work-off rate. And the Licensee used those matrixes  
16 as evidence that they believed that they had reached a key  
17 milestone, that being the rate of work-off was now  
18 exceeding the rate of work identification.

19 In other words, they had turned a corner, as you  
20 will, in terms of discovery of issues that needed to be  
21 assessed and corrected, and that they are now on an  
22 increasingly improved trend of effecting corrective  
23 actions. And so, that will be something that certainly  
24 we'll talk about some more today.

25 Finally, in the area of realignment of resources to

1 get operational alignment; fairly soon before a previous  
2 meeting, the Licensee had taken some action to reduce the  
3 amount of contractor work force that existed on the site.  
4 And we discussed it at some length the intent of that.

5 And, for example, reducing reliance on contractors  
6 and bringing plant staff more in line, in terms of what  
7 they're trying to do organizationally and operationally;  
8 and, the fact that we felt that that change warranted some  
9 close attention and monitoring, and that the Quality  
10 Assurance Organization had instituted a review of plant  
11 activities associated with that effort. And we hope to  
12 hear some more about that today.

13 So, that pretty much summarizes fairly quickly the  
14 meeting from last time.

15 You notice at the bottom of the slide, the  
16 transcripts of the meeting, I think -- are they available  
17 now? Are available now on that Website and that page  
18 address is given there. Thank you.

19 MR. GROBE: Thanks, Bill.

20 As Bill indicated, if we could go to the next slide,  
21 I'm going to briefly summarize a specialized, a specially  
22 focused meeting that we had on December 23rd. That meeting  
23 was particularly focused on the engineering and engineering  
24 specifically design issues that the company was identifying  
25 and how they were going to resolve those issues.

1 FirstEnergy described three separate activities  
2 that they had under way to continue identifying issues and  
3 address the issues that they've identified to-date.

4 To step back a little bit, let me previously  
5 summarize the activities that FirstEnergy had previously  
6 undertaken. They performed a detailed design review on  
7 five risk significant safety systems. And in addition to  
8 that, they performed a functional review, a less detailed,  
9 less design focused review on 31 additional systems.

10 They completed those reviews and identified a number  
11 of issues. The three activities that they have now  
12 undertaken, the first one is simply the fact that they have  
13 to address all of the engineering issues that they've  
14 identified to-date, determine whether or not those issues  
15 affect the functionality of systems, and implement  
16 appropriate actions to address those deficiencies.

17 The second focus area that they have under, have  
18 undertaken currently, has to do with the fact that through  
19 the course of doing the detailed design reviews, they  
20 identified six engineering areas, specific technical  
21 issues, that they believe required a broader look across  
22 other systems. And, on the 23rd, FirstEnergy described the  
23 topical areas and how they're going to accomplish those  
24 broad foundational-type reviews in those engineering  
25 areas.

1       And the third focus area was an expansion of the  
2 design review. They identified a number of design issues  
3 that caused some concern in their minds, regarding whether  
4 or not there is additional design issues out there that  
5 they had not yet identified. So, they chose to expand the  
6 scope to 15 systems. So, they're doing, currently have  
7 under way detailed design review of an additional number of  
8 systems, so the total of 15 systems will be reviewed.

9       Throughout this entire process, they'll be  
10 continuing to evaluate the findings that they identify, and  
11 how those findings might translate into the need for  
12 additional evaluation.

13       Currently, we have two Engineering Design Inspectors  
14 out of the Region III Office in Chicago that are in  
15 Virginia where that work is ongoing as we speak, performing  
16 inspections of those activities.

17       As indicated at the bottom of this page, the  
18 transcript of the 23rd meeting is not yet completed, but it  
19 will be shortly posted on the NRC Website.

20       Can we go to slide 6, please.

21       I would now like to just briefly go through our  
22 Restart Checklist and summarize the recent inspection  
23 activities we've accomplished.

24       The first checklist area is, focuses on root causes;  
25 and specifically the root cause of the technical issues

1 that resulted in the head degradation, and the root cause  
2 of the organizational, programmatic, and human performance  
3 issues.

4 The review of the technical root cause is ongoing.  
5 I expect it to be completed this month, and we have not  
6 identified any significant concerns with respect to restart  
7 regarding the technical root cause.

8 I would like to talk about the organizational,  
9 programmatic issues a little bit later when we get into the  
10 human performance area of the checklist.

11 The next slide describes the, what we call the  
12 Adequacy of Safety Significant Structures, Systems and  
13 Components. There is a number of areas that are captured  
14 under this checklist item. As I mentioned earlier,  
15 inspection is ongoing in the Systems area, specific design  
16 inspection work. There have been no inspections completed  
17 in this area since the last time we met publicly.

18 Adequacy of Safety Significant Programs; when we  
19 undertook this inspection in October, several of the  
20 programs were completed and we reported out in a previous  
21 public meeting on our inspections of those programs. The  
22 remainder of the programs, with the exception of the  
23 Radiation Protection Program, have been completed by the  
24 company, and our inspection is scheduled to examine those  
25 programs.

1        Since the last time we met publicly, we've issued a  
2 report regarding Radiation Protection Program. It was  
3 actually two special inspection reports that were  
4 transmitted to FirstEnergy under one letter. These are the  
5 inspections that were precipitated by some release of  
6 radioactive materials that occurred last spring.

7        The inspection focused on two aspects of the events  
8 that led up to that release. One was the off-site  
9 consequences of the release of radioactive materials that  
10 occurred, as well as the organizational deficiencies that  
11 allowed that to occur.

12        We had one violation that we cited in that report.  
13 It was characterized as what we call a green finding. What  
14 that means is, it's of low safety significance. We  
15 concluded that the material that was released to the  
16 public, in the public domain, was not of health concern to  
17 members of the public.

18        The second aspect of that inspection focused on the  
19 workers and the work control of their radiological  
20 protection while they were working in the plant. We had  
21 two violations, two findings in that area of the  
22 inspection. The first one concerned the company's failure  
23 to adequately assess the working conditions prior to  
24 commencing work. That was characterized as what we call a  
25 white finding. That means it has low to moderate safety

1 significance.

2       The reason that finding was elevated above our  
3 lowest level of significance was because there was a  
4 substantial potential for those workers to experience an  
5 overexposure in excess of our limits. In this case, they  
6 did not experience that, but the work controls and the  
7 assessment of the radiological conditions was such that it  
8 was clearly possible for them to have experienced an  
9 overexposure.

10       And those are not good situations to be in, so that  
11 violation was characterized as what we call escalated  
12 enforcement or white finding. And there will be additional  
13 inspecting work in that area.

14       The third finding, second finding in the area of  
15 worker control had to do with the assessment of dose of the  
16 workers. These workers were exposed to an unusual type of  
17 radiation that you don't often find in nuclear power  
18 plants. It's what's referred to as alpha radiation. It  
19 comes from certain elements that are found in the fuel,  
20 they're call transuranic elements.

21       When you have a worker exposed to that radiation,  
22 there is different type of dose assessment techniques that  
23 have to be used, and the company had deficiencies in that  
24 aspect of their dose assessment. That was also  
25 characterized as a white finding, because it was more

1 significant.

2       So, that is, those are the results of the Radiation  
3 Protection Special Inspections. As you will recall, we  
4 added Radiation Protection to the Restart Checklist in  
5 October after we completed those inspections. Those  
6 inspection were actually completed in the middle of  
7 October. And, because of the findings from those  
8 inspections, the panel determined that the Radiation  
9 Protection Program should get additional evaluation by the  
10 NRC prior to restart.

11       Go on to the next slide.

12       This area is the Adequacy of Organizational  
13 Effectiveness and Human Performance. There will be a  
14 report; hopefully it's on my desk right now; that's issued  
15 in the next week or so, addressing these areas. When we  
16 completed this inspection, we were able to address  
17 approximately one third of the areas that we need to  
18 address prior to restart.

19       At that time, two of the Root Cause Analyses were  
20 done. One concerned the Quality Assurance Organization's  
21 effectiveness and their contribution to what resulted in  
22 the shutdown of Davis-Besse plant. And the second one was  
23 a specific analysis of what we call Organizational  
24 Barriers. It's a barrier analysis. It looks at all the  
25 different things that could have prevented this problem



1 from occurring at Davis-Besse.

2       There was a number of other assessments that the  
3 company had under way. One in the Engineering area; one in  
4 evaluating the Corporate Nuclear Oversight Board. I can't  
5 recall all of them right at the moment, but those four were  
6 not completed at the time of this inspection. They are  
7 completed now. And I believe they've been submitted on the  
8 docket, and they're publicly available for interested  
9 members of the public. This inspection will be ongoing,  
10 and we'll examine those other areas in the future.

11       The findings to-date evaluating the two assessments  
12 that we were able to complete, we found that the  
13 assessments were comprehensive; that they identified, we  
14 believe, appropriate issues; and appropriate corrective  
15 actions were identified to address those issues.

16       As I said though, the inspection is only  
17 approximately a third complete, so there is additional work  
18 to do in that area.

19       On the next slide, we have what we call Readiness  
20 for Restart. That's three particular areas that we're  
21 going to be focusing prior to restart. These inspections  
22 have not yet begun.

23       The next slide, Licensing Issue Resolution and  
24 Resolution of Confirmatory Action Letter. The remaining  
25 three American Society Mechanical Engineering code relief

1 requests have been issued by our Office of Nuclear Reactor  
2 Regulation. So, those three issues have been adequately  
3 resolved since the last time we met.

4 And, of course, prior to restart approval, the  
5 company needs to meet with us: and in a recent letter that  
6 we issued updating the CAL, we described in more detail the  
7 letter that the company intends to send to us when they  
8 believe that they're ready for restart, and the meeting  
9 that will occur at that time, if and when we get there.

10 We have a number of continuing NRC inspections. As  
11 I mentioned a moment ago, the Organizational Effectiveness  
12 and Human Performance Inspection is ongoing. As I  
13 mentioned a little bit earlier, System Health Reviews,  
14 that's the design issues is the principle focus of the  
15 inspection work we have ongoing in that area.

16 Safety Significant Programs, we have a number of  
17 programs yet to review. And of course we have ongoing  
18 Resident Inspection. Our Residents inspect on a six-week  
19 cycle. That inspection cycle completes today. We'll be  
20 exiting with the company tomorrow on the inspection  
21 findings from the last six weeks and that report will be  
22 issued in about 21 days. We'll be discussing the results  
23 of that inspection at our next public meeting.

24 Before we go on, I would like to briefly mention a  
25 very important meeting we have coming up at the end of

1 January. It's scheduled for, currently for January 30th, I  
2 believe at 10:00 in the morning. It will be conducted in  
3 the Region III office.

4 We'll make availability to attend that meeting both  
5 through video teleconference with our headquarters office  
6 for anybody in the Washington area that's interested; also  
7 through audio teleconferencing for anybody who is  
8 interested in this area to sit in on that meeting, if  
9 they're not able to travel to Chicago.

10 The focus of that meeting will be Safety Culture;  
11 one of the principal root causes that resulted in the head  
12 degradation going undiscovered for a number of years at  
13 Davis-Besse was the safety focus or safety culture of the  
14 facility. The company has determined that they're going to  
15 develop a more clear and focused method to assess the  
16 safety culture of the facility, but that assessment will be  
17 ongoing. It will start immediately and go on well past  
18 restart.

19 And, on the 30th, they're going to present to us the  
20 context of that safety culture assessment, what types of  
21 indicators and assessment tools they're going to use. So,  
22 that's a very important meeting, and I look forward to  
23 that.

24 Unless there is anything I forgot -- oh, okay.  
25 Scott just reminded me that the last inspection site were

1 completed December 28th. So, I apologize for that.

2 With that, let me turn it over to you, Lew, for your  
3 presentation, with the information you want to share with  
4 us today.

5 MR. MYERS: Thank you very  
6 much.

7 For the public we're going to try to do some things  
8 a little different today. Our desired outcome is to  
9 demonstrate that we continue to make progress to support  
10 the restart of the plant.

11 We're going to have Randy Fast our director, our  
12 Plant Manager talk about that.

13 The 350 process, Clark Price talked about last  
14 month, will discuss the 350 process, and status with you.

15 The Corrective Action Program, the Corrective Action  
16 Program is probably one of the most important management  
17 programs that we have at our plant. And it's designed to  
18 identify our problems and give management a way to keep  
19 them visible, classify them, prioritize them and fix the  
20 problems that we find on a daily basis.

21 That program was one of the major programmatic  
22 breakdowns that we had. We've done things to enhance the  
23 program since shutdown. We've done things to increase the  
24 line management involvement and ownership. Dave Gudger is  
25 the owner of that program. He's one of our first line

1 managers.

2 We're going to have him present to you today the  
3 status of the Corrective Action Program that we've been  
4 using since the shutdown, and we've got to make that  
5 program work well in order to restart the plant.

6 The Reactor Coolant System and its integrity is why  
7 we're here today. You know, I believe that we've got some,  
8 a new program in place, that's different, a different  
9 approach than what we've seen at D-B before, and we think  
10 in the industry. Jerry Lee, one of our lead engineers and  
11 the owner of that program will discuss that today.

12 Next desired outcome, if you will, is to demonstrate  
13 that we're getting ready to reload the reactor core, fuel  
14 reload, if you will.

15 We'll discuss Fuel Reload Readiness. Mike Roder is  
16 our Operations Manager. He will come up to the microphone  
17 and discuss that.

18 Fuel Reliability is a really important part of  
19 restarting the plant. And when we reload the core, we need  
20 to make sure that our fuel is going to be very reliable.  
21 We have Dan Kelley with us. Dan is our Director Engineer.  
22 His degree is in Nuclear Engineering, from the University  
23 of Cincinnati. We think we have him ready to communicate  
24 with the public. And he's going to talk about our fuel,  
25 and what he's done to ensure that fuel integrity is good

1 and better than when we initially planned, as a matter of  
2 fact.

3 Greg Dunn is going to talk about the Integrity  
4 Assurance, and he will spend some time on that today.

5 Finally, we want to discuss the Human Performance  
6 and Safety Culture. What we're going to try to do here is  
7 give you a briefing, if you will, on some of the things  
8 we'll discuss at the January 30th meeting. And I'm going  
9 to talk a little bit about the Safety Culture.

10 And what we do at our plant is we tend to separate  
11 Safety Culture and Safety Conscious Work Environment. And  
12 Safety Conscious Work Environment is a really important  
13 part of getting people to be able to identify problems.  
14 Corrective Action Program is a key part of that, but we  
15 have some other ways that people can bring up issues also.  
16 Bill Pearce is going to discuss Safety Conscious Work  
17 Environment.

18 Finally, we're going to provide you an update, if  
19 you will, on the integrated schedule, if time permits, and  
20 Mike Stevens will talk about that. Okay. That's what our  
21 desire is today.

22 MR. GROBE: Okay.

23 MR. MYERS: Now, before we  
24 get started, I thought I would take a moment and just  
25 clarify terms with the public. We're going to use some

1 terms called Mode 1, 2, 3, 4, 5, and 6.

2 Mode 6, if you will, is when we load the core or the  
3 fuel back into the reactor vessel. The fuel is now in our  
4 spent fuel pit, and we move it from the spent fuel pit area  
5 over to the reactor vessel. That's an activity we're  
6 getting ready to do.

7 When we do that, we normally do it under at least 21  
8 feet of water. We're having Restart Readiness Review  
9 meetings tomorrow to make sure we're ready to reload the  
10 core. Not to restart the plant, but to reload the core.

11 And we want to make sure we are ready. That's Mode 6.

12 Mode 5, now, is a different mode. Now, the only  
13 difference between Mode 5 and 6 is we go in and we hook up  
14 all the electronics and all the control rod drives that we  
15 use to control the reactor with and put the reactor head  
16 down and bolt it down. When we do that, the reactor vessel  
17 is a, becomes a pressure boundary. It will hold pressure,  
18 much like a steam pot in your house, something like that,  
19 ready to hold pressure. So that's a changing condition in  
20 our plant. We refer to that as Mode 5.

21 The startup, startup and heatup on reactor coolant  
22 pumps is Mode 4. What that is, that's not starting the  
23 reactor up. That's starting the reactor coolant pumps up.  
24 Randy is going to talk some about the reactor coolant pumps  
25 later on.

1       What you'll see is each one of those, these coolant  
2 pumps circulate about 9,000 gallons of water each. And if  
3 you circulate all that water, you create what we call pump  
4 heat; several megawatts of pump heat. With that pump heat  
5 alone, you could heat the reactor up to normal operating  
6 temperatures and pressures, which is normally about 2250  
7 pounds, 600 degrees or so.

8       So, we intend to do that sometime to do a leak check  
9 early part of March. And that's where you start to heat  
10 up. And, then as you get full system temperature and  
11 pressure, it's called Mode 3; that's normal operating  
12 temperature and pressure.

13       Then, finally, you take the reactor to critical.  
14 We're going to talk some today about, that is about the  
15 reactor fuel assemblies. When we take the reactor critical  
16 for the first time, that's called reactor startup, Mode 2.

17       And then, finally, Mode 1 is power operations, and  
18 that's reactor power of 5 percent, a very rigid, licensed  
19 nuclear power. Okay.

20       With that, I'll turn it over to Randy Fast.

21               MR. FAST:       All right, thank  
22 you, Lew.

23       Good afternoon. I'm pleased to update us on our  
24 restart preparations. In that vein, we really have three  
25 key activities that I want to focus on. Certainly, we're



1 doing many, many activities, but these three really  
2 highlight some of our preparations for restart, and this is  
3 our commitment to safety.

4 So, I'm going to get down from the stage. I have a  
5 series of pictures that I want to go through and I want to  
6 be able to at least show, show you where we are on these  
7 three key areas, and the preparations that we've made.

8 Those are on the Containment Emergency Sump.  
9 Certainly, every meeting we've had a good bit of discussion  
10 with that. I've brought a little show and tell. We'll  
11 talk that through. We'll talk about the Reactor Safety  
12 Seal Plate. Show some pictures, why that's important. And  
13 as Lew identified, we'll talk about Reactor Coolant Pumps.

14 All right, first picture, please.

15 What we have is, down in containment at the 565 foot  
16 elevation, that's down in the bottom of the containment, is  
17 a bunker. It's a concrete bunker, and it's called a sump,  
18 much like in maybe the basement of your house, you have a  
19 sump where water will collect and you can pump it out.  
20 This is an area in the lower elevation of containment where  
21 water can be collected.

22 Under design basis accident, water is collected in  
23 this area and is recirculated through safety pumps to  
24 assure long term cooling. What's important about this is  
25 the as-found condition at a sump with a screen square

1 footage area of around 50 square feet.

2 Now, what that demonstrates is the ability to be  
3 able to strain out any miscellaneous debris that would be  
4 in containment and recirculate through these pumps. We  
5 found that that did not meet industry standards and we  
6 wanted to take a leadership role in improving our sump  
7 design.

8 So, what we see here is one of our iron workers, the  
9 craft people that are doing this work. And he's standing  
10 on top of what we call W-4, stainless steel I-beams. Those  
11 I-beams are providing structural support in that sump.

12 Sitting there, what we have is two, what we call,  
13 kind of affectionately call, top hats. What those are is a  
14 strainer; and I've got one up here. I'll just describe a  
15 little bit about it.

16 As I had talked about the original design of the  
17 sump had about 50 square feet of sump area. This is a  
18 single top hat strainer that has about 15 square feet of  
19 surface area per strainer capability. It has an inside and  
20 an outside, kind of like an oil filter in your car where  
21 you have a dual filter, they had years ago, you know, the  
22 auto manufacturers came up with this dual filter  
23 arrangement.

24 That's kind of what this is. You have filtration  
25 from the outside, as well, water can come up -- and

1 certainly at the break or afterwards, come up and take a  
2 look at this -- but water can also spill into the inside.  
3 So, you have about 9 square feet of surface area on the  
4 outside, about 6 square feet on the inside.

5 Well, that's 15 square feet. That doesn't sound,  
6 that's less than 50. There are 27 of these that will be  
7 installed as part of that top hat on the upper sump. Now,  
8 the upper sump, that's about 400 square feet. The lower  
9 sump as well has a series of pipes that are drilled, these  
10 are 3/16 holes. So, actually anything less than 3/16 inch  
11 would be strained out.

12 So, this series of top hats are installed; the 27 on  
13 top; and there is, there is an end bed here that goes down  
14 underneath the reactor vessel, and that contains the  
15 additional, about 800 to 900 square feet of sump that will  
16 be available.

17 Next picture, please.

18 Okay, this is just a series of photographs of the  
19 iron workers again welding in the supports associated with  
20 that emergency sump.

21 Next picture.

22 MR. GROBE: Randy, before you  
23 go on. Is the design change completed for the emergency  
24 sump modification that you're describing?

25 MR. FAST: Jack, we have a

1 series of design changes. What we're doing is working with  
2 our primary vendor on this design, and what we've done is  
3 work through a series of changes that represent the  
4 engineering requirements to advance this project. So, not  
5 all of the design work is completed. All of the conceptual  
6 design work is completed, but we still have a number of  
7 packages that will come.

8 The most recently I reviewed was about a week ago,  
9 and it provides for all of the structural steel down  
10 adjacent to the reactor vessel. So, we still have some  
11 additional design change work to do.

12 MR. GROBE: Okay, when will  
13 that design work be completed?

14 MR. FAST: I was going to  
15 say, I think --

16 MR. POWERS: Prior to restart.

17 MR. FAST: Yeah, prior to  
18 reactor startup; and I'm thinking in my head around the end  
19 of February.

20 MR. GROBE: Okay, thank you.

21 I think the modification you're making to the sump  
22 is very important. Certainly, you're going to provide  
23 substantial additional design margin for the sump strainer,  
24 but because of the importance of the sump, the risk  
25 significance of this one piece of passive equipment, it's

1 just a pit, essentially, to the functioning of all safety  
2 systems; we added this to the Restart Checklist.

3 And we have to perform a detailed inspection, my  
4 expectation is our staff will perform a detailed inspection  
5 of that design work as well as the installation, the  
6 results of the installation work. So, that design package  
7 will be ready for our inspection late February?

8 MR. FAST: That's when all of  
9 the physical work will be completed.

10 MR. GROBE: Okay, when the  
11 design, the engineering work be completed, so we can start  
12 looking at the design?

13 MR. POWERS: Jack, we don't  
14 have that yet.

15 MR. FAST: I don't have that,  
16 Jack, we'll get back with you on the specific dates.

17 I was going to identify -- let me go a step further,  
18 just to identify from a technical specification requirement  
19 standpoint, as you had identified with system, safety  
20 related systems that have to be in service, Lew briefed us  
21 on modes. Those would be required for Mode 4; however,  
22 administratively as part of power defense in depth, we have  
23 a requirement that we have functionality on the sump. And  
24 we will demonstrate functionality on the top portion of the  
25 sump prior to fuel load.

1           MR. GROBE:           I understand  
2 that, but design inspections, as you're well aware, are not  
3 trivial; they take time. And we're not going to look at it  
4 until you're done with it, so as soon as you're done with  
5 it, we need to get a hold of that design package and be  
6 able to begin our inspection in that area.

7           MR. MYERS:           We're looking at  
8 the schedule up here, it looks like the first part of  
9 February.

10          MR. GROBE:           First part of  
11 February?

12          MR. MYERS:           Yeah, the design  
13 work will be done.

14          MR. GROBE:           Okay.

15          MR. FAST:            I may have been  
16 thinking about then as well the construction. Obviously,  
17 we'll get you the specific information, so that we can  
18 schedule those inspections.

19          MR. GROBE:           Okay.

20          MR. FAST:            Okay. The next  
21 area that we want to talk about is the seal plate. Now,  
22 what's important about the seal plate is there is an  
23 annular space, that's a void space between the reactor  
24 vessel and the reactor cavity. And for the life of the  
25 plant, and as most plants coming on line, you would provide

1 a temporary seal. That was a stainless steel plate that  
2 would be bolted down and sealed, so we could flood up. We  
3 flood to 23 feet to ensure that we can move fuel from the  
4 spent fuel pool to the reactor vessel.

5 What we've done is incorporate a permanent design, a  
6 permanent cavity seal. And what you'll see here, and I've  
7 got some additional detail in pictures, but we have  
8 supports. That's these gray square structures, you see  
9 three of them here in the picture. That's for structural  
10 rigidity.

11 Then you have, what you have is a cantilevered box  
12 that runs in a circle around the reactor vessel. That  
13 provides the structural support.

14 And then this area is the seal membrane. This is  
15 all welded in place and it provides a permanent seal, so  
16 that as we flood up, there is no leakage path from the  
17 reactor cavity down underneath the reactor vessel.

18 So, this is certainly an improvement. And there is  
19 a couple of things I wanted to mention. One is because  
20 this is an evolution that we go through each time we go  
21 through a refueling operation; by putting this in  
22 permanently, it does not require the time, the effort, and  
23 the dose that our workers receive each and every refueling  
24 outage. This is now permanent and there will be no dose  
25 going forward.

1 Next slide.

2 MR. MYERS: Maybe from a  
3 safety culture standpoint this is a mod our safety culture  
4 people have been asking for, for a long time.

5 MR. FAST: Yeah. Actually,  
6 we did this over at our other station, at Beaver Valley on  
7 both units. And the work force, they see this and say, why  
8 are we, the rest of the industry has gone and put a  
9 permanent seal in, and our workers have reached out.

10 In fact, I talked to a health physics supervisor the  
11 other day. I just asked him, because I always want to  
12 check for understanding and verify that our folks  
13 appreciate the things we're doing and we are developing the  
14 right safety culture. I said, is this important? He said,  
15 you betcha. Absolutely. That maneuvering heavy steel  
16 plates with gaskets, bolting them down, collecting that  
17 dose represents a challenge on our folks.

18 So, putting this in permanently one time, it's, it's  
19 a fail-safe design and it really provides the right  
20 standard. And our folks appreciate that. So, it's a  
21 significant level of effort to put this in, but it has long  
22 reaching improvements and benefits to the station.

23 Here we have one of our boilermakers. I talked  
24 before about iron workers. The iron workers work with the  
25 steel. Boilermakers -- Lew's a boilermaker.



1 MR. MYERS: Yeah.

2 MR. FAST: I think, Jack,  
3 you're a boilermaker.

4 MR. GROBE: Perdue  
5 Boilermaker. (laughter)

6 MR. FAST: As I was a kid, I  
7 didn't know what boilermakers were. Boilermakers make  
8 water tanks. You go around the country, you see these  
9 water tanks. Boilermakers always make them. Well, that's  
10 one of their contributions to society. But, boilermakers  
11 really work with steel; and in this case, putting that  
12 cavity seal is a boilermaker activity.

13 Here we have a boilermaker actually measuring with  
14 an indexing fixture to make sure that the clearances are  
15 exactly right, very exact and demanding tolerances on this,  
16 because as it goes through heatup and cooldown, we want to  
17 make sure we have the proper flexure and rigidity on the  
18 system.

19 Next slide, please.

20 Here is a, this is a tool that we used for, to keep  
21 our dose as low as reasonably achievable; and what it was,  
22 is a movable shield platform. Down in this annulus space  
23 is lead blankets.

24 We did two activities to make sure that our folks  
25 maintained our dose as low as reasonably achievable; one is

1 we placed the reactor vessel head on the vessel. That had  
2 two-fold functioning. One, verify proper fitup, but  
3 additionally to reduce ~~stringing~~ streaming radiation or the dose to  
4 our workers.

5       Additionally, we put in this shield platform. You  
6 can see it's on a wheel, right here where it can rotate  
7 around, adjustable on this side, kind of like a hand crank  
8 like you have on the front of ~~our~~ your boat. That would level  
9 it, put the shielding below, and allow then the workers to  
10 have that radiation blocked while the guys were welding the  
11 seams on that cavity seal.

12       So, it just shows the level of effort we're going to  
13 with our craft and with our engineering staff to keep our  
14 dose low and make these, incorporate these design changes.

15           MR. MYERS:        What is that big  
16 thing on the righthand side?

17           MR. FAST:         That's the reactor  
18 vessel head. So, this thing actually comes right over  
19 adjacent to, it's actually, this is the head.

20           MR. MYERS:        Okay.

21           MR. FAST:         Okay. This is  
22 part of the, adjacent to the reactor vessel head, the  
23 flange area. This is truly just a barrier, in this case  
24 the studs, which are bolted down as part of Mode 5 that Lew  
25 talked about, would be just on the other side of that

1 barrier.

2 So, this will connect. It bridges from the head  
3 over to the cavity, and that provides then the ability to  
4 flood up to 23 feet for fuel load.

5 Okay, the next area and the last area we want to  
6 talk about are reactor coolant pumps. This whole assembly  
7 is a rotating element, rotating assembly. This is a Byron  
8 Jackson pump. And as Lew said, it pumps about 90,000  
9 gallons a minute. That's lot of water. That would,  
10 probably just a regular swimming pool in your backyard; it  
11 would fill five of those in the course of a minute. So,  
12 it's a lot of water.

13 This portion right here is called the impeller. And  
14 you see the veins on the impeller. Now, this picture, I  
15 have a better picture a little closer up. But this is what  
16 is actually rotating as part of the pump. Just like a  
17 water pump in your car that's circulating coolant or fluid  
18 through your car to keep it cool, this pump is then pumping  
19 reactor coolant through our Reactor Coolant System. There  
20 are four reactor coolant pumps.

21 Now, we actually elected to do preventative  
22 maintenance early in its cycle. In fact, let me give you  
23 the periodicity. It's about 175,000 hours. Every 175,000  
24 hours, we go in, disassemble and do an inspection. We were  
25 only at about 103,000 operating hours on this. That's

1 about 20 years of operating. And we went in to look at  
2 these on the 1/1 and the 1/2. So, that's two of the four  
3 reactor coolant pumps.

4 This is a seal cooler, so we circulate water through  
5 a seal package, and that seal package actually provides  
6 isolation from the Reactor Coolant System then to the  
7 environment of containment.

8 Next slide.

9 Here we've got really a better picture. I like this  
10 one a little better, because it shows a closer up. And you  
11 can see the veins of the pump. Here's the bottom of the  
12 pump impeller, and the top portion. This bolts down. This  
13 is the flange that actually bolts into the casing for the  
14 reactor coolant pump.

15 So, this was elective maintenance that we did. It's  
16 part of our preventative maintenance program. We pulled  
17 that up early, so we could get a good look and see what the  
18 condition of our reactor coolant pumps were.

19 And lastly, this is a reactor coolant pump motor.  
20 Now, just like with any pump, you have to have a prime  
21 mover, something that drives that pump. So, what do you  
22 drive that pump with? What do you think it takes to drive  
23 90,000 gallons a minute of fluid? It's a reactor coolant  
24 pump motor. This runs at 13,800 volts. This thing is  
25 about 9,000 horsepower. This weighs about a hundred

1 thousand pounds. That's more than 25 average cars in  
2 weight. Why? Because there is a lot of copper in this  
3 motor.

4 This is the actual air box. This is the stator.  
5 So, that's the outside of the motor. And then inside of  
6 the motor running up and down, this is a vertical motor, is  
7 the rotor. And that rotor turns at 1800 RPM, and that  
8 drives the reactor coolant pump itself.

9 So, this is actually going back into the, what we  
10 call the D-ring. You call it a D-ring, because it's in the  
11 shape of a D. Two sides on either side of the reactor is  
12 the D-ring, and the two pumps, two motors on each side of  
13 the D-ring.

14 So, this is a significant amount of work for the  
15 station. It's been done well. It's been done without  
16 injury. And it's been done within the dose budget that we  
17 put in place. And we're just about done with this. In  
18 fact, we are ready to establish Reactor Coolant System  
19 integrity for fuel load; and then, subsequently, we have to  
20 couple up the pump to the motor.

21 So, I just wanted to at least demonstrate some of  
22 the work we had been doing in the plant. Folks are working  
23 hard and ~~making~~ making a lot of progress.

24 MR. MYERS: What do we lift  
25 the motor with?

1           MR. FAST:           The question is,  
2 what do we lift the motor with? We use the polar crane.  
3 The polar crane is rated at 180 tons. So, this is a crane  
4 that extends across the periphery of the top of the  
5 containment, and reaches down and lifts that motor. So,  
6 180 ton crane it takes to lift 100,000 pound motor.

7           Other questions?

8           MR. DEAN:           Randy, could you  
9 spend, some of the things we discussed in the past as  
10 significant work in containment has been the refurbishment  
11 of containment air coolers, as well as the substantial  
12 effort relative to coatings and painting of containment.  
13 Can you update us on where we are with those?

14          MR. FAST:           Sure, Bill.  
15 Quickly on the painting project, we have completed both  
16 core flood tanks have been, paint has been removed and  
17 replaced. We've replaced or repainted all of the  
18 containment air cooler supports have been completed,  
19 including the fan motors and the fans themselves.

20          In fact, we're going back in, I was in containment  
21 yesterday, we're putting the first of the cooling coils  
22 in.

23          We've removed paint from the majority of the service  
24 water piping. We still have a little bit to do yet. And  
25 the major part of this project is up in the overhead, is

1 the dome. It's better than 50 percent done. We've  
2 completed down through the lower containment spray ring.  
3 And we're continuing to remove that paint from the  
4 containment dome with our contractors. So, that work is  
5 continuing on.

6 The containment air coolers, just a quick update on  
7 that; the motors are installed on each of the three  
8 containment air coolers. As we talked before, those are  
9 the large air-handling devices that take air from  
10 containment, it draws it in through -- each containment air  
11 cooler has twelve cooler assemblies, much like a radiator  
12 in your car. However, this radiator weighs 1100 pounds.  
13 It's a little bit bigger. Stainless steel. It's built to  
14 ASME requirements, because it's a safety piece of  
15 equipment.

16 So, we're installing those. As well, the drop-down  
17 dampers. There is a series of dampers that come underneath  
18 the containment air coolers. Containment air cooler number  
19 one, the drop-down damper is installed. The number 3 is  
20 actually rigged up and is probably being lifted today. I  
21 haven't been in today, but that was the plan. And then the  
22 last is number 2; that one is being delivered to the  
23 containment and that will be installed.

24 Additionally, we have the plenum, which is the  
25 outlet where we collect the air that is recirculated

1 through containment. That's all stainless steel. The  
2 floor is not completed, but a lot of the portions are done;  
3 and the side walls are starting to go up on that. So,  
4 we're making pretty good progress in both painting and the  
5 containment air coolers.

6 Did I miss anything, Bill?

7 MR. PEARCE: No, thank you.

8 MR. GROBE: Just a quick  
9 follow-up, Randy. I think last time we talked about this  
10 subject, but there is some question on what your final  
11 approach was going to be on the unqualified coating that  
12 was on conduits inside containment. What's your final  
13 decision on how you're going to approach that as far as  
14 resolution and how do you stand on that?

15 MR. FAST: Well, engineering  
16 has an action to look at a transport analysis that we've  
17 contracted. We have to weigh the unqualified coatings in  
18 containment against the ability to strain or filter out, as  
19 we talked about on the first project, the emergency sump.  
20 We need to make sure we're bounded by the amount of  
21 unqualified coatings that could get into the sump area and  
22 still ensure that we have adequate positive suction for  
23 those cooling pumps.

24 That is still under review. I can't give you  
25 specific information on that, but I think by the next



1 meeting we can give you some very specific information  
2 about what that total surface area is and how that will be  
3 bounded by our design.

4 MR. GROBE: Have you decided  
5 then to not remove any of the coat-- any of the conduits  
6 prior to restart?

7 MR. FAST: We did the service  
8 water piping. We are not doing conduits at this time;  
9 however, we have an operations initiative where some of our  
10 nonlicensed operators are working with engineering to do  
11 some local removal of conduit paint.

12 MR. POWERS: To add to that,  
13 what we're doing, Randy described the ~~nonoperator~~ auxoperator class, so  
14 we have containment working with us. This week we're  
15 looking at the methodology for removing that unqualified  
16 coating of conduit. We want to do it carefully. And the  
17 method of cleaning, we don't want to introduce any other  
18 problems, for example, stripper chemicals that might be  
19 applicable, we're evaluating those; we're also evaluating  
20 high pressure spray laser washing to remove it, but we  
21 don't want to introduce water into the joints of the  
22 conduit system. So, this is some of the consideration  
23 we're going through to look at the best way to remove and  
24 the most efficient way to remove those coatings. So, these  
25 meetings are ongoing this week.

1           MR. GROBE:           Do you expect  
2 that you would be initiating coating removal on conduits  
3 before restart or is that something you'll be doing in the  
4 future?

5           MR. POWERS:           Yes, I would  
6 expect we would, Jack. If you look in containment now, as  
7 a matter of fact, there is a lot of sponge blasting  
8 activity, for example, that we're using to remove coatings  
9 on ~~surface~~ service water piping, and we would expect that we would  
10 also be removing coatings on conduit. We were just  
11 grappling with what the best approach is to do that.

12          MR. DEAN:           Jim, you mentioned  
13 localized areas there. Is there some factors or some  
14 criteria as far as your focus on some particular areas of  
15 removal?

16          MR. POWERS:           Randy described  
17 the transport analysis we're preparing, supports our sump  
18 design. What that transport analysis means is, in the  
19 containment after an accident you have water flow both from  
20 sprays above as well as any leaks or water condensation.  
21 That water moves through containment down through lower  
22 levels. As it does, it may transport along with it paint  
23 chips, dust, particulates and such.

24           And some areas of containment are more susceptible  
25 to that water flow than others. For example, some of the

1 conduit is located in areas where there is no water spray  
2 that would affect it. Then, the likelihood of transport of  
3 any unqualified coating chips to the sump is minimal.

4 So, we're focusing on the areas that would have the  
5 highest potential for any sort of paint debris to be  
6 transported to the sump.

7 MR. DEAN: Thanks, Jim.

8 MR. FAST: Any other  
9 questions? Okay. With that, I'll turn it over to Clark  
10 Price.

11 MR. MYERS: Jack, I would  
12 like to make a couple points.

13 As we're going through Randy's presentation, we  
14 noted that the lifting of the reactor coolant pump motors,  
15 the reactor coolant pumps themselves, work inside on the,  
16 on the reactor vessel head. The work horse in our  
17 containment is our crane, our polar crane. And, Randy kept  
18 showing pictures.

19 That's one of the things that we discussed for about  
20 an hour one day in one of our public meetings and that  
21 crane now is used on a daily basis. And, in fact, I've  
22 been monitoring the use of it. It seems to be, the  
23 refurbishments that we've done are working extremely well.  
24 We've added a lot of new technology to it.

25 MR. PRICE: Okay, I guess it's

1 my turn. My name is Clark Price. As Randy stated, I'm the  
2 owner of the Restart Action Process at Davis-Besse.

3 One of my responsibilities is to coordinate the  
4 plant's restart activities associated with the NRC 0350  
5 Restart Checklist; and today, I would like to provide you  
6 with an overall status of our progress to-date.

7 Under our Return to Service Plan, we've developed  
8 several Building Blocks to detail our restart plans.  
9 Listed on this slide are several significant milestones  
10 that we have completed in those actions.

11 I'm going to do a little movement too. I'm going to  
12 go over to the charts and discuss some of these milestones,  
13 and looking at the charts at the same time. If I get in  
14 your way, please let me know.

15 One of our Building Blocks is the Containment Health  
16 Assurance Plan, which we developed to address the effects  
17 the boric acid environment had on our containment  
18 structure, systems and components.

19 We completed all of our discovery restart activities  
20 associated with that, including comprehensive walkdowns and  
21 inspections of the entire containment building.

22 We documented everything we found on condition  
23 reports, which is what is shown on the first chart here.  
24 As you can see, we are making progress. We're working down  
25 those condition reports and doing the necessary evaluations

1 that are necessary to identify the corrective actions that  
2 are necessary to complete what we found. And those are  
3 identified in the second chart here.

4 These evaluations generate, well, these corrective  
5 actions are then, they go through the Restart Station  
6 Review Board for classification to determine what  
7 corrective actions are required for restart and which can  
8 wait until after restart. And once they are determined to  
9 be restart, they're put into our schedule and then  
10 implemented by the assigned organizations.

11 So, what you can see here, and what Bill Dean  
12 mentioned earlier, is part of what we discussed last month,  
13 is we peaked out in late October and November time frame in  
14 a lot of our discovery activities; and you can see that in  
15 the chart. What that basically says, is the incoming  
16 conditions that we identified, we're working those off now  
17 at a greater rate.

18 As a matter of fact, now as we've gotten through  
19 discovery our incoming is almost nil and we're continuing  
20 to work off the condition reports. We need to work those  
21 off and turn those into corrective actions and get about  
22 working on those. And, that's what you see.

23 In the second set of two charts here are Program  
24 Compliance Building Blocks. We've completed both our Phase  
25 1 and Phase 2 Program Reviews. The Phase 2 Program Reviews

1 are specifically on the NRC's 350 checklist. Again, we  
2 generated condition reports out of all those reviews.  
3 That's shown in this chart here. And then those condition  
4 reports are evaluated and turned into corrective actions,  
5 which are shown in the next chart.

6 Again, you can see in both cases, we're making  
7 progress. We did -- the holiday season did have a little  
8 bit of a negative effect. You can see we plateaued on some  
9 of our efforts, but we're gearing back up and we should be  
10 making good progress through January.

11 The third set of charts here of two, are on our  
12 System Health Assurance Building Block. We've really  
13 completed actually four major milestones in our System  
14 Health Reviews. Early on, actually last year in the  
15 spring, we completed our Operational Readiness Reviews, but  
16 more recently what we completed is the Boric Acid System  
17 Walkdown Outside of Containment.

18 One of our Restart Checklist items is to evaluate  
19 the potential effects of any leakage we may have had on  
20 boric acid systems outside of the containment building.  
21 And, we went through that process, we did all the  
22 inspections and walkdowns. We've completed those, and  
23 those are part of the System Health Review Condition  
24 Reports that you see here.

25 Another major effort that was partaken underneath

1 the System Health Reviews, was the System Health Readiness  
2 Reviews, where we reviewed over 31 -- we reviewed 31  
3 systems that, which Jack mentioned earlier, that we  
4 reviewed of our safety significant or risk significant  
5 systems.

6 Finally, we've also completed our Latent Issues  
7 Reviews on five additional selected systems, and those are  
8 also included in there. I guess this will probably be the  
9 right time to note too, Jack Grobe mentioned we met with  
10 NRC on December 23rd and discussed our plans associated  
11 with some of the issues we identified in this process that  
12 we have to develop some further plans for; which we have,  
13 and we're currently implementing those plans.

14 Those plans like these will go through the same  
15 process of identifying conditions, documenting those  
16 condition reports, and then evaluating them and developing  
17 the corrective actions that we need to take prior to  
18 restart to resolve those issues.

19 Again, you can see we're making good progress on our  
20 condition report evaluations. And corrective actions, we  
21 need to bend the curve a little bit. We've got a lot of  
22 them out there. There's a lot of work and lot of restart  
23 activities identified through the, through these reviews.

24 Then, finally, the last two graphs are the total  
25 population of the condition reports and corrective actions

1 that we've identified to-date that are all required, that  
2 these are the populations required for restart. And you  
3 can see these two curves. These include the other Building  
4 Blocks we have as well as corrective actions and condition  
5 reports from normal day-to-day plant operations.

6 MR. GROBE: Clark, have  
7 you -- I haven't seen those charts with projected closure  
8 rates and anticipated completion of those activities. Do  
9 you have charts that show where you've man-loaded the work  
10 effort that's necessary and projected out when those  
11 activities are going to be complete? When I say those  
12 activities, I mean completing review of the condition  
13 reports so you know what corrective actions have to be done  
14 and then completing the corrective actions.

15 MR. PRICE: Right. Yeah, we  
16 have, we have a couple major contractors working on our  
17 condition reports and helping us to manage those. And they  
18 have charts that they put together that they bring into the  
19 senior management team that will identify work-off rates  
20 and work-off curves on these condition reports.

21 In addition, they are scheduling all of those  
22 evaluations based on what we've identified as mode  
23 restraints associated with each of those condition  
24 reports.

25 MR. GROBE: Would it be



1 possible to share those work-off reports with us?

2 MR. PRICE: Yes.

3 MR. GROBE: Are they meeting

4 the work-off rates as projected?

5 MR. PRICE: I would say for

6 the last week, we thought we would get a little higher

7 production than we did. Most of them, I believe it's on

8 the performance indicators that we supply; there is some

9 expected completion dates in mid February, mid to late

10 February, for completion of all the condition report

11 evaluations.

12 MR. MYERS: You have to watch

13 out for those numbers though. In that, one of the, you

14 look at, made you go through these things, some are

15 procedure changes, some are let's repack a valve or clean

16 up a little rust. Then you have another one, let's rebuild

17 a reactor coolant pump. And the reactor coolant pump is

18 probably worth half the others put together.

19 So, one of the things the management team has done,

20 we scrubbed all the CRs and CAs in the past few weeks, so

21 the top ones there.

22 Do you want to talk about that effort?

23 MR. GROBE: What I was going

24 to say, I agree with you, Lew. Just looking at strictly

25 numbers is not a complete --

1 MR. MYERS: Picture.

2 MR. GROBE: -- impression of

3 what's going on there. That's why I like to focus on man

4 hours of work activities. One corrective action might take

5 10,000 man hours to complete; one might take five man hours

6 to complete. You have those type of work-off rates with

7 man worked hours loaded projections on them?

8 MR. PRICE: Yes, I do.

9 MR. GROBE: I would like to

10 see those.

11 MR. PRICE: Okay.

12 MR. DEAN: Sorry, Clark,

13 before you continue, I just wanted to comment, maybe ask

14 you to expound on a comment you made and maybe I didn't

15 quite understand it.

16 In discussing the relationship between incoming and

17 work-off rate, you basically noted that incoming work is

18 nil. Can you please expound on that a little bit?

19 MR. PRICE: Yeah. What we're

20 seeing right now is the restart station where the review

21 board meets each day and goes through the condition reports

22 that were initiated the previous day, there are not too

23 many of those right now that are being classified as

24 required for restart.

25 It's really the context of the condition reports

1 that caused that to be. The majority of our condition  
2 reports came out of our discovery efforts off our Building  
3 Block Plans. So, that, does that answer your question,  
4 Bill?

5 MR. DEAN: So, really what  
6 you're saying is those items that are being deemed  
7 necessary to support restart is relatively low even though  
8 you're still identifying issues that are feeding your  
9 Corrective Action Program.

10 MR. PRICE: Correct.

11 MR. DEAN: Okay.

12 MR. PRICE: Okay, this next  
13 slide just goes through a little bit of our process. If I  
14 sounded a little repetitive before, I really was. The  
15 basic process behind all of our restart plans is the same  
16 as depicted on this slide.

17 We perform our discovery activities that are laid  
18 out in Building Block Plans, and we document all of our  
19 findings on condition reports in our Corrective Action  
20 Program. Those condition reports are classified as restart  
21 O350, restart with our site criteria and nonrestart.

22 Mike Roder will talk a little more about the  
23 Restart Safety Review Board in a moment, but the 350 means  
24 that it's associated directly with our Restart Checklist.  
25 Site criteria actually is restart criteria at the site that

1 is established that go above and beyond the 350 criteria  
2 for restart consideration.

3 And then, nonrestart are items that we determine are  
4 not either required for restart or not really associated  
5 with restart activities. It could be done any time. Many  
6 of those are done right away, but they're not necessarily  
7 focused from a restart perspective.

8 These condition reports all go through an evaluation  
9 phase, and then corrective actions come out of those  
10 restart -- excuse me. Corrective actions come out of those  
11 condition reports. And again, they are classified in the  
12 same three categories.

13 Then, they go on to implementation, and our priority  
14 for implementation is based on technical mode restraints,  
15 administrative mode restraints, and pretty much logic and  
16 schedule and management preference on where we want to  
17 schedule those activities.

18 MR. GROBE: Clark, I know  
19 that you've been spending a lot of effort on site to go  
20 through the issues that are identified to make sure that  
21 they're properly characterized as to what milestone they  
22 need to be closed by. Could you give me an idea of how  
23 many issues have previously been characterized as restart  
24 required items that are now characterized as something that  
25 can be delayed to after restart?

1           MR. PRICE:           Where we have  
2 actually made a classification change on them? Oh, I  
3 don't know, there haven't been too many. What we do is, we  
4 go through the condition reports and evaluations, and many  
5 of those get classified as restarts. Are you talking kind  
6 of percentage-wise how many get classified as required for  
7 restart, how many post restart?

8           MR. GROBE:           Actually what I  
9 was looking at was more specifically, as you've gone  
10 through these reviews and maybe, Randy, this is more a  
11 question for you in the Operations area. I think you've  
12 been trying to get your arms around from an Operations  
13 perspective exactly what's needed in each mode. I was  
14 wondering if there were things characterized as restart  
15 required, that you've now deferred until after restart; and  
16 how many issues like that have been coming up?

17           MR. RODER:           I can address that  
18 right now, if you'd like.

19           Yeah, Jack. One of the things we did -- I'm Mike  
20 Roder, The Operations Manager.

21           One of the things we did in the last several weeks  
22 is, we had several work orders and several corrective  
23 actions that were coded as Priority 300. What that meant  
24 was there a high desire to get those done, however they  
25 weren't necessarily required for restart.

1           So, as we approach our restart dates, we are now  
2 looking at those very seriously to which ones we still want  
3 to get done and have a strong desire to get done and which  
4 ones we're going to defer to a later time.

5           So, we went through those, and I believe we came up  
6 with somewhere in the area of maybe two, three hundred that  
7 we deferred until later through our recent review; out of,  
8 oh, I don't know how many total. Maybe Mike Stevens has a  
9 better idea of the total number, but it was about maybe 20  
10 percent of the electives that we deferred.

11           MR. GROBE:           Just to make sure  
12 I understand, Mike. You've eliminated the Category 300,  
13 and that was highly desirable prior to restart and made  
14 those either restart requirements or you deferred them  
15 until after restart?

16           MR. RODER:           That's correct.

17           MR. GROBE:           And none of those  
18 items that you deferred are viewed as equipment operability  
19 issues or mode change restraints?

20           MR. RODER:           No, none of them.

21           MR. GROBE:           Have you got a  
22 sense of what your corrective action backlog is going to be  
23 at the time you restart the plant given what you know  
24 today?

25           MR. STEVENS:          Yes, it's going to

1 be less than 250 corrective action work orders. We define  
2 our corrective maintenance through 18928, which is  
3 the Institute of Nuclear Power Operators definition for  
4 corrective maintenance and how the rest of the industry  
5 characterizes that. It will be less than 250.

6 When we started into this refueling outage, our  
7 corrective maintenance backlog was 193. So, we've taken, I  
8 don't like to always use numbers, because it really doesn't  
9 tell the story, but I can answer your question directly.

10 We had 160 Mode 6 restraints, that we took all the  
11 work orders, all the corrective actions, all the CRs. Each  
12 one has an owner. We had the whole team at the station go  
13 through all their assignments and identify with the  
14 Operations Mode Restraint Team, which are required for Mode  
15 6. The result of that was 522, I believe, mode  
16 restraints. So, we went from 160, and ended up with 522.

17 Came into work after the Christmas holiday, all  
18 during the Christmas holiday, work control and work  
19 management worked on identifying those restraints, figuring  
20 out where they fit into schedule, readjusting our schedule  
21 so we had a total integrated picture.

22 The management team at the station spent two whole  
23 days touching each and every one of those owners and the  
24 system managers going through each and every one of those  
25 issues so they could understand and make recommendations.

1       The team constituted the Restart Station Review  
2 Board, but there were additional managers on that team to  
3 ensure that we didn't miss anything.

4       The result of that, what came out of that, we  
5 decided to take train one of the emergency diesel generator  
6 out of service; go perform maintenance on that machine.  
7 There is some issues with some of the bolting that make up  
8 the coupling. We didn't have the documentation to assure  
9 ourselves that those coupling bolts were tight. We needed  
10 to know that before we called that machine operable.

11       That came out of the Operations Department. We took  
12 that work activity. The bolts we found them at, torqued at  
13 the proper value, however we added some additional work to  
14 that outage that we normally would not have done and would  
15 not have been restrained to start up, but because we were  
16 in that condition and we had the materials ready to perform  
17 that work, we lumped those together and performed that  
18 maintenance.

19       We're doing those kinds of things. We're taking  
20 advantage of the system, the structure, bringing the  
21 systems back to support our milestones, as well as  
22 implementing the work orders with the resources we have,  
23 which includes the materials and the maintenance  
24 organization.

25       And where we can, we're implementing modifications.



1 For example, we took, on our decay heat system, we have  
2 decay heat valve 23. We took that apart for inspection.  
3 We wanted to replace a gasket on its bonnet because there  
4 was a indication of minor leakage. We got that identified,  
5 scheduled.

6 We talked with the engineering department. We found  
7 out we had a stainless steel yoke for that valve. The  
8 craftsman, because of the deep drain valve work we did,  
9 recognized that the use of the stainless steel yoke would  
10 make that valve more robust.

11 We had our Design Engineering Just In Time Team,  
12 which affectionately call the DE-JIT, involved in a work  
13 support center. They said they could support the paperwork  
14 necessary to put that stainless steel yoke on that valve.  
15 So, we added that work order, real time went after that.

16 So, there is a lot like that, Jack, with examples I  
17 can give. It's more than just the numbers. I would say we  
18 added more work, in total, as we're going forward meeting  
19 these milestones and developing this schedule and getting  
20 the work scope clearly defined and integrated.

21 MR. THOMAS: Does this process  
22 also capture engineering projects that are being performed  
23 at risk and ensure that the engineering work is completed  
24 prior to that equipment, or transitioning to a mode where  
25 that equipment is required?

1           MR. POWERS:        Yes, Scott. The  
2 process for releasing work to the field; although, we have  
3 a built-in mechanism to release, where we call it an  
4 at-risk release of a modification package. The operations  
5 group cannot return a system to an operable status until  
6 work is completed satisfactorily on a modification package;  
7 and that means the mod is all complete and turned over.  
8 So, that process is built in, those checks and controls.  
9 (inaudible)

10           MR. GROBE:        Is that  
11 microphone working? No? I think you guys are going to  
12 have to share one mike.

13           And you all don't have to write on the feedback form  
14 that the sound system stinks. I've already got that.

15           MR. POWERS:        One of the things  
16 that Mike is referring to is when we release work to the  
17 field under this mechanism; for example, your earlier  
18 question, Jack, on the emergency sump work is ongoing.

19           We go through a process of assuring that as work is  
20 released, it's scrutinized both by the Design Engineering  
21 Manager, they're reviewing it. Also our Engineering  
22 Assessment Board takes a look at the change packages as  
23 they go to the field. And then a summary of the risk  
24 associated with that release is prepared by the engineers,  
25 for my assessment and signature.

1           And, when we talk about risk in this context what  
2 we're talking about is commercial risk to ourselves. We're  
3 releasing work to the field for construction; and we saw  
4 the pictures of the iron workers, boilermakers working down  
5 in the sump area. If we were to release something that, on  
6 the final package issue was, needed to be changed, then it  
7 would be at our cost and schedule to go and change it, but  
8 ultimately, the final package is issued before the system  
9 is returned to service and all the detail is provided  
10 there.

11           As I review the memorandum that summarizes what is  
12 required to be completed yet, the formal final package,  
13 then I can make a determination on the acceptability of the  
14 commercial risk associated with that. And I provide  
15 that then to Mike Stevens as the Outage Director. And he  
16 provides a review of that, and then releases work to the  
17 field if he believes that that's appropriate.

18           So, we have a number of checks and balances in the  
19 process as we go through it that allows us to provide a  
20 release of work to the field and get done those  
21 improvements that we feel are necessary in the plant. And  
22 ultimately through the program, make sure all the paperwork  
23 is finalized prior to the system being returned to operable  
24 status.

25           MR. MYERS:           Thanks, Jim.

1           MR. GROBE:           I appreciate  
2 that, Jim, and the reason I was asking questions,  
3 particularly about the sump mod, we went through quite a  
4 bit of planning over the last couple of weeks, and have  
5 come up with about 80 inspector weeks of effort that we  
6 need to put in on Davis-Besse before Mode 2.

7           And, one of the things we need to do before Mode 4  
8 is confirm that the design of the sump that you're going to  
9 have in place at the time you go to Mode 4 is adequate.  
10 Now, I understand that you're separating that design  
11 package into a couple of pieces, but the sump is an  
12 important enough risk significant system, support system,  
13 that we want to have confidence that it's adequately  
14 addressed before the first time you go to Mode 4.

15           So, it's absolutely critical that we get that design  
16 work. No job is done, especially in the nuclear industry,  
17 until the paperwork is done. This job isn't done until the  
18 NRC inspects it. So, we're going to have to have time to  
19 inspect those activities, and I hope you built that  
20 appropriately into your schedule, getting this design work  
21 early enough.

22           We don't have any problem with your at-risk  
23 installation work. If you do it wrong, you just have to  
24 redo it. We do have a concern regarding the completion of  
25 the design and giving us enough time to inspect it.

1           MR. STEVENS:       How many weeks did  
2 you say, Jack?

3           MR. GROBE:         80.

4           MR. STEVENS:       80 man weeks.

5           MR. MYERS:         A couple comments,  
6 I think. We're sitting here asking some technical  
7 questions back and forth. From a public standpoint, I  
8 think it's important to note that we wound up with a  
9 reactor vessel head issue when we built the Building  
10 Blocks; and that put us into an outage that's considerably  
11 different than what we typically will do.

12          In a typical refueling outage, we would plan the  
13 outage probably starting a year ahead. We would know all  
14 the CRs. We would generate the condition reports. We  
15 would buy all the parts. And when we come down, we have  
16 the work plans in place, we walked all the packages down  
17 and we're ready to implement.

18          In this particular outage, we walked all the systems  
19 down. We decided to go over our reactor coolant pumps,  
20 once we got in our extended outage. We decided to do a lot  
21 more work, like the containment sump work, a lot of the  
22 stuff we did in containment.

23          And we're finding the problems on these curves, or  
24 the questions, we're finding the questions. We're  
25 generating condition questions. And it's called a CR.

1 Then out of that comes CAs, and that's a condition we want  
2 to go fix. And we divide those up, and there may be four  
3 CA's for CR on the average.

4 Then we're going to separate those things into  
5 restart pile. Now once we do that, then we have to build a  
6 work package. We have to order parts. We're actually  
7 having parts manufactured in the field.

8 So, we're out looking for parts and going to  
9 vendors, and parts are a really important thing with us  
10 right now. So, we've built this outage as we're going  
11 through it.

12 So, some of these questions that we're asking about  
13 CRs and CAs, and when are we going to have that done. A  
14 lot of it is because we're still, we're out of the  
15 discovery phase, and now we're into full implementation.  
16 We're out building work packages for people to use. We're  
17 out building, estimating the job, the times and the parts,  
18 and buying parts. So, all that is going on while these  
19 meetings are going on.

20 So, I think that's the reason some of these  
21 questions don't seem as clean as they should be. Is that  
22 fair?

23 MR. GROBE: Yep.

24 MR. MYERS: Okay.

25 MR. MENDIOLA: If I can ask a

1 question in a different direction on the same topic. We  
2 talked a lot about all these condition reports turning into  
3 corrective actions and then being sorted out into restart,  
4 if you will, and nonrestart. I can not get out of my head  
5 the image that there is a large stack of nonrestart  
6 corrective actions that are, that are going to be scheduled  
7 to some milestone or some future date, if you will, beyond  
8 restart.

9 MR. MYERS: Yep.

10 MR. MENDIOLA: And I'm not  
11 getting, if you will, a clear understanding of what they're  
12 being tied to or what event they're being tied to or that  
13 they're actually being scheduled to a date, an  
14 opportunity.

15 MR. MYERS: If they're not,  
16 you know, if they're not a restart item, then they're going  
17 into our bucket, and that bucket right now looks like, I  
18 think it's about three thousand?

19 MR. PRICE: Yeah, there is  
20 seven thousand.

21 MR. MYERS: Yeah, corrective  
22 actions that we'll probably have when we start up, is  
23 pretty much in line with what we see. How many?

24 MR. PRICE: Seven.

25 MR. MYERS: Seven? Which is,

1 that's --

2 MR. RODER: That's total.

3 MR. MYERS: That's total.

4 MR. RODER: And there is 1500

5 restart right now that we've identified. So, there is  
6 about 5500 that are undergoing that review process.

7 MR. MENDIOLA: My view is that  
8 3000 or so of these items are suddenly going to come, for  
9 lack of better terminology, due on the plant's restart.  
10 That you'll have to suddenly, if you will, have a large  
11 crush of resources needed to plan, implement, prep for and,  
12 you know, seek an opportunity.

13 MR. MYERS: That's right.

14 MR. MENDIOLA: I want to get, if  
15 you will, the feeling that these are also being planned.  
16 If you will, that the organization, as we go through these  
17 condition reports and corrective actions, is looking beyond  
18 restart to properly place these items, if you will, in a  
19 scheme that will get them complete.

20 MR. POWERS: I'll give you a  
21 picture in the engineering world, Tony, on that one. We  
22 completed recently an Engineering Capabilities Assessment,  
23 as you know. One of the action items we got there is to  
24 prepare a plan, resource allocated plan, to work off the  
25 remaining actions that will be in place following the



1 restart of the plant.

2 That action plan is going to be created and be in  
3 place by June 30th. We already have that action within our  
4 Corrective Action Program. It's an item that needs to  
5 occur. Chuck Holly, who is my manager, project manager,  
6 has that action, put it together.

7 Dave Eshelman who is our Director of Asset, Complete  
8 Asset Management, has the action to divide resources among  
9 the FENOC fleet to ensure that resources are applied to  
10 work those off.

11 So, we're already turning an eye to that concern  
12 that we start up and have work ahead of us that we will be  
13 scheduling and resource we'll be working off.

14 MR. MENDIOLA: I would almost  
15 hope there would be, if you will, more work than you have  
16 between now and restart.

17 MR. POWERS: That may be the  
18 case.

19 MR. MYERS: I don't think  
20 that's the case. I think that there may be more  
21 activities.

22 MR. MENDIOLA: That's right; more  
23 activities, more, if you will, more tasks.

24 MR. MYERS: The big work is  
25 done. There is no containment sumps or anything like

1 that.

2 MR. POWERS: Right.

3 MR. MYERS: Ready for

4 restart? Go ahead.

5 MR. GUDGER: I'm Dave Gudger,

6 Manager for Performance Improvement.

7 We consciously underwent a review of these

8 corrective actions and condition reports you're referring

9 to. Most of these are conditions nonadverse to quality.

10 We knew that we were going to move these out to a later

11 point in time following our restart.

12 This process is allowing us to focus on the more

13 critical and safety significant work for the power plant.

14 In doing so, part of our process is, as soon as we

15 restart, we're going to take these items and we are going

16 to take a look at scheduling them out, based on our

17 resources at that time, but we wanted our staff to focus

18 more importantly on the critical items right now. And,

19 these items were getting in the way of that, so we took a

20 proactive approach of this and performed that review.

21 MR. MENDIOLA: So, I'm sorry, to

22 paraphrase what you said, more or less set aside for now

23 until restart is over, at which time they will be

24 scheduled, and resourced.

25 MR. GUDGER: That's correct.

1           MR. PRICE:           Tony, one of the  
2 other things that the Restart Station Review Board does in  
3 reviewing both condition reports and corrective actions  
4 that we classify as nonrestart, we identify whether those  
5 are needed. A plant outage, refueling outage, system  
6 outage or it can be done any time on the line to help us in  
7 the future in prioritizing that work and getting it laid  
8 out.

9           MR. MENDIOLA:       Not to belabor  
10 this more, but it seems that, if you will, what's being set  
11 up is a process now to identify those items necessary for  
12 restart in order to have them resourced and completed prior  
13 to restart; and if you will, a new separate scheme to deal  
14 with items after restart; rather than, if you will, one  
15 continuous in place process to do all work, whether it be  
16 before restart or after restart.

17           MR. MYERS:           That's correct.

18           MR. MENDIOLA:       What I said first,  
19 the first part?

20           MR. MYERS:           That's correct,  
21 yes.

22           MR. MENDIOLA:       So, the plan is to  
23 have one plan, if you will, between now and restart, and a  
24 separate plan, if you will, after restart.

25           MR. MYERS:           That's correct.

1 Once, we've got these items that are on the plate that we  
2 know about. We've reviewed all those. We've characterized  
3 them for restart. And as soon as we restart, we'll start  
4 going through those activities, and we built in a midcycle  
5 outage, which will take on a lot of that.

6 So, we thought about that and planned that out. So,  
7 we have a midcycle that we planned in somewhere after about  
8 a year of operation. That's what our intent is there.

9 MR. GROBE: This is not  
10 unanticipated for a plant in your condition.

11 MR. MYERS: No, it's  
12 typical.

13 MR. GROBE: I expected there  
14 would be several thousand items that need to be addressed  
15 after restart. The number 250 corrective maintenance kind  
16 of surprised me, that seemed low, but we'll look at that.

17 Why don't we get on with Clark's presentation, the  
18 last couple of slides, and then we'll take a five minute  
19 break.

20 MR. PRICE: Okay. This last  
21 slide, I would like to present today, is a simplified  
22 version of a management tool we use on site to monitor our  
23 progress towards our Restart Checklist activities.

24 The first two columns that are colored in that  
25 chart, the first column -- I don't know if you can see the

1 overhead, or you can look on your slides.

2 The first column is a discovery column. That's  
3 where we do all our inspection walkdown and other types of  
4 discovery activities, document those, and complete that  
5 discovery activity. And, as you can see, most of those  
6 activities in that area are complete. Green indicates  
7 complete on the chart, and blue indicates work that is  
8 still in progress.

9 The second column is the implementation phase.

10 And then the last column that's on that, that  
11 report, is a restart ready column, which essentially says  
12 that we've completed all the discovery and implementation  
13 activities associated with the particular Restart Checklist  
14 item. And from a site perspective, we've determined it's  
15 ready for restart. It will still require NRC inspection  
16 prior to it being closed out, and closed the Restart  
17 Checklist from an NRC perspective.

18 So, I think from this chart, you can see we're  
19 making good progress. Kind of affectionately call it our  
20 Go Green Chart on site.

21 Now, next meeting when we come in, we expect to see  
22 a lot of these progress, considerably more, and many of  
23 them nearing completion, if not complete, from the work  
24 that we're going to be doing on site, and preparations for  
25 the final NRC inspections.

1 Any questions on this chart?

2 MR. GROBE: Two questions.

3 The Boric Acid Corrosion Management Program and the Reactor

4 Coolant System Unidentified Leakage Monitoring Program.

5 That's 3 Delta and Echo. Are those going to be complete

6 before the first Mode 4?

7 MR. PRICE: Yes, they will.

8 MR. GROBE: Okay. It's my

9 expectation that we will have those two areas, those two

10 programs inspected before you go to Mode 4 the first time.

11 That's not a requirement on our part, but that's my

12 expectation.

13 Is the Reactor Coolant System -- I think the Boric

14 Acid Corrosion Management Program is now complete. Is the

15 Boric Acid Reactor Coolant System Unidentified Leakage

16 Monitoring Program, what condition is that in right now?

17 MR. PRICE: We're actually

18 going to talk about that shortly. I'll defer that

19 question, you can defer to later, to Jerry Lee, who will be

20 discussing that program, if you would.

21 MR. GROBE: Okay, thank you.

22 MR. PRICE: Okay, if there is

23 no other questions -- well, we're going to take a break.

24 MR. GROBE: It's, yeah, we've

25 been at it for about an hour and a half, why don't we just

1 take a ten minute break. I hesitate saying that, because  
2 that sometimes stretches into 15, but I expect to start  
3 promptly in 10 minutes. Bill says that's a five minute  
4 break.

5 (Off the record.)

6 MR. GROBE: The number I  
7 noted was 79 inspector weeks between now and Mode 2, which  
8 is a couple of months from now, several months from now.  
9 That is performed by a fairly large number of inspectors.  
10 And these are, there is multiple inspections that are going  
11 on, on a regular basis.

12 Apparently, some folks developed some concerns that  
13 that was 80 weeks sequentially, or that these two gentlemen  
14 on my right are going to be performing the next 40 weeks  
15 continuous inspection. This is many inspectors coming from  
16 both Region III, other regions and headquarters that will  
17 be performing these inspections.

18 This is not an unusual level of work effort that is  
19 necessary to bring one of these types of outages to a  
20 closure. So, I didn't mean to cause excitement or concern  
21 that the workload was onerous or unattainable. This is  
22 something that we've clearly planned for. The NRC will put  
23 the necessary staff on this project to get the job done  
24 consistent with the schedule that FirstEnergy expects for  
25 their restart.

1 I don't anticipate any delays associated with NRC  
2 inspection activities. Of course, unless the inspection  
3 findings are not positive, in which case, additional work  
4 would have to be done on the part of FirstEnergy to address  
5 those issues.

6 So, the message you should take from those comments  
7 is the NRC clearly has its work mapped out, and resource  
8 loaded, and that we will perform the inspections that need  
9 to be performed to make sure this plant is safe before it  
10 would restart. Okay? Thanks.

11 Go ahead, Dave.

12 MR. GUDGER: I'm Dave Gudger.  
13 I'm the Manager of Performance Improvement.

14 MR. GROBE: I don't think your  
15 microphone is on.

16 MR. GUDGER: I'm Dave Gudger,  
17 Manager of Performance Improvement. Performance  
18 Improvement is responsible for the corrective action  
19 process, the day-to-day administration of the program, as  
20 well as the restart improvements that we're here to share  
21 with you today.

22 First, the Corrective Action Program is first line  
23 of defense for identifying and addressing problems in the  
24 plant, as Lew has previously stated.

25 I'm very excited to be here today. We have many



1 enhancements we'll share with you during the course of this  
2 presentation. These enhancements include process  
3 improvements, procedure change, oversight and training  
4 needs. This presentation provides the status of the  
5 progress the Corrective Action Program is making towards  
6 restart.

7 In general, the program works, as evidenced by Clark  
8 Price, who was showing you all the work activities that we  
9 have that we're working off during the course of this  
10 outage.

11 We performed a comprehensive assessment of the  
12 program. We learned the mechanics of the program are  
13 acceptable; however, improvement of the program's  
14 implementation is needed. The desired outcome today is to  
15 show how our action plan drive the necessary improvements  
16 for restart.

17 Next slide.

18 This slide is an overview of our program. For  
19 simplification purposes, it is comprised of four functional  
20 areas. To your left, there is rectangular boxes. It  
21 requires interactive monitoring and management feedback,  
22 which is represented by the center double areas of the  
23 program.

24 We utilized performance indicators to communicate  
25 this need of the program and to accomplish this. Our

1 enhanced performance indicators are giving us feedback on  
2 our implementation activities as well as they'll be  
3 utilized for continued plant operation.

4 The program's effectiveness on the interim was  
5 maintained with immediate actions that we took.

6 Next slide.

7 This slide presents some of the key actions that we  
8 took. It's not all inclusive, but these are important  
9 actions for which not only do these maintain the programs  
10 effectiveness, but also we've strengthened the program at  
11 the same time.

12 The first item is, we provided feedback to the  
13 initiator of condition reports, as well as their  
14 supervisors through ~~he mail~~ e-mail. This is automated and this  
15 ensures that the initiators of conditions have an  
16 understanding of how we've dispositioned them and corrected  
17 them. This is an important part of our program.

18 Enhanced performance indicators have been developed,  
19 as you will see, as well as we've increased our performance  
20 monitoring over the program. This is what gives us the  
21 feedback to give our management the input to make the  
22 necessary adjustments.

23 Supervisor awareness training of leadership behavior  
24 expectations was conducted. The supervisors are the most  
25 important part of our program. These individuals start on

1 the initiation of a condition report with communications up  
2 through management. They provide the leadership and  
3 direction for oversight on the evaluation process, as well  
4 as they're at the closure of the process to make the  
5 corrective actions implement in the proper way.

6 Operations has enhanced the senior reactor operator  
7 review standards. Operation's focus is on plant equipment  
8 and systems reviews; the impact, the way the plant  
9 operates. They are more rigorously evaluated and  
10 documented providing adequate basis for the site to  
11 understand the decision and the determination made.

12 The independent validation reviews have been  
13 conducted by the performance improvement organization, as  
14 well as there were other reviews during the course of the  
15 process by other review groups. This ensures the program  
16 is in compliance with the following procedure. Individuals  
17 get feedback from the various program reviews, as we've  
18 provided them in our performance indicators.

19 Next slide.

20 This slide as on overview of improvement actions  
21 that we're taking for restart. I've simplified it. It's  
22 not all inclusive again; however, it brings the major  
23 points for you to understand.

24 There will be process changes in the areas of  
25 communication. We're establishing routine feedback

1 mechanisms, as I suggested with the initiator and  
2 supervisor feedback; a newsletter and a website, as well as  
3 we have a planned case study coming up.

4 The database user aids provide process checklists  
5 for individuals using the program. So, we ensure that  
6 we're complying to procedures; as well as electronic forms  
7 to ease the burden and make it more efficient on the  
8 users.

9 Performance appraisals now include a Corrective  
10 Action Program expectation, as well as we've raised it to  
11 the highest level, it's a nuclear safety competency for our  
12 organization.

13 In the area of procedure enhancements, we're  
14 reformatting the procedure in a work flow layout, as well as  
15 ensuring that the user has input where we are able to  
16 accept it. This increases user efficiency and ownership by  
17 the organization.

18 We've also included a responsibility section. Each  
19 individual that interfaces with the program up through the  
20 management ranks has responsibilities. They're delineating  
21 delineated in the procedure now.

22 We've incorporated effectiveness and collected  
23 significant significance reviews. Effectiveness reviews are where we  
24 evaluate corrective actions to ensure that they're  
25 addressing the causes. Collective significant significance reviews, we

1 evaluate similar issues and we look for or identify our  
2 cost-cutting causes that we can address across the  
3 organization.

4 In the oversight changes, we've provided the  
5 Corrective Action Review Board Charter. It now includes  
6 quorum requirements. We have specific section level  
7 managers participation, as well as we have a director  
8 chairing the board. And, lastly, we also include root  
9 cause quorum requirements of these managers.

10 We have root cause approval levels that have been  
11 raised. The Vice President reviews all root causes, as  
12 well as selected significant conditions adverse to quality  
13 reports will be reviewed by the Chief Operating Officer,  
14 as well as the Nuclear Group Council, which is comprised of  
15 our executive level management.

16 Training needs have also been addressed. We have  
17 provided root cause and evaluator training to our people.  
18 We have over 180 qualified individuals, as well as training  
19 now controls the qualifications of all of our evaluators.

20 We have annual, we are proposing annual site  
21 training, like plant access training and radiologic worker  
22 training which each of our folks receive each year, we are  
23 also going to have a module for the Corrective Action  
24 Program. This will bring the Corrective Action Program to  
25 the forefront of our operation.

1 We will also have refresher evaluator requirements.  
2 This will be conducted on a periodic basis, and it will  
3 include computer based training.

4 These particular improvement actions that I've  
5 described will bring the Corrective Action Program to the  
6 forefront of our operation.

7 Next slide.

8 This slide provides an overview of our top level  
9 performance indicators. As the process owner, Performance  
10 Improvement monitors the program's effectiveness. These  
11 are the top level performance indicators by which we do  
12 so. Performance indicators indicate the actions taken are  
13 effective so far, as you can see from the status here. We  
14 see positive results from these actions taken.

15 If there is no question on performance indicators,  
16 I'll move right on. Jack, you may have had a question  
17 earlier --

18 MR. GROBE: I have one  
19 question.

20 MR. GUDGER: -- on some of the  
21 numbers here.

22 MR. GROBE: The Condition  
23 Report Category, Accuracy; you call it CR Category Accuracy  
24 in your chart.

25 MR. GUDGER: That's correct.

1           MR. GROBE:           That indicator  
2 kind of bounces all around, doesn't appear to be trending  
3 in any particular direction. That indicator, if I  
4 understand it correctly, is an indicator that judges how  
5 your field folk and first line supervisors assess the  
6 significance of conditions that are identified in the  
7 plant, and whether they do that accurately or not. Is that  
8 correct?

9           MR. GUDGER:         Yes, that's  
10 correct.

11          MR. GROBE:         Why is it that you  
12 don't have -- I interpret that as one of the many  
13 indicators that you can use to look at Safety Culture. Why  
14 is it that you're not having a positive trend in that area?

15          MR. GUDGER:         If you look at the  
16 data that you're referring to, we have had a couple points  
17 of which it dropped, that's probably overly influenced the  
18 indicator. We consistently stayed high in the range of  
19 categorization. There is going to be some deviation, but  
20 when the supervisor makes a recommendation to the manager,  
21 we gauge the difference between when the MRB or the  
22 Management Review Board, in the morning managers meeting,  
23 determines a categorization difference.

24          MR. GROBE:         I'm not sure you  
25 answered my question. Maybe you can, I expect that on the

1 30th, you're probably going to be talking about some  
2 performance indicators that you're going to be using to  
3 assess Safety Culture. Maybe you could look at this one  
4 and determine whether or not this is something that is,  
5 provides some indication of Safety Culture and whether  
6 you're comfortable that it's a valid indicator in what it's  
7 telling you.

8 MR. GUDGER: Okay, we'll  
9 consider that. It was not developed for Safety Culture in  
10 mind.

11 MR. GROBE: I understand.  
12 You're just now developing Safety Culture assessment  
13 methodology, but this seems to me to be one that goes to  
14 the appreciation of the people in the field, the staff and  
15 the first line supervisors of the relative significance of  
16 the various issues that come up. Okay. I'm going to be  
17 interested in further dialogue on that.

18 MR. GUDGER: Okay. These  
19 indicators show that we are improving and we're on track  
20 for restart.

21 Next slide.

22 In summary, we have an approved action plan in place  
23 that addresses the necessary improvements for the program.  
24 We are scheduled, we are scheduled for implementation of  
25 the enhanced program by the end of February, 2003.



1           That's all I have.

2           MR. DEAN:           Dave, I have a  
3 question for you. It kind of ties a little bit where Jack  
4 was heading, so maybe we're foreshadowing a little bit the  
5 meeting on the 30th.

6           In looking ahead to the discussion later on, talking  
7 about Safety Conscious Work Environment and Safety Culture,  
8 it addresses the importance of having an effective  
9 Corrective Action Program as being an indicator that  
10 employees feel problems are being identified, that they are  
11 being resolved.

12          I guess what I want to ask you was, how were you  
13 tying or are you ~~typing~~ tying things that come out of the  
14 Employee Concerns Program into your Corrective Action  
15 Program in monitoring and measuring those?

16          MR. GUDGER:       Bill Pearce will  
17 speak more toward that at the end of the presentation. We  
18 do have a strategy for how we allowed for our different  
19 programs to be integrated under the Safety Conscious Work  
20 Environment. The Corrective Action Program is one element  
21 of that; however, it is only one element of several ways  
22 for people to express their concerns.

23          MR. DEAN:           Okay, thanks.  
24 We'll get to it later.

25          MR. GUDGER:        Okay, any other

1 questions? If not, I'll turn it over to Jerry Lee.

2 MR. MYERS: We start out --

3 let me see if I can save some of the discussion we had

4 earlier.

5 Question was asked earlier about backlogs, after

6 startup. Now our backlogs after startup, I'm not going to

7 use numbers, but let's just say we're estimating right now

8 in the 7000 CA range. That's relatively low, you know,

9 compared to some operating plants and also low compared to

10 a plant that's been in an extended shutdown. So, we feel

11 like that's in line.

12 The other question was asked is, are we prepared to

13 deal with that. I thought we answered it earlier. We've

14 already looked ahead. We know that backlog is there. And

15 as soon as we start up, we intend to put a team together

16 and go after that backlog and that resource. So, that

17 workload we do anticipate and we think it's easily

18 managed.

19 MR. GROBE: I hope our

20 questions in that area were not interpreted as criticisms.

21 It's expected that there will be a substantive amount of

22 work that is not necessary to assure the safety of the

23 plant, but are issues that you've identified. You've spent

24 a lot of effort going through the plant and essentially

25 turning over every rock, so to speak, to find what issues

1 might be there.

2 And some of them are very low level issues as far as  
3 significance, and those are going to be part of your  
4 backlog. There may be some that are more important that  
5 are part of your backlog, but don't affect safety systems  
6 or the safety of the plant in an immediate sense.

7 We plan on taking a pretty good look at your backlog  
8 just prior to restart, to get a sense of the, the  
9 integrated effect of that backlog; both from an impact on  
10 any safety systems. Sometimes individual issues look like  
11 they're not particularly important, but when you put it  
12 together with another 20 individual issues that didn't look  
13 pretty important, sometimes it tells a different story.

14 So, part of our inspection activities prior to  
15 restart, the readiness for restart, will be an integrated  
16 look at the backlog and whether or not there is some  
17 embedded safety strands there that need attention.

18 MR. MYERS: I understand.

19 MR. LEE: Good afternoon,  
20 my name is Jerry Lee, and I'm a plant engineer and I'm the  
21 owner of the Reactor Coolant Integrity Management Program  
22 or the Reactor Coolant Integrated Leakage Program.

23 My desire today is to provide a structural overview  
24 of this new and comprehensive program. The Reactor Coolant  
25 Leakage Program will challenge, evaluate, identify and

1 repair low level leakage, reinforcing a strong reactor  
2 coolant system inventory balance. The program is designed  
3 with two fundamental values of safe plant operation.

4 The first is to provide assurance of zero pressure,  
5 additional assurance of zero pressure boundary leakage.  
6 The second is to provide early detection and resolution of  
7 low level reactor coolant system leakage. Additionally,  
8 this program was designed to set industry standards for the  
9 identification and resolution of leakage.

10 This really starts by the plant employees. Their  
11 sensitivity to the reactor coolant system leak indicators,  
12 particularly the changes in the reactor coolant leakage  
13 system.

14 Part of this was with the reactor coolant head case  
15 study presented to the employees. This clearly identified  
16 the results of low level reactor coolant leakage.

17 Reactor coolant leakage trends will be made visible  
18 to plant employees using BBTB, and other media sources to  
19 ensure that leakage is clearly presented daily.

20 The program action triggers for adverse trends for  
21 unidentified leakage and for indirect leakage, such as  
22 containment activity, radiation elements, filter plugging,  
23 primary and secondary leaks; will be documented in  
24 corrective action programs and will be evaluated for plant  
25 impact.

1 Adverse trends will be, are going to be very low.  
2 The trigger for these trends are very low to provide for  
3 ample time for training and implementation for any actions  
4 required for a safe, documented and controlled function.  
5 That's up to and including a shutdown.

6 The improvements in the leakage rate calculation  
7 algorithm and reactor coolant system inventory balance is  
8 to insure that we have the best possible measurement and  
9 analysis results.

10 The Boric Acid Corrosion Control and the In-service  
11 Inspection Programs link with the Reactor Coolant System  
12 Integrated Leakage Program to form an inclusive reactor  
13 coolant system integrity management program, thus providing  
14 assurance of the reactor coolant system boundary.

15 Three different reactor coolant system leakage  
16 evaluation trends will be obtained from the water  
17 inventory balance requiring, that's required to be  
18 performed at least every 72 hours. Typically, we do this  
19 daily.

20 These evaluation trends are cumulative. This is a  
21 summation of all the leakage that has come out from the  
22 reactor coolant system over a period of time.

23 We also have a rate of change, which is the actual  
24 change in the rate of leakage. This is calculated over a  
25 seven day period and extrapolated to a 13 -- or a 30-day

1 period.

2 Then we have a step change. Now, this is a  
3 sustained change in the leakage level, and it has to be  
4 sustained for greater than three days. These evaluation  
5 trends were used to analyze the 1996 to 2002 leakage data  
6 from Davis-Besse. And the triggers or action levels  
7 provided in the program would have prompted the plant to  
8 take safe, or take actions to resolve leakage in the summer  
9 of 1998.

10 The plant will have a 7-day hold coming up. We'll  
11 do a nonnuclear heatup to normal operating power, normal  
12 operating temperature. At this point, we're really going  
13 to validate our new algorithm, and our new methodology, and  
14 make sure that we can achieve the lowest possible measured  
15 leak rate.

16 This is an unusual time for us, because we normally  
17 do not have steady state conditions at normal operating  
18 power and temperature -- or normal operating pressure and  
19 temperature.

20 Typically, we would go through Mode 3, Mode 2 and  
21 then to Mode 1, so we would not have steady state  
22 conditions. This will allow us an opportunity to fine tune  
23 this program, but it will also provide us with information  
24 for a baseline during Mode 3 testing, which can be compared  
25 to the hundred percent power data we would obtain later.

1           During the 7-day hold period, we will also have  
2   Engineering, Operations, Radiation Protection and  
3   In-service Inspectors, along with Boric Acid Corrosion  
4   Control Inspectors throughout Containment walking down the  
5   systems. We would do this at a pressure of approximately  
6   250 pounds prior to the heatup. And we would do another  
7   inspection at normal operating pressure and temperature.

8           We'll come back down from normal operating pressure  
9   and temperature after about a 7-day hold; and we'll come  
10   back in and do another inspection of the Reactor Coolant  
11   System.

12          Now, each of the these evaluation trend types has  
13   three different Action Levels. The Action Levels are very  
14   low, but Action Level I, we want to provide added  
15   management oversight. We're going to bring this up to the  
16   attention of the management in the morning meeting as soon  
17   as we find an indicator. We'll increase the walkdowns and  
18   readily assessable areas throughout the plant, and we'll  
19   monitor all the indirect leakage indicators.

20          Action Level II, we'll come back and do again all  
21   the readily available walkdowns, accessible areas. We're  
22   doing the same actions as in Level I, but we're going to  
23   extend it. The walkdown will include some of the not  
24   readily accessible areas, such as in containment that can  
25   be accessed during power operation.

1           And we're going to add a containment walkdown and  
2 inspection to a forced outage list. Action Level III,  
3 we're going to repeat everything again, and evaluate and  
4 schedule a plant shutdown to find and repair the leakage.

5           Are there any questions?

6           MR. POWERS:           There is a  
7 question on, with the program here, one of the things  
8 that's you designed into it is consideration for how this  
9 program enhancement would have helped us find the head  
10 degradation issue. Can you describe the sensitivity of  
11 this program?

12          MR. LEE:           Well, the  
13 sensitivity of this program is such that had we had this  
14 program in place prior to the head degradation, we would  
15 have had about 13 opportunities -- I'm sorry, about 21  
16 opportunities to enter Action Level III, which would mean  
17 we would look at a shutdown, schedule a shutdown to go in  
18 and inspect for leakage.

19          During cycle 13, that would have been eleven times  
20 of entering Action Level III, so eleven different  
21 opportunities. So, that's the sensitivity of this  
22 program.

23          MR. GROBE:           Okay, thank you  
24 very much, Jerry. I just have one question. Maybe you're  
25 not the right guy to answer this, but I understand that



1 prior to restart, you're going to be installing the Flus  
2 system, the new leakage monitoring system. Are your, is  
3 your leakage management program written to address the  
4 traditional leakage monitoring tools that you have in  
5 containment, or is it also going to incorporate the input  
6 that you're going to get from the Flus Monitoring System?

7 MR. LEE: The program, this  
8 program is really designed for the low level leakage,  
9 that's what we're going after. The Flus Program will be  
10 incorporated into this, any new modifications in the future  
11 to give us higher detectability levels on whether it's  
12 activity or whatever, will be added into this. This is an  
13 ongoing program.

14 The completion of this program, it will be complete  
15 prior to entering Mode 4. We'll have some enhancement  
16 steps to come out of Mode 4, or out of the Mode 3, 7-day.  
17 We want to verify our Action Levels. We want to make them  
18 as low as possible. But the program will be in place prior  
19 to Mode 4 -- yeah, prior to Mode 4. And then we will make  
20 those enhancements prior to starting up.

21 MR. MYERS: So, the answer to  
22 the question is yes.

23 MR. LEE: Yes, sir.

24 MR. MYERS: It also includes  
25 the radiation monitors, stuff like that, right?

1           MR. LEE:           It includes  
2 everything that's coming down the pike.

3           MR. DEAN:           To build on Jack's  
4 question, I think the last time we met, there was still  
5 some, some doubt as to whether the Flus System would be  
6 installed in time for the NOT/NOP Test. Where is the  
7 status of that?

8           MR. SCHRAUDER:       It is expected  
9 that the Flus System will be able to be installed prior to  
10 the NOP/NOT.

11          MR. DEAN:           Okay. Thanks,  
12 Bob.

13          MR. HOPKINS:        Yeah, I have a  
14 question. Are you going to do a similar type system at  
15 Beaver Valley or any of your other plants?

16          MR. MYERS:           We haven't made  
17 that decision yet. I'm unable to answer that now.

18          MR. HOPKINS:        And the  
19 improvements of the program, you say, is setting an  
20 industry standard; right? This isn't bringing you up to  
21 what the other industry has, this is going above?

22          MR. MYERS:           This is very  
23 unique, we're excited about this program. This was  
24 something we added based on going back and reviewing the  
25 entire history over several years of the head degradation,

1 and saying, what could we have done different. So, what  
2 we're trying to do is take those lessons learned and anchor  
3 them using one of our processes and a procedure, so that in  
4 the future that won't be there. It will send the red flag  
5 and set the Actions Levels that management will have to  
6 look at. So, we're really excited about this program.  
7 It's unique.

8 MR. HOPKINS: The number of  
9 times you indicated that you had opportunities to enter  
10 Level Action III, that's just based on leakage, correct,  
11 and not the indirect indicators of one containment cooler  
12 fouling?

13 MR. MYERS: I think it's  
14 related on indirect --

15 MR. LEE: This is based on  
16 the direct.

17 MR. MYERS: Direct indicators.

18 MR. LEE: Direct indicators.  
19 Indirect indicators that we could also use to narrow down  
20 the leakage or provide us information, yes.

21 MR. HOPKINS: Okay.

22 MR. GROBE: I would like to  
23 follow-up with Jon's question with just a little more -- I  
24 get confused when you talk about operating cycles.

25 You indicated that there were more than ten

1 opportunities that this program would have presented in a  
2 formal way for management to consider reactor coolant  
3 system leakage questions during Operating Cycle 13. That  
4 was from 2000 to 2002; is that correct?

5 MR. LEE: That would be  
6 correct, yes.

7 MR. GROBE: Okay. The Boric  
8 Acid Management Program, the Corrective Action Program, in  
9 this topical area, while previously it was not a specific  
10 program. I don't think there was a lack of awareness  
11 necessarily of reactor coolant system leakage at the plant.  
12 I think the Corrective Action Program itself was in fairly  
13 good shape as far as a procedure document.

14 I think the Boric Acid Management Program also is in  
15 fairly good shape. You've made enhancements to both of  
16 those programs, but really what was going on at the station  
17 wasn't the programs themselves, it was the people  
18 monitoring the program.

19 And, I appreciate this initiative. As you  
20 mentioned, Lew, this is a first in the industry. It  
21 provides an additional barrier.

22 MR. MYERS: Right.

23 MR. GROBE: And gives you  
24 additional insight that you might not have readily  
25 available to you, so I think that's positive.

1 But really, in all three of those areas, it's really  
2 the safety culture that resulted in failures. It wasn't  
3 the programs per se. So, I'm keenly interested, and I'm  
4 giving Mike Roder a preamble of a question I'm going to  
5 have for his discussion; I'm keenly interested in how  
6 you're considering safety culture improvements in your mode  
7 change decisions.

8 MR. MYERS: Let me comment on  
9 what you said too. Many of our programs like the, this is  
10 written similar to the Action Level Program that you see  
11 that works every day for chemistry control. All right?

12 MR. GROBE: Right.

13 MR. MYERS: This program is  
14 sort of molded like that. And that works, because it has  
15 trigger points where it forces you to make management  
16 decisions. What we had before did not force you to make  
17 those decisions. And it also has requirements like that,  
18 if you see these type, a Level III, you got to start  
19 scheduling within the next 30 days a shutdown, to go look  
20 for it. So, it's got management requirements.

21 So, that is a fundamental difference in safety  
22 culture, of anchoring a safety culture change different  
23 than what we had before. Okay?

24 MR. GROBE: Yep.

25 Any other questions?

1           MR. MENDIOLA:     I'm sorry, you  
2 probably said it sometime in there. What's your schedule  
3 for implementation of this?

4           MR. LEE:           We're putting  
5 together an implementation schedule today. We're getting  
6 ready to put one together, but the schedule for the actual  
7 program, the program will be implemented prior to entering  
8 Mode 4. During the 7-day hold period, the nonnuclear  
9 heatup, we will be doing some verification and some  
10 enhancements, possibly, and making sure that we have the  
11 lowest minimum detected level that we can achieve.

12          After we come back down from that 7-day hold, we may  
13 very well do some enhancements to the program, but the  
14 program will be complete prior to entering Mode 4.

15          MR. MENDIOLA:     Okay. I would  
16 feel from that statement alone that there is feeling that  
17 there is no changes to any of our ~~text~~ tech. specs or your ~~text~~  
18 tech. spec bases associated with this program?

19          MR. LEE:           No, this is much  
20 lower than those numbers.

21          MR. GROBE:         Okay, thank you.

22          MR. LEE:           Now, I would like  
23 to introduce Mike Roder.

24          MR. RODER:         Thank you,  
25 Jerry.

1 My name is Mike Roder, again, I am the Manager of  
2 Plant Operations. And I'm pleased to be here today to  
3 report on a couple different things.

4 First of all, our personnel readiness for Mode 6,  
5 and also I would like to spend a little more time on what  
6 Clark started us off on; and that's the Station Review  
7 Board, Restart Station Review Board, and how that process  
8 of reviewing the condition reports and corrective actions  
9 lead to our departmental reviews of items for Mode 6.

10 And also independent of that, totally independent  
11 and redundant, the Operations organization did our reviews  
12 for Mode 6, and then finally, the Multi-discipline Review  
13 that we had, spoke of earlier, about a two-day process of  
14 finding exactly what was required for our mode stations.

15 Next slide, please.

16 First of all, from personnel readiness, we spent a  
17 lot of time benchmarking over the last couple months, and  
18 developing our revised standards and expectations for  
19 operators. That was also reviewed by the Institute of  
20 Nuclear Power Operators; and they, we had some individuals  
21 on site that spent some time, spent some time with our  
22 operators and discussed our new standards and  
23 expectations.

24 But more importantly we take these expectations and  
25 we discuss them daily at our operator turnover, and we also

1 perform observations of selected expectations on a daily  
2 basis. That served to reinforce our different  
3 expectations, and also to make sure we've communicated them  
4 accurately and consistently.

5 To assure our team has consistent expectations, we  
6 place different Senior Reactor Operators in key decision  
7 making roles within the other organizations. And I have a  
8 couple examples up here.

9 First of all, we placed two Senior Reactor  
10 Operators, experienced individuals, on the Fix It Now  
11 Team. That's our rapid maintenance team.

12 We've also placed two senior SRO's and two staff  
13 members on our Containment Health Organization; and that  
14 served to specifically target and identify what containment  
15 health corrective actions need to be done and are required  
16 to be done prior to starting up and prior, more  
17 specifically prior to Mode 6.

18 We also had for about a year now an SRO with  
19 previous radiation protection experience. We have put him  
20 back on loan in the Radiation Protection Organization.  
21 That's also served to foster some additional teamwork  
22 between Operations and the other organizations.

23 With regard to the Senior Reactor Operator role, not  
24 only have we placed several people in our organizations,  
25 but I have spent many opportunities and time discussing the



1 Senior Operator's role with the Senior Operators and  
2 have, I guess -- that's a long dramatic pause. Explaining  
3 to them my reaffirmation to them as their role as an agent  
4 to the public. And that has been echoed, and I certainly  
5 appreciate the reinforcement of that by members of the NRC,  
6 both Region III Administrator and others. And I have  
7 gotten good feedback and a full understanding of that role,  
8 and more importantly too the understanding of how they have  
9 not fulfilled that role to the maximum ability.

10 So, from those items from both standards and  
11 expectations, placing SRO's in different organizations, and  
12 also the continued advocacy of their unique role as a  
13 licensed operator, there has been tremendous ownership  
14 displayed by the Operations organization.

15 MR. SIMPKINS: Mike, question for  
16 you there. This is for the Fuel Reload Readiness. Now,  
17 under the standards and expectation, would it be safe to  
18 assume that will continue after restart?

19 MR. RODER: My discussion  
20 about daily coverage?

21 MR. SIMPKINS: Yes.

22 MR. RODER: Oh, yes, that has  
23 become an expectation that will continue well past restart,  
24 yes.

25 MR. SIMPKINS: Okay. Then, the

1 two additional SRO's for the Fix It Now Team -- well, not  
2 necessarily containment health, but Fix It Now and the Rate  
3 Detection. Do you view that as a weakness before this  
4 issue, that you did not have Operation's representation on  
5 this?

6 MR. RODER: Yes, in today's  
7 world, I view that as a weakness. We did not have  
8 Operation's representation on the Fix It Now Team.

9 MR. SIMPKINS: Will it continue  
10 then after restart?

11 MR. RODER: Yes, right now we  
12 have --

13 MR. MYERS: Let me answer this  
14 question, as the site Vice President. I consider it a  
15 weakness in any organization that doesn't have Operation's  
16 expertise in that organization. I'll show you an Org.  
17 chart in a little while on my presentation that will  
18 demonstrate that.

19 MR. SIMPKINS: Okay, will this  
20 result in additional personnel coming, additional staffing,  
21 or is this just collateral duty and representation from the  
22 current SRO's?

23 MR. MYERS: It may result in  
24 more people getting SRO's or maybe not maintaining an SRO,  
25 but having an SRO. My belief is you should have active

1 SRO's in places like emergency repairs, maintenance, work  
2 scheduling, outage, all those organizations; operations,  
3 ownership should be involved in all the organizations in  
4 the plant; design changes, all those organizations.

5 You don't have the SROs involved, that's going to  
6 operate your plant, how can you make a design change and  
7 say it fulfills their needs? So, the expectation is we're  
8 going to need more SRO's.

9 MR. SIMPKINS: So, you may  
10 reactivate some SRO's?

11 MR. MYERS: Yes, and may get  
12 some new ones. We have two classes going on now. Two  
13 classes going now. That's consistent with our other plants  
14 too. We just finished a class of 26 people, I believe it  
15 is, at our Beaver Valley Plant, but it was sort of the same  
16 way, we have a good SRO ownership and good technical  
17 knowledge from our previous SRO experience and all of our  
18 management positions at our other plants. So, those are my  
19 expectations. There are some exceptions; there are not  
20 many.

21 MR. SIMPKINS: Okay. What I'm  
22 trying to narrow it down to then is, is it a licensed  
23 individual or an Operations staff person? I guess the  
24 reason why I'm asking this is I see a distinct difference  
25 between formerly licensed people perhaps regaining their

1 license and those actively involved in the Operations  
2 staff.

3 MR. MYERS: I guess the way I  
4 would answer that is, you know, what I'm accustomed to, is  
5 physically having some Operations staff people in the  
6 organizations like training and emergency preparedness that  
7 are on rotational assignments; physically in those  
8 organizations. Does that answer your question?

9 MR. SIMPKINS: It's starting to,  
10 yes.

11 MR. RODER: The answer, I  
12 believe, would be a blend. We would have some rotation of  
13 assignment. We would have some that were previously  
14 licensed, that had gained experience and then moved on to  
15 other organizations.

16 MR. SIMPKINS: That's fine.

17 MR. MYERS: If that didn't  
18 answer it, let's -- this is important.

19 MR. SIMPKINS: Well, my point  
20 that I was trying to get to is that, I know that during the  
21 operations cycle, at times the Operations staff was very, I  
22 don't want to say --

23 MR. MYERS: Strapped?

24 MR. SIMPKINS: Yes, pretty much  
25 so.

1           MR. MYERS:        We'll fix that  
2 problem.

3           MR. SIMPKINS:    Okay. Bringing in  
4 additional personnel or just reactivation of?

5           MR. MYERS:        Right now we have  
6 two classes going on. We'll make sure that our Davis-Besse  
7 Plant is above industry standards or at industry standards  
8 for SRO's. We'll make sure we have active SRO's in  
9 departments like work control, emergency repair and  
10 training, things like that.

11          For example, at our Beaver Valley Plant, we keep  
12 five RO's by design in our training department, that are  
13 part of Operations at all times. That's sort of the way  
14 that we operated over at our Perry Plant when I was there  
15 and that's sort of my expectation as Chief Operating  
16 Officer, you know, that we will have active SRO's. That  
17 may mean that we need more SRO's, so I'll develop those.

18          MR. PEARCE:     Doug, let me see  
19 if I can add something to what he's saying here.

20          What we did at Beaver Valley, I'm sure what we're  
21 going to do here, is we took people out of the existing  
22 organization and got them SRO's and put them on shift for a  
23 period of time and then rotated them into different parts  
24 of the organization in order to achieve that. That's  
25 really what we intend to do.

1           When you say bringing in more people, it's not  
2 necessarily more people, but upgrading the people we have  
3 available in the organization, that we feel like have upper  
4 mobility over time. And it's important to get that  
5 credential in a lot of places in your organization, but  
6 we're going to utilize the people that we have, that we  
7 think are the best people that we have in the organization.  
8 Get them the SRO, put them back out in different parts of  
9 the organization after they have some Operations  
10 experience. That's kind of the philosophy.

11           MR. MYERS:           Both of those  
12 things are true. At other plants, what we do, we got  
13 people that we went and got SRO's and that are in  
14 engineering, stuff like that. That is true. However, we  
15 have specific organizations and we had a chart that we used  
16 for like training, work control, outage management, quality  
17 assurance, where we had people physically out of the  
18 Operations group working in those groups at all times.

19           MR. SIMPKINS:       Okay, that answers  
20 my question. I didn't mean to have such a subtle  
21 difference, but if you're going to be an Operations lead  
22 organization, it's not somebody just having a license from  
23 engineering on the Fix It Now Team, but somebody right from  
24 the beginning that has the input back into the Operations  
25 staff. So, okay, thank you.

1 MR. MYERS: Good.

2 MR. RODER: Thanks, Doug.

3 All right. Now, Restart Station Review Board, we  
4 have developed a procedure that's been in place for quite  
5 sometime now that does establish quorum requirements.  
6 Those quorum requirements focus on Operations members,  
7 Maintenance and Engineering. I am a Chairman for the  
8 Station Review Board.

9 And our charter is essentially to take the condition  
10 reports and corrective actions that Clark talked about, and  
11 review every corrective action, every condition report, all  
12 work orders, all modifications, and others. And we  
13 categorize those again as required for restart or post  
14 restart. There is a lot more categorizations in there, but  
15 those are the two main categories.

16 We have used that list then and assigned owners as  
17 the different departments. Those departments have used the  
18 list that the Restart Station Review Board has generated,  
19 and then they categorize all their condition reports and  
20 corrective actions to a mode. That's established world  
21 population of activities required for Mode 6 at this  
22 point.

23 Independent of that, we have established a Mode  
24 Restraint Manager. We have an experienced SRO and a team  
25 put together the Operations Review for Mode 6. We

1 additionally have reviewed all condition reports,  
2 corrective actions, work activities, surveillance tests,  
3 and plant configuration documents to assure ourselves we  
4 have met the requirements for Mode 6.

5 Currently, we're conducting plant walkdowns to  
6 assure configuration control, equipment readiness and  
7 housekeeping.

8 In fact, Jeff Cuff is here today. Jeff is my Mode  
9 Restraint Manager. Jeff, you have a couple of things you  
10 want to say?

11 MR. CUFF: Sure. I'm a  
12 little nervous. I've taught a lot before, but I've not  
13 spoken before committees. My name is Jeff Cuff. I'm Mode  
14 Restraint Manager. I was assigned to this position in  
15 early December, and I have eleven Operations personnel  
16 working underneath me.

17 For the entire month of December, we had all eleven  
18 people working on identifying Mode 6 restraints; anything  
19 that would stop us from our judgment of loading fuel into  
20 the reactor in a safe manner.

21 We came up with some 500 restraints in reviewing  
22 condition reports, corrective actions, work orders, and  
23 other documents, and we've gone to the level of detail we  
24 acknowledged. In midDecember, we found surveillance  
25 testing on our diesel generators that wasn't current.



1 That's led us the need to do special testing on our diesel  
2 generators, so we'll have those available to us when we go  
3 into Mode 6, put fuel inside the reactor.

4       Additionally with the diesel generators, we  
5 identified a few days ago a condition report that stated  
6 the floor drains in the room were not flowing the adequate  
7 amount of water that we would expect. And our team pushed,  
8 and yesterday they went down and cleaned out those drains  
9 to ensure that if the fire deluge system were to actuate in  
10 that room, all the water would be drained out through the  
11 floor system, floor drain systems, and wouldn't affect  
12 diesel operability.

13       So, we've been working with Mode 6, and once we  
14 completed our checklist, we sat down; Mike said it was two  
15 days; it was a grueling 20 hours that we spent going line  
16 item by line item through that checklist. And through the  
17 five hundred restraints we identified, we came up with two  
18 additional items to add to the list; one was a radiation  
19 element that failed to surveillance test the night before;  
20 and the other one was another condition report the team  
21 felt needed to be added to the list.

22       So, we've worked extensively on this list. Now we  
23 are working to bring that list to completion and to close  
24 each of those items to an operations standard that is  
25 acceptable.

1 Questions?

2 MR. THOMAS: Quick question, if  
3 you're done. In the last 4, 5 days, you've closed out  
4 approximately 150 Mode 6 restraints. Could you briefly  
5 characterize the significance of those mode restraints that  
6 you closed down?

7 MR. CUFF: A lot of mode  
8 restraints we closed out in the last two days have been  
9 engineering evaluations. And we have had, Intercon has  
10 been working extensively with us in the plant engineering  
11 and in the design basis engineering.

12 They have been doing studies and evaluations for  
13 us. They document those evaluations on what's called a  
14 mode restraint form and then it is only one of three  
15 operations superintendent level people that review those  
16 mode restraint forms.

17 Then, that's some of the issues we've cleared off  
18 the list. The other issues that were cleared off the list  
19 were work orders that were in process of being worked. And  
20 when those work orders are completed, so, for instance, a  
21 valve was torn apart to repack that valve. You can not  
22 refuel the reactor with that valve torn apart. Once that  
23 valve has been ~~resembled~~ re-assembled and is in a condition where it  
24 will hold water, my team has gone out and looked at those  
25 valves, verified their integrity, and then we signed off

1 that work order as no longer being a restraint. That has  
2 been the majority.

3 We did a walkdown last week of the main steam line  
4 rooms to verify integrity of the main steam system and  
5 utilized that to sign off a number of work orders revolving  
6 around steam generator integrity for containment closure  
7 issues.

8 MR. THOMAS: Of the remaining  
9 150, 200, I know it may not be precise numbers.

10 MR. MYERS: Pretty close.

11 MR. THOMAS: But how many of  
12 those would you characterize as significant issues?

13 MR. CUFF: There is currently  
14 96 condition reports. Significant in those condition  
15 reports, I would say there is, personal judgment on my  
16 part; I would say there is probably about 30 to 40 -- 30 of  
17 those condition reports that are significant, and the  
18 majority of those condition reports are being closed out by  
19 the outage that we're currently having on decay heat train  
20 one and diesel generator number one. That's ongoing today  
21 and through the next 3, 4 days.

22 MR. THOMAS: Thank you.

23 MR. CUFF: Any other  
24 questions?

25 MR. RODER: Thanks, Jeff.

1        So, what we've created so far, I want to describe so  
2 far, is two lists, if you will, or independent lists of  
3 Mode 6 issues. And what Jeff described was the grueling 20  
4 hours of review. The final Multi-discipline Team is what  
5 we put together to review that. I was the chairman for  
6 that team. We had Design Engineering Manager, Outage  
7 Director, Maintenance Manager, myself, Mode Restraint  
8 Manager, as well as several others that established or that  
9 met for two days straight.

10       And we had plant engineer walk in with all of the  
11 restraints on both lists and discuss those. So, we had a  
12 collaborative effort with the plant engineer as the lead to  
13 allow -- allowed the plant engineer to advocate positions  
14 and describe the actual situation.

15       So, we also, we also met to understand clear  
16 ownership, clear due dates, and exactly what was needed to  
17 clear that restraint. So, we felt that was a very good and  
18 thorough review; and we intend to, like the last bullet  
19 says, we intend to have the same process for all of our  
20 mode changes.

21       Even, in addition to that though, as a manager, and  
22 as part of the manager team, I spent significant time on  
23 the Restart Station Review Board, these different  
24 multi-disciplined panels. And, that opportunity has served  
25 to bring our manager team together and start to gel. And I

1 think that's one of the things that's going to put us in a  
2 position to be an industry leader as we go forward.

3 And, what Bill is going to talk about is Safety  
4 Culture, because that's extremely important point to, for  
5 Safety Culture, that we are as a team really stepping up  
6 and making sure we have thorough reviews and we're working  
7 as a team to look at things from a diversity standpoint.

8 That's all of my presentation. Are there any other  
9 questions?

10 MR. DEAN: Can I interpret  
11 that last comment to mean that, Bill, you're going to  
12 discuss what QA's observations have been over this process,  
13 because I consider this to be a pretty key activity at the  
14 site, that would be a good indicator of conservative  
15 decision-making safety culture.

16 MR. PEARCE: We weren't  
17 prepared, Bill, to address that particular issue today, but  
18 we have watched -- in fact, the first morning they started  
19 out, I watched it myself and sat in for a couple hours of  
20 the reviews; and I thought it was very thorough.

21 We can get, we have been observing those issues as  
22 QA Organization. And Steve, we don't have a report yet on  
23 that, right?

24 MR. LOEHLEIN: No, we don't have  
25 a report yet, but we have been monitoring that.

1           MR. PEARCE:       For those of you  
2 can't hear, Steve Loehlein is the QA Manager, and he said  
3 that we do not have the report ready yet, but we have been  
4 monitoring those issues and we will come to some conclusion  
5 on the adequacy of the review.

6           MR. DEAN:        It may be worth  
7 while at our next meeting, maybe Steve can give us some ad  
8 hoc comments now, but I would certainly be interested in  
9 getting perhaps a more detailed assessment of observations  
10 and insights the QA Organization has gathered in looking at  
11 key evolutions like this.

12          MR. PEARCE:       Certainly we can  
13 provide that, Bill.

14          MR. LOEHLEIN:     Steve Loehlein, QA  
15 Manager.

16        I heard a lot about the Safety Culture, so I thought  
17 I would put it a little bit in context. We have been  
18 observing the mode restraint. In terms of Safety Culture,  
19 there is a couple things that we observed so far. First of  
20 all, when the station decided to start to get assembled and  
21 talk about, well, what is it we've got to do for Mode 6;  
22 there was a lot of the natural pressure that you see.  
23 Okay, who's got what, and what do we got to do to get them  
24 cleared.

25        So, I took that opportunity to ask the management

1 team, hey, who is covering these mode restraints, who is  
2 the authority here. And Operations stood up, said, hey, we  
3 control the mode restraints. So, it was clear from a  
4 Safety Culture standpoint, the site was focused on  
5 managing, getting and assembling the issues, but Operations  
6 was in control of the decisions. So I thought that was a  
7 good indication of some of the Safety Culture things we  
8 were looking for.

9 MR. PEARCE: Can you give us  
10 some not so good examples?

11 MR. LOEHLEIN: Some of the not so  
12 good. I thought the not so good was I was the one who  
13 brought that out rather than having the organization  
14 recognize it on their own, but it's good to see that they  
15 were aware that that was their role relationship.

16 MR. PEARCE: Okay.

17 MR. RODER: Thanks, Steve.

18 Other questions?

19 MR. GROBE: I don't think so,  
20 Mike. Thanks.

21 MR. RODER: I would like to  
22 introduce Dan Kelley.

23 MR. GROBE: Before we do  
24 that, I think we need to do a time check. It's about 17  
25 minutes to 5. I was trying to be complete by 5. I think

1 the most important of the remaining sections is the one on  
2 Safety Culture. And I was wondering if you might consider,  
3 we have the slides on the other topic areas, if we might  
4 consider reading those and reviewing them, and if there is  
5 additional information, next month we could pick that up,  
6 but I would like to get into yours and Bill's.

7 MR. MYERS: That's fine.

8 MR. GROBE: Okay.

9 MR. MYERS: All that work you  
10 did. (laughter)

11 MR. KELLEY: That's okay.

12 MR. GROBE: They are good  
13 looking slides.

14 MR. MYERS: Moving on to  
15 Safety Culture, one of the things we want to talk about  
16 today a little bit is both Safety Culture and Safety  
17 Conscious Work Environment. You notice we separated  
18 those. So, I'll talk some about Safety Culture. Then,  
19 Bill is going to take over on Safety Conscious Work  
20 Environment.

21 Our desire, I wanted to talk about Safety Culture  
22 and Safety Conscious Work Environment and the many actions  
23 we've taken to-date; and then finally, we would like to  
24 give you some of the taste, if you will, some of the  
25 activities we are going to be talking about at the January



1 30th meeting with NRC, which is more of an in-depth  
2 detailed meeting of where we're looking at and how we're  
3 going to report back on Safety Culture.

4 There is a new methodology we just decided to use.  
5 I don't want to call it new methodology, but it's new for  
6 us. Performance Safety and Health Assurance has been  
7 contracted, that's a company, to implement a new safety  
8 methodology.

9 With us today, we have Sonja Haber, who is a Ph.D.  
10 She's specialized in Safety Culture throughout the last 15  
11 years. I have a couple notes here. Doctor Haber has been  
12 consulting in nuclear performance for over 25 years. She  
13 has worked extensively with the Nuclear Regulatory Agency  
14 for one. We won't hold that against her. She's worked  
15 with several of the utilities. That's good. She's worked  
16 with the U. S. Department of Energy, the Canadian Nuclear  
17 Safety Commission and the International Atomic Energy  
18 Agency.

19 For the last 15 years, she specialized in Safety  
20 Culture, and she has a methodology that we're going to use  
21 as an independent process at our plant to provide our  
22 management team some feedback on other activities we might  
23 take from a Safety Culture standpoint.

24 With that, I would like to have Doctor Haber step  
25 up.

1 DR. HABER: Thank you.

2 Good afternoon, I'm Sonja Haber.

3 As Mr. Myers said to you, I've been working in the  
4 area of Safety Culture for some time. In particular, I  
5 have worked with the US NRC. I have worked with Department  
6 of Energy, and probably most recently with the  
7 International Atomic Energy Agency in Vienna, which is  
8 doing a lot of the recent work in this area.

9 The methodology that we're proposing to use here at  
10 Davis-Besse; I want to tell you a little bit about the  
11 development of that and why we think it's the appropriate  
12 one.

13 The research behind that methodology was actually  
14 funded by the US NRC for almost ten years, in the late  
15 1980's and through the mid 90's. It was then adopted by  
16 the Canadian Nuclear Safety Commission that benchmarked all  
17 of their facilities, their nuclear facilities, using the  
18 methodology. It's also been utilized in several European  
19 plants and it's been used in former Soviet Union countries  
20 with Soviet designed reactors as well.

21 And the concepts that are promoted by the  
22 International Atomic Energy Agency are those that are  
23 really a lot of apprentices of the methodology. So, I  
24 think it meets a lot of characteristics that everybody is  
25 looking for in trying to instill Safety Culture.

1           Basically, without going into too much detail, I  
2 just want to point out that one of the strengths of the  
3 methodology we receive feedback on and we believe is true  
4 is that we use multiple methods to look at the different  
5 behaviors that influence Safety Culture. And what I mean  
6 by that, is that we have what's called convergent  
7 validity. We don't just use one tool or one instrument to  
8 measure or observe a behavior, but rather usually a minimum  
9 of four.

10          I'll just give you a little example. If you think  
11 that decision-making is an important behavior for Safety  
12 Culture, and I think we would all agree to that, then we  
13 will use things that involve interviews, observations,  
14 survey techniques, to look at decision-making. We won't  
15 just rely on one particular tool, but we'll get information  
16 from several tools. Then, the results that we can present,  
17 we feel, will be much more reliable and valid with respect  
18 to that behavior.

19          I don't really want to spend too much time on the  
20 details, other than to say that there are safety  
21 characteristic that really the international community and  
22 the nuclear industry do agree upon, and those are the ones  
23 we'll be using and we would be looking at the behaviors  
24 that influence those characteristics.

25          So, we will report back with respect to the absence

1 or presence of those characteristics here at Davis-Besse.  
2 We'll look at the areas of strengths, where things are  
3 moving on, where programs are in place, and the areas still  
4 in need of improvement with respect to the Safety Culture  
5 characteristics. And we'll try to get some idea of the  
6 progression or the trending of those characteristics,  
7 perhaps from where things were to where things are today.

8 MR. MYERS: Thank you. Sonja  
9 will be reporting to Fred Giese, the Human Resources  
10 Manager. The reason for that, as we finish this, we want  
11 to take any lessons learned and fold that back into the  
12 process for, for personal development, which is our  
13 Leadership in Action Program. So, that was a natural place  
14 to put that.

15 I would comment once again, the report that you will  
16 be writing will be from her, their company, it will be used  
17 by our management team and it will be completely  
18 independent. We look forward to getting that report, ~~to~~  
19 ~~further~~ convergent validity. That's a new term for me, I want to try  
20 to figure out how to use that more often.

21 Since our last meeting, we have taken some actions  
22 in FirstEnergy. First thing that we did is we've, we've  
23 approved a policy with Bob Saunders. And that policy  
24 defines what we at FENOC are going to use a definition for  
25 Safety Culture. It's in the slide.

1 Safety codes. We're defining that assembly of  
2 characteristics and attitudes. It's a group of  
3 characteristics and attitudes. This is pretty hard for a  
4 bunch of engineers; characteristics and attitudes in the  
5 organization and the individuals.

6 So, it's how we as managers, myself as Chief  
7 Operating Officer, VP of the site, we affect the  
8 organization. And then, how do the individuals' behaviors  
9 and attitudes, how do they respond, which establishes as  
10 overriding priority toward nuclear safety activities. And  
11 that these issues receive the attention warranted by their  
12 significance.

13 Because every activity we do is not real safety  
14 significant. Some of them have low significance as far as  
15 safety and some of them have very high. So, it's important  
16 that we understand the difference.

17 The next thing we did was, we defined Safety  
18 Conscious Work Environment as employees willingness to  
19 raise safety, raise issues and management's response to  
20 those issues. Key definitions in my mind.

21 Next thing we have is a Safety Culture model that  
22 we're using. Starts out with very basics, with a corporate  
23 level, that we call Policy Level Commitment. That's in the  
24 management organization of Bob Saunders, myself, and Gary  
25 Leidich. And it starts out with a statement of policy; we

1 have completed that.

2 Management values at Davis-Besse are clearly  
3 understood now. And the FENOC values are in all the  
4 meeting rooms, at all of our plants. And we've shared  
5 those values with all of our employees. We're making sure  
6 that they're consistently understood.

7 Next level is the management commitment. That has  
8 to do with the managers sitting at this table and the  
9 managers at our plant. And, if you go look at the  
10 management commitment, there is things that you look for,  
11 now that you have the value and policy statement; for  
12 example, clear responsibilities and cohesiveness of the  
13 organization, and a daily emphasis on safety based on that  
14 policy.

15 Then you go up and reflect on the individual  
16 commitment, and you go out and monitor the drive for  
17 excellence by the employees. They clearly understand we  
18 want this polar crane meeting the highest industry  
19 standards, you know, or do we have questioning attitudes  
20 when we find degradation and material condition like Boron  
21 on the reactor vessel head.

22 All of those things and characteristics are in  
23 place, and it's possible to say that you have a good Safety  
24 Culture. So, we'll be monitoring those types of  
25 characteristics. So, that's sort of the model that we're

1 using.

2 We talked about some of the actions that we've  
3 completed. We've completed our policy on Safety Culture.  
4 That's done now. I've shared some of that with you.

5 The FENOC vision, mission and values are clearly  
6 visible at our plant now. You all asked that question at  
7 one of the meetings, and I articulated the values, and then  
8 I went back and looked. At our other plants, it's a lot  
9 more visible than it is at this one, so I think you see  
10 good improvement there.

11 The Business Plan. We've gone back and revisited  
12 our Business Plan a couple of months ago, our senior team,  
13 and made sure the plan is focused properly on safety, and  
14 it was very clear and crisp.

15 Our Incentive Program. Bob has looked at our  
16 Incentive Program. I was with him not long ago. We  
17 revamped our Incentive Program somewhat to make sure we're  
18 focusing properly not only on safety, but reliability on  
19 people. And we have those incentive programs, I think,  
20 properly balanced. I'm pretty excited about some of the  
21 things we did.

22 FENOC Corporate Organizational Structure. When we  
23 started out here at the Davis-Besse event, there was not a  
24 Chief Operating Officer and there was not a corporate  
25 organization. We didn't have a corporate organization in

1 place with good program and process owners. That alone  
2 could probably have prevented this issue.

3       Additionally, we created the Executive VP of Quality  
4 Oversight that now reports to our board. You know, one of  
5 the problems we had was our quality organization folding up  
6 into our plants from a Safety Culture standpoint, became a  
7 part of the Safety Culture. This independence we have now  
8 we think is a long term improvement in Safety Culture that  
9 will help us out in our plants.

10       And finally, the dedication of our CEO. Let me talk  
11 about that. We're the fourth largest utility in the United  
12 States and our CEO has been in our plant four times since  
13 this shutdown. You know, that's I think pretty unique.  
14 And, each time he came there, he came one night and had two  
15 meeting with our employees and spoke to our employees for  
16 about four hours, until 7, 8:00 at night, emphasizing,  
17 emphasizing his commitment to the plant and to nuclear  
18 safety. And to me, that's the basis.

19       From a management standpoint, I want to talk about  
20 that for a moment. I think management technical competence  
21 is important. We talked somewhat about Operations  
22 involvement in the organizations. Let's go to the slide  
23 for a second. I have an Org. chart over here I put  
24 together.

25       One of the things we have done, we have a number of



1 managers in the Org. chart. We rotated and promoted some  
2 people to management positions. One of the things I would  
3 say, if you look on our Org. chart now, there is 22  
4 managers at our site, that's including the directors and  
5 myself. All but three of those people are previous SRO's,  
6 have certifications. So, that shows you our commitment,  
7 the technical competence of our managers.

8 Not only are all but three that have SRO's, or  
9 certifications; if you go look now, the top management team  
10 across the board has 160 years of significant good  
11 operating experience. And down below us, is another 160  
12 years or so. I haven't added that up.

13 So, we think now that we not only have a senior  
14 management team that we talked about in place, that we feel  
15 good about, but the management team at our site, we begin  
16 to feel real good about that too. And you heard them talk  
17 about some of the teamwork. I want to tell you, in the  
18 last month or so, I've seen this management team come  
19 together to do some pretty unique things that I'm pleased  
20 with.

21 From a management involvement standpoint, we got  
22 strong management involvement now. In our restart  
23 activities, monitoring program that we have in place is  
24 serving us well, management observation program down below;  
25 and, finally, the standards that we set for our management

1 ownership.

2 You know, we've anchored some of those standards.

3 One of the things you have to do with management standards,

4 it's okay to just go out and talk, but you have to anchor

5 them in your business, the way you do business, very

6 specific. And one of the things we've done, for example,

7 is the Corrective Action Review Board. You know, that was

8 a very low level review board. It's now got a director

9 that runs the review board and assigns managers. We talked

10 about that earlier, it's on the review board, rather than

11 just low level people.

12 So, it's impossible for us to sit here and say we

13 don't know what's in the Corrective Action Program. I mean,

14 we're reviewing those things every day at the management

15 level. So, we have that ownership and responsibility.

16 From an individual commitment standpoint, we've

17 taken several actions also. We evaluate our supervisors.

18 We told you that we would evaluate key supervisors in our

19 plant. We brought in an industrial psychologist to help us

20 with that, and we've completed it. Not only did we do

21 that, we went a step higher to evaluate our managers. Then

22 we went a step higher to evaluate our directors. Then they

23 evaluated me, and I survived.

24 Then we went a step higher than that. Bob said, you

25 know, we should also do that at our other plants and at his

1 level also. So, now we think we have a very good baseline  
2 of data on ways to improve our management team based on  
3 their feedback.

4 The new safety consciousness has been added in  
5 our yearly appraisal process with all of our people.  
6 That's part of our Leadership in Action Program. We've  
7 added two new competencies based on this event, each  
8 person's yearly appraisal that will affect how they're  
9 rated.

10 Town Hall Meetings continue, and meeting with, 4-C's  
11 Meetings continue. We think we're, I'm taking good  
12 corrective actions there, I think, and getting good  
13 feedback. Monthly All-hands Meetings have been, I think,  
14 positive.

15 Also it strengthened the questioning attitude, we  
16 think, of our employees with our Management Monitoring  
17 Program. We've got several examples of, we've watched  
18 prejob briefs that weren't as thorough as we thought they  
19 should be, procedures not being used properly. We think  
20 we have greatly strengthened the prejob briefs, the  
21 improved ownership in the plant, and demonstrated the  
22 willingness to drive work activities to meet industry  
23 standards.

24 I think the polar crane, the cavity seal, the  
25 containment when we had the standdowns there; those were

1 tough. They cost us weeks in scheduled time, but we've  
2 proved we would take those weeks if needed to get the job  
3 done correctly. To me, that's Safety Culture.

4 With that, I would like to let Bill talk a few  
5 moments about the Safety Conscious Work Environment.

6 MR. PEARCE: Okay. Thank you.

7 MR. GROBE: Bill, what I want  
8 to do is defer my questions. The information, I agree with  
9 you, Lew, that you initiated a large number of actions to  
10 address the Safety Culture issues at the plant. The  
11 Management and Human Performance Action Plan, I think I got  
12 the title right, had a lot more activities in that you have  
13 due dates between now and let's say the end of April.  
14 Those due dates don't seem to be aligned with restart  
15 decisions on your part.

16 So, one of the things I'm interested in, maybe for  
17 the, either prior to or at the January 30 meeting is trying  
18 to get confidence that we understand what actions you plan  
19 on completing before restart, what actions you're not going  
20 to accomplish until after restart.

21 Then, also, how do you plan on measuring your  
22 success in these areas, and how you're going to factor  
23 those measurement tools into your restart decision-making.

24 MR. MYERS: One of the things  
25 that was interesting in this new methodology is, it doesn't

1 tell you, you have the best Safety Culture, it tells you  
2 that you're in line with what they've seen elsewhere. So,  
3 that's going to be one of the tools we're going to have,  
4 use to help the manager monitor our success; is it working  
5 or not. Also gives us some trends. Additionally we have  
6 some performance indicators. So, we'll be glad to talk  
7 about that January 30th.

8 MR. GROBE: The two brief  
9 statements I made about one minute is probably a two-hour  
10 conversation, so we'll defer that to the 30th.

11 MR. MYERS: That would be  
12 good.

13 MR. PEARCE: Okay, my name is  
14 Bill Pearce. I'm the Vice President of Oversight for  
15 FENOC. Let me reiterate first of all the definition of  
16 Safety Conscious Work Environment, which is the subject I'm  
17 going to speak on.

18 That part --

19 MR. GROBE: Bill, I think your  
20 microphone is not working.

21 MR. PEARCE: I'll start over  
22 again. My name is Bill Pearce. I'm Vice President of  
23 Oversight for FENOC. I'm going to talk about Safety  
24 Conscious Work Environment.

25 Let me start that out by reiterating the

1 definition. "That part of a Safety Culture addressing  
2 employee willingness to raise issues and management's  
3 response to these issues."

4 I think you'll see that in what we're doing here.  
5 First of all, we've got, somewhere we've got a picture.  
6 There we go. We've got a picture, and we put this picture  
7 together to try to depict what Safety Conscious Work  
8 Environment is about. It's a piece of Safety Culture, but  
9 it's only a part.

10 And first of all, let me talk about the foundation;  
11 and the foundation, you can't read it there, but it says  
12 basic principles. And there is a list of basic  
13 principles. What that's about is, in Leadership in Action,  
14 when we train our supervisors, there is a standard set of  
15 basic principles that are taught and reinforced throughout  
16 their supervisor career. These are kind of the foundation  
17 of how we treat people and how, how we expect people to act  
18 in some regard.

19 Let me read those to you, because they are the basis  
20 of what goes on above. "Focus on the situation, issue or  
21 behavior, not on the person." "Maintain self-confidence  
22 and self-esteem of others." "Maintain constructive  
23 relationships." "Take initiatives to make things better."  
24 "Lead by example."

25 And that's the foundation of, actually of a Safety

1 Conscious Work Environment, because treating people in that  
2 manner is, you know, kind of the basic peaks.

3 Then, there is four pillars. And I'm going to  
4 describe each of these pillars individually, but these four  
5 pillars support a strong Safety Conscious Work  
6 Environment. The first pillar is Management Support, and  
7 Worker Confidence. And what we've done in that regard is  
8 we issued a FENOC policy, signed by Bob Saunders, on Safety  
9 Conscious Work Environment; what our expectations are for  
10 the organization about Safety Conscious Work Environment.  
11 And it's important to have a policy level, high level  
12 policy statement on what we expect from people.

13 Next, very important I think, is Lew, the site Vice  
14 President has been met with approximately four hundred  
15 employees in groups of about 15 people each to reinforce  
16 the management support of Safety Conscious Work  
17 Environment. Each one of those, he discusses Safety  
18 Conscious Work Environment with groups and employees along  
19 with other issues. And, the main thing that we should get  
20 out of that is establishing a relationship between the  
21 highest level in the organization at the plant and the  
22 working level of people and telling them that he really, he  
23 wants to have issues raised and that he values those issues  
24 when they are raised.

25 I think that was a very important thing to do.

1 Believe me, Lew is a busy guy, and to take four hours a  
2 week of his time to do that, you can see the level of  
3 importance that he gives to that.

4 MR. DEAN: Excuse me, Bill.

5 In that area, when you talk about meeting with employees,  
6 given the large contingent of contractor employees still at  
7 the site; does that include contractor employees in that?

8 MR. PEARCE: We have not gotten  
9 to the contractor employees yet. Although, we did train in  
10 the next area, we did train the contractor supervisors on  
11 Safety Conscious Work Environment. And that's what I'm  
12 going to talk about next, as a matter of fact.

13 We trained managers and supervisors on Safety  
14 Conscious Work Environment. Let me talk a minute about  
15 that. We used expert legal counsel to do that.

16 We brought some people in that have dealt a lot with  
17 the issue of Safety Conscious Work Environment and the  
18 legal issues around that, and let them train our  
19 supervisors and managers. They did it through a set of  
20 case studies where they discussed what had happened at  
21 other facilities and what is the rights and wrongs about  
22 how to deal with that issue.

23 And there is, we had discussion of our legal  
24 obligation, but more importantly, there was a lot of  
25 discussion about what are the right things to do and how to



1 deal with that issue. So, all our managers and supervisors  
2 had training in that issue.

3 In addition, we've started training our operators by  
4 the same folks. As they're going through ~~recal~~ requal cycle,  
5 we're starting to catch them and train all the operators in  
6 Safety Conscious Work Environment. And that's the first  
7 pillar.

8 The second pillar is the Corrective Action Program  
9 process. And, Dave Gudger talked about that at length. I'm  
10 not going to go through all the actions we have taken, but  
11 there is two key aspects I want to reinforce.

12 One, is it's extremely important to have problems  
13 identified by people and have them effectively resolved.  
14 The important aspect of that is, the second thing about it  
15 is, it's important that employees feel that when they  
16 identify problems, that management is going to care enough  
17 about the problem to get them resolved. And if the  
18 management doesn't get problems resolved, then they're not  
19 going to bring problems up very long, if they feel like  
20 it's a futile effort. So, those two aspects are key in the  
21 Corrective Action Program.

22 That's why I personally am so pleased to see the  
23 management team getting together and looking at the  
24 corrective actions, that are being taken on an individual  
25 basis in the Corrective Action Program, and ensuring

1 themselves that we're doing the right things. So, I think  
2 that's a good thing.

3 The third pillar is Employee Concerns Program. What  
4 the Employee Concerns Program, for those of you that might  
5 not be familiar with it, it's a program that we have in  
6 place, so that if an employee has a concern and the normal  
7 line management hasn't resolved his concern or her concern,  
8 they can take it to an independent group and give that  
9 concern to the group; and hopefully, we'll get it resolved  
10 with that program.

11 We revamped the program. We had a program in place  
12 prior to this within FENOC, but we've revamped the program  
13 the latter part of last year, actually. We got the new  
14 program in place. We brought in a new experienced manager  
15 that's had experience getting this program off the ground  
16 at other sites. We've got him now getting ours off the  
17 ground.

18 He reports directly to me, the Vice President of  
19 Oversight. And we did that to have that program be  
20 independent of site management. That's been one of the  
21 issues we had previously here is, when we only had the site  
22 management was responsible for employee concern problem.  
23 If a concern was brought up, it was investigated by someone  
24 out of site management. And it kind of made people feel or  
25 not trust the program, because you know, if you have people

1 out of management trying to review what it may even be  
2 about, some of the concern may be about those individuals,  
3 so it caused some distrust. So, we tried to remove that.

4 Under the Confidentiality. Confidentiality is an  
5 important feature of an Employee Concern Program; and it is  
6 because sometimes the concerns that we may have as  
7 individuals might be about our supervisor or manager. And,  
8 that's kind of hard to go get them resolved for you  
9 sometimes.

10 So, Sometimes employees ask, they want their concern  
11 to be kept confidential. They have reasons to do that and  
12 we want to make sure that we respect that, and we maintain  
13 that confidentiality.

14 Then I got a mistake here. It says, four full-time  
15 independent investigators, it should just say just four  
16 independent investigators, because we don't keep them here  
17 full time. They're contractors, and that's the advantage  
18 of them at the moment is we can bring them in and out as we  
19 need to do investigations. They're not part of our normal  
20 staff. They maintained independence and they can do an  
21 investigation for us and give us some feedback.

22 And Bill, it's under this area, that you asked  
23 earlier, about the CR process, and how the CR process might  
24 be related to the Employee Concern Program; is that  
25 correct?

1 MR. DEAN: Correct.

2 MR. PEARCE: The way I would  
3 see that, is the Program Manager for the Employee Concern  
4 Program reviews the condition reports and so does the  
5 Quality Assurance Manager. And, they look for evidence of  
6 things that have been brought up previously in the Employee  
7 Concern Program. And, that's kind of the process that we  
8 use to make sure that we're seeing repetitive issues that  
9 are coming out of the system.

10 I think at least partially answers your question;  
11 doesn't it?

12 MR. DEAN: Yeah. I guess the  
13 other part I was looking for, relationship between those  
14 types of issues that emanate through the Employee Concerns  
15 Program, how do those translate back then into Corrective  
16 Action Program or is it an independent program?

17 MR. PEARCE: Actually, I have  
18 some data, but I don't want to go into that, in the  
19 interest of time.

20 MR. DEAN: No, I don't need  
21 to get into a lot of detail on that.

22 MR. PEARCE: There is pretty  
23 good congruence between that. In fact, a lot of the  
24 condition reports, or a lot of the things we end up in the  
25 Employee Concern Program have already surfaced at some

1 level in the condition reports system. And, in fact, some  
2 of those issues that go on to the NRC have shown up in both  
3 of those before they ended up at the NRC.

4 So, there is a pretty good congruence in that  
5 regard. The issues that are being brought forward are  
6 being put in the Corrective Action Program.

7 MR. DEAN: I guess I would be  
8 interested, and maybe part of this discussion would be  
9 better to wait until we get together on the 30th of  
10 January, but I would be interested, you said you revamped  
11 your program. I guess I would be interested if there was a  
12 particular model that you used? I know there has been  
13 some plants in the past that have been at the cutting edge  
14 in terms of designing and implementing employee concerns  
15 programs.

16 MR. PEARCE: Well, we did look  
17 at a lot of models and we didn't pick any particular one.  
18 I think we used the buffet method. We chose the ones we  
19 thought were the best aspects of models that were out  
20 there, and we got advice from who we considered to be the  
21 experts in those areas to make those decisions.

22 The next --

23 MR. DEAN: Not to interrupt,  
24 but if you could be prepared on the 30th, I would be  
25 interested in at least having some discussion on the 30th,

1 in terms of what was it that you felt was inadequate or  
2 needed improvement out of your preexisting and what have  
3 you done to enhance the program.

4 MR. PEARCE: I certainly can do  
5 that. I'll be prepared to do that.

6 MR. DEAN: Okay.

7 MR. PEARCE: And the last  
8 pillar is kind of unique thing, or something that has been  
9 at a couple other plants at different levels. We're using  
10 it, and we put it in place here. It's called the Safety  
11 Conscious Work Environment Review Team.

12 What we did there, was we put a charter together.  
13 We wanted a group of people to review any action that we're  
14 taking at the site dealing with any type of discipline  
15 issue or something that we're doing with someone like a  
16 demotion or some negative behavior toward individuals.  
17 And, we put this team together to review all those actions,  
18 and to make sure that there are not issues going on where  
19 we're taking inappropriate action or even that there might,  
20 the person might receive an inappropriate action, because  
21 of some safety issue or some issue that they brought  
22 forward.

23 The team's made up of top level managers at the  
24 site, Human Resources and the Legal Department. And the  
25 team, one of the examples I was going to talk about is;

1 recently, when we were getting ready to do, you know, we  
2 did, as you talk about earlier, we did quite a large  
3 contract reduction at the site. Well, this review team,  
4 before we did the contract reduction, actually got  
5 together.

6 We reviewed the contracts that were out there, and  
7 how our contractors who were going to reduce their people;  
8 what was the methodology that they used to make sure there  
9 would be, you know, we reviewed that to see that there  
10 would be no discrimination or retaliation, or no perception  
11 of discrimination or retaliation.

12 In addition, this team recommended that we do exit  
13 interviews. And we exit interviewed every person that  
14 left. We asked each one of them, did they have any safety  
15 concerns that they wished to give to us. And actually, we  
16 got out of several hundred people, we got four issues that  
17 we brought into the Employee Concerns Program to look at.

18 So, I think this team did a good job at looking how  
19 we did that and gave us feedback. So, this team  
20 actually -- actively looks for issues which may even give  
21 the perception of discrimination that's going on within the  
22 organization.

23 They look at promotions, transfers, you know, a lot  
24 of different things, trying to glean anything that might be  
25 going on at the site that we might ought to intervene in,

1 to make sure that we're not having something that would  
2 keep people from, or make people feel like we didn't value  
3 them finding problems and bringing them forward.

4 That's it, unless you have some questions. I think  
5 Lew wanted to conclude.

6 MR. DEAN: Just a quick  
7 question. In terms of this review team's activities, you  
8 mentioned the contractor reduction effort. Prior to that,  
9 there was some, a number of personnel actions that were  
10 taken. Were they involved in anything with those, or was  
11 this team formed subsequent to that?

12 MR. PEARCE: It was formed  
13 subsequent to that.

14 MR. GROBE: Okay, Lew, could  
15 you wrap up?

16 MR. MYERS: First I would  
17 like to wrap up on Safety Culture. I think this Safety  
18 Conscious Work Environment is an extremely important area.  
19 We think we've seen improved performance. Our senior team  
20 has 160 years of successful operation under our belt. We  
21 sort of know what good plants look like; and we've seen  
22 some signs that we think are good, especially in the  
23 management areas. That's not to say we don't know what  
24 we're doing. We're not the PhD's, so we went and got us  
25 one. But we feel good about where we're going. We're



1 going to continue our employee meetings. We're going to  
2 continue with our oversight of our employees. We're going  
3 to continue with the management assessments. And then  
4 finally we have the independent assessments we're going to  
5 do. We know this is an important effort for restart, and  
6 we're going to make it good for all of us there.

7 Finally, are you ready for me to just close the  
8 meeting?

9 MR. GROBE: That would be  
10 great.

11 MR. MYERS: That would be  
12 good. Our desired outcomes today, we're showing we're  
13 making progress.

14 I would like to talk just a second, I'll talk a  
15 little about Dan's presentation. We brought our fuel  
16 assembly with us. It's a very important part of fuel  
17 load. So, with the public here, we took the reactor core  
18 out, put it in the spent fuel pit. We sift all the fuel  
19 assemblies to make sure they're leak free. We looked at,  
20 as you move fuel assemblies around, there is structures  
21 designed to take wear. We visually inspected our fuel  
22 assemblies. We looked for debris. We cleaned debris. We  
23 put in a lot of efforts. We sent one fuel assembly back  
24 for reconstruction. We have it back now as a new assembly,  
25 where we found a grid damage on.

1       We brought this demo up here with us, so anybody  
2 that wants to look at this afterwards, I guess Dan would  
3 spend some time with them.

4           MR. KELLEY:        Sure.

5           MR. MYERS:        Sure, that would  
6 be good. And with that, I did that presentation.

7       Once again, we think we're making good progress with  
8 restart. I think we demonstrated that today. We try.

9       Our plan for core reload I think is good. We've had  
10 a lot of Ops. involvement. We don't want to make a mistake  
11 and find something that we missed that causes us to reload  
12 the core any more than you all want to see us do that or  
13 public wants to see us do that.

14       So, we've had thousands of activities, thousands of  
15 contractors and thousands of questions. We've gone through  
16 those pretty well.

17       We tried to show some unique things today. The Leak  
18 Rate Program is going to be unique to the industry. We  
19 think it's going to set a new standard.

20       We think the upgrade that we're making on the  
21 cavities, the sumps, all the unique things. And, I think  
22 what that will demonstrate is the right Safety Culture for  
23 our plant, and for our employees. And we'll also ensure  
24 that the public has a plant in here, that it's not only a  
25 good plant, but meets, it's excellent from an industry

1 standpoint. Thank you.

2 MR. GROBE: Thanks a lot,  
3 Lew.

4 Instead of taking a break, I think Bill and I will  
5 just step down in the front and entertain any questions or  
6 comments from the public. Okay? So, don't get out of  
7 your seats. Thank you.

8 (Off the record.)

9 MR. GROBE: Okay, excellent.

10 The way we usually conduct this, is first I invite  
11 any representatives of local public officials, or in this  
12 case we had some public officials here today, so that's  
13 great. I think we lost the Mayor of Port Clinton, so  
14 that's unfortunate, but I appreciate your patience. It was  
15 a bit of a long meeting.

16 We normally try to limit comments to a couple of  
17 minutes, so that other people can have an opportunity. So,  
18 please come forward, state your name, and we're eager to  
19 hear your comments or answer your questions.

20 MR. ARNDT: My name is Steve  
21 Arndt, President of the Board of Ottawa County  
22 Commissioners. And, I've been a County Commissioner now  
23 for 14 years. And, I have had a few observations I would  
24 like to share with both the NRC as well as management from  
25 FirstEnergy.

1 D-B has been able to enjoy a very fine reputation,  
2 being one of the best run nuclear plants, not only in the  
3 nation, but also rated right up there in the top tier in  
4 the world. One of the downfalls of that particular -- is  
5 it not on?

6 (microphone)

7 Is everyone able to hear me back there or should I  
8 restart? Start over?

9 (audience responded - no.)

10 MR. ARNDT: Good. In order to  
11 hold to the two minutes, I should probably just pick up  
12 where I left off.

13 One of the observations that I have seen is that  
14 the downfall of having that reputation, I know the  
15 employees were quite concerned of falling into what they  
16 call complacency. Well, we also raised the issue a number  
17 of times with management, one of the successes of D-B was,  
18 a lot of talent we found leaving D-B and joining forces in  
19 other facilities. That was a downfall. And unfortunately,  
20 we ended up just exactly where fear was, many of the  
21 employees was, that we had fallen into that complacency.

22 I'm glad to see Mr. Saunders here. I'm glad to see  
23 the management team that FENOC has represented or has  
24 recognized is necessary to put back in place at D-B. I can  
25 tell you one of the things as a County Commissioner and as

1 an elected official, you get a very strong sense of where  
2 the community is at. They don't hesitate to seek out local  
3 officials. We can not hide. We live in that community.

4 And I can tell you the confidence in the community,  
5 the confidence in those frontline employees, and those  
6 supervisors is still there, they will meet this challenge.

7 They have the management team there at D-B now. They are  
8 willing to, and ready to step up to the challenge of  
9 getting Davis-Besse back into the forefront of not only  
10 national, but as a world example. And we look forward to  
11 seeing that come, in a not too distant future. Thank you.

12 MR. GROBE: Thanks for your  
13 comments, Steve.

14 MR. WITT: I'm Jere Witt,  
15 County Administrator, and also a member of the Restart  
16 Oversight Panel. I have one question and one comment.

17 The one question is, Jack, and I have been fortunate  
18 enough to have been part of that Restart Oversight Panel to  
19 see many of the things that have happened over the past six  
20 months. And, my one question is, if you could characterize  
21 maybe for the public that's here, the meaning of that new  
22 head, and the other improvements that have been made over  
23 and above what would possibly even have been required from  
24 a mechanical standpoint for the plant?

25 MR. GROBE: Sure. Why don't

1 you make your comment while I think about that.

2 MR. WITT: Okay, fair  
3 enough. My comment would be, also as part of that  
4 Oversight Panel, I've been closely involved with this issue  
5 of Safety Conscious Work Environment and Safety Culture;  
6 and was involved from day one and given free reign by  
7 Mr. Myer to go in and talk to employees to help determine  
8 what some of the problems were. And there certainly were  
9 problems to start.

10 But I've also been able to glean information of how  
11 that's improving, from my perspective. And I know that you  
12 can talk until the cows come home about benchmarking and  
13 all those good things, but the proof in the pudding, I  
14 believe, comes from what you're seeing happening at the  
15 plant. And what I believe will happen in the future from a  
16 Safety Culture standpoint.

17 And, I've seen great improvements, and not just from  
18 a management standpoint, but all the way from the top to  
19 the bottom. I think those improvements will continue.  
20 And, I think as a representative of Ottawa County, I want  
21 to be there to ask those questions to make sure they  
22 continue in the future.

23 And, I frankly have confidence in this group of  
24 employees, and I think the public has confidence in this  
25 group of employees that is there now, and will continue to

1 only get better.

2 MR. GROBE: Okay, thanks

3 Jere.

4 The question you asked, was the, for me to put a  
5 context on the hardware changes, I think, that have been  
6 made at the plant. Let me talk first just a little bit  
7 about the reactor head.

8 It's entirely possible that FirstEnergy could have  
9 pursued the option of repair of the old head. I'm not sure  
10 if the technical challenges were such that it would have  
11 been overwhelming. It certainly was a technical  
12 challenge. But FirstEnergy chose, and quite frankly, Lew  
13 Myers drove this issue, chose to replace the head. And, I  
14 think when you look at Safety Culture, that clearly was  
15 going above and beyond.

16 You all have heard Lew talk for the last several  
17 months. It seems like a long time. But, and I think there  
18 is no question that Lew has the right Safety Culture. And,  
19 he and the current management team drove other issues, like  
20 the sump, not only repairing the damage and deficiencies in  
21 the old sump screen, but just taking it out and putting in  
22 a new one that should be substantially better.

23 We can talk about a lot of other issues that Lew and  
24 the team have taken on. The important aspect of that for  
25 me is not only Lew's Safety Culture and the Senior

1 Management Team's Safety Culture, but I've talked  
2 previously about alignment down to the firstline  
3 supervisors. Those are the folks that are in the field  
4 every day, day in and day out; supervising the work that's  
5 going on, inculcating it to the workers, ensuring that they  
6 have the proper safety focus, that they're doing work at  
7 high quality level; coaching them, training them to  
8 continuous improvement.

9 And, those are the issues that are a little bit  
10 harder to understand and measure. And those are the things  
11 that we're looking forward to how FirstEnergy is going to  
12 in some more reproducible way get a sense of the culture at  
13 that level, such that it's not driven from the top, but  
14 it's an endemic part of the organization.

15 Bill, do you have any other thoughts?

16 MR. DEAN: No.

17 MR. GROBE: Did I answer your  
18 question?

19 MR. WITT: Yes, thank you.

20 And I would only add to that, Jack is, I believe that  
21 culture is there, and I believe that you have a group of  
22 employees that have worked under tough conditions for a  
23 year now, that have worked hard. I think, you know, I have  
24 some idea of what they put into this, but probably not  
25 close to what they really have. And I want to say from



1 Ottawa County's standpoint, we appreciate that, and look  
2 forward to many future years.

3 MR. GROBE: Okay, thanks,  
4 Jere.

5 Any other local officials? Yes, sir?

6 MR. ANDERSON: My name is Bart  
7 Anderson. I'm the School Superintendent here in Port  
8 Clinton.

9 Ladies and gentlemen, I speak today upon our good  
10 neighbors, Davis-Besse Nuclear Power Station. Today, I  
11 want to speak to several points, but I want to stress just  
12 one; that's peace of mind. And as a neighbor and a partner  
13 in our community, Davis-Besse has never thrown caution  
14 to the wind of the students that I represent.

15 I want to have a very clear issue right now, that I  
16 believe there is maintenance plan that's scheduled to  
17 restart the plant, that I have comfort, confidence and no  
18 reservations but to support. And I shall continue to  
19 support FENOC's efforts to bring this plant on line.

20 Ladies and gentlemen, I believe that there is  
21 complete and total peace of mind in your public school  
22 system with regards to our good neighbors at the  
23 Davis-Besse Nuclear Power Station. I want that to be  
24 absolutely clear. Thank you.

25 MR. GROBE: Okay, thank you

1 very much.

2 Okay. Open it up to any other comments or questions  
3 from members of the public.

4 We do have a follow-up meeting at 7:00, which I  
5 anticipate there may be a number of members of the public  
6 which will choose to come back to that meeting and ask  
7 questions or comments.

8 Last chance. Okay, very good.

9 Thank you very much. We'll see you at 7.

10 (Off the record.)

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1 CERTIFICATE

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

8 IN WITNESS WHEREOF, I have hereunto set my hand and  
9 affixed my seal of office at Norwalk, Ohio, on this 24th  
10 day of January, 2003.

11

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Marie B. Fresch, RMR

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

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