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

Meeting held on Tuesday, January 14, 2003, at
7:00 p.m. at Camp Perry, Clubhouse #600, Port
Clinton, Ohio, taken by me, Marlene S. Rogers-Lewis,
Stenotype Reporter and Notary Public in and for the
State of Ohio.

PANEL MEMBERS PRESENT:

U.S. NUCLEAR REGULATORY COMMISSION
Jack Grobe, Chairman for Davis-Besse facility
William Dean, Vice Chairman, MC 0350 Panel
Anthony Mendiola, Section Chief PDIII-2, NRR
Christopher (Scott) Thomas,
Senior Resident Inspector - Davis-Besse
Jon Hopkins, Project Manager - Davis-Besse
Douglas Simpkins,
Resident Inspector - Davis Besse
Jay Collins, Engineer - Davis-Besse

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1 MR. GROBE: Good evening.

2 THE AUDIENCE: Good evening.

3 MR. GROBE: Why don't we get
4 started, it's 7:00. My name is Jack Grobe. I'm
5 the NRC's Chairman of the Oversight Panel for the
6 Davis-Besse facility. If you can't hear me, just
7 raise your hand or something. We'll try to make
8 sure we use these microphones correctly.

9 The purpose of our meeting tonight is to give
10 members of the public an opportunity to understand
11 what we did this afternoon. We had about a three
12 hour meeting with the Utility, and then took some
13 questions and answers, provided some answers this
14 afternoon, and in a few minutes I'm going to ask Tony
15 Mendiola to summarize this afternoon's meeting.

16 Before I do that, I would like to introduce
17 the NRC staff that are here today. Bill Dean is the
18 Deputy Director of the Division of Engineering in our
19 headquarters offices in the Washington, D.C. area,
20 and he's also the Vice Chairman of this panel.

21 MR. DEAN: (Indicating).

22 MR. GROBE: Tony Mendiola is the
23 Supervisor of the licensing activities in
24 headquarters.

25 MR. MENDIOLA: (Indicating).

1 MR. GROBE: And Jon Hopkins on his
2 left is the licensing Project Manager for
3 Davis-Besse.

4 MR. HOPKINS: (Indicating).

5 MR. GROBE: On the other end of
6 the table up there is Scott Thomas.

7 MR. THOMAS: (Indicating).

8 MR. GROBE: He's the Senior
9 Resident Inspector at the Davis-Besse facility. He
10 reports to the Region III office in Chicago. He and
11 the fellow on his right, Doug Simpkins --

12 MR. SIMPKINS: (Indicating).

13 MR. GROBE: -- who is the Resident
14 Inspector report to the site everyday and perform
15 inspections for the Nuclear Regulatory Commission at
16 Davis-Besse.

17 Also tonight, we have Jay Collins. Jay,
18 raise your hand.

19 MR. COLLINS: (Indicating).

20 MR. GROBE: Jay's an engineer who
21 is actually assigned to headquarters, but he's been
22 working with us for about four months now --

23 MR. COLLINS: (Nod indicating yes).

24 MR. GROBE: -- in various
25 capacities both in the Region III office and most

1 recently for the last couple months he's been
2 assigned full-time at Davis-Besse. We also have
3 some of the support staff from Region III -- Jan
4 Strasma in the pink shirt back there.

5 MR. STRASMA: (Indicating).

6 MR. GROBE: He is -- actually, I'm
7 sorry, Jan, it's a red shirt. He is our Public
8 Affairs Officer in Region III.

9 (Laughter).

10 MR. GROBE: And next to him is
11 Roland Lickus in the pink glasses, and Roland is our
12 State and Government Affairs liaison in the Region
13 III office.

14 The wonderful person out in the lobby is
15 Nancy Keller. Nancy is the Resident Office
16 Assistant. She's our administrative support. She
17 does an excellent job supporting these meetings, and
18 that's it from the NRC, I think.

19 The -- this meeting is being transcribed as
20 are all of our meetings regarding Davis-Besse. In
21 about three weeks after each meeting the
22 transcription is available on our website. There's
23 a wealth of information available on our website
24 regarding Davis-Besse and all of the slides and all
25 of the transcripts from all of the public meetings,

1 as well as a whole variety of photographs of
2 equipment at the plant, as well as documents that we
3 issue regarding our oversight at Davis-Besse are all
4 there for you folks to observe.

5 At this time, I think I'd like to ask Tony
6 Mendiola to summarize this afternoon's meetings and
7 then we'll get into questions and answers.

8 MR. MENDIOLA: Thanks, Jack. I
9 apologize for speaking up here. It's the only place
10 I can have all my notes scattered out to try to
11 capture a three and a half hour meeting that we had
12 this afternoon.

13 The licensee came in with a very aggressive
14 agenda to discuss the status of their restart
15 activities and other activities at the plant, and we
16 were unable to go through the entire agenda. I'll
17 try to capture the items that we did go through as
18 shortly as I can, try to keep it from being a three
19 and a half hour briefing here. Just make sure
20 everybody has the information, there's still copies
21 out front, of course, we have the NRC Update, looks
22 vaguely like this document which basically captures
23 all the NRC activities associated with Davis-Besse
24 for the month of January 2003, and then there should
25 be a copy of the licensee's presentation out in the

1 lobby as well. If there's extra copies out there,
2 you can probably refer to them. If you have any
3 questions about this presentation I'm about to make
4 or if you have any additional questions, you can see
5 me during a break or maybe after the meeting.

6 Basically, after we opened the meeting, we
7 have our intros and updates and then the NRC begins
8 the meeting by recapping what has happened since the
9 last time we met. Last meeting that was held here
10 for the 0350 Panel, first meeting here at Camp Perry,
11 was held in mid December, very similar in structure
12 to these -- this meeting today and this meeting this
13 evening, a meeting with the licensee held in the
14 afternoon and a meeting with the public held in the
15 evening. Besides that meeting as well, which we
16 recapped, there was a special meeting held later in
17 the month of December in Region III where we
18 discussed with the licensee various design questions
19 and various system health status questions and got an
20 update on those programs at the -- at Davis-Besse.

21 At that point, we then branched off and
22 talked about the NRC's restart checklist. This is
23 basically an administrative document which we try to
24 capture in one document all the various issues and
25 statuses of various programs associated with the

1 restart of Davis-Besse.

2 We discussed the status of the inspections,
3 the status of the various inspection reports which
4 were issued after the inspections are completed. We
5 highlighted the various areas that are still in
6 progress and discussed the continuing NRC inspections
7 that we had faced in front of us between now and
8 restart of the plant.

9 Additionally, we also discussed the upcoming
10 meeting that is going to be held on January 30th in
11 the regional office in Chicago where we'll have a
12 further discussion on the safety culture and programs
13 at Davis-Besse. After bringing those updates to the
14 table, we then proceeded -- well, FirstEnergy then
15 proceeded with their agenda. They had three main
16 points they wanted to make.

17 One, the first point was to demonstrate that
18 they were ready to make progress to support restart.

19 Second point was that they're ready for fuel
20 reload, and the third point was to discuss their
21 progress in working with human performance and safety
22 culture in a safety conscious work environment, and
23 all that information is captured in the slides that
24 the licensee presented, and, like I said, I think
25 there are copies out in the lobby. Basically,

1 though, they started, go first into the progress
2 toward restart. They first discussed briefly the
3 physical plant changes, the actual modifications
4 being made to the plant. They focused on three
5 primary areas, areas that we've discussed in the
6 past; the emergency sump work, the seal cavity work
7 and the reactor coolant pump refurbishment. There
8 was a discussion of the status of all three of those
9 projects, as well as pictures, and, like I said,
10 you'll find those in the slides that they provided.

11 We then discussed, if you will, the
12 non-physical plant work, the restart status of their
13 programs and other issues. Restart status work
14 discussion was centered primarily on the charts you
15 can see on the far wall there taped to the mirrors.
16 That basically had to do with the corrective actions
17 the plant is working and numbers and work off rate
18 that they associated with those various programs.
19 Then there was discussion of the corrective action
20 program, the fact, of course, that it's been
21 undergoing an assessment and improvement and that new
22 improved program, if you will, will be implemented in
23 the near future with the goal and date of
24 implementing that enhanced program of next month,
25 February 2003.

1 At that point, we then heard -- I think it's
2 the first time we've heard about the reactor coolant
3 system integrity management program, basically a
4 program that the plant has undertaken to increase the
5 overall awareness, if you will, throughout the entire
6 staff of reactor coolant system leakage, making sure
7 everybody understood all the limits and boundaries,
8 and, if you will, work toward early detection and
9 corrective action and as basically the program could
10 be set up, if you will, to correct the deficiencies
11 that were found in the past.

12 After discussing their progress toward
13 restart, they then moved onto the second item of
14 their desired outcomes which was basically to
15 demonstrate that they were moving toward fuel reload,
16 basically moving to what we call Mode 6. The first
17 part of their presentation discussed personnel
18 readiness, a frame in mind, if you will, the
19 operation's department and the operators, individual
20 briefings, and, if you will, coaching and counseling
21 that they have been receiving to make sure that
22 there's a personnel readiness factor involved here.
23 Then moved forward to basically a variety of programs
24 and reviews associated with evaluating the condition
25 reports and the corrective actions associated with

1 restart. All those had to deal -- I'm sorry, all
2 those had to do with refueling. They discussed the
3 restart station review board, basically a review
4 board that's set up to review the items prior to
5 refueling and restart, an independent operations
6 department review and they introduced a mode, a
7 restraint manager, an individual who would be
8 responsible for evaluating these condition reports
9 and corrective actions to make sure that they're they have
10 appropriately binned those that have to be completed
11 before the plant can be refueled and those that can
12 be appropriately binned for restart, and then
13 basically they discussed how they would complete, if
14 you will, a final review of all the items prior to
15 refueling and restart and then to make sure all these
16 processes would be in place throughout restart of the
17 plant.

18 At that point, we found ourselves in a
19 deficit of time. We skipped over a variety, the
20 rest of the presentation of the licensee's associated
21 with fuel reload which is -- we were going to discuss
22 fuel reliability and integrity assurance and moved
23 onto a discussion of the human performance safety
24 culture safety conscious work environment issues.
25 There was an introduction of Dr. Haber. Dr. Haber

1 is a contractor provided -- I mean, hired by
2 Davis-Besse. In order to -- her role and function at
3 this point will be to implement the new safety
4 methodology of the plant. There was a presentation
5 made to discuss, if you will, the FirstEnergy model
6 of safety culture which has three principal elements,
7 policy commitment, manager commitment and individual
8 commitment. Policy commitment is basically to make
9 sure that all the plant paperwork, if you will, will
10 support the safety culture, all the procedures are in
11 place, all the documents indicate, if you will, the
12 appropriate safety culture environment. Manager's
13 commitment to make sure the managers understand the
14 safety conscious work environment program, and then
15 ultimately individual commitment to make sure that
16 everyone, the entire staff at the site, understands
17 commitments to be made and involving the FirstEnergy
18 model on safety culture, and there was a lot of
19 graphical and other descriptive texts that were in
20 the slides, and, like I said, I invite you to read
21 those rather than summarize them all here.

22 They did, however, spend some time discussing
23 the safety conscious work environment pillars.
24 Basically, it's a five piece item. There's a base,
25 they actually had a -- it was here earlier, and I

1 don't see it now, but they actually had a graphic,
2 that had, if you will, a basement or a base level of
3 basics principles, basic standard work principles
4 that you would expect to see at any working
5 environment, and then on top of those were four
6 pillars which were made to support the rest of the
7 safety conscious work environment to visualize, if
8 you will, the support of the safety conscious work
9 environment at the site.

10 The first pillar was Management Support and
11 Worker Confidence. Basically to summarize that
12 presentation was to provide confidence in the
13 manager's care and provide confidence, if you will,
14 to the workers that the managers care about safety
15 and safety conscious work environment at the plant.

16 The second pillar was to ensure the
17 corrective action program. Oh, I'm sorry, the second
18 pillar was the Corrective Action Program, basically
19 to provide the employees the feelings that their
20 items were being resolved, and --

21 THEREUPON, a note was passed to Mr. Mendiola.

22 MR. MENDIOLA: Oh, thank you, if you
23 do happen to have the licensee's handout, the slide
24 that I'm referring to here is slide number 57, which
25 is on Page 29. Anyway, like I say, the second pillar

1 was the Corrective Action Program.

2 The third pillar basically was the Employee
3 Concerns Program. An important piece of this, of
4 course, to ensure that there's the confidentiality is
5 used to resolve issues the employee brings up --
6 actually, not only that, but is effective in
7 resolving those issues to provide, if you will, a
8 trust in the program, that the employee has a trust
9 in the program, that the Employee Concerns Program is
10 working and is effective at Davis-Besse.

11 And the fourth and last pillar is basically
12 the Safety Conscious Work Environment Review Team.
13 This team is chartered to review those pending
14 actions and seeks to avoid the perceptions of
15 discrimination within the program and basically seeks
16 to oversee the contractor efforts associated with the
17 program. Basically, the program is then summed up
18 as these four pillars, and the basic principles is
19 seek to create a safety conscious work environment
20 program at Davis-Besse.

21 At that point we were well over three hours.
22 We then proceeded to skip the rest of the
23 presentations, the licensee's presentations, which
24 was to provide a schedule update and move right
25 basically to closure and then we can -- then we

1 finished.

2 MR. GROBE: Okay, thanks, Tony.

3 MR. MENDIOLA: Sure.

4 MR. GROBE: Tony briefly mentioned

5 that we're going to have a meeting in Chicago on

6 January 30th. There are times when it's more

7 effective for us and for the Utility to meet in

8 Chicago, there have been very few of those, but when

9 we do that we make sure that we provide an

10 opportunity for those folks in headquarters through a

11 video link to observe the meeting and participate in

12 the meeting, and then also we provide a very high

13 quality telephone conferencing link where you can

14 join the meeting, listen in, and then participate at

15 the end over a telephone line, and those that have

16 done that in the past have told me that's very

17 effective, so we will be having a meeting on January

18 30th in Region III, and you can join that meeting

19 over the telephone, it's a toll free number. The

20 focus of that meeting is going to get into a lot more

21 detail on how the company is going to assess the

22 safety culture of the organization to ensure that the

23 types of deficiencies and decision making that have

24 occurred in the past that resulted in the shutdown

25 don't reoccur, and that's something that is very

1 important to the NRC to ensure that there's lasting
2 correction of the issues at Davis-Besse, so that will
3 be our first public meeting to get into a lot of
4 detail on the question of safety culture.

5 Tony mentioned that out in the lobby there
6 are copies of the Utility's slides. There should
7 also be copies of our monthly public newsletter. If
8 you didn't get a copy and you'd like one, we can send
9 you one, or that's always posted on our website, so
10 that's available there, too, and, finally, there's an
11 important document out there which is our feedback
12 form, and it's important to us because we're always
13 looking to improve these meetings, and if you would
14 pick up one of those and provide us your feedback.
15 It's on a single sheet of paper. You just fold it
16 up, drop it in the mailbox, and it comes to us, and
17 then we can get your insights as to how we can better
18 improve the meetings and make changes as necessary.

19 I don't believe there is any other
20 introductory information. At this point, what I
21 would like to do is lay out a little bit of structure
22 for how we're going to proceed tonight. We would
23 like to try to limit comments to the three to five
24 minute range to allow anybody that wants to make a
25 comment to have that opportunity, and I'd like to

1 start with any public officials or representatives of
2 public officials that are here tonight and ask them
3 to come forward if they have any questions or
4 comments. When you do come forward, please, there
5 should be a sheet of paper and a pen -- there is,
6 sign your name and introduce yourself, and then go
7 forward.

8 MS. ROZAK: Is this working? Yes,
9 it is. My name is Dianne Rozak, and I'm a Township
10 Trustee in Danbury Township and that is here in
11 Ottawa County. I am President of the Board of
12 Township Trustees, and we are the eastern-most
13 political subdivision here in Ottawa County. I am
14 here this evening to represent our Board of Trustees.
15 We are well aware of the critical role that
16 Davis-Besse does play in the economy of Ottawa
17 County. Davis-Besse is not just a major employer.
18 They are responsible for greatly assisting our
19 County's major source of revenue, and that is the
20 tourism industry. If you're not a resident of this
21 County, I would like to ask that when you leave here
22 this evening please take a look at the businesses
23 that you'll see when you're driving home. Allow me
24 to give you a little bit of a heads up at what you're
25 not going to find. Nowhere will you see a General

1 Motors or a Ford Plant. You won't see heavy
2 industry, large factories, five story office
3 buildings or business complexes. You also won't see
4 many sidewalks, and I can almost guarantee you are
5 not going to find anybody driving a Mercedes unless
6 they are lost. The traffic lights that you tally up
7 around here you can probably count them on one hand.
8 You're not going to find a Morton's Steakhouse, but
9 you'll see a Ponderosa, and we don't have a Neiman
10 Marcus department store or a Saks Fifth Avenue. Out
11 here, we have Wal-Mart. We're rural America, but
12 what we do have is Lake Erie, and it is a tremendous
13 natural resource and, because of that, our survival
14 here is dependent upon catering to hundreds of
15 thousands of tourists that visit us each summer. We
16 do that with family owned businesses such as motels,
17 restaurants, gift shops and a variety of other small
18 retail outlets. Did you know that on any given day
19 here in Ottawa County between Memorial Day and Labor
20 Day that there are at least a quarter of a million
21 people visiting? Our entire permanent population
22 here is only 40,000 people. Did you know that last
23 summer over 22,000 people climbed the 77 steps to the
24 top of the Marblehead Lighthouse? Now, that number
25 is extremely important because it represents less

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1 than 20% of the tourists that actually visited that
2 State park. Those were just the folks that wanted
3 to climb up to the top to view the expanse of our
4 great lake. What's really significant about all of
5 this is the fact that we here in the tourism industry
6 have less than six months to earn our living. We
7 are a fair weather County, and we have fair weather
8 visitors. People do not come here to spend their
9 money when it's snowing, when it's raining or when
10 it's cold.

11 What is Davis-Besse's role in all of this?
12 My friends and neighbors who are employed at
13 Davis-Besse can tell you as well as I can. These
14 commendable employees who respect their employer and
15 deeply care about their work not only need their
16 jobs, they want their jobs. They want to continue
17 to provide safe and reliable service to this County
18 in order to keep our fragile economy going in the
19 right direction. Quite simply, it's just a matter
20 of balance. Without Davis-Besse our County's
21 resources will slowly drain away. All we are asking
22 is, please, don't let that happen to us. Thank you
23 very much.

24 THEREUPON, the audience applauded.

25 MR. GROBE: Thank you very much

1 for your comments. I appreciate the perspective you
2 brought. We don't often hear those kind of comments.
3 Our focus is safety, and that's our only focus. As
4 Davis-Besse presented this afternoon, they continue
5 to make progress, and there is still a lot of work to
6 be done, and we'll continue to provide oversight and
7 make sure that work is done correctly. Thank you
8 very much.

9 MR. ARNDT: Good evening. My name
10 is Steve Arndt. I'm the President of the Board of
11 Ottawa County Commissioners.

12 During quite a number of these past months,
13 we've heard quite a bit of testimony from the
14 industry of the depth with which they have gone
15 through the facility of the physical plant. They
16 have invested millions of dollars in this outage, and
17 I'm entering my 23rd year as a public official and
18 one thing that has always stuck out in my mind first
19 and foremost are my responsibilities, and that is the
20 health, safety and welfare of the general public.
21 One of the questions that I have from some of the
22 residents that are not as familiar with the nuclear
23 power plant is, the plant has been taken down to
24 levels that very few other plants have the
25 opportunity to take a look at what else might go

1 wrong, and my question to you, to the NRC, is there
2 anything left in that physical plant that has not
3 undergone inspections or review that has the safety
4 aspect that the general public should be concerned
5 about?

6 MR. GROBE: That's an excellent
7 question, Steve. There has been a tremendous amount
8 of self-evaluation at the facility. I think I'd
9 point to one area of continuing evaluation where
10 discovery is not yet complete the company continues
11 to pursue. Even though they have been at this for
12 quite awhile, there are aspects of the plant that
13 haven't been evaluated and those are the ones that
14 are viewed as either effective or they have been
15 sampled. In the area of design quality, there was a
16 sampling that the Utility did of those design
17 activities that contribute to the functionality of
18 the important systems, safety systems and they chose
19 the five most important of the many safety systems at
20 the plant and did detailed design reviews of those
21 systems, identified some problems that they didn't
22 expect to find and appropriately responded to those.
23 They are looking more broadly now in some technical
24 areas, and in depth they have chosen an additional 10
25 systems, so when they complete all of their reviews

1 they will have evaluated in detail the design of 15
2 systems, so I think that's the one area that they're
3 still evaluating as far as what they call discovery
4 phase to make sure that they found all the problems
5 that are important. Otherwise discovery activities
6 by and large are complete and one of the slides -- I
7 don't know which slide number in their package is a
8 brief summary page that shows where they stand in
9 discovery in all of the various areas that they are
10 looking, and they are essentially complete with that
11 one exception. Is that responsive to your question?

12 MR. ARNDT: Yes. There is one
13 other follow-up question aside from the physical
14 plant. The second question I have is one that I
15 certainly also recognize that the industry has spent
16 a great deal of amount of time, money and commitment
17 and that is to developing a plant for the safety
18 conscious work force. My question to you is, while
19 I recognize that there is not a perfect means or a
20 standard, a national standard in which to grade that
21 change, there certainly are indicators as to whether
22 or not that plant is starting to be effective. I
23 sense it is in the community from the employees and
24 from the community, but from the NRC's standpoint,
25 have you seen indicators that the plant is starting

1 to have a change in that safety culture?

2 MR. GROBE: I don't think -- and,

3 Bill, I'll ask you to supplement this answer, I don't

4 think there is any question that we have seen a

5 change in the senior management and the management

6 team at Davis-Besse, and based on the depth of the

7 work that we have been evaluating through our

8 inspection work, we see good results from the

9 self-evaluations that have been going on. One of

10 the difficulties with concepts like safety culture is

11 very difficult to measure, and the company announced

12 today in some detail their plans on how they are

13 going to measure safety culture, and that's the focus

14 of the meeting on the 30th, and we'll get into more

15 detail on that. I look forward to that because it's

16 very important that they have a way of assessing the

17 way in which people make decisions, the way in which

18 they question themselves day in and day out on the

19 quality of their work, and this isn't corporate at

20 management level or at plant management level, it's

21 down at the working level day in and day out, at the

22 first line supervisor and craft, so the company is

23 not going to be satisfied, and I have confidence with

24 the progress they make at restart. We have to have

25 confidence that they have taken adequate actions

1 prior to restart in the area of reestablishing safety
2 culture. Lew Myers has made it clear that he plans
3 on continuing these types of assessments and for
4 several years after restart to ensure that they
5 continue to make progress and are not susceptible to
6 falling back into habits that got them in this
7 situation they're in today, so we look forward to
8 more detail on the 30th, exactly how they're going to
9 do that -- and you're correct, there are no --
10 there's no cookbook on how to do this. It's a
11 difficult issue and there are no regulations in this
12 area, but safety culture is something that underpins
13 everything at the plant, every decision an individual
14 makes as he's doing his work is driven by his safety
15 focus, so it's a very important issue in an industry
16 like nuclear power where potential consequences of
17 unsafe acts are very significant. Bill?

18 MR. DEAN: Yeah, the only other
19 thing I would add and maybe I would point you towards
20 the information if you happen to have the licensee's
21 presentation of today on Page 26, and there is a
22 couple of slides there, one that describes the
23 methods that they intend to utilize to try and
24 ascertain whether the licensee has, indeed,
25 established an appropriate safety culture, and they

1 talk about multiple methods in order to do this and
2 looking to see whether all these methods are they
3 giving positive indications of that, you know, do
4 each of these methods give position indications that
5 the licensee is making progress in this area, and
6 then they talk about what are the safety culture --
7 what's the safety culture framework made out of and
8 really there's three things; one is policy level
9 commitment, not only comes down to procedures,
10 programs, processes, do they have an organizational
11 framework in place that we can assess and being
12 something that would be effective, then you look at
13 manager commitment, what's the commitment of
14 managers, and that's probably something that Jack and
15 I and the Oversight Panel can get some insights from,
16 from meetings like this, from our interactions with
17 the licensee, how do they treat issues, and Jack has
18 outlined a number of decisions that this organization
19 has made to either make improvements to existing
20 safety equipment, to enhance the margin, making
21 decisions that take a conservative safety first
22 approach, those are the types of indications that we
23 look for from a management commitment, and then you
24 talk about individual commitment, and that's probably
25 the most difficult aspect for us as inspectors to get

1 our arms around, and that's going to be a lot of the
2 focus of our meeting on the 30th to discuss with the
3 licensee how do they intend to measure performance at
4 the individual first line supervisor level, and then
5 how do we as the NRC do some independent verification
6 of that, and that's going to be our challenge in that
7 area.

8 MR. GROBE: Did we address your
9 question, Steve?

10 MR. ARNDT: Yes, you did. Final
11 comments, one is directed both towards the management
12 of Davis-Besse as well as the NRC, but I certainly
13 want to extend the appreciation as a local elected
14 official that I have seen demonstrated both by the
15 industry as well as by the NRC on a professional
16 manner and the depth in which that they are taking a
17 look at all facets, whether it's the safety work
18 force culture or whether it's the integrity of the
19 facility. I do believe that everyone has kept
20 emotions in check. We have some fantastic people
21 from the NRC and both yourself, Bill Dean and Scott
22 Thomas and Christine Lipa, very much have been
23 impressed with the professionalism of how the NRC has
24 conducted themselves, as well as I am impressed with
25 the commitment from the Davis-Besse management team

1 as well as from the staff, and, as a local official,
2 I don't think we can ask for much more than that
3 dedication and professionalism. Thank you.

4 MR. GROBE: Thank you.

5 THEREUPON, the audience applauded.

6 MR. WITT: Good evening. My
7 name is Jere Witt. I am the County Administrator for
8 Ottawa County, and I'm also a member of the restart
9 oversight panel which has given me the unique
10 opportunity over the past six months to be involved
11 in determining whether Davis-Besse should be restart
12 and is ready for restart. Safety has always been my
13 focus in this issue and will continue to be my focus
14 for the residents of Ottawa County. I believe the
15 new head modifications made allow appropriate
16 inspection of the head and ensure this type of
17 incident does not happen again. I also believe that
18 the unique improvements made, such as the emergency
19 sump ~~pump~~, the leak detection systems and so forth
20 demonstrates commitment of Davis-Besse to safety. I
21 have reviewed the nuclear safety policy signed by
22 FENOC President Bob Saunders. This policy not only
23 states that employees are expected to raise safety
24 concerns, but you are a valued nuclear professional
25 if you do. I observed the past six months of the

1 major emphasis by the new management team on safety.
2 Praise is being provided to everyone, programs have
3 been put in place to ensure safety issues are
4 addressed. All of the systems are in place to
5 operate Davis-Besse in the future, and I'm confident
6 that FENOC and the NRC will continue to monitor these
7 systems into the future to protect the residents of
8 Ottawa County.

9 I would also request and urge FENOC to
10 continue the system of the restart overview panel
11 because it's a good one that can help to prevent
12 these types of problems in the future. To the
13 employees, you have worked long and hard, and it's
14 time to finish the job. We look forward in Ottawa
15 County to many years of a safe operation of
16 Davis-Besse. Thank you.

17 THEREUPON, the audience applauded.

18 MR. MOORE: Good evening. I am
19 Jim Moore. I am a Carroll Township Trustee. That
20 is the Township which the Davis-Besse Nuclear Power
21 Plant is located in. I am here not only as a
22 Trustee, but a resident, and I hope there isn't too
23 many more political subdivision people here. As a
24 resident and a business owner, we have been in
25 business for 80 years in Carroll Township.

1 I have a letter here that we would like to
2 address to the NRC, and it is from the Trustees, and
3 I will read it.

4 We, the Trustees of Carroll Township, wish to
5 voice our support for the restart of Davis-Besse
6 Nuclear Power Plant which is located in our Township.
7 We know there are people who would say that the only
8 reason we want this to happen is because of the
9 negative impact that closing the plant would have on
10 our local economy. This is not true. We realize
11 the importance of the plant to our well-being
12 financially, but in no way would we place this factor
13 above the safety and well-being of our residents,
14 friends and families. We feel that with the repairs
15 and improvements that have been made and are being
16 made to the plant, it should operate more safely in
17 the future than ever before. With all the
18 improvements being made, they will set the standard
19 for all other nuclear power plants. It is our
20 feeling that if Davis-Besse meets all safety and
21 operational standards required, that the plant shall
22 be allowed to restart. We believe in our neighbors
23 and our friends who work at the plant. We know they
24 also want only the safest plant for everyone.

25 This is signed Sincerely Yours, Jim Moore,

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1 Rich Tallman and John Verb. Do you have any
2 questions?

3 MR. GROBE: No. Thank you very
4 much.

5 MR. MOORE: Thank you.

6 THEREUPON, the audience applauded.

7 MR. SMITH: Good evening. I'm
8 not quite as prepared as these previous gentlemen and
9 woman. My name is Kelly Smith. I am a member of
10 the Benton-Carroll-Salem Board of Education. I also
11 run and operate a small business in the area. I
12 have been complaining about your electric rate for
13 the past 10 years ever since we moved out of Oak
14 Harbor, but that's not why I'm here tonight, and I'm
15 not here as a board member, I'm here really as a
16 concerned environmentalist, and I think some of the
17 people purporting to be environmentalists don't get
18 the real message. You know, energy is energy. I
19 don't care if you're talking coal, gas, oil or
20 nuclear. We're just dealing in the production of
21 energy that we all consume. We all consume immense
22 quantities. Every time we take nuclear off line we
23 increase our consumption of gas and oil and they are
24 very valuable fuels. I think we have a big gas
25 plant being put up in Fremont, the Calpine Plant,

1 that is going to burn natural gas and produce
2 electricity. Now, when we take natural gas to
3 produce electricity, we get about 30 to 40 percent of
4 the value of that gas as energy, is that right, the
5 engineers here that know the Carnot Cycle? You lose
6 a lot of energy, and it's a much more valuable fuel
7 to heat homes, run industrial processes than it is to
8 make electricity, so when we take nuclear out of the
9 equation we're doing the environment a lot of damage.

10 A second point I want to make is we can't let
11 bad science make the decision as to whether or not
12 this plant restarts. A good example of bad science,
13 recently we had something called the Great Lakes
14 initiative from the EPA. We were informed that it's
15 not safe to eat fish out of the Great Lakes or to eat
16 certain ocean fish. This was an effort based on bad
17 science. An effort to avoid three, four, five
18 cancer deaths per hundred thousand and we scared
19 people in to eating less healthy foods and create 10
20 to 12 heart disease deaths per hundred thousand, so
21 don't let bad science make the decision on whether
22 this reactor opens or not, runs again.

23 Another point I'd like to make, I know our
24 Congressional Representative, Marcy Kaptur, has
25 advocated shutting down the reactor. If she would

1 introduce a bill to have all the Federal office
2 buildings, all the Congressional office buildings set
3 their thermostats to 76 to 78 degrees during the air
4 conditioning season, she would come with more
5 credibility in my mind to take a generating power off
6 line.

7 And, lastly, I have lived here about 20
8 years, and I'm aware of four or five fatalities in
9 the energy production business. There were two
10 people killed by coal carrying trains and I think
11 three people have died in explosions at the oil
12 refineries in Toledo. There's nothing without risk.
13 Davis-Besse has had none of that, so get the plant
14 open and get our jobs done.

15 THEREUPON, the audience applauded.

16 MR. GROBE: Thank you. Are there
17 any other local officials present here tonight that
18 want to -- that can come --

19 MR. OPFER: (Indicating).

20 MR. GROBE: Yes, sir.

21 MR. OPFER: Thank you, Mr. Grobe,
22 and members of the panel. My name is Darrell Opfer.
23 I am currently Director of the Ottawa County
24 Improvement Corporation, the Economic Development
25 Agency in Ottawa County, former County Commissioner

1 for 10 years, former State Representative, worked on
2 the deregulation issue before the State, member of
3 the Utility Radiological Safety Board for a number of
4 years while I was County Commissioner, and I come
5 before you tonight to read a couple of e-mails that I
6 have received from some of the members of the
7 business community of Ottawa County, and they're both
8 very short. The first is from a gentleman by the
9 name of Larry Durivage, who is a long, long time
10 resident and business person in Ottawa County getting
11 ready to retire and turn his activities and business
12 over to the next generation.

13 He says, the Nuclear Regulatory Commission
14 needs to look at all the good things that Toledo
15 Edison has done and continues to do for our
16 community. I believe that most of the people that
17 live in the shadow of the power plant don't lose much
18 sleep because it's there. I have heard that there
19 are a number of people out of this area who have
20 demonstrated against the power plant. The NRC
21 should not use this as a reason to delay the start up
22 of the plant. If the people from this area are not
23 as opposed to Davis-Besse and the safety issues are
24 dealt with, then there shouldn't be anymore delays
25 that run up the cost and eventually will be paid for

1 by the consumers.

2 A second e-mail that I received is from a
3 gentleman who moved himself, his family and a couple
4 of employees into the County very recently. His
5 name is Grant McCullum, he's President of MDC
6 Publishing and he says,

7 I moved my family and business to Ottawa
8 County in the spring of 2001. I was aware of the
9 nuclear power plant just west of our location prior
10 to our move to this area. With the decades of
11 relative reliability of nuclear power plants across
12 the country, it is my and my employees' opinion that
13 Davis-Besse is an asset to our community, not only as
14 a reliable power source, but one that does not
15 contaminate our atmosphere. Signed, Grant McCullum,
16 MDC Publishing.

17 In many respects this gentleman is somewhat
18 unusual because unlike Larry Durivage and a number of
19 us that have grown up in the area who know folks, who
20 have relatives who work at the Davis-Besse plant, who
21 know about the redundant features of the plant's
22 equipment, and so on, this is someone who moved from
23 several counties away, knowing full well and probably
24 not knowing as much about the plant or its activities
25 as those of us who have grown up here.

1 There are two concerns that I have with
2 regard to the restart; one is with regard to the --
3 as you mentioned, Jack, the newness of the
4 discussions about things like the safety culture, and
5 so on. Although I'm not an engineer or a scientist,
6 I believe that most of those things are well
7 recognized. You can measure the hard work that's
8 being done by the management and by the employees at
9 the plant. My concern is that with such a nebulous
10 thing as safety culture, that we may be long debating
11 how many more management folks to dismiss or how many
12 more, I'm sorry, someone has to say, while the plant
13 is ready to operate because of the hard work of the
14 workers and the management, so my concern is how long
15 that particular discussion is going to go on and what
16 can happen as a result in the future.

17 The second concern that I have is with regard
18 to the State of Ohio. As I've heard, the Governor
19 is interested in the restart activities. It is my
20 hope that the Governor and his folks would work
21 closely with the NRC and the restart panel so that
22 they know what is going on currently at Davis-Besse
23 and so we don't have to procrastinate or wait once
24 the plant is ready to go on line again.

25 One of the things I, too, would like to

1 commend you and the NRC for, and Toledo Edison and
2 FirstEnergy, is recognizing and inviting the local
3 officials to a number of meetings to participate in
4 the restart activities and would hope that both the
5 management and the NRC also would consider in the
6 future granting a larger role to local officials who
7 with my experience of 10 years know something about
8 the local plant, certainly have contacts with the
9 work force, with the management, and that would be my
10 recommendations.

11 I appreciate your being here again. I
12 thought about bringing some local realtors to point
13 out to you all the condominiums and nice homes that
14 we have in the area, but thought that might be a bit
15 much, so thank you very much.

16 THEREUPON, the audience applauded.

17 MR. GROBE: Thank you. Let me
18 provide a little bit of information on some of the
19 issues that you raise because I think they are very
20 good issues.

21 First off, the Governor has expressed the
22 interest of having a briefing of what's going on with
23 respect to the restart of Davis-Besse and his focus
24 is to make sure the citizens of Ohio are safe, very
25 appropriate for him to do so and we are in-rescheduling the

1 briefing presently.

2 The question that you asked about safety

3 culture, I want to make sure that we're clear on

4 what's going on these days. The Utility has

5 undertaken a very broad spectrum of activities to

6 improve the safety culture of the plant and that's

7 been on going for months, everything from sit down

8 and chat type meetings with the site Vice President,

9 to training, to all sorts of varied activities, and

10 they still are proceeding with a very aggressive

11 action plan to continue to improve in that area.

12 The question is more one of how you know you have it.

13 Safety culture was a very important contributor to

14 what happened at Davis-Besse. By and large, the

15 programs and processes were robust. The company has

16 re-evaluated many of those programs and processes and

17 identified areas where they can further improve them,

18 but had they been properly implemented they would

19 have not allowed what happened to happen, so there

20 was the root -- the root problem were decisions made,

21 priorities set, the way in which people focused on

22 issues and those are much more difficult issues to

23 solve. As I said, the company has been attacking

24 those issues over the last many months, and they are

25 now getting ready to figure out how to measure their

1 improvements and will continue, as I mentioned,
 2 measuring them on into the future to ensure the
 3 actions taken have the results they want to achieve,
 4 so it's -- there are no regulations in this area,
 5 so -- and, quite frankly, I don't believe that any
 6 other nuclear plant in the United States has
 7 undertaken this type of initiative with the exception
 8 of probably one on the East Coast did it a few years
 9 ago, but it's an important thing for them to do.
 10 They need to demonstrate to us that they have the
 11 right stuff, and they need to demonstrate to you
 12 folks that they have the right stuff before the plant
 13 restarts, so -- Bill, did you have any other thoughts
 14 on that?

15 MR. DEAN: (Nod indicating no).

16 MR. GROBE: Thank you very much
 17 for your comments.

18 MR. OPFER: Thank you.

19 THEREUPON, the audience applauded.

20 MR. GROBE: Are there other public
 21 officials present this evening that want to speak?

22 (NO AUDIBLE RESPONSE).

23 Well, I want to express my gratitude to those
 24 that did come this evening. It's more attention
 25 than we've had in the past from local officials. I

1 respect you for the contributions that you make.
 2 Many of these positions are unpaid and you're here to
 3 serve the public and your engagement in this process
 4 is very important.

5 In addition to that, local officials play
 6 very important roles in the safety of nuclear power
 7 plants. The effectiveness of the emergency planning
 8 organization would not occur without strong support
 9 from local officials, so I'm grateful to hear that
 10 kind of support exists in Ottawa County.

11 Why don't we move on to questions and
 12 comments from members of the public? Again, we want
 13 to try to limit things to three to five minutes so we
 14 can move on, so please come forward, state your name,
 15 sign in and ask your questions and provide your
 16 comments.

17 MS. LUEKE: Hi. My name is Donna
 18 Lueke, and I have a couple questions and some
 19 comments. It's really good to hear the safety focus
 20 that everybody is taking. I think it's alarming to
 21 know that it didn't exist before or it was imperfect
 22 before, and to that end, I have some questions and
 23 comments.

24 One of the things that I noticed in the
 25 safety culture slide was that there were new safety

1 competencies in the employee appraisal process
2 listed. Will the NRC have access to those? Will
3 you be able to see how the new safety culture is
4 evaluating employees?

5 MR. GROBE: That's an excellent
6 question, Donna. One of the difficulties with this
7 area is the very fine line between assessing safety
8 culture and getting involved in company management.
9 The NRC has no business being involved in appraising
10 people or managing the organization. That's the
11 responsibility of the Utility. On the 30th, we're
12 going to get a presentation from the Utility on how
13 they're going to assess safety culture. I don't
14 remember which slide it is in there, but there's a
15 slide that gives some broad concepts of what they're
16 doing. It's got some fancy words associated with
17 it, but what they're going to be doing is looking at
18 things that are objective that you can measure, like
19 performance, similar to what you're talking about.
20 Things that are somewhat more subjective, like
21 interviews and discussions with groups of people and
22 specific activities that have occurred that
23 demonstrate safety culture, and they're going to be
24 looking at a number of different areas and then
25 comparing those to each other to see if there's a

1 clear indicator of --

2 MR. MENDIOLA: Jack, Page 51.

3 MR. GROBE: Page 51, Tony tells
4 me.

5 MR. MENDIOLA: Slide 51.

6 MR. GROBE: -- to see if there's a
7 clear indicator on order of a trend that is
8 discernible, and it would not be appropriate for the
9 NRC to get involved in the performance appraisals of
10 individual employees. I think the answer -- this
11 seems like it's breaking up. Can you folks hear me?
12 Okay, good. It wouldn't be appropriate for the NRC
13 to get involved in those kinds of things, but we will
14 be involved in seeing how the company is going to
15 assess safety culture and receiving that feedback on
16 a regular basis.

17 One of the things that the company stated
18 today is that the assessments that are going to be
19 done are going to be done completely independent of
20 anybody that reports to the plant. The folks that
21 are going to be doing these assessments are going to
22 report to the Vice President of Human Resources in
23 the Corporate Office in Akron, and those reports are
24 going to be made public at the same time they're
25 provided to the site, so there won't be any

1 opportunity or influence in the outcome of the
2 assessments before they're shared with us, so I think
3 that's an important aspect of the approach they're
4 taking.

5 MS. LUEKE: That sounds like an
6 excellent plan. Whether you see the individual
7 employee appraisal forms or not, but will the format
8 be available to you, do you know?

9 MR. GROBE: I honestly don't know
10 that level of detail, Donna, but we can get that for
11 you if you like.

12 MS. LUEKE: Okay. The reason I'm
13 asking is because in my experience with management --
14 I don't have any experience with nuclear power
15 plants, but I do with managing, and in order for a
16 change, a see change to take place like FirstEnergy
17 is talking about where safety becomes No. 1, in order
18 for that big of a change to take place, I believe it
19 has to take place in the person's appraisal, their
20 job description, their bonus structure and how
21 they're being promoted, and I feel it has to go all
22 the way from the janitor to the Vice President and if
23 that's a missing link, if there's not a motivation
24 day-to-day and year-to-year set in place in the
25 structure, I feel that it's doomed to be a situation

1 of meetings that happen and then even though it does
 2 sound like there's good follow through happening, but
 3 I think it's a very important part that you may add
 4 to your agenda.

5 MR. GROBE: I think most, if not
 6 all, of those aspects are already captured in their
 7 plan and it's described in the pages that surround
 8 the one you're looking at, but I would be glad to
 9 discuss this in more detail with you later tonight.
 10 Did you have any other questions?

11 MS. LUEKE: Yes. One was about
 12 the incident that happened in 1985, and I have a copy
 13 of the report to Congress from the NRC, and there is
 14 a phrase there that says -- and I'm just going to
 15 take an excerpt -- that the underlying cause with the
 16 licensee's lack of attention to detail in the care of
 17 plant equipment and how they related to the equipment
 18 in a superficial manner, and, therefore, the root
 19 causes were not being corrected. This sounds quite
 20 familiar, and so have you explored in the history to
 21 see what was done last time because it happened
 22 again, and, therefore, there was, I assume, I know
 23 there was a large fine, but I don't know what
 24 procedures were put in place to correct those things
 25 last time, and if they weren't followed through on,

1 how this happened again.

2 MR. GROBE: Those are excellent

3 questions. I haven't personally gone back and read

4 all those reports, but the company has gone back that

5 far and said, how do we find ourselves in this

6 situation again, and that formed some of the basis

7 for their root cause assessments. Those have all

8 been made, submitted to the NRC on the docket and

9 made publicly available. There are six separate root

10 cause assessments in different areas, different

11 aspects of the plant operation. They will be

12 publicly available shortly. The -- that's one of

13 the focuses of this current management team, is to

14 make sure this doesn't occur, and it's one of the

15 reasons that they have evaluated not only what's

16 going on at Davis-Besse, but what's going on at the

17 Corporate Office. The Board of Directors has a

18 nuclear subcommittee. There's a new Vice-President

19 of Oversight in the Corporate Office that used to be

20 a plant function, so there are many more barriers

21 that they're putting in place to try to make sure

22 that if things do start to atrophy at some time in

23 the future that that atrophication is identified and

24 addressed before it becomes a significant problem, so

25 those are good points, and I think they have been

1 captured, but it's -- you've got to keep your eye on
2 the ball. Using the softball for instance, right,
3 Bill?

4 MR. DEAN: (Nod indicating yes).

5 MS. LUEKE: And just one more
6 question and then a comment. Since the NRC
7 themselves are having some internal difficulties and
8 the Inspector General's report and the Chairman are
9 not agreeing and such things are happening, have you
10 revisited the possibility of an independent review
11 like was petitioned previously and rejected since
12 there has to be some sort of impediment to your
13 activity at this point?

14 MR. GROBE: I think there were two
15 questions there, and let me answer them both. The
16 first question deals with the well publicized
17 dialogue that's going on between the Inspector
18 General and the Chairman and what Congress is going
19 to do with that, that all deals with things that
20 happened more than a year ago, and it deals with
21 things that happened in headquarters, decision making
22 that happened in headquarters. This panel is by and
23 large isolated from that. We're doing our
24 activities independent of those kinds of things that
25 are going on in the political environment and

1 otherwise. The Commission did do a very substantive
2 self-assessment of how we missed what happened at
3 Davis-Besse, and I think there's on the order of 50
4 recommendations that came out of that
5 self-assessment. It's called the Lessons Learned
6 Task Force. That was presented to the Commission
7 today at a public meeting in Washington, and it was
8 dialogue on the -- both the Lessons Learned report as
9 well as the corrective actions on what the staff
10 plans on doing with those, so those will help us
11 improve, but this panel's activities are very clearly
12 and narrowly focused on recovery of Davis-Besse and
13 making sure that they do everything they need to do
14 to operate this plant safely if we get to the point
15 that they request to restart the plant.

16 MS. LUEKE: So as long as you all
17 don't read the paper you're okay?

18 MR. GROBE: We read the paper,
19 but, truly, those don't have a safety impact on what
20 we're doing here. There was another imbedded
21 question --

22 MS. LUEKE: About the possible
23 review of an independent board.

24 MR. GROBE: Oh, yes, thank you.
25 The response we provided to that was that we felt we

1 had the capability and confidence to do this work
2 without an outside assistance, and I believe that
3 that continues to be our view, that we have the right
4 competency to do the kind of work we're doing. In
5 other places where that kind of an independent review
6 is done, particularly Millstone, we didn't have
7 enough resources or specific competence in the areas
8 we needed to look at to do that on our own so we had
9 the company hire some independent evaluation, and we
10 provided some oversight of that, so I think our
11 conclusion still remains that we have what we need to
12 do the job right and where we don't we have been
13 procuring some expertise, and we did that in our
14 human factors analysis area and we may do that in the
15 safety culture area, too. We may go out and get
16 some independent expertise, but I believe that we
17 still feel that we're capable of handling it without
18 an independent oversight panel.

19 MS. LUEKE: And I just do want to
20 read a statement and that is, in my opinion, how to
21 know when a safety culture has been achieved; when
22 those with FirstEnergy and Davis-Besse in addition to
23 saying, what can I do to get this plant opened soon
24 and how can I save my job and how can we make the
25 most out of the return on investment; when they start

1 asking regularly, what can I do to help make this
2 reactor and this company and this community more
3 safe, and how can we best make restitution for the
4 losses that have experienced because of our last --
5 past mistakes and policies, and when NRC people
6 instead of asking, how can I convince my boss or the
7 public or the media or Congress that I did not know
8 that this would result in what it resulted in, if
9 they begin asking regularly and putting those
10 questions aside, what can I do to assure that neither
11 FirstEnergy nor the NRC make another dangerous
12 oversight either here or at other plants, and not
13 just kidding this time, and what is the best thing I
14 can do for the safety of the employees and the
15 public, and when citizens and public officials at all
16 levels in addition to saying we desperately need
17 Davis-Besse jobs also say, what can I do to hold
18 FirstEnergy and the NRC accountable for their actions
19 and inactions, and how can we convince them that the
20 safety of our people and lands and lakes must come
21 first, so -- thank you.

22 MR. GROBE: Thank you very much.

23 THEREUPON, the audience applauded.

24 MR. GROBE: We ran a little bit
25 over the three to five minutes on that one, so if we

1 can please try to stay focused on that kind of time
2 frame, I would appreciate it. Good evening, Howard.

3 MR. WHITCOMB: Good evening. My
4 name is Howard Whitcomb. I, too, would like to thank
5 our local politicians with their vigorous comments
6 tonight. I think as a society we only grow through
7 the expression of diverse perspectives. After
8 hearing Mr. Mendiola's briefing of what happened this
9 afternoon, and I was unable to be here, but it sounds
10 like I might have missed quite a bit, it sure sounds
11 like FirstEnergy has taken some positive measures to
12 address the lack of safety culture. Having said
13 that, I would await the results.

14 The lack of appropriate safety culture at all
15 levels within the NRC is a primary contributor to the
16 reported root cause related to the degraded safety
17 culture at the Davis-Besse Nuclear Plant and other
18 nuclear facilities throughout the country. To date,
19 both the NRC and FirstEnergy have failed to convey
20 credible demonstrative evidence that the degraded
21 safety cultures in both organizations have improved
22 to a level whereby continued safe operation of the
23 Davis-Besse Nuclear Plant is assured. Consider the
24 following:

25 No. 1. Consider the findings contained in a

1 recent report from the Office of Inspectors General
2 that nearly half of the NRC's staff that responded to
3 a survey in 2002 reported they are currently
4 reluctant to raise safety issues to their own NRC
5 management.

6 No. 2. Consider the recent revelation that a
7 similar survey conducted in 1998 indicated the
8 significant lack of safety consciousness at
9 percentage levels very similar to that reported at
10 the Davis-Besse Nuclear Plant July 2002.

11 No. 3. Consider that the complement of
12 personnel who comprise both the current 350 Panel and
13 the Lessons Learned Task Force were drawn from the
14 same poisoned well.

15 No. 4. Consider the failure of the Chairman
16 of the 0350 Panel to articulate specific quantitative
17 as well as qualitative improvements regarding the
18 Davis-Besse safety culture coupled with recent
19 statements that quote, "I don't know how to measure
20 safety culture," unquote.

21 No. 5. Consider the failure of the Lessons
22 Learned Task Force to forthrightly address and
23 identify the degraded safety culture within the NRC
24 and any of its fifty-one recommendations to the
25 commissioners. The lack of thorough review and

1 analysis of the NRC's actions in response to
2 allegations raised at the Davis-Besse Nuclear Plant,
3 as well as other nuclear sites over the last decade,
4 coupled with the knowledge of seriously flawed safety
5 culture within the NRC's own ranks, strongly suggests
6 that the completed effort of the Lessons Learned Task
7 Force fulfills a self-serving agenda and, therefore,
8 deserves deliberate public rejection.

9 No. 6. Consider the failure of any
10 organization within the NRC, including the 350 Panel
11 members, to disclose to the public at any time since
12 March 2002 the identified serious safety culture
13 problems within the NRC's own ranks.

14 No. 7. Consider that the two key
15 individuals, that is the President of FirstEnergy and
16 the Director of Nuclear Reactor Regulation, who
17 placed power production over the public's safety and
18 unilaterally made the decision allowing the continued
19 operation of the Davis-Besse Nuclear Plant from
20 November 2001 to mid-February 2002, are still
21 employed by their respective employers.

22 No. 8. Consider that the NRC recently failed
23 to levy any fines against FirstEnergy for a serious
24 loss of radioactive material control at the
25 Davis-Besse facility last year. It appears that the

1 once pronounced "zero tolerance" policy concept no
2 longer applies to the safeguard protection of the
3 public from radioactive waste generated at nuclear
4 facilities. Be mindful that several other states
5 were contaminated in this instance and that the loss
6 of radioactive material generally presents an impact
7 on homeland security.

8 No. 9. Consider the noticeable absence of
9 both the NRC's Executive Director for Operations and
10 the Region III Administrator at any of these public
11 proceedings since May 2002.

12 No. 10. Consider the incredible outrage
13 expressed by the current chairman of the NRC in
14 response to the recent report and findings of the
15 Office of Inspectors General.

16 No. 11. Consider the recent comments of
17 FirstEnergy's Chief Executive Officer to Davis-Besse
18 employees, as well as to this community, that
19 Davis-Besse will not become a "black hole" is a
20 subtle but clear message to all of us that we better
21 watch our step or some of us will face the loss of
22 jobs while others will suffer economic harm. Such
23 an approach is intimidating, undermines the premise
24 of a healthy safety culture and promotes a "profits
25 over safety" attitude.

1 At this time, I extend a cordial invitation
2 to the NRC commissioners --

3 THEREUPON, Mr. Grobe attempted to fix the
4 interference of the microphone.

5 THEREUPON, the audience applauded.

6 MR. WHITCOMB: At this time, I
7 extend a cordial invitation to the NRC
8 commissioners --

9 THEREUPON, Mr. Grobe attempted to reattach
10 the microphone.

11 MR. GROBE: Howard takes his
12 glasses off, I need my on.

13 MR. WHITCOMB: At this time, I
14 extend a cordial invitation to the NRC commissioners
15 and the members of the Advisory Committee on Reactor
16 Safeguards to attend the next scheduled public
17 meeting here in Ottawa County and observe firsthand
18 the concerns which have been expressed by the public.
19 The evident lack of safety consciousness demonstrated
20 by the highest management levels within the NRC
21 demands that specific safeguards be immediately
22 instituted whereby the public's trust in the NRC's
23 ability to regulate an obviously flawed agency is
24 re-established. There is no more important issue
25 within the nuclear industry today. It is time for

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1 the ACRS to ask the difficult questions, insist on an
2 appropriate agenda and ensure that these resolutions
3 are achieved and maintained with the integrity and
4 safety consciousness as is required by law. Thank
5 you.

6 THEREUPON, the audience applauded.

7 MR. GROBE: Thank you, Howard. I
8 wasn't sure I got any questions in there, so I'm not
9 sure what to respond to. Do you have any specific
10 questions?

11 MR. WHITCOMB: No.

12 MR. GROBE: Okay, thank you.

13 MR. DEAN: Jack, I'm sorry, there
14 are a couple things, though, that I think are worthy
15 of both responding to, and one is the issue about the
16 most recent survey that was done of NRC employees
17 related to safety culture. Howard pointed out one
18 issue which was the issue of NRC employees feeling
19 comfortable in raising safety issues through the
20 current NRC process. We have a process called
21 different professional views and different
22 professional opinions which has been identified over
23 the past several years as a very cumbersome process,
24 and, in fact, over the past year and a half, there
25 has been a Senior Management Review Team looking at

1 that process that recently made recommendations to
2 the commission on things to do to improve that
3 process. What Mr. Whitcomb also failed to mention
4 was that the overall tenor of that report was one
5 that actually indicated an improved overall NRC
6 safety culture, so I think it's a bit of a disservice
7 to take one element out of context, and, in fact, one
8 of the things that the commissioners are doing with
9 respect to that report is gathering the information
10 that lead to the data. That report really was just
11 a summation of the data. There's quite a bit of
12 information and background that goes into the survey
13 results that we want to look at and evaluate. There
14 is comments that were made that were associated with
15 the survey results and have to be assessed, and so
16 we're going to hold in abeyance -- the NRC is going
17 to hold in abeyance until it has the opportunity to
18 get that information from the independent contractor
19 that did the survey to look at some of those results,
20 in particular the one that Howard mentioned, but I
21 think it is worth noting that the overall results of
22 that survey actually indicated a -- quite an
23 improvement in a number of areas in the NRC safety
24 culture.
25 The second issue I wanted to talk about was

1 the issue related to the levying of fines, in
2 particular with the loss of radiation, radioactive
3 material control. Several years ago in a very
4 public process, the NRC revised its approach by which
5 it would consider enforcement actions. It
6 determined that the impact of civil penalties at the
7 degree to which they have been applied and to which
8 the regulations would allow really did not in and of
9 itself serve as much of a deterrent as did the making
10 the issue for which a licensee received a violation
11 public as well as the impact on operations and the
12 additional inspection and effort that the NRC
13 provided, and so there was a conscious decision on
14 the part of the agency, agreed to by the commission,
15 to limit the application of civil penalties to issues
16 where there were either actions that were potentially
17 deliberate or willful on the part of licensees or in
18 those situations where you have actual impact on
19 public health and safety, actual event of a magnitude
20 where you have a substantial release or a substantial
21 overexposure to the public, and so the fact that the
22 NRC did not levy fines is in direct alignment with
23 the current commission policies related to
24 enforcement.

25 MR. GROBE: Thanks, Bill. Yes,

1 sir?

2 MR. HALSTEAD: My name is Rick
3 Halstead. I'm a faculty member of Terra Community
4 College in Fremont, Ohio and a resident of
5 Perrysburg, Ohio, Wood County. I really only have a
6 comment. It's not really a question intended
7 necessarily to get an immediate response. I hope
8 this adds something in the way of perspective to the
9 discussion. The Inspector's General of the NRC have
10 concluded that the NRC does not have an adequate
11 culture of safety and that the NRC was remiss in
12 allowing Davis-Besse to operate to the February 16th
13 shutdown date. A recent survey within the NRC
14 states that numerous NRC employees are hesitant to
15 bring up safety issues. Consider that number again.
16 That's a lot of regulators who are reluctant to
17 express safety concerns. It's likely that most of
18 the people in this room remember the day the
19 Challenger Space Shuttle exploded seconds after it
20 was launched. It's also likely that some people in
21 this room know that this tragedy was not caused by
22 unforeseeable events, but rather by the willingness
23 of the corporations and Government agencies involved
24 to ignore the warnings of their engineers that the
25 launch was unacceptably risky.

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1 Recently, we have witnessed the Securities
2 and Exchange Commission's failure to regulate in the
3 public interest. A primary driver in the Enron
4 World Com and IM Clone scandals was, again, profit
5 motives left unchecked by a weak regulatory agency.
6 Now, we've had this near disaster at Davis-Besse.
7 We heard FirstEnergy and the NRC issue mea culpa.
8 Many of us find them unconvincing because in at least
9 two of these cases there were voices within the
10 companies or the regulatory agencies involved warning
11 of impending disaster. Until corporations and their
12 regulators make it reasonably safe for responsible
13 employees to sound the warning siren in the interest
14 of public safety, we have no reason not to expect
15 another Challenger, another Enron, another
16 Davis-Besse. I don't think that the family -- are
17 we still on here -- that the families and friends of
18 the Challenger crew would regard the concept of a
19 safety culture as nebulous and neither should we.
20 Thank you.

21 THEREUPON, the audience applauded.

22 MR. GROBE: Thank you very much
23 for your comments. Yes, sir.

24 MR. DOUGLAS: Jack, I think you know
25 who I am. To the people in the audience who don't,

1 my name is Jim Douglas, I'm a retired chemical
2 engineer, and I live on the doorstep of Davis-Besse.

3 THEREUPON, the microphone was repositioned.

4 MR. DOUGLAS: Okay, start again.

5 My name is Jim Douglas. I'm a retired chemical
6 engineer, and I live right on the doorstep of
7 Davis-Besse. I made a couple of suggestions to Jack
8 on things that I thought would be helpful in getting
9 Davis-Besse going again; one was a photographic
10 preventive maintenance program that would have some
11 teeth in it. In other words, if they saw dirt and
12 corrosion and corruption on the head of the vessel,
13 they don't start the plant until it's repaired. I
14 have heard no comment from anybody from Davis-Besse.
15 I have heard no comment from the NRC about the
16 suggestion of a photographic PM program.

17 I would like to throw in another suggestion.
18 Namely, the monitoring cameras for the internal parts
19 that show the ~~wells~~ welds on the head of that vessel that
20 are monitored by camera 24-7-365, and they are shown
21 on the camera in the operating room, and they can be
22 set up so that the entire welded areas of the head of
23 that vessel are available simply by pushing a button,
24 zoom in with a camera and we can inspect them right
25 then and there, 24 hours a day in operation. This

1 is not a tremendously expensive program. It can
2 become very expensive, but it doesn't have to be. A
3 very useful monitoring program and a very useful
4 photographic program have not been commented on by
5 either the NRC or by Davis-Besse. Have you got any
6 comments, Jack?

7 MR. GROBE: First, let me ask you
8 a question, Jim. Last time you joined us I think we
9 were at the high school and FirstEnergy committed to
10 stop by and share with you a variety of information.
11 Did that ever happen? Did you ever get that
12 information?

13 MR. DOUGLAS: I went down to
14 Davis-Besse at their invite and the chemist down
15 there did try to convince me that the corrosion on
16 the head of that vessel is from boric acid corrosion,
17 and it is definitely not. It is boric acid used as
18 an electrolyte in a battery, that's all it is and --

19 MR. GROBE: The -- let me respond
20 as best I can to your specific comments. There are
21 many areas of the plant that are inaccessible to
22 humans during plant operation and there are some
23 areas that are very difficult to gain access to when
24 the plant is shut down. Utilities are more and more
25 using video examination techniques. One of the

1 findings of our Lessons Learned Task Force was that
2 they weren't taking advantage of those, we the NRC
3 inspectors, to as great an extent as we can.

4 MR. DOUGLAS: That's correct.

5 MR. GROBE: And that's one of the
6 specific findings and that's something that we plan
7 on doing more of in the future. I don't believe
8 there is any rules under consideration of mandating
9 video examination or cameras inside containment. I
10 believe currently that the commission views the
11 monitoring systems in place sufficient, and at
12 Davis-Besse, had they been responded to properly, had
13 the indicators been responded to properly, this
14 situation wouldn't have occurred. So currently,
15 there is no rule making underway to mandate any sort
16 of videography type maintenance program. That
17 wouldn't be within the purview of this panel, that
18 would be more within the purview of the Office of
19 Nuclear Reactor Regulation to promulgate a new rule,
20 so I think I answered the question.

21 MR. DOUGLAS: Well then, Jack, let
22 me ask you this one question. What is Davis-Besse
23 doing to assure me as a neighbor, as a technical
24 person living close to them, that they are doing a
25 better job to maintain the head of this vessel, nice

1 strong, clean head, so that we got a good strong
2 vessel and it's not going to go to hell like the
3 other?

4 MR. GROBE: Well, I think that's
5 an excellent question.

6 MR. DOUGLAS: I'm sorry for the
7 language, but there it is.

8 MR. GROBE: That's pretty
9 straightforward, and that's the way I like it.

10 MR. DOUGLAS: Darn right.

11 MR. GROBE: What the company is
12 doing is putting into place the programs and the
13 approach that they should have had back through the
14 late '90s, which would have prevented this in that
15 time period, those programs are in existence at all
16 other nuclear plants and no existence of problems
17 like Davis-Besse was identified at any other plant in
18 the country, so the failures of Davis-Besse to
19 implement the types of maintenance programs that I'm
20 sure you would find acceptable are what caused this.

21 The -- in addition to that, the licensee has
22 taken an industry leadership role in developing a
23 more substantive reactor coolant system leakage
24 program, leakage monitoring program, with very
25 conservative thresholds for taking action. We have

1 a limit of one gallon per minute of what we call
2 unidentified leakage, below which it is not required
3 to shut down, above which the plant is required to
4 shut down in very short order. The company is
5 setting much more conservative monitoring levels and
6 installing a state of the art system. It's referred
7 to as a Flus Leakage Monitoring System that comes out
8 of Europe that's not used anywhere else in the United
9 States, so they are taking a number of actions to
10 improve their ability to detect primary system
11 leakage, and they have put in place monitoring
12 criteria that will cause them to take actions far
13 below any of our regulatory requirements, so I think
14 you can gain some confidence in those issues.

15 In addition, I think you can gain some
16 confidence in the inspections that we have been
17 performing and the communications we have been having
18 with the public about the results of our inspections.
19 We're making sure that the changes they're making are
20 the right changes and that they're going to be
21 lasting, and this panel will stay in existence for an
22 extended period of time after restart to continue
23 monitoring performance at Davis-Besse and to ensure
24 that there's not a remission, to ensure that, in
25 fact, when we do make the restart decision, if we get

1 to that point, that our confidence that they can
2 start up and operate safely was not incorrectly
3 placed.

4 MR. DOUGLAS: Jack, I would make
5 only one further request of you, that you stay in --
6 that the NRC stays in operation and stays on top of
7 Davis-Besse until they do get these photographic and
8 monitoring systems in.

9 MR. GROBE: Yeah, I think Bill and
10 I are here for the long haul, so we'll make sure that
11 these changes are lasting.

12 MR. DEAN: Jim, one thing I would
13 like to share with you from a -- I guess from a
14 national perspective, in terms of some of the
15 requirements that we're considering placing on
16 licensees with respect to inspection of the reactor
17 vessel heads is requiring them, depending on where
18 they are in terms of age, time of life or if they get
19 rated in a particular susceptibility category, for
20 example, Davis-Besse at the time of their event was
21 in what we call the high susceptibility range because
22 of the amount of time and temperature in which they
23 operate at the plant, requiring not only every
24 ~~outaging~~ outage, bare metal visual inspection of the reactor
25 vessel head. In other words, they have to remove the

1 insulation and, you know, eyeball with trained
2 evaluators the reactor vessel head itself, but also
3 to do a combination of what we call nondestructive
4 testing, either using ~~any~~ Eddy current testing or
5 ultrasonic testing of the ~~wells~~ welds to do even further
6 assurance of the integrity of those penetrations, and
7 so I think over the coming months you'll see the NRC
8 actually issue requirements of licensees to do that
9 while we go through an actual rule making process
10 which actually takes several years, so we plan on
11 putting in place some interim measures for licensees
12 to have more stringent inspection requirements for
13 the reactor vessel heads nationwide.

14 MR. DOUGLAS: I'm only too well
15 aware that the Davis-Besse fiasco has shook up the
16 whole nuclear industry, all 68 hot water boilers, I'm
17 very well aware of that, and I would certainly expect
18 that to be part of the NRC's national concern, not
19 just here at Davis-Besse, but Davis-Besse is the
20 worst existing example in the world of neglect.

21 MR. GROBE: That's correct.

22 MR. DOUGLAS: And that's just about
23 stating it as frankly as I can put it, and the other
24 two examples are Chernobyl and Three-Mile, okay, but
25 the worst one in the world and how they could ever

1 have lasted with paper thin stainless steel and not
2 blow a hole in 2,000 pounds is very close to
3 miraculous, darn near proof of the existence of God
4 for any scientist.

5 THEREUPON, the audience applauded.

6 MR. GROBE: Thanks, Jim.

7 MR. DOUGLAS: So, anyway, I'm very
8 glad to hear and, thank you, Jack, about the
9 photographic and the monitoring system.

10 MR. GROBE: Thank you very much.

11 MR. DOUGLAS: I hope to hear and see
12 them soon. Thank you.

13 MR. GROBE: Okay. Any other
14 members of the public that have questions or
15 comments? Yes, sir.

16 MR. DUSSEL: My name is Tim Dussel.
17 I'm a concerned citizen, and there's a few questions
18 I have as far as why Davis-Besse was allowed to keep
19 running an extended length of time when they were
20 supposed to have a shutdown for inspection. I keep
21 reading different articles that the NRC keeps saying
22 if we'd only known now (sic), what we know now, we
23 wouldn't have let them run. I don't understand why
24 the NRC didn't know what they know now. What was
25 you doing before then?

1 MR. GROBE: They are really two
2 separate complete issues. What you've read about
3 with the Inspector's General report and the
4 Chairman's response to that had to do specifically
5 with the decision making that went into allowing the
6 plant to operate for six more weeks and those
7 documents pretty well speak for themselves, the
8 position of the agency and the position of the
9 Inspector General. The question of why we didn't
10 know -- what we know today based on the -- regarding
11 the condition of the reactor head is an excellent one
12 and that was what the Lessons Learned Task Force was
13 charged with doing, and they came up with about 50
14 recommendations for us to improve our inspection
15 programs, our procedures, our training, not
16 specifically, necessarily focused on this issue, but
17 looking more broadly at these types of issues and
18 what we can do to prevent that, and that report is
19 available on the website, and I believe just today,
20 the -- how the agency is going to respond to that
21 report is also available publicly, and there was a
22 commission meeting in headquarters today where the
23 commissioners heard the results of that report as
24 well as the Executive Director's response to that
25 report, so I think we've pretty well self-assessed

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1 ourselves from every perspective and we're getting
2 even more help these days. The General Accounting
3 Office is now investigating those two questions also,
4 so by the time we're done with all the investigations
5 and corrective actions, I think we should have this
6 one nailed down pretty well, but I think you'll find
7 in those documents the answers to your questions.

8 MR. DUSSEL: Also, I would like to
9 know if there is being any criminal investigations
10 being done? I find it really amazing the amount of
11 people at FirstEnergy that falsified records,
12 falsified information, out and out lied, and you guys
13 stand behind them and swear by them. I don't
14 understand that.

15 MR. GROBE: That's a good
16 question, and I don't stand behind people and swear
17 by people. I evaluate performance. That's what our
18 job is.

19 MR. DUSSEL: Someone is not doing a
20 very good job.

21 MR. GROBE: And we don't -- we,
22 the NRC, do not -- we're not involved in criminal
23 prosecutions. That's not our bailiwick. We do
24 have an Office of Investigations, and whenever it
25 appears that something could have been more than just

1 a mistake or an oversight, that initiates an
2 investigation into that specific issue. They are
3 investigating that issue. If they conclude that
4 there was a deliberate action on the part of
5 individuals to violate requirements, then they report
6 to the Department of Justice regarding criminal
7 prosecution, and that activity is ongoing. I think
8 that answers your question.

9 MR. DUSSEL: There's continuing --
10 you know, numerous issues brought up where it has
11 been proven that there was falsification on records
12 and on inspections. The modification of the platform
13 above the reactor, I believe it was 10 years ago that
14 the NRC advised that modifications be made on that so
15 there could be inspections --

16 MR. GROBE: I think you got your
17 facts just a little bit wrong. Let me see if I can
18 flush that out a little bit. The NRC did not
19 mandate or advise anything. What happened was
20 utilities were finding -- some utilities were finding
21 it difficult to visually examine their head -- excuse
22 me, visually examine the reactor head.

23 (Laughter).

24 MR. GROBE: And chose to implement
25 a modification, and Babcock & Wilcox, the

1 manufacturer of this type of reactor, designed a
2 modification to the support ~~that~~ structure that any
3 utility was interested could purchase and implement.

4 A number of utilities -- there's seven of the
5 reactors like this in the United States; five of them
6 chose to implement that modification, two did not,
7 and Davis-Besse was one of the ones that did not.

8 As of today, they all have that modification, so it
9 wasn't an NRC mandate or requirement. It was a
10 choice on the part of the licensee to implement
11 something that would make it easier to inspect the
12 head or whether or not, as Davis-Besse, chose to
13 continue utilizing the original ports that were
14 provided to do this type of examination.

15 MR. DUSSEL: The other power plant
16 that had the same type of platform, they have not yet
17 modified?

18 MR. GROBE: All the plants have
19 modified their support structure.

20 MR. DUSSEL: Don't you think it
21 would be -- the NRC should be involved in such things
22 if there is a structure that you cannot do an
23 inspection and this could go on for 10 years and the
24 NRC not know that the inspections are not being done
25 properly? I don't understand how that can happen.

1 MR. GROBE: Again, that was the
2 focus of the Lessons Learned Task Force was how do
3 these things happen. I think it's a very
4 comprehensive report. It's available on the
5 website, we can get you a copy, if you like.

6 MR. DUSSEL: Okay, October 11,
7 2001, FirstEnergy officials and their lawyers met
8 with representatives of the NRC, five member
9 governing board. The company insisted Davis-Besse
10 is safe to run until April, and says it will take
11 every action necessary to obtain the technical basis
12 on which the NRC staff is basing its shutdown
13 decision. Throughout October, FirstEnergy gave NRC
14 staff additional technical information on its own to
15 support its case.

16 Was that about the same time that the big red
17 picture wasn't showed?

18 MR. GROBE: Really these, I
19 think -- I'm not sure what you were reading from, but
20 I think these are the exact issues that are addressed
21 in the IG report and were addressed in the Chairman's
22 response, and those documents speak for themselves,
23 and it would be inappropriate for me to comment on
24 either of those issues. They don't have anything to
25 do with -- those decisions that were made over a year

1 ago don't have anything to do with this panel's
2 activities. This panel is looking forward from
3 February 2002 on.

4 MR. DUSSEL: I think maybe the two
5 panels or three panels or four panels or however many
6 panels there are, everyone should get together and be
7 on the same page. I think this is where a big
8 problem is. It's real easy for someone else to say
9 we didn't see it. I can't understand how the NRC
10 keeps making these statements that we didn't know.
11 That's just -- I don't understand -- I don't see
12 where any of this is going to improve any. If you
13 don't learn from past history, I don't see where any
14 of this can improve.

15 MR. GROBE: Maybe what we can do
16 is talk later and we can move on to another person's
17 questions.

18 MR. DUSSEL: One more statement or
19 fact. I don't understand, you say that you're not
20 going to -- there was no fine brought forth for the
21 five people that was contaminated.

22 What good does any of the fines do to begin
23 with with a corporation when money does not mean
24 anything? There is no one being held accountable.
25 I don't understand. I have asked numerous times and

1 other people have asked what have happened to all
2 these so-called managers that have been fired or let
3 go or have been moved. I don't see by firing them
4 or having them let go without question, how you're
5 going to learn anything. These are the people that
6 made these mistakes and you've sat and said that
7 people and mistakes that caused this. If these
8 people aren't held accountable and are not
9 questioned, how do you feel you're going to learn
10 anything from it?

11 MR. GROBE: Let me go back to the
12 issue on the radioactive materials that got into the
13 public domain because that's apparently an issue of
14 concern and it's very important that everybody had
15 the correct context on that. We currently assess
16 our violations by safety significance or risk
17 significance. In the area of radioactive materials
18 or radiation exposure is strictly based on safety.
19 The -- and we categorize certain violations,
20 violations that we issue in four levels starting with
21 green being the least significant, white, yellow and
22 red being most significant. This violation was
23 categorized as a green violation. It had very low
24 safety significance. The materials that were
25 released had no health consequences to the public.

1 Had the materials been of greater quantity or a
2 different type of material and had they had health
3 consequences, then the violation would have been
4 categorized at a higher level. As Bill indicated a
5 few minutes ago, if it presented a clear risk to the
6 public, then there could have been fines associated
7 with those violations. These violations are not
8 significant. They are of low significance. We
9 issued the violation. The company has to fix it,
10 and we'll make sure they do. Thank you very much
11 for your comments.

12 Are there other members of the public that
13 have questions? Yes, sir.

14 MR. HIRT: Dave Hirt is my name,
15 Danbury Township Trustee. I'm a lifelong resident
16 of Ottawa County and have lived with this company in
17 our backyard since its inception. Safety has always
18 been our concern here. As public officials, there's
19 safety plants, contingency plants and backup plants.
20 Davis-Besse has been a good neighbor for us. Its
21 got a good -- its had a good safety record in the
22 past, producing electricity reliably for more than 25
23 years. The plant is capable of running. Problems
24 can be fixed. Safety can dominate compatible with
25 production of energy. Please give it your ultimate

1 consideration for the restart of the plant. Thank
2 you.

3 MR. GROBE: Thank you very much
4 for your comments.

5 THEREUPON, the audience applauded.

6 MS. MUSER: My name is Mary Muser.
7 I have been a lifelong residence along the lake and
8 in Ohio my whole life. You were talking about these
9 new regulations, new things that you were coming up
10 with in this Lessons Learned. I just wondered who is
11 going to be in charge of overseeing all these new
12 regulations? Is this still going to be a matter of
13 trust between the industry and the NRC?

14 MR. GROBE: The Lessons Learned
15 Task Force really doesn't have anything to do with
16 the utilities. It has to do with how we do our job
17 and how we serve our public, expectations of the
18 public and the report went to the Executive Director,
19 that's the top guy in the agency, and he is charging
20 all of the appropriate people to implement those
21 changes and maybe you can help me here, Bill. I
22 think there's a six month review, every six months
23 he's going to review our progress in these areas.
24 It was either three or six months. I think it was
25 six months that we're required to report back to him

1 on how we're making process and making sure this
2 issue is fixed.

3 MS. MUSER: So basically the
4 company will still report to you about the level of
5 safety at their plant and you take their word for it,
6 or are you going to go in there and see for yourself?
7 This is what I'm wondering.

8 MR. GROBE: Good question. We
9 have two inspectors on site every day, and they just
10 don't go around and ask questions. The reason we
11 have them here at the site every day is that they're
12 at the plant every day, putting their eyeball on
13 what's going on.

14 MS. MUSER: And they were there
15 throughout this whole --

16 MR. GROBE: That's right. You
17 have to appreciate that we have to select the
18 activities that we're going to look at, and we chose
19 not to look at the head inspections because of the
20 belief that that was an issue that was well handled
21 based on the review of the records. As somebody else
22 pointed out earlier there were some inaccuracies in
23 those records. We currently are evaluating how
24 those records got to be inaccurate, but there's a lot
25 of activities that go on every day at the plant that

1 we can't actually look at ourselves. We do review a
2 lot of records, attend a lot of meetings and do
3 independent inspections ourselves, but we didn't
4 choose to look at this one specific activity and that
5 was unfortunate.

6 MS. MUSER: Okay. You also talked
7 about clear risk of the public as being a measurement
8 for how fines are levied and so forth. I would think
9 that a bulging liner seems to be a clear risk to the
10 public.

11 MR. GROBE: The specific issue we
12 were talking about was the release of --

13 MS. MUSER: Radioactivity --

14 MR. GROBE: -- 18 discrete
15 radioactive particles.

16 MS. MUSER: Right, but I would
17 seem to think that a bulging liner also seems to be a
18 clear risk.

19 MR. GROBE: I understand that.

20 MS. MUSER: I once asked, given
21 the past history of Davis-Besse to bury photos of the
22 degradation to the NRC, how can the public trust them
23 to be honest now with the safety issues, and the
24 answer that I was given was from one of the people
25 who is responsible for the restart. He said that how

1 we would know this would be safe -- not a concern now
2 is that he gives us his word. I don't feel that's
3 good enough, and I would like to know what better
4 assurances you have?

5 MR. GROBE: Well, the -- you can
6 have assurance that we're going to provide
7 appropriate inspection and oversight of the Utility
8 to make sure these issues are fixed and they don't
9 recur.

10 MS. MUSER: Okay.

11 MR. GROBE: I hope you can develop
12 that assurance through watching how we do our work.
13 We're out here every month having public meetings.
14 We do a lot of work between those monthly public
15 meetings. We're reporting out publicly and there is
16 just a wealth of information about what we're doing
17 on the website. I seek your feedback on specific
18 things that you read about what we're doing.

19 MS. MUSER: Right. I was curious
20 about the head because you were saying some places
21 human beings can't get into to inspect. Is this one
22 of these places?

23 MR. GROBE: Well, during
24 operation, the head is completely encapsulated in
25 insulation.

1 MS. MUSER: Right.

2 MR. GROBE: And you can't see it.

3 MS. MUSER: Right, I understand

4 that.

5 MR. GROBE: During shutdown, the

6 head of a reactor, Davis-Besse reactor head, is

7 highly radioactive and access to that is limited --

8 MS. MUSER: Okay, so --

9 MR. GROBE: -- for personal safety

10 reasons.

11 MS. MUSER: So it seems like a

12 camera thing might be a good thing.

13 MR. GROBE: It's an excellent

14 suggestion and it was brought up as a recommendation

15 in our Task Force report.

16 MS. MUSER: Now, I keep hearing

17 how nuclear power is clean and unpolluted.

18 What about the waste that will remain

19 radioactive for thousands of years? No one has ever

20 been able to deal with this problem, and as far as

21 being cheap, we all know that that's a farce. It

22 isn't cheap.

23 MR. GROBE: The waste issue and

24 particularly I think you're referring to the high

25 level waste issues?

1 MS. MUSER: Right.

2 MR. GROBE: There is one that it's
3 far beyond the purview of this panel, but I could get
4 you a contact that's involved in the Yuca Mountain
5 project, and I'm sure you're familiar with the
6 Department of Energy's initiative to develop a waste
7 repository at Yuca Mountain, that's the approach that
8 the Department of Energy is pursuing and the NRC has
9 some responsibility to review that as if the
10 Department of Energy is a licensee of ours.

11 MS. MUSER: Okay. Now, when you
12 think the NRC failed -- the NRC basically failed to
13 follow your own regulations by not ordering immediate
14 shutdown in the past, so why do you feel now that new
15 regulations would make a difference?

16 MR. GROBE: Really, you've gotten
17 back into those issues that are described in the IG
18 report as well as the Chairman's response to that
19 report, and I recommend that you read the Chairman's
20 response.

21 MS. MUSER: I did.

22 MR. GROBE: And those documents
23 speak for themselves. I really don't have anything
24 to add beyond what the IG said and what the Chairman
25 said. Thank you.

1 THEREUPON, the audience applauded.

2 MR. GROBE: Thank you.

3 MR. RITTER: Good evening. My name
4 is David Ritter. I'm a policy analysis with Public
5 Citizens Critical Mass Energy and Environment
6 Program, Washington, D.C. We are a non-profit
7 agency. We do not take any funds from the
8 Government or any corporations and we have a
9 membership of over 150,000. While I do now live in
10 the D.C. area, I was born and raised in Ohio, and I
11 lived there for 28 years and my family still resides
12 in North Central Ohio with my sister and
13 brother-in-law working regularly in Marblehead, so I
14 have a personal interest, as well as professional, on
15 this issue, and I can confidently say that I also
16 represent them as well as the public citizen members.

17 I realize that the viewpoints I'm about to
18 express are not likely to change. I'm going to speak
19 quickly because I know I have a time limit. Not
20 likely to change any minds or convince FirstEnergy or
21 the NRC to reverse course in their plans to start
22 Davis-Besse, nor will they shock the NRC to any
23 extent that might initiate real substantive changes
24 within the NRC, within the organization.
25 Nonetheless it is apparently necessary to air these

1 viewpoints.

2 We have heard a great deal from FirstEnergy

3 about how they are in the process of turning over a

4 new leaf and that they are -- and that they have

5 learned their lesson regarding placing emphasis on

6 production over safety. In fact, if one didn't know

7 better, it would seem that FirstEnergy is completely

8 indifferent to Davis-Besse's future ability to turn a

9 profit now that they are so focused on safety,

10 safety, safety. One could nearly be fooled that

11 Davis-Besse is a public project of national pride.

12 I presume that most in the room could recognize one

13 particular reactor that operated in a state owned

14 setting, Chernobyl, but certainly, let's not mistake

15 Davis-Besse for Chernobyl. Fortunately, disaster

16 was narrowly averted at Davis-Besse, and, of course,

17 Davis-Besse is very much owned and operated by a

18 private entity -- FirstEnergy. In time, FirstEnergy

19 will again be faced with a production versus safety

20 dilemma. Any time a strong -- any time a decision

21 in favor of safety could adversely impact the bottom

22 line, there will always be a strong inclination to

23 act to maximize profit and anyone who has seriously

24 evaluated this industry's prospects for a 21st

25 century renaissance in anything remotely resembling a

1 free market knows that demonstrating a business case
2 for nuclear is difficult at best. Making the
3 decision to reduce power or shut down the plant for
4 some time or to make repairs is not a decision that
5 delights investors. In truth, we know that safety
6 culture, from the owner/operator licensee
7 perspective, is mostly a public relations campaign
8 aimed in any direction. In truth, we know that
9 relying on the nuclear industry to keep us safe and
10 secure is to actually expect the fox to guard the
11 henhouse, and, let's face it, that's not really fair
12 to the fox. Naturally, this community values the
13 revenue and jobs that come with Davis-Besse, but
14 certainly the community also wishes to avoid a
15 nuclear accident or being at the center of terrorists
16 attack. Knowing that ultimately it isn't reasonable
17 to expect to be protected by FirstEnergy, who can
18 this community rely on to protect them? All of this
19 is not to say that many of Davis-Besse's employees
20 are really not concerned to safety. It is only to
21 say that in the end there must be a countervailing
22 force to absolutely prevent production from being
23 prioritized over safety.

24 In theory, the protector would be the NRC,
25 however, their reasons, both specific to Davis-Besse

1 and generic, to question NRC's capacity to meet its
2 charge to safeguard the public. The dangers are
3 real. That's why the hole in Davis-Besse's reactor
4 head was much more than just a footnote in industry
5 journals. Two recent reports only serve to
6 highlight the question. Who can we trust?

7 On December 30th, 2002 the NRC's own
8 Inspector General issued a report entitled NRC
9 Regulation of Davis-Besse Regarding Damage to the
10 Reactor Vessel Head. Several findings deserve to be
11 reiterated here. That decision by the staff to allow
12 Davis-Besse to continue to operate was, quote,
13 contrary to the goal of NRC bulletin 2001-01 to have
14 at risk plant conduct timely inspections to ensure
15 NRC regulatory requirements related to reactor
16 coolant leakage were met, and, quote, NRC appears to
17 have informally established an unreasonably high
18 burden of requiring absolute proof of a safety
19 problem versus lack of reasonable assurance of
20 maintaining public health and safety before it will
21 act to shut down a power plant. The staff
22 articulated the standard to the Office of the
23 Inspector General as a rationale for allowing
24 Davis-Besse to operate until February 16th, 2002,
25 even in light of information that strongly indicated

1 Davis-Besse was not in compliance with NRC
2 regulations and plant technical specifications and
3 may have operated with reduced safety margins, and
4 NR -- and quote, NRC staff developed a well
5 documented technical basis for preparing an order to
6 shut down Davis-Besse, and on November 21st, the ~~EPO~~ EDO
7 informed the NRC commission of the intent of the NRR
8 Director to shut down the plant on or before December
9 31st, however, contrary to strong justification
10 presented in the order that NRR Director did not
11 force a shutdown, and this goes on. It says the NRR
12 staff did not document its analytical bases in
13 conclusion to support its decision, so the Inspector
14 General is NRC's own quasi independent arm to
15 investigate problems in the agency. It can be seen
16 as one line of defense to be sure that NRC is
17 accountable and actually does its job.

18 NRC's Chairman ~~Reserve~~ Meserve, perhaps bearing a
19 stain on his resume, quickly characterized the report
20 as, quote, unfair, and was indignant that the
21 Inspector General dared to, quote, question the
22 decision on CRDM cracking in the light of subsequent
23 knowledge, end quote, calling it, quote, Monday
24 morning quarterbacking.

25 One can only guess that Chairman ~~Reserve~~ Meserve

1 would be so dismissive of the IG report if there had
2 been a loss of coolant accident. Perhaps that was
3 forecasting a variety of problems both known and
4 unknown in calling for inspections of the industry's
5 pressurized water reactors in the first place. A
6 second report from the Inspector General as, quote,
7 survey of NRC safety culture and climate was released
8 on December 11, 2002 and raised questions which made
9 FirstEnergy's own defenses of their safety culture
10 seem fairly ironic, and even though it's been noted
11 that -- about taking things -- certain things without
12 reading the entire document and that this is actually
13 an improvement from the last time that a survey was
14 done, I would say that that's kind of a sorrowful
15 defense considering it indicates to me that NRC has
16 gone from poor to mediocre, so it's worth noting the
17 following areas of difficulty for NRC safety culture
18 as noted by the Office of the Inspector General.
19 Quote, concern that NRC is becoming influenced by
20 private industry and power to regulate is
21 diminishing. Another one, many NRC employees
22 perceive a compromise of the safety culture.
23 Employees tend to be confused regarding an overall
24 agency mission. Safety training is considered to be
25 based on outdated scenarios leaves security of the

1 nuclear sites within the U.S. vulnerable to sabotage,
2 and there are others, so, in light of these findings,
3 it appears that the public not only in Port Clinton,
4 Toledo, and Cleveland, but any community in the
5 fallout zones of America's 103 commercial reactors
6 has much to be concerned about who is doing the
7 regulating and who is protecting them, and if the NRC
8 can't demonstrate the ability to regulate and
9 safeguard the public and not simply cabal and promote
10 the city, Davis-Besse should not be restarted.

11 Thank you.

12 MR. GROBE: Thank you very much.
13 We've been going for about two hours now. I would
14 suggest that we give the fingers of our transcriber a
15 brief respite and take about a 10 minute break. All
16 right? We'll catch you right at the beginning.

17 Thank you.

18 THEREUPON a brief recess took place.

19 MR. GROBE: Why don't we find our
20 seats. I think we have some young people in the
21 audience that want to speak. Why don't we let them
22 speak. It's getting late.

23 MR. SHAW: My name is Ian Shaw,
24 and I would like to make a comment. I like see
25 changes made in the NRC and FirstEnergy, and I'm glad

1 to see that these changes are being made.

2 MR. GROBE: Thank you very much,
3 Ian.

4 THEREUPON, the audience applauded.

5 MS. SHAW: I just wanted to make
6 a follow-up comment from the students. One, they
7 were very positive about nuclear energy being a good
8 source of energy for our country and also one of the
9 comments you made, Mr. Dean, alluding to fines, I
10 wanted to share with you what their solution was on
11 researching this project. Their solution, it's
12 interesting that you brought up that fines -- civil
13 fines were not a deterrent, they came to the same
14 conclusion without doing statistical study. Their
15 analogy was, well, if I break my brother's toy, I
16 have to pay from (sic) it and that teaches me a
17 lesson, so in adult terms an arbitrary fine probably
18 doesn't make much sense or be a deterrent. Their
19 solution was a fine that would have a consequence to
20 make things more safety (sic) since its made the
21 community feel unsafe, and the fine would be in the
22 amount of about two million to make sure that there
23 were moisture protection seals around the nozzle
24 heads, and, secondly, that money is paid in an amount
25 that the NRC could do inspections with robotic

1 equipment and that report would go to them for a
2 period of two to three years until there was
3 documented change of a change in the safety culture,
4 and I thought that that was a pretty good conclusion.

5 This is a comment of my own. In their
6 research, too, and in asking questions it looked as
7 if Framatome, the company that has robotic equipment
8 that does the ultrasonic technology inspections of
9 heads and can see if there is cracks, owns or has
10 financial interest in FirstEnergy, and I guess my
11 question or concern is how is the check and balance
12 if a company that's contracted with to do these
13 delicate inspections is pretty much inspecting itself
14 and maybe if a fine was levied that an outside
15 robotic technology company with ultrasonic equipment
16 might be used for reports?

17 MR. GROBE: Did you want to
18 respond to that, Bill?

19 MR. DEAN: In terms of the
20 enforcement policy? Go ahead.

21 MR. GROBE: Well, I think I heard
22 two questions. I think I heard you agree with
23 Bill's comments regarding enforcement approach, but
24 the second question was a company that's getting paid
25 by FirstEnergy to do these inspections, your question

1 had to do with the --

2 MS. SHAW: Well, if they owned
3 them, if the company that they, I guess, contracted
4 with, somewhere along the lake, they made it seem
5 like Framatome owns FirstEnergy or is connected.

6 MR. GROBE: No.

7 MS. SHAW: Okay.

8 MR. GROBE: I think that's a
9 misunderstanding.

10 MS. SHAW: Okay.

11 MR. GROBE: Framatome is an
12 engineering firm that provides services.

13 MS. SHAW: Right.

14 MR. GROBE: And if they don't
15 provide good services for the fees that they collect
16 they're not going to be in business very long, so --

17 MS. SHAW: So there is no
18 financial connection between the two?

19 MR. GROBE: Other than they're
20 hired by FirstEnergy.

21 MS. SHAW: Okay, okay. And then
22 just the other comment, too, if they looked into the
23 possibility of -- an arbitrary fine doesn't make much
24 sense, but maybe the analogy of some financial fines
25 that actually are associated with consequences to

1 make things safer.

2 MR. DEAN: I think that -- and,
3 yeah, I appreciate that concept, and, in fact, that's
4 pretty much what you're seeing here with Davis-Besse
5 right now. I mean, here's a plant that because of
6 their failure to adequately maintain the integrity of
7 the reactor vessel head has been and will continue to
8 be in a lengthy shutdown, which in and of itself
9 costs them millions of dollars in replacement cost.

10 In addition, the types of activities that they have
11 done to try and improve safety of their plant and
12 improve their safety culture is indeed pouring money
13 into the plant to try and enhance and improve the
14 safety of the plant, so -- so, but what you were
15 describing was a specific cause and effect, you had a
16 cause or an effect of the reactor vessel, you should
17 pour some of your -- we, the NRC, should direct them
18 to pour a specific amount of money into specifically
19 being better able to not have that occur in the
20 future.

21 MS. SHAW: Right, and there's a
22 difference between fixing a problem and making
23 personnel changes and a financial fee associated with
24 ensuring that there is safety until they can prove
25 it, because I think that's awesome all the changes

1 that they are making inside and that, but, in the
2 past, there hasn't been follow through and that trust
3 has been broken twice, and it would seem, I mean, if
4 I was a parent and my child did something once, you
5 know, 1985 or whatever, and then they came back and
6 did it again, I would say, you know, that's two times
7 now, and so I believe that you say that you're going
8 to do it, but I'm going to have to monitor things a
9 little bit more closely until I see that you do that,
10 say, after another two inspections, so --

11 MR. GROBE: I appreciate your
12 comments, and I think that's what we're all about
13 with this panel is providing additional oversight to
14 make sure that this problem doesn't recur. Thank
15 you very much. I'm not sure we got your name on the
16 record.

17 MS. SHAW: Lori Shaw.

18 MR. GROBE: Lori Shaw. Thank you
19 very much, Lori.

20 THEREUPON, the audience applauded.

21 MR. GROBE: I know you have been
22 itching to speak, but we have a couple more young
23 people behind you.

24 MR. (JEREYMY) PATRICK: It's all right. He
25 can go ahead.

1 MR. TSCHERNE: Are you sure?

2 MR. GROBE: That's okay with you?

3 MR. (JEREMY PATRICK): It's no problem.

4 MR. GROBE: Okay, go ahead.

5 MR. DEAN: And, I'm sorry, Jack,

6 if I could just make an administrative announcement,

7 the facility closes at 10, so we need to finish by

8 9:45, so we'll just need to take that into account.

9 MR. GROBE: Thanks, Bill.

10 MR. TSCHERNE: Thank you. There we

11 go. Thank you. My name is Larry Tscherne, and I'm

12 the business manager of IBEW of Local 245.

13 Fellows, I'm sure you're aware of the

14 involvement of the International Brotherhood of

15 Electrical Workers on a national basis. We

16 represent approximately 750,000 electrical workers

17 across the United States and Canada. I'm happy to

18 say, proud to say, that we represent the physical

19 side of the craft at Davis-Besse from the operators,

20 the mechanics, electricians, INC, chemical, radiation

21 protection, just everybody on the physical side.

22 There was a lot of dialogue tonight on the technical

23 side of things and a lot of assurances. I can stand

24 here with confidence and assure you of one thing, and

25 that's dedication and ownership and craftsmanship on

1 top of that. That's what you have in the employees
2 at Davis-Besse who put in a lot of time, a lot of
3 hours, not only at work, but in training, and they're
4 the best out there, so I don't really have a
5 question. I just wanted to make that statement.
6 Again, there was a lot of dialogue on the technical
7 side and assurances. I can't comment on the
8 technical side, but I can assure you of that
9 ownership and dedication. Thank you.

10 MR. GROBE: Thank you very much,
11 appreciate it.

12 MR. JEREMY PATRICK: Good evening. My
13 name is Jeremy Patrick. I run a local computer
14 business out of my home. I'm 15 years old and I go
15 to school at Oak Harbor.

16 A couple points I wanted to make. I heard
17 Mr. Whitcomb earlier make allegations about
18 radioactive waste that has been mishandled. That's
19 not even the topic at hand. I mean, we need to keep
20 on the topic. A suggestion I had, the public has to
21 be informed of more than just the problems. More
22 like how the plant was designed, how far we were from
23 actual public safety risk. That was a far shot.
24 Even if the reactor would have in some way leaked
25 something, there's plenty more containment that would

1 have contained it. I feel this issue is being dealt
2 with in a professional manner and is being dealt with
3 what it is. It's only a problem. I mean, there was
4 no injuries or permanent damage. This can all be
5 repaired, and it's being dealt in that same way.
6 People need to see the whole side of the story.
7 There's not just what the media says. We need to
8 express that people are only looking at the bad side
9 of it -- some people, I should say. Some people are
10 only looking at the bad side of it when there's an
11 entirely different side, as improvements are being
12 made, safety is being increased, things are going to
13 continue to be normal, and the majority of the public
14 actually has no problem with the nuclear plants and
15 the select few who have notable problems, those
16 problems are unfounded. I have talked at these
17 meetings before, and I would say that more -- more
18 has been done in the past few months than I ever
19 expected that it would happen, and I just wanted to
20 say you're doing a great job. Thank you.

21 MR. GROBE: Thank you very much.

22 THEREUPON, the audience applauded.

23 MR. RANDY PATRICK: My name is Randy
24 Patrick. I'm a shift engineer, the shift engineer on
25 operating crew five at Davis-Besse. I'm also a

1 neighbor of Davis-Besse, live within five miles of
2 the reactor. I'm a member of the Oak Harbor
3 community. I go to church in Oak Harbor, and I
4 didn't anticipate on talking, but my son wanted to
5 talk, so I felt obliged that I should say a few
6 words. I don't have a prepared text. I'm not going
7 to stand up here and read a statement or many
8 statements making accusations or whatever. That's
9 easy enough for anybody to do, but I would like to
10 talk from my heart and what I feel.

11 To start off with, I have full faith in the
12 NRC, I think you're doing the right thing. I think
13 you have the proper amount of rigor, and I think
14 you're doing a great job keeping the public informed.

15 It's very easy to cast stones at people to
16 take the topic away, take the topic away from what we
17 should be discussing. We know what happened in the
18 past. We know the problems that we had and we need
19 to look at what we have done, and I want to present a
20 little human face to Davis-Besse. For the lady that
21 lived on the lake, the lady that has concern about we
22 need to incorporate our nuclear profession and our
23 nuclear state and everything we do so that's
24 engraved. It's not just something we say, and it is
25 part of our yearly evaluations now. We are

1 evaluated on our nuclear safety concerns, our
2 professionalism, otherwise if we fail in those areas,
3 then our reviews are very bad. It's part of our
4 reviews every year. Our safety conscious work
5 environment, I have had training on that, and we just
6 had training on many other things.

7 Back in 1985, we said we fixed things and it
8 happened again. Well, the difference between work
9 done this time and work done back in 1985 is vastly
10 different because we take time, and we have done
11 things differently, and the management now I feel is
12 much better. I can go to my boss and say, Mike, I
13 got a problem. I have a problem with reactor
14 safety, I think this is the wrong thing to do, and
15 he's going to go with me to his boss, and he's going
16 to go to his boss to the Vice President. By virtue
17 of my license, I'm required by law to carry out -- my
18 primary directive is to protect the health, safety
19 and welfare of the public. If I have a problem with
20 them, I go to these people. There's two of them
21 here at our plant every day, at least one of them
22 lives in Oak Harbor. I know where he lives. I can
23 go see him if I have concern, but what we need to
24 focus on is that we have changed, we have done
25 things. I'm part of it, and I not only do the right

1 thing, I'm not going to question reactor safety based
2 on everything I look at because it's going to be a
3 safe reactor. I do it because the NRC requires it, I
4 do it because my company requires it. I do it for
5 my own good because that's what I want to do. I do
6 it so I can go home at night and look at my family.
7 I do it so I can go to church and look at my fellow
8 congregation members and say, look, I work there, I
9 do the right thing, it's safe. It do it for my
10 neighbors, I do it for our opponents, I do it for you
11 because you're somebody that lives here and I care,
12 you may not agree with me, but that's why I do it,
13 and so just to give you a human face on it, that's
14 where I'm coming from. You can talk evaluations.
15 You can talk figures. You can talk about
16 allegations, but, in reality, this is what I am, and
17 this is what I do, and I want people to know that.
18 Thank you.

19 MR. GROBE: Thank you very much.

20 THEREUPON, the audience applauded.

21 MS. KRAMER: Hi. Jessica Kramer.

22 I live in Cleveland. You might remember a while
23 back, it was explained to me at a previous meeting
24 how a contained section of Lake Erie is shared as
25 part of the coolant system -- I don't know. I don't

1 understand how a section of a lake can be contained.
2 I need to know -- I need a guarantee that our
3 drinking water and any other possible radiation that
4 could be contaminating that -- is there a guarantee
5 that my drinking water and bathing water is safe at
6 this point? Can you guarantee that it will be in the
7 future, and I'm referring to the fact that
8 radioactive particles have been really -- whether
9 they are dangerous or not they have radioactivity.
10 How many others have been included? Is there a
11 possibility of that?

12 MR. GROBE: Yes. I think I can
13 answer your question, and if I don't hit the nail on
14 the head, let me know. There's -- I believe there
15 is somewhat of a description of this in our
16 newsletter, but let me go through a couple things.
17 The reactor coolant is contained within an
18 enclosed piping system, and then there is a second
19 coolant system that cools the reactor coolant much
20 like the air cools your engine coolant through your
21 radiator, except this is another closed coolant
22 system, so the reactor coolant is contained within a
23 closed system, and there's a second system that is --
24 that cools the steam generators that cools the
25 reactor coolant and then there's a tertiary system

1 which actually comes from the lake. It's called
2 circulating water, and that water is brought into the
3 condenser and cools the second system, so there's
4 three separate cooling systems. The first two are
5 completely self-contained and that's one of the
6 principal ways that the release of radioactive
7 materials to the lake is controlled. Separately,
8 continuous monitoring is done of the lake not only by
9 FirstEnergy, but also by the State of Ohio, and they
10 have a radiological monitoring program that they
11 implement to provide independent assurance, and we
12 inspect FirstEnergy's evaluation of the releases of
13 radioactive materials, so that's how you can be
14 confident that the drinking water in Lake Erie is --

15 MR. DEAN: Jack, (indicating).

16 MR. GROBE: -- is not being

17 contaminated with radioactive materials. Oh, look at
18 that. Doesn't get much better than this, does it?
19 This is the primary coolant system I was talking
20 about inside the reactor and -- I'm getting lots of
21 help here, and then this is what's referred to as a
22 steam generator. There's a secondary coolant system
23 which is completely contained, and then this is where
24 the water comes from the lake through the third
25 cooling system, so the lake is very well isolated

1 from anything that might contain radioactive
2 materials, and these systems are continuously
3 monitored for levels of radioactivities as well as
4 independent measurements in the environment.

5 MS. KRAMER: Now, has that also
6 been checked along with all the other investigations
7 at this point for cracks or leaks?

8 MR. GROBE: Yes.

9 MS. KRAMER: So you can guarantee
10 that my drinking water is safe?

11 MR. GROBE: I have no concerns
12 about your drinking water.

13 MS. KRAMER: I do.

14 MR. GROBE: We're getting some
15 feedback here.

16 MS. KRAMER: I want a guarantee.
17 I mean --

18 MR. GROBE: I appreciate that.
19 We haven't identified -- we inspect the radiological
20 monitoring program. It's referred to as radiological
21 environmental monitoring program. We inspect them on
22 a regular basis with experts out of the Region III
23 office, so -- and we haven't identified any problems
24 with Davis-Besse's radiological monitoring program.
25 The specific issue that happened with some minor

1 discrete radioactive particles that were released on
2 people's clothing out of the site was completely
3 different, not associated with radiological and
4 environmental -- it was failure to properly survey
5 some workers, and those violations that occurred were
6 extremely low level and were not of any health
7 concern, so I don't believe that there's a basis for
8 concern for radiological monitoring, and I would be
9 glad to talk to you more about this after the
10 meeting.

11 The second question that you asked, I wasn't
12 quite sure had to do with, I believe, there's a
13 certain portion of the intake canals from the lake
14 that in the event of an earthquake, a seismic event,
15 that intake canal would be isolated from the lake
16 itself, so I think that's what you were referring to
17 when you said a closed portion of the lake. It's
18 actually the intake structure that takes water from
19 the lake. Obviously, the lake is not seismically
20 designed, it's the lake, and there is a possibility
21 that that portion could be closed off from the lake
22 in the event of an earthquake, and the concern there
23 is whether or not there would be sufficient cooling
24 capacity in the water that's captured and circulated
25 around, and that's an issue that is -- it's a design

1 question regarding thermal transfer capability of
2 the various systems, and that's an issue that's still
3 under review, but it doesn't have to do with
4 radiological releases. It's simply related to
5 thermal characteristics in the plant and whether or
6 not there is sufficient cooling. Have I answered
7 your questions?

8 MS. KRAMER: The best that you
9 probably can tonight, yes.

10 MR. GROBE: I would be glad to
11 talk to you after the meeting. Thank you. Yes,
12 sir.

13 MR. SHUTT: Okay, I'm Dan Shutt.
14 I was here at the last meeting. This is my second
15 time again. I came unprepared to say anything, but
16 in listening to other people speak, I got an idea of
17 something I wanted to say, and that was, the way I
18 look at it, I don't work for FirstEnergy, I'm a
19 contract employee over there. The truth is they
20 work for me because I pay my electric bill. I
21 certainly don't work for the NRC, the truth is you
22 guys work for me because I pay my taxes, and to some
23 measure what people spoke to in the form of public
24 advocacy, they kind of work for me, too. They
25 represent me because I am part of the public.

1 Exclusive of the people who came up here with
2 personal concerns, such as the young lady in front of
3 me, regarding the contamination of water which is a
4 legitimate question, I just wanted to kind of give a
5 job performance review for the people that work for
6 me. It occurred to me that -- and I haven't had the
7 opportunity to fire anybody in a long time. In the
8 position I'm in now, I don't have anybody working for
9 me. I've got three children, two of them are
10 teenagers. I don't think I've got much control on
11 them either, but, I tell you what, if I was in a
12 position to dismiss people, there would be good
13 reason here today. I see people doing a good job,
14 and I see people doing a bad job. The good job that
15 I see is that we're being provided by a regulating
16 agency with an open forum which is on top of it,
17 which is restarting the plant. I see the Utility
18 and the regulatory agency responding to the concerns
19 of people as they raise them. With these successive
20 forums that I have been to, I've heard past issues
21 address, and new issues brought up. Those were
22 addressed in a very calm manner. I see that the
23 Utility and the regulatory agency are providing
24 information that is accurate and verifiable.
25 As opposed to that, I see the advocacy

1 people, rather than providing an open forum, which is
2 on top of it, they are kind of digging into the past.
3 You hear a lot about 1985. It has nothing to do with
4 restarting the plant today. We certainly need to
5 learn from history, but I don't think that that's on
6 topic. I see that rather than responding to any
7 concerns that are raised, I see them going back to
8 the next meeting, reloading up on more information,
9 coming back with greater skepticism and truly not
10 listening to the answers because they are asking the
11 same questions again and again. Rather than
12 providing information that's accurate and verifiable,
13 I hear a lot of misleading information taken out of
14 context. I hear pieces of the formula brought
15 forward and championed as though that were truth. I
16 hear them impugning the character and questioning the
17 veracity of the people that work at Davis-Besse, and
18 people that work with the regulatory agency, and I
19 take that personally, because my character is solid.
20 My family depends on it, and I depend on it, and I
21 think everybody in the room can depend on it.
22 I also see that the Utility and regulatory
23 agency here are here to offer solutions to an
24 admitted mistake, to admitted problems, solutions,
25 things to fix that for the future. All I hear from

1 the advocacy groups are offers of attacks, how to
2 tear it down, let's shut it down, we've got to stop
3 it all, and I also see that the regulatory agencies,
4 the Utility, admit the mistakes that were made and
5 they're addressing them and they're taking actions to
6 correct those problems and move forward into the
7 future. I see the advocacy groups repeating the
8 same mistake in information over and over again. I
9 don't see them correcting anything. When a question
10 is answered properly with facts, I don't see that
11 that solves the question. The question gets brought
12 up again, so I see a big repetition of things, and,
13 I'll be honest with you, if I had an employee who
14 repeated the same mistakes over and over again,
15 responded in forum by offering attacks rather than
16 solutions, who provided misleading information on a
17 regular basis, based on speculation and impugned the
18 characters of people that they were talking to and
19 about, also continued to dig into the past for
20 information rather than move forward into the future,
21 I wouldn't have much use for them, and last, but not
22 least, I see the regulatory agency and the Utility
23 following the schedules that we have set for these
24 forums rather than some of the people who come up to
25 speak who run way over their five minutes as if added

1 verbiage was equal somehow to increased wit, and I've
2 got to tell you the quote that comes to mind when I
3 hear those speak is that brevity is the soul of wit.
4 I have taken up my five minutes certainly, maybe not
5 quite that, but I would like to keep it at that, and
6 just say if I could fire somebody tonight it would be
7 the people that think they're representing me as a
8 member of the public, and if I were to applaud
9 somebody who worked for me, it would have to be the
10 regulatory agency and the Utility that's doing their
11 job.

12 MR. GROBE: Thank you very much.

13 THEREUPON, the audience applauded.

14 MR. GROBE: Yes, sir.

15 MR. ACKERMAN: My name is Don
16 Ackerman. I am a resident of the State of Ohio, and
17 I have been a contractor in the nuclear industry for
18 22 years. I have worked in and around many nuclear
19 power plants throughout the United States. At this
20 point, I hear a lot of questions and a lot of
21 comments on the safety conscious work environment.
22 I can tell you that a safety conscious work
23 environment is brought from the top down in a belief
24 that anybody can go and have a result and has a path
25 that leads them to result. It's a commitment from

1 the upper management to their people and from their
2 managers down within the craft levels to the
3 supervisors to the bottom of the pier that everybody
4 has a place to go to get results. I have worked
5 with this management out here, the upper management,
6 the middle management and the management in the
7 contractor level, and I can tell you that they are
8 committed, that they will have a safety conscious
9 work environment not only on this site, but within
10 the FirstEnergy system. I have worked at all three
11 plants for FirstEnergy. I have also worked for
12 several other owners of nuclear power plants. I see
13 no more commitment than what you have here at
14 Davis-Besse from the upper management and from the
15 levels coming down on safety conscious work
16 environment. I believe that there's many avenues
17 that the people out here have to go, not only from
18 within the client themselves and within the owners of
19 the property out here, but also with the NRC and with
20 private ombudsmen and on down to that area, so when
21 we talk about a safety conscious work environment, it
22 does start from the top and you don't have the regime
23 here that was always here. You have many new
24 members out here that I have worked with throughout
25 the industry, and I think you'll see a change and

1 there is a change, and I believe that the people out
2 at the site have a way to go and place to voice their
3 opinions and are not afraid to do that at any time.
4 Any person out there that doesn't think they have
5 that avenue has -- is -- cannot be completely
6 truthful to themselves or to the people standing here
7 if you heard those comments, because everybody at
8 that site with honesty and integrity has fulfilled
9 that commitment to have a safety conscious work
10 environment. Thank you.

11 MR. GROBE: Thank you very much,
12 Linda.

13 THEREUPON, the audience applauded.

14 MS. DOHRMAN: I'll be brief. I
15 don't have a question. I just have a statement.
16 My name is Linda Dohrman. I'm one of the managers
17 at Davis-Besse. I work with the -- I work with the
18 most professional bunch of people I have ever come
19 across to the point that when I deal with people
20 outside of the industry, I have little patience for
21 the lack of high standards that I expect to deal with
22 every day. I'm so proud of the team of managers
23 that I work with, they're the best I have seen in
24 over 20 years, yes, most of them are new. We are
25 focused on safety. That professionalism goes

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1 through the entire organization. I guarantee we are
2 and we work in a safety conscious work environment.

3 Thank you.

4 MR. GROBE: Thank you very much.

5 THEREUPON, the audience applauded.

6 MR. GROBE: You all are starting
7 to look tired.

8 MR. GARCHOW: Good evening. My
9 name is Steve Garchow, and I also work at the
10 station. My responsibility there is the human
11 performance at the worker level, and I think to give
12 some context to a couple of comments I would like to
13 make, I was a Licensed Senior Operator at a previous
14 nuclear plant, and I also spent 13 years at the
15 Institute of Nuclear Power Operations, during which
16 time I visited every station in the U.S. with the
17 exception of one, and I have been to International
18 stations from Canada to India, so I have been in a
19 few containments, and I worked with a few
20 organizations, and it seems to me -- I'll just go to
21 kind of these simple things the way I think in
22 operator terms and really looking at a few things to
23 restart our plant.

24 One is the physical attributes, the safety
25 readiness, and we all know that's fairly easy to

1 measure. We can test things. We can run things,
2 measure current and satisfy ourselves that they're
3 ready to run and perform.

4 The second one is a little more difficult,
5 and maybe what I would like to ask you to do and the
6 commission and maybe even challenge you to do and
7 that is the question of safety culture. I would ask
8 you to come down and talk to our electricians, talk
9 to our engineers and ask them what is different today
10 than a year ago or two years ago, because I don't
11 think you can get that sense from questionnaires or
12 from newspaper articles. I think you get that from
13 an eyeball to eyeball discussions with the people
14 that are carrying the wrenches and turning the
15 switches, and they are the guys that really make our
16 plant operate, and I think you'll find that we have
17 some of the best technicians in our country.

18 As far as our operating crews, we've heard
19 from one of our shift engineers. I used to do crew
20 evaluations on simulators, and, frankly, I would put
21 our crew's performance up against any crew in the
22 country, and I would also invite you to observe them,
23 how they conduct their activities in the control
24 rooms. The ~~peer~~ peer checks they're doing with our
25 maintenance and crafting at the plant on a daily basis.

1 Thank you.

2 MR. GROBE: Thank you.

3 THEREUPON, the audience applauded.

4 MR. CUFF: My name is Jeff Cuff.

5 I also am in operations of the Davis-Besse Nuclear
6 Power Plant. A year ago you would have found me as
7 a front line supervisor supervising a crew of 13
8 people on an operating shift.

9 In April of 2002, I was reassigned to the
10 training department to train my peers.

11 In December of 2002, I was reassigned to a
12 managerial position to assist in the restart effort
13 of our power plant. In each of those positions,
14 I've done my best to ensure the safety of the plant,
15 to ensure the quality of training, to ensure the
16 quality of restart.

17 Tonight I became a fox guarding the henhouse.
18 The difference here is this fox has two children,
19 they're 12 and 14. They live in Port Clinton.
20 This fox has friends that live throughout Ottawa
21 County, Carroll Township, Sandusky County, Perrysburg
22 Township that all depend on the safety of this
23 reactor. They all depend on me doing my job safely.
24 It's a job I take very seriously. It also includes
25 my own life because not only am I in jeopardy if

1 something goes wrong at that plant, my livelihood if
2 we do not restart is also in jeopardy. I don't want
3 that plant restarted if it's not safe, and it's my
4 job now to make sure we don't take the next step
5 until it's safe, and I will do that.

6 I also take risks in my life. December 2001,
7 I took a flight down to Puerto Rico. I looked
8 introspectively after September 11th and said, do I
9 want to fly in this environment, and I said, you
10 know, there are certain risks involved, but I believe
11 I can do this safely. I also believe I can produce
12 electricity safely and just as the FAA is looking at
13 airplane regulations and being in their spective on
14 themselves and how to improve safety there, Scott and
15 Doug, men from the 350 Panel, everybody from
16 Davis-Besse, all the advocacy groups, we need to
17 consistently look at the mistakes we make in our
18 lives. We need to learn from those mistakes. If
19 you run a stop sign and hit a car, you'll stop twice
20 every time from there on out so you don't make a
21 mistake. We made a mistake. I wasn't at this
22 plant in 1985, but I need people to push back on me
23 so in five years and 10 years when the production
24 pressure does come, and it will come, we put that in
25 the scales and make sure the safety comes first

1 because I have to two kids whose lives are on the
2 line. I have a livelihood that's on the line, and I
3 like my life and I like my living. I need the NRC
4 to push back, I need the advocates to push back, I
5 need my own workers to push back and they do that.
6 You go talk to any of the men I've supervised and any
7 of them will come up to you and say, I can go to
8 Jeff, give him my concern, and he's going to take it
9 where he needs to take it. I can tell you we're
10 doing work on a diesel generator tomorrow because one
11 of the guys in my work group said we need to do this
12 work. I pushed on my boss and it's gone into the
13 schedule, and we're doing that work. I'm here to
14 create environmentally safe electricity for northwest
15 Ohio, and I need everybody to learn from their
16 mistakes, and I need everybody to push back. Thank
17 you.

18 MR. GROBE: Thank you.

19 THEREUPON, the audience applauded.

20 MR. GROBE: Yes, sir. I think
21 this will be our last comment. Bill correctly
22 pointed out we need to start clearing out at a
23 quarter to ten, and it's about 20 'til, so welcome
24 aboard.

25 MR. LANG: Well, my name is Ted

1 Lang, and I'm a Senior Staff Engineer at Davis-Besse,
2 I just wanted to get away a little bit from some of
3 the being an engineer, I wanted to get away a little
4 bit from some of the human factors that talked -- one
5 of the points an earlier speaker brought up. In
6 particular, I have been charged with the developing
7 an alloy 600 program for Davis-Besse, and that
8 program, for those that don't understand what the
9 meaning of that is, alloy 600 is, of course, the
10 nickel base alloy that cracked on our reactor head
11 that got us into this problem in the first place.
12 My job is to make sure that our program is not just
13 good, but really the best in the country, and I
14 intend to do that.

15 First of all, as you're aware when you issue
16 a bulletin, the guidance that you provide in it is
17 somewhat up to the Utility that's used, what to take,
18 what not to take and how to argue it, in your last
19 bulletin, Bulletin 2002-02, we've taken for the
20 reactor head not only the recommendations that you've
21 provided, but we have met or exceeded all of those
22 recommendations and committed that we would do that.
23 Besides the reactor head, alloy 600 is used in other
24 parts of the system. We have done complete and bare
25 metal visual exams on every alloy 600 joint in the

1 system. We are committed to continuing inspections
2 in the future written down in the program.

3 In addition to that, we've done, as the NRC
4 is aware, bottom head inspections looking at the
5 import nozzles which is not an industry practice and
6 it hasn't been, to my knowledge, in any way mandated
7 by the NRC in any way yet, and that -- and in that
8 endeavor we intended to do a pressure test holding
9 for seven days at considerable cost during our start
10 up activities. All of these things are -- I would
11 have to say above and beyond what the industry in
12 general has been doing, and we intend to continue
13 those things.

14 Furthermore, in the program, we will have
15 more or less requirements and expectations of the
16 program owner to not only do inspections proactively
17 to make sure that we continue those inspections in
18 state of the art, using state of the art techniques.
19 We've also done some proactive inspections above and
20 beyond ASME Code where we've actually cut into the
21 system and done the base of inspections.

22 Furthermore, in some cases we've made
23 decisions to replace those materials with alloy 690
24 which would, of course, be more resistant in the
25 future, so I just wanted to address that a little

1 bit.

2 Another thing, gentlemen, before me, many
3 speakers before have talked about why aren't we doing
4 things like instituting a photographic program where
5 we take pictures and compare them to the past, well,
6 that is part of the program, so I just wanted to
7 point that out.

8 MR. GROBE: Okay. Thank you very
9 much.

10 THEREUPON, the audience applauded.

11 MR. GROBE: I think we've met or
12 exceeded our expectations for tonight. Our goal was
13 to be able to communicate with the public, and, as
14 Howard Whitcomb appropriately pointed out, diverse
15 views result in the best outcome, and I appreciate
16 all the views that were expressed here tonight.
17 Those of you that are interested can participate in
18 the January 30th meeting telephonically or you're
19 welcome to travel to the Windy City and visit with us
20 personally and --

21 Okay, who has the date for the next 0350
22 meeting? February 11th is our next 0350 meeting, so
23 thank you very much.

24 MR. DEAN: And if Debbie from the
25 Camp Perry staff is around, thanks for your help in

1 trying to make sure our sound system worked.
2 THEREUPON, the hearing was adjourned.
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