

Annual Assessment Meeting

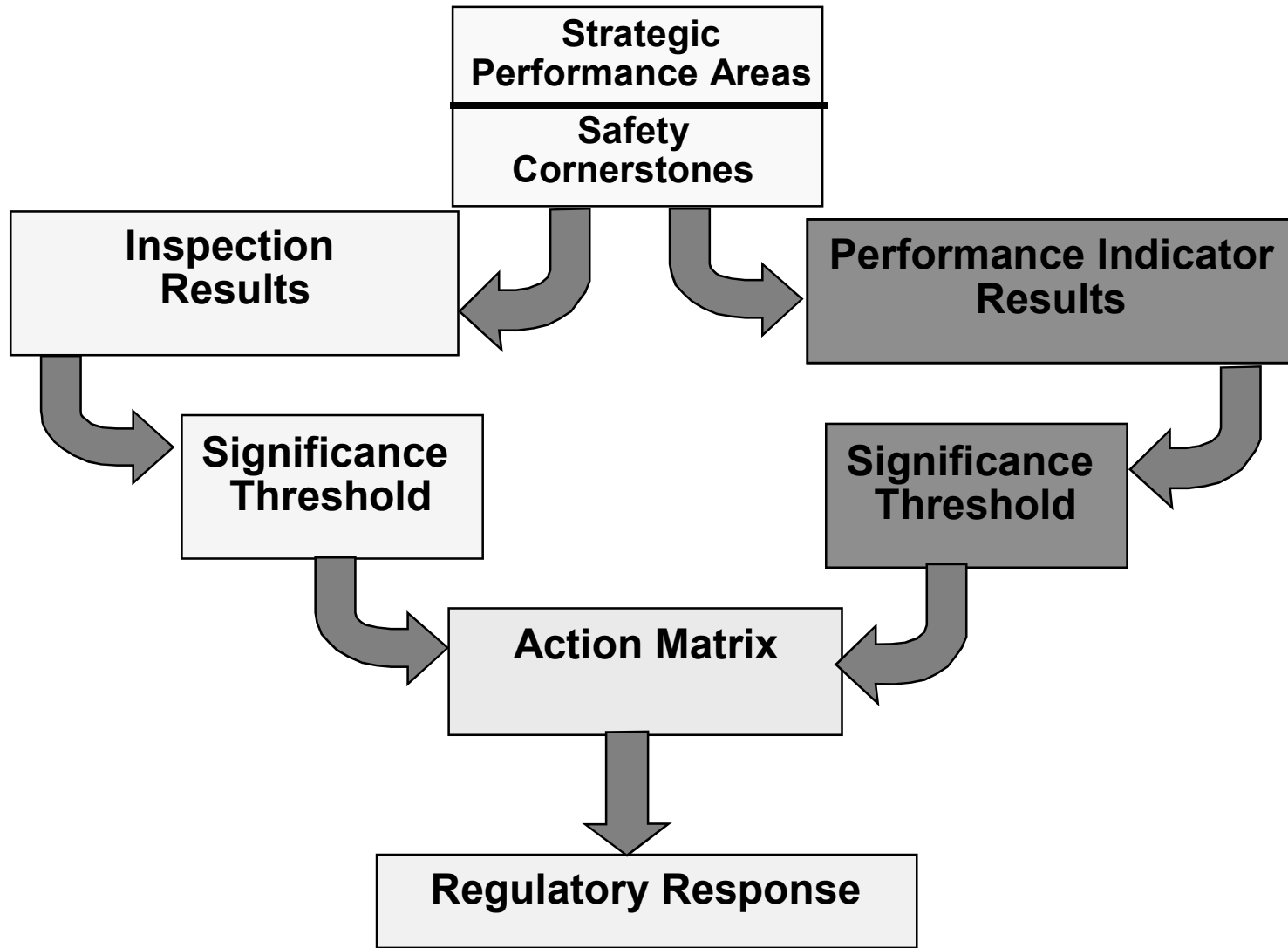


Nuclear Regulatory Commission

NRC Performance Goals

- Maintain safety and protect the environment
- Enhance public confidence
- Improve effectiveness, efficiency, and realism of processes and decision making
- Reduce unnecessary regulatory burden

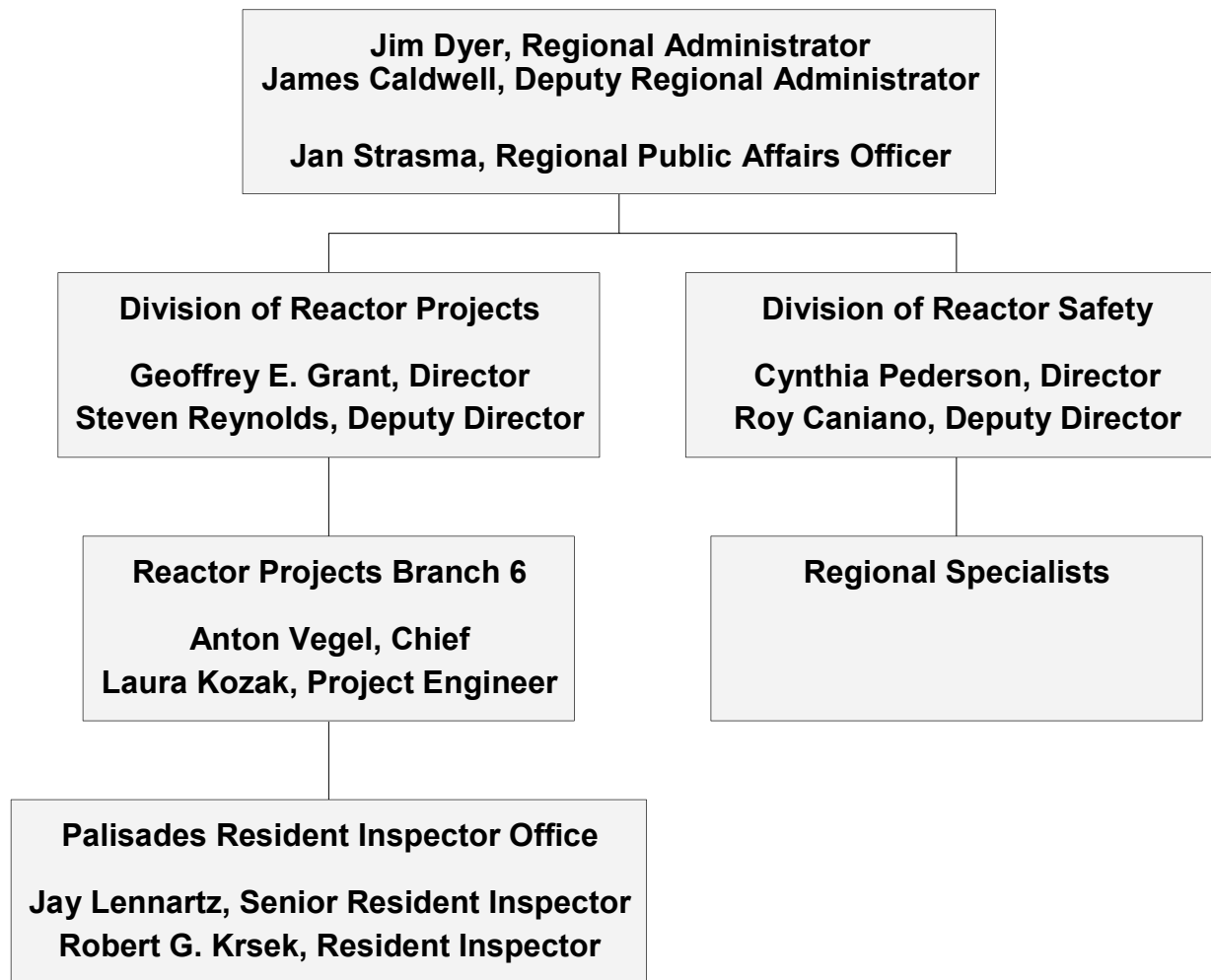
Reactor Oversight Process



Key Aspects of the Assessment Program

- Objective review of licensee performance
- “Action Matrix” identifies agency response commensurate with safety significance
- Increasing safety significance results in:
 - Increased levels of inspection
 - Involvement of higher levels of NRC and Licensee management
 - Increased regulatory action
- Plant specific assessment information on NRC public web site

Regional Organization



Annual Licensee Assessment Meeting

- A public forum for discussion of the licensee's performance
- NRC will address the licensee performance issues identified in the Annual Assessment Letter
- Licensee will respond to the information in the letter and inform the NRC of new or existing programs to maintain or improve their performance

ROP Action Matrix Summary for 2002

- Column 1 - Licensee Response
- Column 2 - Regulatory Response
- Column 3 - Degraded Cornerstone
- Column 4 - Multiple/ Repetitive Degraded Cornerstone
- Column 5 - Unacceptable Performance

(Nationwide number does not contain Davis Besse)

	Column 1	Column 2	Column 3	Column 4	Column 5
Nationwide	59	33	7	3	0
Region I	9	14	2	1	0
Region II	26	4	1	1	0
Region III	11	10	2	0	0
Region IV	13	5	2	1	0

Security & Safeguards Update

- Creation of Office of Nuclear Security and Incident Response
- Top-to-Bottom Review of Security Program Initiated
- Issuance of Orders/ Interim Compensatory Measures (ICM)
- Verification of Licensee Actions on ICM

Security & Safeguards Update

- Proposed Revisions to Design Basis Threat
- Pending Orders on Fatigue/Guard Training
- Initiation of Pilot Force-on-Force Exercise Program

PLANT INFORMATION

- Name of Plant: Palisades Nuclear Plant
- Plant Operator: Nuclear Management Co.
- Number of Units: 1 operating unit
- Reactor Type and Vendor: PWR, CE
- Location: Covert, Michigan
- Power Output (electrical): 845 MW(e)
- Source of Circulating Water: Lake Michigan

Major Plant Activities in 2002

- Jan 21 - End of forced outage to replace all 45 control rod drive housings
- May 17, Aug 27, Sep 28 - Power reduced to add oil to primary coolant pumps
- June 11 - Power reduced to 50 % due to inadvertent loss of cooling tower pump
- Dec 1 - Automatic reactor trip occurred due to main generator loss of load

Plant Performance Summary

- Operated safely
- Fully met all Cornerstone Objectives
- Currently In Licensee Response Column of Action Matrix
- Regulatory Response Column For First 2 Quarters
- Substantial Cross Cutting Issues In Human Performance and In PI&R:
 - ▶ Human Performance - completed extensive corrective actions; no findings involving human performance; no longer considered a substantive cross-cutting issue
 - ▶ PI&R - some improvement observed; continued to identify implementation findings; some program improvements only recently implemented - effectiveness not fully assessed; PI&R will continue to be a substantive cross-cutting issue

Greater than GREEN PIs and Findings (Details)

- WHITE inspection finding in the Mitigating Systems Cornerstone in the 3rd quarter of 2001 - Lack of smoke detectors in cable spreading room
 - ▶ Supplemental inspection in July 2002 determined corrective actions adequate
- WHITE Drill/Exercise PI in the 1st Quarter 2002
 - ▶ Supplemental inspection in Feb 2003 determined corrective actions adequate

Contacts for additional information for:

(Enter plant name here)

- Regional Public Affairs Officer:

- ▶ Name: Jan Strasma
- ▶ Phone: 630-829-9663

- State Liaison Officer:

- ▶ Name: Roland Lickus
- ▶ Phone: 630-829-9660

- Branch Chief:

- ▶ Name: Anton Vogel
- ▶ Phone: 630-829-9620

- Senior Resident Inspector:

- ▶ Name: Jay Lennartz
- ▶ Phone: 269-764-8971

Contacting the NRC

- Report an emergency
 - ▶ (301) 816-5100 (call collect)

- Report a safety concern:
 - ▶ (800) 695-7403
 - ▶ Allegation@nrc.gov

- General information or questions
 - ▶ www.nrc.gov
 - ▶ Select “What We Do” for Public Affairs