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

Meeting held on Tuesday, March 11, 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
- David Passehl, Project Engineer, Region III
- Anthony Mendiola, Section Chief PDIII-2, NRR
- Jon Hopkins, Project Manager - Davis-Besse
- Jack Rutkowski, Resident Inspector -
Davis-Besse

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1 MR. PASSEHL: Okay, welcome,
2 everybody. This is a meeting of the Davis-Besse
3 Oversight Panel with the public. The goal of
4 tonight's meetings is to brief the public with the
5 results of the afternoon meeting we had today with
6 FirstEnergy and to receive comments and questions
7 from members of the public. We had a business
8 meeting during the day.

9 Now, before I get started I want to mention
10 there's copies of our March edition of our monthly
11 newsletter and copies of the slides of today's
12 meeting in the foyer. The newsletter provides
13 background information and also discusses current
14 plan and NRC activities.

15 We also have a public meeting feedback form
16 which we use to get feedback from people to let us
17 know aspects of the meeting that we can improve on.
18 Copies of those forms are also available in the
19 foyer.

20 We're having the meeting transcribed this
21 evening. Marlene Lewis is the transcriber. She'll
22 maintain a record of the meeting and the
23 transcription will be available on our web page in
24 about three to four weeks.

25 We'd like to start off with some

1 introductions for the NRC folks that are here. I'm
2 David Passehl, a Project Engineer from the NRC Region
3 III offices and assistant to Christine Lipa.
4 Christine is the Branch Chief who manages the
5 Inspection Program at Davis-Besse. She's not here
6 tonight because of other commitments.

7 Jack Grobe is the Senior Manager at the
8 Region III office, and he's also Chairman of the
9 Davis-Besse Oversight Panel.

10 MR. GROBE: (Indicating).

11 MR. PASSEHL: Bill Dean is the
12 Deputy Director of the Engineering Division in NRR,
13 and he's located in our headquarter's offices in
14 Rockville, Maryland.

15 MR. DEAN: (Indicating).

16 MR. PASSEHL: He's Vice Chairman of
17 the Oversight Panel.

18 Ho Nieh is also in the crowd. He's a
19 regional coordinator for Region III from our
20 headquarter offices, and he also works out of
21 Rockville, Maryland. Tony Mendiola is here.

22 MR. MENDIOLA: (Indicating).

23 MR. PASSEHL: He's a Section Chief
24 from the Division Reactor Projects in headquarters,
25 and next to him is Jon Hopkins, an NRR Project

1 Manager for the Davis-Besse facility.

2 MR. HOPKINS: (Indicating).

3 MR. PASSEHL: Nancy Keller, the
4 Davis-Besse site secretary, is here.

5 Our Public Affairs Officer for Region III,
6 Jan Strasma, is also here, as is our State liaison
7 officer, Roland Lickus, and also Jack Rutkowski is
8 here.

9 MR. GROBE: Yeah, Jack -- go ahead
10 and stand up, Jack. Jack Rutkowski is a new addition
11 to the Davis-Besse team. He's new Resident Inspector
12 at Davis-Besse. He and his wife are in the process
13 of moving out to this area, and he will be out at the
14 site full-time in a couple of months. Jack's a
15 tremendous addition to the team. He's got more
16 degrees than most people have. He's got degrees
17 from three different universities. He was an
18 Officer in the Nuclear Navy, 25 years of experience,
19 working for utilities in the nuclear industry, three
20 different utilities, and we were fortunate enough to
21 attract him to work for the NRC, so, welcome, Jack.

22 MR. PASSEHL: Okay, during the
23 meeting today, the NRC presented a summary of what we
24 discussed during our last public meeting.

25 We also discussed significant NRC activities

1 since our last public meeting, which was on February
2 11th. Since that time, we issued a preliminary
3 significance assessment letter regarding a red
4 finding that was related to the reactor head
5 degradation and the control rod drive mechanism
6 penetration cracking. A red finding is a finding
7 that the NRC defines as a finding of high safety
8 significance.

9 We also talked about issuing a final
10 significance letter for two white findings. On
11 February 19th, we issued this letter, and this was
12 associated with radiological controls related to
13 steam generator work last February.

14 We talked about a briefing of Ohio Governor
15 Taft and other State officials. Mr. Grobe and
16 others from our Region III office in headquarters
17 briefed the Governor and about 10 to 15 other State
18 officials on Davis-Besse.

19 Since our last public meeting we also issued
20 NRC special inspection reports related to System
21 Health Assurance at the plant, and this addresses our
22 NRC Restart Check List Item 5B which is associated
23 with assuring capability and safety significant
24 structure systems and components to support a safe
25 and reliable plant operation.

1 The majority of the System Health Assurance
2 Plan Reports that we discussed in that inspection
3 were still under development by the licensee at the
4 time we did perform our inspection, so there is still
5 several more items we plan to inspect in that area.

6 We discussed some ongoing and upcoming
7 activities including our Organizational Effectiveness
8 and Human Performance Inspection. This is being
9 conducted by three inspectors and should be complete
10 in the next week or so. We issued an inspection
11 report, 02-15, on February 6th of this year and that
12 provides a status update of this area.

13 We also have been performing an inspection,
14 as I mentioned, of system health and design issues.
15 We currently have an inspection being conducted by
16 two inspectors, and that is scheduled to be completed
17 in the upcoming weeks prior to restart.

18 We discussed some ongoing inspections of
19 safety significant programs at the plant. Three
20 inspectors are reviewing this area, and except for
21 reviews of completeness and accuracy reported records
22 and submittals, the inspection should be complete by
23 the end of next week.

24 We discussed a radiation protection
25 inspection that's ongoing, and this is to address the

1 white findings I mentioned just a little while ago
2 related to the steam generator work last February.
3 Four inspectors are reviewing this area, and that
4 inspection should be completed by the end of next
5 week.

6 We're also preparing for several important
7 inspections that are coming up. The first is an
8 Integrated Leak Rate test special inspection where
9 we'll be reviewing the plant's Integrated Leak Rate
10 testing containment. That inspection is scheduled
11 to be conducted by two inspectors from March 17th
12 through March 27th. We're also preparing to inspect
13 the emergency core cooling system and containment
14 break spray system sump. We have one inspector from our
15 headquarter's office will be performing that
16 inspection from March 24th to April 4, and we are
17 also preparing for a -- an extensive inspection in
18 the corrective action area. This will be an
19 inspection by eight inspectors and will take place
20 from mid March to mid April.

21 Next, I wanted to discuss what the licensee
22 presented at today's meeting. They discussed a few
23 broad areas including their Return to Service Plan
24 progress, status of their Management and Human
25 Performance activities, briefed us on the quality

1 oversight, their Return to Service building blocks
2 progress, and they briefed us on their schedule and
3 where they were with that. Regarding their Return
4 to Service Plan, they mentioned they completed their
5 fuel load on February 26th, and they successfully
6 loaded 177 fuel assemblies in the core. They also
7 discussed a -- what's called a FLUS under vessel
8 monitoring system, which is a leakage monitoring
9 system that's installed under the insulation of the
10 reactor vessel, and that will be used or -- actually
11 that will undergo a test during heat up and that is a
12 leak detection system.

13 They also discussed several activities that
14 were ongoing, including their integrated diesel test,
15 their Safety Features Actuation System test, work on
16 their containment air coolers and -- work on their
17 Decay Heat Valve Pit Tank upgrade.

18 Next, Lew Myers discussed their problem
19 solving and decision making nuclear operating
20 procedure, which is a management oversight tool that
21 helps the plant with decision making. They have
22 several teams formed, and they are working through
23 refining that procedure and implementing it.

24 They discussed a little bit of their
25 management observation program and some of the

1 observations they were seeing. They gave several
2 examples of those, and they range from being
3 satisfactory or to unsatisfactory with feedback
4 provided to the individuals, and they provided some
5 statistics that are available on their slides that
6 you can see to get a feel for the kinds of things
7 they're looking at.

8 They also discussed their quality oversight
9 area. They covered where they were with their
10 Safety Culture Assessment and Safety Conscious Work
11 Environment Reviews. They expect to have their
12 results of their work complete within the next few
13 weeks. They gave us an update on their System
14 Health Review Process. One thing they did mention
15 was that the electrical distribution system work is
16 significantly behind, and there is several issues
17 they need to work through with that.

18 They covered actions to support restart in
19 the areas, what they call their topical areas, which
20 involve seismic reviews, station flooding, High
21 Energy Line Break, and Environmental Qualifications,
22 and these are areas where they are a common theme for
23 several of the problems they're finding at the
24 plants.

25 They discussed a little bit of their

1 containment health and the work that's been ongoing
2 with that, including their containment air cooler
3 work, the painting that's ongoing in containment,
4 the -- and they gave some examples and pictures that
5 you can see in the slides of progress they have been
6 making.

7 They also provided some statistics on restart
8 action performance, and that lines up with where we
9 are with our Restart Check List items and you can
10 take a look at those in the slides, too. One
11 notable comment was that they have 5,400 condition
12 reports that they have put through their station
13 review board, and about 80% of those have been
14 evaluated and about 600 of those remain to be
15 completed. They have about -- out of those
16 condition reports about 5,700 restart actions were
17 identified, and they've up to this point worked about
18 60% of those off, and the last thing they covered was
19 upcoming activities. They discussed tensioning the
20 reactor vessel head and entry into Mode 5 which
21 should occur in the near future, and then followed by
22 several milestones including deep ~~training~~ draining of the
23 vessel, the Integrated Leak Rate test through Mode 4,
24 restart readiness and the reactor pressure test, and
25 that's all I have.

1 MR. GROBE: Okay, great! Thanks,
2 Dave. Appreciate that summary. What I would like
3 to do is open it up for comments and questions. I'd
4 just remind you all that we try to limit time for
5 each individual to five minutes. That allows
6 everybody an opportunity to come forward. What I
7 would like to do is start with any local officials or
8 representatives of local officials, and then move to
9 members of the local community here, and then take
10 comments from anybody else that might be present, so
11 why don't we start with the local officials, if there
12 is any members of the audience here that represent
13 the local community here, please come forward if you
14 have a comment or a question.

15 (No response).

16 MR. GROBE: Okay, you must be
17 saving them for later.

18 Are there any members of the local community
19 that have a question or a comment?

20 MR. WHITCOMB: Good evening, my name
21 is Howard Whitcomb. I'm a local resident. I have
22 some prepared comments.

23 FirstEnergy's reported actions over the last
24 several months amount to little more than a charade.
25 The lack of adequate safety culture and integrity

1 within the managements at FirstEnergy, as well as the
2 NRC, still exists today. To date, FirstEnergy and
3 the NRC have failed to provide credible demonstrative
4 evidence that the degraded safety cultures in both
5 organizations have improved to a level whereby
6 continued safe operation of the Davis-Besse Nuclear
7 Plant is assured to the public. I respectfully
8 submit the following items.

9 No. 1. No changes have materialized since
10 the recent report from the Office of Inspector
11 General finding that nearly half of the NRC's staff
12 are currently reluctant to raise safety issues to the
13 current NRC management.

14 2. The complement of personnel who comprise
15 the current 0350 Panel are responsible for not
16 addressing FirstEnergy's mismanagement of the
17 Davis-Besse facility in the years leading up to the
18 discovery of degraded reactor vessel head.

19 3. The findings of the Lessons Learned Task
20 Force failed to consider the NRC's own lack of
21 appropriate safety culture as well as the specific
22 allegation history at Davis-Besse prior to the
23 submittal of its subsequent 51 recommendations to the
24 NRC commissioners.

25 4. FirstEnergy failed to establish the

1 necessary acceptance criteria regarding its efforts
2 to revise the safety environment at Davis-Besse prior
3 to conducting its most recent employee survey as it
4 promised it would at the January 30th meeting at the
5 NRC Region III offices. FirstEnergy's Chief
6 Financial Officer made a -- I'm sorry, COO, made a
7 specific commitment to Mr. James Dyer, Regional
8 Administrator, that prior to commencing the employee
9 survey, an acceptable objective standard would be
10 established to be utilized as a benchmark against
11 which newly received survey data could be compared.
12 The recent employee survey began on or about February
13 4th. To date, FirstEnergy has not promulgated its
14 established acceptance criteria.

15 5. FirstEnergy's efforts to demonstrate a
16 changed and appropriate safety environment based on a
17 10% sampling of its work force at Davis-Besse has no
18 merit or statistical justification.

19 6. The president of FirstEnergy and the
20 Director of Nuclear Reactor Regulation still occupy
21 the positions of employment which they held at the
22 time they placed power production over public safety
23 in November of 2001.

24 7. The comments of FirstEnergy's Chief
25 Executive Officer to Davis-Besse employees, as well

1 as to this community, that Davis-Besse will not
2 become a black hole is a clear message to this
3 community that we better watch our step or some will
4 face the loss of jobs while others will suffer
5 economic harm. Such an approach is intimidating,
6 undermines the premise of a healthy safety culture
7 and promotes a profit over safety attitude.

8 8. In Mr. Myers' prepared statement at the
9 conclusion of the February 11th, 2003 meeting, he
10 recounted that despite two attempts by FirstEnergy's
11 attorney to contact the individual who raised several
12 employee concerns at the January 30th meeting,
13 FirstEnergy received no response. It is public
14 knowledge that the person who made the statements on
15 January 30th was myself. Mr. Myers' statement omits
16 the fact that I attempted contact with the manager of
17 the Employee Concerns Program on two occasions, once
18 on January 31st and again on February 3rd of 2003.
19 I never received a response from the Employee
20 Concerns Program manager. I subsequently determined
21 that sometime on January 31st, the manager of the
22 Employee Concerns Program was no longer employed in
23 that position at the Davis-Besse facility. Since
24 May 2002, contact with FirstEnergy's legal counsel
25 has been effectuated upon two occasions. The

1 correspondence received by the purported legal
2 counsel as well as my responses to his letters are
3 included as exhibits to my prepared comments this
4 evening and are available to the public upon
5 request. The substance of these correspondences, as
6 well as the tone of delivery, speaks for itself. It
7 is unbelievable that FirstEnergy is now attempting to
8 prohibit its employees from communicating with legal
9 counsel of their own choosing. I'll let the public
10 judge the adequacy of the safety consciousness of
11 FirstEnergy's correspondences.

12 9. The recent complaint filed by Mr. Andrew
13 Siemaszko succinctly summarizes the lack of an
14 employee's ability to raise safety issues and, if
15 necessary, professionally disagree with that
16 employee's management without fear of reprisal. I
17 personally understand Mr. Siemaszko's plight.

18 10. The results of the criminal
19 investigations being conducted by the Office of
20 Investigations and the General Accounting Office have
21 yet to be published. The integrity of the highest
22 levels of the NRC and FirstEnergy's managements
23 remain in question.

24 The evident lack of safety consciousness and
25 integrity demonstrated by the actions of the highest

1 levels of management within FirstEnergy and the NRC
2 demands that specific safeguards be immediately
3 instituted whereby the public's trust in the NRC's
4 ability to regulate an obviously flawed agency is
5 re-established. There is no more important issue
6 within the nuclear industry today. Thank you.

7 THEREUPON, the audience applauded.

8 MR. GROBE: Sir, I think you stood
9 up earlier. Did you have a comment?

10 MR. LYNN: My comments -- my name
11 is Bob Lynn, by the way. I'm a resident. I live in
12 the City of Oregon. I believe that FirstEnergy
13 severely breached their responsibility for the safe
14 operation and the maintenance of the nuclear reactor
15 at Davis-Besse. Also, onsite inspectors responsible
16 for the NRC had also breached their responsibility to
17 uphold and protect the safety of the U.S. Government,
18 the citizens of the United States and of Canada.
19 When it comes to profit and safety at FirstEnergy,
20 Davis-Besse, safety seems to be secondary with this
21 company.

22 From what I've read in the newspaper,
23 FirstEnergy has been somewhat arrogant for its
24 employees who've had safety and maintenance concerns
25 on the reactor head.

1 It was also stated in the newspaper that
2 FirstEnergy had not totally cooperated with the NRC
3 inspectors, at times being intimidating and with
4 possible legal action.

5 I believe for a safe and responsible
6 operation and maintenance for the nuclear reactor,
7 should be turned over to a separate and independent
8 company, independent of FirstEnergy to operate this
9 reactor safely. This company would report directly
10 to the NRC. Thus, it would not be intimidated by
11 FirstEnergy and/or their management.

12 FirstEnergy seems to have always put profits
13 before safety for the nuclear industry and
14 northwestern Ohio citizens. This plant can continue
15 to operate in a safe and well-maintained manner. The
16 bottom line is the safety and the maintenance must be
17 first and foremost. Thank you.

18 MR. GROBE: Thank you very much,
19 sir.

20 THEREUPON, the audience applauded.

21 MR. GROBE: I think if you don't
22 mind, I would like to respond to a couple points you
23 made. I think everybody at the NRC and FirstEnergy
24 agrees with you that past actions weren't as good as
25 they should have been and the NRC has done extensive

1 evaluation. As Mr. Whitcomb pointed out, identified
2 51 corrective actions. FirstEnergy has likewise
3 done extensive self-assessments and those were
4 presented again, an update this afternoon. It's our
5 job to make sure that this plant, if it operates,
6 operates safely, and we want to make sure we do that.
7 Thank you, appreciate it.

8 Any other members of the public, local
9 community here that have a question or comment?

10 MS. LUEKE: Hello.

11 MR. GROBE: Hello.

12 MS. LUEKE: Donna Lueke, and I
13 live in Marblehead. I have some questions about the
14 regulatory process, and I'll try to keep them brief,
15 but it sort of depends on responses, too. I did
16 send these questions to the NRC by E-mail on the 13th
17 of last month and have had no response, so I would
18 like to take the time to get an answer for them
19 today.

20 MR. GROBE: Sure. Who did you
21 send them to, Donna?

22 MS. LUEKE: I sent them to the
23 Public Affairs Office.

24 Mr. Dean was quoted in The Plain Dealer on
25 the 11th of February that it's not likely that the

1 NRC will fine FirstEnergy since the NRC must prove
2 that violations were deliberate.

3 If that's true and if there had been a
4 release of radioactivity, would there still be no
5 fine if it wasn't deliberate?

6 MR. DEAN: What I was describing
7 was our current enforcement -- is this coming
8 through?

9 MR. GROBE: Yeah.

10 MR. DEAN: -- our current
11 enforcement process applies civil penalties only in
12 situations where either there is an actual release of
13 radioactive materials to the public or if there's an
14 overexposure to a worker at the site absent any
15 discussion regarding willfulness or deliberateness of
16 the issues, so judging an issue just on the merits
17 of, for example, we just issued a preliminary red
18 finding on the vessel head degradation issue. That
19 would not typically result in a finding if there was
20 no actual release. However, if in our investigation
21 from the Office of Investigation that there is some
22 determination it might be willfulness or
23 deliberateness involved in that situation, then that
24 opens up the door in terms of the enforcement process
25 for consideration or something along those lines.

1 MS. LUEKE: When there was the
2 actual release with the contract employees, there
3 also was no fine then, correct?

4 MR. DEAN: You're talking about
5 the two white findings?

6 MS. LUEKE: Yeah.

7 MR. DEAN: Because -- you may
8 want to address those, Jack.

9 MR. GROBE: Sure. The way the
10 enforcement policy works is that we only issue fines
11 when there is significant events, and the potential
12 radiological consequences for those discrete
13 particles of radioactive material that were released
14 with those workers were insignificant. There wasn't
15 any significant health risk there at all. Had there
16 been a significant release of radioactive materials,
17 then that would fall into the category that we might
18 fine the company, so we use fines for situations
19 where there's a significant event or, as Bill
20 mentioned, where there is some potential willfulness
21 involved.

22 MS. LUEKE: And neither of those
23 were you found at this point?

24 MR. GROBE: Not yet, and I need to
25 clarify, if you do have a situation where a violation

1 involves inappropriate behavior on the part of the
2 first willful violations, there is two things that go
3 into the determination of that sanction. One is the
4 safety significance of the act, and the other is the
5 level of egregiousness and the level of the
6 individual in the company. Since our investigation is
7 ongoing we have no conclusions yet regarding whether
8 any of these violations were willful. We've
9 completed or issued a preliminary finding on the
10 safety significant side, concluding that the
11 violations that occurred ~~with~~ had the highest level of
12 safety significance that the agency has. We call it
13 a red finding. We categorize our findings in four
14 colors -- green, white, yellow and red, and this was
15 an issue of high safety significance, so --

16 MS. LUEKE: So it is possible
17 still that -- it is possible to level fines in cases
18 of negligence?

19 MR. GROBE: That's correct.

20 MS. LUEKE: So that is still a
21 possibility?

22 MR. GROBE: Yes.

23 MS. LUEKE: What about recouping
24 the cost of say, the O350 Panel, is that anything
25 that is factored into the fines?

1 MR. GROBE: No. It's not
2 factored into the fines. Sanctions under our
3 enforcement policy are -- or how you get to those
4 sanctions are described in the policy and, as I said,
5 it has those two components of significance of the
6 issue, and if it were a potential willful violation,
7 egregiousness of the situation, the -- what we call
8 fee billing. It's a very complicated situation, all
9 of our inspections the utility pays for. Bill's
10 time and my time is a management or overhead function
11 that's billed through a different way, but they pay
12 for our services. We don't ask them if they want to
13 pay for our services, they pay for our services.

14 MS. LUEKE: Okay.

15 MR. GROBE: Other financial
16 ramifications of the shutdown are just handled as a
17 business expense through normal business practices
18 and stock prices and things like that.

19 MS. LUEKE: I guess my concern is
20 if you can't use fines and you don't use shutdowns,
21 then I guess the only thing that I've seen that is
22 used is more inspections, and I'm concerned about
23 that not being -- there not being incentive to do
24 that if you don't get that recouped, so I'm trying to
25 see what is the incentive for the NRC to be really

1 tough and to be extra careful not just in this case,
2 but in the future here and in other cases.

3 MR. GROBE: We changed our
4 enforcement policy maybe four years ago, and it is
5 difficult to sometimes -- to understand. We found
6 that the level of fines that we were levying against
7 companies were not a significant motivation for
8 improvement for those lower level violations where
9 there wasn't a significant event or significant
10 overexposure, significant release of materials, and
11 there wasn't a willful violation or deliberate action
12 deliberately in conflict with our regulations, so for
13 those lower level violations we didn't find that the
14 fines were necessarily a motivating factor for
15 improvement. What we found was that the public
16 scrutiny of issuing press releases, notifying the
17 local community, as well as the financial community,
18 of the situation that existed at the plant was
19 sufficient along with additional inspection, whenever
20 performance went down at a utility, we apply
21 additional inspection resources to make sure that the
22 problems are timely fixed, so we changed our policy
23 about four years ago to only use fines and generally
24 they are situations that mandated very large fines
25 for those kind of significant events and potential

1 deliberate actions.

2 MS. LUEKE: So do you feel that
3 the current system is sufficient for you to be highly
4 motivated to be hypervigilant?

5 MR. GROBE: I think you've been to
6 just about every meeting I have been to, and I think
7 you'll acknowledge that I am -- what was it,
8 hypervigilant?

9 MS. LUEKE: (Nod indicating yes).

10 MR. GROBE: Yeah, and we certainly
11 are focused. The other thing is this plant has been
12 shut down almost 13 months -- just about 13 months,
13 and that's cost the company a lot of money, too, so
14 the plant won't restart until we're convinced that it
15 can be restarted safely.

16 MS. LUEKE: I understand that. I
17 guess I want to make more emphasis on your
18 motivation. This can't be like a regular good time
19 coming here to these meetings and all, but -- so why
20 do you want to be better at what you do and why do
21 you want to do closer investigations?

22 MR. GROBE: The -- you're asking
23 kind of a question that spans a couple of issues.
24 There is absolutely no doubt that I would love to be
25 able to say that the NRC identified the degradation

1 in the head. We put together a group of eight or
2 nine highly capable people that had nothing to do
3 with Region III or the NRR -- sections of NRR that
4 focused on Davis-Besse, they were completely
5 independent of the folks that had worked on
6 Davis-Besse. We called it the Lessons Learned Task
7 Force, and they scrubbed this issue from one end to
8 the other and identified a whole bunch of things that
9 needed to be better, and we're implementing those
10 things. I don't think we could be more highly
11 motivated to do a good job. We didn't do a good
12 job -- as good a job as we should have done in this
13 case, and we are equally, highly motivated to make
14 sure it doesn't happen again.

15 MS. LUEKE: Okay. And just one
16 more question. What is the incentive for the
17 licensee to be proactive in following the NRC
18 regulations if they know their chances are they're
19 not going to be fined, they're not going to be shut
20 down, that the worse that can happen is more
21 inspections, and in that case, why not just wait for
22 the NRC to make them do it and save money?

23 MR. GROBE: I have been doing this
24 for quite awhile and what I've experienced is the
25 things that make plants run well and run efficiently

1 from a profit standpoint are the same things that --
2 generally the same fundamental concepts that are
3 involved in running a plant safely, that those same
4 underlying concepts if they're not applied to safety,
5 eventually the plant is not -- is no longer
6 profitable. The concepts are focus on the right
7 things, discipline on how you do your work, having
8 highly capable and qualified people, having highly
9 capable and qualified managers, holding folks
10 accountable. Those are the same fundamental concepts
11 of running an organization that makes a plant safe
12 and makes it profitable, so their motivation --
13 besides the fact that they're interested -- I
14 shouldn't speak for FirstEnergy, but I believe that
15 they're interested in making sure that the plant is
16 safe. Their motivation for highly effective and
17 efficient organization -- 'cause also that's the kind
18 of company that makes money, so you don't make money
19 in the long run by taking shortcuts.

20 MS. LUEKE: Okay. Thank you.

21 MR. GROBE: Uh huh.

22 MR. HIENDLMAIER: I just have a couple
23 questions.

24 MR. GROBE: Could you just state
25 your name?

1 MR. HIENDLMAIER: Yeah, Jim, Jim
2 Hiendlmaier. When this plant was originally
3 licensed to go online, what was the design life of
4 it?

5 MR. GROBE: 40 years.

6 MR. HIENDLMAIER: 40 years?

7 MR. GROBE: Uh huh.

8 MR. HIENDLMAIER: When the reactor was
9 down, was the metal checked for degradation of the
10 reactors?

11 MR. GROBE: I'm not -- it's kind
12 of a complicated question. There's a lot of --

13 MR. HIENDLMAIER: That's a simple yes or
14 no. It's not that complicated. Was it checked or
15 wasn't it checked?

16 MR. GROBE: Well, there's a
17 program called the in-service inspection. Once every
18 10 years through a systematic process, all of the
19 metal in the plant is checked.

20 MR. HIENDLMAIER: Okay.

21 MR. GROBE: And those reports are
22 submitted on a 10 year basis and the program is done
23 again.

24 MR. HIENDLMAIER: Okay, and that's
25 passing muster okay, there is no problems?

1 MR. GROBE: That's correct, but,
2 in addition to that, following the shutdown, the
3 company undertook a comprehensive inspection of all
4 similar situations that might have occurred in the
5 plant, anywhere where there was an alloy 600 metal,
6 anywhere there was a penetration design similar to
7 the penetrations that cracked on the reactor head,
8 thorough inspection of the reactor coolant system
9 pressure boundary, so there's been additional
10 inspections far beyond the normal in-service
11 inspections that have occurred since the shutdown.

12 MR. HIENDLMAIER: And the company did
13 those and the NRC did those, overlooking the company
14 doing them?

15 MR. GROBE: The company did the
16 work and we provided inspection oversight of that,
17 yes.

18 MR. DEAN: The other thing I
19 might want to add in terms of assessing the condition
20 of the reactor vessel, each licensee has material
21 coupons --

22 MR. HIENDLMAIER: Right.

23 MR. DEAN: -- that are inserted
24 into the reactor that are withdrawn periodically to
25 assess is the material behaving the way it was

1 anticipated to behave, so all licensees are doing
2 that as well.

3 MR. HIENDLMAIER: Okay, because there's
4 a lot of new stuff that went into this thing when it
5 was originally built, and nobody really knew what the
6 answers were back then.

7 MR. GROBE: Right.

8 MR. HIENDLMAIER: The other question
9 I've got, is this more or less -- I take it that this
10 thing is going to go back online?

11 MR. GROBE: The -- I haven't yet
12 seen anything to prevent the plant from going back
13 online. There's a lot of work yet to be done, and
14 the licensee has a good plan, and it's well
15 organized, and we're performing a lot of inspections
16 to make sure they do the work well. The plant won't
17 go back online until we're convinced that can all
18 work well and it can operate safely.

19 MR. HIENDLMAIER: Is the regimen that
20 this plant is going to go through before it goes back
21 online the same kind of regimen it would go through
22 on initial start-up on a new plant?

23 MR. GROBE: No.

24 MR. HIENDLMAIER: What's different?

25 MR. GROBE: The initial start-up

1 is it -- it's very different in the sense that the
2 plant in that condition was just constructed, so
3 there's a whole series of construction acceptance
4 tests, and then, following that, there's a whole
5 series of preoperational tests, and then there's a
6 phased in approach of start-up tests. Those tests
7 are generally done once in a lifetime of the plant,
8 most of them, and they're not needed to be done
9 again. The licensee has undertaken some testing and
10 extensive evaluation of a design basis of the plant
11 to ensure that the equipment is as they expected it
12 to be designed, but you wouldn't expect to do that
13 kind of construction acceptance and preoperational
14 tests that you do on the first time the plant is
15 built. I --

16 MR. HIENDLMAIER: For fear of
17 overstressing it?

18 MR. GROBE: No, no. It's just not
19 necessary. It's a different type of inspection
20 program that's done during construction.

21 MR. HIENDLMAIER: Okay. And just a
22 comment you made that the previous speaker indicated
23 that -- wanted to know if they would be fined or if
24 the plant would be shut down, and you indicated that,
25 you know, the public would be aware of it and things

1 like that. I have to tell you that I was in a
2 meeting in Columbus and was told that in no uncertain
3 terms that Tony Alexander threatened the Governor of
4 the State and the Chairman of the Public Utilities
5 Commission that if he didn't get deregulation rules
6 written the way he wanted them, he was going to turn
7 the power off, so what the public thinks at the top
8 management of -- has nothing to do with -- with what
9 Mr. Alexander or his cronies care about. They care
10 about one thing and that's making money and there is
11 a lot of options available to this plant, and one is
12 coal gasification and take this damn nuclear reactor
13 out and stick it someplace. There is a lot of other
14 ways to do this and get the job done, and in the long
15 run, I'd feel a lot safer for us. Anyway, thank
16 you.

17 MR. GROBE: Appreciate your
18 comments. Thank you, sir.

19 THEREUPON, the audience applauded.

20 MR. DUSSEL: Tim Dussel, resident
21 of the area. You talk about the safety programs that
22 you're trying to submit here and reading the article
23 in The Cleveland Plain Dealer and just -- it amazes
24 me, I don't see anything about safety here. I'll
25 just take a small paragraph out of here. Overall

1 the analyst judged that the rust hole increased the
2 risk of the damage accident at the plant enough to
3 merit NRC's highest level of scrutiny. The overall
4 risk expressed as a mathematical formula. In
5 layman's terms what that means is if there is 10,000
6 reactors in the same shape, the kind of lid that
7 existed at Davis-Besse last March, that during that
8 time probably have an accident that would harm the
9 vital rods. One accident out of 10 -- you know, you
10 spend hundreds of thousands of dollars to analyze
11 this and you're saying that -- it just amazes me that
12 this is the kind of thing you come up with.

13 Down below farther it says the mishap which
14 be presented disastrous financially and public
15 relation nightmare. There is nothing in this whole
16 thing about safety.

17 MR. GROBE: Well -- that's an
18 excellent question. I really appreciate you raising
19 it because it's very difficult oftentimes to
20 understand. We communicate in risk numbers and often
21 talk about risks of the order of 10 to the minus
22 four, and what that means is one in 10,000. The way
23 we analyze the significance, and, in fact, that's an
24 expression of safety. The significance of our
25 inspection findings is by looking at the increased

1 risk, and the normal risk of a plant, a nuclear
2 plant, operating in the United States ranges
3 somewhere around a chance of an accident with a
4 damaged reactor core of one in a million. Those are
5 just round numbers, and if there's a performance
6 deficiency at the plant, we have colors that
7 correspond to increasing risks, and when a
8 performance deficiency results in an increased risk
9 of one in 10,000 we call that red. What that means
10 is there 1 in 10,000 chance that an accident could
11 have occurred and damage to the reactor core.
12 There's multiple barriers, though, between the
13 reactor core and the release of radioactive materials
14 that can affect the public, and one of those
15 barriers is the containment structure which you can
16 see driving down Route 2. That barrier was intact
17 and there was no reason to believe it wouldn't
18 function properly, so what we look at is what is the
19 probability of damaging reactor core, not -- and
20 that, if that actually occurred, which, in this case,
21 it was a little bit higher than one in 10,000, which
22 was our estimate, that doesn't mean necessarily that
23 there would be an impact on the local community
24 because of the way the plant is constructed with
25 multiple barriers. It would obviously be a

1 significant financial challenge for the company if
2 they damaged the reactor core, but it would not
3 necessarily be a safety concern.

4 We set our thresholds for action very, very
5 low because safety is our first priority. The
6 highest level of significance we had is one in 10,000
7 increasing risk, and we take actions far below that
8 to make sure that plants don't get to that level and
9 in this case it did, and that's a significant problem
10 and that's what the company has been trying to fix
11 for the last 13 months.

12 MR. DUSSEL: Well, I have seen
13 articles, too, with Andrew Siemaszko, and where he's
14 filing a suit, I would really like to see what
15 happened to the other managers and employees that was
16 fired supposedly or placed in other employment that
17 was in place while all this took place. I don't
18 understand how you can learn anything from this if
19 those same people aren't in place. I'm glad to see
20 that this lawsuit is coming about because it will
21 become Court of law and there will be questions asked
22 and someone will have to answer the questions. No
23 one has to answers questions here. Everything just
24 kind of slides off to the side and everyone keeps
25 saying, yeah, we know that there was a problem, but

1 what kind of message does this give other power
2 plants the fact that there is no fines.

3 MR. GROBE: Yeah, yeah --

4 MR. DUSSEL: You're saying that
5 really doesn't do a lot of good. We don't take a
6 license away, that don't seem to do a lot of good,
7 but we had six other nuclear power plants that shut
8 down like they were apt to do, that's the responsible
9 way of doing something. That sounds more safety
10 minded than what FirstEnergy is doing here, but yet
11 you keep saying they have turned around, and I don't
12 see where anything is turned around a whole lot.

13 MR. GROBE: We'd be glad to get
14 you a copy of FirstEnergy's analysis of what happened
15 and the first installment on that was last August.
16 They submitted the bulk of what we call the Root
17 Cause Analysis which involved Mr. Siemaszko, as well
18 as dozens and dozens of other people at the plant,
19 and if you're interested, we'd be glad to get you
20 copies of those documents where all these people were
21 talked to and the issues were evaluated and the
22 problems were identified, and those problems are now
23 being fixed.

24 MR. DUSSEL: So the NRC has had the
25 opportunity to talk to these people?

1 MR. GROBE: Absolutely,
2 absolutely.

3 MR. DUSSEL: Okay. Well, the
4 other thing that scares me is the fact that there is
5 over 700 employees at Davis-Besse and of all the
6 things that went wrong and I have not seen a whole
7 lot of people say, yeah, there is some dangerous
8 things that went on there, so I don't understand. I
9 mean, if the safety thing is what you're saying it
10 is, I would feel a lot safer if there would be more
11 people like Andrew Siemaszko, and as far as the NRC,
12 Steve Long, who has come forward and said, yeah,
13 these things are bad, and they shouldn't be going on,
14 and they need to get to the bottom, I would feel a
15 lot more safer if this was the kind of thing I seen
16 going on.

17 MR. GROBE: Well, I have spent the
18 last 13 months saying those kinds of things, so I
19 invite you coming to more meetings and if you want to
20 talk afterwards, I would be glad to talk to you
21 afterwards.

22 MR. DUSSEL: Thank you.

23 THEREUPON, the audience applauded.

24 MS. CABRAL: Barb Cabral. I'm a
25 resident. I have a couple questions about the

1 reactor head that's being put in. It's like 17 or
2 18 years old; is that correct?

3 MR. GROBE: I'm not sure how old.
4 It was originally designed for the Midland Nuclear
5 Plant in Midland, Michigan, and it's been there for
6 about -- that sounds about right, maybe 20 years.

7 MS. CABRAL: Why wasn't it ever
8 used?

9 MR. GROBE: Midland had a number
10 of construction problems, and the utility canceled
11 the plant long before it went online.

12 MS. CABRAL: Okay, so the one being
13 manufactured today, they're using different alloys
14 than they were back then, right?

15 MR. GROBE: That's correct. The
16 specific material that's different is the material
17 that the penetration tubes are made out of. It's
18 believed to be -- it's called Alloy 690, the new
19 material -- it is believed that that material is
20 going to be more crack resistant, but Alloy 600, when
21 it came into existence, was believed to be the cat's
22 pajamas on alloys at that time, so the NRC just
23 recently issued orders to all pressurized water
24 reactors requiring enhanced monitoring -- and maybe
25 you wanted to go into that a little bit, Bill?

1 MR. DEAN: In terms of, I think
2 what you're getting at is they're taking this vessel
3 head that's 17, 18 years old, so why is that any
4 good?

5 MS. CABRAL: (Nod indicating yes).

6 MR. DEAN: Well, as part of the
7 assessment or analysis of the reactor vessel heads is
8 based on how much time have they been operating at
9 high elevated temperatures. Obviously this vessel
10 head that they're using to replace from the Midland
11 plant was never operated at temperature, so, in
12 effect, it's essentially a new head, albeit designed
13 with the same sort of alloys that existed, the alloy
14 600 penetrations. Bar over bar, over-arching
15 inspection plan relative to reactor vessel heads
16 nationwide incorporates a much more frequent
17 inspections of the reactor vessel heads, including
18 utilization of ultrasonic testing and other means,
19 advance means, volumetric testing we call it, to
20 evaluate the condition of the reactor vessel head on
21 a much more frequent basis than what we've done in
22 the past, and so this reactor vessel head will be
23 incorporated into that enhanced monitoring process.

24 MR. GROBE: And if -- under that
25 enhanced monitoring process, they can use this head

1 for a very long time. Currently, it's their plans
2 to only use it for 10 years, and then replace it with
3 one they have on order now at the same time they plan
4 on replacing their steam generators, and that's
5 currently scheduled for early in the second decade.
6 I think it's like 2012 if the plant is operating at
7 that time, that's when that work will occur, so this
8 head will be used for about 10 years.

9 MS. CABRAL: Yeah, that was my other
10 question, if they are planning to replace it in 10
11 years, why are they going through this intermediate
12 stuff and putting in inferior -- why are they going
13 through this inferior --

14 MR. GROBE: It's a perfectly
15 acceptable head, and I think the reason they're
16 replacing it now is so that they can operate for a
17 period of time before they replace the head with the
18 new one. Ordering and manufacturing a reactor head
19 is a time consuming activity, and you need to get in
20 line. There is very few locations in the world that
21 actually make a piece of equipment like that, so they
22 are in line to get one. I don't know when it's
23 supposed to be delivered, but their plan today is to
24 replace the reactor head with a new one in about 10
25 years.

1 MS. CABRAL: (To Mr. Rutkowski)

2 Your name is Jack?

3 MR. RUTKOWSKI: Yes.

4 MS. CABRAL: We're very happy to

5 hear that you were with the Navy because the Navy has

6 a wonderful record, so -- if they're not going to

7 turn the plant over to the Navy to run --

8 MR. GROBE: I don't think the Navy

9 would want it. It doesn't float very well.

10 MS. CABRAL: Well, you know, it's

11 close enough. A little more rain, it may be

12 floating, you know?

13 MR. GROBE: Thank you very much,

14 ma'am.

15 MS. CABRAL: (To Mr. Rutkowski)

16 Glad to have you here.

17 MR. GROBE: Any other questions or

18 comments? I think we were still on local community

19 folks.

20 (No Response).

21 MR. GROBE: Is there anybody from

22 outside the local community that's interested in

23 commenting? It's a long walk from the back row,

24 huh?

25 MR. STAPLES: Yes, it is. Thanks

1 for the opportunity to speak. I -- I really don't
2 like to stand with my back to the audience, if you
3 don't mind.

4 MR. GROBE: Actually, I would like
5 you to talk to us, if you don't mind.

6 MR. STAPLES: Okay.

7 MR. GROBE: Could you introduce
8 yourself, sir?

9 MR. STAPLES: Okay, my name is Jack
10 Staples. I'm an elected official, but I choose to
11 speak as a private citizen and based on my employment
12 as the manager of the airport, and I'd like to just
13 make mention of, you know, solicited comments and the
14 comments that I'm going to make are solicited, and I
15 want to explain how.

16 I met a couple folks from FirstEnergy at a
17 meeting -- at a Trustee meeting a few weeks back, and
18 after -- they made their report as they do at the
19 meeting, and after the meeting, I went up to one of
20 these folks, and I made some comments to them, and he
21 said, you know, I would appreciate if you would come
22 to this meeting and make these comments, so, although
23 they are solicited, I just want you to understand,
24 you know, the respect I want here, and as I mention
25 as an airport manager, I can give the folks a

1 complete different perspective of what's going on at
2 the plant. The reason being is I have learned more
3 about nuclear energy speaking with the folks that
4 have traveled through our airport over the past year.
5 I know about road particles. I know about why the
6 rods went in and out at different speeds, things that
7 I never really knew that I would be involved in, but
8 what I want to say is I am so impressed with the
9 folks who are working on this plant, and not to muddy
10 the water, but, you know, I hear comments like, if
11 there is a bubble in a paint chip, they're checking
12 it out. The different aspects, the parts that are
13 flown in and out of the airport -- I'm just impressed
14 with the people. The people that are turning the
15 nuts and bolts in this plant. I'm talking about
16 workers.

17 I got an opportunity about a week ago to
18 spend about an hour with a gentleman who came into
19 the airport to actually wait to be picked up, kind of
20 used the airport as a staging area. I thought he
21 worked at the hospital. He had a blue -- like a
22 hospital gown on. Well, it happened to be one of
23 the folks who was working at the plant, and we sat
24 for about an hour and talked about the -- and I don't
25 want to say upgrades, but talking about every nook

1 and cranny that they're looking at, and, again, I'm
2 talking about him and the crews he's working with as
3 far as going over this plant with a fine tooth comb,
4 and I have no negative comments -- you're not getting
5 negative comments. I'm just saying that I am
6 impressed with the depth of what you're doing at this
7 plant.

8 I own a home on Sand Road. I look out my
9 backyard and the sun sets behind the plant. You're
10 not going to see a for sale sign by my house because
11 I'm confident in the job you folks are doing, and,
12 again, this is from the perspective of the people
13 that are turning the nuts and bolts and I've had the
14 opportunity to spend a lot of time with. I've got
15 two bosses in the audience that pay me to run the
16 airport, and I'm probably in trouble for talking
17 about spending all this time with people that come
18 through, but it's really been so interesting.

19 MR. GROBE: I appreciate your
20 comments. Since last summer, our inspections have
21 shown that the work that they're doing today has been
22 very intrusive, but there has been a lot of
23 inspection and unfortunately that wasn't the case in
24 the past. The company reported to us, and we agree,
25 that through the late '90s there was a focus on

1 profit, not on safety, and that was unfortunate and
2 that was a principal contributor of what happened at
3 Davis-Besse, but our inspections have shown, in fact,
4 what you say is true, since early last summer, the
5 work that they have been doing at the company has
6 been pretty good. They found a lot of problems and
7 they're fixing them.

8 MR. STAPLES: Well, again, I look at
9 the plant, and there's no for sale sign.

10 MR. GROBE: Thank you.

11 MR. STAPLES: I appreciate what
12 you're doing. Thank you.

13 THEREUPON, the audience applauded.

14 MR. PASSEHL: I think we misplaced
15 the sign-in sheet. Does anybody happen to have the
16 sign-in sheet on their person?

17 MR. DUSSEL: (Indicating).

18 MR. HARDER: Good evening. My
19 name is Lynn Harder, and I'm a local resident of
20 Ottawa County, and I'm also a worker at Davis-Besse
21 plant, and when I heard the gentleman talk about
22 bubbles in paint, I felt compelled to come up here
23 and talk because I have been dealing with a lot of
24 bubbles in paint for the last eight months, and I
25 felt compelled to come up here because I've learned

1 one thing that it's important to tell people what you
2 stand for, and what you don't stand for, no matter
3 what you do in life.

4 In listening to everyone speak tonight with
5 respect to what we're talking about, personally, I'm
6 not proud of what happened at Davis-Besse a year ago,
7 and I can assure you my teammates are not proud
8 either of what happened at Davis-Besse. It breaches
9 trust and confidence in our ability to prove to you
10 that we can run the plant safely. The NRC and
11 FirstEnergy both engaged in a restart effort, restart
12 action plans in an attempt to rebuild, regain and
13 sustain that trust and respect we once had. We have
14 been shut down for over 13 months and in that time,
15 though, we have worked on fixing material things, but
16 it also give us a lot of time to look back at where
17 we have been, hard and long, and we know it's a place
18 we don't want to return to, and I, for one, can
19 assure you that we don't want to go back there.

20 Some of the things that we're doing are very
21 visible in terms of fixing the material conditions of
22 the plant, but much more important things we're doing
23 are invisible with respect to what's called working
24 in a safety culture and safety conscious work
25 environment. It's hard to measure, but I assure you

1 we're being held accountable, our senior management,
2 our new leadership team and ourselves to figure it
3 out 'cause we know we didn't have it and we know
4 we're going to get it, we're going to get it, so I
5 guess what I'm trying to say is I have seen the
6 transformation. I do expect to be challenged. I
7 want to be challenged, be held accountable for making
8 sure Davis-Besse is maintaining a safe, operational
9 plant, and I personally want to say, I am absolutely
10 confident in our current program, our current
11 leadership and the material condition of our plant,
12 and, most importantly, in this team that I work with
13 at Davis-Besse that we will and can and are able and
14 capable of restarting that plant and making it the
15 safe and efficient workplace you expect it to be.
16 Thank you.

17 THEREUPON, the audience applauded.

18 MR. GEDDES: Hi, my name is Bruce
19 Geddes, Jack. I have come to just about every one
20 of these meetings. I live in Oregon, Ohio, not too
21 far from here. I'm not exactly a local resident. I
22 also am an employee at the plant. I have been there
23 over 27 years. Matter of fact, my entire life has
24 been in the nuclear power field, ever since I went
25 into the Navy at 17 years old. I have been a lot of

1 places.

2 What a good friend of mine, Lynn Harder, just

3 had to say, he's right. We all share a feeling of

4 responsibility because we betrayed some of the trust

5 of the public in what we let happen at our plant. I

6 have worked in radiation protection, quality

7 assurance. I currently run the environmental

8 programs. We take our job very, very seriously.

9 Safety first, also, forever. We -- I personally

10 have never, ever been intimidated or felt that I

11 couldn't say something to whoever I had to say it to

12 to get something known. Obviously, that wasn't the

13 case all through our time because we are where we are

14 right now, but things have changed at Davis-Besse,

15 and in the 30 years in nuclear power industry, both

16 in nuclear Navy, D.C. Cook Nuclear plant, and my time

17 here at Davis-Besse, I have never experienced

18 something like I see right now. We take whatever

19 the problem is, no matter how small, and I can't say

20 anyone that works for me or I work around would

21 hesitate to identify it, use the condition report

22 process, employee concerns process, whatever it

23 takes, to the point that it -- sometimes it seems

24 we're identifying too much, but you can't do that,

25 but I -- as I said, I have never seen something like

1 this go on before.

2 I personally wanted to say that I welcome the
3 NRC oversight. I have been through more NRC
4 inspections that I can count. I actually
5 appreciate -- I appreciate the folks here that share
6 a difference of opinion with us. They have their
7 issues, their concerns, and they're the people that
8 help keep us on the straight and narrow as well as
9 yourselves. We need both the oversight, and we need
10 their input always so we know we're doing the right
11 thing, but I did want to make a statement and make it
12 clear that from my standpoint and the years I have
13 had in the industry, safety comes first always and
14 foremost. Thank you very much.

15 MR. GROBE: Thank you.

16 THEREUPON, the audience applauded.

17 MR. PATSHETT: I'm Wayne Patshett.
18 I'm an untraditional student at the University of
19 Toledo, Electrical Engineering. I am a husband. I
20 have a wife and three kids, the oldest one being five
21 years old, and I have the privilege this semester of
22 spending my co-op experience with the engineering
23 degree out at Davis-Besse. I can't speak for what
24 they were like in the past; however, I do know that I
25 find it hard to believe that any of the current

1 employees out there, especially anybody that's in the
2 radiological areas, would willfully endanger
3 themselves and their families.

4 With my experience out there, I have seen the
5 changes that they're trying to implement in their
6 culture. I have no qualms about working out there
7 and pursuing future employment out there with the
8 knowledge that I would not want to endanger myself
9 and leave my wife and three kids without necessary
10 income, and I feel very comfortable working out
11 there. I know that many of the things that they are
12 currently seeking to do, they're very safety oriented
13 because they can't afford to ever go through another
14 shutdown, extended period. I know that they don't
15 necessarily need fined when they have been shut down
16 for 13 months, not making any money, and having to
17 spend money for the whole plant and -- that's all I
18 have to say.

19 MR. GROBE: Thank you very much.

20 THEREUPON, the audience applauded.

21 MR. GROBE: While the next person
22 is coming forward, I'll make a comment. Good,
23 well-meaning people can behave in such a way in an
24 organization with a negative outcome and we've seen
25 that over the years. Many years ago, the space

1 shuttle disaster with the old regulations, and that's
2 the importance of a safety culture, good solid safety
3 culture. It provides the guidance for good people to
4 achieve high success, and what happened in the late
5 '90s was that the cultural compass got a little bit
6 off track and resulted in some bad decisions. It's
7 the safety culture is the absolute critical underpin.

8 Does anybody else have a question or comment?
9 You guys are getting warmed up.

10 MS. DOHRMAN: My name is Linda
11 Dohrman, and I have been a manager at Davis-Besse for
12 eight years. I have worked out there for over 25.
13 It's not easy to get up and speak in public, but it's
14 very easy for me to get up and speak about
15 Davis-Besse and defending Davis-Besse. Did we make
16 mistakes? Yes, we did. We've admitted to them and
17 we've learned from them. What has changed at
18 Davis-Besse? We have directors who are engaged in
19 the day-to-day activities. They're providing
20 oversight for critical activities. They chair
21 routine meetings. They're in our faces. They're
22 asking questions and more questions and more
23 questions. We have managers who are out with our
24 employees. They're involved in work decisions.
25 They're providing on-the-spot coaching. They're

1 listening to our employees' concerns, and they're
2 acting on our employees' concerns. I personally am
3 proud of our employees. They were saddened by what
4 happened at their plant. They have done a ton of
5 work to bring it up to the high standards that are
6 required to run a nuclear plant, and at last, but not
7 least, is Mr. Lew Myers. I will describe him as a
8 pit bull when it comes to enforcing nuclear safety
9 culture. He is involved with the people at the
10 plant. He listens. He talks, and his standards are
11 high. I know he has what it takes to make sure the
12 right decisions are made, and when we start this
13 plant up, we will run it as it should have been run
14 before.

15 MR. GROBE: Thank you.

16 THEREUPON, the audience applauded.

17 MR. GORE: My name is Martin
18 Gore. I have been at the plant for 12 years as an
19 equipment operator and recently as a new trainee.
20 My group that I'm with now deals with condition
21 reports, corrective actions to identify and make sure
22 that nothing is missed when we make each milestone.
23 I personally have seen the production over safety,
24 but I've also seen in the last four years a change to
25 managers wanting, expecting, push back when decisions

1 are made. I, myself, have used the process twice.
2 People that know me at the plant know that I'm not
3 willing to back down. I see that this station can
4 meet its milestones. We encourage and desire the
5 added enforcement oversight. We want to be -- we
6 don't want to leave a stone unturned. We encourage
7 your participation in identifying or helping us to
8 identify other problems that we don't find ourselves,
9 and I know that we will be successful when we start
10 this plant. This is my plant, and I'm happy to be
11 here. Thank you.

12 MR. GROBE: Thank you.

13 THEREUPON, the audience applauded.

14 MR. MARTIN: Good evening. My
15 name is Steve Martin, and I'm a plant employee. One
16 of the largest concerns of the public and the NRC is
17 the safety and the safety culture at the plant. As
18 a plant employee, I would like to present to the 350
19 Oversight Committee and the public, one employee's
20 perception of how far the employees and the plant
21 management have really progressed during the last
22 summer months with regard to this extremely important
23 error.

24 During the current outage, I have been
25 temporarily assigned to what's called the old

1 restraint team, which is an arm of the organization
2 that helps ensure all condition report corrective
3 actions to support restart are correctly closed.

4 To date, I have personally reviewed
5 approximately 400 corrective action responses that
6 have been brought up during the discovery phase
7 activities after the large hole was discovered in the
8 head. It is because I have spent so much time
9 reviewing these responses I feel that I'm adequately
10 qualified to speak about the issues of safety at
11 Davis-Besse.

12 Prior to making any major plant equipment
13 configuration or what we call mode changes at the
14 plant, all concerns that have been brought up
15 concerning plant equipment that is needed to support
16 that mode must be adequately addressed to ensure that
17 all margins of safety are properly maintained.

18 During the final reviews prior to making mode
19 change to allow refueling, a few minor problems were
20 brought to the attention of our plant manager, which
21 delayed the reloading of fuel into the core. While
22 the delay was painful to some, at no time did it
23 appear to me that plant management allowed schedule
24 pressures to overcome the need to address all safety
25 concerns of each and every employee. In fact, I

1 would say that I observed just the opposite.
2 Several members of the management team purposely
3 delayed entry into this mode until the entire team
4 was satisfied that the core reload would be completed
5 safely.

6 I believe that each and every employee at
7 Davis-Besse is keenly aware of the need to bring the
8 plant back online safely to regain the trust of the
9 regulator and the public. This is a task which can
10 only be done with complete safety of the public in
11 mind. The licensed operators are keenly aware of
12 the need to place safety above all else.

13 I truly believe that the plant -- that after
14 the plant is allowed to return to service, that the
15 public trust will never again be violated. Thank
16 you.

17 THEREUPON, the audience applauded.

18 MR. GROBE: Thank you.

19 MS. SHAW: Hi, I'm Lori Shaw. I
20 have an observation to share and a question. My
21 observation has come from being a concerned citizen,
22 not working for FirstEnergy or not being part of a
23 watchdog group, but being somebody in the area, not
24 involved with any political body either. Watching
25 the students go through the process, it just concerns

1 me a little bit. I have to truly believe that
2 people who work for the plant are very concerned
3 about safety. I also know, it concerns me a little
4 bit when I hear everything was always forthcoming.

5 When the students did reviews, they started
6 with The Cleveland Plain Dealer and The Toledo Blade,
7 and they started to compare articles about what was
8 said and how statements changed over time, and a lot
9 of it seems that a lot of the forthcoming information
10 came from watchdog groups and not necessarily
11 FirstEnergy or the NRC, and I know as students
12 seeking to be involved in nuclear energy, as a coach,
13 I first steered them to FirstEnergy, and there was no
14 encouragement at first, then I tried to hook them up
15 with the Nuclear Regulatory Commission and nobody was
16 really willing to talk to them, and it was only when
17 the watchdog groups started sharing information with
18 the students did FirstEnergy and the NRC then start,
19 and so we have it from a little bit different
20 perspective from seeing how statements change
21 throughout the paper, not necessarily did it always
22 appear out of wanting to get the information out, but
23 out of information coming out, and then being forced
24 to acknowledge it, and so as a citizen it just
25 concerns me a little bit that it seems like there's a

1 comfort level that everybody should trust everybody
2 when that's not always how we have encountered the
3 information, and I guess one of the questions out of
4 that, have there been any discussion of when the
5 plant restarts since there has been a lot of
6 mistrust, concerns with FirstEnergy and the NRC's
7 oversight in this that they might actually put
8 together a panel with some of the people from
9 watchdog groups on it to sort of balance, because it
10 seems like key players in this whole scenario was not
11 the NRC and FirstEnergy finding these faults or maybe
12 finding them but not bringing them out, and it might
13 be a nice safety assurance if they might have some
14 input.

15 The other question, and I apologize, we got
16 here late, is about the fine issue, and I apologize
17 if this has already been addressed. One of the
18 things that the students had mentioned was not an
19 arbitrary fine, but a fine to ensure that safety was
20 done and so not necessarily paying out eight million
21 as a fine, but using that money and having the NRC
22 redirect it, and is there any plans for moisture tape
23 around the reactor nozzle so between outages if there
24 is any leaks, that that can be picked up and relayed
25 to the tower before 18 months goes?

1 MR. GROBE: There's been about
2 three or four things that you said that I want to
3 respond to. If I don't hit them all, please help me.

4 First off, I'm very disappointed that you
5 weren't able to get access to information from the
6 NRC.

7 MS. SHAW: We did after they
8 started noticing that the kids were getting
9 information from other areas.

10 MR. GROBE: That's also
11 disappointing. If you ever have any difficulty,
12 don't hesitate calling Jan Strasma or myself, and I
13 place a very high priority on educating our young
14 people. That's a personal issue for me, but the
15 agency has placed a very high priority on being
16 transparent and getting as much access as possible to
17 the information about our activities, so please don't
18 let that happen again.

19 With respect to your comments regarding
20 outside individuals being on some of their oversight
21 groups, they invited the County Administrator to
22 participate more, I don't think that would meet your
23 definition --

24 MS. SHAW: It was somebody who
25 really helped bring this issue out.

1 MR. GROBE: But I know there's a
2 number of FirstEnergy managers here, and I'm sure
3 that they would be willing to consider your comments.
4 That's not something that we mandate or can mandate,
5 I believe.

6 Your perception -- I'm disappointed in your
7 perception that it took watchdog groups to bring out
8 the truth. As soon as something unusual appeared to
9 have happened at Davis-Besse, within a matter of days
10 we had a team of people out here looking at it, and I
11 believe April 5th, the issues identified on March
12 6th, April 5th we conducted our first public meeting
13 to share what had happened at Davis-Besse with the
14 public, and that was a meeting attended by 450
15 people, so it's -- the NRC has been driving this
16 issue in the public forum, and I can't speak for the
17 rest, but I hope we have been accessible to members
18 of the public, and, if not, I think that's a problem,
19 I would like to be aware of it. Did I get all your
20 questions?

21 MS. SHAW: No, the fine related
22 to the helping ensure safety and moisture sensitive
23 tape around the rod nozzles.

24 MR. GROBE: I'm not sure what
25 moisture sensitive tape is, but they are installing a

1 system on the bottom of the reactor head. It's like
2 a long tube with holes in it, and it pushes air
3 through the tube and monitors the humidity of the air
4 that comes out, and if there is a leak, it winds it
5 way, excuse me, around the bottom head of the reactor
6 and if there's -- if there's any high humidity which
7 would be caused by a leak on the bottom head, it will
8 be sensed with the system. It's referred to as a
9 FLUS system. It's -- I believe it's a German word.
10 It's an acronym.

11 MS. SHAW: I'm not sure what you
12 mean by the bottom of the head because I know most of
13 the corrosion occurred on the top of the head.

14 MR. GROBE: There's two heads on a
15 reactor. It's like a hotdog.

16 MS. SHAW: Right. Well, where
17 the rods slip up and down and where the original
18 corrosion happened --

19 MR. GROBE: For the top of the
20 head, they have cut very substantial access ports so
21 that they can do frequent inspections of them, and
22 they have put in place a much more comprehensive and
23 vigorous leakage monitoring program, so the top of
24 the head is covered that way. The bottom of the
25 head is much less accessible, so they have installed

1 this FLUS monitoring system on the bottom of the
2 head.

3 MS. SHAW: Okay, so the moisture
4 tape is what they use in France, and that has
5 technical names, but it's by the control rods.

6 MR. GROBE: I'm not familiar with
7 it.

8 MS. SHAW: So right where the
9 spray leaks happened before, it would --

10 MR. GROBE: This FLUS system may
11 be what you're talking about because it's used --
12 it's installed, I think, in a half dozen or more
13 plants in Europe. Thank you very much for your
14 comments.

15 THEREUPON, the audience applauded.

16 MR. WILKINS: Good evening. My name
17 is Richard Wilkins. I'm with the Communication
18 Department at FirstEnergy, and, like you, I was
19 disappointed to hear that Ms. Shaw was forced to get
20 her information from watchdog groups and other
21 agencies about Davis-Besse and wasn't able to get the
22 information she was looking for in a timely fashion
23 from Davis-Besse. I'm also a little surprised at
24 that since it is one of our top priorities to
25 communicate information about the plant particularly

1 with school students, and, in fact, Ms. Shaw and her
2 students were at Davis-Besse. We did break an
3 engineer loose for several hours to meet with her and
4 her students to answer their questions, to give them
5 information about the plant.

6 Now, I don't know where that fell in terms of
7 the time line of her search for information, but,
8 generally speaking, when we get a request for
9 information we try to answer that request as quickly
10 as we can and as thoroughly as we can. In fact, in
11 terms of providing information about the situation at
12 Davis-Besse, when we had the information about the
13 corrosion on the head -- the way that we handled that
14 was, if memory serves, of course, the NRC was the
15 first to know about it in terms of Government
16 officials and regulators, but we also very quickly
17 notified the local officials, who, of course, have an
18 interest in what is going on at Davis-Besse, as well
19 as State and Federal officials that we have a lot of
20 communications with on a fairly routine basis aside
21 from the Nuclear Regulatory Commission.

22 In addition to that, we had a lengthy list of
23 news media outlets, starting with the local news
24 media and fanning out to a broader news media, wire
25 services, for example, and the day that we had

1 sufficient information to describe what was going on
2 there, we contacted every one of those media outlets
3 and gave them all of the information that we had at
4 the time including providing an engineer who could
5 explain the situation in laymen's terms. We have
6 continued to make ourselves or certainly attempted to
7 make ourselves available to reporters any time that
8 they have questions about what is going on at
9 Davis-Besse, and we intend to continue doing that,
10 just as we intend to continue to respond to requests
11 from citizens and from students regardless of what
12 grade they might be in, so I am disappointed as you
13 are that the flow of information didn't quite work
14 the way that Ms. Shaw had wanted it to, and we'll
15 certainly try to do better in the future. Thank
16 you.

17 THEREUPON, the audience applauded.

18 MR. GROBE: Thank you.

19 MS. SHAW: Can I make a
20 clarifying comment?

21 MR. GROBE: I don't think it's
22 necessary.

23 Any other comments, questions? Yes, sir?

24 MR. GATTER: Hi, my name is Shane
25 Gatter. I have been working at FirstEnergy,

1 Davis-Besse plant, for about five months now. I
2 graduated from UT with a mechanical engineering
3 degree about six months ago. I worked at a farm for
4 a co-op and before I -- well, prior to my first year
5 in college, I had no idea what nuclear energy was.
6 I could sit down and watch the Simpsons and believe
7 that, but, I mean, I wanted to design cars, but now
8 that I got into the nuclear field, that is my place
9 to be. I feel safe. I take ownership. I come
10 across the gates every morning to Davis-Besse Nuclear
11 Power Plant. I can say that's Shane Gatter's
12 nuclear power plant, and in talking to all my
13 co-workers they feel the same way.

14 I work closely with a lot of the managers and
15 many other people at FirstEnergy. I see the
16 students come up or the teacher come up and say her
17 students are researching Davis-Besse. I think
18 that's great. I -- I -- like I said, I had no idea
19 what nuclear power was before I started college, so
20 to -- for all these people to say, no, shut us down,
21 it's just not right. I think they need to research
22 it a little more and see that we are not a bad -- we
23 are not a sore spot in Oak Harbor. Let us stay open.
24 Thank you.

25 MR. GROBE: Thank you.

1 THEREUPON, the audience applauded.

2 MS. RYDER: My name is Amy Ryder.

3 I'm with Ohio Citizen Action, and I just wanted to

4 follow up on Ms. Shaw's comment and Mr. Wilkins'

5 comment on that. Ohio Citizen Action spends an

6 enormous amount of time talking to members of the

7 public, and I don't think there's a lot of concern

8 over the fact from the timing of when the hole was

9 announced it was discovered to when the NRC had its

10 first meeting. There seems to be a lot of mystery

11 as far as when FirstEnergy admits that they actually

12 knew that there was a problem, you know, there's

13 no -- photographic evidence as early as 1998 showing

14 that there was degradation of the head. There is a

15 lot of he said/she said over whether or not the NRC

16 knew that this evidence existed, you know, there's a

17 FirstEnergy employee says I turned over a condition

18 report and photographs to an NRC inspector. The NRC

19 claims, no, we never saw it, and I think that's a lot

20 of information -- I don't want to speak for Ms. Shaw,

21 but I think that's a lot of this information that's

22 of concern to the public as far as what's being

23 turned over and unfortunately we are finding out a

24 lot of the information from the newspapers and the

25 Union of Concerned Scientists. It's not being

1 disclosed at the monthly meetings, and, to me, I
2 think that's of a lot of concern because that is how
3 we're getting our information.

4 MR. GROBE: I appreciate your
5 comment, Amy. The two issues, the two specific
6 issues that you raised are both under investigation.
7 It's very easy to make a public statement. It's
8 much more time consuming and difficult to investigate
9 it to find out what the truth is.

10 MS. RYDER: True.

11 MR. GROBE: And you won't hear
12 statements from the NRC regarding either of those
13 issues until the investigations are done and the
14 truth is known. That's certainly not any sort of
15 obfuscation or hiding. It's simply responsible
16 pursuit of the issue and it takes time.

17 I have been available, as has Bill and other
18 members of the panel, on a monthly basis out here to
19 answer any question, and we put out a tremendous
20 amount of information, organized a web site, it's
21 very easy to navigate. All of the information that
22 David Lochbaum and the Union of Concerned Scientist
23 and others are putting out is information that's
24 coming from us, so its maybe dissemination channels
25 aren't as effective, but, you know, the information

1 is available, and we'd be glad to answer any
2 questions, as you're well aware, because you had a
3 lot of them at any time.

4 MS. RYDER: Well, I do know that
5 all of the information that David gets is from the
6 NRC, from ADAMS and from NRC documents, but he spends
7 weeks and weeks and weeks digging through documents
8 to find that information. That is not information
9 that is disclosed and in an avenue that the public
10 can understand, and I am grateful there are David
11 Lochbaums in the world, but from the public's
12 perception, we get the scoop from the newspapers, and
13 we get it from organizations like mine or from the
14 Union of Concerned Scientists, not from FirstEnergy
15 and unfortunately not from the NRC, it comes in a way
16 that we can understand it from them.

17 MR. GROBE: Again, I appreciate
18 your comments. You are not going to get -- you're
19 going to get the facts when you talk to me, when you
20 talk to Bill, when you talk to others from the NRC.
21 You're not going to get a spin on the facts. You're
22 going to get the facts. We'll answer them as
23 technically, as correctly as we can, and all of that
24 information is put out, and, again, I've -- I believe
25 that we've done everything that we can to make

1 ourselves available and make information available.
2 If there is something more that you think we can do,
3 I would be eager to talk to you about it. I don't
4 know that we want to take all these folks' time.

5 MS. RYDER: No, and I just want
6 to -- this isn't personal against you or Bill Dean.

7 MR. GROBE: No -- well, I am
8 taking it personally because I feel responsibility to
9 fulfill this expectation. That's one of the purposes
10 of us being here, and if we're not doing it well, I
11 want to improve, so, like I said, let's get together
12 after the meeting. If you have some thoughts on how
13 we can do things better to ensure that the
14 information is getting to the right people at the
15 right time.

16 MS. RYDER: I think the public
17 would love to know when the NRC first knew about the
18 degradation of that head as soon as possible.

19 MR. GROBE: And when that
20 investigation is done, you'll find out.

21 MS. RYDER: Thank you.

22 MR. GROBE: Uh huh.

23 THEREUPON, the audience applauded.

24 MR. DEAN: I just want to offer
25 one comment. To build on what Jack said, and that

1 is the issue of taking raw information and
2 disseminating it without proper context, and I think
3 what Jack's trying to say is that the NRC will put
4 something out that's factual, that's put in the
5 proper context, not taking things that are taken out
6 of context and spun to tell a story or put a slant on
7 something without the proper, underlying assessment
8 of that information, so -- enough said.

9 MR. GROBE: Other questions?
10 Comments?

11 (NO AUDIBLE RESPONSE).

12 MR. GROBE: Well, thank you very
13 much for coming. Dave, when is our next meeting?

14 MR. PASSEHL: April 15th.

15 MR. GROBE: April 15th.

16 MR. PASSEHL: Yes.

17 MR. GROBE: We'll be back. I
18 believe we'll be at this location, so please join us
19 next month.

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23 THEREUPON, the hearing was adjourned.

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CERTIFICATE

STATE OF OHIO)
) ss.
COUNTY OF HURON)

I, Marlene S. Rogers-Lewis, Stenotype Reporter and Notary Public within and for the State aforesaid, duly commissioned and qualified, do hereby certify that the foregoing, consisting of 68 pages, was taken by me in stenotype and was reduced to writing by me by means of Computer-Aided Transcription; that the foregoing is a true and complete transcript of the proceedings held in that room on the 11th day of March, 2003 before U.S. Nuclear Regulatory Commission.

I also further certify that I was present in the room during all of the proceedings.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office at Wakeman, Ohio this day of , 2003.

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

My commission expires 4/29/04