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

Meeting held on Tuesday, April 15, 2003, at
2:00 p.m. at the Camp Perry Clubhouse, Oak Harbor, Ohio,
taken by me, Marie B. Fresch, Registered Merit Reporter,
and Notary Public in and for the State of Ohio.

PANEL MEMBERS PRESENT:

U. S. NUCLEAR REGULATORY COMMISSION

- John "Jack" Grobe, Chair MC 0350 Panel
- William Ruland, Vice Chair MC 0350 Panel,
Director of Directorate III NRR
- Christine Lipa, Projects Branch Chief
- Christopher Scott Thomas,
Senior Resident Inspector
U.S. NRC Office - Davis-Besse
- Jon Hopkins, Project Manager Davis-Besse
- Anthony Mendiola,
Section Chief PDIII-2, NRR

FIRST ENERGY NUCLEAR OPERATING COMPANY

- Lew Myers, FENOC Chief Operating Officer
- Robert W. Schrauder,
Director - Support Services
- J. Randel Fast, Plant Manager
- James J. Powers, III
Director - Nuclear Engineering
- Michael J. Stevens,
Director - Nuclear Maintenance
- L. William Pearce,
Vice President FENOC Oversight
- Clark Price, Owner - Restart Action Plan

1 MS. LIPA: Good afternoon. I
2 would like to welcome everybody, FirstEnergy, and members
3 of the public to this public meeting.

4 Folks sitting at the back, if you have trouble
5 hearing, feel free to come on down a little bit closer.

6 This is a public meeting between the NRC's
7 Davis-Besse Oversight Panel and the FirstEnergy Nuclear
8 Operating Company. I'm Christine Lipa. I am the Branch
9 Chief in Region III, who has responsibility for the NRC
10 Inspection Program out here at Davis-Besse.

11 So, we'll go to the first slide, which is the
12 purposes of the meeting. And, the purposes of this meeting
13 are to allow the Licensee to present the status of the
14 activities in the Restart Plan; and, secondly, to discuss
15 the NRC Oversight Panel activities, and we want to focus on
16 activities that the NRC has been doing since the last
17 public meeting.

18 The next slide shows our agenda. And, first off, I
19 would like to make the introductions. I'll start down at
20 my far left is Jon Hopkins, and he's the NRR Project
21 Manager for the Davis-Besse facility.

22 Next to Jon is Tony Mendiola, and he's the Section
23 Chief in Projects in Headquarters.

24 Next to Tony is Bill Ruland and he's a new panel
25 member. He replaces Bill Dean, who has been promoted and

1 moved on to another assignment in Headquarters. So, Bill
2 Ruland is a Senior Manager located in our Headquarters
3 Office in Rockville, Maryland. He's the new Vice Chairman
4 of the Oversight Panel. And, Bill's position is the
5 Project Director for the Project Directorate PD-3 in NRR,
6 which is all Region III plants.

7 Next to me is Jack Grobe, and he's Senior Manager in
8 the Region III Office in Lisle, Illinois. And he's the
9 Chairman of the Davis-Besse Oversight Panel.

10 On my right is Scott Thomas. He's the Senior
11 Resident Inspector, and he's located here at the
12 Davis-Besse facility.

13 Also, we have Doug Simpkins operating the power
14 point today, and he's the Resident Inspector. Currently,
15 filling the Resident Inspector role for us. Although he
16 has been reassigned to be the Hatch Senior Resident and
17 he'll be leaving for that in May.

18 We also had earlier greeting was Nancy Keller, our
19 Office Assistant.

20 And, also we have two new NRC employees in the
21 audience, Francis Ramirez and Carla Roke.

22 And, Lew, I would like to offer you the opportunity
23 to introduce your folks.

24 MR. MYERS: Thank you.

25 Good afternoon. We have a couple people from our

1 FirstEnergy Corporate Office with us. Leila Vespoli is
2 with us. She's our Senior Vice President, Corporate Legal
3 Counsel.

4 And, Maria Riley is with us today. She's FENOC
5 Corporate Legal Counsel.

6 To my left is Bill Pearce. We talked about him on
7 the agenda last time, VP of Quality Oversight.

8 Randy Fast is to my right. He's our Plant Manager.

9 Mike Stevens is the Outage Director and Maintenance
10 Director. He's next to him.

11 Clark Price is the Manager of the 350 Process and
12 Manager of Services. And, Clark will be giving us some of
13 the performance indicators today.

14 Jim Powers, next to him, is the Director of
15 Engineering at our site.

16 And, Bob Schrauder, next to him, is Director of
17 Support, at the end of the table.

18 MS. LIPA: Okay. Thank you,
19 Lew.

20 I would also like to offer public officials or
21 representatives of public officials to introduce
22 themselves?

23 MR. ARNDT: Steve Arndt,
24 Ottawa County Commissioner.

25 MR. PAPCUN: John Papcun,

1 Ottawa County Commissioner.

2 MR. KOEBEL: Carl Koebel,

3 Ottawa County Commissioner.

4 MS. LIPA: Okay, thank you.

5 Okay, this meeting is open to public observation,
6 but I did want to remind everybody, this is a business
7 meeting between the NRC and FirstEnergy. And at the
8 conclusion of the business portion of the meeting, but
9 before the meeting is adjourned, the NRC staff will be
10 available to receive comments from members of the public
11 and answer questions, and then we'll also be available
12 after the meeting.

13 In the foyer on the way in today, there were copies
14 of our April edition of our monthly newsletter. It looks
15 like this. And copies of the slides, both the NRC slides
16 and FirstEnergy slides are available.

17 And, one thing I wanted to point out about the NRC
18 monthly newsletters, is on the back page there is a block
19 that has some contact information for you and some
20 reference information, for the phone numbers of our public
21 affairs folks, and the email addresses and also the
22 Davis-Besse Web page.

23 Another thing that we had in the foyer was the
24 public meeting feedback forms. And we've been using these
25 to shape our meetings since we started using those feedback

1 forms. So, any feedback that you have, you can provide
2 it. It is important to us.

3 We're also having this meeting transcribed today by
4 Marie Fresch, and that will maintain a record of the
5 meeting. And transcription will be available on our Web
6 page usually in about 3 to 4 weeks. It's important that
7 the speakers use the microphones, so that the transcriber
8 and the audience can hear.

9 So, the next slide is a summary of our March 11
10 public meeting that was held here. We discussed the status
11 of ongoing plant and NRC activities. The NRC staff
12 discussed the status of several Restart Checklist items.

13 We describe the inspections that we've done and
14 those that are upcoming regarding the Adequacy of Safety
15 Significant Structure, Systems, and Components.

16 We also discussed the status of ongoing System
17 Health Review Inspections, which is primarily focused in
18 the engineering area.

19 We highlighted some inspection activities that
20 remain to be completed, including the Normal Operating
21 Pressure Test, the Containment Vessel Integrated Leak Rate
22 Test, the inspection of the emergency sump, inspections of
23 various Licensee programs, and the Adequacy of
24 Organizational Effectiveness in Human Performance.

25 Also at last month's meeting, FirstEnergy provided

1 updates in several areas, and I'll just list those briefly
2 here. First, there was a status of milestones from both a
3 hardware and management perspective. Second, there was an
4 update on the work in the Safety Culture and Safety
5 Conscious Work Environment areas. Third, an update on work
6 on some of the Building Blocks, such as Containment Health,
7 Restart Actions, and Program Compliance. And fourth, there
8 was discussion about the Return to Service Schedule.

9 So, the next slide -- and I did want to mention that
10 these transcripts will be available on our web page. I
11 know we have one out so far, and the other one will be up
12 shortly.

13 The next slide are significant activities that the
14 NRC has performed since that March 11th meeting. On April
15 4, we held a meeting in Headquarters. I'll ask Tony
16 Mendiola to summarize that meeting.

17 MR. MENDIOLA: Good
18 afternoon. On Friday, April 4, FirstEnergy met with the
19 NRC Headquarters staff personally and the NRC Regional
20 staff via videotelephone to discuss some results of some
21 Reactor Coolant Leakage Simulation Testing that was
22 performed by one of their vendors.

23 The purpose of this testing, or if you will, the
24 simulation, was to determine the, what was going to be seen
25 at the, what could be seen by the instrumentation available

1 to FirstEnergy when they performed their Normal Operating
2 Pressure Test here in the near future.

3 The concern was, after the degradation was found at
4 Davis-Besse, there was some deposits found on the bottom
5 side of the reactor vessel in the vicinity of the reactor
6 vessel in-core monitoring instrumentation nozzles, which
7 are on the bottom of the reactor.

8 And, they, FirstEnergy took samples and did some
9 analysis of the samples. And, it was very inconclusive of
10 the origin of these deposits, and raised enough questions
11 that it was felt that they needed to do some testing to
12 determine when the reactor was restored to power, that
13 there would not be any, that these deposits weren't as a
14 result of leakage from these bottom vessel nozzles.

15 In that, they asked their vendor, contractor,
16 Framatone, to conduct testing at the Lynchburg facilities
17 in Lynchburg, Virginia, to determine what was, what could
18 be visibly seen by the equipment, which would be available
19 at the conclusion of their Normal Operating Pressure
20 Testing, and to make sure that they could see, if there was
21 any leakage found.

22 Conversation with the staff discussed a lot of the
23 testament, analogy, and some results, basically identifying
24 what would be found at certain very, very small leak
25 rates. And what would be found, of course, would be

1 deposits of Boron in the, in the sample area, or the
2 leakage area.

3 Bottom line though, the conclusions came -- the
4 contractor came to the conclusion, and FirstEnergy also
5 came to the conclusion, that any reactor coolant leakage
6 would be confidently, visually discernible by the equipment
7 that would be used by the Licensee at the conclusion of the
8 testing.

9 After that point, there was a discussion of the test
10 itself, and the facility's inspection plan on how that test
11 would be carried out and what samplings would be performed
12 on any deposits that may be found, or if they were found in
13 the bottom of the reactor vessel.

14 Additionally, there was additional information
15 provided about the new Leakage Detection System to be
16 placed in the reactor containment; basically, the FLUS
17 System, which we've discussed in the past. And that was
18 basically the meeting.

19 MS. LIPA: Okay, thank you,
20 Tony.

21 Earlier today, we held a Public Exit at the
22 Davis-Besse facility. I just wanted to mention what that
23 was all about.

24 That was the preliminary findings and conclusion of
25 a special inspection and a supplemental inspection to look

1 into utility's corrective actions for some white findings
2 in the Radiation Protection Area. And, as a result of
3 those two white findings associated with inadequate
4 radiological controls during steam generator work last
5 February, 2002, we performed a follow-up inspection to
6 ensure that the root cause and contributing causes were
7 understood. That they independently, that the utility
8 independently assess the extended condition, and to ensure
9 that the corrective actions were sufficient to address the
10 root and contributing causes and to prevent recurrence.

11 And then we also, as a result of the Restart
12 Checklist item that talks about the Radiation Protection
13 Program, we also reviewed the scope, depth and quality of
14 the Licensee's look at their very detailed review that they
15 did of their Radiological Controls Program.

16 And, there were four inspectors involved in this
17 inspection, and that report is scheduled to be out in 30
18 days.

19 Also, a couple of other things on this slide are
20 some recent NRC inspection activities that are either
21 started or completed since then. On April 7th, we
22 initiated an inspection that we call our Phase 3 of the
23 Organizational Effectiveness and Human Performance
24 Inspection.

25 On the NRC's inspection in this area is reviewing

1 the Licensee's Management and Human Performance Excellence
2 Building Block, which is part of their Return to Service
3 Plan. It's also an NRC Restart Checklist item. And this
4 inspection is being performed by us in three phrases.

5 The first phase was an examination of the root
6 causes. The second is an examination of corrective actions
7 for those root causes to ensure that FirstEnergy has
8 identified the appropriate corrective actions. And the
9 third is an examination of the corrective actions once they
10 are placed to assess their effectiveness prior to restart.

11 Phase one of that inspection is complete and that
12 report has been issued. Phase two is mostly complete. And
13 Phase three was begun on April 7th, with a team of industry
14 and NRC experts in this area. And the third phase is
15 expected to be conducted as Licensee activities are
16 completed in the upcoming weeks. Right now we have that
17 scheduled for May 9.

18 Couple of other items. On April 11, we completed
19 two important inspections. The first one was on the newly
20 modified emergency sump in the containment. This
21 inspection reviewed the design and installation of new
22 screens and the greatly expanded surface area on the sump.

23 The second inspection we just completed was the
24 Integrated Leak Rate Test on the Containment Building. The
25 NRC had inspectors review the test procedures, monitor the

1 test, and evaluate the results to ensure that it meets the
2 leak tightness requirements.

3 Both of these reports are expected to be issued in
4 May.

5 The next slide talks about some of the Restart
6 Checklist items, the status of those. We have several
7 Restart Checklist items that will be closed, and those will
8 be documented in Inspection Report 0304, which is due out
9 on April 30.

10 The next slide is some upcoming NRC activities. We
11 have, we're making preparation for the under-vessel head
12 inspection. Tony talked a little about the meeting we had
13 at Headquarters on April 4th to talk about the approach for
14 this Normal Operating Pressure Test.

15 We also are making preparation for our Fire
16 Protection Inspection in April. The Restart Assessment
17 Team Inspection will be coming as thing get closer to
18 restart, but still before restart.

19 And then also we're working with the utility to plan
20 two additional public meetings; one, to discuss Design
21 Issues, and another one to discuss the Licensee's
22 assessment of Safety Culture.

23 The next slide on continuing NRC activities. These
24 are some inspections that have already started and continue
25 to be ongoing. We have several inspectors looking at

1 System Health Reviews and Design Issues. We also have a
2 separate group of inspectors looking at the Safety
3 Significant Program Effectiveness. Several of these
4 programs have been reviewed, but there are still a couple
5 more that need to be reviewed.

6 Then the Corrective Action Team Inspection was
7 started. And that would be continuing. And this
8 inspection is a pretty important inspection in our minds.
9 It's to review the effectiveness of corrective action
10 process at Davis-Besse to ensure that it's being
11 effectively implemented and appropriate corrective action
12 is taken to prevent the occurrence of problems.

13 That team is also looking at several key issues for
14 the panel to make their assessment of the implementation of
15 the Licensee's Corrective Action Process. That team has
16 eight people on it, four of those are contractors. This is
17 an extensive inspection, which is scheduled to be completed
18 in May.

19 And then also we have the ongoing Resident
20 Inspector. They're here, both of them, on the site all the
21 time, day-to-day operations, watching day-to-day
22 activities, and they issue reports every six or seven
23 weeks.

24 So, this is my summary of the NRC activities that
25 have been ongoing. And with that, I'll turn it over to

1 FirstEnergy.

2 MR. MYERS: Thank you. We
3 have on the agenda a few things that demonstrate some of
4 the issues that we have and also continued progress that
5 we've made.

6 First, we'll talk about the Operations area. Randy
7 Fast will provide you some input on the upcoming Mode 4
8 preparation, which is our next milestone.

9 Then, Bill Pearce will discuss the Operations
10 leadership in our plant and the operability evaluations.
11 And you requested that last month.

12 Bob Schrauder will discuss some of the emerging
13 issues we have, specifically in the high head safety
14 injection pump area.

15 One of the major milestones we just completed, we
16 thought demonstrated a very good teamwork now, is the
17 Integrated Leak Rate Test; and Jim Powers is going to brief
18 you on that test. That's where we pressurized our
19 containment building up to design specs and prove its
20 leak-tight containment. So, Jim will discuss that.

21 Then finally, if you go look at the resolution of
22 some of our significant issues, we'll provide you some, a
23 list of those and some discussion there.

24 Then, in the Safety Culture area, what I thought we
25 would do there, we provide our own Safety Culture

1 Assessment back in Mode 5, prior to going to Mode 5.

2 That's something we did internally using our process.

3 We also finished the, Sonja Haber report that we
4 received this week. I'm going to brief you on some of the
5 issues there, prior to the official public meeting of that,
6 to give us some idea of the things we saw.

7 And if time permits, and we're moving over there,
8 then Mike Stevens will talk about some of the upcoming
9 milestones, the modification of the resources that there
10 are in place to complete those activities.

11 Then Clark, as usual, will give you some of the
12 Restart Action's planned performance indicators. That's
13 our game plan today.

14 Randy.

15 MR. FAST: Thank you.

16 Good afternoon. Today, I would like to take a few
17 moments to discuss our Operation's staff preparation for
18 Mode 4, as well as some actions that we're taking for
19 restart.

20 Actions that we've taken; we did an analysis, an
21 evaluation of the plant staffing; that's in the nonlicensed
22 reactor operator and senior reactor operator positions; and
23 we find that we are appropriately staffed to continue safe
24 operation. That was in part because we didn't complete our
25 annual requalification of all of our licensed individuals;

1 that's reactor operators and senior reactor operators, the
2 latter part of 2002 successfully. All candidates passed
3 their annual requalification.

4 During this period of time, throughout last year and
5 into this year, we continued our licensed operator
6 requalification training program. And that's really
7 serving us well in being able to get our staff, the crews
8 back in the classroom. We have done a lot of Just-In-Time
9 Training. This is a training that we don't traditionally
10 do, things that I'll cover a little bit of it, but we've
11 actually been able to roll out new procedures that I'll
12 talk about a bit.

13 We also still have two reactor operator and senior
14 reactor operator pipelines. So, that will assure that
15 going forward, we'll have adequate resources.

16 We did use those resources to help us. In fact,
17 I've gotten very favorable feedback from the folks that
18 were in the class. Their willingness and really desire to
19 come over and help the plant during this time. As a matter
20 of fact, our mode, whole resolution team, which I'll talk
21 about, consists of principally licensed operator
22 candidates.

23 So, this, has been an experience where they've
24 actually been able to contribute to the success of the
25 plant and take an active role in some of the activities

1 that we have ongoing. They will be going back into the
2 classroom the latter part of the second quarter. That's
3 about the June timeframe, to go back into licensed
4 training.

5 We have developed and have approved our procedures
6 and are ready for the test plan. These are newly developed
7 procedures that encompass things like post modification,
8 post maintenance testing, and as well, our inspection plans
9 at the various hold points during the escalation of the
10 plant.

11 During this period of time we have used the
12 Institute of Nuclear Power Operations using industry
13 experts that come in each week; and taken a look at how
14 we're doing in the Operations arena. And, we've actually
15 had pretty good feedback. We have some areas for
16 improvement, but we've also had validation on some of the
17 actions that we've taken. So, that's been a valuable
18 process to our operations in looking at the things that
19 we're doing.

20 We did complete, as part of those that requal cycle,
21 Safety Conscious Work Environment Training. Certainly,
22 we've talked about it for all of our leadership, our
23 supervisors, but as well, we took this as an opportunity to
24 teach all our Operations staff, and that was received very
25 favorably. So, even down to the nonlicensed operators, the

1 equipment operators, have been trained in Safety Conscious
2 Work Environment.

3 We did have a self-initiated plan, really our shift
4 managers, I want to make sure I give them credit. They got
5 together and said, here's the kinds of things we need to be
6 doing to improve our leadership and oversight and set
7 Operations up as the leaders of the plant.

8 That Phase One Action Plan had 92 individual
9 elements associated with it. 82 of the 92 have been
10 completed. And then, we'll be moving from that on to a
11 Phase Two, the next generation of Operations Leadership
12 Plan initiatives.

13 We have taken the initiative to train our key
14 staff. That's all of our senior reactor operators, but as
15 well, many of our key station engineers and critical people
16 from various organizations throughout the plant; chemistry,
17 health physics; in what we call Operability Determination.
18 As you're aware, it's under Generic Letter 9118, really
19 understanding the regulatory processes for determining
20 equipment operability and nonconforming conditions.

21 That was done, in fact, Jim Powers and myself were
22 in that first class. Very interesting. Very enlightening,
23 and it also had a side bar or a side benefit of really
24 allowing our folks to come together and work as a team, as
25 we would expect them to do under the conditions where we've

1 got conditions not as we expect. And we're using the
2 guideline of Operability Determination to resolve issues.

3 MR. THOMAS: Randy, to what
4 extent will your equipment operators be trained as far as
5 Operability Determinations are concerned.

6 MR. FAST: Scott, we've taken
7 no formal actions to train the nonlicensed operators in the
8 Operability Determination; however, they are running point.
9 And so, what we, really their view of the world is, they're
10 out in the field monitoring plant conditions; and where
11 plant conditions don't meet expectations, then we write a
12 condition report, elevate that to the shift manager; and
13 that's where you may get into a condition.

14 As an example, I'll give you a specific. So, we
15 haven't trained them formally in the Generic Letter 9118
16 criteria, but we have trained them that is the first
17 threshold of identification. So, if they saw something
18 like pump seal leakage, we want to elevate that to the
19 appropriate levels in the organization to say, is that a
20 nonconforming condition or does that render that piece of
21 equipment inoperable.

22 So, there is, what I'll say is, awareness by the
23 operations of the nonlicensed staff and their
24 responsibility to identify issues, or problems.

25 Does that answer your question?

1 MR. THOMAS: Yes, somewhat.
2 Same question with your ROs, not your SROs, but your ROs.

3 MR. FAST: Okay, the reactor
4 operators did not, were not specifically targeted as part
5 of the Generic Letter 9118 Operability Determination
6 Training, but as well through the license requal, we have
7 had discussions with our staff about the premise and the
8 need to use that regulatory process for Operability
9 Determination. So, they did not formally attend the
10 two-day training for Operability Determination.

11 MR. THOMAS: So, I guess going
12 forward, are there any plans to include them in that
13 training or is that -- or some part of that training, maybe
14 not the whole thing?

15 MR. FAST: The
16 identification, and certainly what we're doing, we're
17 folding back in Lessons Learned from the Operability
18 Determination, so that we understand where we've done a
19 good job and where there is areas for improvement. But,
20 just from our own internal processes, as well as regulatory
21 processes, our reactor operators do not make the call, so
22 to speak. They're not the ones that actually sign off on
23 Operability Determination. That is done by a senior
24 licensed reactor operator.

25 MR. THOMAS: I understand that,

1 but I'm looking at it from an identification issue, or
2 standpoint, you know. They're in the control room, they
3 see the indications. I mean they would have -- I mean
4 they're the front line of defense, I guess, if you will.
5 So, if they were aware of the, I guess, complexities
6 involved with the operability calls.

7 MR. MYERS: What we can do
8 is, we can write a CR on this, and do a needs analysis for
9 training, and determine what needs they need to have. We
10 probably would not train them to the specific area that we
11 would the shift manager, but apprise them of overall
12 knowledge that we would look at in the training room.

13 MR. FAST: I'll take that
14 action. We'll do, through our systematic approach to
15 training, we'll do a needs analysis and determine if that's
16 appropriate.

17 MR. THOMAS: Okay, thanks.

18 MR. FAST: Thanks, Scott.

19 Lastly, on this slide, we did implement new
20 standards and expectations, and those have routinely been
21 reviewed by industry experts as they look at our operating
22 staff, and these standards meet or exceed industry best
23 practices.

24 In fact, it's part of our turnover process, at each
25 and every turnover, the operations crew used one of the

1 selected standards. And I went to Ops turnover yesterday;
2 and we've actually driven that down to where our equipment
3 operators are preselected to come in and be prepared to
4 discuss an expectation or standard, and that generates crew
5 discussion. That seems to be working well for us.

6 Next slide, please.

7 Okay, just to take a look at Mode 4 and Mode 3, the
8 things that we have planned. There are really three
9 specific plateaus for testing. The first is Reactor
10 Coolant System pressure walkdown of 50 pounds per square
11 inch gauge. That's a visual examination. All of these are
12 done by a team approach, using Operations and qualified
13 engineering staff to do the walkdowns.

14 Additionally, we have a test at 250 pounds. We'll
15 call it Augmented Leakage Test for Reactor Coolant System
16 Components. Those that had been, work had been conducted
17 on those components, and we want to go verify their leakage
18 condition at that intermediate pressure. And then when we
19 get to full operating or normal operating pressure,
20 conditionally, we'll do walkdowns of components for the
21 Reactor Coolant System.

22 Next slide, please.

23 One of the big challenges is just the administration
24 associated with closing mode hold restraints. And I have
25 current data that's listed here. This principally is

1 compilation of issues required to be cleared or resolved
2 prior to making the mode change. And those consist of
3 condition reports, corrective actions, work orders,
4 surveillances, which are license compliance tests to meet
5 the regulatory requirements. And we're making steady
6 progress towards Mode 4. And without going through some
7 specifics, you see the rack up on this slide.

8 And, the last item is, as we get ready for going
9 into routine, I'll call that routine operations, where
10 we're pressurizing the plant, we'll start reactor coolant
11 pumps, heat up the Reactor Coolant System. Operations
12 staff is, certainly has not been operating the plant for
13 quite sometime. And it's pretty much a normal industry
14 practice that we would bring in external oversight, key
15 individuals to be, monitor plant operations 24 hours a day,
16 7 days a week, to provide real time feedback for our
17 operating crews, to ensure that we're meeting our own
18 expectations and industry standards of excellence.

19 That's really all I had from Operations Readiness.

20 Are there any questions?

21 With that, I'll turned it over to Bill Pearce.

22 MR. GROBE: Not quite. I was
23 making sure nobody else had any questions before I asked
24 mine.

25 MR. FAST: Yes, Jack.

1 MR. GROBE: The Operations
2 approach to restart, is a very, very important area in my
3 view. And it's one that I would like to see on the agenda
4 each month going forward.

5 There were a couple of items that you talked about
6 that I had a couple of questions on. The Just-In-Time
7 License Requalification Training, you emphasized that a
8 little bit on your actions and preparations. Could you
9 give a little bit more detail on specifically what topics
10 you've been training on now; then as we approach next month
11 and the month after, how you're expanding that and building
12 on it for approaching each mode as you move forward.

13 MR. FAST: Well, Jack, there
14 is a whole number of actions and items that we've been
15 doing. Let me be specific in telling you some of the
16 activities that we've actually used our control room
17 simulator.

18 The simulator is a real model of the plant. And
19 we've gone through most of the evolutions of filling in
20 reactor coolant system, starting the reactor coolant pumps,
21 pressurizing the plant, heating up the plant, using the
22 procedures that we've developed actually in the simulator.
23 And that's given the crew the opportunity to practice plant
24 operation before we actually conduct those evolutions.

25 Other training that we've had is the actual

1 classroom training associated with those procedures. So,
2 typically, we would train in the classroom, go through a
3 detailed discussion, and then the crew would go into the
4 control room simulator and actually conduct those
5 evolutions.

6 So, that's been one of the principle things that
7 we've been able to do as part of licensed operator requal
8 training.

9 MR. GROBE: Do you, are you
10 accommodating this training in the normal requal cycle?

11 MR. FAST: Yes, we are,
12 Jack.

13 MR. GROBE: And, how often
14 does each crew rotate into a requal training week?

15 MR. FAST: Typically, we have
16 six crew and they operate one week out of six. However, we
17 have four, what we call, super crews. So, we've changed
18 the periodicity a little bit, so we are on an abbreviated
19 cycle. That's actually given us some more opportunity for
20 training.

21 MR. GROBE: So, you're on a
22 four crew rotation?

23 MR. FAST: Right, four crew
24 rotation right now. And that has given us more of our
25 folks available to support initiatives running through the

1 day shift.

2 MR. GROBE: Okay. As you
3 approach major milestones, would you be doing additional
4 Just-In-Time Training with crews that are actually going to
5 be doing those evolutions?

6 MR. FAST: Yes, we will.

7 MR. GROBE: I think it would
8 be useful to hear about your experiences in this area on a
9 regular basis.

10 You've highlighted two areas where you're getting
11 outside assessment; one is ~~IMPO~~ INPO and industry evaluations
12 that are ongoing now, and the other is direct oversight of
13 coaching or feedback of control operators. Would it be
14 possible next month to get some details on feedback that
15 you've received from these folks and opportunities that
16 they've identified for continued growth?

17 MR. FAST: That would be
18 great. I can give you some right now, if you want. I can
19 give you a couple examples each of things we've seen that
20 are working well for us, a couple items that we really need
21 to improve in.

22 I'll start with a couple of areas for improvement.
23 We've seen -- this is one of the these good/bad. On major
24 evolutions, we've had good prejob briefs. I know Lew and
25 myself and others as part of the staff have overseen some

1 of those briefs. At a higher level, more complex
2 activities that had good briefs.

3 The shortfall though is more the routine day-to-day
4 tasks, we've not done a good job of briefing that and
5 setting standards and expectations. So, that's that mixed,
6 got a lot of focus on prejob briefs, but at that routine
7 level, we're not getting into the detail and challenging
8 our equipment operators and reactor operators on what could
9 go wrong, what are compensatory measures that we should be
10 taking. So, that's an area of focus in getting a more
11 broad spectrum of prejob briefing.

12 The other are, what I'll call, missed opportunities
13 for coaching by our first line supervisors in the control
14 room. That's the control room supervisor directly
15 overseeing the licensed operator duties of the reactor
16 operators, as well as equipment operators. And this is
17 another one of these kind of good news/bad news stories.

18 The shift managers have received very good feedback
19 about leadership and ownership and willingness to address
20 issues with the plant staff. We need to drive that down
21 lower into the organization. We need for our first line
22 supervisors in the control room to be more comfortable in
23 coaching opportunities with our plant staff.

24 So, those are, there is some of the, the highs and
25 lows; and I have lots of other examples. But I think it's

1 important, particularly useful to us in that one of our
2 industry peers comes in to make that observation, our staff
3 is much more liable to accept that critical feedback, than
4 if we provide it internally. We certainly provide it
5 internally, but when an industry peer comes in and says,
6 here's something we see, our Operations staff takes a
7 notice of that.

8 And so, that's a good thing, I believe, really
9 raising the standards for our staff.

10 MR. GROBE: Okay.

11 MR. MYERS: I'm able -- two
12 of the Ops managers that were here; one of them, ops
13 manager from ~~Mod~~ Mode three, that's pretty consistent with the
14 message that I got also. They talked about routine
15 evolutions, that we get ~~lacks~~ lax in communications, and also
16 shift manager not comfortable coaching, I guess is the
17 word, you know, in the field, and not getting in the field
18 as much as they should. But they also compliment some of
19 the standards of our shift managers as a whole, both people
20 did. So, it's pretty good feedback from them --

21 MR. GROBE: Okay, good.

22 MR. MYERS: -- at this
23 point.

24 MR. GROBE: You mentioned
25 that the standards and expectations meet NRC's best

1 practices, and that you're encouraging feedback in team
2 discussions during each shift turnover. Would it be your
3 expectation then that some of these areas; communication
4 during more routine evolutions, these are areas that you
5 expect to see discussed during these shift turnovers.

6 MR. FAST: That is correct.
7 Those are in the standards and expectations that are
8 routinely discussed, so we use that as a platform to define
9 our expectations.

10 MR. GROBE: Okay, good. The
11 operability and determination training, when was that
12 completed?

13 MR. FAST: It went for
14 several, I think six weeks. So, there was a group that ran
15 two days, for six weeks running; and it was completed
16 about, I want to say about two months ago.

17 MR. GROBE: Okay, great.
18 Thank you.

19 On slide five, you indicated several walkdowns of
20 the Reactor Coolant System. The first one with 50 pounds
21 per square inch gauge, that would be done at Mode 4; is
22 that correct?

23 MR. FAST: That is correct.

24 MR. GROBE: And the other two
25 at 250 pounds per square inch gauge and normal operating

1 pressure, those would be at Mode 3?

2 MR. FAST: 250 pounds could
3 be done at Mode 4.

4 MR. GROBE: That's still Mode
5 4, okay.

6 MR. FAST: Yes. And we could
7 actually do the 50 pound in our current mode. What we do
8 is pressurize the plant using nitrogen. So, we're in a
9 transition point, but we actually have that capability to
10 pressurize the plant with nitrogen and perform that leak
11 evaluation.

12 MR. GROBE: Is that what
13 you're planning on doing?

14 MR. FAST: That will be the
15 first step, yes.

16 MR. GROBE: Okay, good. When
17 do you plan on doing that?

18 MR. FAST: Well, Mode 4 is
19 currently targeted for the mid part of May.

20 MR. GROBE: I'm sorry, I
21 misunderstood.

22 MR. FAST: I was going to
23 back up from that.

24 MR. GROBE: Okay.

25 MR. FAST: So the activities

1 we're currently working toward is the full system
2 restoration of the Reactor Coolant System. And so, Jack,
3 it's about two weeks away. I don't have the specifics,
4 unless, Mike, do you have something?

5 MR. STEVENS: I can get the
6 specifics for that. Randy is right, it's about two weeks
7 away.

8 MR. GROBE: About two weeks
9 is fine.

10 MR. STEVENS: We're working
11 through air-operated valve work currently, and Jim is going
12 to talk about that.

13 MR. GROBE: Okay, very good.

14 MR. MYERS: One of the things,
15 Jack, if you ever look at pressure temperature curves here,
16 it's not desirable to get into Mode 3 and sit there,
17 because the demand is very -- Mode 4, sit there in between
18 Mode 4 and 3, so once you get to Mode 4, you want to
19 continue to go up, because it's only like a 30 pound band
20 in there. It's not comfortable operation time. So, the
21 idea is we would not do that until right before Mode 4.

22 MR. GROBE: Okay. I have one
23 additional question. It has to do with the weekly
24 indicator that you folks sent us, and it is tracking
25 modifications for restart.

1 I noticed over the last two weeks, that that
2 indicator has gone up some 20 modifications.

3 MR. MYERS: 30.

4 MR. GROBE: 30. Thank you.

5 That was a surprise to me, to see that number going up.

6 And I was wondering if you could comment on that and give
7 me an indication of how many of those modifications are
8 Mode 4 restraints.

9 MR. STEVENS: Well, I don't know

10 how many of them are Mode 4. That number of modifications
11 includes set point changes, anything that has to do with an
12 engineering change request.

13 MR. GROBE: Sure.

14 MR. STEVENS: And we're

15 currently going through some part obsolescence issues as
16 well as making modifications to the plant.

17 I can tell you there is 433 work orders. And in
18 those 433 work orders, are the modifications to take us to
19 Mode 4. And, I don't have the exact number here.

20 MR. MYERS: Jim, do you have
21 that with you?

22 MR. POWERS: No, I don't have

23 the exact number either, but while we're going through
24 corrective actions, as we finish our condition report
25 evaluations and corrective actions that are related to

1 modifications, that they were reviewed by the Restart
2 Review Board and categorized as restart as appropriate and
3 added to the schedule. So, we are preparing schedules that
4 support the field work with modifications now, and we'll
5 have to get you the precise number of those, Jack, to sort
6 out which ones are Mode 4 restart group.

7 MR. MYERS: I looked at that
8 just the other day. Just a handful of most of the mods
9 work as we come back down, then we have all the mods for
10 diesel, the air dryers. There is some relay work that we
11 have to get done before Mode 4 to make the mode change.
12 But if you go look at the total of those mods, there is not
13 many of them associated with Mode 4 change.

14 MR. GROBE: That's
15 interesting. Scott and I will have to get into some more
16 detail on that. It just surprised me at this point in time
17 to see the number of modifications going up. I recognize
18 some of those might be simple, but any modification is a
19 bit more complex than a routine corrective work order.

20 And the source of those, I think you said, Jim, was
21 corrective actions from those Condition Reports that are
22 just now being evaluated?

23 MR. POWERS: Right. As you, as
24 we've talked about in the past meeting our performance
25 indicators on the wall, back on the audience, we have been

1 working through Condition Report evaluations. And once a
2 problem is identified, then the engineers, and other people
3 at the plant, evaluate a problem; and if a resolution is
4 indicated as a modification required, we perform the
5 modification.

6 We are finishing off all those Condition Reports
7 now. Some of the more complex ones are ones that still
8 remain to be done, as we finish off the last small groups
9 of them. So, some are a little more complex problems are
10 being resolved, detailing modifications.

11 MR. MYERS: When we went into
12 this outage, we did not have what I would call a robust ~~AOV~~ AOV
13 program. And we looked at how many valves, Jim?

14 MR. POWERS: We looked at a
15 total of 83 valves, air-operated valves in the plant. And
16 we created a program to better design their design basis
17 and provide analysis, calculations that have demonstrated
18 their margin of safety, margin of capability. Out of those
19 83, there were six valves that needed to have field
20 adjustments done, and twelve valves that needed to have
21 some modification done to them; things as small as a spring
22 change, but then as large in the case of one valve, makeup
23 ~~free problem~~ three bravo valve, change in the actuator and the valve
24 body itself. So, we have twelve modifications that came
25 out, relatively recently, probably within the past month

1 that we've been engineering those.

2 MR. MYERS: Realize, those
3 12, they're in Mode 4, okay, you know, those kind of
4 things. And it's make up -- is the long lead time on
5 those. All those are in the schedule for Mode 4.

6 MR. GROBE: Okay, very good,
7 thank you.

8

9 MR. PEARCE: Thank you, Jack.

10 What I'm going to talk about is the Quality
11 Assurance Group's view of Operations. And, the operational
12 activities that we've looked at are water level control,
13 fuel load, specifically the SRO duties and the Operations
14 interface with fuel load, maintenance support, which is a
15 clearance, is all the support work that Operations does for
16 maintenance activities, and the Integrated Leak Rate Test.
17 And that, was a fairly complex evolution, and I'll talk
18 some about that later.

19 First of all, on the shift turnovers, we think there
20 is a good solid turnover process in place and being
21 utilized, and that there is consistent focus by the
22 Operations group on standards and expectations during these
23 turnovers. That's, of course, what Randy said, it's going
24 to have some redundancy to what Randy said.

25 One of the things we thought that was good with,

1 demonstrated some operations leadership in this area was
2 the shift manager went to the work management turnover, and
3 didn't get enough detail, he thought, to do an adequate job
4 of informing his shift of what was going to go on in the
5 next shift. So, he insisted that they go into more detail
6 on all the turnovers and the work management area, so they
7 could get the proper amount of detail.

8 He got some push-back on that, but he sustained his
9 position and was able to get a change in the ongoing
10 process, so that he got the right amount of detail out of
11 that. And, we saw that as a good thing.

12 Under the area of clearance activities; you know,
13 what we're doing now is mostly a maintenance support
14 function in Operations, but they are hanging a lot of
15 clearances, removing a lot of clearances. It takes
16 attention to detail, following the clearance process,
17 making sure we get the right thing done every time.

18 We have seen a few minor instances where we didn't
19 get things done properly, but in the majority, vast
20 majority of incidences, they did a very good job of hanging
21 the clearances, maintain the proper control, removing the
22 clearances and making a safe place for people to work.

23 Under standards and expectations, I talked about
24 that earlier under shift turnovers. The new Operations
25 standards are discussed daily. It's like I said, turnover

1 process, they go through them, Randy talked about that.
2 The supervisors reinforce the standards frequently. And
3 it's our view that the operators seem to be adapting the
4 new standards.

5 Now, we do see lapse in three-way communication
6 sometimes, and some minor instances like that, but in
7 general, we think there is a good set of new standards in
8 place, and, and Operations is striving to do those very
9 consistent.

10 Another example in that area of standards and
11 expectations, there were 403 Condition Reports written in
12 the first quarter by the Operations Department. Give you
13 some idea that they're focused. Even though the plant is
14 not operating, they're out there focused on the details of
15 the plant.

16 Some examples of conservative decisions and
17 Operations leadership. Early this year, Ops was the
18 station leader. In fact, Randy Fast represented them in
19 that area. They wanted to have two decay heat pumps
20 available for core load, even though the tech specs only
21 required one at the time. And they sustained their
22 position there. Randy supported them in that. And I
23 thought that was a good thing. They were the ones that
24 actually brought that forward.

25 During the reduced inventory operations that we

1 watched, they prohibited water transfers in the auxiliary
2 building, because they knew their reduced inventory and
3 they didn't want to do any evolutions that might risk that
4 inventory; and we thought that was a conservative
5 decision.

6 Ops, and this was not too long ago, Ops generated a
7 Condition Report to perform a collective significance
8 review of emergency diesel generator reliability. There
9 has been a lot of small individual things with the diesel,
10 and they wanted to look at it from a collective
11 significance perspective; and they got that done. And we
12 thought that was good.

13 And the procedure here, one of the things that we
14 witnessed recently was the Integrated Leak Rate Test. It
15 is a complex test, a lot of valve lineups, and each one of
16 them has to be done correctly so that you don't get leakage
17 through there as you pressurize the entire containment
18 vessel.

19 The procedures were followed well. Complex set of
20 operations were done. And they did accomplish the required
21 configuration control. And I think we're going to talk a
22 little later about the success of the Integrated Leak Rate
23 Test. Well, they had a big piece of that, and they did a
24 very professional job of accomplishing that.

25 MR. THOMAS: Outside of Ops,

1 what's your assessment of procedure usage within the other
2 departments, engineering maintenance, or are you prepared
3 to talk about that?

4 MR. PEARCE: Well, I think in
5 the work order process, Scott, it would be my opinion, is
6 where I think we're the weakest still; as we get into work
7 orders and our adherence to the specific requirements in
8 the work orders. And those are a maintenance procedure, so
9 to speak.

10 And that, we put a lot of focus in that area, both
11 in the Construction Department and the Maintenance
12 Department out of the Quality Assurance Department, and
13 we've seen some issues. In fact, the feedwater heater that
14 we struggled with there for awhile, a lot of that, in my
15 opinion, was driven by the lack of adherence to the
16 process.

17 So, we tried to intervene and get some attention on
18 those things, and we're still seeing instances of those.

19 MR. MYERS: Feedwater heater
20 was a problem.

21 MR. PEARCE: Right. We didn't
22 hold the right temperature, didn't get the right weld, had
23 to grind them back out again; things like that. Those are
24 some examples of where we've seen not so good procedure
25 here.

1 MR. THOMAS: What have you done
2 to prevent that from recurring in the future?

3 MR. STEVENS: I can answer
4 that. We took the crew that was working on the feedwater
5 heaters, and sat them down with the maintenance folks at
6 the station and interviewed them, and then put them back to
7 work and did some observations.

8 And, what we found was, some of these folks, even
9 though they went through the training at the plant, and
10 specific, specifically to our administrative procedures,
11 they didn't fully understand how to work at the facility
12 and use the work order and what the expectation was.

13 We stopped the job. We set up training. We used
14 our SAT Process for Systematic Approach to Training. Did a
15 needs analysis, and involved the Maintenance Services
16 Superintendent to ensure the training was adequate. I
17 involved the Safety Department.

18 Because it was more than just in the welding
19 procedure, we found that they didn't understand fully our
20 compliance base procedure. They were trying to read it and
21 understand it, but they didn't understand some of the
22 terminology.

23 And through training, we've improved performance of
24 that group. Put them back to work, after face-to-face
25 discussions. And then I used our Quality Control

1 Organization to periodically go out, through hole points
2 and without ~~hole~~ hold points, just to show up at my request, and
3 do some on-the-spot inspections.

4 When we came to nondestructive examination of the
5 feedwater heater, I had our qualified nondestructive
6 personnel go out and take a look at how we were performing
7 that. We found in that instance, where the nondestructive
8 examiner for the vendor wasn't complying with his own
9 procedure. And we challenged him on that, and ended up
10 reaching a resolution and rewriting his procedure.
11 Actually, we used our procedure to finish out the
12 nondestructive examination.

13 MR. PEARCE: Okay, and --

14 MR. GROBE: Bill, if I could,
15 just one more question for Mike.

16 MR. PEARCE: Go ahead.

17 MR. GROBE: The feedwater
18 heater welding issue is somewhat self-revealing as you went
19 to do some testing. Is there some reason that this
20 training effectiveness question was isolated to that group,
21 or are there other groups of maintenance folks out there
22 that are using the same procedures and went through the
23 same training?

24 MR. MYERS: These are
25 contractors, Jack.

1 MR. GROBE: Yeah, I know.

2 MR. STEVENS: We took a look at
3 that, and interviewed our nonnuclear plant services folks.
4 Did some observations on some of the field work they were
5 performing, and we didn't see the same thing, as far as
6 procedure and work package usage. However, what we did
7 find was the quality of the work package was not up to
8 standard. In other words, it was hard to follow the work
9 package as we were making some of the modifications to the
10 containment air coolers.

11 So, what we did was sat down with maintenance
12 managers, put together a multi-group team, if you will. We
13 had Operations, some Engineering and some of the
14 Maintenance folks, sit down and categorize the types of
15 problems we were having, roll them all together and take a
16 look at where the performance shortcomings were.

17 And the actions we're putting in place, let me share
18 with you some of the things we saw there. Primarily, it
19 was focused in the Mechanical Department some performance
20 issues, but it wasn't only the Mechanical Department. It
21 was some minor issues in some of the other departments as
22 well.

23 But the primary cause was lack of preparation, as
24 we're trying to get work ready and get it into the field,
25 we're not able to do Just-In-Time Training on some of the

1 activities we're less proficient at. In performance, like
2 reactor pump seals, and we identified that as a potential
3 cause. It had the most weight, about 60 to 70 percent of
4 the problem.

5 The next was, we didn't have adequate supervisory
6 involvement. What I mean by that, we had supervisors
7 sporadically observing and involved with the field
8 activities, not strategically; at the critical point in
9 time, the supervisor is there providing the oversight to
10 make sure the work activities are performed correctly.

11 We also, the next one, that was the quality of our
12 work documents. As we went through planning work orders,
13 we'd get them to the field, what we found were some of the
14 work packages weren't being returned to the planning to be
15 revised. What was happening was, we were issuing
16 supplement work orders to the work already existed in the
17 field, and that make two work documents you have to work
18 together with. And it was, we found that to be confusing
19 to the workers and the supervisors in trying to manage it.

20 And those are some of the things we found, the
21 actions were put in place, and have taken some action in
22 four major areas; organize, clarify, monitor and control.
23 We put our maintenance organization back together, and we
24 were spread out a little bit as we tried to do all these
25 activities and get the schedule ready. We used some of our

1 more talented folks in some key areas, and I think we saw a
2 result of their lack of involvement in maintenance, and it
3 showed up in some work performance issues.

4 We got them back in, in the departments, and that
5 settled things down. We're clarifying rules and
6 responsibilities.

7 Am I giving you enough?

8 MR. GROBE: Yes, thank you
9 very much.

10 MR. THOMAS: Let me just
11 clarify, so I make sure I understand what you, I understand
12 what you just said. That it's not just limited to work
13 that's primarily done by contractors. That there are some
14 issues with the craft at Davis-Besse as well in the
15 maintenance area that still need resolution.

16 MR. STEVENS: That's right.

17 MR. PEARCE: We don't disagree
18 with that. In fact, let me tell you something that we are
19 doing in that bigger picture regard, is we're moving the,
20 the QC Organization back under Quality Assurance. And Lew
21 and I have agreed to do that. He just signed a letter here
22 the other day, and we'll be doing that over the next week
23 or so.

24 And what we're trying to accomplish there, Scott, is
25 exactly, I think what you're talking about, is we want to

1 get more field time with the people that we have, and not
2 have them -- make them more independent and less tied to
3 the work organization. Elevate, simply elevate the
4 standards some, and give some help to Mike and his group.
5 You know, give him some feedback on how we're doing in that
6 area.

7 So, we're moving toward that presently. In fact,
8 we're going to do it at all three sites, because of our
9 experience here, it's a better thing to do.

10 Okay, in the area of operability determinations, as
11 Randy said, the operators were trained on 9118. Steve
12 Loehlein actually attended the training on that with them,
13 one session of it, to see what, our view of it was. And we
14 thought it was a very good training. And, I think that the
15 Operations guys, a few that I talked to about it, seemed to
16 get a lot out of it, they really enjoyed that perspective.

17 In the area of Operability Determinations, last year
18 in QA we had a concern about the operators documenting the
19 logic for how they made operability calls based on
20 determination from engineering, or evaluation from
21 engineering. And we've seen an improvement over the past
22 few months in the log books and the entries and how they're
23 documenting their logic for making what calls they're
24 making.

25 We still see periodically something that doesn't

1 seem as good as we would like there, but we get feedback on
2 it, and, but we've definitely seen some improvement there.

3 In conclusion, I guess what I would say, Ops has
4 performed adequately for the functions we have watched
5 them. We're anxious to see the Mode 3 and 4 operational
6 activity. We're going to provide independent 24-hour,
7 7-day-a-week coverage of that activity in Operations, so we
8 can get some good insight on how we're doing for these
9 improvements that they've been trying to make. And, we've
10 seen some improvement in the area of Operability
11 Determination and how they've documented their logic.

12 That's it for me.

13 MR. GROBE: I just had two
14 questions, Bill. You talked about conservative
15 decision-making, and one of the examples was a decision on
16 water transfers during reduced inventory, and that's an
17 excellent example. I was just curious if that occurred in
18 the planning stage or that occurred in the control room?

19 MR. PEARCE: It actually
20 occurred in the control room. And, they did talk about it
21 in the planning, but where they actually put it in place
22 was in their control room activities. And it was a
23 contingency issue. In fact, several of the things that
24 they've done, I think they had pretty good contingency
25 plans.

1 That's one of the things, when Randy talked about
2 the prejob briefs, I think they've done a pretty good job
3 of putting, getting the expected conditions well
4 communicated among the shift organization, and making sure
5 that complies to the plans as things varied, and I have
6 some examples in our review of that area.

7 MR. GROBE: I think that's
8 excellent that the shift, the control room shift made that
9 decision. But I was just curious, is that something that
10 you would want to see moved out into the planning area,
11 where the shift wouldn't be challenged with that kind of
12 decision?

13 MR. PEARCE: Well, yeah, no
14 question about that. I mean, we would like to standardize
15 that. I don't, none of the Operations guys -- well, Mike
16 is here, but I don't know if that has been standardized. I
17 can find out.

18 MR. GROBE: Okay. And,
19 regarding Operability Determinations, I think it was just a
20 week or two ago, Scott identified an issue involving the
21 low pressure injection pumps, which also serve the function
22 in Mode 5 as decay heat pumps. This had to do with the
23 ~~eyele~~ cyclone and separator.

24 There was an issue that appears to only have been a
25 documentation issue there. It's not apparent that the

1 operators concluded in their operability evaluation that
2 the decay heat pumps were operable for the mode that they
3 were currently in and that they were only talking about a
4 future mode. Is this consistent with the kind of things
5 that you've been seeing as far as documentation problems?

6 MR. PEARCE: Yes. In fact,
7 that's the kind of things we have been working on to get
8 some improvement, making sure they get that done well. And
9 it's really important. You know, they know why. The guy
10 that makes that, knows why they come to that conclusion.
11 But for the rest of us, and for the oncoming shifts and
12 all, they need to understand that, because if there is some
13 departure from those conditions, then they need to
14 understand what the basis of the decision was.

15 MR. GROBE: Okay.

16 MR. PEARCE: Yes, we do see
17 that periodically, Jack.

18 MR. GROBE: Okay. Was this
19 part of the training? I realize concept 9118 Operability
20 Evaluation is a fairly broad area, but was this
21 documentation issue part of the training that they
22 received?

23 MR. STEVENS: Yes, it was.

24 MR. GROBE: So, that's just a
25 matter of reinforcement?

1 MR. FAST: Not the log books,
2 but the process of documenting the rationale.

3 MR. GROBE: Okay. So, it's
4 just a reinforcement issue of examples to make sure that
5 expectations are reinforced?

6 MR. PEARCE: Right.

7 MR. SCHRAUDER: Okay, thank you.

8 I'm going to talk about a few of the design issues,
9 relatively important design issues that we are facing.
10 First one I would like to talk about is the high pressure
11 injection pump. This is I believe a new issue since we
12 last met, came out of some of our Condition Report
13 evaluations and resolution.

14 What we found is that very fine debris that would
15 make its way to the sump in the event of an accident could
16 result in damage to the high pressure injection pumps
17 during the recirculation mode.

18 Now, our sump strainer has about, has 3/16 inch
19 openings that allow the water to get into sump to the
20 injection for these pumps, the suction to them.

21 There are two concerns with the high pressure
22 injection pump. One is what's called the hydrostatic
23 bearing, which is a bearing internal to the pump or in the
24 pump that supports the shaft during its rotation. And the,
25 this is a water supported cool bearing. And the ports that

1 supply water to that bearing have a 1/10 inch opening that
2 goes to it. So, if there is a 3/16 inch opening in the
3 sump that goes to the suction, there is a potential that
4 you could clog the inlets for the hydrostatic bearing, and
5 therefore cause the pump problems and potentially failure.

6 The other pump, just other internal clearances
7 within the pump itself, bearings and the like, these pumps
8 have a natural harmonic frequency to them. If you open up
9 the clearance by way of debris getting in and causing some
10 of the clearances to open up, you can cause certain
11 rotodynamics that will oppose the natural frequency of the
12 pump and cause the pump some problems in that regard also.

13 Listed here, the resolution options that we looked
14 at for that. We looked at providing some additional
15 filtration, whether that be finer mesh on the sump screen
16 itself, or whether we put in a subsequent filter for the
17 high pressure injection pump. That would be basically a
18 backwash filtration system that would be able to backwash
19 itself and send the potential debris back into the
20 containment to the sump.

21 We looked at modifying our existing pumps. Testing
22 our existing pumps under the conditions that they would see
23 or some combination of those two. And finally we looked at
24 replacing those pumps.

25 The path that we are on currently is to replace the

1 pumps. We have purchased new pumps and motors. Both the
2 pumps and the motors need modifications to them, they're
3 not, they're a little bit higher horsepower and higher
4 pressure than our current pumps, so we'll require some
5 modifications to them.

6 In order to, in the process of going through this,
7 Jack, as we've talked to you, we are supporting, we are
8 preparing a license amendment with analytical support from
9 Framatone for our existing high pressure injection pumps to
10 be used during our Normal Operating Pressure Test.

11 The reason that the safety analysis shows that
12 that's acceptable is during that sequence of events, the
13 heat, the plant is pressurized, but it's not heated with
14 any nuclear heat. So, even though it's at normal pressure,
15 without nuclear heat and without essentially any decay heat
16 in the system, the system will be pressurized much faster
17 than it would with a lot of decay heat coming down from a
18 hundred percent power.

19 And what that means, is the high pressure injection
20 system would not have to go into operation off the
21 recirculation mode. It initially comes on, takes suction
22 off the borated water storage tank, a very high purity
23 water.

24 So, we're preparing an analysis that would
25 demonstrate that we would not need to go into recirculation

1 for the high pressure injection pumps. That will require a
2 license amendment request to the NRC, which I'll term as a
3 one-time deviation from the current technical specification
4 for the high pressure injection pump.

5 We expect that analysis out of Framatone this week
6 yet; in fact, tomorrow to do that. And we're working on,
7 supporting that, getting the information for that license
8 amendment request.

9 We also are continuing to look at the potential to
10 test our existing pumps, and to do a modification. There
11 is a modification that ~~NPR~~ MPR is looking at for us, that the
12 suction to this hydrostatic bearing, is taken off of a
13 fourth stage of a pump, so it's actual water that's going
14 through the pumps, some of it is siphoned off and fed
15 through the hydrostatic bearing.

16 There is a potential modification that could put a
17 very fine mesh screen right at the suction where that ports
18 off to the hydrostatic bearing. We would mock that up,
19 demonstrate the ability of that to perform, and then we
20 would do some testing of the rest of the internals of the
21 pumps.

22 Right now I would say that that is a much less
23 likely scenario than replacing these pumps, but we are
24 continuing to look at that.

25 MR. HOPKINS: If you were to

1 replace the pumps, do you think there would be any license
2 amendments needed for the replacement pumps?

3 MR. SCHRAUDER: We don't believe
4 so right now, Jon. They will meet the existing design
5 requirements for the plant when they're modified.

6 MR. HOPKINS: Okay.

7 MR. MYERS: Bob, I have a
8 question. This is different. But if you go look at our
9 pumps, the issue is not the ECCS issue, it's the issue for
10 Boron precipitation, and hydroinjection; is that correct?

11 MR. SCHRAUDER: Some of both.
12 There are some accident scenarios that would require the
13 HPI system to go on recirculation, but there is a long term
14 requirement for the process that we have for, what's called
15 Boron precipitation control. It takes the service line or
16 the mission line for the HPI quite a bit longer than just
17 depressurizing the plant.

18 MR. MYERS: You go look at
19 our high safety injection pump doesn't take direct suction
20 off the sump. It's a piggyback mode, what I'm trying to
21 say.

22 MR. SCHRAUDER: Okay, the next
23 issue I would like to discuss, or give you an update on, is
24 the electrical distribution system.

25 We had a number of Condition Reports, many of them

1 coming out of the Safety Function Validation Project and
2 the Latent Issue Reviews and the System Health Readiness
3 Reviews, which challenge assumptions and completeness of
4 the analysis for the electrical distribution system.

5 Much of the resolution or evaluation of those
6 Condition Reports hinge on basically a new electrical
7 distribution calculation. So, we're revising the analysis
8 on a very sophisticated computer software. It's very large
9 and comprehensive calculation. It's very similar to the
10 flow of water through a pipe system, but this is more
11 complicated than that, in that it covers a very high
12 voltage all the way down to the loads throughout the plant,
13 in all the different systems, so integrates the entire
14 electrical distribution system.

15 We've been working on that analysis for a couple of
16 months now. It is still a couple of weeks away before we
17 will be able to look at the operability of the electrical
18 distribution system, and all of its potential down stream
19 and whether there are any voltage problems in the, down in
20 the 480 and lower distribution system.

21 MR. GROBE: Have you gotten
22 any preliminary feedback from early calculation runs as to
23 whether or not there is going to be any need for
24 modifications?

25 MR. SCHRAUDER: No, we don't have

1 any preliminary runs?

2 MR. GROBE: You're still

3 building the model?

4 MR. SCHRAUDER: But it's very near

5 completion. Once the model is done, frankly, it goes very

6 quickly to run the model and be able to see.

7 But there is some potential that some of the voltage

8 is down at the, at the end of the distribution system, we

9 could potentially have to do some modifications in that

10 area.

11 MR. HOPKINS: Let me ask you

12 here, Bob. The new computer model, is that an NRC approved

13 computer model?

14 MR. SCHRAUDER: Yes, it is, Jon,

15 it's ETAP.

16 MR. HOPKINS: So, it's been

17 approved at other facilities?

18 MR. SCHRAUDER: Yes, it has.

19 Okay, another issue on the electrical side, if you

20 will, relates to the emergency diesel generator. We have

21 some issues on the diesel generator.

22 First of all, our load table was found not to be

23 current, kept up-to-date with all of the loads that are

24 loaded onto the diesel. And, we have a starting voltage

25 and frequency response of the diesel itself, where the test

1 results and data that we accumulated identify that the
2 voltage and frequency responses were not as stated in our
3 USAR.

4 So, we are revising, we have revised the diesel load
5 calculation. We have completed that for the current load
6 and we will need to do some additional work on that
7 calculation, because we're doing some changes in the system
8 during this outage.

9 Things like these HPI pump motors, will be, they're
10 higher horsepower motors than what our current HPI pumps
11 have. We are adding some room coolers to the emergency
12 diesel generator rooms themselves. That will add load to
13 those diesels. And we have some revised Appendix R
14 loading.

15 So, we completed what was the current loading table,
16 but we need to add some more information to it as we
17 complete some of the other things that we're doing during
18 this outage.

19 We are preparing a transient analysis for the
20 voltage and frequency response. We do have the initial
21 confirmation of that, if you will, and have identified that
22 the diesels do not meet the current design specs as
23 specified in the USAR and Safety Guide Number 9.

24 Those specifically being, voltage during the initial
25 load sequencing should not drop below 75 percent of the

1 nominal load. And the frequency should not drop below 95
2 percent. And we found that we do go below those for some
3 very short period of time during the initial load step on
4 the diesels.

5 So, the next step in that is to evaluate what that
6 impact is to the downstream components. And it recovers
7 very quickly in a matter of about, between one and a half
8 and two seconds, that voltage and frequency comes back up
9 to the expected value, so we have to evaluate now
10 downstream as to whether there is any effect on the
11 equipment that's needed to be supplied by that diesel
12 generator. And, we're in the process of completing those
13 evaluations.

14 We do believe though based on our preliminary
15 results that the diesel does have sufficient capacity and
16 capability to start and load and carry its design basis
17 load. So, some of the preliminary results there do look
18 favorable for the diesel generators.

19 Again, the diesel generators are though somewhat
20 limited with this new motor that we would put in for the
21 high pressure injection pumps. That's one of the reasons
22 why we have to do some modification work. Our existing
23 motors are about 690 horsepower. The ones that we have
24 purchased are a thousand horsepower right now. We'll need
25 to bring those down into about the 800 horsepower range, in

1 order we don't exceed the capability of the diesels to
2 supply those.

3 Jim actually already talked about the next issue,
4 which was the air operated valves. Covered virtually
5 everything that's on that slide, so I won't go into that
6 again.

7 MS. LIPA: I have a question
8 on the air-operated valves. Can you determine how this
9 occurred, how you found that these valves were not properly
10 adjusted and have you shared what you found with the
11 industry?

12 MR. SCHRAUDER: First of all I
13 would say that I don't think the air-operated valves, I'm
14 not sure if we put an OE out on it yet or not, but it's
15 certainly not a new issue. It's very similar to the
16 motor-operated valve programs that utilities went through,
17 created a motor-operated valve program, and we really are
18 getting into the air-operated valves now.

19 We have written Condition Reports on the
20 air-operated valves and evaluation of why and how those
21 setups were done. Some of them have been done with the
22 Condition Reports.

23 MS. LIPA: Okay, thank you,
24 Bob.

25 MR. GROBE: Okay.

1 MR. SCHRAUDER: Those were the
2 only issues I was going to cover today.

3 MR. GROBE: Other questions?

4

5 I have just one. I believe that the significant
6 portion, if not all of this design work, has been done by
7 the contracted engineering organizations. In light of
8 recent inspection findings, are you planning on augmenting
9 or modifying the method by which you review and confirm the
10 adequacy of the outside engineering work?

11 MR. POWERS: I would like to
12 cover that one, Jack.

13 We are looking at the control of the, the reviews of
14 the technical org. as supplied to us by our outside
15 technical contractors, and there is a couple of steps that
16 we'll be taking. One is looking specifically on how the
17 flow of that review occurs, what our process is, and the
18 requirements of that process.

19 We're also going to the, our Engineering Assessment
20 Board, to look specifically at a couple of design packages
21 that we think merit a thorough review, extended condition
22 perspective on those. Those are the, the decay heat valve
23 tank modification for the liner there, and also the
24 containment air coolers. Both of these modifications
25 occurred over a long period of time. Different personnel

1 working on them.

2 And we believe what we know now, and we're still,
3 we're still probing into details on, on some of the issues
4 that have been found. We think those are modifications
5 that merit a full review, detailed review. So, those are
6 the actions we're planning to take.

7 MR. GROBE: The work that's
8 done by an outside engineering organization, that's done
9 under a quality assurance program; is that correct?

10 MR. POWERS: That's right.

11 MR. GROBE: Are you also
12 digging a little deeper into that to find out why their own
13 internal checks and balances didn't find these?

14 MR. POWERS: Absolutely. And
15 the contract organization, and this is the organization
16 that prepared our, our emergency sump, some calculations
17 there; were questioned on the detail and calculations.
18 They have their own corrective action report internal to
19 their Appendix B Program, corrective action to investigate
20 exactly what occurred to allow a calculation to come out
21 with some discrepancies in it. So, we'll be monitoring
22 their performance, as well as our own corrective action
23 programs.

24 MR. PEARCE: We haven't reacted
25 to that yet in Quality Assurance, but we will, Jack, and

1 we'll go look, and look at just what you're asking.

2 MR. GROBE: Okay. Good.

3 Appreciate that.

4 I appreciate your patience on these first two
5 sections of your presentation. These are both very
6 important sections, and fairly complex, and I know we had a
7 lot of questions. I guess I had a lot of questions. I
8 appreciate your patience.

9 We've been going for an hour and a half. I know,
10 Lew, that you have a flight a little later today, but I
11 think there is a lot of material later that's going to go
12 rather rapidly. I would like to take a five minute break,
13 if we could.

14 MR. MYERS: We were just
15 getting warmed up.

16 MR. GROBE: Yeah, it's
17 getting warm in here. Five minutes means be back at 25
18 til.

19 (Off the record.)

20 MR. GROBE: Okay, Randy.

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

23 I wanted to spend a little time today to bring us up
24 to date with the activities that are going on inside of the
25 containment outside of the Integrated Leak Rate Test.

1 I wanted to at least take a step back and say, what
2 is Containment Health? What were some of the things that
3 we put as part of our plan for activities in containment?

4 So, I listed the project scope, including the
5 emergency sump, containment coatings, decay heat valve
6 tank, containment air coolers, fuel integrity, our
7 equipment -- environmentally qualified equipment, refueling
8 transfer canal, containment vessel; and, as well, what
9 really generated the whole action plan, was the boric acid
10 extent condition, including the inspections, evaluations
11 and corrective actions.

12 Next slide, please.

13 So, I'm going to go through each of these
14 individually and try to bring us current with where we are
15 in the projects.

16 The Emergency Sump. Of course, the purpose is to
17 ensure long term cooling. That's what collects the water
18 after design basis accident and provides suction to the
19 high pressure injection pumps, as we had talked about
20 earlier. And the status is, the engineering design work
21 has been completed. We've actually completed the field
22 installation. There is a couple of minor things.

23 I wanted to make sure I'm clear about what is really
24 installation. There is a support echo that had a couple,
25 another corrective action, but for, the majority of the

1 field work is completed. And we did increase the strainer
2 surface area from the original 50 square feet to what is
3 really industry leading 1200 square feet. And we did
4 complete the inspection. The Nuclear Regulatory Commission came in
5 last week and looked at the design package, as well had an
6 opportunity to walk down the actual sump.

7 Next slide, please.

8 MS. LIPA: I did have a
9 question for you, Randy.

10 MR. FAST: Yes.

11 MS. LIPA: I know you were
12 doing a transport analysis for the past condition of the
13 sump to support the LER. Are you also doing a transport
14 analysis of going forward on the new design?

15 MR. POWERS: There is a
16 transport analysis for the new design, supports the new
17 design as part of the modification package. The transport
18 supports the LER in the past operability situation. It's
19 not been started yet. We have a scope discussion ongoing
20 with the contractor that performs that, and we're at the
21 point now where we can begin that process.

22 MR. GROBE: Appreciate you
23 very early in the process, but do you have some kind of a
24 window that you expect to get that done?

25 MR. POWERS: I would say it's

1 in the range of four to six weeks, Jack.

2 MR. FAST: Just point out a
3 couple of items here. This area right here is part of an
4 access hatch. And, as part of routine inspections, we gain
5 access to the, this is the upper portion of the sump that
6 would allow, it's a bolted lid that can be removed to allow
7 access into the upper sump area.

8 As well, this is what I'll call porous filtration on
9 the top of the upper portion of the containment sump, and
10 then inside, what you really can't see, but we've shown
11 previously to the top hatch, the cylindrical assemblies
12 that provide filtration.

13 Next slide, please.

14 This is what we haven't shown a lot of pictures of,
15 but, and I want to try to provide a vantage point. This is
16 a stairwell right here. So, you see the treads of the
17 stairs going up. This lower portion is under, actually at
18 the elevation below the reactor vessel. There is a series
19 of eight tubes below and some external surface that
20 provides some straining. And these tubes provide transport
21 which are supported by these supports right here. And they
22 incline up and then transition up into the upper portion of
23 the sump.

24 So, what's unique about this design is, about a
25 third of it is the upper portion and two thirds of it is

1 the lower portion of the sump.

2 Next slide, please.

3 Now, this is another, I think, really an excellent
4 design feature associated with our emergency sump. This is
5 a debris screen gate. On either side at the 565 foot
6 elevation of containment, there is these large steel doors,
7 and they provide lockable access control to those areas,
8 but as well they provide coarse screenage or filtration of
9 debris that would be generated under design basis
10 accidents.

11 So, these are massive doors. And they really are
12 works of art. Excellent work by our craftsman in putting
13 this together. And these two -- this is door number 1.
14 There is another one on the other side, door number 3.
15 Then there is another door, 2, and 2 Alpha, which are on
16 either side of the transfer canal.

17 Jack, you're grinning there.

18 MR. GROBE: I was going to
19 say, only an engineer would ~~do~~ view that as a work of art.

20 MR. FAST: I'm telling you,
21 you could put this in a museum. You would say, what is
22 it? You would say, it's art.

23 MR. HOPKINS: Is that solid at
24 the bottom there?

25 MR. FAST: No, this is,

1 I'm talking about, this is a support, so this provides
2 vertical support. This section right here just has a
3 smaller grating associated with it. This is 2x -- 1 1/2
4 inch x 4, like a deck plate, and this is about 4x4.

5 MR. POWERS: I think, Randy,
6 six inches across the bottom there, right there where you
7 point, it is solid plate.

8 MR. FAST: Okay. This is a
9 solid plate. This area here.

10 MR. POWERS: It's the concept,
11 it's graded filtration to hold up small finds of grit at
12 the floor level, stop them there.

13 MR. GROBE: You said, I
14 apologize for not remembering the elevation, but 565, is
15 that the floor level which is about the top of the sump?

16 MR. FAST: That is correct.
17 That's the lowest elevation of our containment. Now, we
18 have lower elevations underneath the reactor vessel.

19 MR. GROBE: Post LOCA water
20 level isn't much higher than that finer mesh, is it?

21 MR. FAST: It's, this would
22 be 565 elevation, this floor area. And the actual sump or
23 the level in containment would be about two to two and a
24 half feet. So, that's as, all of the borated water storage
25 tank, and the core flood, it's been flowed into the

1 containment building, we would see elevation at about
2 that.

3 MR. GROBE: Okay, thank you.

4 MR. THOMAS: As part of the
5 design package, was there an evaluation done to see if
6 these two coarse screens potentially rob flow to the sump?

7 MR. POWERS: That was
8 considered as part of the design. Depending on where the
9 break would be and which side of the D-rings, on which side
10 of containment; debris would be generated, a lot of debris
11 on that side of containment; and if one of these screen
12 gates were to be full of that debris, the other side would
13 be relatively clean. And there is also the flow path down
14 below the reactor vessel, through those stairwells in the
15 lower part of the sump, that would be -- there is diverse
16 pathways for the water to flow back to the sump.

17 MR. FAST: Next slide,
18 please.

19 Okay, Containment Coatings. Purpose to ensure
20 adequate long term cooling. This is not the purpose of
21 coatings, it's the purpose of the project, was to ensure
22 for long term cooling, we removed degraded or unqualified
23 coatings on components in containment.

24 So, we've done a thorough evaluation of all of the
25 coatings in containment. And, we had a couple of targeted

1 areas; core flood tanks had unqualified coatings, as well
2 containment dome, which was an older type paint that had
3 degraded.

4 And all of the targeted coatings, targeted coatings,
5 we still have some unqualified coatings, but they're
6 bounded by our transport analysis, they have been removed
7 using rotopine and needle guns, and we are repainting with
8 qualified coatings. We are just a little more than about a
9 week away from getting out of the paint business here.
10 I'll show some examples of some of the paint.

11 Next slide, please.

12 There is a core flood tank. So that, that's one of
13 the tanks that we've, that is, well, it's one of two tanks
14 that have water pressurized to 600 pounds, that go into the
15 Reactor Coolant System on a loss of coolant accident.

16 All the paint had been removed, and as well, this is
17 where the actual water, it's pressurized from above. This
18 is the volume of fluid that's borated, and it comes through
19 the core flood and into the core flood nozzle. So, those
20 coatings have been removed and recoated.

21 Next picture, please.

22 Service waterlines. These blue headers right here
23 are part of the service water that are provided to the
24 containment air coolers. We have three containment air
25 coolers. These are isolation valves here.

1 One of the things I wanted to note, you don't get
2 the clarity in this picture, but part of our initiative to
3 improve the indemnification of assets or components in
4 containment was to change out old metal tags with new.
5 They're a polymer type of high density qualified on a
6 design basis, and attached with aircraft cable. And
7 they're bar coded as well for future options. You can see
8 a little bar code on this one here.

9 We can use that then to actually verify containment
10 clearances, as we close that, you can tag that and you know
11 you're on the proper component.

12 Another interesting point is that all of these lines
13 have been cleaned internally, hydrolased and flushed. So,
14 these lines that had some carbon steel and they had some
15 telltale signs of rust and corrosion have all been cleaned
16 internally. So, paint was removed on the outside,
17 recoated, and cleaned on the inside.

18 Next, please.

19 Here is the top of the containment dome, about an
20 acre, a little over 40,000 square feet. You see here the
21 containment spray headers, the upper spray header and lower
22 sprayed header here. And this is the polar crane that
23 extends across the top of the structure.

24 There is a little fascia right here. This is one
25 that, our painters actually brought this issue forward,

1 said they felt that was an area that had not been targeted
2 for coatings removal. They brought that to our attention.
3 It had degraded. We had a coatings engineer go look at
4 it. We additionally removed that coating.

5 You can see here, new white fresh paint. This is an
6 area where paint has been completely removed. This picture
7 is about a week and a half old. We're making excellent
8 progress, and we are just about at being done.

9 What's so unique about this project is, you see what
10 we call a spider rig. These are basically like window
11 washing rigs that hang from the overhead that our paint
12 crews have used to access these areas. That's what's
13 really been difficult about this project is the
14 accessibility at that high elevation, but this is really a
15 project that is coming very close to completion.

16 MR. MYERS: Randy, you say
17 we'll be done in about a week with coatings in containment?

18 MR. FAST: That is correct.

19 MR. MYERS: So, that closes
20 out a large number of corrective actions and CRs.

21 MR. FAST: Let me go, I have
22 another section on that. This closes out the painting part
23 of the it, but the other part containment health, we talked
24 about the assets that had some indication of boric acid;
25 that's another part of this program. And we are at the

1 conclusion of really remediating all of those assets under
2 the corrective action Condition Reports written,
3 inspections, corrective actions. And by the end of this
4 month, we expect to have all those assets recovered and
5 inspections complete.

6 And when I get to that slide I have some detail,
7 but that was over 6500 corrective actions, which was a
8 significant amount of work.

9 MR. THOMAS: Before we leave
10 coatings -- are you done?

11 MR. FAST: Shoot.

12 MR. THOMAS: Can you briefly
13 describe the types of unqualified coatings that were left
14 in containment that are bounded by your analysis?

15 MR. FAST: Yes, Scott.
16 Principally what we have is conduit that was painted as
17 part of the original construction. That conduit has
18 coatings that are not qualified, that would be expected
19 through jet impingement, through design basis accident some
20 of those coatings would be removed. We have an estimated
21 square footage and that's bounded by the transport
22 analysis. So, principally, it's conduit.

23 Next slide, please.

24 The next area is the decay heat valve tank. This
25 was to ensure integrity of two very important valves, which

1 operate post-design basis accident, decay heat 11 and 12,
2 ensures that we maintain integrity, because these are below
3 the flooded area that we talked about previously.

4 So, those valves are not qualified to operate under
5 water. So, we need to be able to keep this vault in a
6 condition where those valves are able to be operated from
7 any time shortly after the design basis accident up to a
8 week after the accident occurs.

9 And in this case, the engineering design work has
10 been completed, installation is nearly complete. Really,
11 the outstanding actions there are the electrical conduit,
12 our sealed welding, and we have what's called a loss of
13 cooling accident seal that is installed inside of the
14 conduit to ensure that no moisture or water from the
15 external can get down into the electrical components, the
16 valves that are in the decay heat valve tank.

17 That's about it for the decay heat valve tank. I
18 don't have any pictures of that. It's closed up, welded
19 up. It has an access opening. We'll just go down there
20 for routine inspection activities from this point.

21 MR. MYERS: It is one of
22 those significant long-term problems that we're really
23 pleased with. I think we have a very robust design on that
24 tank.

25 MR. FAST: I would say, it

1 was elective on our behalf, but we wanted to demonstrate
2 the right standards and the right safety consciousness for
3 important equipment that mitigates the event of any design
4 basis accidents.

5 Next, Containment Air Coolers. What they, the
6 purpose of this particular plan was to replace components
7 that had been damaged or degraded by exposure or long term
8 exposure to boric acid. Additionally, of the three
9 containment air coolers, we had three motors that were part
10 of a Part 21 report, came from the original equipment
11 supplier, and they needed to be remediated.

12 Fan motors have been replaced. Fans, dampers, duct
13 work, all of the instrumentation have been cleaned,
14 refurbished or replaced. We have a series of different
15 things that we did. The fan inlet plenum has been
16 completely rebuilt. It was galvanized, fairly light
17 weight. It's now a heavy duty stainless steel, will last
18 the life of the plant; and if it requires any cleaning,
19 will be very easy for our staff to go in and clean.

20 Service water piping to the cooling coils has been
21 redesigned and replaced. I think I've got a picture of
22 that we can look at.

23 Next slide, please.

24 Well, excuse me, I'll just finished the discussion
25 here. Physical work is nearly completed. And just going

1 to go back, I believe we talked about this, I wasn't at the
2 last public meeting, but we had numerous Lessons Learned
3 from the installation of Containment Air Cooler Number 1;
4 some of which revolved around the engineering, the
5 maintainability long term, operational concerns about the
6 ability of the equipment to be operated properly, and as
7 well, just a craftsmanship of the installation.

8 We took all of those Lessons Learned, regenerated
9 the project, and went in and very successfully completed
10 that service water connections to Containment Air Cooler
11 Number 2 and Number 3. And we elected, based on the
12 quality of that design, its ability to be maintained, to go
13 back in and we're currently working on Containment Air
14 Cooler Number 1, so that all three of the containment air
15 cooler service water connections will be identical, equally
16 maintainable.

17 One last item that we'll have to perform, our plant
18 engineering staff will do an air and service water testing,
19 to ensure as you would with any heat ~~exchange~~ exchanger process that
20 we get the appropriate cooling.

21 Next slide, please.

22 MR. MYERS: This is a work of
23 art.

24 MR. FAST: This is. Thank
25 you very much, Lew.

1 These are the service water inlet and return
2 headers. And I'll identify right here what you see are
3 some bellows assemblies. That allows for thermal growth.
4 Under accident conditions, the containment is actually
5 pressurized to about 40 pounds, about 263 degrees. We get
6 what's called two phase flow, as service water is coming
7 into these containment air coolers.

8 This is a very robust design; stainless steel with
9 these thermal bellows. This design will allow
10 maintainability for the new containment air cooler and
11 coils themselves. These are a couple of our craft workers
12 actually doing installation on Containment Air Cooler
13 Number 3.

14 It's been a, really an interesting project, and a
15 lot of lessons learned from it. We actually simplified the
16 design. We made it a little bit too complex originally,
17 and that actually made it more difficult to install. By
18 using a specialty contractor that really specializes in
19 these unique kinds of engineering issues, came in and gave
20 us some hints on how to simplify that design. It was
21 easier to install in a more timely fashion, and we feel we
22 got much better quality.

23 I might just mention one of the concerns. These
24 bellows need to be aligned properly, so we ensure that
25 their flexure is guaranteed. That was one of the issues is

1 the misalignment of those bellows.

2 Next slide, please.

3 Fuel integrity. One of the long term issues is
4 really to insure fuel reliability. As we talked this
5 morning at the public meeting about some of the health
6 physics issues, those issues are borne out of fuel that
7 either has failed or has leakage. And we wanted to make
8 sure that for the long term health of the system and as
9 well the fuel reliability that we go to every extent
10 practical to include the fuel reliability.

11 We've removed defective fuel rods. We modified and
12 improved the fuel handing equipment. We improved our
13 training and our procedures for folks. A lot of visual
14 checks during ~~fuel~~ fuel movement, core load. We actually
15 replaced some of the spacer grids that were damaged.

16 And, we feel that we are in pretty good shape with
17 our core load successfully behind us. There are no pending
18 activities pending with the fuel reliability, and I'm
19 looking forward to leak free fuel cycle.

20 Jon?

21 MR. HOPKINS: Let me ask you,
22 Randy, was the spacer grid damage or any other defective
23 rods traced back to construction of the fuel rods, the
24 vendor, let's say?

25 MR. FAST: There is two

1 principle elements, Jon, to answer your question. One is
2 in the design. I will say that the spacer grids are,
3 they're not as substantial as some other fuel fabricators.
4 They have some pros in that there is a lot of flexure
5 capability, but they're not as robust.

6 And, I have talked with the fuel vendor, and they're
7 actually going to incorporate a new fuel grid design they
8 got from another company that they partnered with. That
9 will improve spacer grid design and limit the amount of
10 damage that's done.

11 But there's a second element here, and that's the
12 actual equipment that we use. Actually imposes more
13 opportunity to cause grid strap damage, because of very
14 close tolerances on the mast, as you would withdraw or
15 insert fuel, it rubs on the inner portion, and that
16 provides an opportunity for grid strap damage.

17 So, we took some compensatory measures to ensure
18 that we minimize that hazard. And long term, we're looking
19 to modify the fuel handling equipment to open up some
20 clearances to mitigate those potential effects.

21 MR. HOPKINS: Okay, thank you.

22 MR. FAST: Next slide,
23 please.

24 Environmental qualified equipment. As part of the
25 inspection activities, all assets that are required to be

1 maintained operability after design-basis accident were
2 walked down and evaluated, and all of that equipment was
3 inspected for signs of boric acid or degradation. All
4 equipment was found to be operable and there was no impact
5 on them, which is really a good thing. That would say the
6 design was robust and appropriate.

7 Next slide, please.

8 Refuel Canal Leakage. We have some legacy issues
9 here. This is really a housekeeping issue for us, but one
10 we wanted to look at past leakage from structures and
11 identify any sources of leakage.

12 We used some new technology, actual sound monitoring
13 equipment, that actually can detect a very low leakage. We
14 did find some examples that are under review and evaluation
15 for corrective action of areas where we did see some low
16 level leakage.

17 As well, just to ensure, because there is a leakage
18 path, what was the impact on concrete; was there any
19 degradation on concrete; as well is there any degradation
20 of rebar, that steel that's embedded within the concrete.
21 And, we did show some very minor corrosion; however,
22 nothing that certainly affected structural integrity.

23 And, the corrective actions that we're going to take
24 are under review. It will be done at a future date when
25 the time is appropriate.

1 I do believe I have a photograph here of a core
2 bore. I'll just point out -- this is containment concrete
3 that's poured. This is a cross-section of a, we actually
4 bore this piece of concrete out, so that we can do analysis
5 of the actual rigidity, the hardness of that concrete.

6 This is where it's actually cut through the rebar.

7 So, we're able to look at the rebar and see is there
8 any corrosion on the surface, as leakage or water has
9 migrated through the concrete, would come in contact with
10 the rebar. And, there were no issues there.

11 We also verified that the hardness, the integrity of
12 the concrete met or exceeded requirements for concrete.
13 This is high pressure, high density concrete.

14 MR. MYERS: What did you do to
15 that hole?

16 MR. FAST: We grout that. A
17 process, we use high density grout to go back, fill those
18 holes. Those are engineered holes. We don't just go
19 hunting. We know, based on maps, where the concrete is,
20 where the rebar is; and so we actually target those areas,
21 based on those drawings, to get these core bore samples.
22 We know as well, that they don't compromise the structural
23 integrity of the building.

24 MR. MENDIOLA: Randy, how many
25 bores did you end up cutting?

1 MR. FAST: A Bunch. I don't
2 have that number, Tony. I can get that number for you
3 later.

4 MR. MENDIOLA: Okay. And did you
5 find any concrete along any of the leakage paths that needs
6 to be repaired?

7 MR. FAST: We did not find
8 any examples where concrete did not meet design
9 requirements.

10 MR. MENDIOLA: Okay, thank you.

11 MR. FAST: Next slide,
12 please.

13 The Containment Vessel. That's the actual liner,
14 what I call liner. It's not a liner, it's a freestanding
15 steel vessel, inch and a half steel throughout containment.
16 And we needed to verify the integrity of that containment
17 liner.

18 We went through a series of nondestructive
19 examinations. All those examinations were completed. The
20 containment is operable. And that was defined as well by
21 the Integrated Containment Leak Test.

22 We are installing a grout seal to close, there is a
23 small annular gap, both on the inside and outside of the
24 containment vessel. That will seal between the concrete
25 curve on the inside of containment and what's called a sand

1 pocket on the outside of containment.

2 So, that is outstanding work. We've got some
3 proposals of it coming to us to perform that remediation
4 before restart.

5 Next slide, please.

6 Here's what brought us to this issue, which is
7 really the containment inspections. They'll look at all of
8 the assets and components that were affected by boric acid,
9 evaluate those conditions, ensure that we have appropriate
10 corrective actions, and then document as-left condition,
11 which will really give us a good baseline for future
12 inspections.

13 Next slide, please.

14 All of the discovery inspections in accordance with
15 our Discovery Action Plan have been completed. All
16 evaluations have been prepared, as we talked earlier, about
17 6500 corrective actions have been identified. Not all of
18 those are required for restart; however, they were coded as
19 a restart or nonrestart.

20 We have a number here, as you see either restart
21 corrective actions that were assigned. This number has
22 gone up since the slide. I don't have a current number,
23 but all of these will be completed by the end of the
24 month. And the remaining work is primarily just cleaning
25 things, like boric acid on a valve stem or on one of the

1 assets within containment. We document the as-left
2 condition. It's documented on the Condition Report.

3 And the last item, actually I got a status this
4 morning on steam cleaning. We're still struggling a bit,
5 but we wanted to actually go inside and steam clean the
6 D-rings. That's partly a housekeeping issue to raise the
7 standards, also decontaminate the areas.

8 As of this morning, we only had about 31 inspections
9 for assets inside the D-rings remaining. I wanted to get
10 those completed. We'll do the D-ring cleaning as separate
11 issue, but I wanted to complete the actual inspections on
12 the assets in containment.

13 Next slide, please.

14 Reactor Pressure Vessel Head. Reactor is completely
15 resembled since the last time we met. Missile shields are
16 installed. We're in our final configuration. Head vent is
17 in. All seismic restraints are in. Cabling is installed.
18 Control rod testing will be done during full pressure
19 test. So, the reactor vessel is fully intact and ready for
20 full pressure testing.

21 Next slide, please.

22 MR. HOPKINS: Wait a second.
23 Let me understand. So, you will actually be withdrawing
24 the control rods during the full pressure test, one at a
25 time?

1 MR. MYERS: No.

2 MR. HOPKINS: No. So, when you

3 said control rod testing, what testing is that?

4 MR. FAST: I think it may be,

5 before we'll start the reactor up, we'll do rod testing.

6 MR. HOPKINS: Okay.

7 MR. FAST: That is a normal

8 surveillance activity. I think the words are deceiving

9 here. It's not actually during the demonstration test of

10 full pressure operation.

11 MR. HOPKINS: Thank you.

12 MR. FAST: Thank you, Jon.

13 Next slide.

14 This is the FLUS. This is the containment, in this

15 case, under vessel leakage monitoring system. This is the

16 installation of tubing which actually goes up and under the

17 vessel. It's on the inside of the insulation.

18 Installation is complete. We are hooking up --

19 pardon me?

20 We are installing the plant computer that will allow

21 us to do remote monitoring. And then as part of the

22 pressure test, the demonstration test, we'll have an

23 opportunity to do sensitivity testing to actually calibrate

24 the system and set it up for power operation.

25 That's really everything associated with the

1 Containment. I think we're going to get out of Containment
2 Health business in the near term. We'll bring you
3 up-to-date with any additional activities that we have, but
4 at the end of the month, Containment Health is for all
5 intents and purposes going to be complete.

6 MR. MYERS: You know, that
7 test you saw might be the test where they just move the rod
8 up an inch or so to make sure it's ~~flush~~ flush. That might be.

9 MR. FAST: Verification of
10 rod length. And I know, Jon, you're probably asking about
11 the rod drop test.

12 MR. HOPKINS: Yeah. I would
13 like, I would like you to verify that, because if you make
14 any submittal about the HPI pumps for that NOP full
15 pressure test, I would like to know what you're going to be
16 doing with control rods at the same time.

17 MR. FAST: Understand.

18 MR. MYERS: You may have
19 concluded that. You're right.

20 MR. FAST: We'll take that
21 action. Thank you, Jon.

22 MR. MENDIOLA: If I could ask a
23 question on a previous slide. I hate to take you all the
24 way back to slide 19, your first work of art there.

25 I can't remember all your debris analysis that you

1 had, and you talked about this to us months ago, but did
2 you have any screen gates previous to this time?

3 MR. FAST: We did not.

4 MR. MENDIOLA: Okay. These gates
5 are at the 565 level?

6 MR. FAST: That's correct.

7 MR. MENDIOLA: And LOCA
8 condition, the water will get into the sump at 565 level by
9 what method; down the stairwells?

10 MR. FAST: There are opening
11 in the D-rings that would allow flow into that area.

12 MR. POWERS: LOCA approach from
13 both sides, Tony, around the walkway on the 565, you're
14 familiar with the approach walkways to the sump. It can,
15 water can flow 360 degrees around the containment. There
16 is one of these gateways on both sides. Either way. Plus
17 it can go down the stairwell to the lower, below the
18 reactor vessel area where that lower large portion of the
19 sump is.

20 MR. MENDIOLA: So, there is
21 stairwells, if you want to call that, on both hemispheres
22 on both sides of the gates?

23 MR. POWERS: Yes, right.

24 MR. MENDIOLA: So the gates, the
25 LOCA debris loading is on one side of both gates, there is

1 still water going to be able to get down into the sumps?

2 MR. POWERS: Right.

3 MR. MENDIOLA: To the other

4 stairwells?

5 MR. POWERS: Right. That was

6 the design consideration.

7 MR. MENDIOLA: Okay. Thank you.

8 MR. MYERS: Okay, Jim.

9 MR. POWERS: I would like to

10 talk about a success we had at the site with the Integrated

11 Leak Rate Test in Containment. If you look at the front of

12 your slide package. First slide shows our cooling tower as

13 we build it with the recovery and improvement of our

14 plant. Integrated Leak Rate Test was one of the major

15 milestones that we needed to complete to continue our

16 forward progress. And we performed it well at the site and

17 we demonstrated a very leak tight containment.

18 The purpose of the test is to demonstrate

19 containment integrity. Following the construction opening

20 that we prepared in containment to move our new reactor

21 vessel head in, we closed up the opening and demonstrated

22 structural integrity and leak rate integrity through this

23 testing process.

24 The process of testing containment for pressure is

25 done periodically, normally on a ten year interval, unless

1 there is a reason, a major change, such as our
2 construction, to do it more frequently.

3 We pressurize our containment to nearly 40 pounds
4 per square inch gauge with compressors as we do this, and
5 then we hold them for stabilization of conditions within
6 the containment and atmospheric conditions. The
7 containment is very large, about 27.8 million cubic feet.
8 So, to pressurize it and then hold it for conditions such
9 as thermal stratification to stabilize is important.

10 Then we prepare, or we perform leakage test
11 measurements, and our instrumentation that we use for this
12 is very precise. We have 30 temperature elements that we
13 locate throughout the containment. We have ten relative
14 humidity gauges. And we have two precision scientific
15 instruments that measure down to the range of 1/10,000 of a
16 pound per square inch change in pressure. So, that's the
17 reason why we wait for stabilization to get all the
18 parameters stabilized and ready for the test.

19 We perform a leakage test by looking for any changes
20 in the parameters that may indicate there is leakage. And
21 that test goes on for a number of hours. And, I'll show a
22 curve of the pressure test that gives you a timeline of
23 it.

24 Then, we validate our test instrumentation by
25 introducing a known small leak out of the containment with

1 an accurate measurement on that leak, and we watch our
2 instrumentation to assure that it can accurately detect
3 that leak and that validates that the instrumentation is
4 working well.

5 Then, subsequent to collecting our data, we
6 depressurize and analyze the test data.

7 Next slide shows the equipment that we need to bring
8 in to the site.

9 MR. GROBE: Jim, you might
10 want to clarify that you don't actually put a hole in
11 containment.

12 MR. POWERS: Oh, we open up a
13 little valve, Jack, thank you. That's right.

14 MR. MYERS: Saw that core
15 drill a while ago.

16 MR. GROBE: That's right, that
17 was not a known small leak. (laughter)

18 MR. POWERS: In order to
19 pressurize this large containment building, we bring in
20 twelve temporary compressors onto the site. And here we
21 show a view of them from one of the upper floors of our
22 office building right adjacent to the containment at the
23 site.

24 So, looking down, you can see the arrangement of
25 these compressors. They're all taller than we are.

1 They're pretty big pieces of machinery. And we connect
2 them up with hoses into a manifold. That's that little
3 piece of pipe, white piece of pipe proceeds on into the
4 containment.

5 At the turn in the white pipe is a silencer for when
6 we depressurize the containment; the air escaping is pretty
7 noisy and it goes on for a period of time while we
8 depressurize all that air.

9 On the next slide, we show the manifold hooking up
10 all the hoses from the multiple compressors together. Use
11 this to pressurize. As you can tell, this is advanced
12 planning that needs to take place to get this test prepared
13 to go, and equipment to be staged.

14 And there is a lot of preparation within the plant
15 itself within the containment. For example, the Reactor
16 Coolant System needs to be closed up. All the work needs
17 to be completed on things like reactor coolant pump seals
18 that were being refurbished, valves that are being replaced
19 and maintenance being done on them. Steam generators need
20 to be closed up.

21 So, a lot of work needs to be prepared. Individual
22 valves need to be tested in preparation. And then every,
23 every one backs out of containment, and any loose equipment
24 is removed, because of the pressurization and
25 depressurization on those.

1 And, so the organization needs to communicate and
2 work well together to reach this milestone and effectively
3 execute it.

4 On the next slide, what we show is the
5 pressurization sequence that occurs, as we go through the
6 stages of the Integrated Leak Rate Test. So, to pressurize
7 the containment with all the compressors takes nine hours.
8 Then a stabilization period is a bit over ten hours. The
9 hold test where we take our instrumentation readings is a
10 bit over six hours. Verification that we talked about,
11 with the flow that's introduced through a valve,
12 approximately four hours. And depressurization takes
13 another over nine hours to let that air out of the
14 containment structure.

15 This was completed on the 9th. And it was
16 completed, I need to add as well, six hours in overall time
17 frame better than the last time this test was done in
18 2000. This test was done during a refueling outage. So,
19 the organization worked well together to efficiently do
20 this test, and to do it well.

21 The next slide, some of the Safety Culture
22 attributes that we think were demonstrated through the ILRT
23 activities; preplanning, cross-functional teamwork. You
24 know, as I've described, the engineers need to work to
25 prepare, the maintenance craft workers need to get their

1 work done as a priority and understand priorities to
2 achieve this objective.

3 Operations needs to position hundreds of components
4 of valves into the appropriate position to prepare for the
5 test and its successful execution.

6 Contingency planning needs to be in place for all
7 these steps, in case equipment is not available or doesn't
8 work appropriately. Previous lessons learned from the
9 Davis-Besse site, as well as the industry factored in. We
10 brought in industry experts to peer check us and critique
11 us in our plans prior to the test to be sure we're
12 successful, and that paid off.

13 Resource allocation needs to be there for all the
14 various work groups, and solid project management dragnets
15 that lay out the logic of how we're going to go through the
16 test and complete it successfully need to be done.

17 These are a couple of the engineers. The front man
18 is Mike Byer. He's in the plant engineering section of our
19 senior engineers. He is the Test Director. And he's
20 assisted by George VanWert, who is a specialist contractor
21 in this type of test. They were at their computer
22 instrumentation monitoring the parameters during the test
23 here.

24 As we show here, I mentioned we demonstrated through
25 our data review that the containment continues to be leak

1 tight, and we had a successful test evolution.

2 Any question on that?

3 MR. GROBE: Jim, no question,
4 just a comment. We had two inspectors that spent, well,
5 over about the last eight weeks reviewing test procedures
6 and preparations for this test, and actually witnessed the
7 test; and provided very positive feedback regarding the
8 performance of the test and the quality of the results.

9 MR. POWERS: Thank you.

10 Couple of slides here I wanted to touch on quickly.
11 We've talked about many of these significant plant issues
12 that are being resolved amongst our various portions of the
13 presentation in the past meetings, but we are working to
14 keep them in front of us at the plant and in front of the
15 staff, so they can see the effective resolution of
16 longstanding issues and in some cases latent issues at the
17 plant, and what it takes and demonstrate effective
18 resolution of issues. We think that contributes also to
19 the Safety Culture at the plant.

20 As you can see, for example, I will select a couple
21 of them. Our valve team has worked over 1,500 work items
22 that completed work on 594 valves, 72 remain. That
23 includes things like repacking valves where any leakage was
24 noted. Replacing yokes on valves to get improved material
25 applications. So, a lot of work on material condition of

1 the plant has been done.

2 On the next slide, we have noted on the first bullet
3 there, the reactor vessel internal cleaning. Randy
4 mentioned the fuel inspections and going toward competence
5 on our fuel integrity. We also completely disassembled the
6 internals for the reactor vessel at the site prior to
7 putting the fuel in. And backended out and removed all
8 foreign material with a very thorough cleaning. So, that's
9 a real plus of the site going forward for fuel
10 reliability.

11 We also repaired our reactor coolant system
12 resistance temperature detection ~~faucets~~ bosses that had been a
13 source of leakage in the past, and those were replaced.
14 Completed work on reactor coolant pumps. We're going
15 through our emergency diesel generators and improving
16 material condition there.

17 We've cleaned the inside of our service water system
18 and made sure it was restored to full capability. We
19 mentioned our feedwater heater 1-6 retubing project.
20 That's also positioning the plant material condition for
21 the future, lifetime of the plant.

22 Our cranes, we worked on those to upgrade our
23 controls; and also make them removable from containment, so
24 during the operating cycle, that instrumentation can be
25 taken out of containment, so it's not exposed to operating

1 conditions, and it's brought back in during refueling
2 outages. So, that would keep it in pristine shape.
3 Finally, a thorough containment cleaning. Going
4 through with a team led by Lynn Harder in our Containment
5 Health Group, completely cleaning the residual Boron that
6 may be there. That's restoring us to a standard that will
7 set our going forward, the staff for future operations.

8 With that, speaking of Safety Culture, I would like
9 to turn it over to Lew Myers.

10 MR. MYERS: Thank you.

11 Today, I would like to talk about three areas,
12 desired outcomes, if you would. Prior to our Mode 5, we
13 completed our second Safety Culture Assessment in-house. I
14 would like to assess you on that.

15 As you recall, we hired an independent consultant to
16 perform a safety assessment -- Safety Culture Assessment at
17 our plant, and provide you a preview of some of the
18 information that we learned from that assessment.

19 And finally, then Bill Pearce will brief you on the
20 results of our most recent Safety Conscious Work
21 Environment Survey. You remember, we gave you some
22 information I think last year or something, on the first
23 review. So, we'll give you an update there.

24 If you go look at our Safety Culture process, we
25 have a business, business practice that we put in place,

1 our assessment for Safety Culture is a very structured
2 process, using that business practice. And I'll give you
3 some, an example of that, that we developed, and to monitor
4 specific attributes and characteristics for each of the
5 these Safety Culture criteria that we identified.

6 We had a two-day meeting. Each manager came in and
7 presented their assessment of their particular area. The
8 criteria for the groups was graded as a group. So, all the
9 men. It wasn't just a guy comes in and says, I think my
10 areas are green. It was a very challenging experience.

11 I think you'll find some of your people monitored
12 this, I believe. We also brought in some of our program
13 owners from engineering our engineering programs; some of
14 our system engineers. Then we went out and randomly picked
15 a couple of our mechanics to also give us some feedback.

16 The management team consensus as a group I think was
17 attained before we finished. Then, once we finished our
18 Safety Culture Evaluation for Mode 5, we go back and from
19 an objective standpoint and look at this criteria, because
20 this is a learning process. We go back and review and
21 redefine the criterias we need to, or add additional
22 criteria. I'll show some examples of that.

23 Next slide.

24 If you go look on this Mode 5 Safety Culture, we
25 assessed ourselves overall as yellow in the Policy Level

1 Commitment Area. I'll provide you some input on that.
2 Yellow in the manage -- Plant Management Commitment Area.
3 I'll provide you some input on that. And finally, the
4 Individual Commitment Area, we also assessed ourselves
5 yellow. So, it's yellow, yellow, yellow.
6 As you see, we added some criteria, the two lower
7 corners.
8 Do you have your pointer?
9 So, in the Policy or Corporate Level Area,
10 Self-Assessment was added and Independent Oversight on the
11 specific criteria for those.
12 And then in the Management Area, we have
13 Cross-Functional Work Management and Communications and
14 Environment of Engagement and Commitment.
15 As you see, these four new criteria, we graded one
16 of those yellow. And we really focused on those areas
17 prior to loading the fuel.
18 The overall assessment, we would say, if we had to
19 look at this assessment as different than we had before,
20 because we had some white areas, and they have shown
21 before, but we would say if we had to assess ourselves
22 honestly, we see an improvement, but what we've seen is
23 criteria is very specific now, and more difficult to
24 grade. And I'll show you that as we go through.
25 So, let's move on to the next slide.

1 MR. THOMAS: Lew, could you
2 briefly talk about what yellow means for the broad
3 category?

4 MR. MYERS: Yes, I'm glad you
5 asked that. In fact, I just happen to have our business
6 practice. Green is all major areas are acceptable with a
7 few minor indication -- indicator deviations. White is all
8 major areas are acceptable with a few indicators requiring
9 management attention. Yellow, you get into where it
10 requires a more prompt attention. All major areas are
11 acceptable with several indicators requiring prompt
12 management attention. And then red would be, several major
13 areas and these criteria on the side, do not meet
14 acceptable standards and require immediate management
15 attention.

16 MR. THOMAS: Thank you.

17 MR. MYERS: This slide here is
18 an example of one of the pages of this procedure, which I
19 think is 55 pages long. We go through and use this
20 criteria to grade our areas. Some of the stuff is
21 subjective. Some of it is very objective.

22 For example, if you look at this area here, it's in
23 the individual commitment area, and it concerns questioning
24 attitude. If you look over here at the individual area up
25 here, you'll find a questioning, an area under questioning

1 attitude.

2 If you go back to this original Safety Culture model
3 I gave you, and under the Quality of Prejob Briefings, we
4 have some subjective criteria where we're red, if we see a
5 lot of prejob briefings not going well. If in general, if
6 management observation and QA field observation, so we're
7 also using our quality group observations show that the
8 prejob briefs are generally acceptable, then you would be
9 green.

10 That's sort of subjective, but we can go back, and
11 since our observations are computerized, look at the number
12 of acceptable ones and make a management decision there.

13 You go to the next one where it is more objective;
14 very, very objective. Now, where we say, correct CRs that
15 have been generated by our staff. Now what, those that we
16 have, is our staff, when we find problems, identify those
17 problems.

18 So, if you go look, you say, less than 13 percent of
19 our individuals wrote CRs during the past 30 days. That
20 would be a red issue.

21 Go over here, and you look and say, more than 17
22 percent of our individuals wrote CRs in the past month.
23 That would take us to green.

24 So, that's very measurable. So, you find a
25 combination of questions with some subjectivity in it, and

1 some others that are very objective.

2 Next slide, please.

3 In the Policy Level Area, there is five commitments
4 in this area. Two of the commitments are new. Two were
5 evaluated yellow.

6 If you go look at our management values are clearly
7 reflected in our business plan and are understood in the
8 organization. That is yellow. I will explain why in just
9 a moment.

10 Resources, the next area is yellow, was resources
11 are available or can be obtained to ensure safe, reliable
12 operations. We also grade that area yellow. Now. Why was
13 that?

14 Go to the next slide. If you go look, the 2003
15 business plan was not approved or was distributed at that
16 time. In fact, it was in the last stages of approval
17 waiting for Bob Saunders' signature. That didn't stop us,
18 because the criteria was that objective, we rated ourselves
19 on; that does not meet that criteria.

20 Additionally, if you go out and survey our
21 employees, you know, we'll tell you that we're still
22 getting some, we think we show good improvement, but
23 getting some mixed results when we go out and ask about
24 what is Safety Culture and what is the difference between
25 that and Safety Conscious Work Environment; stuff like

1 that. So, based on that, we graded that area yellow.

2 Employees are unaware of the Nuclear Performance
3 Index, when we go survey that. What is the status that
4 index right now? That's one of the criteria we measure.

5 If you go look also at Maintenance, Radiation
6 Protection and Chemistry areas and in Design Engineering
7 Operations, they were yellow based on availability of
8 resources.

9 If you go look on our plate right now, especially in
10 this first three areas, there is a lot of CRs and
11 activities. Just throwing resources at the problems
12 sometimes doesn't help. And so, you know, we've been
13 working, our staff has been working like 72 hours a week.
14 We've backed off on that. We made some very good
15 accomplishments, but because of that, we grade ourselves
16 yellow.

17 Additionally, if you go look at our Operations Area,
18 we have continued training on, but we have interrupted our
19 license class, which we are just now putting back in place
20 for next year's exam. If you go look, because of that,
21 Randy talked to you about our staffing plan awhile ago for
22 Operations, and that's a very important area for us.
23 Because we had knocked off that training class, with the
24 outage for awhile, we graded yellow also.

25 Lack of appropriate section performance indicators.

1 If you walk around our plant versus our other two plants,
2 you walk down into the different areas, the shop, over in
3 engineering; each department at other plants have very
4 specific performance indicators that support our goals and
5 objectives at our stations, and we monitor those
6 performance indicators, routinely stress the indicators
7 with our employees, and then survey to make sure they have
8 a clear understanding and buy in.

9 We don't see that at Davis-Besse. In fact, there
10 was no indicator awards in our shops or in operations,
11 stuff like that. We've added that since that evaluation
12 has been done. In fact, we had the tools that we use at
13 our other plants on order for this plant.

14 We are still not where we want to be though there.
15 We need to have clearly defined indicators that people
16 understand and can relate to. So, we need to continue work
17 in that area. So, that area also is yellow.

18 Next slide.

19 Go to the Plan Management Commitment Area, that's
20 the second area that has to do with us as a management
21 team. There is seven management level commitments in this
22 area. I use the word seven level commitments in this
23 area. So, that's the, the areas hanging on the side of the
24 commitment area.

25 If you go look, four of the commitments, we're

1 assessed as white in this area. Three areas were assessed
2 as yellow. And the overall trend in this area we would say
3 is improving.

4 If you go look, there is, we assessed as yellow;
5 ownership and accountability is evident. We don't think
6 we're still getting the ownership and accountability, I'll
7 explain that in a few minutes, as we should be.

8 Commitment to continuous improvement is evident.

9 Cross-functional work management and communication
10 is also yellow.

11 Let's go to the next slide.

12 So, what is the basis for that? Well, until
13 recently, the site had continual delays on many of our
14 actions. First, you go look, based on self-assessments, we
15 found that the drive for continuous improvement throughout
16 this shutdown has not been evident. In fact, a lot of
17 places where we think we should be gaining margin, we've
18 actually lost margin over the years.

19 Additionally, if you go look at the present time, so
20 that's looking backwards; at the present time, at that time
21 there were a lot of corrective actions and CRs that were
22 past their late date, and paperwork has not been approved
23 by management to allow that to happen.

24 Scheduled hearings was also a problem, in which our
25 indicators were not sure when our scheduled hearings were

1 anywhere near what we would like it to be. We understand
2 that's why, because we're in an outage now we're planning
3 and designing while we're in there, so that schedule here,
4 we typically spend up to 90 percent ranges, much lower than
5 that.

6 Identify lack of trust in several areas still
7 exist. If you go look at the messages that we get from our
8 employees, sort of a wait and see attitude on the future.
9 In fact, you know, you know, making a lot of good changes
10 now where we continue to go forward. I think we want to
11 demonstrate that until we get our business plan very
12 visible, we'll demonstrate those, we'll continue to go
13 forward after startup.

14 Almost all of our employees developed plans-- or
15 were overdue at that time. What we do is we evaluate our,
16 our people each year, and then have a developmental plan.
17 And this is a first time we've done that as the management
18 team here. And, at the time we did this assessment, they
19 weren't complete.

20 So, it's just they weren't completed, they graded
21 yellow. Didn't say, by such and such a date. We actually
22 completed them on the time we agreed to from a management
23 perspective, but they weren't complete.

24 Then, contract training qualifications are a
25 concern. We talked earlier about the amount of work we're

1 seeing with some of the contractors, how Randy brought in
2 and I brought in some specialty contractors on the, on the
3 containment air coolers, you remember, six people.

4 Jack, you talked about that.

5 And then containment, some of the rework we had on
6 the polar crane that we talked about on a meeting earlier.

7 So, those are the reasons some of those areas wind
8 up, those commitments wind up being yellow.

9 Now, if you go down in the individual area. In the
10 individual area, there is five commitments on the side
11 there. One we rate as green, one white, and three
12 yellows.

13 From a yellow standpoint, drive for excellence -
14 nuclear assets of people and plant are continuously
15 improving to enhance safety margins.

16 The next area was rigorous work control, a prudent
17 approach to performing activities in a quality manner is
18 the standard.

19 Nuclear professionalism. Persistence and urgency in
20 identification and resolution of problems is prevalent. If
21 you go look at that area on the next page; overall the
22 quality of our prejob briefs is white, and green for
23 critical evolutions.

24 But remember awhile ago we told you about those
25 routine prejob briefs? If you go look at the performance

1 indicators we showed you last month. If you go look at the
2 amount of coaching between supervisors and management,
3 management is finding many more coaching opportunities than
4 supervisors. Quite a big delta there. We need to monitor,
5 to bring those two things in line, or at least understand
6 them better.

7 We need to put resources on procedure change
8 backlog. We've done that. When we look, when we were
9 doing our assessment, the number of outstanding procedure
10 changes we had sort of surprised all of us when we went
11 through that group review. And so, we decided to throw
12 some resources on that and try to make sure we get these
13 procedures in good stead prior to restart.

14 Additionally, if you go look at our rotating
15 equipment is a major rework challenge. We've had several
16 problems with, where we rebuilt some of our rotating
17 equipment and had problems with it.

18 Then there is also some deferrals. Many of our
19 plant components are not working and we have to do
20 preventative maintenance on our components, which you can't
21 do it with the mode we're in. So, there is PMs waiting
22 deferral, and we need to defer those. So, that was a paper
23 issue that we hadn't got them deferred. There was like 72
24 ~~OPMs~~ PMs that had not been properly dispositioned, and then, at
25 that time.

1 And then personal initiative and ownership, we also
2 said was yellow. In fact, ownership to complete the job is
3 a weakness specifically in the maintenance area. We don't,
4 still don't see the ownership that we would like to see in
5 the maintenance area, get jobs done.

6 If go back to the next slide, you see the Safety
7 Culture Assessment that we did. I would like to take a
8 moment and just give you some thoughts from the independent
9 review, that we had the correlation there.

10 Under long term areas for improvement, we noticed
11 several areas where safety is recognized as a value in the
12 organization, but it's not consistently understood. You
13 know, that's pretty much the same thing we noted too. So,
14 that's in the independent report that we saw.

15 And one of the things, we talked about ownership
16 awhile ago. Individuals readily accept responsibility to
17 take ownership of problems, but others, some individuals
18 do, but others are still reluctant to do so. So, a good
19 correlation there.

20 And, an integrated and cohesive organization on
21 safety, leadership process does not yet exist. And what we
22 mean by that, is if you go look at our, our process to make
23 sure that, that safety issues are identified like in prejob
24 briefings, you mentioned prejob briefings and operations
25 awhile ago; we have a structured approach that ensures

1 those safety related activities get talked about on a shift
2 basis. And, you really doesn't find that in the turnovers,
3 so we're going to add that.

4 Prejob briefs for critical evolutions was another
5 area noted in the independent assessment report. From a
6 management standpoint, a manager perceived that attention
7 to safety is valued in the organization, more than
8 nonmanagement personnel. Remember that I told about the
9 delta that we saw between some of our work force and our
10 perceptions. That was noticed in the report.

11 Station personnel expressed a number of concerns
12 about continuing FE support, FirstEnergy support, that is,
13 for restart efforts and ongoing support after restart.
14 That's sort of the same issue that we found. And, you
15 know, if you go look at our business plan, that not being
16 out of clear expectations for the future, we thought is one
17 of the main issues there, that would help resolve some of
18 that at the present time.

19 Activities related to ensuring that sufficient
20 number of personnel necessary and knowledgeable --
21 necessary, knowledgeable skills and abilities are and will
22 be available to conduct work at the station have been
23 stopped during the outage. Once again, that gets back to
24 some of the training that we have stopped, but we are
25 restarting now. And Randy talked about the Operations

1 Training that's restarted.

2 Under ownership and accountabilities. Owning the
3 problem until it's resolved. Maintenance groups scored
4 significantly lower than other groups.

5 In the nuclear professional area, many personnel did
6 not see evaluation process as tied to professional
7 development. You know, we would say that too, we've not
8 effectively used our professional development plans as well
9 as we should at this station.

10 Then under drive for excellence. Timeliness of
11 issues, issue resolution is problematic and must be
12 improved. That's that drive to find and fix problems.
13 We're pretty good at finding the problem, but we're not as
14 driven at fixing the problems as we should be. In fact,
15 even today, if you had to ask us as a management team, we'd
16 tell you that there are probably some things that we found
17 last year that we think we should have fixed by now; in my
18 opinion anyhow, that haven't been fixed.

19 Personally, I can give one specific example, I
20 looked at the other day, going to go do some insulation for
21 the turbo charger on the diesel. And you know, I thought
22 that would have been done by now, but we still don't have
23 it done. So, I'm sort of disappointed on that.

24 So, just in summary, if you went in and looked at
25 the independent consultant report they wrote and looked at

1 all the issues they found, there is a bunch of positive
2 issues. I gave you a lot of negatives today. But, in my
3 mind, it was a very good correlation in that report, and in
4 some of the areas we assessed ourselves in. There are also
5 some areas that are there, that we even need to look harder
6 at as we go forward.

7 That's all I have, thank you.

8 Oh, yeah. You know, we have a public meeting in a
9 few weeks, where we'll go through the entire report and the
10 actions taken. I thought I would take today's opportunity
11 to just wet your appetites some.

12 MR. GROBE: Appreciate that,

13 Lew.

14 I have a question or two and a couple observations.

15 Could you go back to slide 49, please. There you
16 go.

17 I just wanted to make the observation, two
18 observations on this. One, is that I'm not aware of any
19 other plant in the United States that has this kind of a
20 process. The procedure that you were referring to has
21 about roughly 50 pages of tables like this, on every one of
22 these attributes.

23 MR. MYERS: Right.

24 MR. GROBE: And the NRC has
25 no requirements in this area. So, with respect to these

1 thresholds or even what areas, what attributes you're
2 looking at, there is no guidance or requirements that the
3 NRC has promulgated in this area. So, it's particularly
4 noteworthy that you folks have taken this on with a certain
5 amount of vigor. You earned the opportunity to develop
6 this procedure.

7 MR. MYERS: Right.

8 MR. GROBE: By creating a
9 fairly high risk significant situation from a bad safety
10 culture. So, it's, I wanted to make the observation that
11 this is an area that is somewhat cutting edge, and clearly
12 the NRC has no requirements in this area.

13 It makes the evaluation of this more challenging for
14 us. Clearly, it's an area that we need to be confident is
15 adequately restored for safe operations prior to the NRC's
16 authorization for restart, but it's a uniquely challenging
17 area; and to that end, we put together a fairly impressive,
18 I think, team of folks, six folks that are in the midst of
19 an inspection of this.

20 Again, a couple of weeks ago, in late March, when we
21 received the first report from your outside consultant,
22 there were three of the team members there for the
23 presentation of those preliminary findings; and continue
24 with all, five of the six folks on site last week, and
25 several more weeks of inspection coming up.

1 That team includes a broad spectrum of folks,
2 including people with 20 or more years of experience in
3 doing these kinds of evaluations, organizational
4 effectiveness, Safety Culture, which is just a term of art
5 type of evaluations; as well as two former industry
6 executives who personally had proven track records in
7 recovery of poor organizational performance.

8 So, it's a robust team that's going to be taking a
9 very hard look at this and evaluating the approach that
10 you've taken.

11 I had one question. It concerns the individual
12 areas; on one of your slides you indicated -- I'm getting
13 my pages mixed up here, but you indicated that you had a
14 two-day meeting with all of your managers, and you looked
15 at this process and applied it on each work group.

16 MR. MYERS: Right.

17 MR. GROBE: And when you rate
18 an area as yellow, in an individual attribute, whether it's
19 ownership or accountability of the individual or plant
20 management level or something at the individual level, I
21 would imagine that there is a spectrum of performance in
22 that area across different work groups; is that correct?

23 MR. MYERS: Absolutely.

24 MR. GROBE: So, if you rate
25 someone as yellow, there could be some work groups that may

1 be green in that area and other work groups that may not be
2 so good, may be red in that area; is that correct?

3 MR. MYERS: Well, for
4 example, right now, we think pretty highly of the progress
5 we're making in Operations, but you go look at Chemistry
6 and HP at the time we did this, there was a lot of
7 questions to be answered. So, that's absolutely correct.

8 MR. GROBE: Okay. Could you
9 describe just briefly, then we'll move on to Bill's area.
10 Could you describe briefly what your restart criteria is in
11 this area that you currently identified?

12 MR. MYERS: Yes. I have that
13 with me, as a matter of fact. We would expect to see, what
14 we would define ourselves as a positive trend in Safety
15 Culture, for restart and improving Safety Culture trend.
16 Every area assessed must be, must not, they don't have to
17 be white or green. Some areas may be yellow. But we would
18 not expect to see reds. Okay? So, in general a positive
19 safety trend with no major areas being red.

20 MR. GROBE: Could you back up
21 one slide, please?

22 So, what you're talking about is the central areas
23 with the blue arrow?

24 MR. MYERS: That's correct,
25 yes. And I would tell you, once again, you have to look at

1 each area in what you're doing. Like the readiness for
2 Mode 4 will be different than the readiness for Mode -- for
3 fuel load, okay. So, each one, it takes a lot of
4 management attention to say, are you, the question is, do
5 you remember, I hate to use the Challenger event, but why
6 should you go forward. And that's what you should be doing
7 when you do this.

8 This is just another management tool I'm very
9 excited about. If you want to be a good manager, this may
10 help you some in being a good manager in helping you
11 understand what's going on in your organization, so I'm
12 pretty excited about this tool myself.

13 MR. GROBE: Any other quick
14 questions?

15 MR. MENDIOLA: I have two
16 questions. Question number one; any new program is
17 implemented or used, if you will, in response to any of
18 these areas, obviously, when assessed right out of the box
19 can't be green, probably is red, even white, probably
20 starts out as yellow the first time it's assessed. And,
21 clearly, you would hope that the program would turn around
22 and eventually work its way toward green.

23 MR. MYERS: Right.

24 MR. MENDIOLA: But understanding
25 that, has there been any area or any program that you've

1 implemented that has been, if you will, certainly
2 frustrating to your organization, has been remaining yellow
3 longer maybe than you wanted it to, through the assessments
4 that you made?

5 MR. MYERS: Well, there is
6 two or three programs that come to mind right now that are,
7 we are, I would think of also. One would be the quality of
8 our licensing information. I feel fairly good about that
9 presently, but from looking back, making sure that our
10 licensing information has good quality.

11 And, the other program would be our Corrective
12 Action Program. You know, we wrote, I don't remember how
13 many thousands it is, ten thousand or so CRs, you know.
14 It's a massive number of CRs. And as I just heard right
15 here, walk down the entire plant. And then to deal with
16 all that is complex and difficult, you know. But it's a
17 huge, huge task; and, especially when each CR generates
18 about four corrective actions on the average.

19 So, keeping up with all that, and tying stuff
20 together properly, and getting through this process with a
21 good Corrective Action Program, I would say it's probably
22 the most frustrating thing that I've tried to do in my
23 career.

24 I believe that our Corrective Action Program got us
25 into this, and it's got to help dig us out. So, we really

1 use the Corrective Action Program for every one of the
2 Building Blocks. It would have been easy just to write
3 work orders or work requests or blanket work orders for all
4 that stuff in containment. We wrote CRs and CAs, and now
5 we're in the process of closing them all out, and it's time
6 consuming. But it's, I still believe it's the right thing
7 to do. That program comes to mind.

8 MR. MENDIOLA: The second
9 question, of course, is maybe a little unfair.

10 MR. MYERS: This never stops.

11 MR. MENDIOLA: Obviously,
12 FirstEnergy has other units in it. Both Perry and Beaver
13 Valley are faced with major evolutions in the coming year,
14 outages, and so forth.

15 MR. MYERS: Right.

16 MR. MENDIOLA: Has this been
17 applied to those units as well, the assessment methodology?
18 And the reason I ask that, is to determine if there is any
19 feedback from their use of this methodology as applied to
20 Davis-Besse?

21 MR. MYERS: We have not
22 applied that at this time. They're familiar with the
23 process. They've looked at it. They've sort of assessed
24 themselves for Safety Culture, but nothing to the degree
25 that we have over here. And, that's because we're piloting

1 the program.

2 Once we get the program through the restart, we're
3 going to turn it into some kind of nuclear operating
4 procedure and look at it across our sites. But we have to
5 perform assessments of Safety Culture at each one of our
6 sites, but nothing like we've done here. Okay?

7 MR. MENDIOLA: Thank you.

8 MR. GROBE: Bill, we have
9 several more slides to go, and I don't want to leave off
10 either any of the three topics we have left. You've
11 certainly got a tremendous amount of data that you're
12 prepared to present. I think it's important that the
13 public have an opportunity to see this data. Many of us
14 have already reviewed this information.

15 So, if you could just kind of get through your
16 presentation while covering it, but do it a little bit
17 spritely, I'd appreciate it.

18 MR. PEARCE: No problem.

19 What this is about, my section is Safety Conscious
20 Work Environment Employee Survey.

21 As you remember last August, we did a survey. And
22 this is the next one now. It was, this one was conducted
23 March 26 through the 28th. We actually, this survey, we
24 got good response out of it. It was a voluntary
25 participation survey; and out of 1448, population of 1448,

1 we got 1138 responses. There were 36 questions on this,
2 which 26 were the same as the August 2002 survey.

3 And we kind of structured it around the four
4 pillars. So, the next slide, shows you the four pillars.
5 And all that does is shows you the number of questions at
6 top that cover each pillar.

7 Next slide.

8 I'm going to go through some of these and give you
9 some examples. This is the way this thing set up. You can
10 flip through it yourself and look at it. You see August
11 2002 is on the left, the result and then on the right is
12 the March survey we did this year.

13 And this question; "As a nuclear worker, I am
14 responsible for identifying problems and adverse
15 conditions." We had 98 percent positive result in 2002,
16 and in 2003, we went to 99. So, I'll go through a few of
17 these and skip through some of them.

18 Next slide.

19 The question was, "If I had a nuclear safety or
20 quality concern, I would raise it." We got a 98 percent
21 positive response. We didn't ask that question last year.

22 Next slide.

23 You see, "Management's expectations regarding safety
24 and quality are clearly communicated." We had a 55 percent
25 response in 2002. And now we've gone to 89 percent

1 positive response. And then the one on the right, we
2 didn't ask this question in 2002, but we got a 63 percent
3 positive response.

4 Next slide.

5 "My first line supervisor/foreman addresses concerns
6 brought to his/her attention." And last year, we got 61
7 percent positive response. This year, we got a 90
8 percent.

9 Next one is, "Management is willing to listen to
10 your problems." We got 63 percent positive response last
11 year. 82 percent this year.

12 Next slide.

13 "Constructive criticism is encouraged." Went from
14 53 last year to 76 this year.

15 "I believe my management cares more about
16 identifying and resolving nuclear safety, quality, and
17 compliance issues than cost and schedule." I think this is
18 an important one here. You look at our root cause. We
19 almost doubled it, or we had a large increase there. It's
20 still not as good as we would like to get it. I'll talk
21 about that at the end, but we got a very good increase on
22 that.

23 MR. GROBE: Bill, just a
24 quick question. Both of these surveys were only permanent
25 plant employees; is that correct?

1 MR. PEARCE: No, this was all
2 employees at the site. And at the end, I'm going to break
3 that down a little bit. I'll show you something with
4 that.

5 MR. GROBE: Okay.

6 MR. PEARCE: Okay, Slide 66.
7 The next one is, "I know how to write -- didn't ask this
8 question last time, but we got good response on both of the
9 these, as you can see. Just go on to the next slide.

10 67. "I felt free to approach management regarding
11 any nuclear safety or quality concern." You see the
12 improvement there.

13 "I believe I can raise any nuclear safety or quality
14 concern without fear of retaliation." We got a good
15 improvement there.

16 Next slide.

17 69, "Identification of potential nuclear safety/
18 nuclear quality issues through the Condition Report process
19 is effective in our organization." Went from 57 to 80.

20 "Resolution of potential nuclear safety and nuclear
21 quality issues, including root cause and broader
22 implications, through the Condition Report process is
23 effective in our organization." We went from 45 to 74.

24 And again, I think --

25 (Discussion off the record - confusion of slide numbers.)

1 MR. PEARCE: Now 69. "I am
2 aware of the Employee Concern Program and its purpose." We
3 didn't ask those two questions. We got good responses.

4 So, now we're on 70? 70 is, "I believe issues
5 reported through the Employee Concern Program will be
6 thoroughly investigated and objectively dispositioned."
7 We got 77 percent positive responses.

8 And, "I believe that Employee Concerns Program will
9 keep my identity confidential at my request." We went from
10 66 to 76.

11 Then 71. "I believe that upper management supports
12 Employee Concerns Programs." We went from 60 to 80.

13 And the next slide, 72. We didn't ask either one of
14 these questions. "I'm aware of FENOC Safety Conscious Work
15 Environment Policy." 96 percent.

16 "I am aware of the Safety Conscious Work Environment
17 Review Team and its purpose." 82 percent.

18 73. "I believe my work environment is free of
19 harassment, intimidation, retaliation and discrimination."
20 We get a, 2002 we're at 67. We went to 77.

21 And then the last slide, in August of 2002, this is
22 the question, "Within the last six months, I have been
23 subjected to HIRD for raising" -- that's harassment,
24 intimidation, retaliation and discrimination -- "for
25 raising nuclear safety, quality or compliance concerns

1 while working at Davis-Besse." And, you can see that we
2 went from 2002, a positive response of 7 to that question,
3 to 8 in 2003.

4 And, "I am aware of instances that occurred in the
5 last six months in which workers in my work group have been
6 subjected to harassment, intimidation, retaliation and
7 discrimination for raising nuclear safety, quality or
8 compliance concerns." And we went from 12 to 15 percent.

9 But look at the next slide. Go to the next slide.
10 This is, we segregated this to FENOC only, because a
11 training, the training that we have done, we focused on
12 training FENOC supervisors and management and FENOC
13 employees. And this was the same questions when you break
14 out FENOC only. And you can see here, we went from a nine
15 percent in August to a five percent in March for those same
16 two questions we asked previously. And from an August
17 question about, I am aware of instances in which that's
18 happened; we went from 15 percent in 2002 to 10 percent
19 now.

20 So, where we've trained people and focused, and they
21 understand what the issues are, we saw the expected
22 improvement in this area.

23 So, let me give you some feedback that we got. Lew
24 presented the results to our employees at an All Hands
25 Meeting. And on these two questions, they were, they said

1 they were confusing questions, and they were reversed in
2 logic. In order to agree with it, you had to answer on the
3 other side of the page. And they believed that that kind
4 of stilted the results for some, in some manner.

5 So, I'm not trying to tell you that we don't believe
6 the results. We do believe the results. And we know that
7 we have some issues there. But we've shown, where we
8 focused and people understand Safety Conscious Work
9 Environment, we've gotten the result that we expected to
10 get there. We're seeing improvement, and so, overall, I
11 think we've got a positive result.

12 And in fact, if you look at the entire survey -- go
13 on to the next slide.

14 MR. MYERS: Wait a second.
15 There is like over a hundred people in the room where I did
16 this. When I got to this question, I tell you, before I
17 got through that, I felt like I needed HIRD, you know,
18 because they were about to attack me. They said, this
19 question was not a good question. It has a double negative
20 in it. Some misread it. They were actually hollering in
21 the audience. So, there was a lot of push back when I got
22 to this one question about our employees.

23 So, it does give us some feedback having that many
24 people in the room and listening to them. So, I'll share
25 that with you. It's sort of interesting.

1 MR. PEARCE: So, let's go to
2 the last one. So what, from the survey --

3 MR. RULAND: I have a question
4 about the survey design. You've chosen a scale of
5 disagree, agree, don't know.

6 MR. PEARCE: Right.

7 MR. RULAND: Can you tell me
8 why you chose that scale? You know, I read some of these
9 questions, and you know, there is some that, you know, I
10 could imagine an employee saying, well, I kind of agree
11 with that, or I might not strongly agree, but I agree.

12 I'm interested in why you did this survey design the
13 way you did? Not using a five point scale, you used a
14 three point.

15 MR. PEARCE: This is a standard
16 survey we did. 26, or I don't remember the number to give
17 you an exact number, but there is a number of these are our
18 standard instruments that we use. It's all in the
19 industry. It's the same survey given across the industry.
20 So, it gives us some way then to compare ourselves to other
21 plants in the industry and see how we rate. That's the
22 reason.

23 The majority of the questions, I believe there is 21
24 that are the standard questions. Don't hold me there, but
25 I believe that's right. So, we tried to stay in a standard

1 format.

2 MR. RULAND: So, you used this
3 foremat because you could compare it with the industry.
4 Could you speak a little bit about that, about that
5 comparison, if you did it?

6 MR. PEARCE: Well, we just got
7 the survey, we just got it back, we have to go do that
8 now. We just got the results out in the last few days.

9 MR. MYERS: This is pretty
10 hot off the press.

11 MR. RULAND: All right.

12 MR. GROBE: Could you go back
13 to 75 for a moment?

14 MR. PEARCE: Certainly.

15 MR. GROBE: It's easy for you
16 to say that, certainly. She's over there trying to find
17 75.

18 What's the relationship between the number of
19 contractors that may have taken this survey as to FENOC
20 employees?

21 MR. PEARCE: I can give you
22 those numbers. I have it right here.

23 MR. GROBE: It doesn't need to
24 be precise. Is it like three times as many, five?

25 MR. PEARCE: There were 1138

1 total, 665 FENOC, 377 contractors.

2 MR. GROBE: Okay.

3 MR. MYERS: And the way we

4 did this, we got what is it, 79 percent?

5 MR. PEARCE: 79 percent I think

6 was the number.

7 MR. MYERS: So, it's not a

8 low population, it's high population.

9 MR. GROBE: So, in rough

10 terms, there is about twice as many FENOC as local

11 contractors.

12 MR. PEARCE: That's correct.

13 MR. GROBE: I'm not real quick

14 to dismiss the data out of hand. I understand there was

15 some questions. But, some questions on the interpretation

16 of the question.

17 MR. MYERS: Right.

18 MR. GROBE: But let's just

19 take the last question on 75.

20 MR. MYERS: Okay.

21 MR. GROBE: You had in March

22 of 2003, looking at the total population, you had 15

23 percent saying yes. If, if I understand that correctly,

24 ten percent of those, the FENOC employees said yes. I

25 believe what that tells me is probably 25 percent of your

1 contract employees said yes. To get an average of 15.

2 And that, I'm troubled by that. I think, I'm
3 curious as to whether or not you're going to spend a little
4 more time looking at this data and trying to decide whether
5 you're going to need to do some additional evaluation in
6 this area. I might have caught you cold.

7 MR. PEARCE: No, 16.4 percent
8 of the contractors.

9 MR. GROBE: I think I need to
10 look at the data some more then. Because I'm not sure how
11 you get an average of 15 with 16.4 percent for one third of
12 the population and 10 percent for two thirds of the
13 population. That tells me that that should be down around
14 11 or 12.

15 MR. MYERS: I think you're
16 right.

17 MR. GROBE: I'm not a great
18 mathematician, but I think it makes sense.

19 MR. PEARCE: I have the numbers
20 here. You're welcome to look at them all, Jack.

21 MR. GROBE: I think this area
22 needs to be looked at. Okay? Good. Let's move on.

23 MR. MYERS: We gave you this
24 so quickly. We just got this data this week from our
25 employees, so it's very, we haven't really analyzed this

1 yet.

2 MR. PEARCE: Let me tell you
3 one thing. I don't want this to come across defensive. I
4 agree with you, we are going to do something with this. We
5 are going to continue to do something with it, as we have
6 our own employees. We need to focus more in the contractor
7 area in some of these. And we've gotten some success out
8 of the FENOC area. Now, we've got to focus more on the
9 contractor area.

10 MR. STEVENS: I was going to
11 say --

12 MR. PEARCE: Well, let me
13 finish, Mike.

14 MR. STEVENS: Sorry.

15 MR. PEARCE: The issue that I
16 want to tell you about is, what's happening is, with this
17 question, is when folks haven't been trained on what is a
18 Safety Conscious Work Environment, what is a safety issue;
19 what you get a lot of, I read some of the responses back
20 from the last one and this one; and what you get a lot of
21 is people responding to their relationship with their
22 management.

23 If they feel like they've been harassed about their
24 work, it's really not got anything to do with safety issues
25 necessarily, but in their mind, that's a harassment,

1 intimidation, retaliation; and I believe that, in my
2 belief, is that's what's driving a lot of this question.
3 Because it even disagrees with some of the other earlier
4 survey where we asked some similar areas and we get a good
5 result. And then we get to this particular question, and
6 we get a bad one.

7 So, there is some confusion. Like I said, I'm not
8 trying to discount or throw it out or anything, but there
9 is a confusion with it.

10 MR. GROBE: I apologize. I
11 think I interrupted before you got to your conclusions.

12 MR. PEARCE: Okay. Conclusion
13 is, I think we've got significant improvement in the
14 majority of the questions here. And those that you're
15 asking about there are the ones we don't believe that we
16 got the improvement that we would have liked to have
17 gotten. And we're going to have to study those further, as
18 you said.

19 We think that they're is still, the survey tells us
20 that there is additional work demonstrating management
21 commitment to Safety Conscious Work Environment, to
22 continuing to improve confidence in the Corrective Action
23 Program, and to continue to improve confidence in the
24 Employee Concerns Program.

25 That those are areas that our survey has told us

1 that we may have, even though we may have improved in them,
2 those are areas we still need to drive on to get better
3 results out of. And, we're going to continue to do that.

4 MR. GROBE: Could we hear
5 some more on this one, this last area next month?

6 MR. PEARCE: Sure.

7 MR. GROBE: I'm sorry. Let
8 me be specific. The area I'm talking about is slide 74 and
9 slide 75.

10 MR. PEARCE: I understand.

11 MR. MYERS: Mike.

12 MR. STEVENS: Are you ready to
13 go on to my slides?

14 MR. MYERS: Is there
15 something you have quick you were going to add?

16 MR. STEVENS: I think having it
17 at the next meeting would be good. We are doing some stuff
18 in that area, but we'll get it all wrapped together.

19 Could we have the next slide.

20 I want to talk today about our progress towards
21 Restart in three areas; Major Milestones, Integrated
22 Schedule and show you some Performance Indicators that
23 we're using to track our outage work activities.

24 Next slide.

25 I'm not going to go through a list of things we're

1 making progress on. It's similar to what we've already
2 previously presented.

3 We are preparing for the Mode 4, Mode 3 pressure
4 test. It looks like that's going to be mid to latter part
5 of May. And then startup is about a month after that.

6 We're pursuing all of our options with the high
7 pressure injection pump to support that in the schedule.

8 Next slide.

9 This slide shows the total number of activities in
10 our outage schedule. The top line is the total number.
11 The middle green line is the number of activities
12 completed. And the bottom blue line is the to go. This is
13 to give you a sense of how many work activities we're
14 accomplishing here.

15 MR. GROBE: Those lines
16 across the bottom are weeks?

17 MR. STEVENS: Yes.

18 MR. GROBE: The to go line
19 looks kind of flat.

20 MR. STEVENS: Well, it's been
21 offset by the increase in activities with the constant
22 work-off rate.

23 MR. GROBE: Okay.

24 MR. STEVENS: Okay. And part of
25 the reason for that dip in the first peak, is when we did

1 our scrub and definition of the work that we needed to do,
2 and generated some additional Condition Reports. As the
3 Condition Reports got evaluated, the corrective actions
4 came, out which we were anticipating.

5 Next slide.

6 This is Containment Health, Condition Report
7 Evaluations. You can see how much progress we've made; the
8 number of closed and the number remaining open.

9 Next slide.

10 Here's the Corrective Actions that have come out of
11 those Condition Reports.

12 Next slide.

13 This is our System Health Restart Condition Report
14 Evaluations. Made good progress there. Had quite a few
15 evaluations to complete. Doing that pretty well.

16 Next slide.

17 Here is the Corrective Actions. So, we're
18 integrating these Corrective Actions into our schedule on a
19 system basis to support return of the plant in the right
20 sequence; to operations, perform testing and startup.

21 MR. MYERS: What's

22 interesting here, if you look at this line, we don't close,
23 in our process, we don't close a CA out until the work is
24 complete. So, this actually reflects completions in the
25 field too. Okay?

1 MR. GROBE: Good.

2 MR. STEVENS: Next slide.

3 This is our On-Line Corrective Maintenance Backlog.

4 You can see we're not coding them for on-line, or filling,
5 by way of corrective maintenance.

6 Next slide.

7 In summary, I think we're making good progress.

8 We're moving towards restart. High pressure injection
9 pump, electrical distribution remain challenges in that we
10 haven't fully defined that yet. We continue with our
11 readiness meetings. And like I said, I believe mid to
12 latter part of May, we'll be doing pressure testing, with
13 startup about a month after that.

14 MR. GROBE: Okay.

15 MR. STEVENS: With that, I'll
16 turn it over to Clark.

17 MR. PRICE: Thank you, Mike.

18 I would like to complete our presentation today by
19 giving a high level overview status on our 350 Restart
20 Checklist items and also our overall Restart Actions.

21 Next slide.

22 This is the Restart Checklist items that were
23 discussed earlier in the meeting. This is at the beginning
24 of those; checklist item 1 and item 2 are on this graph.

25 And the color coding, I can explain real briefly. Green

1 means we're completed with that particular item. The
2 brownish color is a not applicable item. The light blue
3 color is something that is progressing, however it's
4 waiting on plant conditions for, to be able to proceed
5 further. And then the darker blue or purple, whatever
6 color that actually is, are activities that are actually
7 progressing right now.

8 In the 1-Bravo area, which is the Organizational/
9 Programmatic and Human Performance Issues. We have one
10 item left in the discovery area, in that particular
11 checklist item. That is an engineering assessment that is
12 going on right now, and we'll be completing this week and
13 is going through our Corrective Action Review Board
14 tomorrow for final review. So, that should be cleaning
15 up. And that will be our very last discovery item relative
16 to our implementation action plan or our 350 checklist
17 items.

18 The reactor vessel, reactor pressure vessel head
19 replacement is light blue right now. That's waiting for
20 full temperature/full pressure tests on the Reactor Coolant
21 System.

22 We have our ILRT completed, which is in the 2-Bravo
23 area. We're showing 99 percent there. That's in our
24 containment vessel restoration. Following the head
25 replacement, the Integrated Leak Rate Test was the final

1 activity in that area, however we have a few local leak
2 rate tests to finish up and that will go one hundred
3 percent complete.

4 We talked before, Randy Fast talked about the
5 activities going on in Containment, which is in the
6 2-Charlie area. We're making good progress there. Are
7 getting ready to complete most of those activities by the
8 end of the month.

9 The containment emergency sump, we spoke about
10 earlier. The installation of the sump is complete. We
11 have a few minor work items, so we're not reporting a
12 hundred percent yet there, but it's close to completion.

13 And we have some work yet going on in the auxiliary
14 building in boric acid systems that are outside the
15 containment structure with continued cleaning and
16 inspection. And that has left inspections going on there
17 that should finish up shortly. So, we're making good
18 progress in that section.

19 Next slide.

20 The next slide is our Safety ~~Secure~~ Significant Programs that
21 are on the Restart Checklist. I would like to talk about
22 our progress since last month.

23 Since last month, we have completed the Corrective
24 Action Program; both the discovery and the implementation
25 activities. The Operating Experience Program has also

1 completed its implementation of its corrective actions.
2 Our Quality Audits has completed the discovery plan and is
3 well along the way and near completion of the
4 implementation of corrective actions.

5 And another change, well, we've had the Radiation
6 Protection Program Inspection Program Exit this morning
7 that was discussed earlier. We still have a few corrective
8 actions to work off there, and, but we're making good
9 progress.

10 And then the very last checklist item that we have,
11 the one at the bottom, which is Completeness and Accuracy
12 of Required Records and Submittals to the NRC. We're
13 progressing on that. We have an implementation action
14 planned now defining all the activities that we'll do to
15 address that, that checklist item, and we're progressing on
16 those.

17 Next slide. Final slide for the 350 checklist
18 items. We're making good, continue to make good progress
19 on Adequacy of Organizational Effectiveness and Human
20 Performance. That's the first item up there. Continue to
21 work off our corrective actions in the improvement plan.

22 Another area moving down, we are now progressing,
23 showing progress on an implementation activity associated
24 with the Systems Readiness for Restart. We've added this
25 previously. We were showing Restart Readiness Reviews in

1 that area. This now shows a percentage complete relative
2 to the Condition Reports and Corrective Actions that have
3 come out of the System Health Readiness Review Process
4 through the System Health Building Block Plan.

5 And the one right below that, Design Calculation
6 Resolution. We completed the discovery activities
7 associated with that checklist item, and the implementation
8 and corrective actions are included in the line up above
9 it.

10 Then the last one I would like to speak to is Test
11 Program Development and Implementation. Again, the
12 Integrated Leak Rate Test also fit into the line item. But
13 again now, this particular checklist item is on hold and
14 will be progressed further when we do our Mode 3 pressure
15 test.

16 MS. LIPA: Clark, do you have
17 the number for that? I can't quite read it.

18 MR. PRICE: 66 percent.

19 MS. LIPA: Thank you.

20 MR. PRICE: So, if there is no
21 questions on the Restart Checklist. We're making good
22 progress. And this now transitions to our overall restart
23 actions, which include the 350 checklist items, as well as
24 items that we identified through our criteria that we've
25 developed that we want addressed and completed prior to

1 restart.

2 This first draft shows the Condition Reports that
3 we've discussed a lot about Condition Reports today, which
4 we generate whenever we have any issues identified through
5 any of our Building Block Plans or any other normal
6 day-to-day activities, we generate Condition Reports to
7 address those issues and drive resolution.

8 Mike Stevens referred to this a little earlier, this
9 was bulk work that was in the schedule. This Condition
10 Report Evaluations, you can see we're working down. We
11 have 96 percent of the evaluations completed on Condition
12 Reports that have been identified to-date. And, we have
13 still 300 plus Condition Reports to, they're still in
14 evaluation.

15 What I will say though, last month I talked about
16 this, and I said that number should be worked down to about
17 the hard remaining few. There is about a hundred in that
18 number that's still remain from the Building Block
19 Discovery Activities that are the ones that have emerged
20 and we've talked about today as a number of the issues that
21 we have.

22 The additional 250 roughly on that are continuing
23 activities that we have day-to-day as our normal process
24 during the outage of identification of issues that we want
25 resolved, at least evaluated prior to restart, to determine

1 whether we want to implement any corrective actions
2 associated with those.

3 So, there is an ongoing process. Like I said, since
4 the last public meeting, we have added 250 Condition
5 Reports to this population.

6 MS. LIPA: Clark, when you
7 talk about prior to restart, are you talking about Mode 2
8 or Mode 1?

9 MR. PRICE: I'm talking Mode
10 2.

11 What this curve also has on it are a couple of
12 projection lines. Based on work-off rates that we've had
13 over the last four weeks, we do a couple different
14 projections based on the average over the last four weeks,
15 and the best we've seen that we have performed in the last
16 four weeks; and that puts us out into the middle of May
17 time frame for completion of these Condition Reports.

18 Again, our process continues to add Condition
19 Reports to restart if the Restart Station Review Board
20 determines it necessary, but right now, based on the
21 work-off rate, we should be completed during the middle of
22 May.

23 The next graph, our Restart Corrective Actions that
24 come out of those Condition Reports. Again, showing what
25 we have left. We have currently 1600 roughly Condition

1 Reports or Corrective Actions remaining that have been
2 classified as restart. That's down from almost 2600 that
3 we had last month at this time.

4 Again, we have a projection rate here based on our
5 work performance that would put us out into the first or
6 second week of June at the current work-off rates we've
7 been experiencing.

8 So, we feel that both the Condition Reports and the
9 Corrective Actions, and the work-off rates that we've been
10 able to maintain and achieve fit into our restart schedule
11 and continue to support the milestones that we have in our
12 restart plan.

13 Any questions?

14 MR. GROBE: Nope.

15 MR. PRICE: Okay.

16 Okay, Lew.

17 MR. MYERS: In closing, you
18 know, we were pleased with the exit today that we had in
19 the Health Physics Area. As I said there, Health Physics
20 is something pretty unique to our industry, so being on the
21 350 list in that area is not something I was excited
22 about. But we were pleased with the exit that we had
23 today. I will tell you that.

24 We're pleased with the progress that we've made this
25 month in the Integrated Leak Rate Test. The work

1 continues. A lot more work ahead of us, we know that.

2 Corrective Action Evaluations are being completed,
3 as that graph shows. The corrective, the Corrective
4 Actions are also being completed. Many of the improvements
5 have been made in our plant, and not only from a program
6 standpoint, our Leak Rate Program, FLUS, seals, we've shown
7 a lot of those things today, that we believe even in our
8 containment for this age of a plant would probably be an
9 extremely clean containment when we start back up.

10 Two issues of concern are still upon us, if you
11 will. The HPI pump, I think, is our big issue for us; and
12 the Safety Culture is something that we got to continue to
13 take actions on, strong actions.

14 We're getting ready, I will tell you, to take some
15 actions, which you'll hear about in the next public
16 meeting, that will ensure that we have the right resources
17 in these areas also. You know, so we're going to be doing
18 some things to really focus, it take some management time,
19 especially in the Safety Culture area.

20 Mode 4 is important to us. It's our next
21 milestone. We understand we have to meet that safety
22 evaluation, get that complete to get to Mode 4. So, that's
23 very important to us and we're working hard.

24 I thank you for your attention today.

25 MR. GROBE: Okay. Thank you

1 very much.

2 Why don't we just take a couple minute break while
3 we reorient ourselves and open up for questions from the
4 floor. Okay.

5 (Off the record.)

6 MR. GROBE: This is the time
7 of the meeting when we give an opportunity for any members
8 of the public or other interested folks to ask questions,
9 and we'll attempt to respond to them. Christine and I will
10 field questions today.

11 I'm not sure if we have members, elected officials
12 or local representatives that are still present, but if
13 they are, I would like to give them an opportunity to go
14 first.

15 No? Tonight. Okay.

16 Any other questions or comments anybody would like
17 to make?

18 MR. KERFF: My name is Joe
19 Kerff. I live in Ohio. I have a property on Lake Erie.
20 And, I have been traveling to Lake Erie Islands for 35
21 years. And, I'm a metallurgical engineer. I'm on the
22 Board of Ohio Citizens Action. And I hosted a Chernobyl
23 child for a couple of summers because of a nuclear event
24 that happened there.

25 When I look at these statistics and the presentation

1 on slide 73, Conscious Work Environment Employee Survey.
2 In March of 2003, it says that twelve percent of the
3 employees think they're going to be intimidated if they
4 become whistle blowers, and eleven percent don't know if
5 they're going to be intimidated if they become whistle
6 blowers. To me that's 23, nearly a quarter of the total
7 work force hasn't got it yet, even though there was a
8 Chernobyl-type event that nearly occurred on the shores of
9 Lake Erie.

10 And I don't understand that. I'm very uncomfortable
11 with that statistic, that there is still a great number of
12 people who work at the plant, that think that if they do
13 the right thing, that there is going to be retaliation.

14 MR. GROBE: Appreciate your
15 comment. I think that's some of the same sentiments that
16 were expressed during the course of the meeting. I believe
17 this survey was just completed within a week or so.

18 Where is Bill Pearce?

19 MR. MYERS: He's gone. He's
20 left.

21 MR. GROBE: Oh, he left. I
22 think it was just very recently that this survey was
23 received. Randy?

24 MR. FAST: Two weeks.

25 MR. GROBE: About two weeks

1 ago. And FirstEnergy has been in the process of data
2 reduction and trying to figure out what this data means.

3 Likewise, I believe the number Bill told me before
4 he left was about 22 percent on that one specifically that
5 I was asking about, 22 percent of the contractors appeared
6 to be saying that, that they had some concerns about
7 harassment, intimidation, retaliation and discrimination.

8 One of the challenges in this area are separating
9 folks that are concerned about working conditions and
10 translate that into other concerns or whether they're truly
11 concerned. And we asked FirstEnergy to get into this a
12 little bit more deeply and try to understand exactly what
13 that data is telling them, and report out at our next
14 monthly meeting.

15 So, I think your observation is a good one. It's
16 one that we share, and it's something that we need to look
17 at. So, appreciate that, thank you.

18 Other questions or comments?

19 Did I get a timid group this afternoon; or are you
20 just all satisfied, or hungry?

21 MR. KERFF: Can I have a
22 follow-up question.

23 MR. GROBE: Sure.

24 MR. KERFF: Who at the NRC
25 will ultimate have the responsibility for signing off at

1 Davis-Besse?

2 MR. GROBE: The question was,
3 who at the NRC will ultimately have responsibility for
4 signing off at Davis-Besse. I assume by signing off, you
5 mean authorize to restart.

6 MR. KERFF: Allowing it to
7 restart, sure.

8 MR. GROBE: The panel which I
9 chair, and most of the members of the panel here today, has
10 the responsibility to make a recommendation to the senior
11 executives in the NRC, and in the reactor program, two people
12 in particular, as to whether or not the panel believes the
13 plant is or is not ready for restart. And, when the panel
14 is convinced that it believes the plant is ready, we'll
15 make that recommendation and not before.

16 We make that recommendation to my boss. His name is
17 Jim Dyer. He's the Regional Administrator in Region III,
18 which is in Chicago. And, he consults with two people.
19 One is the Director of the Office of Nuclear Reactor
20 Regulation. He's the individual that has responsibility
21 for safety across the entire country. Jim has the
22 responsibility here in the midwest. And the other
23 individual is the Deputy Executive Director for Reactors.
24 That's Sam Collins' boss. His name is Bill Kane.

25 So, those are the three individuals. Jim Dyer has

1 the ultimate responsibility, consulting with Sam Collins
2 and Bill Kane. And he wouldn't even consider the question
3 until the panel was satisfied that everything that needs to
4 be done is done.

5 Amy?

6 MS. RYDER: My name is Amy
7 Ryder. I'm with Ohio Citizen Action. I have two
8 questions.

9 One was just, I wasn't clear on the summary
10 discussion on slide 86. They have listed that startup is
11 approximately one month later. Is that your understanding,
12 that startup would take place in June, that's what's
13 scheduled?

14 MS. LIPA: Let me take this
15 one. Based on what the Licensee has been telling us so
16 far, and you saw some of the work-off curves, and they know
17 what their long lead items are, they're estimating mid to
18 late May for the Mode 4, an approximate month. And I can't
19 really, you know, make a judgment on that at this point.

20 MS. RYDER: So, it's Mode 4
21 then?

22 MS. LIPA: This would
23 probably mean, Mode 4 pressure test, which is the Normal
24 Operating Pressure Test, which they're planning mid to late
25 May. That's the 7-day test. And startup would be restart,

1 which would mean Mode 4.

2 MR. GROBE: Mode 2.

3 MS. LIPA: Mode 2, which

4 would be their estimate that they would be ready to ask for

5 approval to go to Mode 2 in about a month. That's what

6 that means to me, but I can't tell you if that's accurate.

7 MS. RYDER: Okay. My other

8 question is regarding this issue of the, two of the four

9 gaskets on the reactor coolant pump; is that correct?

10 MR. GROBE: Um-hmm.

11 MS. RYDER: Two have been

12 replaced, and they're still up for debate whether the other

13 two will be replaced before we start. Has that been

14 resolved?

15 MR. GROBE: I don't believe

16 there is a debate on the part of the Licensee. There's

17 been a number of questions raised. Let me just clarify.

18 In each reactor coolant pumps, there is four reactor

19 coolant pumps, each one has two gaskets. It's a pair of

20 gaskets with a leak off in between. And, these are on the

21 main bolting of the reactor coolant pumps, reactor coolant

22 piping.

23 The company chose to refurbish two of those during

24 this outage, and refurbish the other two, is scheduled for

25 the next outage, which is a year from now -- or a year from

1 when they restart. Excuse me.

2 There has been a number of issues raised about that,
3 and there is an individual at Region III that's reviewing
4 those issues, and I haven't received the results of that
5 review yet, but the company's current plan is to not
6 refurbish two of those pumps until the next outage.

7 MS. RYDER: Are you
8 comfortable with that?

9 MR. GROBE: I just told you,
10 we're reviewing all the specific issues on that. It's
11 important to remember that these pumps are not
12 safety-related pumps. They're the pumps that are used to
13 circulate water for producing power. The safety-related
14 pumps, we would have been much more involved had these pump
15 been safety-related pump.

16 The specific gaskets do provide an opportunity for
17 leakage of reactor coolant. There hasn't been leakage of
18 reactor coolant in this area, and that's why they have the
19 double gasket design. It's only been one of the gaskets
20 that's been degraded.

21 Like I said, there is a number of interesting
22 technical issues that have been raised and we're looking
23 into it.

24 MS. RYDER: So, you don't
25 think that the other gaskets are leaking?

1 MR. GROBE: Amy, I don't have
2 any detailed knowledge of it. I'm telling you what I know
3 about it. We're looking into it, and as soon as we have
4 the results of that, we'll certainly let you know.

5 MS. RYDER: Okay.

6 MR. GROBE: Is that it? I
7 thought you had two?

8 MS. RYDER: That was two.
9 I'll keep going.

10 MR. GROBE: Okay.

11 Yes, sir?

12 I did have a timid bunch this afternoon.

13 MR. RIDZON: Paul Ridzon,
14 McDonald Investments. I think it was either you, Jack, or
15 Bill threw out, wants an 80-man week scheduled for
16 inspections. I wonder if that is still accurate and kind
17 of work-off rate on that?

18 MR. GROBE: The total number
19 of man weeks inspection, that was quite awhile ago, I think
20 maybe two months ago, has gone up just a little bit; and,
21 in two areas in particular. We added some additional
22 resources onto the Safety Culture Assessment, and we added
23 some additional resources onto the Corrective Action Team
24 Inspection.

25 We've been doing a significant amount of inspection

1 over the last several months. I can't give you the current
2 number of how many inspector weeks I believe are left, but
3 there is still a significant amount of inspection left. I
4 think Christine summarized it on her slides earlier. Let's
5 see if I can do it from memory.

6 There was four major inspections that are still
7 outstanding. The Corrective Action Team Inspection has two
8 or three more weeks of effort. That currently is not
9 scheduled. It's maybe sometime in the middle of May. And
10 that's an 8 person team, so that's 16 to 24 weeks of
11 effort. And the Safety Culture Team has a couple weeks out
12 of it left. And so, those are two of the major inspections
13 that are left.

14 MS. LIPA: Right, we still
15 have the Normal Operating Pressure Test. We still have a
16 one week Fire Protection Inspection, and that's three
17 people for one week. And we'll still have Restart
18 Assessment Team, that will be right before restart.

19 And the other thing I wanted to point out, when the
20 Licensee went through today their Restart Action, went
21 through the Restart Checklist and it turned things green
22 when they were complete. What that means, once it's green
23 and they've completed their work, that's when we can do our
24 inspection on that area.

25 So, we've been inspecting as they are done and we

1 mentioned at the beginning, that several of these will be
2 closing on in our current inspection report.

3 MR. GROBE: And there is just
4 one more that I remember, that you skipped over, and that
5 was the Programs Inspection. That inspection is well under
6 way, but there is still a little more to do. So, you know,
7 I guess, to give a general comment, we're kind of midstream
8 in our effort.

9 MR. RIDZON: I know it's out of your
10 hands. I know a lot of this is out of your hands, but can
11 you squeeze those inspections in before June 1st? I know
12 it depends on when things turn green.

13 MR. GROBE: You know, I'm not
14 into the schedule projection business. That's
15 FirstEnergy's responsibility. We can't inspect the work
16 until it's done. As Christine just pointed out, until
17 those bars go green, the work is not done. So, there is,
18 it's not ready for our inspection. As things are
19 completed, we are inspecting them. And, I will continue to
20 do that.

21 So, when the plant is ready for restart is when it's
22 going to be ready. The company shared a number of
23 activities that are still in the formative stages today.
24 They mentioned the high pressure injection pump. What's
25 referred to as the ETAP calculations; that's electrical

1 power distribution calculations; the diesel generator
2 evaluations.

3 Those evaluations are still being completed. Final
4 actions that are necessary to resolve those haven't been
5 crystallized. They're working on those. So, there is
6 still a couple of unknowns here.

7 We'll continue to progress. What's today, April
8 15th. We're going to have our inspectors here between now
9 and our next public meeting, and we'll continue to give you
10 feedback, but my statement, and some of the reporters kind
11 of get bored with this, but it hasn't changed over the last
12 several months. The company is still making good
13 progress. I think that they highlighted today the results
14 of the Integrated Leak Rate Test. That went very well. It
15 was a very complicated test. Requires a tremendous amount
16 of coordination. Went very well. And the results were
17 positive.

18 So, that's one more activity checked off the list,
19 but also an indication of the way in which they're
20 accomplishing. There is still three significant areas that
21 we're watching. There is what I call bulk work. There is
22 still a lot of work to be done.

23 Second is resolution of the engineering design
24 issues. They have made progress on a number of them. They
25 still have several that I just mentioned that are still

1 outstanding. We need to identify the success path and get
2 it under way.

3 And the third is the Safety Culture area, which
4 they're well under way in. And Doctor Haber has completed
5 her report. It will be public, I believe the company got
6 it this week, it will be public shortly. And they have now
7 completed their second internal assessment and our
8 inspection team has begun its work.

9 So, they continue to make progress, but there is
10 still work to be done. Those are the three areas that I
11 still see the challenge areas. And, you know, we'll get to
12 restart when we get there.

13 MR. RIDZON: Thank you.

14 MR. GROBE: Any more questions
15 or comments?

16 MS. LIPA: I would like to
17 mention that we will have another meeting tonight at 7:00
18 in the same facility. Also, that the upcoming monthly
19 meetings will be May 6 and June 3, and I have them
20 scheduled to be here at Camp Perry.

21 We also mentioned earlier in the presentation, we're
22 working on scheduling two other public meetings; one to
23 discuss the Design Issues and one to discuss the Safety
24 Culture. So, there is some upcoming events.

25 Anybody else have any questions?

1 Okay, well, thank you for coming.

2 MR. GROBE: Thank you.

3 (Off the record.)

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1 CERTIFICATE

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

8 IN WITNESS WHEREOF, I have hereunto set my hand and
9 affixed my seal of office at Norwalk, Ohio, on this 25th
10 day of April, 2003.

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Marie B. Fresch, RMR

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NOTARY PUBLIC, STATE OF OHIO
My Commission Expires 10-9-03.

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