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PUBLIC MEETING

Between U.S. Nuclear Regulatory Commission 0350 Panel
and FirstEnergy Nuclear Operating Company

Meeting held on Tuesday, October 7, 2003, at
7:00 p.m. at Camp Perry, Clubhouse #600, Oak Harbor,
Ohio, taken by me, Marlene S. Lewis, Stenotype
Reporter and Notary Public in and for the State of
Ohio.

PANEL MEMBERS PRESENT:

- U.S. NUCLEAR REGULATORY COMMISSION
- John (Jack) Grobe, Chairman for 0350 Panel
Davis-Besse facility
- Christine Lipa, Branch Chief, NRC, Region III
- William Ruland, Vice Chairman, MC 0350 Panel
- Monica Salter-Williams, Resident Inspector at
Davis-Besse facility
- Scott Thomas, Senior Resident Inspector at
Davis-Besse facility
- Jack Rutkowski, Resident Inspector at
Davis-Besse facility

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1 MS. LIPA: Okay, greetings!
2 Welcome to this meeting that we're having for the
3 public, and I'm Christine Lipa. I work for the
4 Nuclear Regulatory Commission. I'm the Branch Chief
5 in the Region III office near Chicago, and we had a
6 business meeting with FirstEnergy at 2:00 today, from
7 two to almost six, and the purpose of tonight's
8 meeting is to give you a summary of what we discussed
9 and then allow you all to come up and ask us
10 questions or to provide comments to us.
11 Before I get started, I want to mention that
12 there are copies of the October NRC newsletter in the
13 foyer and also copies of FirstEnergy's slides, copies
14 of the NRC slides that we used today, and then also a
15 public meeting feedback form that you can fill out to
16 give us feedback on how the meeting is going, and
17 we're also having this meeting transcribed today by
18 Marlene, so we'll all be sure to use the microphone,
19 and when people come up, we want to make sure people
20 speak clearly, state your name for the record and
21 give us your questions.
22 What I'd like to do is start off with some
23 introductions for the NRC folks that are up here at
24 the table. At the far left is Monica
25 Salter-Williams.

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1 MS. SALTER-WILLIAMS: (Indicating).

2 MS. LIPA: Monica is a Resident
3 Inspector at the Davis-Besse facility.

4 Next to Monica is Bill Ruland.

5 MR. RULAND: (Indicating).

6 MS. LIPA: Bill is a Senior
7 Manager with the Agency, and he's also with the
8 Nuclear Reactor Regulation, and he's the Vice
9 Chairman of the Davis-Besse Oversight Panel.

10 To my right is Jack Grobe. He's the Senior
11 Manager in the Region III office, and he's the
12 Chairman of the Davis-Besse Oversight Panel.

13 Next to Jack is Scott Thomas. Scott is the
14 Senior Resident Inspector at the Davis-Besse
15 facility.

16 Next to Scott is Jack Rutkowski. He's the
17 third Resident Inspector that we have here at
18 Davis-Besse.

19 MR. RUTKOWSKI: (Indicating).

20 MS. LIPA: Also in the audience
21 are some other NRC folks, we have Nancy Keller. She
22 was greeting in the foyer, and she's the office
23 secretary for the resident office.

24 We also have Viktoria Mitlyng --

25 MS. MITLYNG: (Indicating).

1 MS. LIPA: -- and she is in

2 Public Affairs in Region III.

3 We also have Sam Collins. He's the Deputy

4 Executive Director for our region in headquarters.

5 MR. COLLINS: (Indicating).

6 MS. LIPA: We have Jeff Wright.

7 MR. WRIGHT: Jeff is the team

8 leader for the Management and Human Performance

9 Organizational Effectiveness Inspection.

10 And Randy Baker is a Reactor Engineer in the

11 Region III office.

12 MR. BAKER: (Indicating).

13 MS. LIPA: I think that's it for

14 NRC.

15 The first thing I'd like to do is have Jack

16 Rutkowski provide a summary of what we talked about

17 during the business meeting, and then, after that,

18 we'll go right into comments and questions from the

19 public. Thank you.

20 MR. RUTKOWSKI: Thank you, Christine.

21 As Christine mentioned, we had a business meeting

22 with FirstEnergy Nuclear Operating Company.

23 We mentioned that -- the NRC mentioned,

24 Christine mentioned that the purpose of the meeting

25 was to discuss the licensee's progress on

1 implementing their Return to Service Plan, and also
2 in doing that to inform the public of the NRC's
3 Oversight Panel activities.

4 We had -- we did mention a -- provided a
5 quick summary of the September 10th public meeting.
6 During that meeting the topics discussed -- and a lot
7 of it is already in -- is in the handout if you have
8 it, plant response to the loss of transmission grid,
9 plant status on the closure of technical issues,
10 where they were on their Operational Readiness
11 Assessment Plan, where they were on the Quality
12 Assurance Oversight and actions that they needed to
13 take to anchor long-term improvement.

14 Christine did mention that transcripts of
15 that meeting will soon be ready on the NRC internal
16 web site.

17 Significant activities since that September
18 10th public meeting was -- included the issuance of
19 Integrated Inspection Report 03-017. There was a
20 public meeting with FirstEnergy on Safety Culture on
21 October 1st, 2003 and that the NRC had updated their
22 Confirmatory Action Letter.

23 Continuing NRC Activities were Safety Culture
24 and Safety Conscious Work Environment Inspection, a
25 Normal Operating Pressure (NOP) Inspection, which is

1 still ongoing, and continuing work on Restart
2 Checklist items.

3 Upcoming NRC activities include a public
4 meeting to discuss the results of the Corrective
5 Action Team Inspection and then Safety Health
6 Inspection. The System Health Inspection will be
7 tomorrow at 9:30 a.m. at the Davis-Besse
8 Administration Building. There is also an upcoming
9 meeting on -- not yet scheduled at NRC headquarters
10 to discuss the High Pressure Injection Pump Design
11 Modifications, and we do have coming up inspections
12 to look over the licensee's actions on their review
13 of inaccurate and incomplete records that they had
14 submitted. They will also have a restart readiness
15 assessment team inspection that will be just prior to
16 start-up and an inspection on the backlog of work
17 activities.

18 With that, the licensee made presentations
19 that were used to talk about where they were, some of
20 the issues that had come up during this inspection
21 period and since the last and to talk about their
22 plans for future activities. Specifically, there
23 was mention that there were personnel changes at the
24 senior level, mentioned was that Joe Hagan was the
25 new FENOC Senior Vice President overseeing

1 Engineering and Support Services, and that a plant
2 manager, Barry Allen, had been named for Davis-Besse
3 and will report to Mark Bezilla, Vice President --
4 Site Vice President.

5 The licensee also mentioned that in the
6 recent normal operating pressure test that they had
7 from their perspective fully met restart test plant
8 objectives. Specifically mentioned was a very low
9 leak rate, and that they also mentioned that they are
10 presently assembling an assessment document which
11 will be ready sometime next week and will be used as
12 a basis to request restart from the NRC. It was
13 mentioned that with the plant they have two Mode 4
14 approaches, that this -- the first Mode 4 which they
15 recently accomplished would allow them to concentrate
16 on paperwork in this outage and minimize the need for
17 doing a lot of additional paperwork next outage.
18 They also mentioned that during this last nuclear
19 normal operating pressure test they looked at
20 something like 1,300 components.

21 The licensee also mentioned that they had as
22 part of their overall restart activities and
23 preparations, they had brought in a strong management
24 team both at the senior level and at the manager
25 level.

1 They did mention Greg Dunn, who is their
2 Manager of Outage Management and Work Control, gave a
3 presentation on equipment challenges that they
4 experienced during the recent full operating pressure
5 test. It was characterized that the numerous
6 challenges that exercised their problem solving
7 ability. Specifically was mentioned a problem with
8 containment spray pumps where they had some
9 unexpected trips, and, eventually, they came to the
10 conclusion that it was caused by a Solid State Trip
11 Device, which is in their breakers. They said that
12 they are -- they sent one of the devices out and it
13 confirmed that it was the ground fault portion of
14 that trip device. They have developed an
15 engineering change, but have not yet reached a
16 decision on whether to implement that change which
17 would remove this trip from other similar devices,
18 and they are still looking at the extent of
19 condition; basically it occurred here, are there
20 other places in the plant which needs to be looked at
21 and evaluated. There were other examples that --
22 there were equipment challenges. There was a
23 question on pressurizer heaters. It's still on
24 their list to work, but basically has the same type
25 of breaker that they have in their containment spray

1 pump.

2 Another issue that was mentioned was the
3 Thermal Overload. They installed Thermal Overloads,
4 but in that installation design change and
5 subsequently there have been problems with some
6 unexpected trips and unexpected cases where equipment
7 did not trip where it should have based on the status
8 of the Thermal Overload. It was characterized as an
9 unintended consequence of the design change. There
10 was a question on -- it was stated that apparently
11 this was an issue with -- in the design, the design
12 was not as good as it could have been, but it's still
13 being evaluated.

14 There was also an issue with the Auxiliary
15 Feedwater Pump that was mentioned in this one
16 particular case they were doing a surveillance test.
17 They call the equipment operable upon further
18 investigation and trying to look at some words in
19 their procedures. They wound up having to declare
20 the pump inoperable in a short period of time later.

21 Another thing in the presentation by
22 FirstEnergy was discussions about their walkdowns in
23 containment and what they found at the normal
24 operating pressure. They did mention that they did
25 find about 163 items that ranged from not significant

1 to somewhat significant and looked at something like
2 1,342 components.

3 There was a question on a valve that has a
4 small steam leak that apparently was missed in the
5 first walkdown. A question of licensee replied that
6 based on the NRC who had identified that leak, they
7 did additional walkdowns and did find some additional
8 components on the additional walkdowns. They
9 weren't sure if they were missed or if they were
10 caused by time and actually a small thermal cycle
11 that had been imposed by a heat up and cool down.
12 Those were the equipment challenges.

13 The licensee also had a presentation on some
14 of the other challenges that they faced that fell
15 more into the personnel procedure arena. The first
16 one mentioned was a Core Flood Tank Valve. In this
17 instance the Core Flood Valve had come open and had
18 unintentionally or inadvertently pressurized the
19 decay heat removal system. The licensee had looked
20 at this and the causes that they came up with were
21 procedure guidance, operator performance and
22 training.

23 The next thing they mentioned was another
24 challenge that occurred later and just recently,
25 while coming down, cool down after the NOP -- after

1 the pressure test, they experienced a reactor trip.
2 They had ~~root~~ group one rods, which are four rods pulled,
3 and unexpectedly they hit a trip set point in those
4 four rods moved into the core. The causes again
5 were procedure guidance, operator performance and
6 training, and also had mentioned that there were some
7 incomplete job briefs. The questions that the NRC
8 had on that were what was really the performance
9 issue. There were questions on, yes, these were two
10 separate events, but the causes appear to be the same
11 and what is the collective significance, or is there
12 a collective significance. The licensee did a
13 report that they have a Collective Significance
14 Evaluation which should be completed in the near
15 future.

16 Also during the pressure test, the licensee
17 reported that they had -- they had teams of managers
18 and outside people, peers, industry peers, looking at
19 their performance mostly in the control room. It
20 was reported that peers from outside the Davis-Besse
21 organization, people that are not FENOC employees,
22 tend to be more critical of performance than
23 Davis-Besse employees.

24 All right, also they mentioned that newer
25 management appears to be more critical, and newer

1 management is basically -- a short time ago outside
2 the FENOC operation or at least outside the
3 Davis-Besse organization.

4 Also mentioned that at particular times the
5 shift manager, who is the person on shift, who is
6 responsible for keeping the big picture, sometimes
7 had a tendency to get more involved in the action and
8 might have lost some of the big picture, that was
9 reported in their assessments.

10 It was also mentioned in these assessments
11 there appear to exist differences in operational
12 pre-job briefs and standards that are used outside
13 with industry leaders in other plants.

14 Basically there were questions on how do all
15 of these events tie together, how do all the
16 assessments tie together. The licensee basically
17 said that the performance that was experienced during
18 these two events must be improved.

19 The NRC did have questions of when the **plant plan**
20 would be in place and when we would see assessments
21 on it.

22 The licensee also presented results from
23 Quality Assurance Inspections which were also being
24 done in parallel with the peer assessments and the
25 managerial assessments in the control room, and

1 basically Quality Assurance confirmed comments that I
2 just made before. The Quality Assurance results
3 also had a statement that Emphasis on Control Room
4 Activities and organizational response to ~~emergence~~ emergent
5 issues. The comment they had was that collective
6 significance could have benefit from other areas from
7 looking at other areas such as training and some of
8 the root causes, and then they took a look at some of
9 the events that have occurred.

10 The licensee then concluded with talking
11 about the remaining actions for restart, and they
12 listed in there the hardware issues that are
13 remaining which include Electrical Transient Analysis
14 Program -- ETAP modification, high pressure injection
15 pump modifications, repair to containment air
16 coolers, electrical breaker coordination
17 modification, and they needed to finish some air
18 operated valve work, and then some of those were at
19 the end of this month and extended into next month.

20 The NRC questioned that there were dates for
21 hardwares, but that there were questions on the soft
22 issues, the performance issues, and what the licensee
23 was going to do about it, and that concluded the
24 basic public meeting. There was -- that concluded
25 the public meeting.

1 MS. LIPA: Okay, well, thanks,
2 Jack. I guess I would just like to highlight a
3 couple things from my perspective that we discussed
4 this afternoon. We talked about the normal
5 operating pressure test, which was that the licensee
6 went from a cold shutdown to normal operating
7 pressure, held there for about eight or 10 days and
8 then cooled back down to cold shutdown. During that
9 time there were a couple of equipment issues and a
10 couple of performance issues. We talked about those
11 issues, and we talked about that in upcoming public
12 meetings, we'd like to hear more about what the
13 licensee plans to do, especially on performance
14 issues. They have some evaluations planned to
15 determine what the causes were. Once they determine
16 those causes we want to hear what the reactions their actions are
17 before restart.

18 A couple things I'd also like to point out in
19 the newsletter, first of all, if I could get a show
20 of hands, do we have enough newsletters? Did
21 everybody get a copy out there? Anybody can let me
22 know if they did not get a newsletter.

23 THEREUPON, the audience responded.

24 MS. LIPA: Okay, that sounds
25 pretty good so far then.

1 In this newsletter, on the third page is the
2 Davis-Besse Restart Checklist is where it starts in
3 the middle of the page, and that's a listing of all
4 of the items that need to be resolved before restart
5 is even really discussed, and right now 18 of those
6 31 items are closed and the NRC has plans to evaluate
7 each of these before the restart decision.

8 The other thing that's important on this
9 newsletter is the back page has contact information
10 and how you can reach our Public Affairs folks. It
11 has phone numbers, E-mail addresses. It also has the
12 Davis-Besse web site address on there, and there is a
13 lot of other important documents on Davis-Besse.

14 Upcoming we have a public meeting on site
15 tomorrow morning at 9:30. It's at the Davis-Besse
16 Administration Building, and that's to talk about the
17 recent health inspection that we've completed.

18 Also November 4th is our next monthly public
19 meeting, and that will be held at the Oak Harbor High
20 School, and there are some other public meetings we
21 have coming up to discuss results of some other
22 activities.

23 Also, as mentioned in the monthly newsletter,
24 we have received thousands of letters from
25 individuals expressing concerns to us, and we do plan

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1 to read and respond to those letters.

2 That's about it that I had for highlights
3 unless anybody else wants to add any comments.

4 (NO AUDIBLE RESPONSE).

5 MS. LIPA: What I'd like to do
6 now is go into public questions and comments, and,
7 like I mentioned before, come on up, state your name,
8 we'll start with local members of the public first,
9 state your name for the transcriber. There is also
10 a sign-in sheet, and if you want us to get back to
11 you annotate it on there with your phone number, and
12 we'll try to hold everybody to five minutes so that
13 we can get everybody in. There's a lot of people,
14 but, go ahead, so if anybody has comments or
15 questions for us, come on up.

16 MS. CABRAL: Hi, my name is Barb
17 Cabral from Port Clinton, and my question has to do
18 with procedures. In one discussion I had heard
19 somebody mention that when it refers to that there
20 was -- during the pressure testing one of the
21 procedures that was being followed was the incorrect
22 procedure. I don't know if you have any information
23 on what that was about, and how it could be that they
24 were following the wrong procedure, and also who is
25 responsible for writing the procedures and making the

1 changes now that some of the equipment has been
2 changed, and are all of these procedure rewrites
3 finished and up-to-date at this point?

4 MS. LIPA: Those are good
5 questions. I think Scott can probably answer the
6 first one better than I can, and then I'll cover
7 whatever else that Scott can't.

8 MR. THOMAS: Yeah, I don't think it
9 was a question of not following the correct
10 procedure. There were some procedure deficiencies
11 that were recognized during the NOP test, so it
12 wasn't a question of not having or following or using
13 the correct procedure. It was there were some
14 improvements that needed to be made to the existing
15 procedures.

16 The second question, I think, had to do with
17 who writes the procedures, was that --

18 MS. CABRAL: Uh huh.

19 MR. THOMAS: It depends on the type
20 of procedures -- there is procedures for maintenance,
21 engineering, operations. The -- I guess to make a
22 short answer to your question, the licensee writes
23 the procedures. Normally, if there are deficiencies
24 determined or recognized during the performance of
25 the procedures, then the Operations Department has a

1 process where they initiate a change for them and the
2 procedures are upgraded or updated using that
3 process, so -- was there a third question?

4 MS. LIPA: The third question was
5 the equipment changes and updated procedures, and I
6 think that has to do with the modification processes
7 that the licensee changes or changes part of a system
8 like a pump.

9 MR. THOMAS: Right, that would be
10 kind of an inter-department question with input from
11 engineering and operations, and then it gets back to
12 what's the purpose of the procedure, is it to control
13 an engineering process, a maintenance activity, to
14 conduct operation of the plant. That would determine
15 who writes it and who updates it and approves it.

16 MS. CABRAL: Does the NRC oversee any
17 of that or no?

18 MR. THOMAS: As part of our
19 inspection process, we look at the performance of the
20 procedures as well as whether those procedures
21 accurately perform or the acceptance criteria that's
22 contained within the procedure is correct and
23 adequate to ensure the operability of safety related
24 systems, so in that aspect we do look at the
25 procedures and how they implement them.

1 MS. CABRAL: Are these full-time
2 employees that are writing these procedures or are
3 these more of the -- because I know there is a lot of
4 contract people that are working there. Are they
5 hired out?

6 MR. GROBE: Let me just provide a
7 little broader context, and make sure you understand.
8 Is this working all right? Can you hear me?

9 MS. CABRAL: (Indicating).

10 MR. GROBE: Oftentimes people these
11 days are using the words safety culture, and that
12 embodies a whole bunch of attributes and how you
13 operate or work in a group, but one of the most
14 important attributes is that activities that are
15 controlled in a careful, disciplined, methodical way
16 that everything, before you do anything you think it
17 through, plan how you are going to do it and you
18 accomplish it in accordance with that plan. But
19 consequently the NRC has requirements, that anything
20 in the context of safety has to be specified in a
21 procedure, and there are thousands and thousands of
22 procedures on site, everything from starting a pump
23 to the specific procedures we were talking about this
24 afternoon are for fairly complicated procedures.
25 One is called the start-up procedure. One is called

1 heat up, cool down and shutdown, and those are what
2 are referred to as integrated operating procedures.
3 They are fairly lengthy, maybe a couple hundred
4 pages, and they're very involved. There's a lot of
5 things that happen when you're taking a plant through
6 those kinds of evolutions. These procedures exist
7 today. They existed last year. They existed since
8 the plant has started up, and they have been revised
9 and modified and upgraded over the years. All of
10 that is the responsibility of the utility to
11 accomplish, but they are required to do it by NRC
12 safety regulations, so even the smallest activity,
13 testing a needle, which might be a three, four, five
14 page procedure, is very detailed on the purpose, the
15 requirements and precautions and every step that
16 needs to be taken, and then the utility is required
17 to follow that procedure, and if they can't follow
18 the procedure for some reason, if the procedure is
19 inadequate, they are required to stop and revise the
20 procedure in a very methodical way to make sure it's
21 right and then start the work again, so these
22 activities are things that the Resident Inspectors
23 look at every day, whether it's a testing activity or
24 maintenance activity or operating activity, all of
25 those are prescribed by procedures, and that's a big

1 part of their lives, watching the people at the plant
2 do their work, making sure that the procedures are
3 appropriate and adequate and that they're following
4 the procedures and that they're accomplishing the
5 work safely, so all of these activities are
6 accomplished as far as the writing of the procedures
7 and doing the work by FirstEnergy people and
8 inspectors who are on site every day observing those
9 activities.

10 MS. CABRAL: Thank you.

11 MR. RULAND: You also asked a
12 question about who writes these procedures, some
13 licensees choose to have their own employees. It
14 could be the FENOC employees write them and some
15 licensees also choose to have contractors do it and,
16 frankly, while it's a licensee's responsibility
17 overall to do it, basically it is their choice who
18 actually does the revisions.

19 MS. LIPA: Thank you. Does
20 anybody else have any questions or comments for us?

21 MS. LUEKE: Hi, I'm Donna Lueke,
22 and I have one question and a statement.

23 The question was that when the reactor head
24 was first discovered to have a problem, one of the
25 things that FENOC told us was that they were going to

1 have a new improved system of portholes and cameras
2 installed, and I believe that wasn't originally, they
3 figured the timing frame would be about two years, it
4 wasn't necessarily going to be installed before
5 start-up.

6 Is that system installed now since we are
7 coming on to almost two years?

8 MS. LIPA: I know for one of the
9 things that I think you're referring to is the
10 service structure on top of the vessel head, they put
11 in access ports so that they can get in to take a
12 better look at the nozzles through the top, those
13 access ports are in.

14 The second thing you asked about was the
15 cameras?

16 MS. LUEKE: Uh huh.

17 MS. LIPA: I don't believe
18 there's any permanent cameras. I believe it's the
19 portholes to allow the camera crawlers to go in and
20 look around. Is that what you're talking about --

21 MS. LUEKE: Yeah. Are you
22 satisfied at this point that that will give you much
23 better access to seeing any problems that may develop
24 like happened before that were not seen? In other
25 words, are you confident that what the changes are

1 that they've made will allow you to see any problems
2 that were not able to be seen before?

3 MR. GROBE: Yeah, Donna, there is
4 no reason that the access ports shouldn't be
5 adequate, but those inspections are going on right
6 now as we speak. I believe the bottom head
7 inspections should be complete. They were going on
8 all day yesterday and today, and I believe the upper
9 head inspections began sometime early today and that
10 will be continuing, so our inspection and evaluation
11 of the adequacy of those inspections is ongoing, but
12 this same modification has been installed at every
13 Babcocks and Wils -- excuse me, Babcock and Wilcox
14 reactor in the United States, and Davis-Besse was the
15 last one to install these portholes, and they have
16 been effective at the other plants, so there is no
17 reason to believe that they wouldn't work here also.

18 MS. LUEKE: And so they are here?

19 MR. GROBE: We will provide the
20 results of our inspection when the inspection is
21 done.

22 MS. LUEKE: Okay.

23 MR. GROBE: But -- and those are,
24 like I said, those inspections are ongoing.

25 MS. LUEKE: They are ongoing right

1 now, so you don't know the answer?

2 Okay, and I have been asked to read a letter
3 from the Kelleys Island Citizens Group because no one
4 could be here tonight. They have written a letter
5 to Mr. Berg and Mr. Caldwell.

6 On behalf of the Kelleys Island residents who
7 have strong interests in surviving a nuclear accident
8 at the Davis-Besse Nuclear Power Plant but are unable
9 to attend evening meetings on the mainland due to the
10 logistics and expense of ferryboat travel, we wish
11 the Nuclear Regulatory Commission and FirstEnergy to
12 know that we strongly oppose the reactivation of
13 nuclear power generation at Davis-Besse.

14 Over 150 Kelleys Island residents have
15 already signed a petition opposing the reopening of
16 Davis-Besse.

17 Kelleys Island is directly northeast of
18 Davis-Besse by 16 miles. The prevailing southwest
19 winds would blow radioactivity on us within minutes.
20 No plan exists for evacuation of Kelleys Island
21 inhabitants and visitors, nor is there any practical
22 evacuation possible.

23 Because Lake Erie is the main tourist
24 attraction in Ohio and visited by millions every
25 year, the economic loss resulting from a nuclear

1 accident at Davis-Besse would be devastating to all
2 of Northern Ohio. The injuries and resulting
3 illnesses to all those contaminated in this
4 population center would also be catastrophic.

5 We invite the Nuclear Regulatory Commission
6 representatives to visit Kelleys Island to hear our
7 concerns. And we also implore you to keep
8 Davis-Besse closed from nuclear power generation.
9 And it's respectfully submitted with the names, so I
10 give a copy here.

11 MR. GROBE: Thank you very much.
12 Just one comment in response to that letter. Where
13 did you say Kelleys Island is? I've never been
14 there. Is it 16 or 60 miles?

15 MS. LUEKE: 16.

16 MR. GROBE: 16. There's an
17 emergency planning zone that does extend -- by the
18 way, I have never heard of Ohio referred to as the
19 mainland before.

20 MS. LUEKE: Yeah.

21 MR. GROBE: -- that extends
22 roughly 10 miles in all directions, both over land
23 and water, and that emergency planning zone is
24 established based on the areas that may need to be
25 evacuated in the event of a release of radioactivity

1 from the nuclear power plant. It's entirely
2 possible that the utility has not engaged in an
3 evacuation planning of Kelley's Island, but I'm
4 certain that the County and State have emergency
5 response plans for all areas of the County and the
6 State, but, as far as the Nuclear Regulatory
7 Commission is concerned, the limited boundaries is 10
8 miles from the plant, and that's based on the need to
9 protect the people in those areas in the aftermath of
10 a nuclear accident if it should occur at the nuclear
11 power plant. Thank you, Donna. Yes, sir.

12 MR. KING: My name is John King,
13 and I work at Davis-Besse as a contractor, and, you
14 know, we're talking about the control room, the other
15 fellows working in there, and all these people in
16 there to help these guys, well, I know of no set
17 number of people being able to help these guys. You
18 get so many people in there that because of
19 distraction -- I was in there the other day doing a
20 test myself, and I was a little pressured with all
21 these people standing there. There's a lot of people
22 in there just trying to help, but sometimes we go a
23 little too far with all these people in there, and
24 they're not helping. You're distracting, put a lot
25 of pressure on these guys. These guys are doing a

1 really good job, but with a lot of pressure, lot of
2 people, sometimes you get distracted, and I don't
3 know if that was the cause of the problem or what it
4 was, but I believe that really has to put extra
5 pressure on them, and sometimes we fail in getting
6 things right, and I think there should be some kind
7 of a rule, a number of how many people can be in that
8 room because it was packed. Thank you.

9 MS. LIPA: Did you say you were
10 an operator or --

11 MR. KING: No, I'm a contractor.
12 We were doing a test, and I was in there reading
13 instrumentations.

14 MS. LIPA: Okay. Thank you.

15 MR. GROBE: You're talking about
16 the control room?

17 MR. KING: In the control room
18 itself, right.

19 MR. THOMAS: I guess the only
20 comment I have with that is the operating crews that
21 are in the control room are granted licenses by the
22 NRC to operate the facility. It's incumbent upon
23 them if they feel that the personnel in the control
24 room are, in fact, a distraction. It's their
25 responsibility to remove those individuals that

1 aren't part of the operating crew, remove them from
2 the control room or ask them to leave, so I would say
3 that that's the responsibility of the senior
4 management on shift, operations management on shift,
5 so --

6 MR. GROBE: Just one thing to add,
7 we've had these folks, our Resident Inspectors,
8 working very hard, and they have observed every major
9 planned evolution that has occurred over the last
10 several weeks, spent a great deal of time at the
11 plant, and if our inspectors -- that's one of the
12 issues that they are keenly focused on, if our
13 inspectors feel that there were reasonable
14 distractions at the plant, that would be a procedural
15 violation. There's a conduct of operations procedure
16 that talks to that specific issue, and they would
17 certainly bring that to the attention of the plant
18 management. It's good to have a lot of people
19 observing activities and learning from things, but
20 it's certainly not good to have distractions in the
21 control room, and that's something we pay attention
22 to and the utility also pays attention to, so I
23 appreciate your comments, John.

24 MR. TSCHERNE: Thank you, my name is
25 Larry Tscherne. I'm the business manager of IBEW

1 Local 245. We represent approximately 200 employees
2 at Davis-Besse on the physical side. You know, over
3 the duration of this whole time period here, I have
4 had an opportunity to talk to a number of our members
5 who are there day and night, and I guess I just
6 wanted to come here tonight to let you know that the
7 ownership, and I think that's a key word, the
8 ownership that the employees have in that plant is
9 second to none. You know, I understand there was a
10 problem here last week. Every year we have the
11 opportunity to attend a Nuclear Reactor Operator's
12 conference within the IBEW. We take representatives
13 from Davis-Besse to that meeting, and I'm here to
14 tell you representatives that we take are second to
15 none. I'm not ashamed to walk into a room with any
16 of these guys. They're extremely professional.
17 They're well trained, and they're ready to get going,
18 and I mean that for all sides of the craft. Thank
19 you.

20 MS. LIPA: Thank you.

21 THEREUPON, the audience applauded.

22 MS. LIPA: Anybody else have any
23 comments or questions?

24 MR. DUNN: Brian Dunn. I'm with
25 a citizens campaign, Ohio Citizen Action, and I'm

1 really here to state that citizens across Northern
2 Ohio are really well informed of the problems at
3 Davis-Besse, and while the plant's identified more
4 problems over the 20 months that it's been off line,
5 citizens across Northern Ohio sent 30,000 letters to
6 FirstEnergy, both to Board members and to CEO Peter
7 Berg, and these are handwritten letters. They are
8 personal letters. They are from neighbors. They are
9 from customers. They are even from shareholders, and
10 FirstEnergy has not responded to one of these
11 letters.

12 Because we have burdened FirstEnergy's
13 leadership of failed respond, we request that as part
14 of the public record the NRC note that these 30,000
15 letters have been sent, and we really wonder how many
16 letters it takes to get a response. Is there any
17 number that's recommended or, you know, a million
18 or --

19 MR. GROBE: Brian, you're asking
20 the wrong group of people here.

21 MR. DUNN: Sure, sure. Well, we
22 noted that the NRC noted in their newsletters that
23 there are going to be responses, so the real question
24 is, I mean, is this the activity of a company that's
25 concerned with public comment and response?

1 MR. GROBE: Again, I don't
2 regulate their public relations department. We
3 regulate the nuclear safety aspect of the plant.
4 I'm gratified that the citizens, from your
5 perception, are well informed. That's something we
6 have been working very hard at. We've had some 65
7 public meetings in the last 19 or 20 months, and we
8 will continue to meet regularly with the public and
9 continue to have ~~forms~~ forums like this one to ensure as
10 best we can that the citizens are well informed. We
11 will be responding to the letters that we received.
12 As I'm sure you can appreciate, that's a nontrivial
13 task. We're reading every letter, and we're
14 responding to those letters that we receive, so we
15 appreciate the input that we've had from your
16 organization.

17 MR. DUNN: Sure, great. Thank
18 you. We have some more letters to deliver --

19 MR. GROBE: Okay.

20 MR. DUNN: -- as an example.

21 MS. LIPA: Are those for us or
22 for FirstEnergy?

23 MS. BUCHANAN: These are for
24 FirstEnergy. We've brought them here tonight to
25 deliver to them.

1 MS. LIPA: Is there anyone else
2 who has a comment or question for us?

3 MR. GREVE: Yes, I do.

4 MS. LIPA: Okay.

5 MR. GREVE: Hi. My name is Eric
6 Greve. I've lived at various locations across
7 Northern Ohio -- Bowling Green, Toledo, Akron and
8 Cleveland, and along with Brian Dunn --

9 MR. GROBE: Could you raise the
10 microphone just a little bit?

11 MR. GREVE: Sure. I'm a little
12 bit taller than Brian. I'm -- along with Brian, here
13 with Ohio Citizen Action, and I'm here to add to your
14 not so trivial task. In the last month, 612 more
15 citizens of Northern Ohio have written handwritten
16 letters which I have here with me. In addition, 910
17 folks have added their name to a sign-on letter over
18 the phone, both of those expressing their concern
19 over the mismanagement here at Davis-Besse and urging
20 the NRC to keep the plant off line, and then also
21 again this is one of those things that is outside of
22 your purview, but I just wanted to bring it to the
23 NRC's attention that we are also going to be
24 presenting some petitions to the County Commissioners
25 of Cuyahoga, Lorain, Lake and Erie Counties, some

1 petitions. I can just read one to you, which states
2 as residents of -- whichever county they live in --
3 we urge you to support a permanent shutdown of the
4 Davis-Besse Nuclear Power Plant to protect public
5 health and safety at Lake Erie. Again, just wanted
6 to bring that to your attention of the interest in
7 the citizens of Northern Ohio to keep the plant off
8 line. Thank you.

9 MS. LIPA: Thank you.

10 MR. GROBE: Just an observation, we
11 conduct these meetings in Ottawa County because it's
12 the residents of Ottawa County that have a direct
13 relationship with the operation of the plant, both
14 positive and potentially negative, so I think Erie
15 County is in the far northeastern corner of the
16 State, isn't it?

17 MS. BUCHANAN: It's right next door.

18 UNIDENTIFIED: Right downwind.

19 MR. GROBE: Well, I appreciate the
20 inquiry. Did you say you had some letters for us?

21 MR. GREVE: Yeah, I'll give to --
22 to you?

23 THE REPORTER: (Indicating).

24 MR. GROBE: Thank you very much.

25 MS. LIPA: Does anybody else have

1 any comments or questions for us?

2 MS. WEIR: Hi. I'm Shari Weir,
3 and I have a question. I remember last spring that
4 there was considerable discussion between the NRC and
5 FirstEnergy about how the reactor would be inspected
6 after the pressure test to determine if there were
7 any leaks, and it's my recollection that FirstEnergy
8 was saying they would do it visually, and that the
9 NRC was making the point that a swipe test using a
10 special tissue would be better for identifying minute
11 traces of Lithium, and, now, you know, it looks as
12 though the NRC is doing the same sort of thing
13 that -- that it did back in 2001 when the NRC was
14 pushing for FirstEnergy to close Davis-Besse and do
15 the inspection, FirstEnergy was saying, oh, no, no,
16 no, we don't have any problems, and the NRC let
17 FirstEnergy keep the plant running six weeks as a
18 compromise, and, now, again, it looks as though the
19 NRC has yielded to FirstEnergy's wishes to just do
20 the visual inspection, and then today FirstEnergy
21 tells us, well, we -- we have this -- these new
22 cameras, new technique not being used by any other
23 nuclear plant in the United States, but given that
24 they are a utility who can't operate the equipment
25 that they have had for the last 20 some years, it

1 doesn't give us any confidence that they can, in
2 fact, operate this and also makes us wonder if it's
3 not happening anywhere else in the U.S., how's the
4 NRC in terms of making sure that it works?

5 MR. RULAND: It was -- you had a
6 number of questions imbedded in your long question,
7 and if I could try to -- try to elicit from you to
8 break this question up into pieces. I think one
9 part of your question was, what is the NRC doing
10 industry-wide for reactor -- for bottom head
11 inspections. Is that one of your questions?

12 MS. WEIR: No, not really
13 industry-wide, just with Davis-Besse.

14 MR. RULAND: If you recall, there
15 was considerable discussion going back as far as at
16 least November where the NRC had several meetings
17 with FirstEnergy, public meetings where they
18 submitted their findings, including their findings of
19 any testing they did on the effectiveness of their
20 NOP test.

21 In addition, the NRC staff continued to study
22 not only what Davis-Besse was -- the findings of
23 Davis-Besse, but the findings industry-wide, so,
24 taking that whole picture, we then asked Davis-Besse
25 to -- the FENOC management to send us a letter

1 describing the purpose of their normal operating
2 pressure test with respect to bottom head leakage.
3 In that response, they stated that while they were
4 doing the normal operating pressure test, that test
5 was confirmatory in nature, and they already
6 believed, based on the characterization of what they
7 found when they did the inspection of their bottom
8 head, that the NOP test was only confirmatory in
9 nature; meaning, it wasn't a requirement by the NRC
10 to do that test. Our experts in headquarters
11 examined the licensee's rationale, and completely
12 understanding what the licensee could have done and
13 what the evidence was that they had, we felt we were
14 comfortable with the licensee's conclusion. We saw
15 no basis to object to their conclusions that the test
16 was only confirmatory, that they, in fact, that the
17 indications underneath the reactor vessel head were
18 not indicative of pressure boundary leakage under
19 there, and that's what we concluded, but because
20 we're continuing to look for problems in spite of the
21 fact we thought the test was only confirmatory, both
22 the licensee is doing their visual inspection that is
23 consistent with what the industry is doing, we -- and
24 they're sending a crawler underneath, which is over
25 and above what our bulletins has asked licensees to

1 do, the NRC is continuing to inspect this area, so,
2 that's kind of a long-winded answer to -- let me
3 summarize, we're at this stage we're not objecting to
4 the position that FirstEnergy is taking with regard
5 to the -- their normal operating pressure test.

6 MR. GROBE: Let me add a little
7 more to that, if I could. First off, I hope that
8 you never expect us to not ask hard questions, and we
9 ask very hard questions on essentially every topic we
10 address with FirstEnergy. On a daily basis, this
11 resident inspection staff is asking hard questions
12 and you get an opportunity to see us a couple times a
13 month in a public forum asking questions. Questions
14 are not positions or decisions. They're just hard
15 questions that need answers, and the specific
16 question you're talking about concerned whether or
17 not a Lithium wipe test was necessary in the bottom
18 head. The American Society of Mechanical Engineers,
19 commonly referred to as ASME, specifies what types of
20 testing in pressure vessels need to occur, and we
21 endorse those requirements, and after every outage
22 when a reactor vessel is opened up and then
23 reassembled, there's a requirement to do a pressure
24 test, and that pressure test normally occurs for a
25 period of roughly four to six hours, and the purpose

1 for the time in that test is to allow, if there is
2 any leakage, to allow that leakage an opportunity to
3 get through insulation and things of that nature and
4 actually show up in a place that an individual could
5 see it. FirstEnergy, because of the question that
6 they had regarding a potential leak on the bottom
7 head, as well as the new reactor head itself that
8 they purchased from the Indo plant, committed to do a
9 seven day pressure test, which is far beyond the
10 ASMI, American Society of Mechanical Engineers,
11 codes, for pressure testing for the pressure vessels.

12 The questions that we asked concerned the
13 likelihood of leakage and the best way to detect it,
14 and after evaluating all of the evidence, including
15 the chemical evidence, the visual evidence, it
16 appeared to the experts in Washington that work at
17 the office of Nuclear Reactor Regulation, as far as
18 metallurgist to chemist that deal with these kinds of
19 things day in and day out, that there was no reason
20 to believe the bottom head nozzles were leaking, but
21 the evidence was, in fact, that the material that was
22 observed on the sides and bottom of the reactor
23 vessel had come from up above, it was not coming from
24 penetrations, so as Bill articulated, while there was
25 no reason to argue with their conclusion, this is

1 simply a confirmatory test. It's a confirmatory
2 test that is far beyond the requirements.

3 In addition to that, FirstEnergy did research
4 that demonstrated that they could detect leakage down
5 to one ten-thousandth of a gallon per minute and
6 we -- they presented that to us in a public meeting.
7 We discussed that. We evaluated their test
8 methodology for how they showed what they could
9 detect in seven days, and that's far below any
10 threshold that other folks would be able to detect
11 from the ASMI required test, so this test was an
12 extremely conservative test far beyond our
13 requirements, and our folks in Washington concluded
14 that -- those that are experts in this area concluded
15 that the questions that we were asking were
16 adequately addressed through the test procedure that
17 FirstEnergy adopted.

18 I think I heard you ask another question and
19 that had to do with, I think, the FLUS Monitoring
20 System; is that correct?

21 MS. WEIR: Uh huh.

22 MR. GROBE: The question I believe
23 you asked was, since this is the only one of a kind,
24 where does anybody have the expertise to evaluate it?
25 Was that the question?

1 MS. WEIR: Yeah, basically the
2 only one in America is what I understood.

3 MR. GROBE: The FLUS Monitoring
4 System, FirstEnergy did take the initiative to be the
5 first plant in the United States to install this type
6 of monitoring system. It detects humidity inside
7 the insulation but outside the reactor vessel in the
8 region of the lower head of the reactor, and no other
9 utility in the United States is currently using this
10 technology. It's not required by us, and it's not
11 likely going to be inspected by us because it's not
12 part of the required safety systems, but it does
13 provide additional data, and they took the
14 opportunity of this normal operating pressure test to
15 calibrate that system, and they indicated that they
16 will be incorporating it into their normal monitoring
17 processes, but it's not part of the NRC required
18 technical specifications for the plant, and it's not
19 going to be required as of right now at any other
20 plant, so, again, this is beyond our requirements for
21 reactor coolant system leakage, and it's interesting
22 information that FirstEnergy has available to them
23 that other nuclear plants do not have available to
24 them.

25 MR. RULAND: One more thing, if I

1 could add, the licensee, FENOC, completed 80% of
2 their inspections, I think, effective basically the
3 beginning of this meeting, and identified no leakage.

4 MS. WEIR: Thank you. Tough
5 questions are good. I think what we need at this
6 plant are more than tough questions. Thank you.

7 MS. LIPA: Any other questions or
8 comments for us? Yes.

9 MS. BUCHANAN: My name is Sandy
10 Buchanan. I wanted to ask a couple questions about
11 safety culture, but, first, even though I know you
12 probably think you're spending too much time in Ohio,
13 I guess we ought to invite NRC and your colleagues to
14 spend more time here, as I do vacation in this area
15 every summer and see what it would be like if there
16 were an evacuation attempted in this area with the
17 type of congestions; one lane roads, if something
18 were to happen in the event of an accident, and, by
19 the way, the Islands are not included in your
20 evacuation plan, and we were told by one of the
21 County officials that that's no problem because those
22 people there are so resourceful, they'll figure out
23 what to do. Now, at an October 2nd --

24 MR. GROBE: Is it true?

25 MS. BUCHANAN: Pardon me?

1 MR. GROBE: Is it true?

2 MS. BUCHANAN: I don't know, what are
3 you going to do in the event of a nuclear accident,
4 and you're on an Island?

5 MR. GROBE: No, I was asking
6 whether the Kelleys Island people are resourceful.

7 The fact of the matter is, that the emergency
8 planning zone is set at a distance that is
9 appropriate for a hazard.

10 MS. BUCHANAN: Well, I think that's
11 ridiculous. I think 16 -- if you could see the area,
12 I think you would agree.

13 On October 2nd The Akron Beacon Journal
14 reported that FirstEnergy says that in the fourth
15 quarter of 2004 it will hire an independent safety
16 culture expert to review the status of safety
17 culture, and I guess one of my questions is, if we're
18 going to wait -- if they're going to wait until the
19 fourth quarter of 2004 to have an independent
20 evaluation, and safety culture has been the crucial
21 issue here, how is the NRC going to be able to decide
22 whether to restart this plant without having seen
23 this independent evaluation?

24 MR. GROBE: Let me take a shot at
25 that.

1 MR. RULAND: All right.

2 MR. GROBE: Let me first comment

3 that there have been times where it's not appropriate

4 or convenient -- convenient is not the right word,

5 efficient to conduct public meetings here in the

6 Ottawa County area, and this meeting that you're

7 referring to was conducted in Chicago for that very

8 reason because we had a number of people from the

9 Chicago office that needed to participate, so it was

10 more cost effective for us to move FirstEnergy to

11 Chicago than it was to move Chicago to FirstEnergy.

12 When we do that, we offer the opportunity for the

13 public to participate. I believe for this meeting we

14 had a hundred toll free phone lines, which I hope you

15 took advantage of. At one point I think we had over

16 70 lines occupied, and so that means 70 folks from

17 across the United States took the opportunity to

18 listen into that meeting. There's a number of

19 activities assessing safety culture that are ongoing

20 and will continue after restart. One of the

21 outcomes of that meeting last Thursday, I guess --

22 MS. LIPA: Wednesday.

23 MR. GROBE: -- Wednesday, was

24 there was additional information that is necessary

25 for FirstEnergy around the particular area that

1 you're focusing on, but prior to restart, as you're
2 well aware, there was an independent safety culture
3 assessment as well as periodic internal safety
4 culture assessments. The NRC, as a matter of fact,
5 the fellow that's sitting right behind you, Jeff
6 Wright, is the team leader of the inspection team,
7 incidentally, with how FirstEnergy is conducting
8 those assessments and evaluating or adding, but after
9 restart, the licensee described their process for
10 continuing to evaluate safety culture of the plant
11 and it was a multi-pronged process.

12 First, there's going to be a monthly
13 assessment that is going to be primarily those
14 aspects of safety culture that are more easily
15 measured -- numerically measured, evaluating things
16 that are less, what I'll say soft, less -- the kind
17 of image that you would need an industrial
18 psychologist, for example, so those will be happening
19 monthly, and they'll be reported to management, and
20 we'll have access to that information, and then on an
21 annual basis, the Quality Assurance Department which
22 currently reports to the Corporate office of
23 FirstEnergy, will no longer associated with the
24 cellar association of Davis-Besse, will be doing an
25 independent assessment and will be describing to us

1 as utilizing the same techniques and approaches that
2 performance safety and health associates used, which
3 is Dr. Haber's group, in February of this year, and
4 that would be conducted on an annual basis.

5 In addition to that, once every 24 months
6 FirstEnergy would utilize their comprehensive, on
7 site independent -- excuse me, assessment technique.
8 It's very similar to -- and it was described as being
9 very similar to what they're using prior to restart
10 to evaluate the safety culture, and, as you
11 indicated, in the fourth quarter of 2004, they would
12 then again bring a completely independent group of
13 experts outside the organization to come back in and
14 benchmark where they are, so there will be a
15 continuous assessment with these monthly evaluations
16 and the annual evaluations and biannual evaluations,
17 which would then again be benchmarked in the fourth
18 quarter of 2004, so it's a much more comprehensive
19 now assessment approach than what you first
20 described.

21 The difficulty we have is that the procedures
22 and guidance for doing these various activities are
23 not yet developed or shared with us, and FirstEnergy
24 agreed to share that information with us as soon as
25 it's available, as soon as it's ready, as soon as

1 they have completed these plans for these additional
2 assessments.

3 MS. BUCHANAN: When FirstEnergy
4 provided to this group in April a -- results of its
5 internal survey on safety culture, there were some
6 significant areas, double digits percentages where
7 employees said they either had personally been
8 harassed or intimidated for raising safety issues or
9 had known themselves personally of instances where
10 that happened.

11 I'm wondering if in your follow-up with
12 FirstEnergy on this what has been done to investigate
13 those incidents?

14 What happened to the management who was
15 harassing, intimidating workers for raising safety
16 culture, and how are you going to track that? That
17 was a very serious finding.

18 MR. GROBE: Yeah, I think what
19 you're referring to is what we call safety conscious
20 work environment. You'll appreciate these terms --

21 MS. BUCHANAN: Yes, those are the
22 terms from their exact survey.

23 MR. GROBE: Right. No, what I
24 mean is the area of safety culture is very broad.
25 One aspect of safety culture is the environment that

1 the utility establishes, which either can foster
2 individuals being willing and able to raise safety
3 issues or can disenfranchise people from the ability
4 to raise safety issues. We call it safety conscious
5 work environment where their work environment is
6 appropriate to safety focus, whether folks are not
7 only able to, but encouraged to raise any concerns or
8 issues that they have. The survey that you're
9 referring to was first conducted again in the early
10 fall of last year. It was conducted in the spring
11 of this year, and FirstEnergy committed it would
12 conduct it again in November prior to restart to
13 ensure that the activities that they have implemented
14 to continue to address and improve in that area and,
15 in fact, are causing improvement, so we'll be looking
16 forward to the results of that survey, and that will
17 certainly be shared publicly.

18 MS. BUCHANAN: Well, we're looking
19 forward to seeing that because that's an area that's
20 absolutely critical, as you said, to determine
21 whether the facility is safe and whether the workers
22 feel it's safe with the concerns.

23 MR. THOMAS: I just wanted to
24 comment on the first thing you said when you stood
25 up, that you invited us to spend more time in Ohio,

1 and I'd just like to point out that three of us have
2 taken you up on your kind invitation, and three of
3 the individuals up here live here permanently, so --
4 in a local area.

5 MR. GROBE: I grew up in Cleveland
6 and I have many relatives that still live here, I'm
7 here on a regular basis.

8 MS. BUCHANAN: I was referring to
9 your questions about where these various counties
10 were.

11 MR. GROBE: Yeah, and it surprises
12 me that I didn't know where Erie County was.

13 MR. RULAND: And if I may add, for
14 the record, the NRC and the O350 panel, specifically,
15 has made no conclusions or rendered any judgment on
16 the safety culture at Davis-Besse.

17 MR. GROBE: Thanks, Bill.

18 MR. RULAND: We haven't arrived at
19 any conclusion, positive or negative, and it's still
20 a matter of discussions and deliberations.

21 MR. GROBE: And when Jeff's team
22 finishes their work and reports the results to the
23 panel, and when the panel asks those tough questions
24 of Jeff's team and until it's satisfactory, we'll
25 certainly be presenting results of that inspection

1 publicly.

2 MS. LIPA: Okay. Anybody else
3 have any questions for us, comments?

4 MS. KRAMER: My name is Jessica
5 Kramer, and I was just wondering as you consider
6 whether allowing Davis-Besse to go back on-line, are
7 you using any information you already have about a
8 major nuclear accident that actually did take place
9 in 1979 at Three Mile Island?

10 MR. GROBE: Jessica, I'm not sure
11 I understand your question. Let me take a try, and
12 then if I haven't hit the mark, you go ahead and ask
13 a follow-up question.

14 Following the accident at Three Mile Island,
15 some of us were around then. There was a whole host
16 of activities that the NRC engaged in to address the
17 issues that were learned from that accident. It was
18 sometimes referred to as the TMI reaction plan, and
19 there were many new requirements that came out of
20 that, and certainly those issues learned from Three
21 Mile Island affected every nuclear power plant in the
22 United States, including Davis-Besse. Have I
23 answered your question?

24 MS. KRAMER: I just -- I have some
25 photographs of plant mutation which neighbors have

1 been reporting are -- have been occurring really
2 within a 10 mile radius, even beyond, for 25 years
3 since the accident.

4 I would just like to -- could you deliver
5 these to Mr. Caldwell for me?

6 MR. GROBE: Certainly.

7 MS. KRAMER: Thank you.

8 MR. ZYCHOWICZ: My name is Ray
9 Zychowicz. I work at Davis-Besse. I have been at
10 Davis-Besse since day one. I was part of the
11 original start-up crew, and I have come to a number
12 of these meetings and most of them have been
13 positive, this one has taken kind of a negative tone,
14 and I resent some of the comments that were made here
15 today. The comment that we didn't know how to
16 operate the equipment for the last 25 years, I need
17 to remind the citizens in this room that for the last
18 25 years we supplied Northwestern Ohio with
19 pollution-free electricity. We were amongst the top
20 world performers in the '90s, and even in light of
21 the latest thing with our head, we have never
22 jeopardized public safety, and we will never
23 jeopardize public safety.

24 I'm also the chief steward in the plant, and,
25 over the years, I have had many discussions with

1 management and a lot of differences with management,
2 but never did we ever argue over an issue that
3 revolved around public safety.

4 Also I need to remind you that during the
5 blizzard back in the '70s when every other industry
6 in Northwest Ohio shut down, we kept our plant
7 running. We helicoptered people in to keep the
8 plant running and keep the place safe.

9 Also during the tornado in the '90s, we came
10 back, we went on day and night coverage to bring the
11 plant back to safe operation.

12 Also since this shutdown, we have been
13 working day and night to bring this plant back in to
14 operation to continue to supply Northwest Ohio with
15 pollution-free electricity. Thank you.

16 THEREUPON, the audience applauded.

17 MR. GROBE: What's important to
18 us -- this is certainly not a popularity contest, and
19 the popular opinion is not the one that is important
20 to us, it's every opinion that's important to us.
21 We're here to receive comments from everybody, and
22 receive and respect those from everybody, and I
23 appreciate your comments, Ray. Yes, sir.

24 MR. PAPCUN: My name is John
25 Papcun. I'm one of the Ottawa County Commissioners,

1 I live in this County, born and raised here, was the
2 County Engineer for 32 years, retired, became
3 Commissioner.

4 Just wanted to tell these people we've had
5 our participation and our drills rated A-1 for the
6 last 25 years. A lot of volunteers do this in our
7 County. I don't know if they do it in their
8 counties or not. I think it's time to move on. I
9 believe the great majority of the people in Ottawa
10 County where the plant is located want the plant to
11 restart, we need the jobs, we need the power;
12 however, I'm also -- have all the faith in the world
13 that the NRC will not let that happen until it can be
14 done in a safe, reliable manner. We have 103
15 nuclear power plants, I believe, and I would like to
16 ask the people that signed those petitions if they
17 would also sign an affidavit and be the first
18 volunteers if the plants in the United States that
19 produced a safe, reliable power and clean power would
20 sign the affidavit to be the first volunteers to do
21 away with their air conditioning systems, their
22 washing machines, their dishwashers, their TV's,
23 their microwaves and so forth because you can't store
24 electricity, at least my engineering background tells
25 me you can't store it. We don't have batteries big

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1 enough to store the power of the United States, and
2 you think that last brownout was something, shut some
3 more plants down and you haven't seen the beginning
4 of it, so I'm just here to tell you that on behalf of
5 the County officials and the people in Ottawa County,
6 we need a safe, reliable restart of this plant. We
7 need the jobs. We need the power, and I do have one
8 favor, though. I believe that the next panel
9 meetings are slated for election night, and wondered
10 if it's possible that they could be changed because
11 our volunteers that work the polls work from 6:30
12 a.m. to 7:30 p.m., and I think they should have the
13 same chance to attend the hearings as everyone else.

14 MR. GROBE: John, I really
15 appreciate you bringing that to our attention.

16 MR. PAPCUN: Thank you.

17 MR. GROBE: And we'll look into
18 that.

19 MR. PAPCUN: Thank you very much.

20 MR. GROBE: Just as part of our --
21 so everyone knows, as part of our effort to ensure
22 that we receive input from all perspectives and are
23 keeping everybody informed of what's going on, we
24 meet regularly with the County officials, Jere Witt,
25 the County Administrator, as well as the three County

1 Board members, and at least monthly, we meet with
2 those folks to get input from them as well as to
3 provide them the status of what's going on from our
4 perspective. We meet on a regular basis with the
5 State of Ohio, Federal elected officials; Senator
6 Voinovich and representatives from Dennis Kucinich's
7 office, so we're trying as best we can to keep folks
8 informed, and collect feedback, so we appreciate all
9 the feedback.

10 Is there anybody else that has a question or
11 comment?

12 MR. PURK: Yeah, I have one. My
13 name is Ron Purk, and I'm a Reactor Operator at
14 Davis-Besse, and, like some of our visitors here
15 tonight, I live in Ottawa County. I live just
16 outside Oak Harbor. I have a wife and kids that
17 live there, and I wouldn't have them living in a
18 place I didn't believe was safe.

19 You know, we've been working our tails off
20 for the last year and a half trying to get the plant
21 back on-line, and we're tired, we want to get this
22 behind us and move forward. That's all.

23 MS. LIPA: Thanks, Ron.

24 MR. GROBE: Thanks, Ron.

25 THEREUPON, the audience applauded.

1 MR. GROBE: As I've said on prior
2 occasions, I have a great deal of respect for anybody
3 who comes here and is willing to stand up in front of
4 all these people and share their opinion, and I think
5 you're all here to talk to us, to provide comments to
6 us, to ask us questions, and I'd appreciate if we
7 keep the comments and questions in that context.
8 Yes, sir.

9 MR. KORAS: My name is Joseph
10 Koras. I'm a resident of Vermilion, I used to live
11 at Cedar Point Roadway. I'm a boater on Lake Erie,
12 probably spend more time in front of Port Clinton and
13 Put-in-Bay and Kelleys than half the population of
14 this state who even live locally.

15 I sat through this afternoon's session, and I
16 sat through a session, I think it was in March. In
17 my background, I ran manufacturing plants of some
18 significant size, and it seems to me every time there
19 was a serious problem in any of the plants everybody
20 would jump on everything in sight and try to fix
21 things that were considered to be okay for a long
22 period of time. I'm sensing the same thing here and
23 the way that if -- if the football size hole was not
24 discovered and the original reason why the plant was
25 told to shut down was allowed to, let's say it didn't

1 have whatever it was it was supposed to have when it
2 shut down and it was allowed to get back on-line,
3 then all of these other issues, in my opinion, of the
4 pumps and this -- quality systems and the breakers
5 that are tripping and all of those issues that have
6 come up as a direct result of not being allowed to
7 come up on-line because of this football size hole
8 may or may not have been discovered. Certainly,
9 there wouldn't have been a shutdown event, and they
10 certainly wouldn't have gotten the attention that
11 they're getting right now.

12 Now, on a statistical basis and having there
13 be 103 reactors in the United States, some of
14 which -- some of whom are approaching the end of
15 their design life, I would have to say that there's a
16 very high probability and I would have a very high
17 confidence level, I did the statistics on it, to say
18 that these similar problems that everybody is so
19 concerned about right now exist in these other
20 plants, and the only reason they have not been
21 discovered is because there wasn't a catastrophic
22 event to focus attention on it.

23 In your deliberations at the NRC, I would
24 hope that that reality is dawning on somebody, and
25 that a bigger net goes out for the other remaining

1 102 plants that, again, are within what, 15 years of
2 their design life so that we don't experience this
3 kind of an event.

4 I was a host family for children of
5 Chernobyl, my wife and I, and it's not a pretty sight
6 to see these kids come over with boils on their body.
7 They are here for six weeks, and we do the best we
8 can to medicate them, and we send them back home to
9 live off of radiated ground. To me, this isn't a
10 defective tire that you put out and one guy has an
11 accident and everybody gets excited. This is not a
12 reversible event. If you contaminate the
13 environment, the soil, it's certainly beyond our
14 lifetimes that will be contaminated and probably -- I
15 don't know what the half life is, I used to know, but
16 I don't anymore, but it's going to be a long time
17 before things get remedied, and, so, in your
18 deliberations, remember we got one shot to make this
19 right or to prevent the one shot from making this
20 very wrong.

21 MR. GROBE: You've made some
22 excellent points, and I think I would like to try to
23 eliminate a couple areas, and if others want to add
24 on again, that would be great, but let me just --
25 you've very correctly identified that nuclear power

1 is a high hazard business and as are many other
2 industries, particularly chemical industries and
3 things of that nature. When you have a high hazard
4 business, we want to make sure that you have
5 appropriate margins to safety, and that is the
6 watchword of how our regulatory framework is set up.
7 For anything that deals with safety there's two of
8 them, and usually they're different, so if you need
9 the ability to put some water from this tank into
10 that tank to make sure the plant is safe, there is
11 usually two different kinds of pumps that are
12 available to do that, they have independent power
13 supplies. Oftentimes, the valves in one system could
14 be supplied by AC power to valves and the other
15 section system will be DC power, it's that redundancy
16 and diversity in the design of all the safety aspects
17 of the plant that we bank upon to make sure that this
18 plant is always safe and there is a whole series of
19 regulations to make sure that that equipment is
20 always available.

21 One of the things you addressed has to do
22 with what we call the maintenance rule. We approach
23 equipment reliability from the standpoint of making
24 sure it's reliable, and if it ever becomes unreliable
25 the action is taken to restore its reliability.

1 This equipment is tested all the time, and
2 occasionally it's run, whatever type of safety
3 equipment might be, and any piece of equipment that
4 can have an impact on the safety of the plant, even
5 if it's not a safety system, is required to be
6 subjective to our maintenance rule. And that
7 maintenance rule specifies that if there is what we
8 call functional failures, that's equipment
9 performance which would have resulted in equipment
10 not being able to do what it's supposed to do, then
11 those require significance response, and that's
12 something that these folks are inspecting all the
13 time.

14 You commented that some of the issues that
15 were identified during the past 20 months may or may
16 not have been identified in the future. My
17 experience has been that whenever an organization
18 gets to the point where they cause the kind of
19 problem that occurred at Davis-Besse, that what you
20 find once you start peeling away the layers of the
21 onion is that there are many other problems that were
22 caused by the same symptoms, the same organizational
23 dysfunction that resulted in the hole in the head,
24 and that's what FirstEnergy has been about for the
25 last 20 months, is finding all those other issues

1 that were caused by the same problems and fixing
2 them, and, in fact, they were there, in fact, some
3 were low risk significant.

4 As Christine mentioned earlier tonight, we
5 issued a final significance determination on a
6 finding regarding unqualified codings inside one of
7 the buildings of the plant that could have caused
8 safety systems not to operate properly, and that was
9 at our second highest significance level, so there
10 were a number of issues to be identified at
11 Davis-Besse, and that's why the shutdown has taken
12 the time it needed to take.

13 One of the purposes of the 0350 panel is to
14 ensure that there is no -- for lack of a better
15 phrase, piling on. We have a Restart Checklist that
16 clearly identifies those issues that need to be
17 addressed before restart. Those issues were
18 directly tied to what caused the fairly
19 significant -- risk significant reduction and margins
20 to safety at Davis-Besse. There was no event at
21 Davis-Besse, there was no accident, but there was a
22 significant reduction in the margin to safety.

23 You talked about other nuclear plants. All
24 nuclear plants in the United States are subject to
25 the maintenance rules and are inspected to make sure

1 the equipment is maintained properly, and the
2 routine -- other maintenance is done, other
3 recommended maintenance is accomplished such that the
4 equipment performs at the appropriate reliability
5 level, so that's already incorporated into our
6 regulatory framework. Most of the issues that were
7 identified at Davis-Besse had little to do with
8 reliability of the equipment. It had to do with the
9 -- what I would refer to as the latent issues that
10 you can't observe on a day-to-day basis. They were
11 primarily design issues. They either have been
12 introduced at the time of original construction or
13 more likely introduced over the years because of
14 insufficient attention and errors made in design
15 activities, so I think I've covered the majority of
16 your comments. Are there other topics or comments?

17 MR. RULAND: I have just a few
18 additional comments. I'd just like to reiterate
19 which I think has already been mentioned here this
20 evening, that Davis-Besse found this problem because
21 they were responding to an action that the NRC had
22 requested for the licensees to go ahead and inspect
23 the reactor vessel heads, albeit, we caught it.
24 They found it far too late for our comfort, and that
25 particular action was being performed by other

1 licensees of similar design.

2 In addition, as we continue to explore and
3 probe this issue, the NRC issued additional
4 bulletin -- an additional bulletin, and, finally,
5 from those actions, because we were uncomfortable
6 with just making it a bulletin, we confirmed those
7 actions by order making these a requirement, and now
8 the NRC is proceeding with rule making to ensure that
9 these requirements finally are codified in Federal
10 regulations.

11 In addition, you alluded to this notion that
12 the plant was within 15 years of its design life.
13 As you might be aware, some plants, not Davis-Besse,
14 as I understand it, are asking for license renewal,
15 and as part of that license renewal process, the NRC
16 makes sure that any age related degradation, which I
17 might add, a particular issue we're facing with the
18 head corrosion was not directly related to age
19 related degradation, but that age related degradation
20 is addressed in either licensee's current programs,
21 or if it's not addressed that they establish new
22 programs to monitor and correct age related
23 degradation, so the message I'm trying to send here
24 is that the NRC in thinking about, as the plant's age
25 are -- we hope we're anticipating that, and we

1 continue to monitor licensee performance through
2 ongoing inspections, and those inspections will
3 continue through licensee -- through a reactor's
4 current license life, and if those plants continue to
5 operate into a license renewal period, we'll continue
6 to do that.

7 And, finally, I'd like to add about what
8 Davis-Besse has discovered as a result of their
9 extensive condition effort where they found a number
10 of different problems, I believe that the 0350 panel
11 was instrumental in making sure that the scope of
12 activities was not directly related to just the
13 corrosion on top of the head. Because the problems
14 that caused the corrosion ultimately was a safety
15 culture issue, we believe that safety culture could
16 result in problems elsewhere, so we pursued that
17 issue, and I think where we stand today, frankly, is,
18 I believe is testament to our aggressive oversight
19 and we will continue to be aggressive, as I think
20 someone heard us poke and probe the licensee tonight
21 about some of the statements that we're making.
22 We'll continue to be aggressive in making sure that
23 this plant meets our requirements and is going to be
24 safe to operate. Otherwise, they're not getting my
25 vote, so I think -- hopefully, I've listed a number

1 of things that I think are germane to the kinds of
2 issues that you've raised, and we're going to keep
3 after them.

4 MR. GROBE: Thanks, Bill. Other
5 questions or comments? Yes, sir.

6 MR. COLLINS: I bet you never
7 expected this.

8 MR. GROBE: No.

9 MR. COLLINS: Sam Collins, from the
10 NRC, I probably ought to turn around, but I'll make
11 my comments generally. There are three topics, and
12 I won't comment on Davis-Besse, but there were three
13 topics of interest which I would like to comment on.
14 One of those is emergency preparedness, because I
15 think John talked, and Sandy and the one lady talked
16 about emergency preparedness, and I think it's
17 important that that concept be appreciated.
18 Evacuation is always a hard button with emergency
19 preparedness, and what I would like to explain is
20 that there's two roles of emergency preparedness.
21 There is an on site role, which the NRC has
22 responsibility for the licensee's actions including
23 response to the event technically as well as any
24 leads on items as far as assessing the significance
25 of a release and preplanning for should any offsite

1 actions be necessary.

2 The offsite actions are done in coordination
3 with the State and local communities, and I'd like to
4 commend John and the volunteers in the local area for
5 their efforts in emergency preparedness because it
6 can't be done without the State and local officials,
7 many of those volunteers, and that offsite response
8 is a spectrum of actions. Evacuation is probably
9 the one that is least likely to be used. It's
10 important to note that the whole spectrum of
11 activities includes no action at all other than
12 acknowledging that there is an event going on at the
13 site which is the most common perhaps and the alert
14 notification as far as the classification of events
15 as well as any type of pre-emptive action which may
16 be sheltering in a limited sector of the 10 miles EPZ
17 if there is an evacuation -- if there is a plume of
18 radioactive -- in the unlikely event that is an
19 event, that's significant all the way to the 50 mile
20 zone, which includes protection of food and posting
21 of feed and nondairy product consumption and those
22 types of things, so although evacuation is focused on
23 and it may be one of the more difficult ones to plan,
24 it is part of the least likely to be used, but it is
25 used, and it's typically used in nonreactor types of

1 events. Given the spectrum of 103 operating units of
2 104 that are licensed it is not uncommon for these
3 evacuation plans to be used for not only natural
4 disasters, but other significant industrial events
5 such as chemical plants. The Waterford plant down in
6 Louisiana typically uses the evacuation plan for
7 perpetual industry and ammonia industry that's up and
8 down the Mississippi River. Hurricanes on the coast
9 are another example.

10 Three Mile Island was mentioned, significant
11 event, and I commend you as others for coming up and
12 talking about that. There are lessons learned from
13 Three Mile Island, just like there are lessons
14 learned from Davis-Besse. The lessons learned from
15 Three Mile Island were actually implemented as orders
16 to reactor plans to essentially change the design of
17 the plants and these two plants are similar; change
18 the design of the plants, and those were incorporated
19 into the design of the plant, they are imposed by
20 orders, and the tech specs were with us, so to that,
21 and, yes, Three Mile Island is being taken into
22 consideration.

23 Chernobyl was mentioned, and I think that's
24 an important issue. I think Joseph mentioned
25 Chernobyl. It's important to note that Chernobyl

1 design did not have any containment, and it's a very,
2 very different design than the UN reactors, including
3 the use of graphite, which burns very well, and I
4 commend you for hosting, your involvement with the
5 children. I also had the opportunity to be involved
6 in that, and what's significant to note about
7 emergency preparedness is the affect on the
8 generations there is predominately because the food
9 and the agricultural products were not prevented from
10 being consumed for a significant amount of time by
11 the people who live in the area of that plant that
12 had the disaster and no containment. We have
13 containment. We have an emergency plan, and it goes
14 50 miles out, and in the unlikely event there were
15 radioaction to be released, all the food,
16 particularly milk and dairy products, and feed for
17 the cattle, part of the emergency preparedness plan
18 encompasses that, so I'm not diminishing their
19 concerns and my intent is not to downplay anyone's
20 vested interest in those issues, but I do want to
21 make sure the information is out there for you, and
22 I'll be glad to talk about any of those after the
23 meeting, so if you're interested.

24 Thank you very much for the comments and for
25 the opportunity to address those, thanks.

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1 MR. GROBE: Thanks, Sam. Any
2 other questions or comments? Anybody else who wants
3 to help us out, come on up to the microphone.

4 MR. LEWIS: Art Lewis, Shift
5 Manager at Davis-Besse. I didn't want to be a
6 target coming up here. Mistakes have been made at
7 Davis-Besse. I can't pretend as an operator that I
8 can explain them, because I can't, but I can
9 guarantee everybody in this room being licensed 22
10 years, health and safety of the public has been at
11 the forefront of my operating facility.

12 I asked the shift that I supervise to come
13 here and represent Operations. If you consider
14 their professionalism, there's three of them here
15 that also could have become targets. I appreciate
16 them.

17 Since I stated that the health and safety of
18 public has been No. 1, I can guarantee you, you have
19 my promise that will always be there, and that's all
20 I can say.

21 MR. GROBE: Thanks, Art.

22 THEREUPON, the audience applauded.

23 MS. LIPA: Anybody else have any
24 comments or questions?

25 MR. JOHNSON: First of all, this is

1 completely out of character for me, I usually don't
2 say anything to anybody. My name is Tim Johnson.
3 I have been an Operator for four years. I grew up
4 in this community. I used to climb the tree in my
5 Mom and Dad's woods and look at the cooling tower,
6 never dreaming that I would ever work there. I did
7 my time in the service, I come back to this
8 community. I have four beautiful children that in
9 no way would I ever put in harm. I work with a
10 bunch of guys that for the last 19 months have gone
11 to bed -- I know I have. We haven't been in the news
12 until there was a mistake, and we have apologized for
13 that, but it's like almost every night we're being
14 torn apart, feeling like we're being slapped in the
15 face before we go to bed. You get up in the
16 morning, you come back to work. We have put our
17 heart and soul into getting this place back up and
18 running and put it back on top. I don't know what
19 else to tell you.

20 Art Lewis is my Shift Manager. I have never
21 once hesitated to take a concern to him, and as far
22 as the other shift managers, I feel the same. If
23 there is a problem, I stop, I go back, and I talk to
24 them about it because it is very important. I
25 understand that there is people here that are

1 concerned, and they have that right, but all I can
2 tell you is the guys that I work with put their heart
3 and soul into doing this right, and we just want to
4 do what is best. Thank you.

5 THEREUPON, the audience applauded.

6 MR. GROBE: Thanks, Tim.

7 MS. BUCHANAN: Can I ask a second
8 question, is that allowed?

9 MR. GROBE: Sure.

10 MS. LIPA: You'll be next after
11 this gentleman.

12 MR. JOHNSON: My name is Mike
13 Johnson. I am an Equipment Operator at Davis-Besse.
14 It is my job to safely operate the support equipment
15 for the reactor. I am the eyes and ears of the
16 Reactor Operators out in the plant. I use the
17 procedures every day. When I find a problem, I take
18 it to my shift manager. My family lives here, my
19 parents live here, my wife's parents live here. If
20 there was an event where I was directed by my shift
21 management to put my safety at jeopardy, I would do
22 so for the public's safety, and that's my job.

23 MR. GROBE: Thanks, Mike.

24 THEREUPON, the audience applauded.

25 MS. LIPA: Okay, go ahead, come

1 on up.

2 MS. BUCHANAN: This, I guess, is a
3 question having more to do with the context of how
4 NRC makes decisions, and I have not been involved in
5 one of these before, so I truly don't know how some
6 of this works, but back in 2001 when FirstEnergy
7 asked to allow the plant to be open longer rather
8 than shutting down and the staff over -- Mr. Collins
9 and others overruled the shutdown order and allowed
10 the plant to stay open until February, there's been a
11 great deal of documentation of FirstEnergy saying
12 that their financial needs meant that they needed to
13 keep the plant open longer. If anything,
14 FirstEnergy is in a much tougher financial position
15 now than it was at that time. They spent half a
16 billion on Davis-Besse. They've had to restate their
17 earnings, their -- you know, bond ratings have been
18 lowered, and I would like to know in the decision
19 making how you consider the Company's financial
20 position, whether you determined whether they would
21 have resources to invest more if they were allowed to
22 restart and more problems were found, how does that
23 all play in with the NRC decision making as it has
24 apparently in the past?

25 MR. GROBE: Well, let me address

1 half of your question. The financial aspects of the
2 Company comes in to play in two ways. One has to do
3 with what we call decommissioning financial
4 assurance. The Company has to be able to
5 continuously demonstrate there's capability to
6 decommission the facility if they want it shut down
7 permanently.

8 The second way it comes in to play is more
9 from a performance perspective. We regulate nuclear
10 power in the United States from what we call a
11 performance based framework, and what that means is
12 that while we don't regulate any financial
13 wherewithal with the Company, we regulate every
14 aspect of the safety performance of the Company, and
15 if there wasn't sufficient financial support for
16 routine maintenance activities and testing activities
17 and appropriate modifications that may be necessary
18 over the years, then that would show up in the
19 performance of the equipment, so our focus is
20 licensing plants with appropriate safety margins and
21 the redundancy of the duality of all safety
22 functions, as I described earlier tonight, and then
23 making sure that those safety margins are maintained
24 throughout the life of the plant through our routine
25 inspection process, and, again, the issue that

1 happened at Davis-Besse had to do with safety
2 margins, diminishment of safety margins. I think
3 I've answered the financial aspect of the question.

4 The decision and, I don't know if others may
5 want to comment on this, I wasn't involved in the
6 decision on when Davis-Besse would or wouldn't shut
7 down; however, that decision was clearly documented
8 as having sound technical basis. The technical
9 basis that was the foundation for that decision was
10 borne out when the inspections occurred, and that
11 primarily focused on the nature and the length of
12 cracks that could exist in the penetrations and
13 whether those represented an immediate safety concern
14 such that the plant needed to shut down in six weeks
15 or six weeks later ~~or six weeks later~~. In fact, the
16 technical analyses that were done, again, were borne
17 out by the physical inspections of the penetrations
18 that occurred. The corrosion of the reactor head
19 that occurred at Davis-Besse was not anticipated and
20 not factored into that decision. It was not known by
21 anyone that that corrosion existed. As a matter of
22 fact, FirstEnergy assured us, the NRC, that the head
23 had been adequately inspected and there was no
24 corrosion, there was no boric acid buildup on the
25 head. The -- so the -- what really kicked off this

1 issue was the unexpected identification of that
2 corrosion. That was not part of the decision that
3 was made as to when Davis-Besse would shut down, so I
4 think I have tried to answer your questions.

5 Are there any other comments, questions?

6 MR. RULAND: Let me just add one
7 thing about the 0350 panel's decision about restart.
8 We have not discussed, nor are we interested in
9 FENOC's financial position at Davis-Besse. It has
10 not been a subject of the panel's discussion and
11 won't be, so it is really not a factor in how we
12 decide or whether we decide, whether we recommend to
13 our management whether the plant should restart.
14 It's just not considered.

15 MR. GROBE: Yeah, thanks, Bill.

16 MR. COLLINS: (Indicating).

17 MR. GROBE: Sam?

18 MR. COLLINS: I hate to go through
19 this again, but there's an interesting part about
20 overriding the order, and that is I would have signed
21 the order, so the issue is, I didn't override the
22 order that I would have signed to issue it, and
23 that -- it just didn't happen that way.

24 MS. BUCHANAN: I apologize if I
25 misspoke. The issue is, the plant was not shut down

1 and the Inspector General's report went into reasons
2 why that happened.

3 MR. COLLINS: It did, but your
4 statement is inaccurate, so I just wanted to correct
5 that for the record. Thank you.

6 MR. GROBE: Thanks, Sam. Yes,
7 ma'am.

8 MS. CABRAL: I just wanted to tell
9 everyone here that we have great respect for all the
10 work the NRC is doing and all the hard work that
11 FirstEnergy people are doing, and after the tornado
12 we were all there to cheer when FirstEnergy showed up
13 to put Port Clinton back together and have power
14 again, but all this hard work can be undermined by
15 the negligence of a few. What comes back to haunt me
16 is the slide that you showed here of the piles of
17 boric acid residue. There was a picture there of
18 all that residue. Somebody had that picture, and it
19 didn't -- they didn't like run down the hall and say,
20 we've got to stop what we're doing and find out what
21 this is. I don't know how anybody could look at a
22 picture like that and not have a traumatic reaction,
23 so all these people are concerned about their
24 families. We're concerned about our families. We
25 don't have a second chance if something goes

1 belly-up, so I don't know, you know, I mean, safety
2 culture is a big thing. I would rather the biggest
3 problem be a mechanical one. You can do tests on
4 mechanical things, but you can't necessarily -- I
5 mean, you can try as hard as you can on psychological
6 things and on safety culture, but who do you get to
7 be in that plant -- and I know you rotate people out,
8 but how do you keep that picture in your mind of the
9 disaster that can happen, you know, whether it's --
10 it just -- that's our concern, and it's not that we
11 slight anybody's efforts or anybody's desire to keep
12 their families fed, but it's -- there's such a
13 dramatic problem if something does go wrong, so how
14 are -- you know, how do you keep everybody, you know,
15 focused on that because day after day everything is
16 fine, year after year, everything is fine.

17 MR. GROBE: Yeah, it's -- I think
18 you're asking the question of the NRC staff, or are
19 you asking it of the utility staff or both?

20 MS. CABRAL: Really, both, but, I
21 mean, it's kind of your dog, you know, to bite the
22 tail there and keep it hopping.

23 MR. GROBE: I was just thinking of
24 some funny canine jokes, and I probably shouldn't do
25 that.

1 You're right, one of the things that we do to
2 ensure that Resident Inspectors, for example,
3 maintain what we call objectivity is there's several
4 things that we do. First off, they're visited
5 regularly by their boss, and at least every three
6 months every Senator in the United States -- they're
7 evaluated on an annual basis, they're rotated plant
8 to plant, no longer than seven years in Region III,
9 it's usually shorter than that because people move
10 around. We have -- each of the residents has
11 another site that they have to go and inspect a
12 couple weeks a year, and that serves two purposes.
13 That gives them a different perspective as well as
14 gives them a different perspective on what the
15 resident staff at other sites has to do.

16 In addition, we have in Region III about 65
17 inspectors in the regional office, and their job is
18 to travel to all the sites they have. They have
19 technical sites and capabilities that are not
20 necessarily characteristic of a resident
21 responsibility, but they might be emergency planning
22 experts or security experts, or metallurgists or
23 engineers that go around and look at those specific
24 issues at every plant, and that provides balance and
25 perspective.

1 In addition, we regularly bring the -- all
2 the senior residents and residents into the regional
3 office. That meeting occurs twice a year for a week
4 to address exactly what you're saying, to learn
5 lessons, to green baseline perspectives, to train and
6 interact with others to learn from each other as well
7 as learn from industry experiences.

8 One of the aspects we talked about earlier
9 was the Lessons Learned Task Force, and the Lessons
10 Learned Task Force had a lot of comments for us in
11 this area. It addressed a broad number of topics as
12 well as how we relate to our International
13 counterparts, how we do research, how we do
14 activities. We call them generic activities that
15 address issues that could affect more than one plant,
16 but it also addressed a number of topics. Most of
17 that stuff happens at headquarters, and that's done
18 in the Washington area.

19 It also addressed a number of issues
20 regarding inspection, and so a whole series of
21 initiatives and improvement activities that we
22 undertake to enhance that inspection, so from the NRC
23 perspective there's a number of things we try to do
24 to ensure that we have the right stuff.

25 The utility has a similarly equal challenge.

1 As we maintain a robust safety focus -- and we've had
2 many dialogues here about the types of things that
3 they have undertaken. It's our job to do exactly
4 what you said, and hopefully you'll have an
5 opportunity to watch us do it in a very public forum,
6 and you will gain some confidence in our ability and
7 our commitment in doing it right.

8 MS. CABRAL: Thank you.

9 MR. RULAND: If I could -- if I
10 could just add a few thoughts to this. When I first
11 saw those pictures, I think I had the same visual
12 reaction as you did, and as I think many -- I would
13 argue virtually every NRC staff person that seen
14 those pictures had that same visual reaction, how
15 could this happen. I think we all took that very
16 personally. I still take that very personally, and
17 it's almost, you know, almost -- what could I have
18 done, and I think that visual reaction, we sometimes
19 call these in the NRC significant emotional events.
20 We don't have an acronym, by the way, for that, and
21 it affects you, though, in kind of a nonscientific
22 way, I think, and my belief is that that's going to
23 help us. That, you know, we're -- we, the NRC, is
24 not going to let this happen again. That's the way
25 I feel about it. I think that's the way my

1 colleagues feel about it, and my hope is that that's
2 the way FENOC feels about it, and I think that's to
3 me, while we pick apart what their plans are, I take
4 that as a touch stone and a matter of pride, we
5 shouldn't let this happen again, because, in a way,
6 we not only let you down, you know, the people that
7 live here in a way we let down. It's just a very
8 personal thing, so I don't know if that helps.

9 MS. CABRAL: I'm really glad to
10 hear that because my feeling is I'd almost like --
11 want you to have that in a training film, like the
12 driver's ed training films, so somewhere in the back
13 of your mind is that, you know, these things are
14 real.

15 MR. RULAND: Oh, it has stuck with
16 us.

17 MS. CABRAL: I'm glad it has.

18 MR. GROBE: I don't think it's
19 quite like driver's ed, but the Lessons Learned Task
20 Force has gone to one of the semiannual gatherings,
21 where all the various regional base inspectors come
22 together in each of the regional offices, and present
23 the results of what happened at Davis-Besse and what
24 they identified and what actions can be taken to
25 improve, so that's been part of our improvement

1 issues.

2 I fully recognize, and I empathize with your
3 concerns, you pay us to do our job, and it is our
4 responsibility, and I'm sure FirstEnergy does their
5 job, and if I were you I would want to have
6 confidence that the NRC is doing their job well, and,
7 as I stated, I hope you have the opportunity to
8 engage in these meetings, and I hope you develop some
9 trust and confidence in us.

10 MR. THOMAS: Yes, I just wanted to
11 make one more comment on behalf of the resident
12 staff. If you have further interests on what we do
13 on a day-to-day basis, we put out a report about
14 every six to seven weeks, 30, 40 page report,
15 publicly available on the web site. Please, look
16 forward to those reports if you have an interest in
17 what we do on a day-to-day basis.

18 MR. GROBE: And if you don't have
19 access to a computer, you can certainly -- in the
20 monthly newsletter, on the back is Vika's home
21 phone -- no, no, her office phone, and she'd be glad
22 to get you anything you need.

23 MS. CABRAL: Thank you.

24 THEREUPON, the Reporter asked for a brief
25 pause.

1 MR. GROBE: Okay, you're going to
2 need a couple pads of paper for this.

3 (Laughter).

4 MR. MYERS: You made me stand up
5 here and forget what I was going to say.

6 MR. GROBE: (Indicating).

7 MR. MYERS: I thought I'd take a
8 moment to answer some of the questions that were
9 really asked of FirstEnergy, so --

10 MR. GROBE: Why don't you
11 introduce yourself?

12 MR. MYERS: My name is Lew. I'm
13 Lew Myers. I'm the Chief Operating Officer at
14 FirstEnergy.

15 There was a comment made awhile ago about
16 FirstEnergy and the -- and the financial wherewithal
17 and their ability to run these plants. You know, we
18 run two other plants. We run the Beaver Valley
19 plant, and when we bought that plant, I was Vice
20 President over there. The performance wasn't as
21 good. Today we're, you know, we're a fairly good
22 performing plant. Doing good at it. A lot of
23 people from the Beaver Valley plant are working over
24 here. We run our Perry plant. I was the Vice
25 President there before I went to Beaver Valley. I

1 have been in nuclear power now since I was 17 years
2 old. I started at \$4.16 cents an hour, and I
3 remember it well. If I didn't believe in what I was
4 doing, I wouldn't be here.

5 FirstEnergy, from a Company standpoint,
6 started with Pete Berg. When we -- when we got into
7 this issue, he asked me to come over here to deal
8 with the return to service of the plant, so I took
9 that on, bought a condo here on the Island, moved my
10 wife over here out of our home, and we have been
11 living out of suitcases now for a couple of years,
12 and, in that entire time, I have never asked for
13 anything from FirstEnergy that they haven't given me.

14 You know, I wanted to install the FLUS system
15 in our plant, a lot of people questioned if that was
16 crazy or not, and we spent millions of dollars doing
17 that, and I'm really excited about it. I don't know
18 how reliable the technology is, but we've got it
19 started, so a lot is installing humidity detectors
20 over the invested, but you could do it for \$25.
21 Well, normally, humidity detectors don't like 500
22 degrees, you know? \$25 detectors don't take 500
23 degrees, and that's about what the temperature is
24 that we're looking at there, so -- so we had to find
25 the products that were reliable, so I went to every

1 vendor that I could and finally found this technology
2 in France that would install through Framatome, so in
3 the last 20 months, you know, we put the building
4 blocks together to address all of the issues, and we
5 started out with a budget, and things to get the
6 plant on-line when I got here by repairing of the
7 head and we spent like 45 million dollars buying a
8 new head and cutting a hole in our containment, and
9 we put the FLUS monitoring system in, we put the
10 cavity seals in, you know, and I don't want to tell
11 you how much money we spent, we spent a lot.

12 UNIDENTIFIED: 500 million.

13 MR. MYERS: That's including
14 lost power, and I have not asked for anything that
15 FirstEnergy hasn't supplied me, and our CEO, he comes
16 to the plant, he calls me about once every week or
17 two and asks me how things are going. He's trying to
18 run our Company, which covers from the Detroit area
19 all the way over to New Jersey. It's a fairly large
20 Company, and, yet, he takes the time to visit this
21 plant two or three times and he calls me once every
22 week or two just to make sure that I've got
23 everything that I need, you know, I can't ask for any
24 more than that.

25 From a -- the other question, how could this

1 happen? Well, you know, it's not the NRC being
2 blamed. I think we did a pretty good root cause.
3 The root cause was a management issue. Our plants,
4 we really didn't have a corporate organization,
5 FirstEnergy just started running nuclear plants about
6 three years ago. By then Davis-Besse was owned by
7 Toledo Edison. Perry was owned by Cleveland Electric
8 and then we wound up getting Beaver Valley. We
9 didn't have any corporate organization, so each one
10 of the plants were run by itself. That's been
11 changed now. We have a corporate organization,
12 that's where I'll be working out of. My job is real
13 simple, to make sure we do things the same at all
14 three of our plants. We have another organization
15 that sets our standards now, and we make sure we got
16 the same processes being implemented in our plants,
17 and we took your oversight organization, which is a
18 quality assurance team, to the plant and they all
19 report to corporate so we can make sure this doesn't
20 happen again. Let me tell you what's wrong. I can
21 tell you exactly what was wrong. I was the VP at
22 another nuclear plant, and we did head inspections,
23 too. You know how I know that the head was okay?
24 Because I looked. It was really simple. You know
25 how I knew about the breaker problems the other

1 night? Because at 2:00 in the morning me and the
2 site VP were in here watching the cycle breakers.
3 You know, that's what it takes. You got to go look,
4 and you got to make sure your employees look and you
5 got to make sure you're involved with all the issues
6 every day. If you don't have the energy to do that,
7 then you better find something else to do. That's
8 what it takes to have the right safety culture and
9 standards. If you lose the sight of management
10 team, sight of leadership team, are not involved in
11 looking at the videotapes and understanding what you
12 got on the head, then you failed on that, then you
13 failed as the management team, and you let the
14 organization down. You got to -- you got to know
15 because you got to go look. You just got to go look,
16 and there's issues there. There's people reporting
17 that there's more on the head. You need to get your
18 people in containment and see what you got, and be
19 ready to explain it. You got to put your control
20 issues together and be the best expertise you
21 possibly can, and just like you go to a doctor and
22 say, what's causing this every time. That's what we
23 did on the breaker issues the other night. We went
24 and got the vendor. 2:00 in the morning we're on the
25 phone with the vendors finding out that this has been

1 an issue before, and you find out because you go
2 look, and you won't be good at everything you do, but
3 you've got to go look, and that's the standards the
4 management has to set. Thank you.

5 THEREUPON, the audience applauded.

6 MR. GROBE: Any other questions or
7 comments?

8 MS. LIPA: Okay, well, while
9 somebody who might have a question is thinking, let
10 me just give a couple of things from the questions
11 we've got tonight, I took a couple of actions and
12 those actions -- am I on?

13 UNIDENTIFIED: No.

14 MS. LIPA: Okay, so from the
15 comments and questions that we got tonight, I took a
16 few actions, one that we already mentioned was to
17 respond to the letters, and there's another box of
18 them.

19 The other one was to look at the November 4th
20 meeting, see if we could reschedule that, and we'll
21 get right on that right away, and also there was a
22 letter from the Kelleys Island group that we will
23 read.

24 MR. GROBE: One other, some
25 photographs for Jim Caldwell.

1 MS. LIPA: Yes, some photographs

2 for Jim Caldwell.

3 MR. DUNN: Letters to Jim

4 Caldwell as well.

5 MR. GROBE: Yes, she already said

6 letter to Caldwell.

7 MS. LIPA: Right, and I got the

8 letters. Yes. Okay, so -- is there anybody else who

9 has any comments or questions for us?

10 (NO AUDIBLE RESPONSE).

11 MS. LIPA: Okay, so we'll -- the

12 November 4th meeting, we'll look to reschedule that

13 and keep everybody posted on our web site. Thank

14 you for coming. Good night.

15

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17 THEREUPON, the meeting was adjourned.

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CERTIFICATE

STATE OF OHIO)
) ss.
COUNTY OF HURON)

I, Marlene S. Lewis, Stenotype Reporter and Notary Public within and for the State aforesaid, duly commissioned and qualified, do hereby certify that the foregoing, consisting of 88 pages, was taken by me in stenotype and was reduced to writing by me by means of Computer-Aided Transcription; that the foregoing is a true and complete transcript of the proceedings held in that room on the 7th day of October, 2003 before the U. S. Nuclear Regulatory Commission.

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

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

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

My commission expires 4/29/04