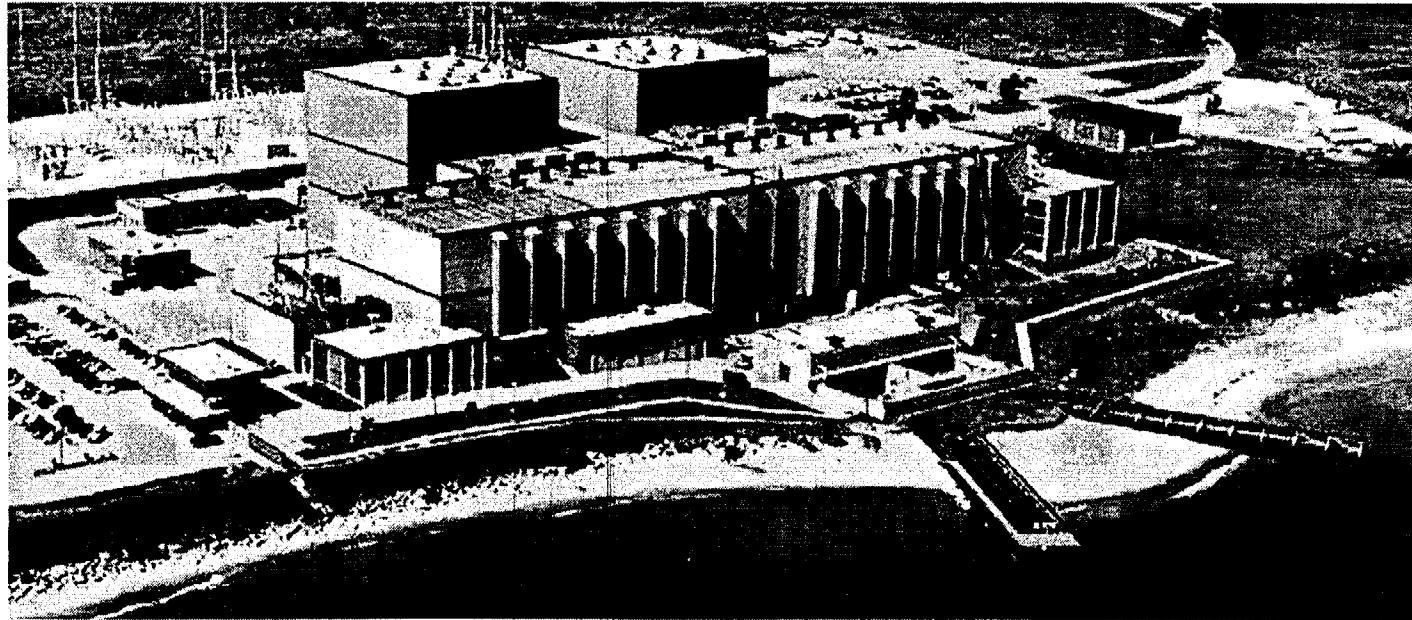


NMC

Point Beach Nuclear Plant

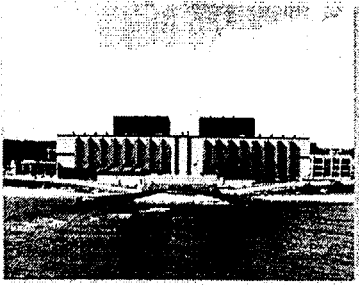
PLANT PERFORMANCE REVIEW MEETING



April 21, 2004

Enclosure 2

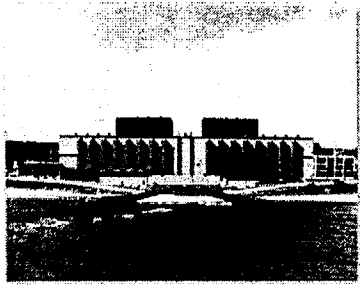
Introduction



- Nuclear Management Company (NMC) and Point Beach leadership continue to be committed to the safe and reliable operation of the Point Beach units.

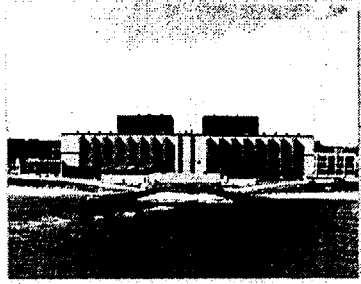
- NMC understands and acknowledges the Nuclear Regulatory Commission's assessment of Point Beach's performance.

- Point Beach has developed an Excellence Plan based on a systematic evaluation to improve and sustain overall station performance.



Introduction

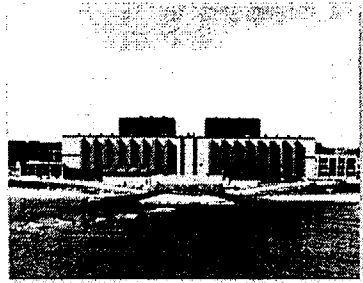
- The crosscutting areas of human performance and problem identification and resolution are included as part of the Excellence Plan.
- PBNP will meet the commitments contained in our commitment letter of March 22, 2004.



Commitment Letter Focus Areas

- Emergency Preparedness*
- Human Performance*
- Corrective Action Program*
- Engineering Organizational Effectiveness
- Nuclear Oversight Effectiveness
- Engineering Operations Interface
- Configuration Management/Design Control
- Auxiliary Feedwater System
- Equipment Reliability

*Discussion to follow



Corrective Action Program

Results

- CAP inventory decreased from 3500 to 2827 (goal \leq 2500 by 1Q05)
- CAP Initiation Rate for 2004 is greater than 10,000
- Root Cause Evaluation Quality is 86% (goal \geq 85 over a 3-month period)

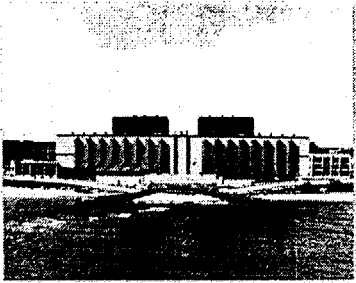
Progress

- Initiation Rate
- Backlog

Challenges

- Trend analysis communication and implementation need improvement
- Timeliness and Effectiveness of Corrective Actions
- Continued Backlog Reduction

Human Performance



Results

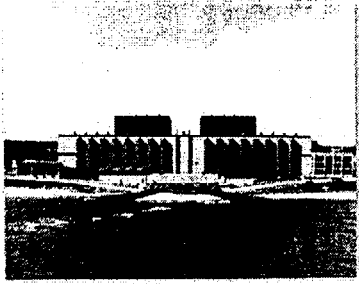
- 30 Days between Human Performance Clock Resets (goal is ≥ 36 days based on rolling 12-month period by 1Q05)
- 20 ACEMAN observations conducted during March 2004 (goal is >30 by 1Q05)
- 358 management observations performed during March 2004 (goal is >325 by 4Q04)
- Roll out ACEMAN to the site organization continues

Progress

- Individuals are starting to understand and use ACEMAN

Challenges

- Every Individual, Every Task, Every Day



Emergency Preparedness

Results

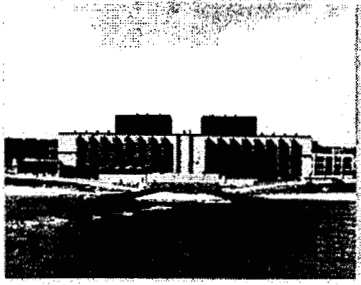
- Restored compliance to original Emergency Action Level (EAL) licensing basis
- Drafted new EALs based on NEI 99-01 scheme

Progress

- On schedule to submit new EALs to NRC in 2Q04

Challenges

- Implementation of new EALs



Summary

- Excellence Plan will be used to improve and sustain performance.
- We will do what we say we will do.
- We will verify the effectiveness of our actions.