



Perry Nuclear Power Plant

OCTOBER 28, 2004 - PUBLIC MEETING

Desired Outcome

Discuss Our Performance Since the June Public Meeting

- FENOC Recognized Perry's Organizational Performance Issues in the Fall of 2003
- Immediate Actions Taken to Intervene
- Performance Improvement Initiative Developed
 - Focus Improvements in Six Areas
 - Ensure Sustained Improved Performance
- Reassure NRC and Public Perry Continues Safe Operation

Performance Improvement Initiative is a Comprehensive Approach

PERFORMANCE IMPROVEMENT INITIATIVE

based on plant operating data

- ✓ **Assessment of Organizational Performance**
- ✓ **Thorough Root Cause Investigation**
 - Emergency Service Water Pump
 - Airbinding of the Keepfill Pump
 - The 4160 Volt Breaker Cell Switch
- ✓ **Collective Significance & Common Cause Reviews**
- ✓ **Issues at Other Plants With Similar Performance**
- ✓ **Davis-Besse Lessons Learned are being anchored at the Perry Plant**



Summary of Causes of Past Performance Issues. . .

- **Incomplete Understanding of the Underlying Causes of Latent Problems**
- **Insufficient Rigor to Promptly Resolve Plant Problems**
- **Management Not Always Reinforcing Expectations**
- **Management Not Always Demonstrating a Sense of Urgency**

Plant Safety Improvements Completed or Underway

- Emergency Service Water Pump
- Alternate Decay Heat Removal
- Circuit Breaker Cell Switches
- Safety Injection Keepfill System
- Reactor Core Isolation Cooling Head Spray Piping
- Digital Feedwater Control
- Plant Communication Upgrade
- Diesel Generator Exhaust Relief
- Hydraulic Lines for Turbine Control



Completed Programmatic Improvements

Perry Specific Critical Components Identified

Corrective Action Program Implementation Focus

- The Number of Open Corrective Actions is Decreasing
- Average Age of Remedial Corrective Actions Reduced by 1/2
- The Corrective Action Review Board Strengthened
- External Industry Experts Utilized for Oversight

Validate Emergency Action Level in the Emergency Plan

Diesel Generator Latent Issue Review



Organization Improvements

Chief Operating Officer Leading Improvement Efforts at Perry

New Vice President for Perry Appointed from Outside FENOC

New Plant Manager

New Oversight Manager

FENOC New Organization in Place

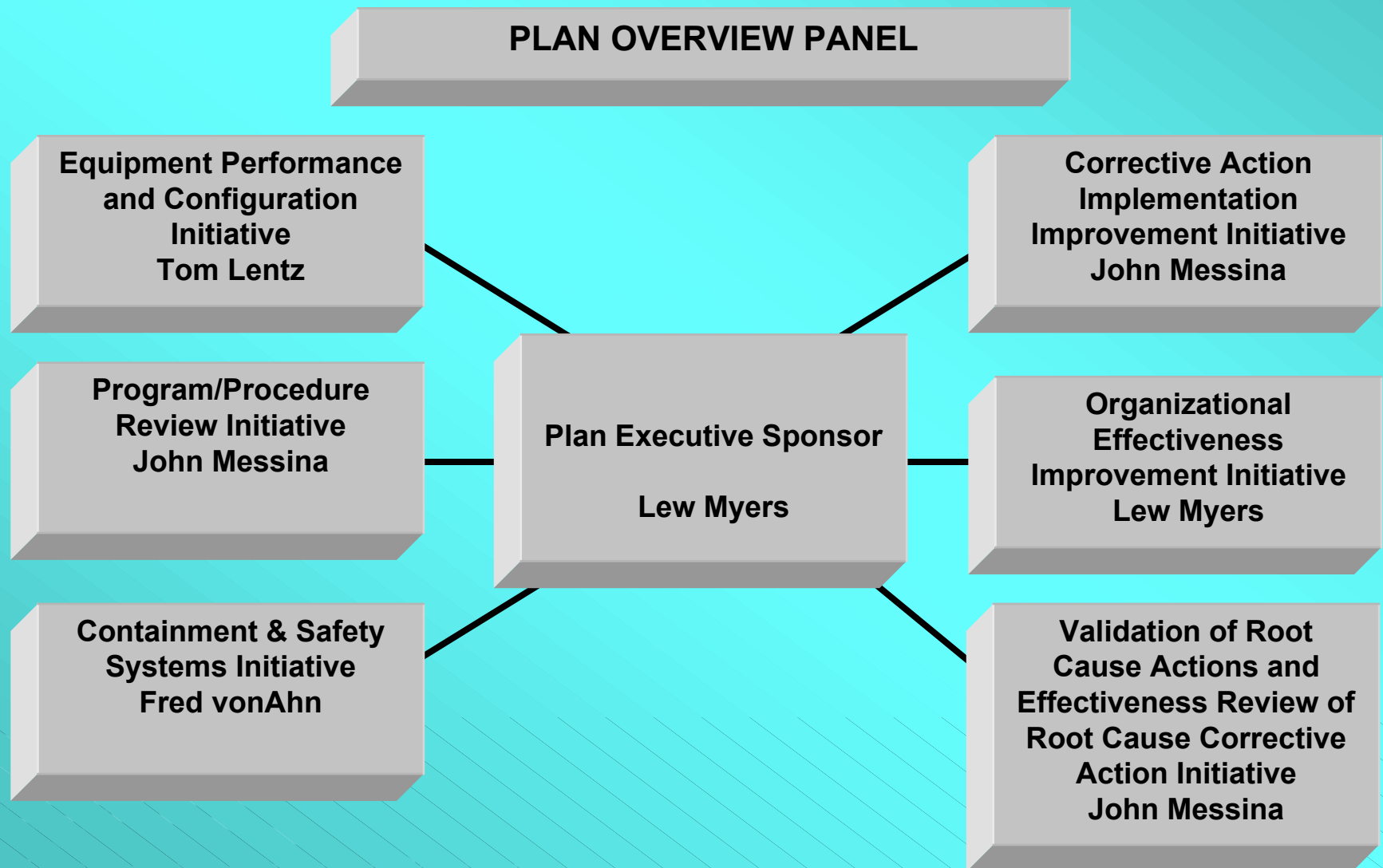
- **Common Organizational Structure**
- **Proven Site Managers and Supervisors**
- **Common Processes Throughout Fleet**



Implementation of FENOC Accountability Model

- **Site Employees Trained to New Standards**
- **Daily Management Alignment and Ownership Meeting**
- **Senior Management Team Ownership of Corrective Action Backlog**

FENOC Has Developed the PERFORMANCE IMPROVEMENT INITIATIVE to Ensure Sustained Performance



Performance Overview Panel Membership

- **Lou Storz** - Davis-Besse Restart Board Member and Former Nuclear Executive
- **Keith Jury** - Exelon Corporation Nuclear Executive
- **Dave Igyarto** - World Assoc. of Nuclear Operators (WANO) Atlanta Center VP
- **Wayne Kropp** - Industry Corrective Action Program and Root Cause Expert with Previous NRC Experience
- **Hub Miller** - Former NRC Regional Administrator
- **Jack Martin** - Former NRC Regional Administrator
- **Gary Leidich / Lew Myers / Joe Hagan / Bill Pierce**
Mark Bezilla / Jim Powers - Davis-Besse Restart Experience
- **Ralph Hansen** - VP Oversight

PERFORMANCE IMPROVEMENT INITIATIVE

John Messina
Director, Performance Improvement

EQUIPMENT PERFORMANCE AND CONFIGURATION INITIATIVE

provides for reviews of system health to enhance safe and reliable plant operation.

- **System Health Reviews**
- **Latent Issues Reviews**
- **Fuel Reliability Improvements**
- **Calculation Improvement**
- **Critical Thinking & Technical Rigor**

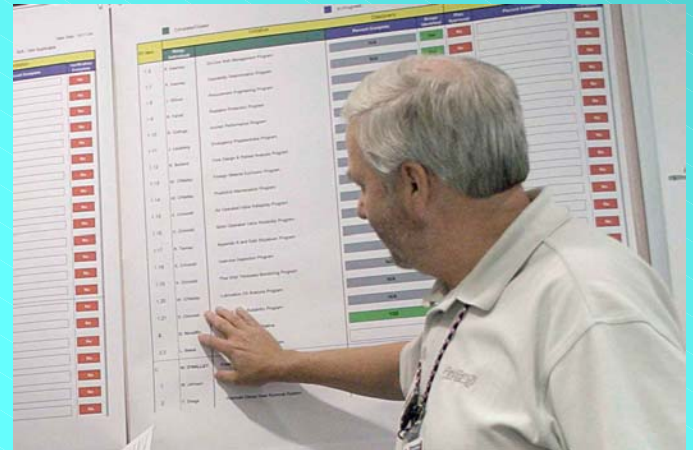


PROGRAM / PROCEDURE REVIEW INITIATIVE ensures requirements and commitments are implemented for important programs.

Program Reviews

- **Configuration Management**
- **Occupational Radiation Safety**
- **Operability Determination**
- **Emergency Preparedness**
- **Work Management**
- **Human Performance**
- **Calculation Control**

Key Maintenance Procedures Upgrade



CONTAINMENT & SAFETY SYSTEM INITIATIVE is designed to improve the materiel condition of containment and strengthen safety systems.

Containment Materiel Condition Improvement

Safety System Improvements

- **Safety Relief Valve Improved Testing Method**
- **Digital Feedwater Control Modification**
- **Alternate Decay Heat Removal System**
- **Flexible High Pressure Hydraulic Lines for Main Turbine Bypass Valves**



CORRECTIVE ACTION IMPLEMENTATION IMPROVEMENT INITIATIVE enhances the program and its implementation.

Corrective Action Program Implementation

Complete

- **Improved Analysis Tools and Training**
- **Intervention to Ensure Actions Receive Attention Warranted by Their Significance**

Going Forward

- **Strengthen Program Ownership**
- **Improve Common Cause and Collective Significance Evaluations**

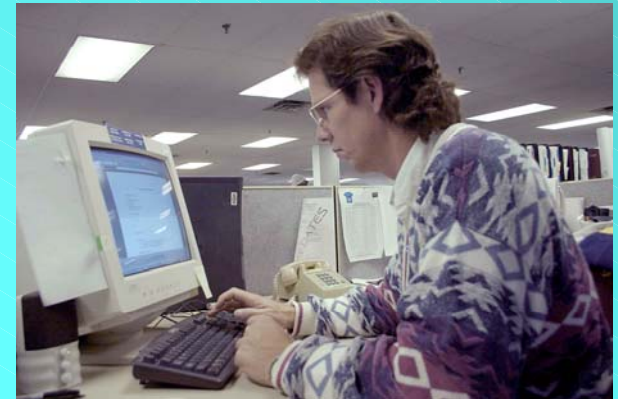


VALIDATION OF ROOT CAUSE ACTIONS & EFFECTIVENESS REVIEW OF ROOT CAUSE CORRECTIVE ACTIONS is designed to ensure that actions identified and taken to resolve root cause events are effective.

Independent Validation by Outside Group of Experts

Validation Will Include:

- **Adequacy of Planned Corrective Actions**
- **Completion of Planned Corrective Actions**
- **Effectiveness of Completed Actions**



Perry Site Operations

Frederick vonAhn
Director, Site Operations

ORGANIZATIONAL EFFECTIVENESS IMPROVEMENT INITIATIVE
is designed to initiate a substantive and demonstrative change in
Perry organizational effectiveness.

FIVE AREA FOCUS

- **Assessments**
- **Communication**
- **Oversight**
- **Targeted Performance Evaluations**
- **Accountability**



Performance Improvement Initiative

Aggressive Actions to improve performance now
Road map for long term improved performance
A yardstick by which to measure progress

Key Drivers & Strategic Objectives

Drivers



**Assure public
health and safety**

**Competitive fleet
operations**

Objectives

Safe Plant Operations

**People Development and
Effectiveness**

**Improved Outage
Performance**

**Excellent Materiel
Condition**

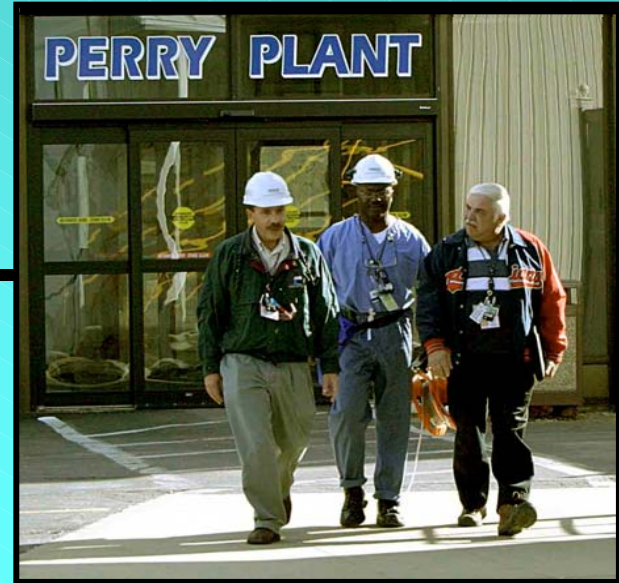
**Fleet Efficiency and
Effectiveness**

SAFE PLANT OPERATIONS

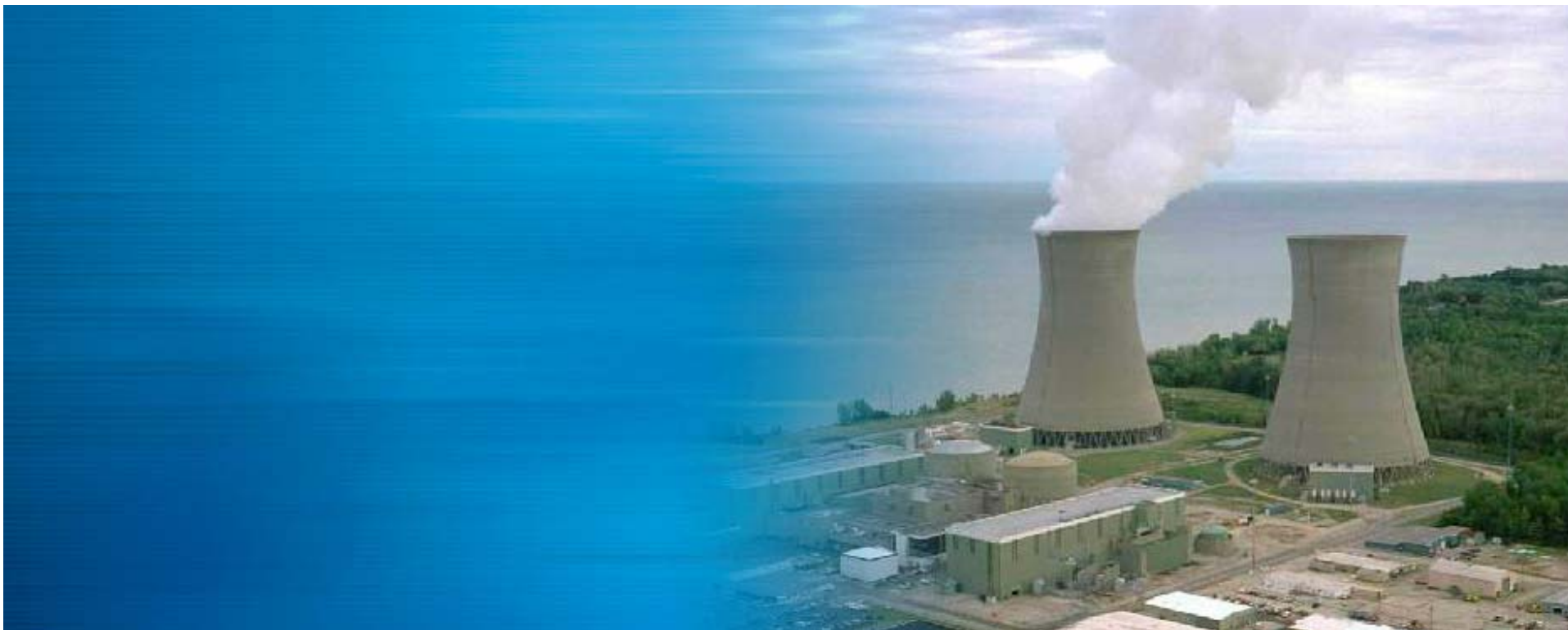


- Improving Trend for Human Performance Success Days
- Perry's Industrial Safety - Top 10% of Industry
- Industry Performance Index Shows an Improving Trend

FENOC Vision



**People with a strong safety
focus delivering top fleet
operating performance.**



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