



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
612 EAST LAMAR BLVD, SUITE 400
ARLINGTON, TEXAS 76011-4125

June 2, 2008

Charles D. Naslund, Senior Vice
President and Chief Nuclear Officer
Union Electric Company
P.O. Box 620
Fulton, MO 65251

SUBJECT: SUMMARY OF ANNUAL PERFORMANCE ASSESSMENT MEETING FOR
CALLAWAY PLANT

Dear Mr. Naslund:

This refers to the meeting conducted in Fulton, Missouri, on May 29, 2008, to discuss the safety performance at Callaway Plant between January 1 and December 31, 2007.

Topics discussed during the meeting included the Reactor Oversight Process and the safety performance at Callaway Plant. Members of the public present at the meeting were allowed to ask questions and comment on the proceedings.

In accordance with Section 2.390 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and its enclosures will be available electronically for public inspection in the NRC's Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (The Public Electronic Reading Room).

Should you have any questions concerning this matter, I will be pleased to discuss them with you.

Sincerely yours.

Vincent G. Gaddy, Chief
Project Branch B
Division of Reactor Projects

Docket: 50-483
License: NPF-30

Enclosures:

1. Attendance List
2. NRC Presentation Slides
3. Licensee Presentation Slides

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Fulton City Administrator
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Chief of Police
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Fulton, MO 65251

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Hermann, MO 65041

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Southern District Commissioner
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Randy Esphorst
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Gasconade County Courthouse
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END-OF-CYCLE MEETING ATTENDANCE

| LICENSEE/FACILITY | Ameren Callaway Plant | | |
|---------------------|---|----------------|---------------------------|
| DATE/TIME | May 29, 2008 6:30 pm | | |
| LOCATION | William Woods University Burton Business Building, Classroom 6 | | |
| NAME (PLEASE PRINT) | Organization | Phone | E-mail |
| 1 Mike Taylor | Missouri Public Service Comm | 573-526-5880 | michael.taylor@psc.mo.gov |
| Moham Thadawi | NRE/NRR | (601) 415-4476 | Moham Thadawi@nrc.gov |
| David Dumbacher | NRE senior resident | 573-676-3181 | David.Dumbacher@nrc.gov |
| Jeremy Groom | NRC Resident Ins. | 573-814-0045 | Jeremy.Groom@nrc.gov |
| Dawn Yancy | NRC | 573-676-3181 | |
| 2 Lee Frigg | Callaway County | 573-642-0238 | Gomish@callawaycounty.org |
| Luke Graessle | Ameren UE | 573-676-8129 | lgraessle@ameren.com |
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| Scott Maglis | Ameren UE | 573-676-8719 | smaglis@ameren.com |
| DAN STEPANOVIC | Ameren UE | 573-676-8382 | DSTEPANOVIC@ameren.com |
| 3 KENTH HENKE | MO DHSS | 573-751-6112 | KENTH.HENKE@dhs.mo.gov |

END-OF-CYCLE MEETING ATTENDANCE

| LICENSEE/FACILITY | | Ameren Callaway Plant | |
|---------------------|----------------|---|----------------------------|
| DATE/TIME | | May 29, 2008 6:30 pm | |
| LOCATION | | William Woods University Burton Business Building, Classroom 6 | |
| NAME (PLEASE PRINT) | Organization | Phone | E-mail |
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| Tom ELWOOD | AMEREN UE | 573-676-6479 | telwood@ameren.com |

END-OF-CYCLE MEETING ATTENDANCE

| | | | |
|----------------------------|---|------------------|---------------------------|
| LICENSEE/FACILITY | Ameren Callaway Plant | | |
| DATE/TIME | May 29, 2008 6:30 pm | | |
| LOCATION | William Woods University Burton Business Building, Classroom 6 | | |
| NAME (PLEASE PRINT) | Organization | Phone | E-mail |
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| Steve Petzel | Ameren UE | | |
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| Kay Dray | MO Coalition for the Environment | 314- 725-7676 | |
| RAJ GOVINDARAJAN | Country Hearth Inn | 314 913 4292 | |
| Chris Waller | Fulton SUN | 642-7272 | news@fultonsun.com |
| Justin Kelley | Fulton Sun | 11 | 11 |
| Doc KRITZER | CALLAWAY COUNTY COMMISSION | 642- 0737 | |
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| | | | |
| | | | |



Callaway Plant Annual Assessment Meeting

Reactor Oversight Program - CY 2007

Nuclear Regulatory Commission - Region IV
May 29, 2008



Purpose of Today's Meeting

- A public forum for discussion of the licensee's performance

- Open Dialogue between Callaway Plant and the NRC.
 - NRC will discuss Callaway Plant's performance
 - Callaway Plant will be given the opportunity to respond



Agenda

- Introduction
- Review of Reactor Oversight Process
- National Summary of Plant Performance
- Discussion of Plant Performance Results
- Licensee Response and Remarks
- NRC Closing Remarks
- Question and Answer Session

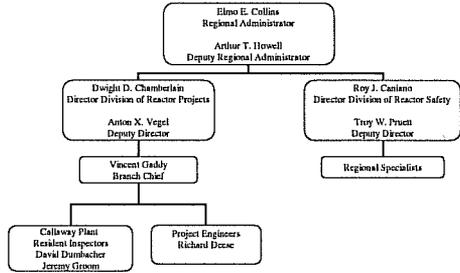


NRC Representatives

- Tony Vegel, Deputy Director Division of Reactor Projects
– (817) 860-8291
- Vincent Gaddy, Branch Chief
– (817) 860-8141
- David Dumbacher, Senior Resident Inspector
– (573) 676-3181
- Jeremy Groom, Resident Inspector
– (573) 676-3181
- Mohan Thadani , Project Manager
– (301) 415-3181



Region IV Organization



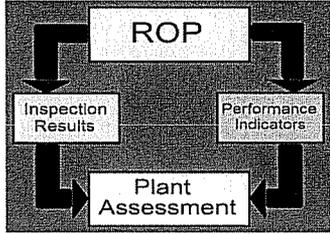


NRC Performance Goals

- Safety: Ensure protection of public health and safety and the environment.
- Security: Ensure the secure use and management of radioactive materials.



Reactor Oversight Process





Examples of Baseline Inspections

- Equipment Alignment ~80 hrs/yr
- Triennial Fire Protection ~250 hrs every 3 yrs
- Operator Response ~125 hrs/yr
- Emergency Preparedness ~80 hrs/yr
- Rad Release Controls ~110 hrs every 2 yrs
- Worker Radiation Protection ~95 hrs/yr
- Corrective Action Program ~250 hrs every 2 yrs
- Corrective Action Case Reviews ~60 hrs/yr



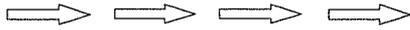
Significance Threshold

- Performance Indicators**
- Green:** Only Baseline Inspection
 - White:** May increase NRC oversight
 - Yellow:** Requires more NRC oversight
 - Red:** Requires more NRC oversight
- Inspection Findings**
- Green:** Very Low safety issue
 - White:** Low to moderate safety issue
 - Yellow:** Substantial safety issue
 - Red:** High safety issue



Action Matrix Concept

| Licensee Response | Regulatory Response | Degraded Cornerstone | Multiple/Rep. Degraded Cornerstone | Unacceptable Performance |
|-------------------|---------------------|----------------------|------------------------------------|--------------------------|
|-------------------|---------------------|----------------------|------------------------------------|--------------------------|



- Increasing Safety Significance
- Increasing NRC Inspection Efforts
- Increasing NRC/Licensee Management Involvement
- Increasing Regulatory Actions



National Summary of Plant Performance

Status at End of CY 2007

| | |
|--|------------|
| Licensee Response | 87 |
| Regulatory Response | 8 |
| Degraded Cornerstone | 8 |
| Multiple/Repetitive Degraded Cornerstone | 1 |
| Unacceptable | 0 |
| Total | 104 |



Callaway Plant Inspection Activities

(January 1 - December 31, 2007)

- Baseline inspection program
- Component Design Basis Inspection
- Temporary Instructions
 - 2515/150, Reactor Pressure Vessel Head and Vessel Head Penetrations
 - 2515/166, Pressurized Water Reactor Containment Sump Blockage



Callaway Plant Annual Assessment Summary

January 1 - December 31, 2007

- Callaway Plant was operated in a manner that preserved public health and safety and met all cornerstone objectives.
- Callaway Plant was in the Licensee Response Column of the NRC Action Matrix
- All Inspection Findings and Performance Indicators were Green (Very Low Safety Significance)
- NRC plans to conduct only baseline inspections at Callaway Plant



Callaway Plant Inspection Activities

(January 1 - December 31, 2007)

- Substantive Crosscutting Issue Closed
 - Issued in area of Problem Identification and Resolution originally identified March 2, 2007
 - Based on observed improvement in this area this issue is no longer a concern



2008 Planned Inspection Activities

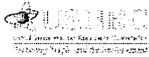
(January 1 - December 31, 2008)

- Baseline inspection program
 - Problem Identification and Resolution
 - Component Design Basis Inspection
- Temporary Instruction
 - 2515/166, Pressurized Water Reactor Containment Sump Blockage



Licensee Response and Remarks

Charles D. Naslund
Senior Vice President and Chief Nuclear
Officer
Ameren UE



Contacting the NRC

- Report an emergency
 - (301) 816-5100 (call collect)
- Report a safety concern:
 - (800) 952-9677, Ext 245
 - Allegation@nrc.gov
- General information or questions
 - www.nrc.gov
 - Select “What We Do” for Public Affairs



Reference Sources

- Reactor Oversight Process
 - <http://www.nrc.gov/NRR/OVERSIGHT/ASSESS/index.html>
- Public Electronic Reading Room
 - <http://www.nrc.gov/reading-rm.html>
- Public Document Room
 - 1-800-397-4209 (Toll Free)



NRC Public Meeting

2007 Annual Assessment
AmerenUE Response

C. D. Naslund
Sr. Vice President & Chief Nuclear Officer

1



Callaway Team

- Chuck Naslund – Senior VP and Chief Nuclear Officer
- Adam Heflin – VP, Nuclear
- Tim Herrmann – VP, Engineering
- Fadi Diya – Plant Director

2



Summary

- We concur with the NRC's assessment of Callaway's performance
 - Actions have been and are being taken to address the issues
- Callaway will continue to operate in a manner that preserves public health and safety
- Callaway's performance improved in 2007

3



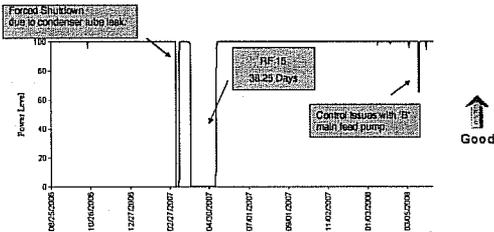
Substantive Cross-Cutting Issue

- Problem Identification and Resolution Cross-Cutting Issue Was Closed:
 - Reduced number and significance of findings related to Problem Identification and Resolution
 - Made significant process, behaviors and ownership improvements
 - Continuing focus on finding, evaluating and fixing issues before they become problems

4



Daily Average Power



- April – Gross Generation: 918,445 MWHrs vs. Potential Gross Generation 925,920 MWHrs
- April – Net Generation: 879,776 MWHrs
- 385 continuous days on-line (as of May 29) since Refuel 15

5



Refuel Outage 15

- No Significant Injuries
- No Significant Plant Events
- Investment of ~ \$40 million to improve plant safety
- Spent ~ \$22 million on preventative maintenance, testing, inspections and routine maintenance

6



License Application Status

- Work continues with UniStar on development of a Construction and Operating License Application for a new nuclear unit (Areva US Evolutionary Pressurized Water Reactor) to be sited at Callaway.
- All site environmental and geotechnical work for the application has been completed.
- The application is on track to be submitted in mid 2008.
- No decision to build Unit 2 has been made.

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Our Mission:

To Safely, Reliably, and Efficiently
Generate Electricity

Our Vision:

To be THE Performance Leader in
the Nuclear Industry

8



Going Forward

- Business plan is guiding performance improvement
- Focus for 2008 is on basics, finding and fixing problems
- Excellence strategies :
 - Operational
 - Equipment
 - Organizational
 - Training
 - Process
 - New Plant
- Objective: Sustained Performance Improvement

9

Electronic distribution by RIV:
 Regional Administrator (**Elmo.Collins**)
 DRP Director (**Dwight.Chamberlain**)
 DRS Director (**Roy.Caniano**)
 DRS Deputy Director (**Troy.Pruett**)
 Branch Chief, DRP/B (**Vince Gaddy**)
 Senior Resident Inspector (**David Dumbacher**)
 Senior Project Engineer, DRP/C (**Richard Deese**)
 Team Leader, DRP/TSS (**Chuck.Paulk**)
 Site Secretary (**Dawn Yancey**)
 Resident Inspector (**Jeremy Groom**)
 RITS Coordinator (**Marisa.Herrera**)

SUNSI Review Completed: VGG ADAMS: Yes No Initials: VGG
 Publicly Available Non-Publicly Available Sensitive Non-Sensitive
 R:_Reactors\EOC and Midcycle\EOC Meeting Summaries\Held in 2008\CWY EOC 5-29-08.doc

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|--------------|--|--|--|--|
| RIV: C:DRP/B | | | | |
| VGGaddy | | | | |
| <u>VGG</u> | | | | |
| 06/02/2008 | | | | |

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