

MEETING WITH NRC REGION II

DECEMBER 9, 2008

Honeywell

MEETING OBJECTIVES

Honeywell

- **Discuss our analysis of 2008 performance**
 - ◆ Results
 - ◆ Actions
- **Suggest a success path going forward**
 - ◆ Develop an integrated improvement plan
 - ◆ Coordinate an implementation process with NRC

2008 PERFORMANCE

- **Began with a good LPR**
 - ◆ “continued to assure safety and security”
 - ◆ “improved performance”
- **Continued to work on LPR focus items**
 - ◆ CAP
 - MRC continues to mature
 - 398 PERs in 2007 vs 750 in 2008
 - ◆ Upgrading procedures
 - 44 new
 - 288 periodic reviews
 - ◆ Self-Assessments and audits
 - 24 SAs
 - 25 audits
 - ◆ Human Performance
 - Continued MRC training/sensitivity
 - Plant-wide “personal accountability”

2008 PERFORMANCE

- **Other improvement areas initiated**
 - ◆ Housekeeping
 - Short term management immediate actions
 - Long term program development
 - Met in R-II Aug 28, 2008
 - ◆ Technology improvement
- **Improvements have also resulted in identification**
 - ◆ Over 160 PERs initiated from SA/Audit program
 - ◆ 185 procedure revisions
 - ◆ 7 license amendment requests
 - ◆ ISA implementation problems
- **Analysis indicates room for further improvement**
 - ◆ Supported by 9 NOVs in 2008
 - 2 from self-improvement initiatives
 - » Security Aug 7
 - » Rad Decontamination (smear media) Sept 22

2008 ANALYSIS CONCLUSIONS

- **Our Performance** is continuing to improve
HOWEVER
- **Our Condition** requires significant additional improvement
 - ◆ **Areas to improve**
 - Procedures
 - Culture
 - New license
 - » More detail
 - » New requirements
 - » Inaccuracies
 - ◆ “findings” spark even more attention

2008 ANALYSIS CONCLUSIONS

Honeywell

- **Analysis results**
 - ◆ **Safety Culture must be better defined, communicated, and practiced**
 - ◆ **Need to increase/enhance Program ownership**
 - ◆ **Performance Improvements must be sustained**
- **Actions**
 - ◆ **Safety Culture**
 - Developing near term (and long term maintenance) plan to define, communicate, practice, monitor, self-correct
 - Learning from INPO
 - Reviewing industry experience (benchmarking)

2008 PERFORMANCE CONCLUSIONS

- **Actions (continued)**

- ◆ **Program Ownership**

- Reviewing programs of “immediate concern”
 - » Identifying corrective actions
 - Conducting broader review of programs
 - » Developing necessary corrective actions and implementation schedule

- ◆ **Sustained improvement**

- Improving corporate involvement in regulatory process
 - Increasing attention to succession planning and training
 - Driving to a single Corrective Action Program

PATH FORWARD

- **A success path must be developed**
- **Will be resource intensive:**
 - ◆ Technology Improvement
 - ◆ Continued re-newed license efforts
 - ◆ Actions from 2008 performance analysis
 - ◆ New rulemaking
 - Decommissioning
 - Part 40 re-write
 - Other (Seismic? Plant aging? ???)
- **Must meet:**
 - ◆ Regulatory requirements
 - ◆ HON company and plant staff ability to manage

PATH FORWARD

- **Best path is an integrated plan**
 - ◆ HON improvement plan integrated with regulatory requirements (including Decommissioning and part 40 re-write)
 - ◆ Would have a process for incorporating new or changing conditions
 - ◆ Would interface with the inspection process

PATH FORWARD

- **Proposed next steps**

- ♦ HON develop improvement plan
 - **Work with NRC to integrate:**
 - » Known rulemaking initiatives
 - » Decommissioning
 - » Transition to Part 70 ISA
 - Plan for incorporating emergent items
 - Periodic plan review with NRC
- ♦ Submit integrated plan to NRC for approval
- ♦ Discuss with NRC opportunity to:
 - Incorporate plan into inspection process
 - » “influence” next LPR
 - Revise the license documents
 - » Reduce/combine
 - **Re-write ISA**

- **Benefits**

- ♦ Focuses on “real” Safety improvements
- ♦ Identifies a clear and achievable success path
- ♦ Provides a measurable performance tool for NRC

DECISIONS

- **Is this integrated plan approach feasible?**
 - Are there unacceptable elements?
- **What are the schedule requirements/expectations?**
 - Elements?
 - Overall?
- **What is the next step(s)?**