



Licensee Performance Review

September 24, 2009

Presented to U.S. NRC
Erwin, TN



NUCLEAR FUEL SERVICES, INC.

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NFS' Safety Culture Improvement Plan

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A new beginning...

Successful Acquisition

Smooth Transition

Commitment to Safety

Improving accountability through:

- Increased Corporate Oversight
- New Ethics Program

Resources Accessibility

Bottom Line Up Front

Plan on-track

- ▶ Performance indicators are positive
- ▶ Enhanced management of plan

Significant progress

Implementation ongoing

2011 goal achievable



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Safety Culture Strategic Plan

Long Range Vision – Industry “best in class”
safety culture by 2011

Integrates findings of self assessment and
third party assessment

Actions to address each finding assigned a
date and responsible manager

Project Management Summary

Plan On-track

- ▶ 140 commitments completed (69%)
- ▶ Living plan - 38 additional actions recently added

Actions Effective

- ▶ Refining safety culture performance indicators

NRC Inspections

- ▶ Conduct of Operations
 - Radiation Protection
 - Downblending operations
 - Security
- ▶ Problem Identification and Resolution (PI&R)
 - Safety Conscience Work Environment (SCWE)
 - Corrective Action Program (CAP)

Addressing the LPR Issues

Human Performance

- ▶ Designed to minimize the impact of human error
- ▶ Identify procedural error traps and non-formalized processes

Work Control

- ▶ Better manage routine and non-routine situations outside of operations

Corrective Action Program

- ▶ Self-identify, report, correct, prevent recurrence of problems
- ▶ Identify procedural issues



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Work Practices Human Performance (HuP)

Plan: all operations personnel using HuP tools by year-end; security forces in 2010

Impact: Improved mean time between clock resets over 75%

Human Performance (HuP)

Error Awareness and Prevention Tools

- Procedure Use & Adherence
- Peer Check
- Time Out-Stop When Unsure
- Self Check
- Questioning Attitude
- Pre-job Brief
- Two Minute Rule

Human Performance (HuP) Implementation

- Area HuP Employee Teams
 - Management
 - Supervision
 - Labor
 - Engineering and Safety support
- Familiarization and tool training
- Key Step Workshops for risk reduction
- Supervisor Coaching & Positive Reinforcement Process
- Employee identified initiatives



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HuP Training accomplished

Fundamentals – 494 employees

Tool Training – 213 employees (HEU Operations Focused)

Key Steps – 33 (Steering Committee only)

Coaching/observation – 37 (supervisor only)

HuP Event Evaluation – 21 (Key facilitators only)

Work Control

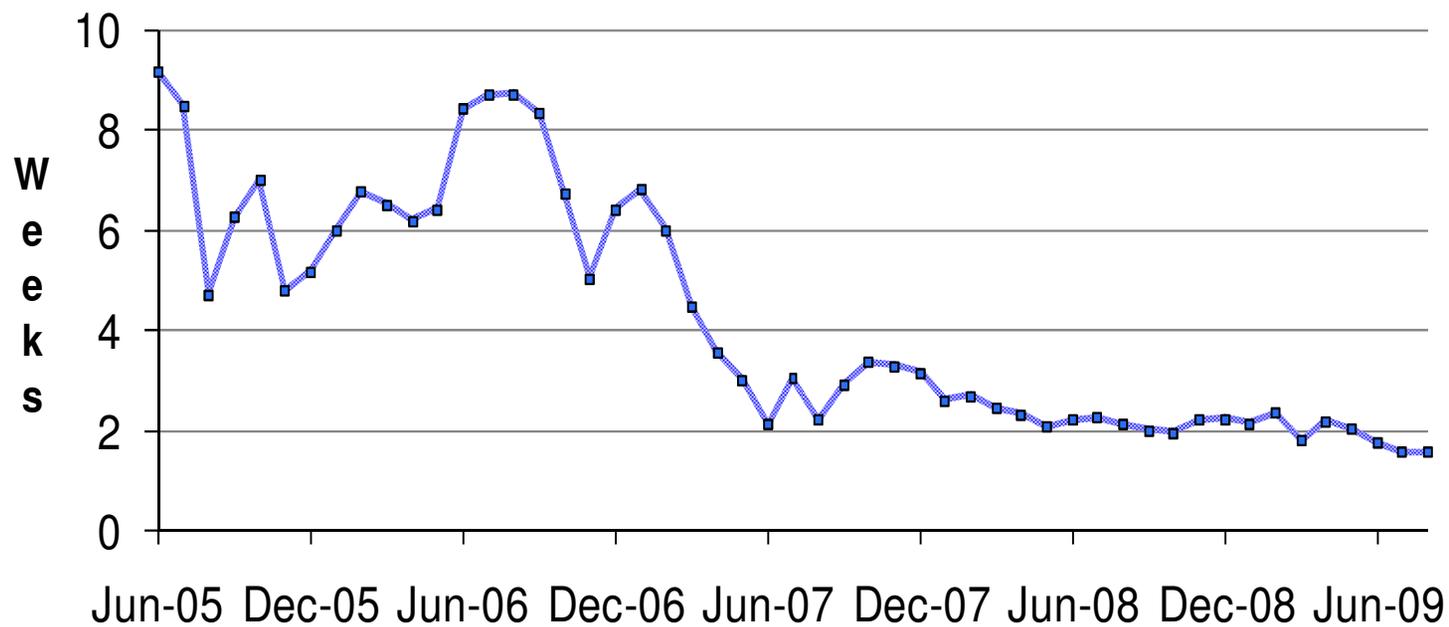
Work Control Process

- Enhanced work flow process implemented
- Enhanced supervision provided
- Improved work control electronic system installed
 - being implemented
- Planning/Scheduling group (“predictive”)

Configuration Management

- Enterprise Change Request process
- Electronic system
 - Downblending, Fuel Facility, CD Line components in data base (22,000)
 - Remaining items scheduled by end of 2010

Maintenance Backlog



✓ Improving Long-term Plant Safety



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NRC PI&R Inspection (May 2009)

Positive Comments

- ▶ No findings of regulatory significance were identified
- ▶ Adequately identifying and entering issues into CAP
- ▶ Adequately evaluating industry operating experience
- ▶ Positive comment regarding environment for raising concerns

Areas Needing Improvement

- ▶ Lessons learned evaluations were not formally evaluated and tracked
- ▶ Determining and implementing effective corrective actions did not meet NRC expectations
- ▶ Inconsistent use of extent of condition evaluations
- ▶ Not effectively entering self-assessment items into CAP

Corrective Action Program (CAP)

Daily screening meeting

- ▶ Senior level action and priority assignment
- ▶ Incorporates recent insights (INPO, NRC, other benchmarking)
 - Extent of Condition
 - Cultural Attributes

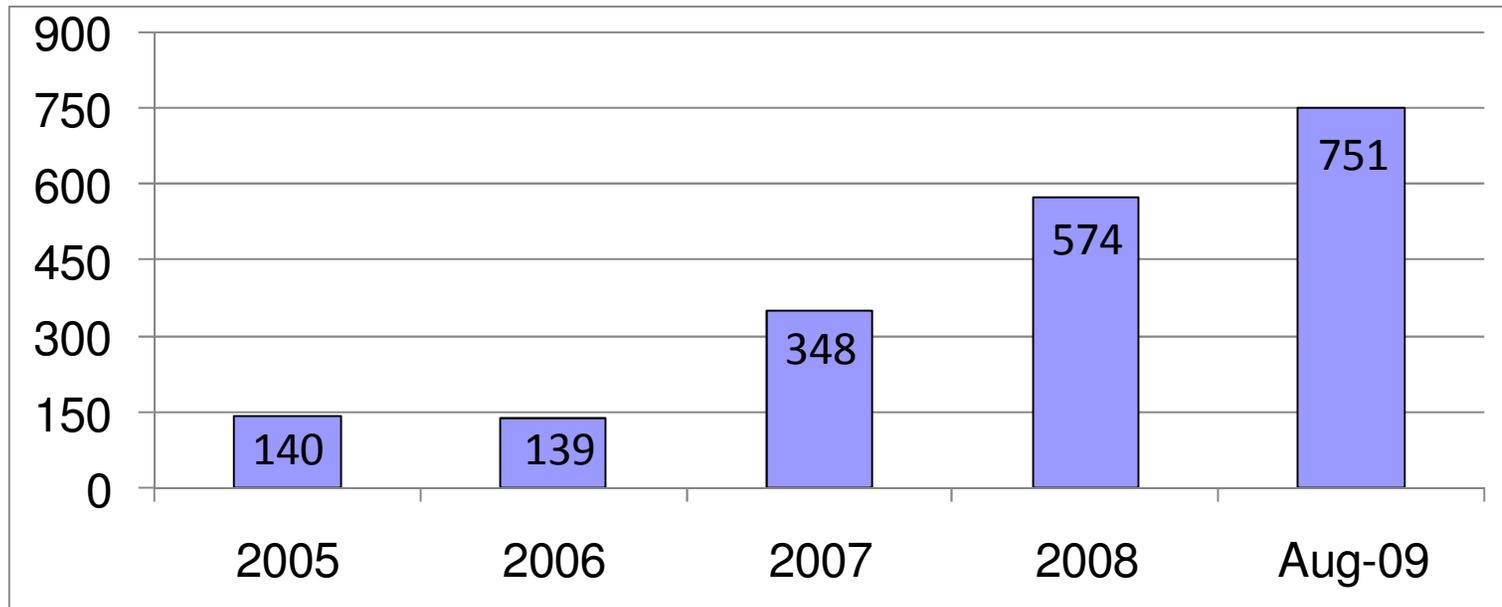
Corrective Action Review Board (CARB)

- ▶ Assesses adequacy of actions taken
- ▶ Assigns effectiveness reviews, lessons learned development

Departmental CAP Coordinators (in progress)

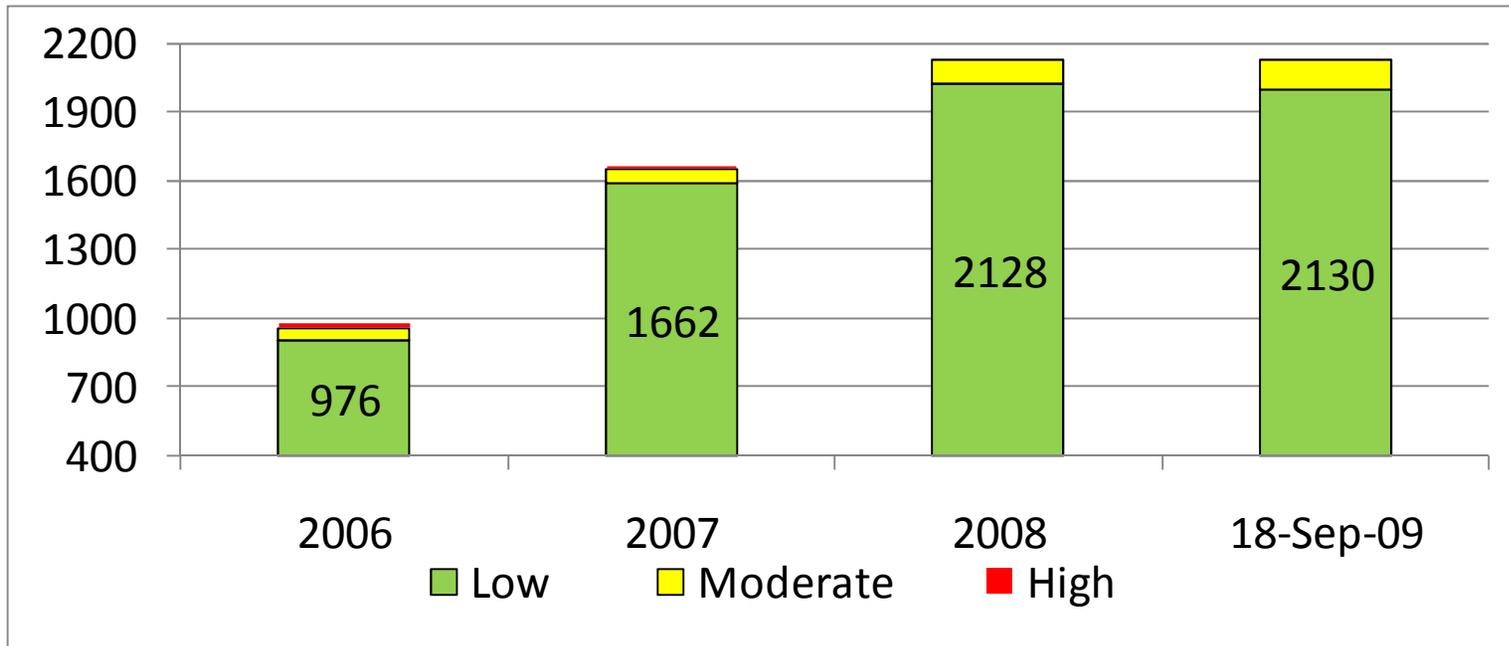
- ▶ Enhanced training in root cause analysis and corrective actions

Employee Safety Awareness



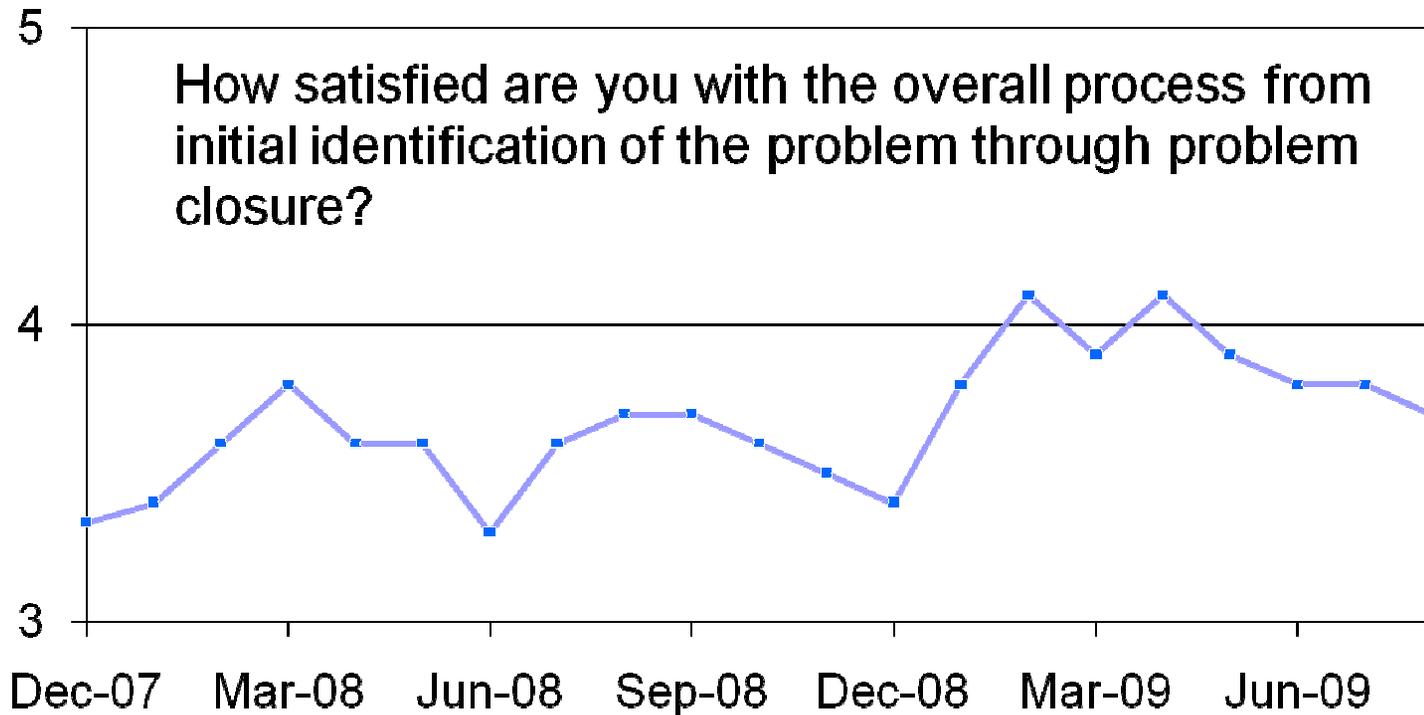
- ✓ Lowering the Reporting Threshold
- ✓ Increasing Ownership & Participation

Employee Reported Issues



✓ Better Risk Management

Problem Identification & Resolution



✓ Improving Employee Satisfaction



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Safety Conscious Work Environment

Anonymous Corrective Action Program
problem reporting (Oct 2008)

McDermott Anonymous Ethics & Compliance
Hotline (Feb 2009)

Successfully launched Employee Concerns
Program (April 2009)

New Safety Culture Initiatives

Communications Department

- Communicating that nuclear safety is the overriding priority
- Safety Online Review Program

Organizational Change Management

- Formal program
- Steps to evaluate and communicate safety impacts of management decisions