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Nuclear Safety Culture Update

January 11, 2011

Agenda

- Opening Comments, Introductions
- Nuclear Safety Culture – Values and Principles Approach
- Path to Sustainability
- Nuclear Safety Culture Program Status
- NSC Dashboards
- Human Resources Update
- Turkey Point NSC Status
- St. Lucie NSC Status
- Employee Concerns Program & Contractor Initiatives
- Closing Comments

G. St. Pierre
VP Fleet Support

J. Schaffer
NSC Project Lead

M. Bryce
VP Human Resources, Nuclear

M. Kiley
VP Turkey Point

R. Anderson
VP St. Lucie

D. Lowens
Director Nuclear Assurance

P. Wells
VP Organizational Support



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Enclosure 2

FPL Attendees

Gene St. Pierre	VP Fleet Support, NSC Sponsor
Jennifer Schaffer	Nuclear Safety Culture Project Lead
Mike Bryce	VP Human Resources, Nuclear
Rich Anderson	VP St. Lucie
Mike Kiley	VP Turkey Point
Dave Lowens	Director Nuclear Assurance
Pete Wells	VP Organizational Support, NSC Sponsor
Larry Nicholson	Director Licensing
Mitch Ross	VP/General Counsel, Nuclear
Jim Voorhees	Fleet ECP Manager
Mike Waldron	Director Nuclear Communications

Timeline

- May 2009** Concerns with the source of allegations
- September 2009** FPL initiates root cause evaluation
- October 2009** First NRC public meeting, FPL presented root cause findings
- April 2010** Second NRC public meeting, FPL reviewed actions and progress
- January 2011** Completing commitment for additional update

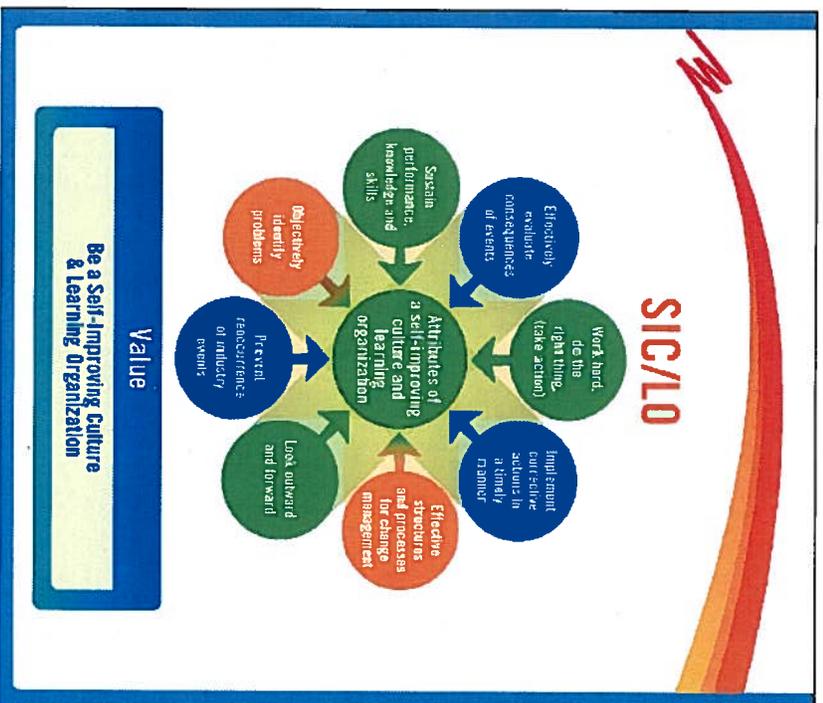
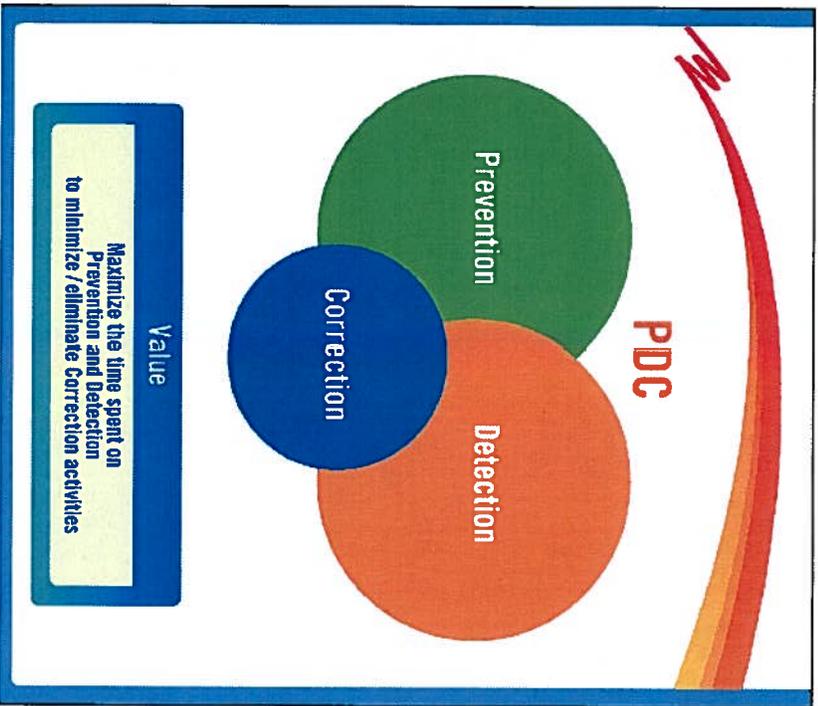


Nuclear Safety Culture Values and Principles Approach



Sustainability through Nuclear Excellence Model
Core Values and Principles

Nuclear Safety Culture Values and Principles Approach



Nuclear Safety Culture Values and Principles Approach

Respect for Nuclear Safety

We are committed to excellence and professionalism in the conduct of our activities, and we endorse the following principles:

- Everyone is personally responsible for nuclear safety.
- Leaders demonstrate commitment to safety.
- Trust permeates the organization.
- Decision-making reflects safety first.
- Nuclear technology is recognized as special and unique.
- A questioning attitude is cultivated.
- Organizational learning is embraced.
- Nuclear safety undergoes constant examination.

Value

Conduct all activities to demonstrate a deep respect for Nuclear Safety

Our Safety Guiding Principles

1. All injuries are preventable
2. Leadership is responsible for preventing injuries
3. Plan safety into our work
4. Look out for each other

Value

Live the Safety Guiding Principles



Nuclear Safety Culture Values and Principles Approach

A Great Work Environment

To help ensure that Fleet team members have pride in what they do, enjoy the people they work with, and trust leadership, FPL Nuclear is committed to:

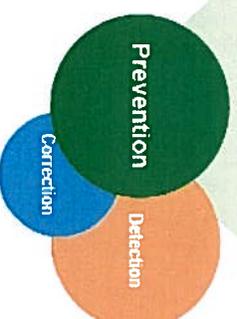
- ✓ Frequent, timely and candid communications
- ✓ Support for work-life balance
- ✓ Elimination of low-value work
- ✓ Performance improvement to minimize crisis response
- ✓ Leadership recognition of employees as our most valuable resource
- ✓ Leadership empowering employees to engage, grow and reach their full potential
- ✓ Building trust and acting with integrity

Value

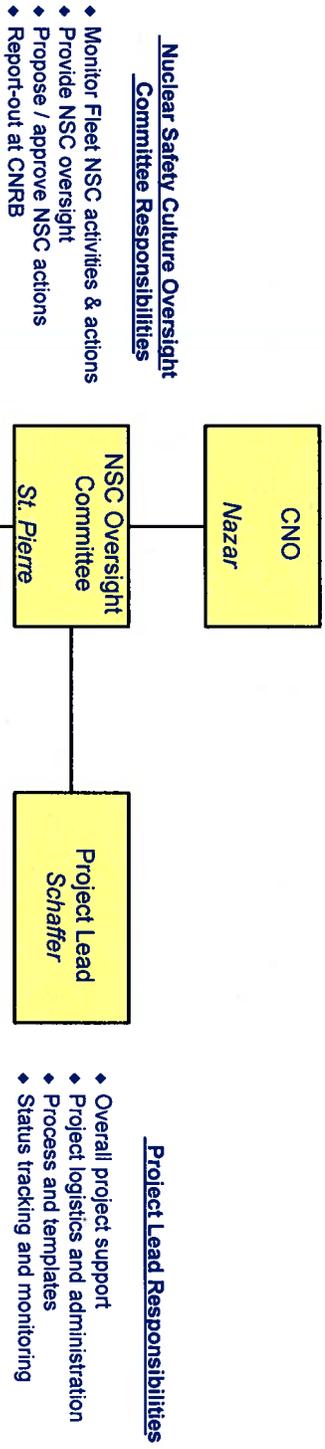
Foster a work environment where
we are the employer of choice

Our Five Outage Principles

1. Respect Industrial and Nuclear Safety
2. No Short Cuts / Rushing
3. Be Deliberate
4. Effective Communication and Handoffs
5. Be Prepared



Nuclear Safety Culture Organization – April 2010



Nuclear Safety Culture Oversight Committee Responsibilities

- ◆ Monitor Fleet NSC activities & actions
- ◆ Provide NSC oversight
- ◆ Propose / approve NSC actions
- ◆ Report-out at CNRB

Project Lead Responsibilities

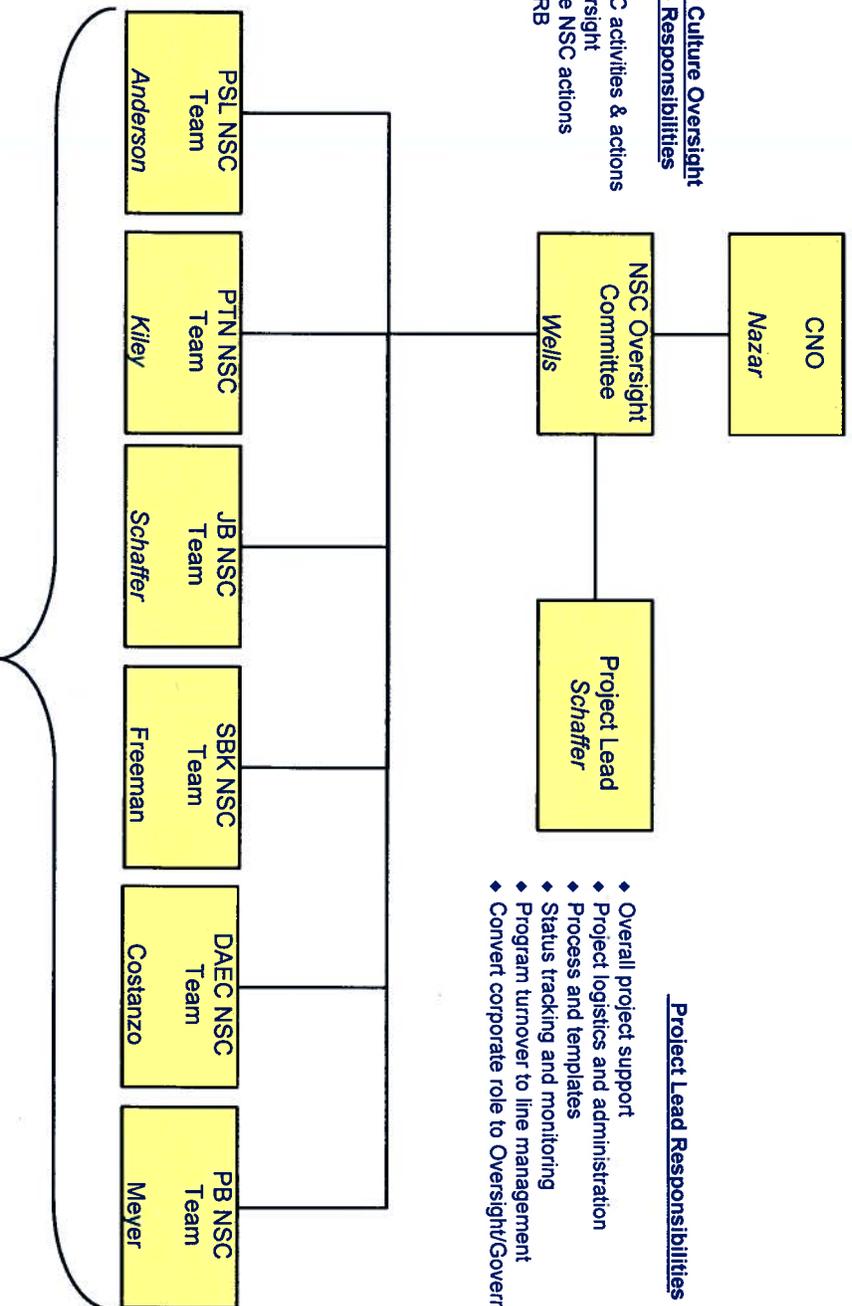
- ◆ Overall project support
- ◆ Project logistics and administration
- ◆ Process and templates
- ◆ Status tracking and monitoring

Site Nuclear Safety Teams Responsibilities

- ◆ Coordination of NSC initiatives at site
- ◆ Sponsor NSC implementation at sites
- ◆ Recommend actions to NSC Oversight Committee

Nuclear Safety Culture Organization – November 2010

- Nuclear Safety Culture Oversight Committee Responsibilities
- ◆ Monitor Fleet NSC activities & actions
 - ◆ Provide NSC oversight
 - ◆ Propose / approve NSC actions
 - ◆ Report-out at CNRB



- Project Lead Responsibilities
- ◆ Overall project support
 - ◆ Project logistics and administration
 - ◆ Process and templates
 - ◆ Status tracking and monitoring
 - ◆ Program turnover to line management
 - ◆ Convert corporate role to Oversight/Governance

- Site Nuclear Safety Teams Responsibilities
- ◆ Coordination of NSC initiatives at site
 - ◆ Sponsor NSC implementation at sites
 - ◆ Recommend actions to NSC Oversight Committee

The Path to Sustainability

- **From April 2010 Meeting**
 - Root Cause Corrective Actions Closed Since April 2010
 - NSC Program Implementation at the Northern Sites
 - Key Communications Initiatives
 - Nuclear Safety Culture Dashboard Pilot
 - Safety Culture Training and Awareness
 - Safety Culture Survey and Organizational Culture Inventory Survey
 - Nuclear Integrated Resource Planning/Aggregate Impact Index
- **Employee Concerns Program Improvements**
 - Face to Face Debriefs with Concernees
 - Three Month Follow-up on Effectiveness
 - Monthly Meetings with Site Vice Presidents and CNO
 - Contractor Safety Culture Initiative



The Path to Sustainability

- **2009 NSC Root Cause Action Status**
 - All Corrective Actions have been completed
 - Final Effectiveness Review scheduled for June 2011
 - NSC Dashboard Pilot
 - Interim Effectiveness Review Conducted April 2010
 - Early signs show progress with respect to awareness of NSC program and processes
 - Consciousness of NSC at the forefront of the leadership team
 - Mini SCWE survey at PSL and INPO OE Survey indicated that the organization is recognizing and prioritizing NSC
 - ECP enhancements are improving employee trust and utilization of the program

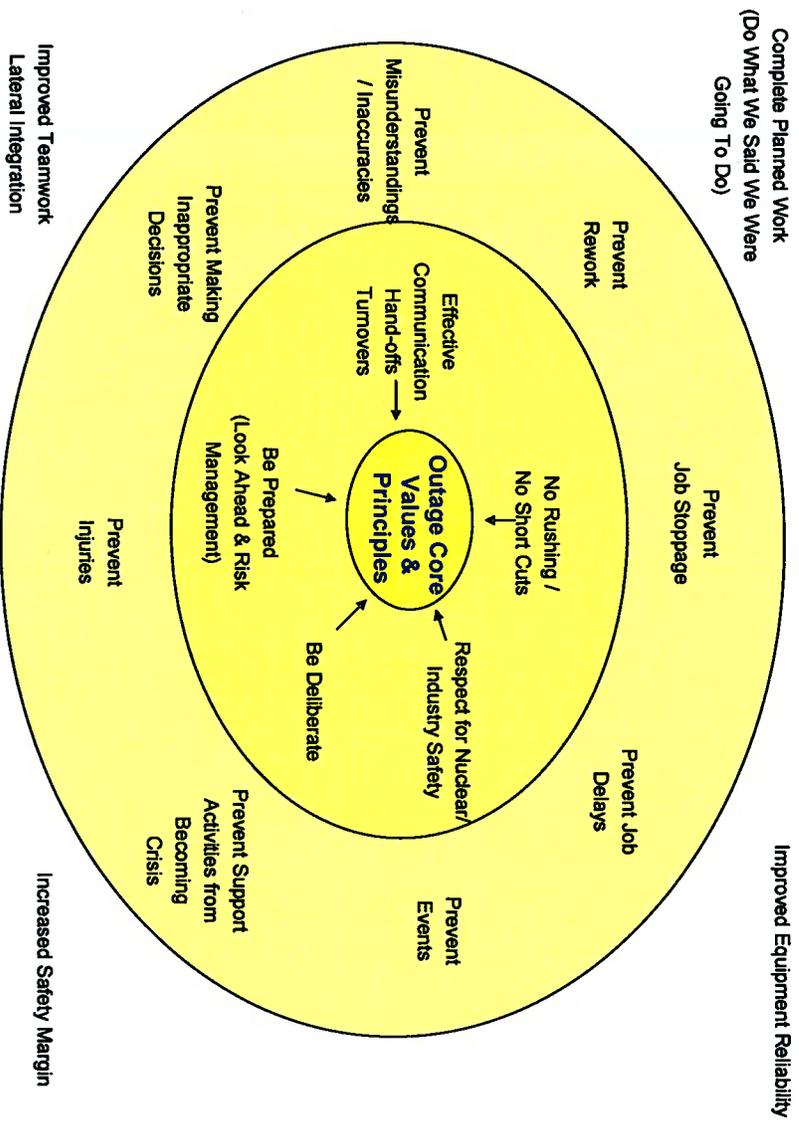


The Path to Sustainability

- **Communications have been a key focus**
 - Fleet NSC website
 - Focused 11% of all Fleet wide communications articles on NSC
 - All Hands Meetings, incorporate NSC updates and sites status progress on NSC actions
 - 2011 Communication plan focus on excellence in work behaviors including enhancements to the NSC

NSC is constantly and consistently reinforced as one of our “core values”

Outage Core Values and Principles

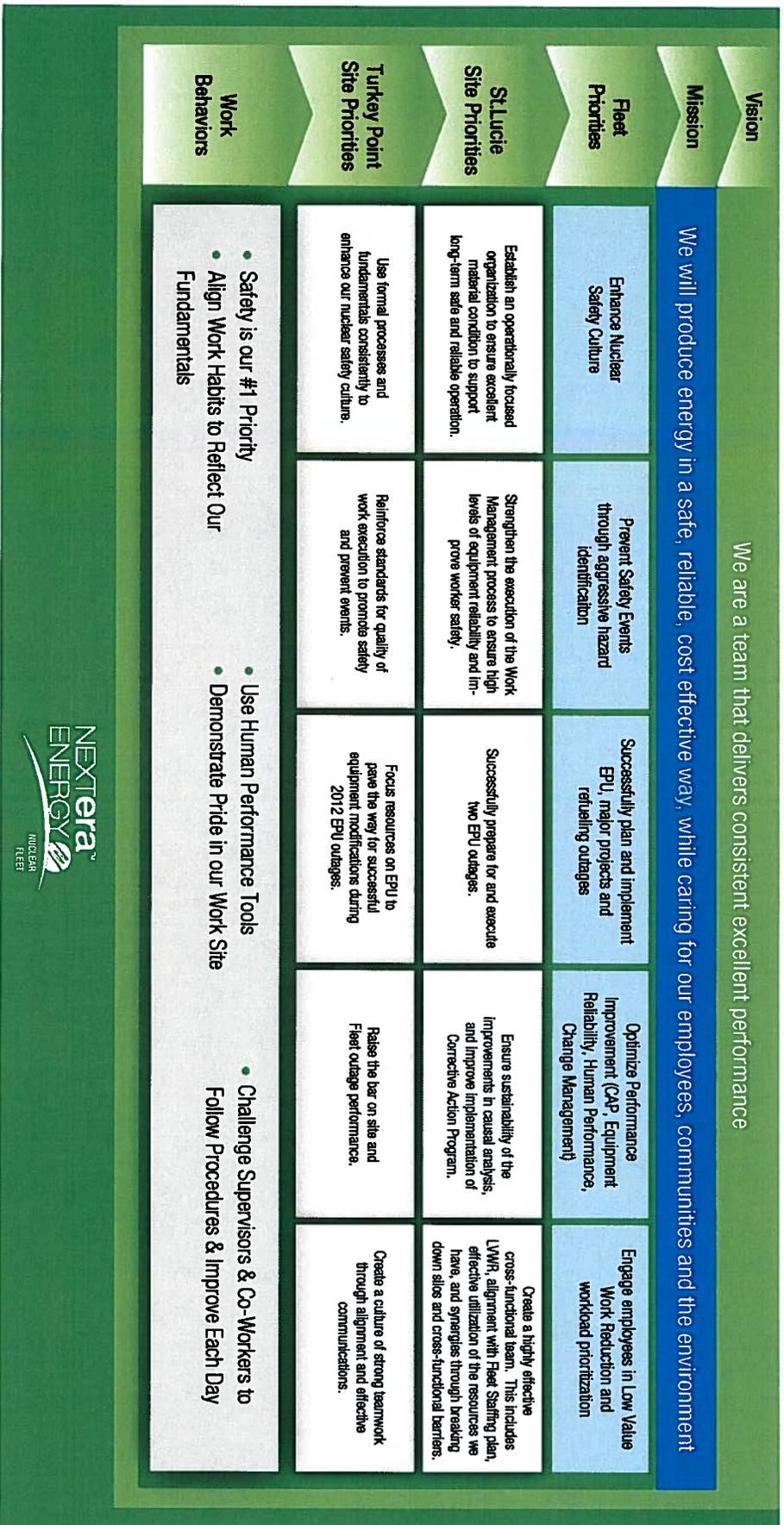


Aligning Nuclear Safety Culture with Existing Values and Principles



St. Lucie & Turkey Point

Our individual work behaviors support site & fleet priorities



one fleet • one team • one goal • excellence



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NSC Dashboards

Jennifer Schaffer

NSC Project Lead

NSC Dashboard Pilot Learnings

- **FPL and the Industry are evaluating various tools and metrics to measure NSC**
 - Continued active engagement with NEI and INPO
- **Dashboard based on the 8 INPO Safety Culture Principles**
- **Current version is still a work in progress**
- **Indicator color codes**
 - Traditional industry indicators use green, white, yellow, red performance criteria based on aggressive top decile/quartile industry performance
 - Non-traditional industry indicators use white and blue criteria based on site specific historic performance
- **NSC teams' usage of the dashboard**
 - Understand culture can not be measured exactly
 - Dashboard is a tool from which we attempt to measure the health of the culture



Nuclear Safety Culture - Site Dashboard

Turkey Point

ORGANIZATIONAL EFFECTIVENESS

Sponsor
Mike Kiley

Owner
Jose Alvarez

Indicator
OE-63

Month End
Nov-2010

Quarter End
3Q10

Site Nuclear Safety Culture Health

Everyone is Personally Responsible for Nuclear Safety

Leaders Demonstrate Commitment to Safety

Trust permeates the Organization

Decision-Making Reflects Safety First

ERO Drill Performance

Clearance Errors Index

Safety Workorder Backlog

PMO Open >= 12 months

NRC Allegations

Disciplinary action

NRC Allegations to NoC DPOs submitted

OSHA Recordable Rate

ODM Process Utilized

Personal Contamination Events

Security Loggable personnel errors

MIRFF

of Risk Sig Red & Yellow Systems

Total # of ECR Concerns

Voluntary Separations

Number of Anonymous CRs submitted

Grievances

"Nuclear Safety Culture" CRs

Component Mispositioning Index

Staffing levels

Number of 2C meetings held

Training Observations

Unrecused Training Absences

Operating Experience Index

Number of Major Change-Ming Plans

Number of Anonymous CRs submitted

Number of Major Change-Ming Plans

Nuclear Technology is Recognized as Special and Unique

A Questioning Attitude is Cultivated

Organizational Learning is Embraced

Nuclear Safety Undergoes Constant Examination

Behaviors & Actions that Support a Strong Nuclear Safety Culture

Non-Outage CR Backlog

Open PMCRs

MSPF - Heat Removal

CR Initiation Rate

Training Observations

Site Procedure Health Index

Regulatory Health Index

Reactivity Management

Equipment Reliability Index

MSPF - Residual Heat Removal

Feedback received via NSC Website

Operating Experience Index

Number of Major Change-Ming Plans

Station Human Performance

Control Room Deficiencies

Operable but Degraded Systems

MSPF - Cooling Water System

Operating Experience Index

Operating Experience Index

Number of Major Change-Ming Plans

Operator Work Around/Burdens

MSPF - Emergency AC Power

MSPF - High Pressure Injection

Operating Experience Index

Operating Experience Index

Number of Major Change-Ming Plans

Open Temporary System Allocations

MSPF - High Pressure Injection

Operating Experience Index

NOTE: This dashboard is governed by AD-AA-103 Rev 0 Section 5.2 Based on INPO Principles for a Strong Nuclear Safety Culture

Pending

Outside Norm Analysis Required

Quantity Indicator

Monthly Indicator

Indicator Key

Nuclear Safety Culture - Site Dashboard

St. Lucie

ORGANIZATIONAL EFFECTIVENESS

Sponsor: Rich Anderson
 Owner: Mark Moore

Indicator: OE-63

Month End: Nov-2010

Quarter End: 3Q10

Site Nuclear Safety Culture Health

Everyone is Personally Responsible for Nuclear Safety

Leaders Demonstrate Commitment to Safety

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Decision-Making Reflects Safety First

Ergo Drill Performance

Clearance Errors Index

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PMO Open >= 12 months

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Disciplinary action

NRC Allegations to Non-DPOs submitted

OSHA Recordable Rate

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MRF

Starting levels

Total # of ECP Concerns

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Nuclear Safety Culture CRs

TISAR

of Risk Sig Rad & Yellow Systems

Number of 2C meetings held

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Voluntary Separations

Number of Anonymous CRs submitted

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Nuclear Safety Culture CRs

CAF Index

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MSP - Cooling Water System

Operating Experiences Index

Number of Major Change Mng Plans

Operator Work Arounds/Burdens

MSP - Emergency AC Power

Open Temporary System Alterations

MSP - High Pressure Injection

NOTE: This dashboard is governed by AD-AA-103 Rev 0 Section 5.2
 Based on INPO Principles for a Strong Nuclear Safety Culture

Pending

Outside Norm Analysis Required

Quarterly Indicator

Monthly Indicator

Indicator Key





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Human Resources Update

Mike Bryce

VP Human Resources, Nuclear

Nuclear Safety Culture Program

Human Resource Actions

- **2010 Organizational Culture Inventory (OCI)**
 - The OCI survey was administered to 3040 employees in 2010.
 - Utilized the survey results to identify and encourage behaviors that will enhance the desired culture and to eliminate behaviors that detract from the desired culture.
 - Senior leadership is aligned and committed to the desired behaviors.

Nuclear Safety Culture Program

Leadership Behavior Monitoring

- **Independent Assessment**
 - Contracted with RHR International to assess desired leadership behaviors and appropriate attitudes that encourage and support a strong NSC.
 - *"In summary, the Company correctly and appropriately identified unsatisfactory practices and behaviors that were contributing to safety culture challenges. In response, the Company has designed and implemented an organizational-wide initiative and intervention actions to enhance the safety culture."*
- **Ongoing Monitoring – Independent weekly review of supporting and detracting behaviors.**
- **Exit Interview screening and reporting of NSC concerns and implications.**





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Nuclear Safety Culture at Turkey Point

Mike Kiley

VP Turkey Point

Turkey Point Nuclear Safety Culture

- An individual's belief system drives their individual behaviors
- Behavior changes at the Site:
 - Station job performance and Training observations has increased from 2008 to 2010
 - Station goals established that drive:
 - Reducing Low Value Added Work
 - Increasing External Industry Engagement
 - Support Employee Engagement

Performance = Behaviors + Results



Turkey Point Nuclear Safety Culture

- **Behavior changes at the Site**
 - Site NSC Committee established with line employees
 - Routine breakfast meetings with Site V.P. and employees
 - Routine 2Cs (Compliments and Concerns) meetings between managers and employees
 - Department written communications such as:
 - Operations, "AOM Notes"
 - Maintenance, "The Maintenance Cooler"
 - Engineering, "Engineering Corner"
 - Chemistry, "Chem-Speak"

Turkey Point Nuclear Safety Culture

- **Improved Employee Engagement**
 - Community Involvement Activities
 - Strong United Way Participation
 - Salvation Army Angel Tree
 - Thanksgiving Food Drive
 - Blood Drives
 - Employee group involvement in local schools
 - Site Sponsored Local Christmas Festival
 - Employee Activities at the Site
 - Dolphin Fish Tournament
 - Golf Tournament
 - Children's Holiday Party/ Family Day



Turkey Point Nuclear Safety Culture

- **Results**
 - Attrition rate for voluntary separations at a 7 year low (21 voluntary separations from Turkey Point in 2010)
 - Strong Improvement in INPO's Organizational Effectiveness survey from 2008 to 2010
 - April 26th 2010, received an improved INPO rating and removal from special assistance category
 - August 19th 2010, operations training programs accreditation unanimously renewed by the National Academy of Nuclear Training.
 - Bargaining unit employees are applying for supervisory positions
 - The majority of promotions at the site have been from our succession plan providing career path opportunities.



Turkey Point Nuclear Safety Culture

- **Challenges**
 - Station staff has swelled with major projects and power up-rates at Turkey Point.
 - 1,457 Contract Employees with protected area access as of 1/3/11
 - Contract work force is our focus in 2011.
 - Contractor 2Cs meetings with their site employees
 - On-site contractor ECP offices
 - Increased site communications
 - Supplemental employee training including oral boards that probe aspects of a strong NSC



Turkey Point Nuclear Safety Culture

Preliminary 2010 Safety Culture Survey

Strengths	Focus Areas
Communicating that NSC is the site's top priority	CAP and ECP Programs
Employees feel free to raise issues	Outage Processes
Individuals understand their responsibilities to report issues	Workload and Resource Allocations

Continued Focus on Improving Internal Processes Designed to Address and Correct Issues





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Nuclear Safety Culture at St. Lucie

Rich Anderson

VP St. Lucie

St. Lucie Nuclear Safety Culture

Where We Were in 2009

- **Corrective action program focus**
- **Leadership alignment on priorities**
- **Prioritization of required work**
 - Preventative Maintenance
 - Corrective and Elective Maintenance
- **Externally/internally driven**
- **Goal alignment**
- **Feedback and dialogue**
- **Employee communications**

**Implement a Focused Approach to Address
Key Safety Culture Inputs**



St. Lucie Nuclear Safety Culture

Actions We Implemented

- **Alignment of goals with fleet nuclear excellence model**
- **Leadership – organizational effectiveness/alignment**
 - External resources for accountable organization training
- **Strengthened causal analysis and CAP implementation**
- **Implemented fleet NSC program**
- **Reinforcing NSC messages in various employee communications**
- **Revised processes to reinforce NSC**
 - Operational Decision-Making
 - Failure Investigation Process
 - Root Cause Evaluations



St. Lucie Nuclear Safety Culture

Actions We Implemented

- **ER/GR assessment / engineering excellence plan**
- **PM Program implementation improvements**
- **Outage scope, preparation and execution**
- **Additional maintenance resources**
- **External engineering support resources**
- **Department fundamentals rollout**
- **Supervisor oversight**
- **Increased training and qualification for contract supervisors**
- **Face-to-face meetings with supplemental workers**
- **Leadership passion for safety**
- **Using 100 – day scorecard**



St. Lucie Nuclear Safety Culture

Where We are Today

- Improved causal analysis
- No overdue condition reports
- Full participation in NSC Team
- Employees more informed and aligned
- Management awareness of NSC impacts
- Improved decision-making and communication of decisions
- Improved equipment reliability
 - Increased 2010 index scores
 - Reduced component failures

“Individuals felt personally responsible for nuclear safety at the site and perceived the current management reinforced this message”

NRC EA-09-0321 St. Lucie Unit 1 95002 Supplemental Inspection Report



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Enclosure 2

St. Lucie Nuclear Safety Culture

Preliminary 2010 Safety Culture Survey

Strengths	Focus Areas
Communicating that NSC is the site's top priority	CAP and ECP Programs
Employees feel free to raise issues	Outage Processes
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Continued Focus on Improving Internal Processes Designed to Address and Correct Issues



St. Lucie Nuclear Safety Culture

Where We are Going

- **Sustainability**
 - NSC site team on the ground focused look at performance
 - Frequent outage meetings
 - Indicator Dashboard
 - NSC Team providing oversight, challenge, and industry best practices
 - Observations and effectiveness reviews
 - Fleet Oversight and HR Independent Monitoring
 - Achieve Excellence in Equipment Reliability
- **Additional Improvements**
 - Engaging key contractors
 - Incorporating employee feedback





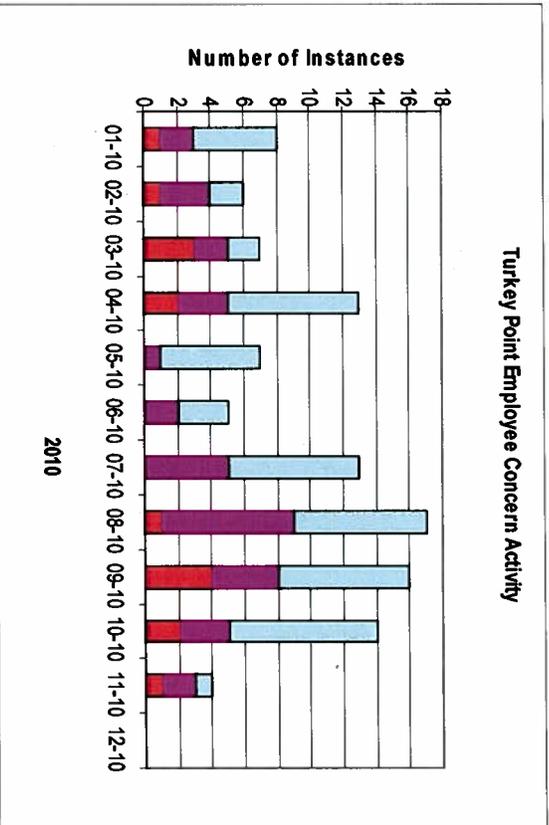
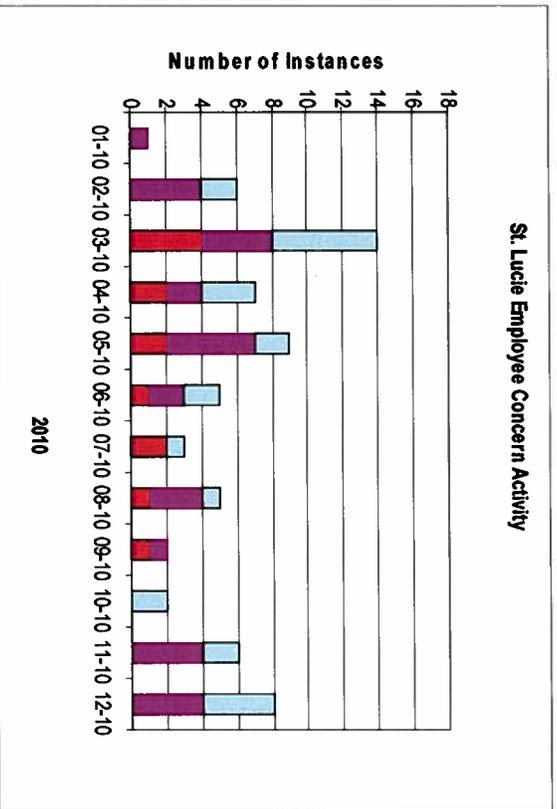
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Employee Concerns Program

Dave Lowens

Director Nuclear Assurance

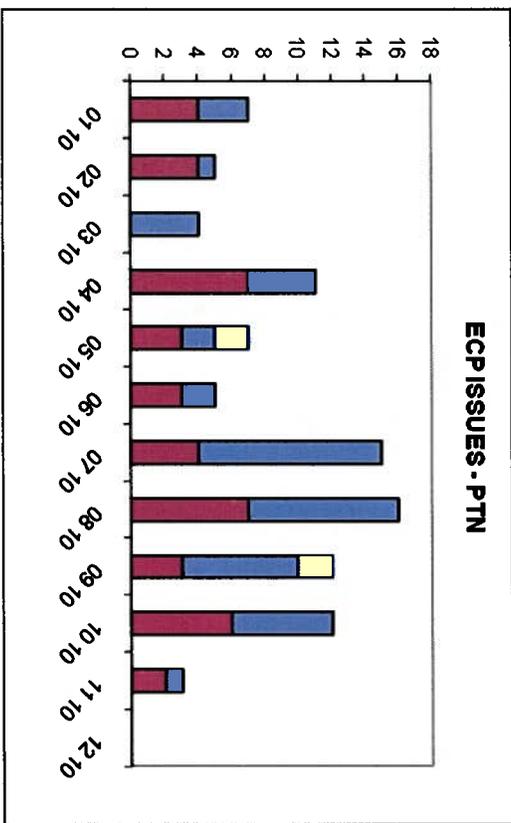
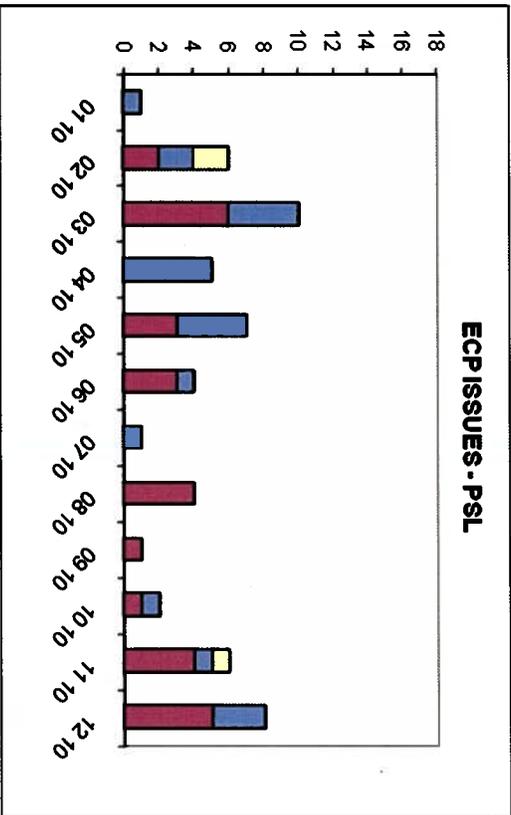
Employee Concerns Recent Activity



Legend	
	ECP Contacts
	Employee Concerns
	NRC Allegations

Actions being taken to increase ECP use at Turkey Point

Employee Concerns Program Contractor Component



Legend	
	Unknown
	Contractor
	FPL

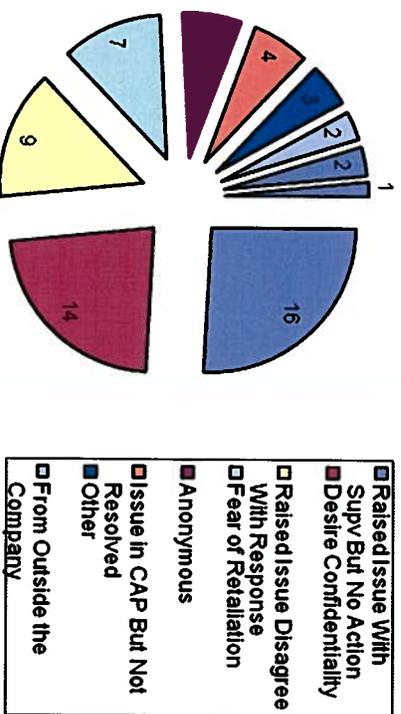
**Working With Principal Contractors To Improve
Their Safety Culture**

Employee Concerns Program
Contractor Safety Culture Initiative

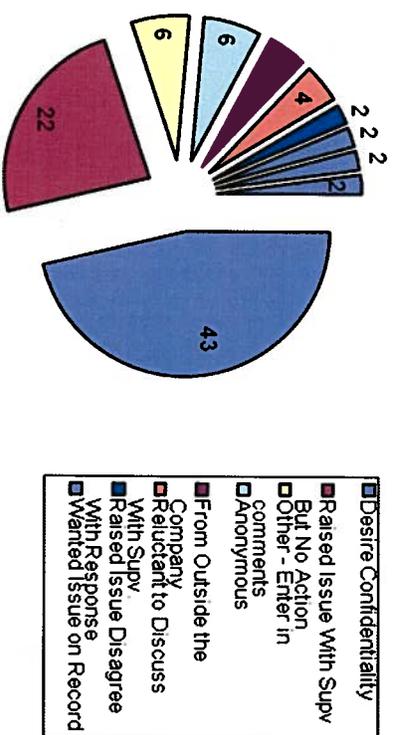
- **CNO met with FPL/NextEra major contractor executives to discuss importance of safety culture initiative.**
- **ECP performing extensive outreach with supplemental workforce (PTN Fall 2010 outage – PSL January 2011 outage).**
- **New ECP language being placed in supplier contracts applicable to suppliers with their own ECP:**
 - Requires notification to FPL of any safety related/quality issue or HIRD concern submitted to contractor ECP
 - FPL plans follow-up to ensure satisfactory resolution of these concerns
- **Quarterly ECP Manager Peer Calls with contractor ECP counterparts (Bechtel, DZNPS, Williams, RSS Wackenhut participating)**
 - First call completed 1/5/11

Employee Concerns Program Drivers For ECP Use

PSL Reasons Why Individuals Come to ECP - 2010



PTN Reasons Why Individuals Come to ECP - 2010



Working To Understand and Address Underlying Issues

Employee Concerns Program Concerned Individual Feedback

- **Goal is face-to-face debrief with CI at time of investigation completion:**
 - Review of the concern investigated
 - Discussion related to discovered facts relative to concern
 - Results of analysis
 - Corrective actions completed or planned
- **Standard feedback questions asked at time of ECP debrief (Palo Verde Benchmark):**
 1. Are you satisfied that ECP addressed all of your concern? If not, why?
 2. Are you satisfied with the resolution of your concerns? If not, why?
 3. Are you satisfied with ECP's assistance? If not, why?
 4. If you had a concern in the future would you feel comfortable using the ECP again? If not, why?
 5. If you had a concern in the future, would you feel comfortable raising the concern to someone in management? If not, why?



Employee Concerns Program - 2010 Feedback Results

ECP Feedback Form Question	Yes	No
1. Are you satisfied that ECP addressed all of your concerns? If not, why?	89%	11%
2. Are you satisfied with the resolution of your concerns? If not, why?	74%	26%
3. Are you satisfied with ECP's assistance? If not, why?	96%	4%
4. If you had a concern in the future would you feel comfortable using the ECP again? If not, why?	94%	6%
5. If you had a concern in the future, would you feel comfortable raising the concern to someone in management? If not, why?	70%	30%

- 65 Concerns/Referrals closed at PSL and PTN in 2010
- Feedback received on 47 Concerns/Referrals
- Feedback not received on 18 Concerns/Referrals (10 Anonymous, 8 Unable to contact CI)

ECP Customers Generally Satisfied with ECP and Would Use ECP Again

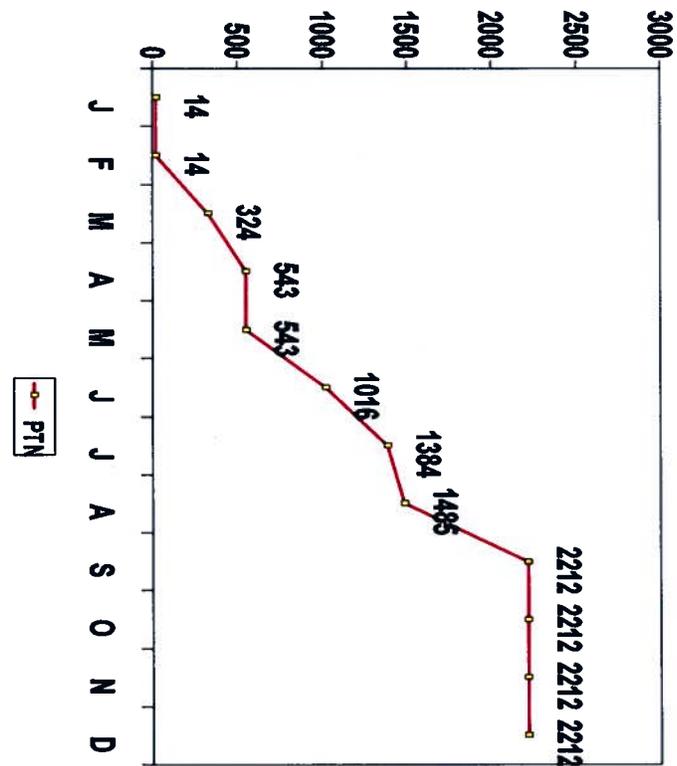
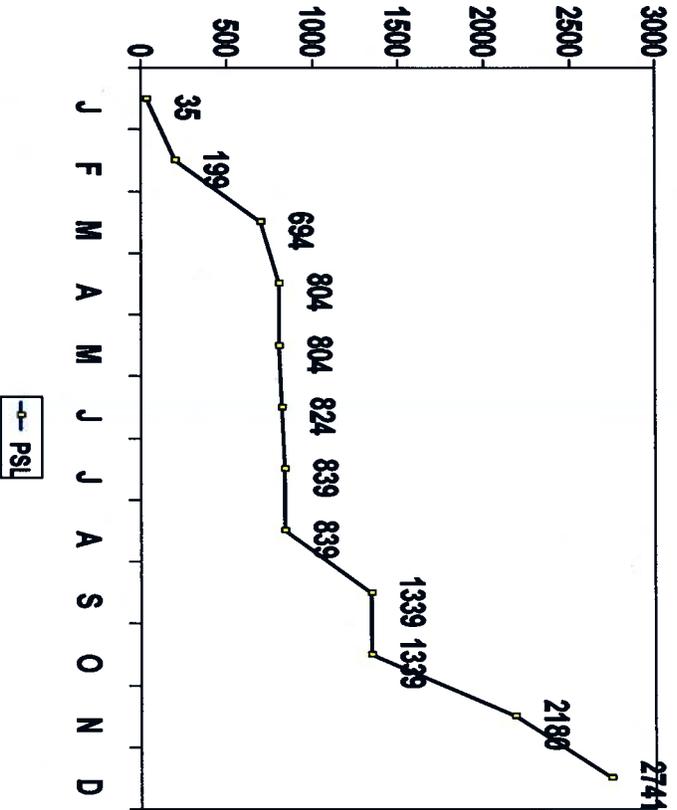
Employee Concerns Program – 2010 Safety Culture Survey

2010 Safety Culture Survey Results			
	PTN	PSL	Fleet Average
I am familiar with the Employee Concerns Program (ECP).	4.55	4.50	4.51
Nuclear safety and quality issues reported through Employee Concerns Program (ECP) are thoroughly investigated and appropriately resolved	3.74	3.49	3.73
Upper management supports Employee Concerns Program (ECP).	3.89	3.77	3.95
I can use Employee Concerns Program (ECP) without fear of retaliation.	3.87	3.7	3.95
Confidentiality of my concern will be maintained by the Employee Concerns Program (ECP) at my request.	3.81	3.55	3.83
Average	3.97	3.80	3.99

5 = Strongly agree, 4= Somewhat agree, 3= Neither agree or disagree, 2= Somewhat disagree, 1= Strongly disagree

General Population Has Positive Attitude Towards ECP

Employee Concerns Program - 2010 Outreach Activity



Cumulative number of site employees reached by ECP by month during 2010 Outreach sessions

Aggressive Outreach Efforts Will Continue During 2011



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Closing Comments

Pete Wells

VP Organizational Support, NSC Sponsor

2011 Nuclear Safety Culture Program Initiatives

- **Sustainability through Nuclear Excellence Model Core Values and Principles Approach**
- **#1 2011 Fleet Initiative**
 - **Enhance Nuclear Safety Culture**
 - NSC Program Standardization to NEI 09-07 Guidance
 - NSC Fleet Peer Team
 - **Assessments**
 - **Trending**
 - **Surveys and Improvement Plans**
 - **NSC Dashboard**
 - **Benchmarking and Industry Engagement**

**Driving Employee Trust in Internal Programs and Processes
Designed to Address and Effectively Resolve Issues**

Path to Sustainability

- **Nuclear Safety Culture built into our values and principles based Nuclear Excellence Model**
- **Progress has been made in our programs, processes, passion and commitment**
 - Validated by internal, external, and independent assessments
- **Understand our challenges and have built in elements to ensure sustainability**
- **Aligned and involved with new industry NSC initiatives**
- **Our goal is to become the NSC industry role model**

Connecting and Engaging the Work Force

