

Fulfer, Karla

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From: Uselding, Lara
Sent: Tuesday, September 06, 2011 12:29 PM
To: Collins, Elmo
Subject: FYI: For Immediate Release from OPPD

I've shared with DRP and branch as well

Lara Uselding
U.S. Nuclear Regulatory Commission (NRC)
Public Affairs - Region IV

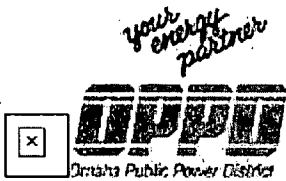
From: OLSON, LISA A [mailto:lolson@oppd.com]
Sent: Tuesday, September 06, 2011 12:01 PM
To: Uselding, Lara
Subject: FW: For Immediate Release from OPPD

Laura,

Per our discussion. Here is the response that we just issued to the local media.

Thanks

Lisa



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From: HANSON, JEFFREY J
Sent: Tuesday, September 06, 2011 11:59 AM
Subject: For Immediate Release from OPPD

For Immediate Release

For Additional Information: Mike Jones, 402-636-3749; Jeff Hanson, 402-636-3755

September 6, 2011

OPPD takes responsibility to improve performance at Fort Calhoun Station

Omaha Public Power District (OPPD) officials today committed to improving performance and processes at Fort Calhoun Station. The commitment follows the District's mid-year performance report received from the U.S. Nuclear Regulatory Commission (NRC). In a letter, regulators state that Fort Calhoun Station will receive additional oversight over the next year and that the agency has moved the plant to Column 4 in its Reactor Oversight Process. The columns serve as measurements for plant performance. Despite the decision for additional oversight, the NRC also noted, "Fort Calhoun Station operated in a manner that preserved public health and safety."

The additional oversight comes as the power plant emerges from safely withstanding the longest-duration flooding of any nuclear power plant in U.S. history. OPPD crews have been successfully battling elevated river levels along the Missouri River since June 6. OPPD officials said the NRC's announcement today was unrelated to this summer's flooding. The District also says the issues raised by the NRC have validated the District's plan to improve of how it operates the plant.

"We take this very seriously," said OPPD President and CEO W. Gary Gates. "While our employees performed admirably during the recent Missouri River flooding, we know that we must find ways to constantly improve and change our organizational speed to address issues that come with running a plant."

OPPD already has launched a special initiative to improve the performance of the plant. Mr. Gates said a detailed analysis of recent station performance, plus input from outside agencies such as the Institute of Nuclear Power Operations (INPO), found specific areas that needed improvement. One example cited by the analysis noted that plant personnel need to consistently and thoroughly evaluate various plant conditions with an eye to improving the response time and the rigor in addressing changes.

Addressing conditions before they become problems was at the root of a "white finding," one of two findings noted today by the NRC.

The white finding is the agency's second lowest adverse classification and indicates a low to moderate safety concern. The white finding referred to an electrical component (a contactor) in the plant's control system that failed during testing, although there were several backups to the component that remained in working order. OPPD has since replaced the component and all of its backups.

The other finding still pending is a "yellow finding." The yellow finding is more safety significant than a white finding in the NRC's process. This finding deals with flood procedures and whether they would be effective. Those measures were later corrected and contributed to the plant's successful protection of the station this summer. OPPD had notified the NRC that it was ready to be inspected to clear this finding, but the summer flooding intervened.

Mr. Gates stated, "Like many businesses have done as they strive for improvement, we need to constantly evaluate and evolve how we do business so we run our plant more efficiently tomorrow than today."

Mr. Gates noted that besides INPO assistance, the district will seek guidance from other high-performing power plants in improving how Fort Calhoun Station operates. The process of moving out of Column 4 will take a dedicated effort to accomplish.

"Our goal at OPPD is to continually look at ways to provide our customer-owners with safe, reliable, affordable and environmentally-sensitive energy," Gates concluded. "We are committed to resolving these regulatory issues and building on the improvement actions we have already taken at Fort Calhoun Station."

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