

Joosten, Sandy

From: Ken Silverstein <ksilverstein@energycentral.com>
Sent: Tuesday, June 11, 2013 11:44 AM
To: Bill Hawkins
Cc: CHAIRMAN Resource; CMRAPOSTOLAKIS Resource; CMRMAGWOOD Resource; CMROSTENDORFF Resource; Benney, Brian; Borchardt, Bill; Leeds, Eric; Lantz, Ryan; R4ALLEGATION Resource; Walls, William; Hall, Randy; Howell, Art; Dorman, Dan
Subject: Re: San Onofre Sad Saga - Lessons Learnt - SONGS Insider News

<http://www.forbes.com/sites/kensilverstein/2013/06/11/southern-california-edisons-problems-ensnare-entire-nuclear-energy-sector/>

On Jun 11, 2013, at 11:35 AM, Bill Hawkins wrote:

1. Edison was afraid of lengthy public hearings initiated by NRC per ASLB ruling and Independent Technical Testimony by Arnie Gundersen, Dr. Joram Hopenfeld, John large, Former San Onofre Steam Generator Investigator and DAB Safety Team. NRC Atomic Safety and Licensing Board have "created further uncertainty," adding that "additional administrative processes and appeals could result in delay of more than a year." During this time, SCE would have to purchase replacement power for its customers as well as maintain the plant in a state of readiness to operate. SCE said it cannot afford to wait for permission to restart unit 3 without income from the operation of unit 2. SCE did not have any confidence that MHI could repair or rebuild Units 2 & 3 to operate @100% power. Around 900 jobs will be lost with the closure of both units, said SCE, as it scales back its plant workforce from 1500.

2. SCE and their Independent Consultants never bothered to find the True Root Cause of Unit 3 Tube-to-Tube wear as required by NRC Confirmatory Letter Action 1 and apply it to prevent Tube-to-Tube wear in Unit 2 at reduced power. SCE and their Independent Consultants never addressed the synergic effects of tube-to-tube wear and tube fatigue caused by fluid elastic instability and flow-induced random vibrations.

3. 170, 000 tube inspections conducted SCE and their Independent Consultants never identified the problems caused by incubating cracks due to fluid elastic instability and flow-induced random vibrations.

4. SCE and their Independent Consultants wasted 15 months and hundreds of millions of dollars in identifying the wrong causes.

5. Rather than face uncertainty and pending lawsuits and investigations, Edison thinks Shutting San Onofre and dipping into 2.7 Billion Dollar Decommissioning Fund will silence Public, Critics, Barbara Boxer, NRC Office of Inspector General/Investigations. IF Edison thinks that they can continue to reap their profits with the help of CPUC and enjoy/party their life in their Multi-Million Dollar Beach Glass Homes with Decommissioning Funds, they are Wrong Again?

6. Therefore, both reactors at the San Onofre nuclear power plant in California were retired due to the lengthy and uncertain regulation surrounding their return to service.

7. If instead of discriminating and retaliating, SCE Management would have listened to the recommendations of San Onofre Steam Generator Investigator and read Arnie Gundersen's Papers as early as June 2012, SCE could have been working with Westinghouse instead of MHI in fixing and resolving the Problems with Units 2 & 3. To put all the blame on MHI, SCE supplied wrong data and misdirected the efforts and resources of Westinghouse, AREVA, MHI and its own employees.