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USNRC

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VOICE: [Inaudible.]

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BRANCH

McCOY: Like I said, I want this to be a discussion.

What I'm going to do is and what George is going to do, we're going to talk about a couple of things first, [inaudible.] And I think the most effective way to really get to the bottom of this issue is to have some interaction with the group [inaudible] operations [inaudible.] [Inaudible] interaction session was the most important part of this.

There's really two reasons that we're doing this. One is that there are some key points that have been reemphasized within industry in the last year or two and I want to stress those things and I think it would be [inaudible.] The second part that we're going to talk about is [inaudible] implications [inaudible.] So I want to get those back out in front of you.

The most important thing is that Pat McDonald, George Hairston and myself got called to Washington last week. We really weren't told what we were coming up there for, except they wanted to discuss Vogtle. It was Dr. Murley, head of NRR, who asked us to come up there. It was a high level meeting and when we got up there, basically what they said was [inaudible.] Basically what they said was we want to tell you what our perception of Vogtle is. And so I want to come back and I will tell you about what that was a little later. To start with, I think all [inaudible.] We have

NUCLEAR REGULATORY COMMISSION

Docket No. 50-424/425-OLA-3 EXHIBIT NO. II-183

In the matter of Georgia Power Co. et al., Vogtle Units 1 & 2

Staff Applicant Intervenor Other

Identified Received Rejected Reporter S. Mergener

Date 9/21/95 Witness Hairston

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common words that we use to communicate our principles and we live by them.

The first is the concept of respect and responsibility for the reactor core. The one thing that makes us different than any other plant who generate electricity is responsibility that every one of us has that work here with regard to the reactor core. I know this is motherhood and apple pie. But, if you ever lose sight of that, and damage to the core, you know, everything else that we've done is for naught. And that's the one that really separates us from other types of power plants. Look at the results of that at Chernobyl and TMI, and a number of close calls where people who have forgotten that primary responsibility to handle that.

So that's what it's all about. That's why we have high level competent people and have put so much money [inaudible] effort and the training, because of this responsibility. We don't have to put that kind of effect into running fossil plants. And we don't [inaudible.] But it's different. And that is the difference. [Inaudible.] I picked out a quote out of the C.E.O. meeting that Zack Pate made last year to all the CEOs, you all have probably all read that speech. There are copies of it floating around here. [Inaudible.]

The quote was if you put a professional who is thoroughly imbued with a great respect and sense of responsibility to the reactor core, that is for reactor safety, and all of his decisions and actions are based on this grave responsibility, and that's the

essence of it. The second concept [inaudible] I want to talk about is related [inaudible.] The first one is like the motherhood statement. The second was is how you carry out that responsibility. And the way that I found most effective to always think about that, and different people have a different twist on this, but I think that you all need to understand my way of thinking, because when I talk to you and George talks to you, we have a common way of describing this, we will communicate much more clearly.

The concept I use is what I call the margin of core damage or the margin of reactor safety. What that means to me is that every time we do something with the plant, the first question we ask is does this change the margin to core damage. Another way to say it is does this change the risk of a core damaging event occurring. And almost everything we do does that, however remote it may be.

If we take a diesel down for PM, we are changing the risk that in a loss of off-site power or station blackout, that the risk now that the other diesel won't run is higher and the risk of core damage is higher. If we take -- I'm trying to think of something not related to equipment. If we make a decision that we're going to run a special test associated with finding a loose part in the steam generator and we want to do a particular line up or something like that out of the normal line up for the system. Ninety percent of the time that has an effect on the risk that has been thought out before. And that's what we're always evaluating.

Now, that's not to say that we don't take risks -- we take risks every day. But in our business, the consequences of core damage are so immense that we really have to focus on that in every decision we make. And that's why -- that's what we get paid for. And that's not to say that I don't want you to take risks. I do want you to take risks. I understand it has to be done. I have to do it. But when we make those decisions, let's get the appropriate involvement.

If it is a procedure change, you know, we've had some examples. George has talked about some of these where we've done things without procedures or without appropriate reviews. We've had things where we have made decisions that, in hindsight, affected the risk in the plant and the management here in the plant didn't participate or didn't know about it. We want to participate in this if it's not an emergency or it's not an urgent kind of thing. We're all in this thing together.

If you guys screw up down here and damage the core, my career is ended, as well as yours. I want to participate if we're going to make a significant decision. And, you know, we talk the key problems, that we want to talk about every morning in our morning call-key problems. And if key problems come up during the day, we want to know about them.

We've set up a mechanism to do that with our duty manager and manager in corporate. We've got to reach a common understanding of what the key problems are. And I guess one of the definitions is that if there is something that changes in the plant

that is -- that effects this margin of safety significantly, then, you know, we want to know about it.

Another thing is, of course, if there's something that jeopardizes or significantly changes the ability of the plant to make power, change power levels or shut down or whatever, we want to know about that. That's a key problem [inaudible.] Other things that are key problems are things where we may get exposure from the outside looking in at us that we need to be aware of. If I get a call from the NRC Regional Administrator or something like that and he says to me, hey, what about those dropped rods you had last night [inaudible.]

I need to know about this and be ready to discuss it, there's a lot of things. The last item of the three that I want to talk about is into that area. That is what I call getting help or getting involvement from other people. And that's a principle that we have just got to sign up to, that we can't be of the mindset that we're going to handle all our problems ourselves and that sort of thing.

Our business -- the decisions, the key decisions that we make are so important financially and from a risk point of view, to not get all of the available help and information that we reasonably can before we make key decisions isn't the way to run this kind of an outfit and that's a key principal.

When I talk about help, I'm talking about, you know, if we -- if we're going to go work on a piece of equipment and you have the least -- and it's something that is significant to

operation of the plant. If you have the least bit of a feeling that we may not -- don't have the complete knowledge in that area or there's somebody else who is more knowledgeable about it and might improve our success rate dealing with that, then we ought to get those people here to help us or call them and talk to them and ask, you know, if it would be of benefit for them to come help us.

Likewise, where we have experienced management up through our chain, and most of our managers up through our chain have had some broad experience, we've really been working to try and make that better, but to discuss problems with the appropriate levels of management is an opportunity and the kind of thing that we -- when we talk about discussing problems, really what we're trying to do is ask questions, because the questions are really what makes them think have we addressed all the aspects of this before we go reach our conclusions on this.

And what we talk about -- I've heard Pat McDonald talk about a value-added concept. If you can't add some value in your job to the decisions that are being made and the work that's that's going on, then, you know, why are you there. And the way we add value is from a perspective that each of us have, when we talk about a problem, if we can add something, it may be a different twist, a different angle or something we've seen in another plant or something like that, or its a particular item we thought of.

Again, it goes back to that concept. We're all in this thing together and, you know, we ought to take maximum advantage. Those are the three principles. Now I want to talk about the

perception [inaudible] that may exist on some of these principles. We went up to this meeting, like I say, and they specifically asked to talk to Pat McDonald, George Hairston and myself.

And we didn't really know why Tom Murley called Pat McDonald and he said we want you to come up here, we need to talk to you, and really didn't want to talk on the telephone. George Hairston and I got up there a little early and talked to Steve Varga, one of our managers over our project in NRR. He didn't really have a whole heck of information, he had some insight. But it was very obvious that it was the top level of NRC management.

We got to the meeting. The people that were there were Tom Murley, Jim Sniezac, Steve Varga, Jim Partlow, Dave Matthews from NRR, Ben Hayes from OI, the Office of Investigation. And then from the Region, Stew Ebnetter, the Regional Administrator, and Al Herdt, who is over the project [inaudible.] It was a high level group of management and they specifically didn't have any of the people from the plant and they didn't have any of the people that deal directly with the plant in Washington or in the region.

We weren't quite sure why that was, but I'll tell you later. Murley started off the meeting by saying I don't want to -- you know, we're not up here to talk about any specific events, any problems; he said, but what we're here to do is to tell you what our staff's perception of you is. And that's the whole purpose of this meeting, so you clearly understand what we think about you. And he proceeded to do that. And he led off and then the others

chipped in and we basically just listened, and then had some discussion, and I'll talk about that a little bit later.

What I did when I got out of that meeting, the first thing is after my ears turned back white and -- I left that meeting and my ears were red I was so pissed off. But, you know, it really -- it really hurt to get that kind of criticism. And I know you guys don't like to hear it and you'll probably leave this meeting with your ears red a little bit, but that's the way it ought to be.

But once I got out and I cooled out, I went and sat down and I tried to write down the exact words I heard. You know, I wanted to go back and think about this thing and reconstruct it. So this is their perception of us. Whether it's real or not in a lot of ways doesn't matter in our relationship with the NRC at that time. The perception is real as far as they are concerned.

They're going to write our SALP report come September. It isn't too far away and they're going to write that report completely on their perception. So we got to work on that. Now, here are the things I wrote down. They said we're concerned that Vogtle may cut corners. [Inaudible.] We're concerned -- they said Vogtle -- Vogtle people are cocky, they don't always follow procedures or ask for help when needed. One guy at some point in the discussion there, I won't tell who it was, said "enough of that discussion, I'll just cut through the bullshit and tell you what my people say; my people say the people down at Vogtle have a cowboy cavalier attitude."

Another comment was they don't always take conservative actions. Another comment was we don't feel comfortable that we get open and complete communication with the people at Vogtle. And then a kind of summary level comment somebody else said is, if I had to sum it up, I'd just say you've got an attitude problem. And those are their exact quotes the best I could remember that I wrote down.

Now, we had some discussion after that and let me tell you that Pat and George really defended us in this thing. They stood up for Vogtle. Specifically they said it's our opinion that Vogtle is a good performer and they've made steady improvements over the last several years. The facts show that, but we hear what you say and we're going to go back and sit down and think about it. We've heard you, but it hurts and we don't really agree.

We think that we've got a strong team there and we're making improvements, we know we're not perfect. That's the reaction that our management had. Now, when we got back to Birmingham, I went and sat down, after I had written down my comments and all, with Pat and George and said this is what I want to do, I want to go talk to people and be completely open and candid with them about what went on, and that's the corrective action.

So the only way to solve this problem is for everybody, key people that know what the problem is, and I've got confidence that we've got good people. They know when we've got problems, they'll solve them. And they agreed with that, that's the only

action that the plant will take. But we've got to understand this thing. We've got to do some thinking about how we tackle it.

George, do you want to talk about, you know -- I asked to George to think about this after I talked to him and are there specific things that may have contributed to this perception and examples [inaudible.]

BOCKHOLD: Okay. You know, I, of course, was very aggravated when I heard this. I believe that fundamentally we are not cavalier. We don't have a cowboy attitude. We are concerned about nuclear safety. We do not cut corners. I believe we make good decisions.

But at the same point we have a history of events that might give the NRC that impression. Let me give you a flavor for those events. I'll start as far as back and '87 and, in the NRC's mind, '87 is not a long time ago. To a lot of us here, it seems like ancient history. But '87 is not a long time ago.

We had the world's worst record on reactor trips in '87, for example. We start out with that and we made some -- you know, we worked on that and we got a little bit better. Our reactor trip record today is not that good, okay. Just look at that facts. And NRC has a division called AEOD and they look at those facts all the time.

In 1989, last year, we're all proud. We had a great year. Following a short startup, good run in the summertime, really good experience with the units and that kind of stuff; got good pay for performance and said what a good year we had in 1989.

But if you look at approximately a year ago in February/March of 1989, we was going for a full-power license on Unit 2.

We, in the plant, just prior to that full-power license, had an RHR check valve problem where people did not use the procedure. They made up a procedure on shift and it ended up being an event similar to, as the NRC might describe it, an inter-system LOCA. We could be pressurizing and were pressurizing the refueling water storage tank from reactor coolant system. And that was a big deal event to those folks.

This year, most recently, we had Black Tuesday, declaring a site area emergency. And being without electricity to the emergency buses, even for a very short period of time is a big deal. And an IIT team, that is going to bring the microscope back on plant Vogtle. Just in the outage what types of things did we have? We almost had a classic. We had a couple of spray valve problems that put the operations crew in an unusual configuration, where we ended up with an excessive pressurizer cool down. Okay.

We tried to cool the RCS when we shouldn't have, okay, and we ended up with a pressurized cool down event. Maintenance and repair of the spray valve. Left a bushing out. QC was there and that kind of stuff. In going to mid-loop, we ran tygon tube. Engineering helped us run that tygon tube. It went over a hump like it wasn't suppose to. It had a kink in it. The main procedure for the tygon tube wasn't real clearly thought out because we had that space and we got some air back into tygon tube.

So the level in the reactor coolant system tygon tube indication dropped. We didn't really know where the level was. It turns out that on that specific day, I was talking about Black Tuesday to the Region. And as I almost do every day, I listened to the morning phone call before going to the meeting, so I knew the plant status to ask my questions. Nobody told me about the tygon tube. NRC residents picked that up by reading logs and they weren't communicated about the tygon tube problem.

I heard it from the NRC, Ken Brockman had this tygon tube problem, "what happened, George?" Well, George didn't know. Okay. There's obviously a perception problem there. I think another event I'd like to talk about is the OI investigation. And I think we did things technically correct, but we didn't communicate the best. Way back in 1988, we were going to add chemicals at mid-loop, we didn't communicate with the NRC the best we could have.

And then this thing drags on. And internally in our own organization I believe we had some allegations amongst various people in this organization and we weren't working the best as a team that we should have. We ended up with an OI investigation. It took a lot of time and I'm sure, you know, as Ken said, Ben Hayes from OI was a part of this group. I'm sure that OI investigation reflected back on the perceptions.

What that does is give you a flavor of the types of events that other people could say, gee, Vogtle might have these things, cutting corners, cavalier, that type of thing. They would

add those events up and they would get that perception of us. And, again, I don't believe that we act that way. I think we make considered decisions, but we really need to be very careful about our communication with those decisions, with the NRC, with our own management, with each other, such that, you know, we don't give this perception to our regulator.

I think each of us has to think about how we can improve our perception. That puts the mirror back on me. And I say what do I do that might give somebody this perception? George Bockhold's management style, his communications style is when he deals with a problem, I believe I intently listen to the people telling me their expertise about the problem, their opinion about the problem, but I listen very quickly.

I hear the various experts, but I don't take a lot of time. I make decisions quickly. In some respects, that's a strength. That's something that has helped me a lot in my career. In some respects, that could be a detriment because I can easily be accused of being arrogant, too quick to make decisions, not considering all aspects of events. So I got to be careful with how I make decisions and make sure that I consider everything. I believe I do, but I need to give the perception that I am considering everything.

Each of us has to reflect on how you do business and how your management style, your communications style can really help us get rid of this perception. To be best, besides having the best performance record, forced outages, least amount of money

[inaudible], best capacity factor; we have to be perceived by the outside world, regulator, INPO, that we are the best. Perceptions are important.

So I ask you all to think about it and help me work on it.

McCOY: You know we're all in this business because we want to be. If we didn't really have a driving force, we wouldn't be in this business. We're not here because this is the place you get rich in life. We're not here because this is a place where it's an easy job. Every one of us is dedicated and really is here. And I know what drives me a lot is the desire to be proud of the organization or the job we do and that sort of thing.

That's what -- when I do self-analysis of why I'm here, that's what I really boil down to. I'm here because I'm proud of what we do. I think it's important and I'm proud to be a part of it. I absolutely believe we have a team here on Vogtle that we can all be proud to be associated with and, you know, we've got the opportunity, you all have heard me say this before, to be the top plant [inaudible.]

I'm proud to be associated with Vogtle. It really hurts to have to go through this kind of criticism and self-analysis but the way that we get through that is to really talk about it and think about it and so forth. So what I'd like to ask you to do now, you all have heard this, you're probably pretty upset by hearing it the first time, I know I was, but I'd like to hear your reactions and thoughts.

VOICE: [Inaudible.] Ken, --

VOICE: Well, I think we --

VOICE: [Inaudible.]

McCOY: Right. We talk about that business of do we really get to the root cause of things, because we have a number of repeat events that have occurred and so forth, and [inaudible.] I think if I understand it right, Glenn's kind of got the lead in terms of getting the training on root cause analysis and we've got a group of people going through that and we're trying to get better in that area, using all the techniques that have been developed to really be sure that when we have a problem, a significant problem, that we really get to the bottom of it.

Now, the other side of that is that I think that, you know, the procedures that we already have in place are some of the best around in the industry. I know I've heard George Hairston beating on Jack Woodard at Farley about he needs to look at the event procedures that we have over here and they're better than the ones that they do down there.

So I don't think we're completely screwed up in that area John, but I think there is room for improvement and we've recognized that, but that does give a perception. I've had that said to me that, hey, you know, you guys keep having the same problems.

VOICE: I sort of have a question to bring up or a confession to make, whatever, but some of the events that came out in my mind (inaudible) were some that were associated with reactor

criticality, start up problems. I think it would be [inaudible.] So I go back to this rod drop [inaudible] and I'm convinced right now that my attitude is we should never have taken the reactor critical without procedural guidance. [Inaudible.] I still believe I should have put the rods on the bottom, but from that standpoint right now I'm not sure that there has been any communication to the plant staff as to what management thinks is 100 percent right decision.

And I understand both sides of the discussion and I believe from the instant they started pulling the rods back out, everything was done properly. But I don't agree with that first decision.

McCOY: Well --

VOICE: And so I have a calibration problem.

McCOY: Well, I have a confession to make there, too. I do, too. I was down here, as you know, the morning after that. I happened to be down here at the plant and I went to the morning meeting and I heard the item discussed. George and I came back over to his office. We sat down and talked about it. And I heard the report as it was described, although initially I got some information that was bad as it turned out. My initial reaction was, yeah, that's probably what I would have done if I been there, just exactly what they did.

Now, the initial report that I got was that, you know, we were doing physics testing. We were under a physics procedure. That the rods dropped, the power level came down and settled out on

sub-critical multiplication, and that after about eight or ten minutes, after discussion with the Westinghouse people, the reactor engineer and so forth, the shift superintendent, the shift supervisor made the decision to restore the conditions back to the known condition where they had previously been.

It turned out that wasn't quite the case and so at least in retrospect, you know, I've changed my position a little bit based on further information. As I understand it now, and this is the point that probably is most important to me, was that the decision was made in a pretty fast manner based on the desire to avoid hitting the P6 set point. And in less than two minutes, we were pulling Group B back out -- to go back to critical and return to power before we reached it.

The reason that changes my perception of what should have been done is because I have -- you know, you go back and talk about conservative decision-making, reactivity and that sort of thing. I've always had a philosophy about the reactor is if I don't -- if I'm not sure or I don't have time to think about and think through all the aspects of where I am, then there's always a way to put the reactor in a safe condition, quickly.

And I think in this case, in retrospect, the wiser decision would have been, you know, put the rods on the bottom and start over, after having time to think about it. But that's second-guessing and, like I say, I confess my initial reaction was that I would have probably done the same thing.

Now, you know, we had a lot of people look at that and technically, there wasn't anything wrong with that decision in retrospect. What bothers me about it is that it was in a very sensitive area, one that we've had a lot of emphasis and training on, that sort of thing, and the decision was made quickly without getting all the input. And I just have to say that I don't believe anybody can in less than a minute really think through all the implications of something like that and talk to enough people to feel comfortable. So that's the criticism that I have of that event.

That's an example. I'm sure that's one of the things that, you know, contributes to this perception. I heard some what I considered inappropriate comments from the NRC and one of the comments I heard was that somebody described it as a fast scram recovery for those that were in the Navy. That was bull. That pissed me off, but, you know, that was a perception somebody had.

VOICE: [Inaudible] people at Vogtle had an attitude. Did they give any details about that.

VOICE: Well, the way I took that, because that was one of the last statements. What I think that they were trying to say by that, Charles, was that all of these things up here that they talked about previously, being cocky, not asking for help and all of that. It could be summed up by saying it's not a problem of knowledge or technical competence of whatever. It's an attitude problem and I've heard people use that, there's a song out about

attitude adjustment, [inaudible] country music [inaudible.] But anyway I think that's the context there [inaudible.]

BOCKHOLD: We talked a lot about these are the NRC's perceptions and I hear arguments on why the perceptions aren't right or things like that. But I guess the basic question is do we agree with these perceptions.

MCCOY: I think that there's some fire there. I think there's more smoke than there is fire. I think there is, like I say, you know, I can go back and look at some of these events and the ones that bother me the most are the ones where we've had people either fail to get help when they needed it or try and do something without a procedure or without consulting with the expertise and management that they had available. Those are the ones that bother me the most. Those are the ones that I think we got the biggest real exposure of having a real problem with.

There are some perceptions here, too, you know, we've had some personalities. I think I said I would tell you why the people they invited to this thing. The conclusion that I came to, this was based on a statement that Dr. Murley made. He said -- in his opening remarks, he said, you know, there's some personality issues that we, you know, we're aware of here and that sort of thing. But he said putting personalities aside, this is the general perception also.

Based on that, I think that they intentionally didn't bring any of the people from the plant or any of the people that are directly associated with Vogtle, in the Region or NRR to that

meeting. They were all at the higher levels and that's the reason I think they asked us to go up there, was that they thought that there might be some personality kind of issues that either side wanted to talk about.

And at the end of the meeting, they kind of opened it up to that and basically what Pat McDonald said is we're not here to talk about personalities. We play with the hand we're dealt and that sort of thing; that, you know, your perception is what's important. He also reiterated that he had complete confidence in our team here at Vogtle and the direction that we were on and Stew Ebnetter that morning chipped in and said, "yes, we've seen consistent improvement at Vogtle." You know, so we got that support.

But I think there have been some perceptions based on some personalities and that sort of thing and I attribute part of the heavy smoke that's out of proportion maybe to the real fire here to some of our dealings in the past and we've got to work on that.

So I have got to communicate completely openly and clearly with Ken Brockman, our Region guy in Atlanta, on what's going on down here and that sort of thing. Every time he gets a phone call from whatever source or he gets called into Stew's office in the Region or something, and says "how come that tygon tubing thing happened down there Vogtle? Here we got this Information Notice out on mid loop and all that and you guys told

me that Vogtle implemented all this stuff." And he says "what tygon tubing", you know.

Our stock goes way down with Brockman when that happens. Same thing happens with the resident and the resident gets a phone call from Washington and says -- and I tell you this morning I stopped by after the morning meeting and talked with Russ Starkey.

VOICE: Doug.

MCCOY: Doug Starkey. But anyway, Doug, to me, is very open, straightforward and refreshing to go in and talk to him. One of the things he said this morning was that I spent a lot of time yesterday on the telephone trying to calm down people in Washington about the loose part in the steam generator. He said, you know, he said I'm comfortable with the actions that you all are taking. The Region is comfortable that you're taking a careful considered approach on that, doing the right thing, but somehow there's a perception up there that there's big exposure here and Georgia Power is not taking conservative actions on this thing.

And I think we have got to work through the Region. They are our hope. They're the people that really know us and they are -- I think Stew Ebnetter is a pretty strong Regional Administrator, I'm getting into personalities here a little bit. But I think he's [inaudible] best we've had in an awful long time in the Region. And when he tells us something or whatever, I put a lot of credibility in that. So I think our best hope is to build our relationship to ensure those people really have confidence in us

and they have the ammunition to defend us. I believe they will if we're open with them, candid, and that sort of thing.

Harvey, let me ask you something that just occurred to me. You guys in startup and construction, on Unit 2 in particular, somehow established a very high credibility perception with the NRC as evidenced by the all ones in the SALP report which you got. What did you see different about that arrangement and what exists here.

HANDFINGER: We had a lot more NRC people. And one of the things [inaudible] they call, we call.

McCOY: What?

HANDFINGER: They call, we call.

McCOY: Okay.

HANDFINGER: [Inaudible.]

McCOY: Yeah. What you're saying is you really responded to them.

HANDFINGER: Very aggressively responded to them. I think we do a lot of that here. But we don't have as many NRC people that down here [inaudible] we had on the startup [inaudible.] So we had [inaudible] one-hour [inaudible.] So we don't see that many NRC people down here that we can build those relationships. They came down one time and we took them over [inaudible,] took them over to the training building and then they had a question about an MOV. We showed them an MOV and how it worked [inaudible.] We don't get that many opportunities to do that. (Inaudible.)

AUFDENKAMPE: Harvey, with respect to that, the, the inspectors that come in on periodic audits are generally happy with our performance. [Inaudible] tell you that. The residents, I would say as a whole, are generally not happy [inaudible.]

MOSBAUGH: Let me. I'd add one more thing, because I think I can answer your question, Ken, in a single word. Paul Rice. Paul Rice understood the regulatory arena. He understood which areas were sensitive and he was very sensitive. And if he had the slightest inkling of a problem in a particular area, he was immediately on that area and making sure that actions were taken and making sure that he was communicating with the NRC.

And I saw that in the entire time that he was here; saw that in the security area, a special a task force that we had there. And Paul Rice's credibility with the NRC is excellent. And the way he managed that is, could be our model or, should be our model perhaps.

MCCOY: Yeah. I agree. There's no question that Paul had high credibility with the NRC. But you've got to establish that credibility, you've got to earn it.

MOSBAUGH: That's right.

MCCOY: [Inaudible.]

MOSBAUGH: Yeah, but it's not just communication. It's that Paul would not if there was an inkling of a problem or a miscommunication or anything, he would immediately rectify it or immediately take action.

McCOY: I understand. That's a good point, and certainly in the position we're in now, we need to be proactive. A lot of you guys know people at Calloway. I don't know if you saw the last inside NRC or not [inaudible] the NRC. Calloway SALP, they got all ones. I don't know what they're doing, but obviously they've come a long way. I remember when they were in big trouble with a number of trips any problems they had early in start up. Remember that? Those of you who have personal friends there. I know Gary Randolph, the Plant Manager pretty well. I thought I'd give him a call to see how they came from where they were to where they are today [inaudible.]

VOICE: [Inaudible.]

McCOY: Well, a long of it is the things we set up here [inaudible.] [Inaudible] go out here [inaudible] a lot of advice from them. They have a good record. They're almost as good as we are.

VOICE: [Inaudible]

McCOY: Yeah. To me, yeah. There's a perception here. There's a comment they made about don't ask for help when needed, and cocky. Those two things go together in people's perception and I've heard this from other sources, not just from the NRC. There is a -- and I could see this personally, too. When I came in two years ago, in the operation here at Vogtle, it was almost like this was a separate company from Georgia Power. And I think I -- you guys know this better than I do because I didn't have direct interface with it, but I heard so many stories when I first got

here that I think I have a perception of why [inaudible] that was true.

But the previous environment that had existed was one of, in the operations area anyway, one of not a lot of outside help coming from the corporate or whatever. If you needed help, you had to get it yourself, down here or whatever. What really came out of the corporate office or that sort of thing was people coming down to "take names and kick ass". They were here to check on you so to speak and we've had to change that concept. That was, one of the things that I know when I first arrived at Georgia Power is Pat McDonald spent an awful lot of time in the corporate office [inaudible,] but their job was to oversee what was going on at the plants and to make corrections when necessary, whatever area they were involved in, that sort of thing.

And I can remember some sessions that Pat had with the group up there, that were pretty tough sessions because, he told 'em, basically you're here to support the plant. That's your whole job. If you can't support the plant, you don't need to be here; you need to get out of town. And some people didn't like that. They thought they were supposed to set the policies in whatever department they were responsible for and all that sort of thing.

So I know how, I think, some of that involvement got there. The other thing was I think the concept that existed in management at that time. You got the responsibility, sink or swim [inaudible.] And that's different from the purpose we have today. We're in this thing together. Our whole purpose is we exist for --

with our organization to provide the support to make the Plant perform and that sort of thing. That's one element.

A second element is that I think that we have probably brought together here a very large number of young aggressive bright people. We didn't staff this plant with any experienced people from other nuclear plants and so forth, as most typical organizations have. And it's kind of like someone on shift last night. One of them almost described word-for-word the words that were used by the Russian when he went to the IAEA meeting in Vienna after Chernobyl and said basically the problem was that Chernobyl was our best plant. They had the best operating record and the guys there had gotten cocky. And they thought they could do everything themselves. They thought they could do things without procedures.

And I think to some degree we have a little bit of those things. I realize this is a tough criticism but I'm talking about myself included because I'm a part of this thing and I fully accept complete responsibility for that too. But these, [Inaudible] these incidents we've had where people have decided to go ahead and do something without a procedure or write a quick procedure or whatever, when there was not an emergency and not an urgent situation. Those are the kinds of things that I'm talking about.

The other element, getting back to Harvey's basic question, is that a number of times we have gotten into problems on pieces of equipment where we had to call the tech rep in and we

didn't do it until either we had the problem several times and
tried to fix it

[END TAPE NO. 99, SIDE A.]