

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

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PILOT PROGRAM EVALUATION PANEL

U.S. NRC  
OWFN, Commission Hearing Room  
11555 Rockville Pike  
Rockville, MD

Tuesday, August 17, 1999

The above-entitled meeting commenced, pursuant to notice, at

9:00 a.m.

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## P R O C E E D I N G S

[9:00 a.m.]

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2  
3 MR. GILLESPIE: Let me get right to business.

4 If I can direct you to the handout, what we did in this --  
5 and what I'd suggest is go to page two of the handout.

6 What we did was work backwards, and we said what product can  
7 we deliver that would be most useful to the people working on putting  
8 the program together, and when would that product be there? But we had  
9 a couple milestones.

10 One was from the staff. The staff is not going to have  
11 their evaluation done, likely, until about the second week in January.

12 So, it really became impossible to just wait until the  
13 second week in January, and at that point, the staff's report has  
14 basically got to be done, because they have to get back to the -- they  
15 have to get to the Commission by about the first week in February.

16 So, here's the proposal I'm putting on the table, taking  
17 prerogative as the chairman to do that, would be that we would actually,  
18 today, go through and establish our agenda for a meeting the last week  
19 in October, and what I mean by establish our agenda -- there's two  
20 pieces of information that everyone brings to the table.

21 They'll be bringing their personal information, their  
22 backgrounds -- the regional people from working in the regions with the  
23 program, the plant people from being at the plants, the state people  
24 from seeing it from the state side -- but then there's areas -- and that  
25 will be our first task today -- where we don't necessarily have  
firsthand information, but we know that there's other stakeholders who  
have a view, criteria by criteria, so that we have two sources of

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So, those would be the two pieces of information that would

1 go into this.

2 Now, what we'd propose today is coming up with where do we  
3 need extra information and from who to address the panel, so that we  
4 feel as a group that we have, between what we know ourselves and what  
5 would be presented, enough information to come to a view on each  
6 criteria.

7 That would put information gathering -- and you'll see why  
8 as I go through the schedule forward -- the last week in October.

9 So, the next meeting after today -- we'd set the agenda for  
10 our meeting the last week in October today, and that was strictly the  
11 information.

12 We would take that meeting and we would give out everyone --  
13 and the first cut at it is attached to the back -- a set of work-sheets  
14 set up by criteria in Microsoft Word, and we would ask, after that  
15 meeting, when we gather that extra information to supplement what we  
16 personally know, that everyone would take that disk away and use those  
17 work-sheets to write down what their view, what their recommendation on  
18 that criteria is, what their view is, and a brief summary of what the  
19 basis for their view is.

20 We would then take all of those work-sheets -- we'd give  
21 everyone maybe a week, and that's what the schedule shows here on the  
22 second page, give everyone until November 10th to send us in those  
23 work-sheets filled in.

24 What we would then do is establish revision zero. Revision  
25 zero would literally be taking those Microsoft Word work-sheets, by  
criteria, that we give you out and putting them together so that it's  
one giant document.

ANN RILEY We'll send that out to everyone. That's revision zero,  
& strictly for information.  
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1025 taking a shot at just taking out the duplication and then narrowing that  
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down, and that would be revision one.

That we would then send out, after we took a week to do that, for comment, take the comments, try to fold them in, come up with a revision two, hold a December meeting on revision two, finish that and call it a final draft.

What we would then have is a view on each criteria with a set of bases that each person would write, so we have reasons why that support whatever conclusions were made, and minority views, if appropriate, and that would be a draft final report, or we could call it a final report.

We would supply that to whoever wants it, to staff, to industry, here's the view of this panel.

We would then meet one more time in January where we'd match that report against the staff's final paper and only deal with exceptions.

That means the January meeting would not be writing a massive report. What we'd do is get that out of the way from the end of October through mid-December. We kind of don't have people working over Christmas and stuff. I'm actually trying to be realistic here.

But it also then would give us a focus. What we would do, then, for the January meeting is, as soon as we got the staff report, I'd ask Mohan and Heidi to go through it and maybe put a summary together that identifies the differences between this committee's report and the staff report, and we'd get that out to all the members and then hold the January meeting which would reconcile the differences or identify the difference where they're sustained.

So, the January report would be just a short cover on top of

ANN RILEY these two documents.

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Court lay out that kind of schedule, actually working -- I've gone forward but  
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1025 working backwards from where the staff's going to be.

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1 Now, the other piece of information is, I believe, January  
 2 10th -- and I'm going to ask Tim Frye in the audience to jump up if I  
 3 get a date wrong -- January 10th, the NRC is intending to sponsor a  
 4 public workshop on lessons learned from the pilot program, and I believe  
 5 the intention is that it will start like about noon, or after lunch, on  
 6 Monday, gives everyone Monday morning for travel, go through Tuesday,  
 7 and potentially go to Wednesday morning.

8 What I would do is schedule our next meeting to be Wednesday  
 9 afternoon and Thursday to be done, all of that same week when that  
 10 workshop is there, on the assumption that many of the people at this  
 11 panel -- I know I'll be at the workshop, I believe Steve will be there,  
 12 Dave, and I'm going to guess some of the regional people are going to  
 13 want to be there -- so we would get it all that one week.

14 It would also give you the advantage of being able to attend  
 15 the workshop and hear the diverse views before we had the final meeting  
 16 to reconcile any differences.

17 So, that's kind of the project management thought process  
 18 behind this schedule.

19 Now, I'm more than happy to take comments. What I want to  
 20 do is leave today with this schedule finalized, and that way Mohan knows  
 21 when he's working, I know when I'm working, everyone know when things  
 22 are due and what the product is at the end, and the end for us, then,  
 23 becomes kind of like -- the major product is December, but we'll work  
 24 that over about a six-week cycle, which kind of makes it a little more  
 25 rational and, I think, able to do it.

Jim?

MR. LIEBERMAN: Frank, the last bullet has NEI evaluations.

Steve, do you know when the NEI evaluation will be coming

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MR. FISCHER: Let's see. Probably early December is when  
 we're going to compile our lessons learned report from the pilots, as

well.

MR. GARCHOW: At the 10/26 -- and maybe we can talk about that date, but at that meeting, Steve, the intent would be to have you share all that you know at that point in time in that process.

MR. FISCHER: That's certainly doable.

MR. GILLESPIE: And also have the staff share. Okay.

MR. GRANT: When's the deliverable due?

MR. GILLESPIE: The final deliverable, the final package is due with the Commission paper the first week in February.

What we would do is -- this committee's report and that letter reconciling the differences would be an attachment to the Commission paper that the staff's targeting for the second week in February.

MR. GRANT: Who's going to reconcile the differences? Us?

MR. GILLESPIE: Us.

What we would do is we would take the staff's draft report, what the have available in January, and the report we would have generated in December, and we'll discuss the -- we don't have to reconcile them -- we're advising.

MR. GRANT: Okay. Right.

MR. GILLESPIE: So, the staff would then have the benefit of this committee's views in December as they are putting their report together.

So, I would expect that, at that point, the staff would have the opportunity to actually address the differences first.

So, our meeting in January would really be just focused on, hopefully, do we agree with the staff's reconciliation.

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MR. GRANT: That's what I was getting at. The way this read here and the way you were talking, I was wondering whether this January 13, 14, 15 meeting -- it almost sounded like we were going to be getting new information that point.

1 MR. GILLESPIE: No. I think, by mid-December, we're  
 2 basically done our report, and at that point, what we're doing is giving  
 3 that to the staff as an advisory role, the staff needs to take it, do  
 4 what they want with it, incorporate where they don't.

5 Likely, the Commission would also ask the staff, so they're  
 6 going to have to address it up front, is what advice didn't you take,  
 7 where did you disagree, and so, what we were doing, when I say  
 8 reconcile, is we would read the staff report and read our report and  
 9 then just focus on the exceptions that might need extra -- some extra  
 10 verbiage.

11 So, the January would be more like a couple-of-page letter.  
 12 It wouldn't be the massive document.

13 MR. GRANT: Okay.

14 I think that was your question, too. The NEI evaluation  
 15 we'll have prior to the January meeting, right?

16 MR. FISCHER: Yeah. Actually, our evaluation will be  
 17 completed to support the Federal Register comment due date of November  
 18 30th.

19 MR. GRANT: Okay.

20 MR. GILLESPIE: So, we could factor that in and do a similar  
 21 thing.

22 MR. GARCHOW: Could I add one comment, Frank?

23 MR. GILLESPIE: Go, Dave.

24 MR. GARCHOW: To give the maximum amount of time to make  
 25 that -- because what you have is the 10/26 meeting is the key meeting to  
 get a lot of this together to frame in our comment. I would suggest  
 that we probably need to give one more week for NEI, the industry, some

ANN RILEY the inspections, and I don't think that truncates the comment period.  
 &

ASSOCIATE So, I would propose that the 10/26 meeting actually be the  
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Court first week in November, and then, from November and December, we're on  
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1 That gives all of September and all of October for all the  
 2 inspections to occur and one more set of performance indicators for at  
 3 least us to have, NEI have in their hands, because the industry is --  
 4 even though we don't have to docket them until the 14th day of the  
 5 month, or 15th day, we'll have a general idea through the NEI task force  
 6 of what the PIs are, and that gives us one more month of that data.

7 MR. BROCKMAN: For other reasons, the first week in November  
 8 is far better for me.

9 MR. GILLESPIE: Okay.

10 Anyone else?

11 MR. GRANT: The only question I have is we're going to be  
 12 doing our PPRs on the pilot plants probably right around that time. I  
 13 don't know that we've set up dates yet. That may work well, or it may  
 14 not, depending on --

15 MR. GARCHOW: Even if like Jim could bring in -- you know,  
 16 if they had -- there's two in Region I -- if they had one of them done,  
 17 or even some thought, that perspective that Jim would bring from the PPR  
 18 review would be just the kind of perspective we'd need at that point in  
 19 time.

20 Even if it was in draft, he can still give us some insight  
 21 on it, and so could some of the other regions.

22 MR. CHASE: Is one day going to be long enough?

23 MR. GILLESPIE: That's the decision.

24 What we did here -- you see team one, team two, and team  
 25 three. You will find some work papers in the back which takes the  
 performance -- the criteria and kind of breaks them into categories.

What I'd ask is we'd break into these teams and take 30

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1 public interest, and I feel naked -- I don't feel that I have personal  
 2 knowledge of how an active journalist views this new process and what he  
 3 is seeing or how some of the states -- I mean Illinois is represented,  
 4 but how some of the other pilot program states -- so, if you go to the  
 5 second page, I've only suggested some of the types of things that you  
 6 might -- if we break up into these groups -- what criteria would you  
 7 want to hear from which kinds of people on, and I've just got some  
 8 suggestions there, and for example, the non-pilot plants -- I know Greg  
 9 Gibson with Southern California Edison has some opinions on the  
 10 timeliness of reporting of indicators, and very strong opinions, and I  
 11 think if we said, Greg, could you come in and represent your group, he  
 12 would probably be here this afternoon, even flying from California, and  
 13 so, in an effort to get other parties with other interests and allow  
 14 them to kind of put something on the table, we've got some bullets in  
 15 here that would deal with that, and I've also suggested who might set it  
 16 up.

17 If we did think it would be appropriate, several of these,  
 18 to meet with non-represented pilot plant states -- for example, New  
 19 Jersey, North Carolina -- what we'd do is, Gary, we might ask you to  
 20 make the phone calls and then we'd send out like a letter of invitation  
 21 that says we'd like you to specifically come, and while we'd like your  
 22 opinion on the overall, to focus on these criteria, where we'd really  
 23 like your input, and that would be the reason this morning, then, for  
 24 breaking into three groups and come up with who do we want to hear from  
 25 for these groups of criteria, and you'll see the work pages in the back,  
 and if we just flip to the first work page, then we could maybe, if this  
 still makes sense, do it.

ANN RILEY                    The first work page you'll see says PI reporting. The staff  
 &  
 ASSOCIATE                    Basically had two criteria. Can be PI data be recorded accurately by  
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 Court the industry, in accordance with reporting guidelines?  
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 1025                    Well, that is something that the public may not have an  
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1 opinion on, can they do it, but I know Greg Gibson -- that was my  
2 example -- would definitely have an opinion.

3 So, the question to the group that would be looking at the  
4 first section would be does it make sense to have some non-pilot  
5 participants who are actually trying to mimic the process come in and  
6 talk to us?

7 Can PI data results be submitted by the industry in a timely  
8 manner?

9 Again, this may not be a place where the public would have  
10 an opinion, but now if you go back onto the other work-sheets, you'll  
11 see the assessment process and enforcement. I think the public would  
12 have an opinion, and journalists would have opinions, and so would  
13 states.

14 So, it's a different mix.

15 I'm going fast because I'm trying to get us out of here on  
16 time this week.

17 If it makes sense -- and I'm going to ask Heidi to jump in  
18 here -- what we'd do is we'd break up into the three teams, try to fill  
19 in the work-sheets -- and I'd ask Heidi if she could circulate between  
20 the teams, just to keep us focused and on track -- come up -- fill in  
21 this -- write down right on the work-sheet -- this becomes our first  
22 report input, and you'll see a column over there that says review  
23 method.

24 Do we want NEI to come in, NRC to come in? Who do we want  
25 to interview or come in and talk to us, at what level? What group would  
they represent? And again, I've given some suggestions that -- if we  
wanted to hear from some journalists who are active in the area, I'd ask

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Court say McGraw-Hill -- we'd want a senior representative that comes in and  
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1025 represents multiple publications, and maybe you have a suggestion of  
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1 someone who is very active in your areas, and what we'd do is maybe  
 2 propose a three- or four-person panel that would come, take an hour, an  
 3 hour-and-a-half, and talk to us, but we'd send out an invitation letter  
 4 that mimics what we find here -- while we want your overall opinion,  
 5 we'd really like -- appreciate your views on this, this, this, and this,  
 6 and we would offer to supply them with any information they would need  
 7 in advance to feel prepared to come talk to us, and that would be by way  
 8 of inviting them in.

9 Gary, I tagged you, if there was some states, to make a  
 10 phone call, and then we'd send the letters.

11 Steve, we tagged you for the non-pilot plants, if that seems  
 12 appropriate, and we tagged Dave Lochbaum -- and Dave couldn't make it  
 13 today, but he represents one public interest group. There are some  
 14 strong views with other public interest groups, and we'd ask Dave, if  
 15 that was a view, to make those calls and then we'd send a letter to  
 16 those people.

17 With that, we are actually ahead of 9:30, but Heidi --

18 MR. LIEBERMAN: Staying with the schedule, there's almost  
 19 two months between the October or early November meeting and the last  
 20 meeting, and that's a substantial portion of the pilot program.

21 I would think that the meeting at the end of -- or in  
 22 January, after the workshop, may get some additional views. You might  
 23 plan to have two more dates here. One is to put up clarifications to  
 24 the report, and maybe one more meeting to finalize the report based on  
 25 the modifications.

I was thinking, when we meet on the 14th and 15th, people  
 may have different views that have to be captured in a document.

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MR. GILLESPIE: Okay. So, you'd suggest a --

MR. BROCKMAN: Jim, on 12/8 and 9, it looks like there's  
 another meeting.

MR. GILLESPIE: Yeah, we have a December meeting built in,

1 but that's a real working meeting. That's where we'd hopefully be  
2 commenting and trying to come up with a final draft document.

3 MR. LIEBERMAN: But if this workshop is going to be giving  
4 us, potentially, new information with a variety of people, I would think  
5 that may impact the report.

6 MR. GILLESPIE: Okay.

7 Right now, what we have is we'd have the end of that -- the  
8 workshops the beginning of the week, and we'd have two-and-a-half days  
9 at the end of the week if we needed two-and-a-half days.

10 MR. LIEBERMAN: Well, I guess I would add, a week later,  
11 Mohan provides us basically a final report.

12 MR. GILLESPIE: Okay.

13 MR. LIEBERMAN: And then maybe the week thereafter we have a  
14 telephone meeting to agree that this is the final report.

15 MR. GILLESPIE: Okay.

16 Does that make sense? So, it would be like the first week  
17 in February.

18 That would be about the same time --

19 Tim Frye, the first week in February is about the same time  
20 the Commission paper would be going to the EDO?

21 MR. FRYE: Yes, that's right.

22 MR. GILLESPIE: Is that about the schedule? Okay.

23 That would be good.

24 What I want to do is I'm trying to get the final report  
25 attached to the Commission paper so that Mohan and I don't have to write  
a separate Commission paper, for efficiency and effectiveness.

Okay.

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So, telephone meeting or a brief meeting of some kind,

preferably probably telephone if we can do it, the first week in

February.

And Mohan, that means we're committed, then, let's say, at

1 least five days before that, to sending out -- so, basically Federal  
2 Expressing to everyone -- because an e-mail file is going to be far too  
3 thick and complicated at that point and it won't print right -- the  
4 final draft for sign-off and concurrence of the whole package.

5 MR. GARCHOW: Maybe that last meeting is a signing party.

6 MR. GILLESPIE: Yeah.

7 MR. GARCHOW: If we learn anything else, sign it off.

8 MR. GILLESPIE: Okay.

9 So, we'll tentatively put a telephone call/meeting -- it  
10 could be those who conveniently can meet can meet and the others will  
11 tie in on a bridge call. So, it could be a mix and match, and that way  
12 it's a little more efficient.

13 Good.

14 MR. GARCHOW: Can I make one comment on the break-out  
15 session?

16 MR. GILLESPIE: Go, Dave.

17 MR. GARCHOW: For clarification -- Frank and I sort of  
18 worked on trying to figure out how this would work. The goal with the  
19 break-out session is to give some specificity to NEI and NRC on what we  
20 want to see in that -- what now we're calling the first week in November  
21 meeting, so that, you know, they don't bring us one rock and we wanted  
22 another rock.

23 This is to give NEI and the NRC some specifics that we're  
24 going to want to see in their presentation that first week.

25 Then the other thing, as Frank mentioned, is identify any  
other non-industry players that have a stakeholder in this that we may  
want to talk to relative to each of these areas, and if we can

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accomplish that, the deliverable, then, will allow NEI and NRC to know  
exactly what we're looking to see in that first week in November.

MR. GRANT: Do we only think that it's going to be a one-day  
meeting?

1 MR. GILLESPIE: Let's get everyone together, and then, if it  
2 ends up that we've got six panels and you allow each panel an hour and  
3 then there's questions and answers and clarifications -- because  
4 hopefully we're going to have a very focused invitation letter.

5 It's not just come talk to us. It's going to be,  
6 specifically, we'd like you to address these, these, these criteria.

7 It's two days. I don't think you can go through six panels,  
8 at an hour a panel, and give and take -- then it's two days.

9 But what I'm saying is let's put it together and it comes  
10 out to be what it comes out, and then we can step back and -- there is a  
11 big lag.

12 I mean our next meeting would be the beginning of November,  
13 but it gives the program time to be a program, it gives results time to  
14 be results, and I think it's going to be a little more meaningful with  
15 the information input, so we don't get vague -- what we don't want is  
16 vague generalities and mushy view-graphs.

17 We want to specifically know, are there problems reporting  
18 this data within 14 days? Could you give us specific examples of those  
19 problems? One of the criteria -- very, very focused, so we get very  
20 focused information back.

21 MR. GARCHOW: Can I comment, Frank, on the process?

22 MR. GILLESPIE: Yeah.

23 MR. GARCHOW: If we understand this going forward real good,  
24 then it will happen.

25 The other, I guess, issue or clarification on the rules and  
the law -- the thought being -- what I heard you saying that sounded  
good is that we would use this packet, and even today, as we're

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Court make our working notes on this page that just looks like a blank page  
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1025 looking for our observations, and then you're saying that, at some  
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1 point, after that first week in November meeting, the collection of our  
 2 working notes and observations from this point forward -- and we can  
 3 back-fit any we might have made last meeting -- maybe there wasn't any,  
 4 maybe there was -- and then you would all of those given to Mohan  
 5 sometime right after the first week in November meeting so he can put  
 6 the first report together. Is that my understanding.

7 MR. GILLESPIE: Yeah.

8 In fact, what we'll do is we'll collectively take the notes  
 9 from today, because then the panels we're going to ask to come in will  
 10 basically be fixed, and we'll create a set of work papers that are a  
 11 little -- these work papers have multiple criteria grouped in the same  
 12 group, and we really need to address, potentially, each area but then  
 13 the criteria separately, also, and what we'll do is we'll send everyone  
 14 a Microsoft Word disk with the template on it, and that way, everyone's  
 15 got the same one.

16 Now, the NRC, unfortunately, doesn't use Microsoft. The  
 17 rest of the world does. But Region II has Microsoft.

18 If anyone in the NRC needs a copy of Office '97, we will get  
 19 you a copy of Office '97, but I think most of the regions, actually, all  
 20 have a couple computers that have it on it, and if you don't, we'll get  
 21 it for you, and that way this committee can be in sync with the rest of  
 22 the world typing-wise.

23 MR. BROCKMAN: Frank, a suggestion.

24 MR. GILLESPIE: Yeah.

25 MR. BROCKMAN: Just have, for the internal, the NRC, the  
 Microsoft Word thing e-mailed out and save it in Word Perfect, so we can  
 use it.

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MR. GILLESPIE: Okay.

MR. BROCKMAN: We've got the technology, we can do this.

MR. GILLESPIE: Okay.

The problem you find is a logistical one. When you go from

1 Microsoft to Word Perfect in table format, the spacing won't work, and  
2 one doesn't go to the other, other than just a plain typed page with  
3 nothing but text on it, but that's okay, we'll work it out. We'll work  
4 it out for the NRC people.

5 My offer still stands, though. If you need a copy of Office  
6 '97, we've got it, we'll give it to you, and you can get it installed,  
7 which also has Power Point and a lot of other benefits. Excel is on it.  
8 Access on it. So, there may be some benefits to saying yes.

9 With that, Heidi, would you like to say something before we  
10 break up into groups?

11 MS. HAHN: Yeah. I just have a question about the  
12 break-outs, which is that I notice that there's not a team working on  
13 the overall criteria.

14 MR. GILLESPIE: Yeah. What we'd like to do is have each  
15 team also then come back with their recommendations to see if we have a  
16 consensus between the teams on overall --

17 MS. HAHN: You want everyone to look at the overall.

18 MR. GILLESPIE: Everyone's going to look at the overall.  
19 So, no matter who we invite in, they're going to give us their opinion  
20 on the whole anyway.

21 MR. GARCHOW: Right.

22 MR. GILLESPIE: Probably unavoidably.

23 MS. HAHN: But there are specific criteria in the overall  
24 assessment.

25 MR. GARCHOW: There wasn't in the document we looked at last  
time.

MR. GILLESPIE: No.

MR. GARCHOW: That was Jim Wiggins' excellent comment.

MR. GILLESPIE: Yeah.

MR. GARCHOW: At the end of the day, how do you know that we  
were overall successful, and I think we're going to have to look at the



composite info in the first draft, and then we're going to have to pass some judgement on that in our executive summary or something.

MR. GILLESPIE: Tim, keep me honest here. The staff basically took our comments from the last meeting, and they are no longer called success criteria, they're just called the criteria, and the one we suggested to be dropped, I think, was dropped, the CDF, CDP one.

MR. FRYE: Right. Actually, we dropped the staff preparation criteria and re-ordered the overall, but you're right about the success criteria now just being pilot program criteria.

MR. GILLESPIE: But Heidi -- Tim, is it fair to say that there is no one criteria right now but there is going to be an overall evaluation, a contextual statement that says here's what it all means.

MR. FRYE: Right. We have four overall criteria, and they're not quantitative, they're more qualitative.

MR. GILLESPIE: Okay. But they're not on the list that we currently have.

MS. HAHN: Yes, they are, page 9 and 10.

MR. GILLESPIE: Wait a minute.

MR. GARCHOW: It's the last page.

MR. GILLESPIE: Okay. Yeah, we'll do that collectively. We'll do the overall collectively, because I think when we see the groups that everyone is going to come back with that would come in, we're probably going to have the waterfront covered, and it might be just a matter of adding that into the invitation letter.

Okay.

We're almost on schedule. It is 9:32. I was only going to go to 9:30. Why don't we take until -- a half-hour, and then we'll just

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check with the groups after a half-hour. If we're ready to get back together, then let's get back together and we'll compare notes, and I would ask each group to kind of appoint a spokesman.

1 The people who aren't here that we might have to cross off  
2 -- Bruce Mallett didn't make it, Dave Lochbaum didn't make it.

3 Jim Lieberman, can you give it 15 minutes to be part of the  
4 group?

5 MR. LIEBERMAN: Yeah.

6 MR. GILLESPIE: And then your opinion will be recorded.  
7 Because I know you have an effort underway that you might have to leave  
8 a little early.

9 Okay.

10 With that, why don't we break up into groups? I'm going to  
11 suggest that team one take that corner, team two take that corner, and  
12 team three can probably just sit right here at the table, if that's  
13 okay.

14 Heidi, I would ask you, in 30 minutes, to check with each  
15 group, and if we're where we need to be, let's move on.

16 [Recess.]

17 MR. GILLESPIE: I heard at least one group had some terribly  
18 original thinking, and the other group just thought a long time.

19 Maybe we could start with team one, and what I'd like to do  
20 is go through any sub-bullets or additional information kinds of points  
21 and then who you'd like to see come in and supply information that's  
22 already not inherent within the panel members, and then we'll collect  
23 all that later and try to put it together into a single form.

24 Okay. Group one?

25 MR. GARCHOW: I need some help from my teammates here,  
because we had several non-linear conversations, but we ended up getting  
to the end, and we had some great conversations, because we didn't

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So, I need some help.

1 So, for the first PI data, we would like to see from the NRC  
2 when they come in a timeliness matrix by month for the nine pilots, and  
3 that's just very simple, just a matrix that shows here's the reporting  
4 periods, here's the plants, and here's when they got their data, and  
5 they either met it or they didn't.

6 I mean we probably spent five minutes on that, but we wanted  
7 to see that picture.

8 We also wanted the NRC presentation to include pilot plant  
9 regional input as far as the types of issues that they found during the  
10 PI verification inspection, because by that time, there will be several  
11 of the PI verification inspections.

12 The NRC has an internal feedback form that they're using for  
13 inspections, and we'd just like to see both the results, what the  
14 industry is doing, how many errors, what types of errors, and then any  
15 insight on the actual validating the PIs.

16 MR. CHASE: What's the reason for that data? Just operating  
17 experience?

18 MR. GARCHOW: Yes, just operating experience, because if  
19 we're going to do this for some -- you know, the other 50 plants, we  
20 want to at least know going in what kind of data errors we should be  
21 expecting to see and whether those were historical or errors that were  
22 happening in the real time, and then we may get some insights, would we  
23 want to recommend maybe doing something or not before you would go  
24 implement this to everybody.

25 Then from NEI, as part of their assessment, when they come  
in and chat with us, we'd like to just see any PI submittal-type issues  
that they've gathered from the industry and have that part of their

ANN RILEY assessment, and to get just some independence on NEI, we'd like to see a  
& Pilot plant licensing manager and a non-pilot plant licensing manager  
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Court come in and just give us their perspective relative to the reporting of  
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1025 PIs and the timeliness issue about getting through.

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1 It doesn't have to be a licensing manager, but this was to  
2 address the point that you brought up. There are some dissenting --

3 MR. CHASE: That brings up a question that we had in our  
4 group. We felt that each of the regions were represented by a licensee.  
5 Couldn't he bring that information to this table?

6 MR. GARCHOW: Each of the regions is represented by a  
7 licensee at this table?

8 MR. CHASE: Well, you represent --

9 MR. GARCHOW: -- Region I.

10 MR. CHASE: I represent Region IV. I can speak for my  
11 licensee management, unless you want to hear an independent assessment.

12 MR. GARCHOW: Without the inefficiency issue of the panel,  
13 we would gain some efficiency.

14 MR. BAJESTANI: One other thing that we talked about is some  
15 of the information gets filtered down a lot when it gets to our level.  
16 The guys that are really dealing with this day to day, they've got more  
17 facts, more details. We want to hear from the guys that are actually  
18 seeing this data day to day. We do get some of the data that's filtered  
19 down.

20 MR. CHASE: What do you think, Frank?

21 MR. GILLESPIE: I kind of have a sense that -- personally, I  
22 think people at the table bring certain information with them, and my  
23 druthers, but it's only a personal druthers, is to avoid duplicating  
24 that with panels coming in, and that was the sense that we kind of did  
25 our list with, but I can go with the sense of the group.

MR. BROCKMAN: My thoughts are -- is I'm not predisposed to  
the how, it's just the what. Let's make sure that we've got -- I mean

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In this team we saw the need to make sure we can have an industry and an agency perspective with respect to the timeliness, with respect to the adequacy, with respect to the accuracy of the data, and that should be addressed from both the pilot side, most especially, and then the

1 industry can also bring something together from the non-pilot side,  
2 where there's a lot of initiatives going on there that could give some  
3 insights as to how this would extrapolate.

4 MR. GARCHOW: Maybe I'd suggest we sort of split it down the  
5 middle.

6 We'll bring the pilot plant data, because Jim and I do  
7 represent, as members of the panel, and then we will get somebody like  
8 Mr. Gibson, as he expressed an interest, we'll honor it, and we'll get  
9 his diverse perspective, from that angle, and then I think we win.

10 MR. WIGGINS: Just a quick comment.

11 I think one of the things we ought to do in this panel is we  
12 ought to guard against getting our thinking channeled. I understand,  
13 you know, you folks all represent plants. We ought to guard against the  
14 fact that we're going to be lock-stepped down on the evaluation of this  
15 program.

16 We're just going to hear from folks who have a stake in it  
17 or have some particular point of view or are in the panel. I just have  
18 a sense that, if we're not careful -- we should, at least at our panel,  
19 allow for folks outside this circle here to come in and talk.

20 Otherwise, we're going to get ourselves -- I think we're  
21 going to lose something if we don't do that.

22 I'm not aware of anything going on in the agency right now  
23 that is doing that. So, if we have to be the entity that does that,  
24 then so be it.

25 Otherwise, we're going to get ourselves -- you know, we're  
going to be marching down on this thing. We might miss something.

So, there are some efficiencies, but I think you might hear

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Court table, even though you can say we represent those.

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So, I think you ought to leave the question open for now,

1 Frank.

2 MR. GARCHOW: We agree with you. We actually specifically  
3 talked about that and said relative to the PIs. That didn't lend  
4 itself. I think when you hear what we want to do for the risk-informed  
5 baseline inspection, we're reaching out into some very diverse people  
6 that we want to either go talk to separate from the panel or have come  
7 in, and that's a logistics issue of how we can get the information.

8 So, we actually chatted relative to the PIs and the  
9 criteria. We didn't feel there was a -- that was more of a mechanistic  
10 thing that we could get the input.

11 So, I think we'll see that, when we walked around, that  
12 there's going to be a lot of diverse input. We just didn't see as our  
13 team that the PI particular area lent itself to that, other than getting  
14 -- like you said, there was some non-pilot plant interest and sharing  
15 some viewpoints that I think will provide a forum for that, and then we  
16 wanted each of the group -- anybody that comes in to talk to us on the  
17 PIs.

18 We wanted to hear their perspective on whether the PIs  
19 adequately address the cornerstones and just any comments that might --  
20 that they might have. It doesn't mean we have to agree with them,  
21 disagree with them, but I think that we'll get a perspective on PI  
22 adequacy relative to the cornerstone, because I think you have to do  
23 that to the PIs and the risk-informed inspection procedures if we're  
24 ever going to have a shot of rolling up an overall conclusion, does this  
25 really lend itself to health and safety of the public.

So, that was all the -- other than what was written, that  
was all that we thought was necessary to address the PI category.

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MR. CHASE: Would you read that last one, Dave?

MR. GARCHOW: I think we just sort of agreed we're going to

have a non-pilot plant come in and talk about PIs and just their  
perspectives of timeliness and gathering.

1 NEI is going to give us any of their issues that the NEI  
2 task force has around gathering and submitting PIs.

3 We're going to get the region input on the PI verification  
4 inspections and what they found.

5 But then everybody that comes and addresses, we just wanted  
6 to make sure that they left us with any of their comments relative to PI  
7 adequacy, covering the cornerstone. So, we'll give it some diverse  
8 input, and I think that addresses Jim's concerns from the first meeting  
9 -- at the end of the day, how do we roll this all up and have it make  
10 sense?

11 Relative to the risk-informed baseline inspection program,  
12 we wanted the NRC's presentation on their assessment to cover the  
13 criteria, and we thought that if you were ranking them, criteria three,  
14 we felt, was of less interest to us than the other criteria.

15 I mean the program has to be adequate, and when it does, the  
16 hours are the hours. We didn't feel we needed to spend a lot of time on  
17 that in this panel.

18 Question one, question two, question four -- we'd like to  
19 see -- you know, it lends itself to a matrix where we could see the  
20 pilot plants and when they actually got the reports out and when they  
21 got the PIMs out, just so we can see that we meet the objectives in the  
22 matrix.

23 I wouldn't expect, necessarily, the conversations to last  
24 too long if they had a good matrix that summarized the results.

25 Then we wanted the NRC to comment on the quality,  
timeliness, and predictability of the inspections relative to, okay,  
here was the plan, did the plan get executed, and was it predictable,

ANN RILEY and to get some insight to Jim's point on the last one, we actually want  
& ASSOCIATES go out and interview three senior residents of pilot plants.  
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Court We actually think having members of this team or a couple of  
Reporters members of this team going out and doing that, in a more casual

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1 conversation, we'd get some more insight than if we actually asked them  
2 to come in and address a formal panel.

3 So, we thought we'd just develop some criteria, and we can  
4 -- that's a detail we can work out, but what -- you know, five or six  
5 questions we'd want to ask them, we'd get some diverse input right at  
6 the point of attack that really maybe wasn't filtered by anybody.

7 We also wanted the State of New Jersey and the State of  
8 Illinois -- the ability to come in and make comments on relative to does  
9 the information in the inspection report support the assessment process  
10 and support their needs from the states.

11 We also wanted to reach out and go find a couple of  
12 government officials that were nearby pilot plants, pick a couple pilot  
13 plants, ask the licensing managers who they routinely interface with in  
14 the community, and then again, much like we did the senior residents,  
15 send a couple members of the panel out and send them a couple of the  
16 inspection reports, the routine resident reports, in advance of meeting  
17 with them, because the possibility exists they may not be reading them  
18 now and have no knowledge, so we'd want to send them the reports and  
19 say, hey, we'd like you to read these, explain a little, you can write a  
20 letter, explain what we're trying to do, read the reports, and we'd like  
21 to just come chat with you about some insights on what your needs are as  
22 a local community that lives next to one of these plants.

23 Also, we'd provide an opportunity for public interest groups  
24 to come in and comment on the quality, timeliness, and the information  
25 in the reports and whether they feel that serves whatever interest the  
public interest groups have.

Then, for the NRC and NEI, in their presentations, we'd like

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to see the summary of specific feedback on specific inspection reports  
as a cornerstone, so it will be done in a summary basis, because what we  
really want to guard against is the meeting turning into a -- you know,  
we could be here four days going over 50 inspection procedures down to



1 minutia, but we'd just like to have a sense of the kind of feedback by  
 2 cornerstone that NEI and the NRC are receiving, and people may not know  
 3 that NEI is collecting data from each pilot plant.

4 Every time an inspection is done, there's a form that's  
 5 being filled out and submitted to NEI for collating, and I believe --  
 6 I'm led to believe the NRC is doing a similar thing, so we'll actually  
 7 get two very different perspectives, I think would give us insight on  
 8 the -- this is to question number five under the evaluation question  
 9 about are the scope, frequencies, and procedures adequate.

10 That will get us into just some of the feedback that's  
 11 occurring.

12 What did I miss?

13 MR. BROCKMAN: I think one of the key things, if you put  
 14 that together with the insights, then, on the PIs, you start getting a  
 15 synthesis, then, of is there a hole for a cornerstone that wasn't  
 16 covered, which certainly is in our topic to look at there.

17 MR. GARCHOW: So, with this, a couple open issues that maybe  
 18 we can address later in the meeting, if this gets adopted, is exactly  
 19 the mechanics of how we're going to reach out and touch the senior  
 20 residents and what we're calling the local government officials,  
 21 whatever that means, the actual mechanics of doing that, between now and  
 22 December.

23 So, we have some time to actually go get that feedback.

24 MR. GRANT: Was there a reason why you limited it just to  
 25 the SRIs? Why would you not -- because there are other significant  
 inspections that get conducted under the risk-based inspection program.

MR. BROCKMAN: It's the viewpoint we need to get out and get

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From the individuals who are conducting the inspections, be it the SRI,  
 or be it the DRS, team leader.

MR. GARCHOW: That wasn't by design. We focused on the  
 senior resident and moved on. We didn't really flesh that out. But

1 you're right.

2 MR. GILLESPIE: It may be that you could just visit a  
3 region. Then you'd capture the DRS people in one region, may be okay,  
4 and the local people. So, there may be a subcommittee or whoever we  
5 decide wants to do it, could just go to to a region, go to a plant in  
6 the region, and kind of do it as a set.

7 I know that doesn't get the flavor of all four regions, but  
8 you can only do so much.

9 MR. GARCHOW: That completed what we believed we would need  
10 to see for the risk-informed baseline inspection program.

11 MR. GILLESPIE: Okay.

12 Now that our report has been delayed until next August --  
13 no.

14 How about group number two?

15 MR. WIGGINS: All right. I took the notes, so let me report  
16 it back.

17 We looked at the SDP process, and we looked at the  
18 assessment process. We screened through the overalls in the back, but  
19 we didn't have much to say about that.

20 I guess there is some commonality. In the end, when you  
21 rack all this together and compare it, I think you're going to see that  
22 all the teams wanted to talk -- well, the first two teams wanted to talk  
23 to the same types of people. It's just a question of how it's done.

24 We were interested in talking to combinations in maybe a  
25 panel form, to look at the SDP. If you break it down into the first two  
questions, one is just a mechanics question and two is a truth test.

You can get to the first one by looking at -- the NRC folks

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that we were really interested in talking about would be a combination  
of the SRI and -- the senior resident inspector, his or her branch  
chief, and the risk person, the SRA, the senior risk analyst, from a  
particular pilot plant, and we'll let the staff figure out which plant.

1 We would hope that you would get a sense in your own -- the  
 2 staff's internal efforts on which plant had the most issues that went  
 3 through the SDP process, but we'd have a group that would be a composite  
 4 of the three key people from the licensee's side -- or from our side,  
 5 with representatives from the plant, plant reps that are a commensurate  
 6 level, a management rep and a working-level person who's into working  
 7 the risk assessment, and we'd like them to specifically address the  
 8 issue of burden.

9 On the NRC side, we'd want some quantitative data on the --  
 10 not so much the timeliness, although that would certainly be there, but  
 11 more importantly, the amount of resources spent to get the answer, and  
 12 from both the industry side and the NRC side, we'd like a qualitative  
 13 assessment of what it took to -- on the burden -- what it took to get  
 14 through the process.

15 That's where we concluded.

16 On the second piece, which is really a much harder piece --  
 17 so we thought we'd open it up to others -- we'd have those groups. We  
 18 kind of envision maybe a meeting where they would be here, although  
 19 maybe the logistics work differently, and we'd just build on it.

20 It's principally a qualitative assessment of how this -- how  
 21 the SDP process worked, did it come to the right answer.

22 We'd like to hear from a representative of the SDP and ER  
 23 panel as it's written here. I guess that's the headquarters NRC panel  
 24 that's given a check, an overview of the use of the process.

25 Particularly, we'd like to hear from that panel on the  
 nature of problems that require an overturn. We'd like to hear  
 something about that.

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MR. CHASE: A what? Overturn?

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MR. WIGGINS: Overturn, if they overturn the regional

Court initial call. If the call was overturned, we'd like to hear about that  
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1 We also believe there's an opportunity, since this is a  
 2 fairly significant part of the program, to hear from the states. We  
 3 figured that, based on our observations, Illinois and New Jersey have  
 4 been spending the most time focusing on the program.

5 We think they would have something worthwhile to say and  
 6 contribute here, whether from their perspective the SDP process comes  
 7 out to the right answer.

8 We'd also like to hear from some public citizen groups, or a  
 9 group, a public citizen group on that, some stakeholder, an advocacy  
 10 group, someone who has been focusing on the overall program.

11 Maybe Dave would take the lead in identifying who would be  
 12 the best person to hear from.

13 We kind of envision this would be a panel discussion, but if  
 14 the logistics work differently, then that's the way it goes.

15 MR. GARCHOW: When you say a panel discussion, I think maybe  
 16 what we're going to see as we go through group three and sort of was  
 17 envisioned by Frank and I when we did this is I think we're going to see  
 18 where we're going to be able to direct people -- if it's going to be  
 19 done by presentation, we can give them the specs for the presentation  
 20 before they come here and have it divided up by these categories.

21 So, then as we're taking notes in our little note-taking,  
 22 we're sort of keeping this in some semblance of order, and I think a  
 23 panel is probably -- if we let the panels do a little brief presentation  
 24 to cover the points we've asked for and then ask for some  
 25 question-and-answers, we'll probably -- in listening to you, that would  
 get us where we need to go on that one.

MR. WIGGINS: Yeah. But this -- I think, by nature, this is  
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going to look like a qualitative assessment. It's hard to quantify --  
 other than getting the NRC people to discuss the number of calls that  
 eventually were revised because of the panel review process, it's real  
 hard to bean-count this number.

1 By saying that you met the 95 percent targets, it doesn't  
2 give you a lot. This is mostly a qualitative assessment, doesn't come  
3 out in the right place.

4 There's another note that we make as a footnote, and we're  
5 sensitive to not unearth things that we decided in the last meeting, but  
6 it needs to be recognized that whether you use core damage frequency or  
7 core damage probability is still a question that's out there, and it  
8 really can affect the decisions in item number two, because it does  
9 affect how a particular finding would be viewed from a risk perspective.

10 So, we just noted that it does -- potentially could affect  
11 the outcome of this criteria, and maybe later in the meeting, we can  
12 hear -- in this meeting here -- we might hear any status that we have on  
13 where we stand with resolving what is the proper measurement.

14 Let's shift to assessment.

15 Assessment was -- the three-part evaluation, number three,  
16 is the overall. This is one that, Dave, you've already touched on in  
17 your group in separate parts, the PI results and the inspection  
18 findings.

19 You put them together. Do you get an overall reasonable  
20 assurance level that the cornerstone objectives are met? That's a big  
21 question in this process. The technical aspects of this process is the  
22 largest question.

23 As far as one and two, we think we'd like to hear from NEI  
24 and the NRC staff on how were non-green performance indicators or  
25 inspection areas acted upon. What actions did the staff take, per the  
matrix?

We'd also like to hear from those two, the NRC and NEI,

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Court on NRC's side to complete the assessment process, total for the pilot,  
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1025 for all the pilot plants, on a per-plant, and try to make a rough  
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1 comparison to the previous processes, SALP and PPR. That's a  
2 statistical quantitative measure.

3 For the last item -- that's, like I said, going to be an  
4 overall activity -- we think we need to open that up to a broad range of  
5 stakeholders -- the NRC staff, licensees -- we can have NEI decide who  
6 the licensees are -- states and some public input on this question.

7 I think this could be a very important question we might  
8 want to spend a lot of time on.

9 I guess we're talking the overall, and I guess the overall  
10 -- a couple comments.

11 On page 9 and 10 of the matrix, it doesn't seem to map well  
12 with the issues attached. There's a draft of a new set of evaluation  
13 criteria. It doesn't map with the four items on page 4.

14 So, we had a little bit of confusion making our way through  
15 it, but I guess we looked at all these, and you know, I guess they're  
16 relatively straightforward assessment, in our view, that NEI and NRC  
17 could make.

18 But I think we had some discussion about what did we feel  
19 about whether the overall -- the industry overall is ready to execute  
20 the program, and we were trying to recollection what we had decided in  
21 the last PPEP meeting.

22 I guess my opinion is this is going to be -- we already have  
23 part of our overall report written, which is everything we said in this  
24 report pertains to how the pilot program was executed.

25 The issue about whether industry at large and NRC at large  
is ready to implement it is a separate question that needs a separate  
decision somewhere between November and April.

ANN RILEY So, we would challenge the staff, or at least we would say  
& that we would note that fact, and you know, just because -- I guess  
ASSOCIATE S, LTD. where we're going is just because we got ourselves through the pilot  
Court Reporters program, wherever we ended up, just because we got through it, that  
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1 doesn't necessarily mean that everybody is ready to implement this  
 2 everywhere, and there's still a lot more work that has to be done to get  
 3 to that point, both sides of the house.

4 Any other comments? That's it for team two.

5 MR. GILLESPIE: Yeah. An interesting comment there, Jim.  
 6 At the chief nuclear officer's meeting that they had the EDO -- I want  
 7 to make sure I get his name right -- John Scalese from TVA mentioned  
 8 that it wasn't clear to him that the rest of the industry could be ready  
 9 to do this whole program by April given the efforts that have gone on in  
 10 the pilots to get the pilots ready relative to ensuring that our own  
 11 staffs understood it, and so, it was interesting.

12 It was kind of a surprise -- George, would you say it was  
 13 kind of a surprise comment at the meeting to just get laid out there on  
 14 the table? I don't know that it was a negative. It was a good comment,  
 15 but it was a bit of -- a dose of reality in a very happy meeting.

16 MR. BARNES: Right.

17 MR. GILLESPIE: So, it's a good question. I think we need  
 18 to have that question on the table, even though it's not one of the  
 19 criteria, and that's the question -- what does this panel think of the  
 20 ability of the industry to be ready by April 1st, given it's a kind of a  
 21 good cross-section of people here?

22 So, it's a question. It's not on the criteria, but I think,  
 23 in our overall report, we have to address it, and that includes -- is  
 24 the NRC ready, overall, to do it, too?

25 MR. GARCHOW: Steve, based on that, was NEI doing something  
 different or trying to roll -- was NEI trying to roll this up? You  
 know, I guess this panel would like to probably see, at some point, from  
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NEI just the status of industry readiness.

I mean it might be a slide or two, but what has been done,  
 what's left to be done, and then NEI's professional opinion on, you  
 know, whether it's going to be there by April or not.

1 MR. FISCHER: Yeah. The task force has started to put  
2 together a strategy plan for how do we get the rest of the industry  
3 ready to adopt this process. We're identifying a set of success  
4 criteria.

5 How would we answer the question if somebody formally asked  
6 us, is the rest of the industry ready? What objective evidence would we  
7 have that the rest of the industry is ready to roll this process out,  
8 and we're identifying success criteria with measurable objectives for  
9 each one.

10 MR. GARCHOW: You're about to be asked that question by a  
11 highly-respected government panel.

12 MR. GILLESPIE: Tim, do you guys have an effort or kind of a  
13 schedule that says you're going to look at that same question? No is  
14 okay right now.

15 MR. FRYE: Yeah, we have the same question we have to  
16 address, but I don't know when we're going to have an answer right now.

17 MR. GARCHOW: The same highly-respected panel is going to  
18 ask that question of you, too.

19 MR. GILLESPIE: Okay. Good. This is going to be  
20 interesting. Everyone wrote neatly, right, so Mohan can consolidate the  
21 comments.

22 MS. HAHN: Frank, I'd suggest that, rather than going on to  
23 the third group, that we go back to the original agenda plan, because we  
24 seem to have had people come specifically to hear the staff  
25 presentation.

MR. GILLESPIE: Okay. Are we back on -- 11 o'clock, okay.  
Good idea.

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Actually, what I was doing is -- so that everyone wouldn't  
rush out and only a few of us be left at the table, like at the last  
meeting, I was trying to get us through on time.

MS. HAHN: We have time this afternoon to wrap this up,



1           though.

2                   MR. GILLESPIE: Staff presentation. We've asked the staff  
3           to just bring us up to date on where we are and where we stand.

4                   MR. FRYE: We're passing around a set of handouts of the  
5           slides I'm going to use. So, I guess I'll wait a few minutes.

6                   I think the handout is mostly around.

7                   Good morning. My name is Tim Frye, and I work in the  
8           Inspection Program Branch of NRR. I'm a member of the Transition Task  
9           Force, and I'm the coordinator for the pilot program which is currently  
10          in progress to exercise the revised oversight process as part of full  
11          implementation.

12                   This morning, what I'd like to do is present the changes  
13          that we've made to the pilot program criteria, based on comments and  
14          recommendations that we received at the last PPEP meeting, and then,  
15          following that, I'll also discuss some of the initial results of the  
16          pilot program from the first two months.

17                   We did receive many beneficial comments and recommendations  
18          regarding the pilot program from the first PPEP meeting. We did review  
19          the comments and recommendations we heard, and we incorporated most of  
20          them into the criteria.

21                   Now, we do plan to issue this revised criteria this week as  
22          part of a package of other procedure changes to be implemented for the  
23          remainder of the pilot, a couple of inspection procedure revisions,  
24          revisions to the significance determination process, and a revision to  
25          the pilot program guideline document.

                  So, the criteria revisions will be contained in that, and I  
                  did include a draft of the revised criteria for your review, and I'll be  
ANN RILEY talking through some of the changes we made to those.

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                  As suggested by the PPEP, the staff did decide not to use  
                  the word "success" in describing the criteria, and we're simply calling  
1025          them now pilot program criteria.

We concluded that this name better -- this name change better describes the purpose of the criteria, which is to evaluate the readiness of the new processes for full implementation.

However, we did keep the thresholds that were originally developed for many of these criteria. We did add an introductory paragraph which better describes how these criteria and their thresholds will be applied to the results of the pilot program, and probably most of you found it already, but like I mentioned, the revised criteria are in your handout, about midway through, it's page one, and the paragraph that I talked about is right at the top there, and what I did was -- there's a lot of change bars there. They reflect changes that occurred even before the last PPEP meeting.

What we did was we noted the changes we made in response to the PPEP with change bars, also, but then I underlined them, so you could distinguish the changes that we made in response to the last PPEP meeting, and one of those is that paragraph, and again, this paragraph is trying to better describe the criteria and the thresholds.

As described in this paragraph, all the discrepancies will be evaluated during the pilot to determine the cause and the need for any revisions prior to implementation.

However, the use of thresholds with many of these criteria, such as the eight-out-of-nine-plants threshold, will also allow the staff to draw conclusions regarding the readiness for full implementation, which is why we kept thresholds.

A meeting of threshold for one of the criterion indicates that, while there may be an isolated problem that needs to be addressed, the particular attribute of the program or process being evaluated is

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generally sound, meets its objectives, and is ready for full implementation.  
Failure to meet a criterion threshold indicates a potential program or process problem that needs to be addressed prior to full

1 implementation, but it does not indicate that the process or procedure  
2 is unworkable and cannot be used to support the new process.

3 So, in a nutshell, that's why we decided to keep the  
4 thresholds.

5 Many of the qualitative criteria rely on comments received  
6 from feedback forms and surveys.

7 The PPEP made a recommendation to better describe in these  
8 criteria what information will be solicited and who it will be obtained  
9 from.

10 We felt that was a good comment, we incorporated it, and  
11 actually, for most of the overall criteria and for the last criteria  
12 under inspection, you can see -- and these are underlined again -- you  
13 can see how we tried to better describe where this qualitative  
14 information is going to come from.

15 We did delete the SDP criteria. That was intended to  
16 evaluate the two methodologies in question for the SDP, delta core  
17 damage frequency and delta core damage probability, and we also did  
18 delete the criteria we had under overall that was attempting to measure  
19 staff preparation. That was another recommendation by the PPEP. We  
20 took those out because they aren't really true pilot program criteria,  
21 but they are important issues that we will be evaluating for full  
22 implementation.

23 Another recommendation that we took was we did rearrange the  
24 overall criteria to better address the agency overall performance goals.

25 So, there's a better correlation there, and what we did was  
we moved one of the assessment criteria that dealt with does the process  
provide reasonable assurance of -- that safe operation is maintained and

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is it providing an adequate indication of licensee performance.  
We moved that -- we kept that criteria, but we moved it to  
the overall, because it's really a bigger picture overall criteria. So,  
we did rearrange the criteria in that fashion.

1 And finally, there was a -- for the overall agency resource  
 2 criteria, we did reword that to delete the -- a threshold being  
 3 resources -- being 15 percent less than the current processes, and we  
 4 used the words "projected to be less," which I believe the panel  
 5 recommended, and we agreed with that.

6 So, that's a summary of the changes we made to the pilot  
 7 program criteria in response to the last PPEP meeting. Again, we are  
 8 looking to issue those this week for full implementation for the rest of  
 9 the pilot.

10 So, I guess -- any questions or comments on the criteria?

11 MR. GILLESPIE: Tim, one question. I don't want to go out  
 12 with draft criteria when we put our working papers together. So, next  
 13 week we can go final?

14 So, when Mohan puts together our package here, we'll factor  
 15 these in. Is that your plan?

16 MR. FRYE: Yeah.

17 MR. GILLESPIE: You're not going to reissue them as draft  
 18 criteria. I mean you're going to issue them --

19 MR. FRYE: Right.

20 MR. GILLESPIE: -- and be done. We're done. Great. That  
 21 means we're working from the right product.

22 MR. FRYE: Right.

23 MR. GILLESPIE: It meshes nicely.

24 MR. FRYE: Yeah. Just as a little bit of background, the  
 25 way we'll get these out is packaged very similar to how we got the  
 initial pilot program data out. There will be a similar memo from Bill  
 Dean to the four regional administrators describing the changes, and

ANN RILEY there will be attachments to the memo, a new SDP, a new pilot program,  
 & guideline document, couple of revised inspection procedures, and they  
 ASSOCIATE S, LTD. Court won't be draft, they'll be the real thing, for implementation.  
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1025 MR. GILLESPIE: Good.

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1 MR. GRANT: Tim, just to reiterate something that Jim talked  
 2 about when he was talking about the subgroup report out, in dropping SDP  
 3 -- I mean CDF versus CDP out of the SDP, you still have a criterion  
 4 there that no risk-significant inspection findings were screened out,  
 5 and I think that that question is probably still embedded in how you  
 6 define what is a risk-significant finding.

7 MR. FRYE: That's a good point.

8 MR. GRANT: Okay.

9 MR. CHASE: Tim, a question on distribution. Will NEI get a  
 10 copy of that so they can send it out?

11 MR. FRYE: Right. What we'll do is we'll Federal Express  
 12 the package to NEI, the resident offices, two points of contact at each  
 13 pilot plant site, UCS, the states of Illinois and New Jersey, and again,  
 14 that's the distribution we used for the initial pilot program package.

15 MR. CHASE: Okay.

16 MR. FRYE: If there aren't any other questions, the next  
 17 thing I wanted to talk about were some of the initial results from the  
 18 pilot program, and that's your next slide.

19 Again, the next thing I'd like to talk about are some  
 20 initial results. We have completed two months of the pilot, so we are  
 21 just starting to get in some of the results and being able to analyze  
 22 them and draw some conclusions on them.

23 So, I'm just going to go through some of the information  
 24 that we have now. A lot of it is some of the same information that I  
 25 heard the subgroup say they wanted to see in October or November, at the  
 next meeting, and you know, we have some of it now, and of course, at  
 the next meeting, it will be better and more complete.

ANN RILEY To date, we've had three pilot plant performance indicator  
 & submittals. For each of these submittals, all the PIs have been  
 ASSOCIATE S, LTD. reported on time for all the pilot plants, and we have been doing some  
 Court Reporters PI verification during the first couple of months of the pilot, and the  
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1 licensees have been doing their own review of the PI submittals, and we  
 2 have noticed some errors in the PI submittals during the first couple  
 3 months of the pilot program, and I think it's slide four of your  
 4 package, or page four, shows one of the metrics that we're trying to  
 5 pull together to summarize PI reporting.

6 MR. WIGGINS: Tim, how do you read this? Are the X's  
 7 errors, or are the X's inspections? On your third -- fourth column.

8 MR. FRYE: Yeah. The question was what are the X's? The  
 9 X's are the errors that we've seen. What we're trying to do is -- we're  
 10 tracking this PI by PI. The first column next to the PI shows the  
 11 number of plants that we saw an error at, and then, the other columns  
 12 are trying to show a breakdown of how we found the error.

13 We are doing some independent verification where the PI task  
 14 leader will be going out to the sites, in addition to the scheduled PI  
 15 verification. So, if they are talking with the licensee or reviewing  
 16 data and they see an error, that's a source of information.

17 Next column, PI verification.

18 The column after that is any changes that were submitted by  
 19 the licensee documenting an error, and the last column there is  
 20 timeliness, which isn't filled in right now, but -- we just didn't get a  
 21 chance to fill it in, but right now, all the PIs are being reported  
 22 timely, as I mentioned before.

23 But as you can see --

24 MR. GARCHOW: Tim, just to be precise, right -- it's the  
 25 engineer leaking out -- that's really not an error rate. You're just  
 bean-counting numbers. You're not taking a look at --

MR. FRYE: Right. That's --

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MR. GARCHOW: That's probably fine, but it's just the number  
 of errors.

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MR. FRYE: Honestly, we're struggling with this one a little  
 bit to -- we know what we want to do, but being able to present it the

1 best way -- the idea was to have an error rate, but that's probably not  
2 an error rate right now.

3 But what we are trying to present is the fact that -- again,  
4 this isn't a complete summary of all the PI verifications we've done,  
5 because we've looked at some of the -- we've looked at some of these and  
6 haven't found problems, but the idea is to show that we have seen  
7 problems in unplanned power changes and safety system functional  
8 failures.

9 Right now, those aren't meeting the criteria we've set up,  
10 so we need to look harder, which we are doing, to see why those are  
11 happening and determine the cause. We are working with NEI to look at  
12 the guidance and see what we need to fix to address those errors.

13  
14 MR. FISCHER: Tim, just so we're clear, can you characterize  
15 what's the nature of the errors? Are they interpretation problems, or  
16 are they --

17 MR. FRYE: Yeah, that's --

18 MR. FISCHER: -- errors in collecting the data and missing  
19 things or some of both or --

20 MR. FRYE: We're still working through that, but right now,  
21 what we think the problem is, for the unplanned power changes, it's  
22 probably an interpretation problem and a guidance problem, and for the  
23 safety system functional failures, what we've seen is a problem with  
24 characterizing failures as safety system functional failures and, on the  
25 initial go, not accurately noting failures that were safety system  
functional failures and should have been counted.

So, it's probably a guidance problem.

ANN RILEY MR. FISCHER: Is most of this on historical data? If it is,  
& that's going to be an issue that we're going to have to deal with with  
ASSOCIATE S, LTD. all of industry when we get going, you know, come the first of the year.  
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1025 MR. FRYE: Yeah, I think most of it is on historical data.

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1 So, again, we don't know exactly what the problem is, but as  
 2 you can see, we are having problems reporting these PIs, which is the  
 3 goal of the criteria, and setting a threshold.

4 You know, again, with the idea behind the threshold, if it's  
 5 -- if you just -- throughout the pilot, you see one problem with the PI,  
 6 you can address that, but we have confidence that the process or the  
 7 guidance is pretty good for that PI.

8 When you start seeing two or three or four hits on a PI,  
 9 that's going to be an indication that there's something bigger you need  
 10 to address before full implementation.

11 So, that's an example of how we're going to use the criteria  
 12 and the thresholds we've set up.

13 MR. GRANT: Tim, this is all based on our inspection  
 14 activity. Is the staff gathering any raw data or anecdotal information  
 15 from pilot plants on what they're doing, going back and looking? I mean  
 16 this is -- these are things that we've discovered in the course of our  
 17 inspection activity. They may be discovering additional examples or  
 18 input, also.

19 MR. GARCHOW: Well, at our pilot plant, we're doing that,  
 20 but it would end up being captured here, because when we find it, we  
 21 submit a revision to our data, and then it would have shown up -- in  
 22 fact, at Salem, we're fixing to send you a revision of a data, because  
 23 on a scrub we found an error in 1998.

24 MR. GRANT: And that would show up in this table?

25 MR. GARCHOW: And that would show up. I believe what you  
 said is when I send the letter in saying it's correct --

MR. FRYE: Right. If we haven't picked it up in any of the  
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licensee-identified, that the inspectors have followed up on and documented.

MR. GILLESPIE: Tom?

MR. HOUGHTON: Tom Houghton, NEI.

Tim, if a PI verification inspection finds something that needs to be corrected and then the utility corrects it in the next report, you're not going to double-count between the two columns, right?

Your second column is PI changes that the utility makes?

MR. FRYE: Right. No, we wouldn't be double-counting that.

MR. HOUGHTON: Okay.

MR. GILLESPIE: I think something that's going to be important here -- this is probably not for the committee as a committee, but -- and that's the distinction between old data and new data and the definitions, because we've been -- there's a whole group working between NEI, INPO, and the NRC, trying to come up with good definitions that we can all agree upon of both availability and reliability, and so, it's going to be important to know in moving forward, do we have definitions that, from someday certain, moving forward, can be consistently applied, which is a different problem -- is what your question was, Steve -- than mining the past data and having to back-fit a definition where there's a lack of information and detail.

So, we need a clear distinction there, because then we have to get -- the task force is working off -- doing the other thing, to make sure that we've got definitions of reliability and availability in this area, we're all shaking hands and doing the same thing.

So, that's a point I think we have to ask the staff when they come back in November, would be kind of the next -- just the next

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level of detail, since this is mostly historic now, is do you feel comfortable moving forward that the guidance document that exists --

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MR. FRYE: Right. And that's the decision that this kind of metric and the data we're collecting is trying to answer.

1 MR. BARNES: So, given the number of plants, the number of  
2 indicators and the three submittals, I mean this is a relatively small  
3 number, but did it come about randomly, is it going down, is it just a  
4 startup?

5 I mean which way is this little number going, if you were to  
6 trend it? Did we have three the first time, five the second?

7 MR. FRYE: I don't know if we have a trend yet. I don't  
8 think we know.

9 MR. BARNES: Or was it all at once, all at the first or all  
10 at the second? I'm just wondering, because the goal here, ultimately,  
11 is everybody's got it right.

12 MR. FRYE: Right. Again, the majority is historical.

13 MR. BARNES: Right. We've just got to clean it up as we're  
14 going forward.

15 MR. FRYE: Right. If that's the only problem -- I mean  
16 that's still a problem that we want to address. That's part of the  
17 evaluation we would do. Again, what's the cause? We might not need to  
18 change the guidance. Maybe it's okay. Who knows what it could be.

19 MR. GARCHOW: We talked about this earlier, and when you  
20 come back at the first week of November, I would agree, we're going to  
21 -- and we'd ask to see, and I'm sure you'll give us, the next level of  
22 detail on the specifics around what these errors are you're finding, and  
23 there's probably a couple other cuts you could make on that just besides  
24 historical, non-historical that would give some insight, and we  
25 recognize that you've just started doing this.

So, I guess my opinion would be we can sort of probably let  
you off the hook on this, since it's only based on a week or two's worth

ANN RILEY data.

&

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Court story, because this only looks at reactor safety, and I know that  
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1025 there's some other --

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MR. GRANT: Is this just an example, or is this the whole

1 MR. FRYE: Well, this is all the results that we have to  
2 date on -- the only reason why I didn't put the rest of the cornerstones  
3 or PIs up is we don't have any hits on those.

4 MR. GRANT: I thought we did. I thought we had some in  
5 security and in rad protection.

6 MR. FRYE: Yeah. I'll double-check, but we didn't have any  
7 hits reported, so -- yeah, I'll double-check. I'm not sure what the  
8 answer is.

9 MR. GILLESPIE: Next view-graph.

10 MR. FRYE: Actually, I'm going to go back to that one and  
11 talk off that one for a little bit, but we have received a lot of  
12 feedback and comments on the -- some of the inspection procedures that  
13 they -- as they've been used, and we do have some revisions in progress,  
14 not ready to be issued yet, for various procedures, such as equipment  
15 alignment, plant status, maintenance rule implementation.

16 Generally the comments we have received so far, and we need  
17 to -- for the next meeting, we'll have a better summary of them, but in  
18 general, the comments are the requirements aren't clearly written,  
19 they're hard to follow, so that the inspectors have struggled with doing  
20 the procedures as written.

21 So, that's -- at this point, that's what we're trying to  
22 address, and we'll work on revisions to make them easier to follow and  
23 to have a clearer distinction between equipment line-up and plant  
24 status.

25 There is some confusion as to which -- what you do in one  
but you don't have to do in the other one. So, we are working on some  
revisions.

ANN RILEY As I mentioned earlier, we do have revisions ready for the  
& ASSOCIATE Fire protection procedure and physical protection.  
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Court The fire protection procedure -- it's incorporating lessons  
Reporters learned from the fire protection functional inspection; it's clarifying  
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1 the requirements for the routine inspections and the triennial  
2 inspection. So, that's the -- I guess the scope of the revisions to  
3 that.

4 For the physical protection inspection, the revision was we  
5 were suspending the force-on-force portion of the baseline inspection  
6 for the remainder of the pilot pending completion of the OSRIs and  
7 evaluation of the results.

8 So, those two inspection procedures will be coming out this  
9 week.

10 If you go to page five of your handout, this is another one  
11 of the criteria we have in the inspection program. What it's looking at  
12 -- it's solely inspection hours.

13 It is a comparison of the direct inspection effort, expanded  
14 for the first two months of the pilot for the baseline program, and then  
15 it's doing a comparison of those resources against the regional average  
16 for the first two months of the pilot for the non-pilot plants, and then  
17 it's also comparing the resources for each pilot plant against the same  
18 plant for the same time period before the pilot.

19 So, those are the two comparisons it's doing, and again, you  
20 have to keep in mind this is for two months of the pilot program, it's a  
21 very limited data set, but it is demonstrating, at least for now, that,  
22 in general, we are meeting the criteria that the new inspection program  
23 requires less resources than the current processes, and there's two  
24 comparisons.

25 MR. GARCHOW: Tim, I guess, when you come back, because this  
is one of the criteria, just need to break out a little bit some of the  
things that tend to allow this just to be an illustration but not to

ANN RILEY allow the mathematicians to go crazy, right, because it's heavily  
& influenced on when you had your last major team inspection --  
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Court MR. FRYE: Right.

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MR. GARCHOW: -- and whether -- which of the pilots have had

1 a major team inspection and which haven't.

2 So, I would suspect that like Fitzpatrick got one of the  
3 early team inspections --

4 MR. FRYE: Right.

5 MR. GARCHOW: -- and that's why their data is skewed up.

6 So, when you come back, just be able to note -- you know, be  
7 able to point out on this kind of graph a view of the things that, you  
8 know, would explain away something that at first blush --

9 MR. FRYE: Right. And that's the idea behind the criteria  
10 for any outliers or anything, to again look in the causes and understand  
11 what's going on, but there is a basic premise that we are trying to  
12 evaluate here, and that's with the use of performance indicators and  
13 establishing performance bands, that we think, overall, less inspection  
14 should be required, and it might be hard to measure, but that is what  
15 we're trying to look at with this criteria.

16 MR. GILLESPIE: Tim, I want to just make sure I understand  
17 the graph. On this table, let me just pick Salem. Pilot plant A, 107  
18 -- that's for two months. What is that number compared to previous six  
19 months?

20 MR. FRYE: Yeah. For Salem unit one --

21 MR. GILLESPIE: Are these monthly averages?

22 MR. FRYE: These are total inspection resources. For Salem  
23 unit one, for the first two months of the pilot, it was 107 hours of  
24 total inspection resources. For the previous six-month period, the  
25 first two months of that --

MR. GILLESPIE: Okay.

MR. FRYE: -- which is, I think, November and December, say,

ANN RILEY '98, 260 hours were applied to Salem unit one, and then the last  
& number for Salem one is the regional average for all the other non-pilot  
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Court plants during the first two months of the pilot.

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MR. GILLESPIE: Okay. So, it's all normalized to two

1 months.

2 MR. FRYE: Right.

3 MR. GILLESPIE: How much of an influence is -- I know we  
4 were kind of in a -- for the pilot plants, we're kind of in an odd  
5 circumstance, because there was some regional initiative based on past  
6 results that's factored in here.

7 What percentage of all of this is kind of old? I don't want  
8 to call it old but previously established regional initiative versus a  
9 reaction to the new program, just a ballpark?

10 MR. FRYE: Yeah. I don't think we had a lot of regional  
11 initiative. That's something we'd have to check and bring to the next  
12 meeting, but there was not a lot of --

13 MR. DEAN: Ten percent.

14 MR. GILLESPIE: Ten percent is a good answer.

15 MR. FRYE: Some plants are zero initiative inspection.

16 MR. GILLESPIE: Okay.

17 MR. FRYE: If there aren't other questions about that, I  
18 guess I'll go on to the last couple of bullets on slide three.

19 Okay. And actually, the last bullet, which I didn't talk  
20 about, is the fact that another one of the criteria is an information  
21 management system criteria. It's our ability to get the performance  
22 indicators and inspection findings on the external web page in a timely  
23 enough fashion so that they're publicly available and they support the  
24 assessment results which will also be coming out, and where we stand  
25 right now is we were able to get the July 14th PI submittal on the  
external web-page by the end of July, so that that is publicly  
available, and we will continue to update the PIs monthly through the  
remainder of the pilot.

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The next step is to get the inspection findings, the plant

Court issue matrices on the web. Our goal right now is to be able to get that  
for the end of August, and so, then you'll have a complete picture of

1 all your data for each pilot plant.

2 So, that's where we stand right now with getting information  
3 on the external web.

4 MR. GILLESPIE: So, end of August, Tim, you'd be looking at  
5 -- picturing the NRC page right now, the PIs are kind of on top,  
6 inspection is kind of the bottom third of the page.

7 MR. FRYE: Right.

8 MR. GILLESPIE: You'd then be able to go from that to the  
9 PIM?

10 MR. FRYE: That's the plan.

11 MR. GILLESPIE: The PIM item that reflects --

12 MR. FRYE: Uh-huh.

13 MR. GILLESPIE: -- value depending on whether you're looking  
14 up or looking down?

15 MR. FRYE: Right.

16 MR. GILLESPIE: But then the rest of the PIM would also be  
17 available --

18 MR. FRYE: Right.

19 MR. GILLESPIE: -- on that list. Okay.

20 MR. FRYE: That's the system we're trying to set up.

21 MR. GILLESPIE: Okay. When will that be linked to  
22 inspection reports themselves, or will it?

23 MR. FRYE: I'm not sure.

24 MR. GILLESPIE: Okay.

25 MR. FRYE: But that's it for the initial results of the  
pilot. Although the pilot is over a third of the way done, there is  
some lag time in getting results in and being able to analyze them.

ANN RILEY This is what we have so far, and obviously, every month we'll have  
& ASSOCIATE Better results and better analysis.  
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So, any questions or comments?

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MR. WIGGINS: I'm going to ask the normal question we ask.

1 What's going wrong with the pilot thus far? We've heard a lot of things  
2 that are going right. What do you think is going wrong?

3 MR. FRYE: Going wrong? Well, we do have a lot of -- we  
4 have seen errors with the PIs, which I did talk about, and we are  
5 working hard with NEI. It's not surprising to us the PIs we're having  
6 trouble with. I think we kind of anticipated that.

7 So, I think that's one area that's going wrong and we're  
8 working to address it, and then I guess the other area, which I did  
9 mention, is the inspection procedure quality. We have received a lot of  
10 comments about the quality of the procedures and the difficulty in  
11 implementing them.

12 The inspectors have successfully implemented them, but they  
13 can be better written and clearer written and easier to use.

14 MR. GARCHOW: Tim, relative to -- I mean I'm not aware -- I  
15 have no knowledge to the fact that there is, but I assume that there was  
16 some sort of self-assessment process at the NRC prior to the  
17 implementation of the pilot program, and I guess it would be interesting  
18 to hear to what extent, if you'd of went out to inspectors and asked the  
19 same questions about the previous inspection procedure, quality,  
20 usability, that you would get any different answer relative to the old  
21 procedures versus the new procedures. Do you have any insight on that?

22 MR. FRYE: That's not something we've done.

23 MR. WIGGINS: Has there been any industry comment? When the  
24 chief nuclear officers were in, there were some comments provided to the  
25 NRC during that time.

I guess, Steve, you were reminding me that one of the issues  
that popped up was on PI verification.

ANN RILEY MR. FISCHER: Actually, problem identification and  
& ASSOCIATE resolution inspection module. That was the one issue that they had.  
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Court I think Tom's going to talk to some of that this afternoon  
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MR. WIGGINS: Okay.

MR. GILLESPIE: I think one of the pluses that could be viewed as a negative -- I view it as a plus -- that we're seeing out of the pilot is inconsistency. In the pilot, inconsistency is good, because it gives us a comparison, and we've had some inconsistencies in the engineering procedure and how much effort it takes to carry it out in different places and inconsistencies in problem identification corrective action, which is good, from our perspective relative to running an experiment, which is what a pilot, to some degree, is, because that means we can step back and look at the different approaches by different regions and different management structures and make some conscious decisions and comparisons, was this worth it, was it not worth it.

So, I don't know if that's a negative or a positive. I view it as a positive. We're not forcing artificial consistency region to region, inspector to inspector to the extent where we don't get that test.

But on the other side, Tim, that could be viewed as a negative, because there's -- in corrective action, there's significant discrepancies, maybe, in how big a team and how long it's taken between some regions and some pilots, but it's a good discrepancy. It will give us something to chew into later, I think.

MR. WIGGINS: I guess there are some white PIs out there. Has there been any judgement with regard to how the white PIs were reacted to, any early information about what happened when you go through the first step in the action matrix on this?

MR. FRYE: We've had some PIs that were late due to historical problems, and we reviewed those at the start of the pilot and determined whether we did or didn't need to do any followup, but I don't think we've had any new white PIs yet in the pilot program.

MR. WIGGINS: I guess what I'm dancing around is not that

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1 you'd wish any bad things would happen at any of the plants, but you  
 2 start to wonder whether there's been a full spectrum of challenges out  
 3 there that you could see how the program reacts to those challenges and  
 4 compare it to how you would react, maybe, under a different or a prior  
 5 regime, you know.

6 There hasn't been any -- I don't know if there's been any  
 7 events that are more than just, you know, kind of routine occurrences.  
 8 I don't know that there's been any inspection areas or PIs that have  
 9 gotten outside of white.

10 MR. GILLESPIE: Two yellows.

11 MR. CHASE: We've had a PI go from green to white back up to  
 12 green. We did a root cause analysis. It's in the EP area on protection  
 13 action recommendations. We started off low and, before we could take  
 14 corrective action, dropped into the white the next month.

15 We did a root cause, taking corrective actions, and we had a  
 16 ERO inspection activity last week that verified our corrective actions,  
 17 and they walked away with no findings and no observations.

18 So, they looked at what we were doing in root cause analysis  
 19 in that area and they were satisfied.

20 MR. DEAN: Bill Dean from NRC.

21 I'd like to make one comment, and this kind of pertains to  
 22 an observation that was made earlier about readiness of industry, and I  
 23 think one thing that we have to recognize is that the pilot program is a  
 24 limited experience, six-month period of time, nine plants.

25 We will not exercise every aspect of the program, okay, and  
 it's important to realize that we have on top, after the first full year  
 of implementation, a report to the Commission to provide feedback on the

ANN RILEY First full year of implementation.

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There are going to be continued modification revision to the

So, I think it's important to recognize that we're going to

1 continue to gain experience when we get into full implementation and  
2 make alterations to the process as a result of those.

3 MR. WIGGINS: Yeah, I recognize that the circumstances may  
4 not present themselves, but I guess I'm suggesting that, you know,  
5 anything that does come up, you have to look at it two ways, I think.

6 You have to look at it, you know, how is it treated under  
7 the program and compare it to some -- I hate to say feeling, because you  
8 think it's a subjective -- you kind of try to figure out what you would  
9 have done in a prior regime and you decide whether there's an argument  
10 to remain with the pilot way of dealing with it.

11 Otherwise -- I don't think anyone expects -- I don't think  
12 it's a reasonable expectation for the NRC to be in a position that it's  
13 not reacting to problems that are out there.

14 It has to react. There's a question in terms of what the  
15 reaction is, but it has to react, and we ought to be careful that we're  
16 not assuming that the pilot oversight program is the correct reaction in  
17 all cases.

18 I'm not saying we ought to go back and jump to the old  
19 system. That's not what I'm saying. I think you've got to take  
20 whatever opportunity comes up and capitalize on it.

21 MR. BROCKMAN: Jim, I agree with you, and I think some of  
22 the things we also have to look at -- for example, the example that Jim  
23 brought up on the response organization, looking at data we would or  
24 would not have even had last time, and under this particular aspect, I  
25 mean that they went from 91-percent success rate on making  
recommendations to 89, it probably would have been data that wouldn't  
have even been captured before that allowed us at this time to do an  
inspection activity that may have not been there.

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We need to look at both sides of the coin, those we don't do  
and those we do do. So, I think you're correct.  
Let me take one other point.

1 Bill, food for thought just on the graph you've got on the  
2 pilot plant direct inspection effort. If you look at this thing, you  
3 see some big changes on there. I think some of them may very well be  
4 temporally driven by the summertime, when you've got heavy vacation  
5 schedules.

6 You may be much better comparing this to the same calendar  
7 time of last year, as opposed to just going back six months, because  
8 half of our pilot program is in during the summertime, and it could give  
9 a false impression on your data.

10 So, I'd just suggest that for consideration.

11 MR. WIGGINS: Well, to a certain extent, you have -- I was  
12 thinking about this, too. You have what you could say is the effect of  
13 small numbers. He doesn't have enough time to do the evaluation, and at  
14 the end, I think he will have at least six months, and he can play a  
15 number of -- he can look at it in a number of ways statistically, you  
16 know, here are the six months reflected as a two-year cycle and add in  
17 what you would have done two years and then compare it to other two-year  
18 cycles. That's probably the best way of doing it in the end, but he's  
19 going to have to figure that out.

20 MR. DEAN: And once again, as we've told the Commission, we  
21 don't feel comfortable in making any sort of recommendations relative to  
22 resources until after a full year of implementation.

23 MR. FISCHER: Just one other point I'd like to make  
24 responding to, I think, the point you made, Jim, about we really haven't  
25 seen that much yet that would, in our opinion, maybe test the process  
out, but I think we have to keep in mind that what we're testing here is  
the implementation of this process, but a lot of work did go into the

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development of the process, there was a lot of benchmarking that went  
in, where the staff actually did go back and take a look at past  
significant findings that they knew existed at plants, ran them through  
the process to see what color would come out using tools like the SDP

1 and the performance indicators, and it did, indeed, show, from their  
 2 validation, that plants that had some significant problems in the past  
 3 would have been tagged and identified, and the actions taken were fairly  
 4 consistent with the action matrix that was developed.

5 So, while we're not seeing them in the pilots, that doesn't  
 6 mean that it hasn't been, you know, validated to some extent.

7 MR. WIGGINS: Well, there were these things done prior to  
 8 the second Commission meeting, yeah, I realize that, but I guess the  
 9 point I'm making is you have to take every experience as an opportunity  
 10 to learn, and you have to -- you know, it may take more evaluation on  
 11 Frank's staff's part and maybe your part, you know, NEI's part to look  
 12 at, all right, here's a real live test under this regime, is that still  
 13 -- are we still coming out the same -- the right place.

14 Otherwise, you just -- otherwise, you, in effect -- although  
 15 you may not think you're doing it, in effect you subconsciously have  
 16 agreed that the program is actually correct, because everything you do  
 17 then is consistent with you're just implementing it the way it's  
 18 supposed to.

19 You've got to challenge it, I think. You've got to be in a  
 20 position of saying is this the right answer, and maybe -- you know, I  
 21 think the expectation is, the overwhelming majority of times, the answer  
 22 is going to be yes, the approach taken for the example you brought up  
 23 sounds like it's -- you know, sounds like it's a fair approach, not  
 24 having the details, but you have to ask that, is that the right thing?

25 You know, would Region IV have reacted the same way?

Now, Tim brings up, well, we wouldn't have reacted in the  
 past, so this is a -- I think that's a valid consideration. So, okay,

ANN RILEY seems to be not a problem.

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Move on, take the next challenge, and see what it deals

MR. GILLESPIE: I think we're probably not capturing all of

1 the things that have been going on within the staff, but I know, at  
 2 least recently -- I think it was even a TVA plant but not a pilot plant  
 3 -- there was a question on containment isolation valves, where the  
 4 region chose to kind of exercise the SDP process as part of its  
 5 evaluation of the safety significance of it, so that you might say they  
 6 were doing it for practice.

7 Ends up that it was not a significant valve. It went in the  
 8 corrective action program and it's getting corrected.

9 Now, would it have gotten corrected as fast -- is it getting  
 10 corrected as fast under the new process as it would have under the old  
 11 process? We're not really capturing that anecdotal follow-up  
 12 information, and we're not getting a lot of real live tests, Jim, of the  
 13 more -- I mean I hate to say it, but the pilot plants are actually  
 14 operating quite well.

15 MR. BROCKMAN: I'm not upset with that.

16 MR. GILLESPIE: I mean we've had some exercises at Sequoyah.

17 They've got a transformer yard that happens to be physically  
 18 at the lower end of the facility, which is subject to possibly some  
 19 flooding that's raised some questions, and that's going to a panel, and  
 20 that's something we'll probably hear about later when it comes back.

21 We've had another occasion when something went to a panel.

22 So -- but it's been rare. It's infrequent. We've got a  
 23 panel and they're ready to be a panel, but it's not happening.

24 So, as you say, we do have to be cautious as we go along.  
 25 The plants happen to be running very well.

With that, I'd like to suggest that, before we break for  
 lunch, that we allow group three to finish and give some food for

ANN RILEY thought, and then we'll talk about do we want to take an hour for lunch,  
 & ASSOCIATE 15 minutes, and maybe progress along so that we're done in a timely way  
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Okay.

1           Some people have to be out of here by four o'clock, so maybe  
2 we want to take a 45-minute lunch or just a 30-minute and just run  
3 upstairs and get a sandwich and get to work.

4           I think -- I was taking notes for group three. So, let me,  
5 if I could, go through that.

6           Jim, let's bring up -- we talked and put a constraint on  
7 ourselves that other groups might not have put on themselves -- gee,  
8 could people at the table bring information to bear so therefore we  
9 don't need an outsider, but we could reconsider that while I'm going  
10 through the notes.

11           We had enforcement and information management systems. I  
12 did try to put myself on the easiest panel. It's the advantage of  
13 making up the panels.

14           MR. CHASE: Put me on the toughest.

15           MR. GILLESPIE: Under enforcement, there was really only one  
16 criteria, and we had kind of a comment that we would -- for that one  
17 criteria, are enforcement timeliness actions taken in a manner  
18 consistent with the assessment of inspection findings that result from  
19 the SDP, and Jim Lieberman was with us at the time.

20           Jim had to leave, but we came up with kind of, I'll call,  
21 three sub-bullets that kind of go under that, and let me just read  
22 those, because it's the kind of thing that would go in a letter asking  
23 someone to talk about this.

24           Does the action matrix maintain incentives for a high  
25 standard of safety and compliance, which goes kind of a step beyond the  
mechanics that criteria one says, can you grind out the inspection  
action.

ANN RILEY           The second question was does the enforcement process, based  
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ASSOCIATE ON the SDP, cause compliance to be achieved commensurate with safety,  
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Court which is one of the things we were trying to get to by having compliance  
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1025 be after safety, and the third item was are there dis-incentives for  
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1 self-identification because of the assumption on corrective action  
 2 programs and the neutrality of findings and specificity in inspection  
 3 findings.

4 This is kind of a paste-together one at the last minute, but  
 5 the fundamental question was, because the safety significance of a  
 6 condition or situation is kind of neutral as to whether -- who found it  
 7 when we evaluate it, is that a dis-incentive, and that goes to one of  
 8 the underlying assumptions of the whole program, and that's that  
 9 corrective action programs, if they're working, you shouldn't drop out  
 10 of the green, and so, it's almost like self-identifying that you have a  
 11 problem with your corrective program if you identify something that's  
 12 out of the green.

13 I might be saying it a little more severely, but that's kind  
 14 of the essence, Jim, of what that question was. It was a dis-incentive  
 15 into things.

16 So, those were -- under enforcement, we'd ask people to come  
 17 in and talk to the enforcement criteria but, in their discussion, to  
 18 kind of discuss their views on those kinds of things, and we came up  
 19 with kind of the same panels that everyone else did.

20 Because enforcement is so visible and it's kind of the  
 21 visible end of what we do as regulators, we started with, potentially,  
 22 journalists as kinds of surrogates of who advertises what we do to the  
 23 public, public interest groups other than -- you know, David represents  
 24 UCS, but there are other interest-holders and public interest groups,  
 25 non-pilot plants and how they see this idea of negative incentives, and  
 this was an interesting one that Jim suggested -- and he comes -- Jim  
 comes from a different perspective, being the hard-nosed Office of

ANN RILEY, Enforcement guy for 20 years, and this one might deserve some discussion  
 &  
 ASSOCIATE union representatives in the operators association and their view of  
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 Court how they see enforcement and, in fact, the whole process working, and  
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 1025 that was kind of a new twist, and I'd like to ask, does anyone have a  
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1 sense on -- they're a stakeholder, and where Jim comes from is -- and  
 2 this was something that has come up in other discussions -- that if it  
 3 gives the appearance that the NRC is backing off, will other avenues be  
 4 used?

5 Do people think we're backing off? Do people who would use  
 6 our allegations system -- will they feel they have to go through that  
 7 system versus going through the normal process, that the NRC isn't doing  
 8 its job now, and these are the stakeholders that Jim sees when he deals  
 9 with DOL cases and stuff.

10 So, it was an interesting perspective. It was a different  
 11 point of view to bring them in and ask their opinion on this new process  
 12 from that enforcement perspective. Do they feel comfortable things are  
 13 still going to work the way they feel they're supposed to work?

14 Anyone's thoughts on this? This was a twist on me. I  
 15 hadn't --

16 MR. WIGGINS: Well, you ask a question and I always have an  
 17 opinion.

18 MR. GILLESPIE: Well, that's why I asked.

19 MR. WIGGINS: We need to be careful if you -- you know,  
 20 don't cross-wire what we're doing here. You're looking at enforcement  
 21 under the context of the program.

22 MR. GILLESPIE: Yeah.

23 MR. WIGGINS: If you're looking at harassment and  
 24 intimidation and wrongdoing matters and any of that, those are what I  
 25 would characterize as kick-outs from this process. They're going to be  
 dealt with classically.

Those are major issues that bear on the overall integrity of  
 the process, and they're going to -- you know, they're clearly not  
 something that this -- I thought we clearly said --

MR. GILLESPIE: There's agreement on that.

MR. WIGGINS: We clearly said that those things are -- we're

1 handling them the way we've handled them in the past.

2 MR. GILLESPIE: Jim was just throwing this in, I think, as  
3 this is a set of stakeholders that no one had discussed. They do have  
4 an interest.

5 MR. BROCKMAN: I think it's an interesting set of  
6 stakeholders just to add to a lot of the things that we were talking  
7 about when we're looking at that, the external stakeholders, and even  
8 though some of them may be internal, they come at it through a different  
9 ring.

10 You talk about pros or something like that, that's a thing  
11 that doesn't go through all the utility management chain, gets an  
12 unbiased or a different perspective on things.

13 The union representation here may provide a different forum  
14 for presentation. It's interesting to consider, but I wouldn't limit it  
15 just to here.

16 I think, when we're talking to external stakeholders, it's  
17 something we ought to consider just as part of that day or two of  
18 getting their thoughts on many of the topics.

19 MR. GILLESPIE: Yeah. What Jim was thinking of was the  
20 Licensed Operators Association is kind of a consolidated group, and the  
21 Atomic Chemical Electrical Workers Union is kind of, I think, a  
22 cross-cutting group, and also, the fact that they hadn't been  
23 considered.

24 I mean Jim was thinking very broadly when he suggested this.

25 MR. GARCHOW: I had a couple of comments on the journalists.  
For this particular piece, I could see asking the journalists, do you  
understand our reports, can you read them and can you decipher them, but

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26 If you're asking the journalists to actually pass a judgement on the  
27 efficacy and whether this incentivizes utilities to perform well, then I  
28 think you're asking the journalists to start having an ability to  
29 influence the news, and that sort of bothers me a little bit relative to

1 this.

2 I could see asking the journalists can you read our reports,  
3 can you get to the web-page, do you understand what you're reading.  
4 That's probably all fair game. But when we start asking them to comment  
5 on, you know, enforcement and whether we think -- whether they  
6 personally, as a newspaper, think something, that's sort of interesting.

7 Other than maybe writing an editorial on the editorial page,  
8 I really don't understand what input they would give for the enforcement  
9 piece.

10 MR. CHASE: Can we draw a relationship between them reading  
11 the web-page and them thinking about what type of enforcement should be  
12 occurring?

13 MR. GARCHOW: Yeah. Those are all the links that I can see  
14 being effective.

15 MR. GILLESPIE: Let me go to management information systems,  
16 which I thought was going to be one we'd step away from, but it ends up  
17 that Jim just made the connection because we made that same connection  
18 when we came to the web-page and what information was going to be  
19 available, and here, there were three evaluation questions.

20 We maintained, in our little group, kind of a consensus that  
21 question number two, the time and reporting and budget systems, which  
22 are internal to the NRC, were not something that this panel would have  
23 an interest in and opinion of or really even care about, that's kind of  
24 internal NRC, but --

25 MR. GARCHOW: Other than readiness, right?

MR. GILLESPIE: Other than readiness.

MR. GARCHOW: The comment on overall readiness -- that was

ANN RILEY just a piece of overall readiness.

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Court I'll articulate kind of our sub-topics to these. Is the information  
1025 complete and timely and understandable to allow an understanding of  
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MR. GILLESPIE: And number one and number three -- we had --

1 performance by all parties, and this is where we were -- it was the  
 2 information that we would be presenting, and you know, it could be on  
 3 the web-page, but initially, it could just be in writing.

4 But it's the information that this person would view from  
 5 the outside looking in, and we included in this licensees being able to  
 6 see how other licensees are doing, knowing that everyone likes to kind  
 7 of compare themselves to everyone else.

8 So, it was kind of -- this is where journalists came in.  
 9 Non-pilot licensees also kind of came in here, and public interest  
 10 groups, because now this is the information source. This is the end  
 11 product that they're seeing.

12 So, that was one question.

13 Second question, will the process be ready, and what will be  
 14 available to all parties when we go industry-wide, and I know, in that,  
 15 we would be asking the NRR staff involved in supporting Bill and the  
 16 computer systems and our chief information officer staff to maybe come  
 17 in and tell us whether they'll be ready and then include the regions,  
 18 and do the regions feel comfortable not only will we mechanically be  
 19 ready with the computer system but will they be trained on it, if  
 20 there's an innovative way to do inspection reports or something else  
 21 involved.

22 So, that would be kind of a short staff briefing, but it's a  
 23 staff that normally we wouldn't hear from.

24 And the third question -- I covered that -- is the staff  
 25 trained and ready for information?

So, we came up, again, with public interest groups,  
 journalists, non-pilot plants, and now the techy side, if you would, the

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 Court could be a combination of hard copy, still, and computers, or it could  
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 1025 be all computerized, or what would be the status?  
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1 That's kind of where we came out on information management  
2 systems.

3 Steve.

4 MR. FISCHER: Did you give any thought to -- maybe you  
5 included it in the public interest groups but a Wall Street utility  
6 group? There's a stakeholder that, you know, made great use of the  
7 previous assessment process.

8 MR. GILLESPIE: You've brought that up before. I didn't,  
9 and in fact, I kind of consciously, I think, shy away, as a regulator,  
10 from that venue, but they are users of the information. But I kind of  
11 view as the -- and I don't know.

12 I'm willing to be open, but I view the relationship of a  
13 company with its banker between the company and its banker, but they are  
14 a stakeholder.

15 MR. FISCHER: Yeah, they're a stakeholder, and I would, you  
16 know, limit it to just that narrow area of management information  
17 systems, is the information giving you, you know, something that's  
18 useful to you, can you understand it and comprehend it, given that we've  
19 taken away a previous source?

20 MR. GILLESPIE: Okay.

21 MR. FISCHER: Not ask them to pass judgement on the adequacy  
22 of the program or anything like that but just is it clear and  
23 understandable?

24 MR. GILLESPIE: The usefulness of the information, which is  
25 what comes out at the end. All right. Jim, that sounds good to me.

MR. GRANT: Frank, did you say that you recommend dropping  
the issue on RITS?

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26 Court be the only thing that others might be interested in besides us, whether  
27 Reporters  
1025 changes are necessary and whether RITS is supporting that.

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1 MR. GILLESPIE: There's a nexus here, but is it something we  
2 want to spend time and effort writing about?

3 MR. GRANT: Probably not.

4 MR. GILLESPIE: Any --

5 MR. BROCKMAN: It may be another yes-or-no type of thing.

6 MR. GILLESPIE: Okay.

7 MR. BROCKMAN: I mean, as simple as the system is, are the  
8 new modules listed, yes or no?

9 MR. GILLESPIE: Well, if we have the CIO coming in -- and we  
10 could ask Tradici to come in, so it would be like maybe someone that's  
11 supporting Bill from NRR, the CIO, and the CFO coming in.

12 That would be three people, and that would kind of encompass  
13 the question on how are you going to deal with fees, will the  
14 bookkeeping system be ready. Would that make sense? It doesn't need  
15 multiple -- kind of a mixed panel, as the first group said?

16 MR. GRANT: This is another, to me, almost a  
17 quasi-implementation, as opposed to is this concept on track?

18 MR. GILLESPIE: Yeah. Can we count what we're doing and  
19 then can we send a bill for it?

20 MR. GRANT: Yeah.

21 MR. GILLESPIE: With that, we actually -- what I would ask  
22 is kind of the pseudo-chair for each group, if you could take the notes  
23 and try to make them as readable as possible, understanding we do have a  
24 transcript, so we're going to have a fall-back to the actual words that  
25 were said, but if each could just mark it group one, two, and three and  
give the best notes you have to Mohan as an assembly point, I would very  
much appreciate that, and that would help us to move forward from here.

ANN RILEY One question. That's on joint groups, and maybe we could  
& talk about that, since we'll now have time this afternoon, and this was  
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Court -- I think group one mentioned it, and it might be a way to get diverse  
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1025 discussion going, and that's to make sure that any group we had to come  
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1 in to talk to us that would be -- let's say if it's a three- or  
2 four-person panel, that you put a public interest group, a non-pilot  
3 plant, and someone else on the same panel to talk to the same topic at  
4 once, or would you suggest two public interest groups, or three, staying  
5 together and just talking to their parochial interests?

6 It's two different approaches, and there was a  
7 recommendation to go one way.

8 Anyone want to give any thoughts on what would be the best  
9 way, you think, to receive the information, because it's going to make a  
10 difference on how we send out letters and let people know what kind of  
11 panel we're asking them to be on.

12 MR. GARCHOW: I could see that, if you did it the former,  
13 not the latter, you'd have to really set some time-frames.

14 So, we'd say, okay, we'll hear the NEI assessment on PIs for  
15 15 minutes, we'll give the NRC 15 minutes to answer the questions we  
16 ask, and then we'll offer, you know, 10 minutes to any interested public  
17 and then, you know, some question and answers from the panel to  
18 whomever, and then, at some point, if you're going to try to chair this  
19 so it doesn't last forever, there's going to have to be very precise  
20 time blocks where that kind of input has to get over.

21 MR. GILLESPIE: The other option would be group them  
22 together, and then NEI knows they've got this time block, NRC knows they  
23 have this time block, and here is what we want addressed in your time  
24 block, which is a little easier and more disciplined than a mixed panel.

25 I'm just thinking maneuvering and making it happen, but is  
there a particular panel where people would like to see actually diverse  
views sitting at the same table at the same time?

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MR. BROCKMAN: Let's think about that over lunch.

MR. GILLESPIE: Good. Okay.

MR. GARCHOW: Before lunch, how about play out the rest of  
the agenda, so we sort of know what we're shooting for this afternoon?

MR. GILLESPIE: Okay.

Right now, NEI would be on at one o'clock, which would be a 45-minute lunch. We've done the break-out team recommendations. So, the two to 3:30 slot -- but what I'd like to do is -- evaluation matrix and schedule -- what we would do is, after the NEI presentation, see if anyone has any additional thoughts on what we've talked about this morning.

What I might ask Heidi and Mohan to do is -- if this is possible. I'm not trying to put you on the spot, by eyeball the notes and come up with an estimate of how many panels we might be talking about for the next meeting. Is that reasonable?

MR. THADANI: Yes.

MR. GILLESPIE: And if it's like four panels and we estimate it's an hour of discussion, an hour of questions, four panels, about eight hours, that's -- four panels is a full day for information gathering. If it comes out six panels, then we're at a day-and-a-half, and that would be just kind of a gross input for setting up the next meeting.

So, I would offer that, after the NEI, we'd give Heidi and Mohan a chance to just give us their ballpark of what -- how many panels it looks like we'd be looking at, if that's okay.

MR. GARCHOW: Maybe we could trust Heidi -- if we try to build something as a 15-person team, we'll be here all night.

I guess I would like to trust Heidi just to chew on this during the NEI presentation and maybe through the first break and say, okay, I've got the notes, here is an approach to make the next meeting valuable and maybe also address in that how we might go after these

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Interviews, because I think a couple of groups talked about maybe not necessarily having people under pressure standing up and talk but getting -- having some members engage in a conversation, see if we can't get some diverse input that way, and maybe you can just throw that all



1 in the blender, give the panel a recommendation on how we might do that  
2 efficiently and effectively.

3 MR. GILLESPIE: Yeah. It kind of came out that it sounded  
4 like a smaller group might visit a region, visit a site that's in  
5 reasonably close proximity to a region, which kind of gives a deep  
6 vertical slice, for those people who do engineering inspections, of the  
7 whole process from beginning to end with kind of all the stakeholders.

8 MR. BROCKMAN: And Frank, one of the other things we talked  
9 about last time -- and I don't know how this fits in right now, but we  
10 talked about, for trying to get public participation and what have you,  
11 looking at where meetings were going to be -- I mean that's one  
12 outreach, to start getting that, and we've got that whole issue,  
13 probably, still to come and deal with.

14 MR. GILLESPIE: Yeah, let's talk about that after lunch,  
15 because what I want to do is be careful that, as a panel, we don't  
16 necessarily -- I'm going to suggest that we shouldn't take on a staff  
17 burden, that the staff does have to outreach, but we have to estimate,  
18 would going to a single plant in a single region be an outreach enough,  
19 or holding our next meeting in Texas, would that be -- you know, and  
20 inviting people from Texas.

21 The bad part about that is, if we're going to invite  
22 multiple panels, Washington might be an easier place for the panels. It  
23 depends on what the panel -- but Texas is easy to get to, Chicago.

24 MS. HAHN: Can we make a recommendation on that --

25 MR. GILLESPIE: Yeah.

MS. HAHN: -- at the afternoon session?

MR. GILLESPIE: Yeah. And just eyeball what are the kind of

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People?  
Let's take lunch and be back at one, and we'll hear from  
Thank you.

[Whereupon, at 12:11 p.m., the meeting was recessed, to reconvene at 1:00 p.m., this same day.]

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## A F T E R N O O N S E S S I O N

[1:01 p.m.]

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2  
3 MR. GILLESPIE: Our next presentation is from Tom Houghton,  
4 who's representing NEI, and this is, in general, I guess, going to be a  
5 status on where NEI stands on saying where they stand.

6 MR. HOUGHTON: The material I'm going to cover today is  
7 where NEI stands in its -- what we're calling a strategic plan for the  
8 new process, and then, after that, touch on five issues which we think  
9 are worthy of thought, as we go into the process, and some of the things  
10 we already talked about this morning.

11 Our strategic plan which we're in the middle of implementing  
12 and writing up with our task force, which meets every other week, has  
13 four key areas -- performance indicators, the pilot program itself,  
14 industry readiness, which I'm going to devote most of my time to here  
15 today, and industry implementation followup.

16 The elements of the performance indicator effort are the  
17 manual itself and updating the manual, validation of performance  
18 indicators, and data reporting, and in doing this, we work every other  
19 week in public meetings with the NRC staff and bring up issues that need  
20 to be resolved.

21 We get input from all the pilot plants on a biweekly  
22 conference call, and then we have a meeting prior to the NRC public  
23 meeting on the following week.

24 As far as the performance indicator manual goes, we identify  
25 open issues, resolve them through -- either at the meetings or through  
frequently-asked questions that we receive from people, we prepare what  
we think an answer is, and then that gets sent to the NRC, the NRC

ANN RILEY reviews it, and at the public meeting, the issue is aired and resolved  
& of it's deferred for another meeting for discussion.

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We are also revising the manual, the 99-02, and the plan is  
that the manual will be revised -- the first revisions will be coming

1 out either this week or next week, which covers some questions which  
 2 have been raised, such as number of significant decimal places, which  
 3 may seem unimportant, but it makes a difference, on a threshold.

4 A more important one, the definition of unavailability, we  
 5 believe has been resolved to the satisfaction of the maintenance rule  
 6 group and the PI group, and we came to agreement on that definition.

7 We also had some changes that we made into the containment  
 8 PI so that that was clearer as to as-found, as-left, min-max, and that  
 9 sort of thing, so that people could be consistent in how they report  
 10 that.

11 MR. CHASE: Tom?

12 MR. HOUGHTON: Yes.

13 MR. CHASE: Will any of these changes affect PI that we've  
 14 already reported?

15 MR. HOUGHTON: No. The changes will take effect at the time  
 16 the revision comes out, and what will happen is that we will do a  
 17 line-bar change, issue the pages that have changed, NRC will send those  
 18 out in a formal correspondence to -- through their chain, and we will  
 19 put it out directly to the pilots, and we'll put it on our web-site, and  
 20 we'll send an administrative point of contact letter to all the  
 21 utilities, so they all know what the change is.

22 The plan is to come out with Rev. C of the manual after  
 23 November 30th, I believe is the aiming point right now. We decided not  
 24 to revise the whole manual, just the pages that were -- that had changes  
 25 to them.

Validation of performance indicators -- issues are coming  
 up.

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There have been issues about what are unplanned power  
 changes, issues regarding unavailability, and safety system functional  
 failures has been an area where the definition is a little cloudy, and  
 there have been discussions going on and continue to go on.

1 I know that, September 8th or 9th, there's going to be a  
2 meeting out in Quad Cities to resolve some of the issues about safety  
3 system functional failures.

4 That is a tough indicator, I think everybody agrees, because  
5 of the definition and the history of it.

6 Data reporting -- we have been working from an Excel  
7 spreadsheet thus far, which the pilot plants fill out, send in to NEI.  
8 NEI then looks for any glaring errors, inconsistencies, and then it's  
9 sent to NRR.

10 The plan that's going on now is that we're working with a  
11 web developer who is going to develop a program such that all utilities,  
12 including the pilots, can send in their data to a web-site on a server  
13 at NEI, and that will avoid problems of people meddling with the Excel  
14 spreadsheet, which people can do.

15 That effort -- we're aiming to be able to have that up and  
16 running so that all of industry can start testing the system in  
17 mid-October, is what our aiming point is now.

18 We'll see after, as our web-developer goes, but that will  
19 let the whole industry start trying out the system in mid-October, in  
20 anticipation of a -- of data submittals to NRC by the whole industry in  
21 mid-January. That's the aiming point right now.

22 Okay.

23 So, that really is what we're doing in terms of the  
24 performance indicators.

25 I guess we're one step behind in still having the word  
"evaluation" in our criteria for the pilot programs. We have not  
developed our criteria, but our criteria -- in looking at the NRC's

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Court as opposed to its -- as opposed to NRC's side -- in other words, what --  
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1025 the value that the utilities are getting from the PIs, and that will  
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1 feed into, I think, some of the questions that were being talked about  
2 today and provide some good data on that.

3 Identification of issues and resolution of issues is very  
4 similar to what I talked about for the performance indicator manual. As  
5 questions come up on findings or come up on inspection modules, they're  
6 being fed into our meetings and into our discussions, into our public  
7 meetings.

8 The lessons learned -- we intend to collect from the pilot  
9 plants their good practices, any desk-tops, procedures, training, the  
10 role of QA, and those sorts of -- that sort of information, and then we  
11 will be putting that out to the industry in a workshop probably in -- I  
12 think mid-December is what we had said for a workshop.

13 So, we'll have an industry workshop to -- where the pilots  
14 will have an opportunity to talk about what worked, what wasn't working,  
15 cultural issues, and that sort of thing.

16 And finally, we'll have an industry comment to the PPEP and  
17 in response to the Federal Register notice. Those comments to the FRN  
18 are due at the end of November. So, I think that dovetails with what  
19 the panel here is doing, and that will involve getting input from the  
20 pilots, putting it out to the whole industry for comment, and then  
21 getting our comments in by the end of November.

22 So, that's what we're doing in the area of pilot programs.

23 I'll go a little more in-depth on industry readiness,  
24 because I think that's been something that interests the panel and will  
25 be of great importance in making the whole program work.

There are five elements up here:

The first are the evaluation criteria, which we have come up

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Secondly, what are the lessons -- getting the lessons  
learned from the pilot program, which I just discussed with you, out to  
the industry.

Training and communication to the whole industry.

Implementation of the performance indicators so that the whole industry can have confidence that they can provide them accurately and in a timely manner.

And finally, industry readiness reporting.

Okay.

These are our thoughts on the criteria for the industry to be ready, and one of the important things that we keep in mind when we do something like this is that we are not a regulator of the industry, and so, we can recommend, we can provide input, coaching, advice, even admonition, I suppose, but we can't be the assessment agency for the industry.

But what we want in this regard for a criteria is that the lessons learned from the pilot program have been promulgated to the industry both in writing and at workshop, that there is a mechanism to answer and promulgate emerging questions that's in place and is functioning, and we envision the meetings, public meetings to continue probably the first year during the implementation such that there continue to be opportunities to quickly raise issues or questions that come up and resolve them so that everybody learns, not just the individual licensee, that there is a mechanism to update the manual and to interact with NRC after full implementation, that the training is conducted on key elements of the process and cultural issues.

We would be doing that both in workshops, such as the workshop we had last week on significance determination process, which went very well and which was taught by NRC staff who taught the residents in SDP.

ANN RILEY                      Communication resources of NEI are available to NEI members,  
&  
ASSOCIATE                      that we are cranked up in our communication area to provide insights and  
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Court                              information to industry as they communicate with the public, that there  
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1025                              is industry engagement -- by that, I mean participation of utilities at  
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workshops, generating questions, and being involved.

So, while we won't be able to say that somebody's ready, we certainly will know whether every utility is participating in workshops, whether they're sending their data in to us, and we can then perhaps go to anybody who is lagging or is having a problem and help them out specifically.

So, we will be targeting looking at making sure nobody is left behind.

Reactor licensees demonstrate capability to submit accurate and timely data. We think that, over a couple months, we'll be able to see how well people are doing in submitting their data. We won't be doing any V and V, but we will be able to look for obvious problems or answer questions that people have and see if they're able to do this.

We intend to have a workshop -- our intention is that we'd ask utilities to submit data in mid-October and then we'd have a workshop later that month, after they've tried it, to work on questions and issues that came up while they were doing it, so that rather than give the -- everybody's had some training it so far, but what we'll want to do is let them actually try it out and then give them the training.

And finally, licensee executives express support and readiness to proceed.

Again, this won't be a sign-on-the-dotted-line thing, but it will be -- there will be three NSIAC meetings, meetings of executives, of CNOs, at NEI over the next couple months, at which we will be briefing them on the key issues and looking for any problems or show-stoppers that they appear to have, and then, in January, we'll be looking for them to let us know whether there are any serious problems

ANN RILEY in the program.

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So, that's how we will come about to saying industry is

Any questions so far?



Okay.

The lessons learned from the pilot -- we'll make available -- as I said, we'll make available copies of the procedures, desk-top guides, training materials, communication materials, etcetera, and we'll have a subset of our task force which is going to gather those and look for the best practices.

The pilot plant managers will discuss lessons learned during our workshops, and we'll look for them to talk not just about how do we get the PIs out on time but how do we look at the way we're doing business, how do we ensure that we maintain compliance and focus ourselves on the most risk-significant issues and work towards risk significance, not towards issues of -- which might have been -- a lot of time might have been spent on in the past.

We'll provide a list of pilot plant contacts to everyone so that they can call up particular people that have expertise.

Our staff is available to answer questions as we go along.

We'll include examples of SDP determinations in our -- in the training materials and in the workshops that will be held.

And issues raised with NRC and the resolution is maintained in the frequently-asked questions located on the NEI member web-site.

So, that's the lessons learned that we'll get out to the industry.

MR. CHASE: On that last one, Tom, is that out already, very frequently-asked questions?

MR. HOUGHTON: It was up on our web-site. Our web-site got updated, and I think it's back up again. I'll get back to you on whether it's actually -- it's in process of getting back up.

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MR. GARCHOW: Tom, do we have a mechanism for sharing that with the NRC? Do we provide a hard copy of those FAQs and the answers?

MR. FISCHER: Yeah, I can address that for you. Actually, what we've done is we've worked out a process with the NRC staff for how

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do we get their agreement or concurrence and the responses that we give to the frequently-asked questions, and that's something that's gone over periodically, and when we get the answer, we post not only the question but also the agreed-upon response on the web-site.

I think the NRC is duplicating that, as well, and putting on their web-site.

MR. GILLESPIE: Yeah. The same questions come up on our side. So, we're sharing the questions and answers, so both constituencies get to see it.

MR. HOUGHTON: And we're not putting up any answers until we have NRC's agreement on what the resolution is, unless it's a question which does fall into the world of regulation. I mean there might be just questions about how do you do something or a process thing.

Training and communications -- we have had a significance determination process workshop, and it was quite impressive.

The people working on the SDP have gone the next step beyond the two tables and have provided some very specific guidance on what equipment goes with what event sequences and explained in more detail what redundancy means and how to take credit for that, and after about an hour or two of explanation and examples, most people in a room of 100 were able to go through them and come pretty consistently to the same answers.

I don't know how it worked at the NRC's training sessions, but it was quite impressive that people were able to actually use this tool consistently after a couple of hours.

So, we were quite pleased with the workshop, and there were about 100 people, all the pilots and quite a few other plants there

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Looking at what was going on.  
MR. FISCHER: I might just add on that, from my perspective at the workshop, the thing that really made the process work was the plant-specific identification of systems that go with what scenarios and

1 what events, and without that, I don't think we would have had any  
2 degree of consistency.

3 So, that's a real key element, and I know that, so far,  
4 those have been developed for the -- or are in the process of being  
5 developed for the pilot plants, but that's a fairly rigorous effort to  
6 develop that for all of industry.

7 But I just don't see how the SDP is going to work  
8 efficiently until you get to that stage. So, that's something that  
9 really has to be in place, I think, before this rolls out industry-wide.

10 MR. GILLESPIE: Does everyone understand what those diagrams  
11 were? Because we internally found ourselves with the question of what's  
12 a train, what's a system, and three pumps, but the pumps come together  
13 with a common header, which have a common valve, and so, it actually did  
14 become very, very important to understand the configurations.

15 MR. HOUGHTON: Okay.

16 As I said, we're thinking, probably the end of October, we  
17 will have another workshop for all of industry and talk about the PIs  
18 and questions they're having in implementation and then follow that in  
19 mid-December sometime with talking about the action matrix, cultural  
20 issues, and other lessons learned, such that, by the middle of January,  
21 everybody should be able to submit their first set of data to NRC  
22 accurately and in a timely manner.

23 There are many other workshops going on. There are  
24 different utility groups, ANS, all kinds of different meetings going  
25 which we are participating in and NRC staff is participating in. So,  
there are a lot of avenues out there.

NRC also plans a series of regional workshops ranging from

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January through April, I believe. Is someone here to nod their head  
about that?

MR. FISCHER: Tom, I might just add also that one of the  
other things we started doing with last week's workshop is we've

1 identified a core team of training personnel from different utilities  
 2 around the country, and we're going to use them as sort of, you know,  
 3 train the trainers opportunity.

4 They got trained last week on the SDP. Now what they are  
 5 going to do is make themselves available to the rest of the industry on  
 6 a regional or grouping of plants basis starting in early September to  
 7 give that benefit of the SDP workshop directly to people who couldn't  
 8 take the time to come to a workshop here in Washington, and we plan to  
 9 do similar things on the other workshops, as well. So, it's a way to  
 10 roll it out further.

11 MR. WIGGINS: Tom, can you just take a moment to elaborate  
 12 on what industry sees as the cultural issues associated with the  
 13 implementation and the new process?

14 MR. HOUGHTON: Yeah. Well, let me say -- one or two things  
 15 I can say.

16 Although I don't think we've seen any evidence of it yet,  
 17 this process aims at risk-significant issues, and we want to continue  
 18 making it very clear that compliance is required. It's not an option.  
 19 Compliance is required. And restoring compliance is something that  
 20 needs to be done right away.

21 That's maybe a prophylactic approach we're taking to make  
 22 sure that happens.

23 Another issue is that people need to -- in interactions with  
 24 staff and with questions that are asked, they need to shift to the --  
 25 what's the risk significance mind-set, as opposed to whether it was in  
 my FSAR or not. Okay?

In other words, what's the risk significance of the issue  
 we're talking about, let's get that settled and decide whether we need  
 to spend time on the issue or not.

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Now, sometimes that could take quite a while to do, but it's  
 very important and it puts us all on the right wavelength of we're

1 trying to enhance safety, that's our primary goal. Okay?

2 And that's something that is a different way of approaching  
3 things for people who -- there are ways of dealing with things that we  
4 have now, and we need to try and shift that focus a little bit more  
5 towards what's risk-significant and put our resources there.

6 Do any of the pilot people want to say anything about  
7 cultural issues?

8 MR. BARNES: I can give you one, Jim, just an example.

9 Standby liquid control on a BWR -- tech specs allows you to  
10 take one pump out, seven-day LCO, typically, but if you go a little  
11 further and look at the ATWS issue, requires both pumps. So, now you  
12 have to think of it from a different perspective than you did in the  
13 past.

14 That's the kind of stuff that I'm seeing, is just what Tom  
15 was saying, is it's thinking differently than previously.

16 MR. WIGGINS: So, this is essentially getting away from just  
17 what the tech specs would allow and --

18 MR. BARNES: -- look a little further.

19 MR. WIGGINS: -- look into what's the risk assessment really  
20 tell you you need with regard to the equipment. Okay.

21 MR. FISCHER: I might just add, it's really trying to get  
22 them to get out of what I would call maybe the more legalistic licensing  
23 basis arguments and positions that would be put forward, and certainly,  
24 the licensing basis and design basis is important and you still have to  
25 pay attention to that, but what you ought to really do is decide whether  
-- what's true risk significance of the item that you're dealing with  
first and then deal with how much rigor do I then need to go in beyond

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MR. WIGGINS: That's a good point, because I think that's

fair to have some type of a framework that we could have a -- then

industry and NRC can have a dialogue at the inspector level in terms of

1 what priority is the question.

2 I mean we're just -- Dave and I were talking just before we  
3 started, and there are questions and there are questions. You know,  
4 inspectors have questions, and then they have -- really, they have  
5 things that are observations or real questions.

6 So, it gives a -- at least it's a consistent framework,  
7 maybe, to discuss how important is the question, do you have to solve it  
8 today or this month or something. Okay.

9 So, that's basically where you're going.

10 MR. CHASE: It's a learning curve on both sides of the  
11 fence.

12 MR. GILLESPIE: Let me ask a question. This might go to  
13 Steve or the pilot plants.

14 Do you see this process fostering any additional license  
15 amendment requests, and where I'm coming from is, if something's in your  
16 tech specs or you're doing something because it's in some plan or  
17 something, yet it comes out risk insignificant and compliance is still  
18 required, do you see as you go through the process one of the fixes for  
19 some things might be get this off my license, get this out of my plan?

20 MR. CHASE: Aren't you doing a risk-based tech spec  
21 approach?

22 MR. GILLESPIE: Yeah, but right now -- and I'm thinking more  
23 on a plant-specific basis -- what we have got is an oversight program  
24 that has gotten ahead of these other generic efforts on requirements,  
25 and some of the solutions might be, if everyone agrees this is  
risk-insignificant but it's a compliance issue, would be an exemption or  
an amendment or get it out of my QA plan or something else.

ANN RILEY MR. CHASE: There's two sides of that, because we have that  
& stuff in our tech specs that aren't risk-informed, but yet we have stuff  
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MR. GILLESPIE: Yeah, and it goes both ways. I'm reacting,

1 actually, to what George said, because you took one the other way.

2 MR. FISCHER: Yeah. At last week's workshop, this item was  
3 discussed, and it was realized and recognized that the oversight process  
4 is out ahead of efforts like risk-informing the tech specs and  
5 risk-informing Part 50 but that we're liable to get some pretty good  
6 insights out of this program as we apply it and start this cultural  
7 thinking change that we're trying to get put in place, will help  
8 identify where we do need to make the changes in things like tech specs  
9 and the Part 50 regulations for the power plants.

10 MR. GARCHOW: When we did the maintenance rule and even  
11 getting ready for this, we found cases where our current tech specs  
12 maybe weren't inclusive enough.

13 So, we'd implemented admin tech specs, different names for  
14 those, but we put management controls in that, in some cases, are more  
15 restrictive than tech specs, and then we followed up with the license  
16 submittal to work through the normal licensing process.

17 So, when you go down this road, you have to take whatever it  
18 gives you, because sometimes you find when you take this approach that  
19 the tech specs weren't written from this perspective, they were written  
20 from another perspective, and it would probably be not unreasonable --  
21 it would be unreasonable to think that it was going to be a perfect  
22 match when you put a different perspective in place.

23 MR. BARNES: So, the answer is it's too early to tell, but  
24 it appears that there may be something that comes up, just like you  
25 said, Frank. There may be an amendment that comes out of this, for  
different plants. It depends on how your specs are written and things  
like that.

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MR. GARCHOW: That could be adding or deleting.

MR. GILLESPIE: Yeah.

MR. HOUGHTON: Okay.

I discussed that NEI management will brief the chief nuclear

1 officers at the NSIAC meetings and look for feedback from them on issues  
2 and problems as we go through this.

3 Finally, our communications group is going to look at what  
4 the needs are of our customers in the public affairs area and what help  
5 we can give to them in terms of being ready to handle the program as it  
6 comes out.

7 Performance Indicator Implementation. As I explained to you  
8 we have web site development going on for industry to practice  
9 submitting data and there are -- this is a cottage industry of people  
10 preparing PIs right now, and we interact with those people, gosh, on a  
11 daily basis through e-mail and with questions and so forth. And we will  
12 be bringing it all together through our web site so that everybody gets  
13 a number of months to practice prior to the January submittal.

14 We will do the training, as I said, and we will be able to  
15 assess how people are doing in the data and how well they will be able  
16 to do in terms of getting it done in a timely manner.

17 MR. GARCHOW: Hey, Tom, what -- give a perspective, even if  
18 you don't have a number. To what extent are the non-pilot plants  
19 practicing? Would you say that 90 percent of the plants are actively  
20 gathering data and trying to tabulate and what is the number, roughly,  
21 if you don't have an exact number?

22 MR. FLOYD: Our sense is that almost every plant has  
23 probably done some looking at the performance indicators and looked  
24 backed historically to see what their PIs would look like. We are  
25 actually getting data submitted to us now on about 47 units out of the  
103, okay, on a trial basis. So we are getting some insights.

Now, it is a little bit -- on that last bullet, it is a  
little bit hard to evaluate whether or not, you know, people are able to  
meet the 14 day requirement. If you look at the plants that are all in  
the pilots, I mean you have heard already that all the pilot plant  
reports have gone in on time. In fact, yesterday's went in also, which



was the due date for the August report for all nine pilot plants.

So for the pilots that are able to do it, the feedback we are getting from the rest of the industry that are participating in shadow plant follows is that they are having trouble meeting the 14th date. Now, I don't know whether that is because it is not a commitment, and, therefore, with it not being a commitment, they don't get the resources or it doesn't get the attention, it is sort of a side job right now, so I mean that could be part of it. And I am not sure if we are going to be able to sort that out until it is actually a commitment to get it in on a certain date.

MR. HOUGHTON: One of the issues I talk about falls to this cultural QA and the reaction that NRC takes when data is not correct. So that will be an issue to talk about in a minute.

MR. GARCHOW: You know, we need to really get that input on the PI stuff, because some of the issues may, you know, in that that could be some really real issues. I mean it is the pilots that were part of the process and helping provide input from day that one were in leadership positions, it is to get the data in because some of us are in positions where we can set up the systems and just make it happen. That may or may not -- that level of knowledge and that level of oversight and making it happen doesn't exist out in the hinterlands for the other plants, so the issues they have, I mean we have got to be careful, as this panel, that we make sure we listen to some of those issues, because in those issues could be some real things that we might be able to make some improvement.

MR. HOUGHTON: We may also find with some of them that there are some plants which are outliers because of specific system

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alignments, either they are very old plants and don't have all of the systems in the same alignments that fit a couple of the unavailability of PIs, or they may have extra systems such that they can do more online maintenance and, ironically, threaten the green-white threshold. So

1 that is something that we are going to learn from collecting more of the  
2 data.

3 MR. CHASE: One more comment on the PI. We have to keep in  
4 mind that when we go to full implementation there will be a quarterly  
5 submittal, three months, rather than just monthly. So it may or may not  
6 be a factor to think about.

7 MR. HOUGHTON: Oh, in the timeliness.

8 MR. CHASE: In the timeliness, right.

9 MR. HOUGHTON: Yeah, because they can be collecting data  
10 throughout the quarter rather than at the end of the quarter.

11 MR. CHASE: And some may just wait till the end of the  
12 quarter to try to collect three months.

13 MR. HOUGHTON: Industry Readiness Reporting. The task  
14 force, we will brief the -- well, we will brief the panel with the task  
15 force's conclusions on progress toward readiness as it was laid out in  
16 the schedule this morning. We will be writing comments to the Federal  
17 Register Notice on progress towards readiness. And, as I said, the  
18 NSIAC will be reviewing, from an executive point of view, issues.

19 And once we start the program, more or less the same  
20 template as we showed in the other parts. We will have evaluation  
21 criteria, a mechanism for ongoing communication, identification,  
22 resolution of issues and revisions to the program. So this, again, will  
23 be the same sort of thing with follow-up of issues as they arise,  
24 meeting with NRC in public meetings, coming to resolution of the issues  
25 for the program and keeping it a living document.

This would include, by the way, issues as to new performance  
indicators or replacement performance indicators which need to be tested

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Court those issues are going on. They are issues concerning using EPIX at  
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1025 INPO for data. There are -- it will be a living program. One important  
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1 aspect, just making sure that a new performance indicator provides value  
 2 either in showing that you meet the cornerstone or leaving the need for  
 3 inspection resources in that area, but it has to have a value, it can't  
 4 just be just to have a nice additional indicator, because that wastes  
 5 both of our time if that occurs.

6 That is all I had on our preparations and our thoughts on  
 7 assessing helping industry be ready to implement the program, and I  
 8 think it fits together. There was a brainstorming session at a public  
 9 meeting prior to last week's -- I guess three week's ago now, at which  
 10 all of the milestones and issues and "needs to be done" type things were  
 11 being thrown up on the board, and there will be a follow-up meeting  
 12 about that next Wednesday afternoon at the public meeting, where we will  
 13 build on what we learn from that. So I think that would be of value to  
 14 panel members.

15 Some of the issues I want to talk about, and this isn't a  
 16 complete list, but it is some items that are food for thought. The  
 17 first items on there, SDP is on there just because it has been kind of  
 18 -- it appears to be a success so far and I wanted to not just have a  
 19 list of things that we thought were problems. But the workshop went  
 20 very well. People appear to be happy with the construct and the way it  
 21 focuses you on what is important.

22 A key item that was discussed at the workshop was the  
 23 importance of stating what your assumptions are and the fact that the  
 24 SDP is not designed for events, it is designed for the actual situation  
 25 at the time. In other words, you are supposed to go into it with what  
 the actual condition was. How long was the piece of equipment  
 unavailable, et cetera? What sequences occurred? What redundancy was  
 actually available? Not hypothetical. So that was an issue there.

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The non-reactor SDPs appeared to go well also. Steve and I  
 attended the security session and I think there was some enlightenment  
 as to what some of the things meant. It is still not completely clear

1 what some or little risk is in that one, but through examples, I think  
 2 that is going to become clearer. And we did have an issue in that one  
 3 about -- it appears that you could -- if, hypothetically, someone could  
 4 get to a piece of safety equipment such as a diesel that theoretically,  
 5 not actually, that you would have a worse PI result than you would have  
 6 if you actually had the diesel out of service for a period of time.

7 So it is an inconsistency between the security SDP and the  
 8 reactor SDP in terms of significance. And it may be that the SDP for  
 9 security could feed into the reactor SDP, since we are really just  
 10 talking about a piece of equipment, or a room, for instance. You know,  
 11 one of the examples in the SDP workshop was you have a problem with  
 12 coolers for a room or something like that, and it has got two different  
 13 pumps in it for different systems, and you look and see what the total  
 14 effect was from reactor -- from the reactor SDP. You could do that in  
 15 the security area, too.

16 The fire protection SDP is leading in that direction, where  
 17 it is going to feed into the reactor SDP. So this is all starting to  
 18 make sense in that these other programs which have been programmatic can  
 19 be shown how they fit into the reactor risk point of view. Okay. But  
 20 there is still work to be done in that area.

21 The second issue I have up here, corrective action program,  
 22 is probably one that everybody needs to think about and it gets to -- it  
 23 is a bedrock of the program and it gets to what is our aim. Is our aim  
 24 primarily on what is the outcome, safety significance of a problem in  
 25 the corrective action program, or is it a programmatic issue? From the  
 inception of the program, the emphasis has primarily been on what are  
 the results rather than what is the process to get to the results, and

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 1025 implemented in the field. We need more thinking on it.

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1 I think that we have a bit of a disadvantage in the pilot in  
 2 that we don't have a year's worth of inspections under the new system  
 3 which include a corrective action program look in each inspection,  
 4 because once you have that, when the corrective action program  
 5 inspection comes up, you would have a set of findings to look at to see  
 6 whether the corrective action program handled them properly or not. So  
 7 I think that will be -- that will help focus more on results at that  
 8 time, rather than the process itself.

9 Common meaning of colored findings. Third issue. There is  
 10 a potential of hopefully, at least in the public's mind, I think one  
 11 would expect a yellow in one corner, in one PI area or finding to be  
 12 similar to the same color in another area, and yet we might have a  
 13 disparity between, say, a yellow in EP or security and a yellow in  
 14 reactor. I talked about that a little bit before in terms of a diesel  
 15 out of service. But that, again, that is something to think about such  
 16 that we try to line up the risk to the public such that a yellow in one  
 17 area means the same thing as in another area, and that is difficult, but  
 18 it is certainly worth struggling with. It is certainly worth our  
 19 effort.

20 Best effort on historical data, and, by the way, I am not  
 21 trying to give the party line here, I am just trying to throw questions  
 22 out. I am biting my tongue a little bit because I want to.

23 Best effort on historical data. When we started the pilot,  
 24 the understanding was give your best effort on the historical data. You  
 25 could use the WANO unavailability, even though the definition is  
 different. There are some questions that have come up on past unplanned  
 power changes and on the safety system functional failure, which are

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Good to air. I mean it is good to air those differences and have a  
 learning experience from it.

Our feeling is, though, that for the historical data and  
 probably for the beginning of not just the pilot, but also the regular

1 program, that there ought to be an amnesty period where we are talking  
 2 about good faith effort in doing these indicators, until everybody  
 3 learns. And the agency needs to decide what it wants to do in terms of  
 4 that, but I think it would be -- whatever the decision is, it needs to  
 5 be clearly delineated for both inspectors and for licensees as to what  
 6 the rules are in terms of old data. Okay.

7 We can waste a lot of time on data that doesn't matter. The  
 8 benefit, as I said, is it a learning experience, so that everybody  
 9 knows, ah, that is how you count the standby gas treatment system, okay,  
 10 or this is what we mean by an unplanned power change. How does that  
 11 relate to a prepared plan? And are we talking the hours, et cetera, et  
 12 cetera, so that we all learn? So that an error is either a learning  
 13 experience or not.

14 Now, obviously, a willful submittal is obviously  
 15 indefensible. That is very clear.

16 This best effort is important culturally, QA and in terms of  
 17 timeliness of the PIs. I am sure you all have, you know, had this --  
 18 how all these elements play together here. The more strict we are with  
 19 incorrect data, the more difficult it will be to get it through the  
 20 screen in the utility. Okay.

21 It could lead -- utilities are saying, well, I am going to  
 22 do a full review of this, just like I would a FSAR change, because I  
 23 don't want to get hit, and I don't want to have a serious hit. It is a  
 24 management tool and so I think we need to figure out how to walk the  
 25 line between this is a management tool and not a criticality  
 calculation. I will just leave that out there as another thing to think  
 about.

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Finally, an old PI or old inspection finding. This hasn't happened at a pilot as far as I know, but in discussing the supplemental inspection guidance that is coming out for the columns of the action matrix, the third column over in which you have a degraded cornerstone,

1 you can have a yellow or you can have two whites in the cornerstone.

2 Now, if one were to have a problem with unavailability,  
3 let's say, or RCSI, okay, and that number will carry on for two years  
4 because of the period of time and the number of hours involved with that  
5 problem. And if the problem is fixed, and by fixed I mean a root cause  
6 has been done, corrective action is done, NRC resident or region has  
7 come and looked. They are satisfied, you see good performance going on  
8 for that piece of equipment. And then -- but it is carried because that  
9 is the way the calculation goes.

10 If another white occurs another white occurs a year and a  
11 half later, and it is not on that system, or it is not in that same root  
12 cause, one needs to be careful about what action is dictated for being  
13 with whites in the same cornerstone. Okay. Again, it is an issue of  
14 looking at management direction and how one decides what actions to  
15 take. It makes sense to people. The same thing can happen with an  
16 inspection finding, because it is carried for a year on the matrix. So  
17 it should be more that the two concurrent whites, okay.

18 Those were probably the more important of the issues that we  
19 have been grappling with. There are a lot of smaller ones, important  
20 also, but I think maybe not worthy of your time today. That is all I  
21 have. Are there any other questions, or any questions?

22 MR. CHASE: Are these issues you bring here being addressed  
23 by the task force?

24 MR. HOUGHTON: Yeah, they are being addressed by the task  
25 force. They are being addressed at the regions and at NRR, that way,  
and we are coming together with meetings. And, you know, a lot of these  
things have -- the devil is in the details, right? It is just like the

ANN RILEY Supreme Court doesn't decide moot cases. We need cases where we have  
& all the details, because one issue can trump another, so you need to  
ASSOCIATE S, LTD. Court know everything that is going on in them.  
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1025 Okay. Thank you.

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1 MR. WIGGINS: Just one. On the corrective action program  
 2 piece, I find it interesting that -- and it may have been just what you  
 3 said, but what I heard you say, it certainly is a bedrock activity for  
 4 this program, but the current focus that you are looking at is what  
 5 should the inspection of that area consist of. Is that -- that is what  
 6 I heard. Is there any thinking in terms of industry kind of staking out  
 7 a position on what the program ought to have in it?

8 MR. HOUGHTON: Let me let Steve.

9 MR. WIGGINS: Which would naturally bring along what the  
 10 inspection would look at.

11 MR. HOUGHTON: You bet.

12 MR. FLOYD: Yeah. It was asked of us, I think, oh, a month  
 13 or so ago, by the NRC staff, if the industry would be willing to work on  
 14 maybe a guidance document as to what would be the elements of a  
 15 corrective action program that, from experience, appeared to be useful.

16 And we have just last week gotten approval, through the various  
 17 management changes, to have the industry start work on developing such a  
 18 guideline, with the target of having it available at least as a pretty  
 19 solid draft by the end of November.

20 MR. WIGGINS: Is that right? That is good. I hadn't heard  
 21 that. I think I know where the request came from.

22 MR. FLOYD: Late breaking news.

23 MR. HOUGHTON: Pretty new.

24 MR. WIGGINS: I think I can understand where the request  
 25 came from, and that is good response. I think that is a good way to go,  
 because, in the end, it renders the question about what should be  
 inspected, it makes it a lot easier, because there was a framework. You

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 Court then you use performance-based examples to check the premise.

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MR. FLOYD: Exactly.



1 MR. WIGGINS: You know, we are not out there looking at  
2 things in a manner that is more ad hoc than it needs to be, so that is  
3 good.

4 MR. FLOYD: I think this is in direct response to, you know,  
5 the comments made by the chief nuclear officers at the EDO meeting a  
6 couple of weeks ago, where at least for the couple of plants that had  
7 had the problem identification and resolution inspection, and for those  
8 who had read the inspection module, they felt that it was perhaps a  
9 little too heavily focused on the process or the mechanics of a  
10 corrective action program. If we had some of sort of guideline that  
11 everybody said, yeah, okay, my program is going to have these basic  
12 elements, then you don't need to go look at those, you know, in great  
13 detail.

14 MR. WIGGINS: Well, you test it differently.

15 MR. FLOYD: Test it differently.

16 MR. WIGGINS: You inspect it differently, because that gives  
17 you a clearer path, to just take specifics to make the sure the program  
18 is operating on the specifics in a reasonable way, rather than having  
19 almost a blank sheet of paper you have to figure out what the program is  
20 to begin with. That's good. Good.

21 MR. GILLESPIE: Any other questions?

22 MR. HOUGHTON: I am turning my five minutes in.

23 MR. GILLESPIE: Okay. Tom, you are turning your five  
24 minutes in.

25 Can we keep going or do we need a five or 10 minute break?

A five minute break. Okay. A five minute break.

[Recess.]

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MR. GILLESPIE: Okay. Let me invite everyone back in, and

we are trying to stay on time, and we are actually kind of there. This  
Court a wrap-up session.

One comment. As we kind of hear from Heidi on how the score

1 card came out, and this is a caution that was given to me by Ken  
 2 Brockman and Jim, Jim Wiggins, and that is, did we -- it was kind of  
 3 like from this morning -- Did we just create so many groups to come in  
 4 and talk to us that we are going to put ourselves on information  
 5 overload? And I think that was a good caution.

6 So, as we listen to how the score card came out, and then  
 7 sit back and finalize it for our next meeting, keep that in mind. There  
 8 has to be information we are getting from a group that has information  
 9 to give us, and not just to meet and listen to someone because it would  
 10 be kind of interesting. We have to have kind of a mental criteria.

11 With that, let me turn it over to Heidi and let's -- Dave.

12 MR. GARCHOW: I also think we have to realize when he go  
 13 through here, Heidi, right, is that some of the groups, we only needed a  
 14 couple of specific pieces of information.

15 MR. GILLESPIE: Which may be a written request.

16 MR. GARCHOW: Right, which may be able to be -- I was just  
 17 thinking, that may be able to be done written or, you know, we may give  
 18 them a 10 or 15 minute time block and be done with it and move on,  
 19 because this doesn't mean that each of these is a two hour time block or  
 20 we would be there forever.

21 MR. GILLESPIE: Right.

22 MS. HAHN: Okay. Let me start out with the caveats, which  
 23 was that when I put this matrix together, I did it based on your chicken  
 24 scratch and my memory, neither of which were perfect. I tended to lump  
 25 things together, so, for instance, the very top thing is NRC regions.  
 For some of the criteria, that was SRIs, for other ones it was SRAs.

I just lumped them all into one thing, because what I had  
 going through my mind was that we would have specific items that we  
 wanted the regions to address. They would have a list of questions, and  
 they would probably have one representative who had gotten input from  
 many other people representing their point of view. And the only reason  
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1 I made that as an assumption was to limit the time that this panel had  
 2 to spend getting that input. So to the extent that we are able to  
 3 streamline, written input might be an option as well.

4 But my mental model for this was giving people the items  
 5 that we wanted them to address, and having about 10 or 15 minutes per  
 6 panelist to them come back and answer the questions. If you do the  
 7 math, putting aside the presentations from NRC headquarters, Tim and  
 8 company, that are not counted in my count, you have got about five hours  
 9 worth of presentations from these various panels, if you limit them to  
 10 10 minutes per panelist.

11 So, that suggests me to me that you are looking at a meeting  
 12 that is at least a day-and-a-half, maybe two days long, to be able to  
 13 hear from all of these people, as well as from headquarters, as well as  
 14 have the opportunity to address additional questions to either these  
 15 panels or the headquarters presenters.

16 I would recommend, even though this will be inconvenient for  
 17 some of these panelists, organizing your sessions by the subject of the  
 18 criteria. So hear from everybody about PIs before going on to the next  
 19 subject. I think that that will be much easier for you as you are  
 20 trying to digest what you have been told, and you will then also have  
 21 the opportunity to present questions, if they arise in your mind as you  
 22 are hearing these presentations, and get insights from a variety of  
 23 people on the same question, which you wouldn't be able to do if you did  
 24 it by panelist rather than by subject.

25 That being said, I think we should be as considerate as we  
 can be of the panelists' time and so we might decide not to address the  
 criteria in the order that we have been talking about them up until now.

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We might group them differently depending on who we want to hear from,  
 we can hear from them and let them go.

The other thing that this suggests to me is that it is  
 probably worth considering having the next two meetings in regions. And

1 the reason for that is you are looking for input from regional staff,  
 2 NRC staff, you are looking for input from the states, you are looking  
 3 for input from local governments. It was a question in my mind to what  
 4 extent you wanted to involve local public advocacy groups or local  
 5 media, but you hear me say local over and over again. And so,  
 6 logistically, it probably will be difficult to get the sets of people  
 7 that you want if you require them to come to Washington. That is a  
 8 question, but one that I think bears considering.

9 MR. BROCKMAN: Heidi, I think likewise, though, if you are  
 10 looking at local, we may not be talking regional offices either. The  
 11 local participation for our office down in Region IV is not there. I  
 12 would want to focus at the Omaha area, if I was looking there. That is  
 13 the central point for my two plants. So I think the thought on being  
 14 out away from D.C. is a good thought, but let's not necessarily focus  
 15 ourselves on King of Prussia, Atlanta.

16 MS. HAHN: No, I was not making that assumption. As a  
 17 matter of fact, I had in my notes New Jersey as one possibility.

18 And then Dave, I guess, asked to make some recommendations  
 19 about the interviews. And the thing that came to mind, again, assuming  
 20 that we would be out near some of the pilot plants, would be whether the  
 21 teams you were in today made sense to you or need to be reconstituted,  
 22 that we might choose to have small sub-teams serve as champions for each  
 23 of the criterion areas. And it was the risk-informed baseline  
 24 inspection folks who wanted to do interviews, that perhaps they could do  
 25 those interviews in the day prior to the PPEP meeting, so it would save  
 them a day's worth of travel.

The other possibility would be to try to do telephone

ANN RILEY Interviews, but my opinion on that is that you lose a lot of the -- the  
 & difference between what somebody might be saying and what they might be  
 ASSOCIATE S, LTD. fully expressing if you could see all their body language.

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That is all I had and I throw it out as a basis for

discussion. So I am going to get off the stage.

1  
2 MR. GARCHOW: Just from my perspective, I thought you did a  
3 good job with that, and I guess rather than again trying to build a  
4 product here by consensus that would be difficult at best, for my input,  
5 I am willing to allow you to work with this over the next week or two  
6 and get it out to us and trust that the product that you have by sitting  
7 here will work, and it is just a matter of working, Frank, on the  
8 logistic details of where. Maybe our discussion here can be giving you  
9 some suggestions on where, but then just sort of letting you be in the  
10 directive mode and let us follow you, as opposed to spending a lot of  
11 time on something that -- just the detail of how, but maybe not add  
12 value.

13 MR. GRANT: Let me just, and I think you mentioned this a  
14 little bit before, but I just want to make sure when we set forth on  
15 this, we can go and do a lot of these things, but we have got to make  
16 sure that we are on the line of pilot plant evaluation, as opposed to  
17 information dissemination, because there are groups up there that  
18 probably have no idea what we are talking about when we invite them to  
19 come talk to us about their feelings on the pilot plant. And I don't  
20 think that our job is to educate all these groups -- I don't think it  
21 is, which we may be embarking on when we start talking about some of  
22 these. Public interest groups, local governments I think in particular  
23 may be a challenge when we invite them to come talk to the panel,  
24 because I am not sure they have a clue what a pilot plant is.

25 MR. FLOYD: Yeah, I think that is a real good comment. It  
will probably add to the time that it takes, because I think to get any  
reasonable input or perspective from some of these groups on what it is

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We are trying to do, you are going to have to give them about an  
hour-and-a-half overview presentation of what the whole process is about  
for them to comment intelligently. It could add more to the agenda, and  
now you are into the information mode.

1 MR. GRANT: Right. You are in the information mode, and  
 2 they probably need to chew on that somehow and see how does -- you know,  
 3 I mean I don't think you can do that and then ask them, you know, after  
 4 a five minute break to come back and tell you what they think. I think  
 5 they are going to have to, you know.

6 MR. GARCHOW: Maybe we hit an intermediate position, right.  
 7 One of the -- having been involved in the process for a long time, one  
 8 of the objectives was making sure that we gave -- one of the  
 9 cornerstones, was public communication, and the public being served.  
 10 And the public is all kinds of people, including the licensee and  
 11 others. It all falls into this public.

12 So maybe we can -- I know in some pilot plants, because we  
 13 have talked about this at NEI, most of the pilot plants have embarked on  
 14 a communication initiative. At Salem and Hope Creek we have gone out  
 15 into the local community, as has the Bureau of Nuclear Engineering, done  
 16 some talks with some of the people that they interface with in New  
 17 Jersey, about this process. So we have outreached in the local  
 18 community. So there are people we have contacts with in our community  
 19 that this isn't foreign to.

20 I don't see the value of necessarily bringing them in to a  
 21 panel, but it would be maybe worthwhile to send them a couple of  
 22 inspection reports or some of the products, spend a little time  
 23 reviewing what they are and give them an opportunity to maybe submit  
 24 something in writing or collect an interview if we happen to be, as  
 25 Heidi mentioned, by the plant.

But I would agree with you, people like the unions, I mean  
 we have done no stakeholder work other than with the union people that

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work at our plant, but if you called the leadership in New Jersey and  
 asked them, they wouldn't know what you were talking about. And maybe  
 probably wouldn't even care, actually.

1025 MR. BROCKMAN: Why are we preconditioning the surveillance  
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1 test? If we are going out there and we have to artificially feed  
 2 somebody to try to solicit their information, then that is information I  
 3 want to get in the raw. The change has had no impact. They haven't  
 4 even noted it. That is significant information, as opposed to trying --  
 5 I mean if you are trying to get it, I suppose go out there and feed  
 6 people into something, and then get them to make an insight. I am not  
 7 in -- I think it would be wrong to go out and try to force-feed and  
 8 educate and then ask for an opinion. If you have seen no difference,  
 9 business is normal in the community, then that is the impact on the  
 10 locals, business is normal in the community.

11 MR. GARCHOW: Let's ask whether we ought to do it then.

12 MR. WIGGINS: There is -- I guess a question could be raised  
 13 on who should -- you know, the idea of public reaction to this is  
 14 certainly a valid question. One could wonder whether that is a question  
 15 for this panel or whether that is a question for the staff that is  
 16 putting the program together to address, and set that aside.

17 But I guess I wonder, you know, we -- I don't know that we  
 18 are going to have the opportunity to talk to everyone you would always  
 19 like to talk to.

20 To a certain extent we went through this exercise this  
 21 morning and we got what I call the maximum solution approach, which is  
 22 each of the teams decided how to get the end-all and be-all answer to  
 23 the question they had in front of them without worrying about what the  
 24 other teams were doing. That is not what we are -- we need to be here.

25 We need it to be some type of an optimized approach. We have got to be  
 able to get in, do something meaningful, get something, and get out and  
 make a deliverable on this.

ANN RILEY Now, that being said, and I know you -- I agree with Dave,  
 & WE don't want to spend too much time going over this. I will just  
 ASSOCIATE S, LTD. Court offer, just -- this is a very good visual presentation, because if you  
 Reporters look at it, I see pattern up there. There's patterns. There's hits on  
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certain groups, public advocacy groups and states take hits rather than media. Maybe if we just focus on our attention on, we can have high hits.

I see a staff, an NRC piece there, that is staff and regions. I see an industry piece that is NEI, pilot and non-pilot plants as a potential composite panel. There is a public advocacy panel. There is a media panel, or a state panel. And then everything else is things it would be nice to do if we could get around to it, but maybe we can avoid -- not avoid it. But just, you know what I am saying? If you would see the pattern of the Xs are, it says where we think the major information is.

MR. BROCKMAN: My memory of the previous was we were talking about considering having meetings in local areas to open up if members of the public had insights that they wanted to present, it could provide them a forum to do it. Not to go out and try to educate them to get it, but it was to provide an opportunity for additional sources of information if they wanted to come forward.

MR. WIGGINS: I would rather ask the regions and their plants in the area what they are doing about it rather than have the PPEP try to go out and advertise the program. Maybe we ask the NRC staff and industry, whoever that is, you know, is there some move afoot for the regions and the industry in the area to somehow do something? Of course, you raise issues about, does it look like, you know, you are too together on this? But that could be some other thing. That could be a public confidence initiative that the regions would run or that we would suggest as a part of our report that the staff consider doing, but we don't need to do it necessarily.

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MR. GILLESPIE: Yeah, our finding has to relate to the criteria on the acceptability of the new program, not on our ability to necessarily communicate. That has a lot to do with public acceptance, and that could be a comment. But we are not -- we are looking at this



1 set of criteria. So let me bring it back to that.

2 Geoff, could you just mention what Region III is doing? You  
3 have got your two pilot plants I think coming to a meeting in the next  
4 several weeks?

5 MR. GRANT: Yeah, both Northern State Power and ComEd are  
6 going to come to a public meeting, I think it is September 7th,  
7 actually. And we are also inviting -- you know, meeting notices will go  
8 out, but we are trying to make contacts at all the other Region III  
9 sites to invite them to come, too, just to listen. And we don't have an  
10 agenda finalized yet, but it is going to be talking about I think a  
11 number of things that we have been talking about today, basically, kind  
12 of some interim feedback, lessons learned to date, insights that have  
13 been developed on both sides. So, yeah, besides the other sites, we  
14 will probably invite any of the interest groups that have shown any  
15 interest to date also.

16 MR. WIGGINS: When is that going to be?

17 MR. GRANT: September 7th.

18 MR. WIGGINS: I would be interested to hear how that makes  
19 out, because we had, after hearing that -- and I think maybe even Region  
20 IV may be considering something like that, or you may have had some --

21 MR. GRANT: That was a rumor.

22 MR. BROCKMAN: After hearing it, we got interested in doing  
23 it, too.

24 MR. GRANT: He heard that we had this great idea and said he  
25 was going to do it, too, and I said, oh, wow.

MR. WIGGINS: I think Dave brought up a good point, too,  
that one of the problems with our membership on this panel is we have

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Court think we might be able to pull them off, but they are not PPEP issues.  
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1025 MR. GRANT: Right.

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1 MR. GILLESPIE: Let me see if we can help narrow this down a  
2 little bit.

3 MR. GRANT: Frank, just one -- again, I think another thing  
4 to keep in mind is we ought to go for, you know, the most bang for the  
5 buck. The staff ought to be probably doing most of those things. It is  
6 embedded, a lot of this embedded in their evaluation criteria. They  
7 will have the specifics on who they are going to talk to in some of  
8 these survey forms and things like that.

9 I guess I anticipate that the staff, in their evaluation,  
10 you know, because that is what they are tasked to do, too, ought to be  
11 hitting a lot of those Xs themselves.

12 MR. GILLESPIE: They are going to have to basically get  
13 information from these same sources that we are auditing.

14 MR. GRANT: Right.

15 MR. GILLESPIE: We are inspecting the inspectors in this  
16 case, so we are kind of looking for -- just to touch some bases to give  
17 us information we wouldn't otherwise have any anecdotal information on,  
18 as a check so that we can come to an opinion and then compare our  
19 opinion to the staff's. And if the staff says, you know, we talked to  
20 27 more people than you guys did, and you hit the outlier, but here is  
21 what the other 26 said, that is okay. In January we would see that  
22 difference.

23 So, again, I am going to get to -- is there some paring down  
24 of this list? And let me suggest one is, and that is because we put it  
25 on from my group, is take unions off. It only had one hit. The sense  
of the discussion was that they are not active participants in the idea  
of the implementation of the program and not a lot of bang for the buck

ANN RILEY on that one. I would draw a line through that one.

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Court multi-tasked, and he actually came up with a suggestion of just having  
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1025 four time blocks in the four divisions, to drop off some of the ones,  
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MR. GARCHOW: Frank, Mr. Wiggins here is often busy, he is

four time blocks in the four divisions, to drop off some of the ones,

1 and then we can give this -- just let them come in and make  
2 presentations, answer the questions, and then allow -- have these groups  
3 together where we could ask them questions and answers as a group after  
4 each group made their specific presentation.

5 So, Jim, do you want to go ahead and -- I have got two of  
6 you here.

7 MR. GILLESPIE: Speak up. Jim was known to be, he never  
8 needed someone in between us.

9 MR. WIGGINS: I just gave it to him to see if it sounded  
10 right.

11 [Laughter.]

12 MR. WIGGINS: I just followed up what I said before, I have  
13 got four -- I boiled it down to four groups and I think it services the  
14 thing. The first group would be an NRC group. That would be  
15 representatives of NRR, the program people and the regional reps. So, I  
16 mean you have three, four people, that is the first panel. We talk  
17 about the issues that we wanted to talk to those folks about.

18 Then there is the industry --

19 MR. GARCHOW: Stop. Hang on right there. I am just trying  
20 to get this clear. We would allow them to collectively make a  
21 presentation to address the specifics and then we would allow time in  
22 the process for us, after they make their presentation, to ask questions  
23 and answer, and then when that time is done, we move on to whatever the  
24 next.

25 MR. WIGGINS: Yes.

MR. BROCKMAN: Is that across the six areas or within each  
area?

ANN RILEY MR. WIGGINS: I think we have some specific things we want  
& talk to them about. That group, you want to talk about certainly the  
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Court first four, at least the first four.

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1025 MR. GARCHOW: So we might be able to get what Heidi said and

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1 do it two ways. Try to arrange those where you catch most of the same  
2 topics, the same day.

3 MR. WIGGINS: Largely the six, but, you know, I am just  
4 looking across the columns, right.

5 MR. BROCKMAN: Okay. You are going -- you are arranging  
6 horizontally.

7 MR. WIGGINS: I am arranging the topics horizontally.

8 MR. GARCHOW: And then maybe the order could be done in a  
9 way to catch Heidi's concern, and then we have just got to recognize  
10 that it is not a perfect world.

11 MR. WIGGINS: Otherwise you have people -- let me just  
12 finish the idea. And the next group would be an industry panel, NEI  
13 would be represented. You would have some people from the pilot plant,  
14 you would have some non-pilot plant representatives, and they could  
15 speak to the issues, leave it at that.

16 Then states, we would ask Illinois, we would ask New Jersey,  
17 since they have spent a lot of time, and they are here today, and maybe  
18 they could facilitate, or there might be others that could be invited to  
19 participant, and just, they can address the issues there.

20 And then lastly is just publici and other advocacy groups,  
21 UCS, Public Citizen and a media rep. Maybe you get the McGraw-Hill  
22 person that covers the NRC beat and see if that person would be willing  
23 to attend, and then you just see what you want to get out of that group.

24 And each of these you allow an hour or so for a combination of  
25 presentation and Q and A, and it gives you something to chew on.

MR. GARCHOW: Very good.

MR. GILLESPIE: So, in essence, just a summary, what we are

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Second line, Jim, you combined NEI, non-pilot plants and

1 pilot plants in a single panel.

2 MR. WIGGINS: Yeah.

3 MR. GILLESPIE: Okay. Then state, and if we held it in a  
4 regional office, it might be possible for state representatives to be a  
5 catalyst maybe to get, if there is local interest that you know about,  
6 it might -- if the regional office is close enough to the plant, and the  
7 state is willing to come, there might be a local person who is willing  
8 to ride in the car, or take their car or come in, or whatever, we could  
9 arrange for them to get in.

10 So you would be taking state, local governments and kind of  
11 -- that is one panel, kind of --

12 MR. WIGGINS: All right. Government, if you want.

13 MR. GILLESPIE: Government. Would that be?

14 MR. WIGGINS: Yeah, maybe.

15 MR. GILLESPIE: And then we have got two other groups left  
16 that you would push together, public interest groups and media.

17 MR. WIGGINS: I guess I will tell you, my mindset is it  
18 would have to be here, but that is because of folks who can't -- have  
19 limited budgets, have representatives in Washington. But you have to  
20 figure that out.

21 MR. GILLESPIE: Well, I think -- but that gives us some  
22 working ground, because the logistic question would be -- the regional  
23 people and NRC people won't have a problem with -- would not have a  
24 problem, I don't think, with the region. Is that fair enough to say for  
25 the regional reps?

NEI, pilot plants, which major airport you fly into, whether  
it is here or Philadelphia, or Atlanta, or --

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MR. FLOYD: Not an issue.

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MR. GILLESPIE: Not an issue. States is kind of sensitive

Court because it is hard for the states to get long distances, so it would be  
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1025 hard for an East Coast state to end up probably in Texas.

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1 The media groups, I would have to talk to Bill Beecher in  
 2 Public Affairs, I don't know. If it a guy from New York, he can -- he  
 3 is kind of probably in different -- a regional office would be fine. If  
 4 it is the guy from AP, I think he runs out of the AP desk here in  
 5 Washington, that would be a potential problem. I am thinking logistics.

6 I have got a people on invitational travel now, and that is probably  
 7 okay, a couple.

8 MR. BARNES: How much in-depth interest is there in this  
 9 media?

10 MR. GILLESPIE: Well, I am going to ask. What I would like  
 11 to do is take the option to ask our Public Affairs people if there is  
 12 any interest. If the answer is no, then I would opt for dropping it.

13 MR. GARCHOW: Have the public affairs person come in and  
 14 talk to us.

15 MR. GILLESPIE: And that would be okay. And that would be  
 16 part of the NRC, so what I would do is I take as the IOU to see is it  
 17 even worth doing.

18 MR. BARNES: I mean it may be just a matter of having a  
 19 little press release and a follow-up meeting with them or something.

20 MR. GILLESPIE: Well, and this is -- and, George, this is a  
 21 problem that we had when we had the initial meetings at all the pilot  
 22 plants -- some of you guys that went to those, when Al Madison and Bill  
 23 Dean went out, -- who is the public? Because this panel needs to talk  
 24 to a public who has already had sufficient interest, who have educated  
 25 themselves on what we are looking for information on. We should not be  
 in the position of educating them, because them not knowing or not being  
 involved is a piece of information in and of itself.

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And that is why I would have to talk to Bill Beecher in our  
 Public Affairs office on that one. Maybe, you know, maybe there isn't  
 the interest and, therefore, there would be no panel.

MR. BROCKMAN: I would suggest that we still offer the

option and not pre-decide.

MR. GILLESPIE: Yeah, I would make the offer, but I would use Beecher and company down there to do it.

MR. FLOYD: Here is one other thought on that, Frank, it sounded like the first three groups could be held regionally.

MR. GILLESPIE: Yes.

MR. FLOYD: The last one probably, if you are going to have it, to get the local public interest group folks and the local media, that are the only ones that probably know too much about this process, people that are following it in the trade press, maybe you do that one here in Washington, and it is done on a different day. We could have a two-hour panel maybe at our November meeting or December meeting. It doesn't have to be done just for the November meeting, and that might be one way to skin it.

MR. GILLESPIE: Okay. That is a good option. So we would be basically going with Jim's four-and-a-half groups, it might be five if you split public interest groups and media, and I think those, in my mind, at least are kind of like two distinct groups. You know, mixing Public Citizen and their point of view with a reporter on the same panel doesn't -- it just doesn't necessarily mix.

MR. GARCHOW: I am not hung up on it necessarily being a panel. I am more into having the groups come in and make their presentation, to ask -- answer the questions we ask, then have us to have a chance for question and answer. It doesn't mean they have to be mixed here together in some sort of panel format.

MR. GILLESPIE: Okay. And that is -- Heidi was suggesting that you organize it so that you go through all the PIs with everybody

ANN RILEY and solicit the information by the way we are going to have to use it,  
& ASSOCIATE which would indicate a slightly different format. It might be a very  
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Heidi, your thoughts?

1 MS. HAHN: Well, I guess I am going to throw that back to  
 2 you, because we have two different organizational proposals on the  
 3 table. One is to organize by topic and hear from everyone on that topic  
 4 before moving on to another topic. The other is to hear from a  
 5 particular panel on all issues that we have asked them to address and  
 6 then move on to another panel.

7 MR. GARCHOW: Correct.

8 MS. HAHN: Both would work. I just need to know which one  
 9 you prefer.

10 MR. GARCHOW: If we both keep our notes, you know, if we  
 11 just take good notes, and we provide them back to Mohan sorted by the  
 12 category areas, what we talked about this morning would work. Because I  
 13 think that we have to be efficient in the people coming to see to us,  
 14 and Jim's approach at least seems to have an efficiency around people  
 15 coming in, answering our questions. We chat with them and then, you  
 16 know, they are done.

17 MS. HAHN: My only concern with that is that if you have  
 18 already talked to the industry folks and they are gone, and while you  
 19 are talking to the NRC folks, a question arises that you would like to  
 20 hear industry's opinion on, you have lost the opportunity.

21 MR. GARCHOW: But this panel has the representation of all  
 22 the groups essentially, even with -- even the public group, so if that  
 23 came up, we could also make an assignment to one of the panel members to  
 24 go get that from their constituency. Steve for NEI, Jim for the region,  
 25 myself and Jim for a pilot plant. So I think we have the bases covered  
 if that were to come up.

MR. GILLESPIE: Okay. I think we are down to, and we can  
 ANN RILEY work with this later, a smaller number of horizontal lines, a sense that  
 & ASSOCIATE part of this, the majority of this could be done in a regional office  
 S, LTD. setting probably more efficiently than shipping everybody in here. And  
 Court Reporters then there is a catch-up piece maybe for December with what might be  
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1 considered the media group and public interest groups, that they would  
2 be the catch-up, if appropriate in December. Does that --

3 MR. GARCHOW: One day may not be enough, though, if we are  
4 going to give -- if we are going to have to see some details, I mean, so  
5 when the NRC comes in with the results of their assessment and NEI, I  
6 mean at some point we really have to take the time for the details if we  
7 are going to have a chance of getting any kind of meaningful comments.

8 MR. FLOYD: It might be a day-and-a-half.

9 MR. GARCHOW: Pardon?

10 MR. FLOYD: It might be a day-and-a-half for the first three  
11 groupings.

12 MR. GILLESPIE: Okay. But then I kind of like Heidi's  
13 suggestion, do it by PIs, risk-informed baseline, SDP, and just -- there  
14 is something about hearing all the information on a topic at the same  
15 time, but -- just throw it out, I am not sure how we deal with the  
16 logistics, because it is a very big group, but that is okay. I mean,  
17 heck, the Commission can hold stakeholder meetings in this very room,  
18 and they put the big round tables like this. So I think we can work the  
19 logistics. But what -- I do want to be respectful of people's time. So  
20 what would be the sense of the group? I mean I can kind of fold either  
21 way, personally.

22 MR. GARCHOW: Your last approach, I would say you do it here  
23 for two days, give people enough information and time and let everybody  
24 assemble here for the day-and-a-half, because we might to reserve half a  
25 day for just a pilot plant discussion and collating of our notes or  
whatever that would be, and have everyone assembled here, because if you  
didn't do it that way, you would have them coming twice if we use

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Steve's approach of catching up in the December meeting. So if you are  
using that approach, I think you have to go someone and get it done for  
the two days. Maybe that could be a region, but it would have to be  
somewhere.

1 MR. GILLESPIE: Okay. Anyone want to put a proposal? Does  
2 that mean that we are looking at a day-and-a-half meeting the first week  
3 in November in Washington?

4 MR. BAJESTANI: Yeah.

5 MR. GILLESPIE: Okay. A day-and-a-half meeting, and we will  
6 have to deal with the stakeholders and those people who might -- we  
7 might have to deal with invitational travel or something that we can  
8 deal with if there are some people that we need to come in.

9 MS. HAHN: For yourselves, I would plan for a two day  
10 meeting. I think Dave has got a good point, you are going to want  
11 process time, too.

12 MR. GILLESPIE: Yeah, we need time to make sure we have got  
13 notes that we can start the assembly of Revision 0 coming in about a  
14 week after that, that everyone is on the same sheet of paper, so there  
15 are some process questions.

16 MR. THADANI: Yeah, we are going to need two days for that  
17 meeting.

18 MR. GILLESPIE: Yeah. Okay. Two days, first week in  
19 November, and it would basically then focus on everyone but media and  
20 public interest. Does that make sense?

21 MR. GARCHOW: I thought we agreed if we are going to get it  
22 over with, that we would just go ahead --

23 MR. GILLESPIE: Just get it over with here. Okay. Two full  
24 days, get them all here. We can send out the invitations. I mean  
25 people can turn us down. And maybe we shouldn't be preconditioning it,  
as Ken would say, worrying about their time. If they have a true  
interest, they are going to want to come and be heard. And we give them  
the opportunity to come and be heard.

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Court is, to me, a much easier way to digest it. And maybe you get some give  
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1025 and take between diverse views.  
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That would allow us then to kind of organize by topic, which  
is, to me, a much easier way to digest it. And maybe you get some give  
and take between diverse views.

1 MR. BROCKMAN: I would suggest everybody look and probably  
2 the 3rd and 4th is what you are shooting for. That is Wednesday and  
3 Thursday, which is right after election day. You don't want to --

4 MR. GILLESPIE: Okay. Third and 4th of November. Do we  
5 have -- I don't have my calendar with me, but I will take a chance here.

6 Do we have a consensus on the 3rd and 4th of November?

7 MR. GARCHOW: It is far enough out, let's make it happen.

8 MR. GILLESPIE: Wednesday and Thursday. Two days, we will  
9 start then -- everyone seems to be here before 9:00. Would it be  
10 preferential to just start at 8:00?

11 MR. GARCHOW: Sure.

12 MR. GILLESPIE: Since everyone is going to be probably  
13 coming in the night before, let's just start at 8:00 and go to 5:00, and  
14 when we are worn out, 6:00 if necessary.

15 MR. WRIGHT: Is that replacing October 26th?

16 MR. GILLESPIE: Yes. That would replace October 26th. That  
17 gives -- I think NEI, Steve, your guys would have a little more time to  
18 digest some information. You said it was better to push it off until  
19 then.

20 MR. FLOYD: Yes.

21 MR. GILLESPIE: Okay. Heidi, do we have enough to work with  
22 to come up with an agenda for that meeting? Good.

23 And what we will do is send -- try to put some invitation  
24 letters together and we will be contacting people separately.

25 I know, Dennis, you are here from New Jersey. But is there  
another state that you have talked to, Gary, who is -- is North Carolina

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MR. ZANNONI: Gary is planning on calling some states.

MR. WRIGHT: I am going to call them.

MR. ZANNONI: As far as you know, they will participate in  
some manner.

1 MR. GILLESPIE: Okay.

2 MR. GARCHOW: There is nothing to stop you, Frank, but  
3 putting a letter out to the state governments of the people of the pilot  
4 plant states and letting them know that this is there.

5 MR. GILLESPIE: Oh, we will. We will.

6 MR. GARCHOW: And maybe even say that Dennis, if he would  
7 agree to sort of be the contact point for some states --

8 MR. GILLESPIE: Well, here is what I was going to do is I  
9 was going to try to have some people who would be more peers call and  
10 see where the interest is, so that when I send a letter -- I hate  
11 rejection. So then when we send a letter out, they would be expecting  
12 it and they would be kind of primed that we would be sending a letter to  
13 someone who has enough interest to want to come in.

14 MR. BAJESTANI: Based on the initial meeting that NRC had  
15 with all the pilot plants. You know, we had that local meeting.

16 MR. GILLESPIE: Yeah.

17 MR. BAJESTANI: There has got to a list of interested  
18 parties. I am using it specific in our area, you had one news that  
19 always shows up for meetings like this, and there was another  
20 individual. Do you have -- do you guys have lists of interested  
21 parties?

22 MR. GILLESPIE: We have got the attendance lists from those  
23 meetings. We will eyeball those. Bill Dean has them because they kept  
24 an attendance list for all those meetings. And so if the people signed  
25 in, and if we don't have a phone number of something, and it is someone  
local, we may give you a call and see if you have a phone number for  
them.

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Court one that may just drop out.  
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MR. BAJESTANI: Okay. That is at least a reference point.

MR. GILLESPIE: Let's see, media may drop out, that is the

MR. GRANT: Clearly, local government will, too. You aren't

going to get too many small town mayors who are going to fly in here.

MR. GILLESPIE: Yeah. And, Geoff, your point was, is implementation of this process of interest to those people? Because they are not nuclear safety -- they want the plant to be safe, but they tend to be dependent on the federal government and the state government, I think, for those assurances.

MR. GRANT: Quite frankly, they want you to tell them, instead of the other way around. They don't have a lot of insights.

MR. GILLESPIE: Yeah. In which case, it is not a high input group to pull together.

MR. GRANT: I don't want to minimize it, I mean they may have something, but as soon as you -- if you are looking for local participation, as soon as you have it back here, you are probably not going to get very much.

MR. GILLESPIE: Yeah, because we need people who participate and observe what is going on. We are not in an education mode, we are in a receiving mode. So local governments may be off the table then.

So we have taken unions off the table and local governments off the table as far as pursuit. Okay. Good.

We have got a date, an agenda, a process.

MR. GRANT: How much -- yeah, process is what -- you think we have a process or is that --

MR. GILLESPIE: Let me go back to where I was this morning.

What we are going to do is take the work sheets that we had in the back here and I think keep them organized, so you will see a work sheet that says PIs, and then there will be the two items. There will be room then to take notes under that, and then under that, for each of the criteria,

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Court Reporters And so what we will do is virtually give you the outline of the report in hard copy, in electronic form. Hard copy so that you could then take

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1 notes in this next meeting, and electronic form so you could then put  
 2 your thoughts together over the next week-and-a-half after that meeting,  
 3 and submit it, and that gets us going on Revision 0 of the report.

4 So we have an IOU, besides letters to people to invite them  
 5 in and focus them on what we would like to hear from them on, is to put  
 6 together what I will call a common work sheet so we all have exactly the  
 7 same forms and formats electronically, and that will allow the cutting  
 8 and pasting.

9 What I would think would happen would be we will see  
 10 duplication going from Revision 0 to Revision 1, that we will try to do  
 11 here. There will be duplication in recommendations, but the bases,  
 12 everyone's personal basis on why they think something should be the way  
 13 it is might be similar but slightly different. And what that does is,  
 14 in a cumulative effect, form the basis for the consensus recommendation,  
 15 and it gives us a large basis for each single recommendation then when  
 16 you kind of paste it together.

17 MR. GRANT: When you say recommendation, what are you  
 18 looking for? You mean go/no-go, thumbs up/thumbs down on the criteria?

19 MR. GILLESPIE: I think on each criteria we have to make,  
 20 yeah, a recommendation would -- or a comment would be that this criteria  
 21 appears to have been met.

22 MR. GRANT: Okay.

23 MR. GILLESPIE: Based on our personal observations and  
 24 information gathered, and this has been met, and my basis for that is  
 25 these people came and talked to the panel, my personal involvement with  
 pilot plants in my region, this plant, this plant, and this plant. So  
 it is kind of a go/no-go of the criteria, but then the basis becomes the

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 Court that we would be giving the staff, particularly if there is a  
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1 MR. GRANT: Okay.

2 MR. GILLESPIE: It doesn't look like this is going as  
3 smooth, let's say, in risk-informed baseline inspection. The inspection  
4 procedures still really do need a lot of work and we have seen this in  
5 this one, this one and this one as examples. And that gives the staff  
6 then something to bite into that they can address by January. Okay.  
7 Does that make sense to everyone?

8 MR. GRANT: Yes.

9 MR. GILLESPIE: It puts us in a cutting and pasting mode  
10 back here through the month of November, and what we would try to do is  
11 we would try to iterate Revision 0 not needing comment. Revision 1, we  
12 will try to mold things together, eliminate some duplication, asking for  
13 then comments back. And then we will try to evolve a Revision 2 to hold  
14 a meeting on in December, so it starts looking like a report. So the  
15 December meeting could actually be a writing session. Everyone would  
16 have something in front of them, and we will just go in and strike out,  
17 add in, and literally create the report at that meeting. So that is --  
18 and that is kind of the calendar we tried to lay out. That is the  
19 process.

20 MR. GARCHOW: Now, we don't have to get 100 percent  
21 agreement.

22 MR. GILLESPIE: No, minority views --

23 MR. GARCHOW: We are looking for a consensus.

24 MR. GILLESPIE: A consensus.

25 MR. GARCHOW: So I think to the extent that you can give us  
something to review, then have some grounds rules, I mean you really  
have to have a hard spot to dissent, then I think we will have a chance

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to actually get something through. But the thing you missed is  
recommendations. It may be valuable for us to come up with some  
consensus recommendations since we are going to be into it to that much  
detail.

MR. GILLESPIE: Okay.

MR. GARCHOW: To the extent that we can, I would think that we owe that to the NRC staff to have those recommendations, if they are investing the time in bringing the information.

MR. GILLESPIE: Then in the format we will have, there has got to be the criteria, agreement or disagreement that the criteria was met, a basis for that agreement or disagreement and recommendations underneath that.

MR. GARCHOW: If any.

MR. GILLESPIE: If any. So that kind of evolves the format for the work papers we put together, and we will try to work that. Then we are all kind of in a common mode. So after the next meeting, then we each individually then go into a writing mode and we will try to assimilate it and be done in December, and then do that last increment.

I am hoping when we give this to the staff, that the staff then will do the reconciliation between their comments and these comments, so that we should be able to agree or disagree with the reconciliation of the staff in January and not go in trying to rewrite a whole lot of stuff. And, again, in an advisory mode. If we can get this to the staff in December, we are playing the advisory role in a timely enough way where they can do something with the advice.

MR. GARCHOW: Or not.

MR. GILLESPIE: Or not do it, but it is their option.

With that, Heidi, have we missed anything? I think we have made it through the agenda.

MR. GRANT: A quick question. The process in inviting these people here, what are you going to give them? Just, you know, we will

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Be available on some umpty-squat date and here is the topic we would like you to talk about? I can see if you clearly -- when you go all the way from the NRC, inviting NRC here, most of the people who are going to be coming are going to be very familiar with what we are talking about.



1 But if you go to the other end of the spectrum, they are going to be  
 2 pretty unfamiliar. Maybe it gets to, you know, Ken wants kind of the  
 3 raw input. But are we going to provide them any information? What is  
 4 the --

5 MR. GILLESPIE: Yeah, I think -- I am going to kind of recap  
 6 the discussion we just had. I think we are down to, for the most part,  
 7 knowledgeable individuals.

8 MR. GRANT: Non-pilot plant probably.

9 MR. FLOYD: They are pretty knowledgeable.

10 MR. GILLESPIE: They are pretty knowledgeable, yeah. I will  
 11 tell you what, we will only invite non-pilot plants which have  
 12 knowledge, and we have got a good sense of who they are.

13 MR. FLOYD: Okay.

14 MR. GRANT: Okay.

15 MR. GILLESPIE: How is that? Yeah, I think what we did was  
 16 we said one of the panels is NEI, pilot plants and non-pilot plants  
 17 combined. I am going to look to Steve to basically honcho putting that  
 18 panel together.

19 MR. FLOYD: Okay.

20 MR. GRANT: Okay.

21 MR. GILLESPIE: And then when Steve gives me the names, we  
 22 will have an invitation letter that we will send to them. And that is  
 23 what I mean, I would like to have a positive, not just randomly send  
 24 someone saying we would like you to come and talk.

25 MR. GRANT: Right.

MR. GILLESPIE: And so we are focusing on knowledgeable  
 audiences.

ANN RILEY MR. GRANT: And we are going to focus the questions, or are  
 & WE just going to give them the criteria here? Are we going to try and  
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MR. GILLESPIE: I would try to go through and take some of

1 the focus comments that we had from this morning, so that besides the  
 2 criteria, there might be three, or four, or five specific topics or  
 3 questions that would go with it, and that gives them something to really  
 4 come in and focus what our interest is under that criteria.

5 MR. GRANT: Okay.

6 MR. GILLESPIE: It kind of puts bounds around it.

7 MR. GRANT: And using your suggestion, we are just going to  
 8 trust that Mohan and Heidi are going to do that? We don't have to see  
 9 that again before it goes out?

10 MR. GILLESPIE: Now, we will put the agenda together. I  
 11 think there is enough information there that we can do invitation  
 12 letters, an agenda, but you will see us coming back out.

13 The NRC panel, there was kind of a sense that -- is this  
 14 sense still there that we would want a senior resident?

15 MR. BARNES: Sure.

16 MR. GILLESPIE: An SRA.

17 MR. GRANT: Yes.

18 MR. GILLESPIE: Particularly on the SDP process.

19 MR. GRANT: Yes.

20 MR. GILLESPIE: So you will be getting a call back on that  
 21 kind of representation, you know, maybe an SRA from one region. Do you  
 22 need the senior resident and the SRA from the same region? Are we  
 23 trying to see how does this work as a team?

24 MR. GRANT: There is two different ways of going. One is the  
 25 distributed look, the other one is, you know, the vertical team look.

MR. GILLESPIE: Yeah. Preferences? No preference? Okay.

We will make a decision later.

ANN RILEY MR. GARCHOW: So, Heidi, as I understand it, each individual  
 & person or group will have some criteria, to hear Frank, and then we  
 ASSOCIATE S, LTD. Court would expect -- I mean my sense of what I just heard is the agenda would  
 Reporters be laid out where we would hear NEI, let's say, the NEI, pilot,  
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1 non-pilot. We would hear some collection of three presentations for  
 2 those, and then, together, they would have a time slot for us with a  
 3 fixed period of time, a half hour, 20 minutes, whatever it is, figure it  
 4 out based on your experience. We would just be able to ask questions  
 5 and clarify to help us with our notes. And then at some point that time  
 6 would be over and we would move on to the next group. Is that sort of  
 7 how everyone sees it working?

8 So the senior resident may not have a piece of the  
 9 presentation, he may be there listening to the presentation, but we  
 10 maybe want him or her there available for some specific questions and  
 11 insights from what that person has seen during the question and answer  
 12 period.

13 MR. GRANT: Sure. So we would specifically target  
 14 individuals within that panel beforehand to make presentations?

15 MR. GARCHOW: Yes. That is what I would suggest. And then  
 16 we have the criteria from this morning. I mean I know how NEI works, so  
 17 I know Tom is fixing to just get an assignment when this meeting is  
 18 over. Right, Steve?

19 MR. FLOYD: Yes.

20 MR. GARCHOW: So we would give that guidance to Tom, and so  
 21 when he came in his presentation would hit the mark with what we agreed  
 22 upon this morning, and the criterion, his knowledge, with some objective  
 23 -- and maybe in your letter, Geoff, say provide objective evidence where  
 24 it exists, because there may be other things we didn't talk about, that  
 25 provide some objective evidence. Those are the kinds of things that we  
 are going to want to see.

MR. GILLESPIE: Each panel, actually, Geoff, I think could

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Be a little different. The industry panel is one thing where -- what we  
 don't want to do is get tied up, and this happens at the stakeholder  
 meetings to a degree. After everyone goes through their opening  
 comments, it is 10 minutes left in the meeting, and there is kind of

1 limited discussion. And what we need to do is set up -- us take a shot  
 2 a coming up with the panels, and the panel that might have a regional  
 3 branch chief, an SRA and an SRI on it, we might in fact not need opening  
 4 comments from then other than we will give them the kind of questions we  
 5 are looking for. Do you think this can be consistently carried out? Do  
 6 you think -- and kind of give them the three or four questions we want  
 7 them to focus on, and not put them on the spot of an opening statement.

8 And that may vary panel to panel. So let us try to put the  
 9 panels together and then step back and say, for that particular panel,  
 10 what is kind of the best approach so we don't get tied up just on the  
 11 global pictures, because we want specifics. I know we are taking more  
 12 and more of a burden on here. Does that -- Heidi, does that make sense?

13 MS. HAHN: Yes.

14 MR. GILLESPIE: There is a little difference between --

15 MR. CHASE: I would like to make sure that each of the  
 16 cornerstones are covered.

17 MR. GILLESPIE: Yeah.

18 MR. CHASE: Like, do we expect the senior resident to cover  
 19 the EP cornerstone and then the RP cornerstone? Are we going to have an  
 20 inspector from each of those areas?

21 MR. GILLESPIE: No, I think we have got to focus on the  
 22 criteria that are there. We are making a judgment on the criteria and,  
 23 quite honestly, there was only a couple that really referenced are the  
 24 cornerstones completely covered. So I don't think we need to make a  
 25 finding for each criteria against each cornerstone. That matrix then I  
 think gets kind of overwhelming. We are sampling.

So if the easiest thing to do, and I will be honest, is to  
 focus on reactor safety, because that is where the most people are  
 participating, then that is probably okay.

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MR. BROCKMAN: But I would think there is -- I mean from the  
 regional viewpoint, there is a certainly a difference between the

1 reactor safety inspection program and the projects, the resident  
 2 inspector program. I think as we are going along, that we are going to  
 3 find out within the agency that we are going to want to have a reactor  
 4 safety rep.

5 MR. GILLESPIE: Yeah, we will just put the panel together --

6 MR. BROCKMAN: If we get a senior resident inspector, we are  
 7 going to want a reactor safety input if we have got questions as to how  
 8 --

9 MR. GILLESPIE: Yeah, but do we want a reactor safety  
 10 inspector or would a reactor safety branch chief actually be better,  
 11 that has got the two pilot plants? Looking across EP, HP safeguards.

12 MR. BROCKMAN: My choice would be a plant support branch  
 13 chief, but I mean I don't think that is for us to decide.

14 MR. GILLESPIE: Okay. No, that is a good input, that it  
 15 would be a plant support branch chief for that group.

16 MR. BROCKMAN: You can cover a lot of topics. Or a deputy  
 17 division director or even something like that, give a broad brush thing  
 18 as to how it applies and when you are going out with the regional  
 19 inspections -- can they plan them, can they be applied, do they work?  
 20 If we have got questions in that area.

21 MR. GILLESPIE: Particularly in the planning and the  
 22 disposition of items found in those areas, because there is some  
 23 controversy connected with the non-reactor safety SDPs. Okay.

24 MR. GARCHOW: I have one dissenting issue, though. This is  
 25 a fine approach, I can buy into it in the consensus. But let's just  
 make sure we know what we are not getting when we hear this, and if that  
 is okay, that is okay. What we are not getting is -- what we would get

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In this format is somewhat of a packaged approach, and to the extent, I  
 am not sure how much dialogue we are going to get into when people are  
 sitting up in a panel up ahead, as opposed to, you know, getting right  
 -- and maybe we don't need to, but there was some thought by Team 1 that

1 getting down and having a chance to have an interface with some senior  
 2 resident inspectors or maybe some of the regional initiative inspectors,  
 3 to see right at ground level what this looks like would be valuable  
 4 input to judge the process. Now, whether that is enough value to  
 5 overcome some of the logistics of trying to make that happen, I guess I  
 6 don't know.

7 But we are not going to get that kind of raw feedback with  
 8 this kind of panel approach, because I could imagine that, much like our  
 9 employees have a different communications style around us when some of  
 10 the senior leadership is around them, in public meetings and how free  
 11 they are to say stuff, or feeling how free they are to say stuff, I  
 12 think we would get some of the dynamics in this room with people sitting  
 13 up in a panel, especially with their leadership.

14 MR. GRANT: Well, and that is a good point because we are  
 15 getting up on that. And that gets back to something I was saying, and  
 16 that was the staff should be doing a lot of where those Xs are, that we  
 17 are not.

18 MR. GARCHOW: Right.

19 MR. GRANT: And there would be nothing to prevent us, if we  
 20 knew what their program or their plan was, to go do that. I have no  
 21 idea how they are going to solicit input on inspection procedures. They  
 22 have feedback forms right now. I don't know if they are going to limit  
 23 themselves to that, or if they are going to go out and sit down with  
 24 them. If they do, if we knew that in advance, I suppose that some of us  
 25 could go. But attend those, there is nothing that would stop us.

MR. GILLESPIE: And we have got to let -- I think the staff  
 has to do what the staff -- I have to wear two hats. The staff has to  
 do what the staff has to do, and they don't have details, thought

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process right now beyond the forms. I mean they are still trying to  
 finalize the criteria and getting beat up by people like us on criteria.  
 But I think we have to be dependent upon each of us to bring

1 certain information to the table. Geoff, you have to be able to bring  
 2 what your inspectors' gripes are at the pilot plants, to the table, and  
 3 throw that out for us.

4 MR. GRANT: Sure.

5 MR. GILLESPIE: And Jim and Ken, we can't talk to everybody.

6 MR. GARCHOW: I would agree with that.

7 MR. GILLESPIE: There is inherent information with the  
 8 people sitting here, just by virtue of what our jobs are and we have to  
 9 bring that. So you need to bring the inspectors' view, as you see it,  
 10 what their gripes are. What do your branch chiefs see as the holes?

11 And what we would be doing really with this panel, these  
 12 people that would be coming, would be getting a second verification of  
 13 what you are seeing yourselves by way of getting it on the table. So we  
 14 are an audit verification process. We are not trying to do what the  
 15 staff needs to do, and that is cover the waterfront. Because we will  
 16 drown in information then.

17 MR. GRANT: Yeah, I am saying the same thing. You will get  
 18 a flavor by doing it this way. All the input that you are talking  
 19 about, I can bring it, but it is already being sent to the staff.

20 MR. GILLESPIE: Yeah. So we are going to test a test  
 21 program here, we are not necessarily needing to verify every -- it is,  
 22 are the criteria generally met? That is what we need to do. We are  
 23 trying to verify that the staff's details, when we see them in January,  
 24 are in the ballpark.

25 MR. GARCHOW: With that clarification, I am satisfied.

MR. BARNES: I have a quick one. So are we going to cover  
 each of the areas? Are the panels that we bring, they are going to

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MR. GARCHOW: Yes.

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MR. BARNES: I only bring it up because I mean we look at

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the enforcement, we say, well, there is no -- you know, we haven't

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1 really had to test it yet, and maybe we won't, hopefully. But, you  
2 know, this is a new way of doing enforcement, and we really need to  
3 somehow come up with something to say that, yeah, we have looked at  
4 this, and this should work. Even if we haven't exercised it, at least  
5 have some assessment that it is okay. I mean because then the next test  
6 will be is when we actually have to do it.

7 MR. GILLESPIE: Yeah, but I am trying to understand your  
8 question, George.

9 MR. BARNES: It doesn't look like we were paying much to the  
10 enforcement side up there when we looked at who we wanted input from.

11 MR. GARCHOW: Were there some Xs in enforcement, Heidi?

12 MR. BARNES: Well, it was just from outside groups, it  
13 wasn't from the industry or the staff.

14 MS. HAHN: I have corrected it so it has staff and industry.

15 MR. BARNES: Okay. All right.

16 MS. HAHN: For both enforcement and information management  
17 systems.

18 MR. BARNES: Okay. But the original one didn't, right?  
19 Okay.

20 MR. GILLESPIE: Heidi is fast.

21 MR. WRIGHT: Well, it seems to me that these panels we are  
22 talking about, for the most part are represented -- we are a mirror  
23 image of these people. I mean we have got industry, we have got  
24 regional managers. We got the state, and each of us can go out and  
25 query those groups. I mean that was my plant to do anyway with the  
states. I know how much -- and, you know, some of them want to actually  
come and present comments themselves.

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Court What is the purpose for bringing extra people?  
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MR. GARCHOW: That is a good point.

MR. WRIGHT: My concern is, what is the thrust of this?

MR. GILLESPIE: Okay. I think the thrust, if I could say



1 it, is to supplement the inherent knowledge and views and experience of  
 2 the people around the table. So it is to supplement, because the reason  
 3 the people here on this panel are on the panel is because of their  
 4 current positions and jobs and participation. So it really is just a  
 5 testing. We are not trying to develop an independent database to say  
 6 this works. It is other people who may have a different view, but who  
 7 are in similar positions on how this works.

8 For example, I know there is industry people that really  
 9 don't like the timing, the 14 days. That is a real kind of big bugaboo.

10 It is not clear to me that people wouldn't come in and question the  
 11 significance determination process, and is it too loose for public  
 12 advocacy groups? It is not tight enough. And that might be, well, we  
 13 agree having a process and a standard is the right thing to do, but now  
 14 let's negotiate how tight that standard is. Those are the kind of  
 15 comments that we might get that might not be things we would put on the  
 16 table. I could guess at that, but I don't know if that is their view.

17 So it is a supplement for the people around the table. It  
 18 is not independent, totally different.

19 MR. WRIGHT: Well, I understand that, but I thought we were  
 20 going to do that by having representatives from these various groups  
 21 that are represented here go out and to talk to those people, bring  
 22 their comments back. But I guess you want them to come in person.

23 MR. GILLESPIE: Yes. Sense of the group? What we have been  
 24 doing is really talking about, yeah, having them come in person and be  
 25 here, and be heard and be recorded, so that if there is a diverse view,  
 it is on the record. And if there is a supportive view, it is also on  
 the record. Which is a little more formality. Yeah, you are right,

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MR. WRIGHT: What I was thinking of was, you know, I would  
 go to the states, talk to them about each topic that they had an opinion

1 on, and just present. New Jersey likes this, they don't like that.  
2 They like this, they don't like this.

3 MR. BARNES: I don't mind that as long as we are willing to  
4 put a time limit on the view.

5 MR. WRIGHT: Sure.

6 MR. BARNES: If we are just going to let somebody come and  
7 give a view, I think we ought to limit it. I think someone could come  
8 in and spend all day.

9 MR. GILLESPIE: No, no, no. Yeah, there has to be a strict  
10 agenda and a view.

11 MR. BARNES: Okay.

12 MR. GILLESPIE: Yeah, time limits and segments. Otherwise,  
13 we would never get --

14 MR. WRIGHT: Well, that was my thrust. And do this a lot  
15 quicker.

16 MR. BROCKMAN: And, Gary, there is a unique part, I think, a  
17 little bit about the body which you serve and which you represent that  
18 may make that philosophy and that technique much more applicable in your  
19 area, and as long as they are comfortable with empowering you with, you  
20 know, making a presentation for them --

21 MR. WRIGHT: Or it wouldn't necessarily be me to make the  
22 comments.

23 MR. BROCKMAN: Whomever. Whomever. But if they are  
24 comfortable with that, fine. But I mean if there are those that say --  
25 I mean if Aubrey comes up and says, no, I want to come up and speak my  
own piece about what Arizona thinks about it, then it may be appropriate  
to provide him that opportunity. And I think that is what we are

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getting to here, is within the supplemental part of it. But, yeah, if  
everybody else is comfortable with a central person coming in and  
speaking for that -- in that one voice for that states, I wouldn't see a  
problem with that.

1 MR. WRIGHT: Well, I think some of these are more conducive  
2 to that than others.

3 MR. GILLESPIE: Yes. Again, it is different kind of panels  
4 for different kinds of topics and different groups.

5 Dennis, what are your thoughts? New Jersey, I know you are  
6 not on the group, you have visited us twice.

7 MR. ZANNONI: We are ready to present.

8 MR. GILLESPIE: New Jersey, I am going to guess, knowing  
9 your boss, wants to speak up.

10 MR. ZANNONI: I think it goes back, you know, sharing  
11 valuable information.

12 May I address this esteemed government panel? Dennis  
13 Zannoni, Bureau of Nuclear Engineering, New Jersey. We are seriously  
14 involved in this process and look forward to sharing our comments, as  
15 they come in, in whatever format you guys decide is appropriate. Gary  
16 and I have been working together and I think Gary's point is that we  
17 probably don't expect a lot of the states to come here, but offer an  
18 invitation. That is fine. But we can also probably contact them over  
19 the phone, get some feedback if they can't come, and share it.

20 MR. GILLESPIE: Okay.

21 MR. ZANNONI: I think that would probably work. It looks  
22 like so far we have two states, maybe there are some others. But we  
23 will find out in the next couple of weeks.

24 MR. GILLESPIE: Good. I think that is consistent with what  
25 we said, that while we might talk to a senior resident, and an SRA, and  
a branch chief, and a DRS branch chief, the real meat is going to come  
from Ken and Geoff. And part of the discussion is the sharing of that

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For their peer group. But then you would still be looking to call your  
peer group, which is the other states, even if only one or two states  
would want to come and speak directly. And that is what I mean, they  
would be coming supplementing what you are already bringing to the

1 table.

2 MR. FLOYD: And just to make it clear, I think the process  
3 that has worked out is where you can then document your own insights as  
4 well as insights that you have gathered outside of the panel  
5 presentation is when you address each of the criteria, whether you think  
6 it has been met or not, and what is your basis for making that  
7 determination, that is where you can put all that input and information.

8 MR. GILLESPIE: Yes.

9 MR. WRIGHT: Well, that is what I was thinking. You get one  
10 person collating all of the information, that you could cover it much  
11 more efficiently.

12 MR. GILLESPIE: Okay.

13 MR. WRIGHT: And I guess if we had people -- that is kind of  
14 what you are proposing, each panel member have a speaker and then the  
15 others can chime in.

16 MR. GILLESPIE: Yeah, right. Okay. Heidi, anything else?

17 MS. HAHN: Yes. We let one thing drop off the table and it  
18 is actually related to this conversation. When we were talking about  
19 having the next meeting in a region, we also talked about having the  
20 team that wanted to conduct interviews do it in conjunction with that  
21 meeting. We have now moved the meeting to Washington, and we didn't  
22 pick up the thread of how those interviews are going to get conducted.

23 MR. GRANT: I think we dropped the interviews.

24 MR. GARCHOW: There is nothing to stop us from doing that.

25 MR. GILLESPIE: Individually.

MR. GARCHOW: And the gentleman, Gary is going to do it, I  
plan on doing it.

ANN RILEY MS. HAHN: I just wanted to be clear that we are taking care  
& of that in the context of the discussion we just finished.  
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Court MR. BROCKMAN: Individually, as opposed to a group.  
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1025 MS. HAHN: Right.  
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1 MR. GILLESPIE: And the basis for any decision or what you  
 2 write up in your section of your draft of the report, if the interviews  
 3 lead you to agree or disagree, you should just note that in there.  
 4 Talked to these people and this came out of it.

5 MR. GARCHOW: Just because we have one data source,  
 6 remember, it is a consensus opinion, so just because we have one data  
 7 source of one person saying one thing, that really doesn't necessarily  
 8 drive an overall conclusion when you take the whole picture.

9 MR. GILLESPIE: Okay. I have a vote to adjourn. I do have  
 10 to offer, since this is a public meeting, any members of the public?  
 11 Dennis, do you have anything else you want to add?

12 MR. ZANNONI: Just a couple of points. It will be quick.

13 Dennis Zannoni, New Jersey, BNE. When we found out that the  
 14 comment period end date in the notice was November 30th, we did question  
 15 the fact that, you know, there are a lot of inspections that are  
 16 occurring in November and some I think right up till two weeks before.  
 17 And I know everybody is zeroed in on that timeframe. But we are caught  
 18 because it takes us a little longer to move this stuff and get it in  
 19 writing and submit it. How flexible is the NRC going to be in receiving  
 20 some of the comments after the date? You don't have to answer that now.

21 MR. GILLESPIE: Yeah. No, that is not this panel. That is  
 22 just my other hat on.

23 MR. ZANNONI: Well, it is practical, too, because I mean I  
 24 have been talking also with NRC folks, and they understand that that is  
 25 going to be, you know, they have to get their sheets in and they have to  
 get comments in in very quick order.

MR. GILLESPIE: Yeah. I will tell you the truth, we are  
 going to endeavor to take any comments and try to incorporate them in  
 whenever they come in. So, you know, the 30th was so the staff could  
 prepare a report through the month of December.

MR. ZANNONI: Right, I understand.

1 MR. GILLESPIE: They had to draw a line. But I think a  
2 phone call to Al Madison. Comments wouldn't be ignored if they came in  
3 a week later.

4 MR. ZANNONI: Yeah. Just -- I can work that out with Alan,  
5 I am sure, just a week or two. But I just wanted to note it, because it  
6 is important, because I think some of them also are being not postponed,  
7 just there are some folks that are rescheduling and they seem to be  
8 pushing further back. So our ability to really assess the way we want  
9 to assess is going to be on the back end, as opposed to the front end  
10 and now.

11 MR. GILLESPIE: Okay. Some of the annual and biannual  
12 inspections probably got pushed around this time.

13 MR. ZANNONI: Yeah, like the fire inspection one, too, which  
14 is important, I think is later in the period. And that is going to take  
15 a little bit more time to assess.

16 MR. GILLESPIE: Okay.

17 MR. ZANNONI: It is not that we can't do it, it is just the  
18 fact.

19 MR. GILLESPIE: Yeah.

20 MR. ZANNONI: The only other comment was when the NRC was  
21 presenting today, they mentioned that the experience was based on two  
22 months. And I was wondering if the -- and this is probably a question  
23 for Tim. A lot of inspectors, a lot of industry people are cycling  
24 through LERs, inspection report events that they think are worthwhile to  
25 be put through the SDP process. And there wasn't any talk or discussion  
about the amount or the volume of that experience that has occurred to  
date. And I think that is really important, because I know from our

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1 can tell our management that, you know, we are getting more comfortable  
2 with the way this thing is approaching.

3 So it wasn't mentioned, but I hope that they address it, I  
4 guess, at one of these future panel meetings.

5 MR. GILLESPIE: Yeah.

6 MR. ZANNONI: Because, in fact, I don't think there is a lot  
7 of findings coming as a result of the --

8 MR. GILLESPIE: No, and that is probably why it is not  
9 getting a lot of press. Tim? I know we are doing a lot looking at how  
10 to use the SDP process for events, or at least just starting it. But I  
11 don't think that is a place for this panel, but I think it is at least a  
12 topic of interest that maybe at some point the staff needs to put on an  
13 agenda for a public meeting. It sounds like it is something that is  
14 needed before January. Does that make sense?

15 MR. FRYE: Yes.

16 MR. GILLESPIE: Because you are right, there is --

17 MR. ZANNONI: Or a sense of how much is being done. I mean  
18 I talked to some inspectors, you know, they will say, well, we reviewed  
19 these LERs or these items, and I don't know if that is being documented  
20 or tracked.

21 MR. FRYE: Well, the LERs would be documented in the  
22 inspection reports that we will see throughout the pilot. So that is  
23 where the record will be of the issues we reviewed and the LERs we  
24 reviewed and the types of things that went through the SDP.

25 MR. ZANNONI: Okay. So that is being captured somewhere.

MR. FRYE: Yes.

MR. GILLESPIE: Okay. But the real question is, is it being

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tabulated in some form that says there are some insights coming from it  
or not coming from it, or generally consistent?

MR. FRYE: Right.

MR. GILLESPIE: It is?

1 MR. FRYE: And that would be part of our SDP evaluation that  
2 we doing.

3 MR. GILLESPIE: Okay.

4 MR. FRYE: One of the sources of input are LERs.

5 MR. GILLESPIE: Okay.

6 MR. GARCHOW: That isn't going to surprise if we don't see  
7 much, though, because, Steve, help me out with the number, but we went  
8 back and looked at three years worth of data for 106 plants and came up  
9 with -- 45 sticks in my mind, the number of events that actually would  
10 screen through, the number of occurrences that would actually screen  
11 through the significance determination process. It was a very small  
12 number.

13 MR. FLOYD: I think it was a little more than that. I think  
14 it 1997 LERs round numbers were around 1200 and I think about 150  
15 screened out of Phase 1.

16 MR. ZANNONI: No, I know that. But I mean as a sense of  
17 confidence building and experience, and then everybody get on the same  
18 page of arriving at the same results is important for us, because then  
19 we know that there is a sense of consistency in the results, not  
20 necessarily, you know, whether or not do they arrive at findings or  
21 anything, whether or not everybody is reviewing them together, that is  
22 all.

23 MR. GILLESPIE: Okay. Tim, can you just take as an IOU, and  
24 the question you are taking back is, at a future public meeting,  
25 workshop kind of environment, to address the question of evaluation of  
both inspection results and LERs using the SDP. And it is a sense then,  
as I get it, it is a sense of scope. You would like to know that

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Someone is doing it for your plants in your state.

MR. ZANNONI: Well, yeah.

MR. GILLESPIE: And what kind of results --

MR. ZANNONI: As these things have come up, I mean my



1 conversations with the inspectors have been, yeah, we are cycling them  
 2 through, you know, and we are working the process to, if anything, just  
 3 learn fundamentally. But I don't know what the results of that learning  
 4 are. And if it is captured, it is captured, that is fine.

5 MR. GILLESPIE: Yeah. I think only because there is very  
 6 limited results coming out that rise to any significance. So I guess  
 7 your question then is, is someone looking at them? Because there is no  
 8 evidence that they are looking at them, because the only evidence you  
 9 see is by exception, and there aren't very many exceptions. And what  
 10 you are looking for is some assurance that someone is looking at them,  
 11 so that when you know you are looking at them and come to the same  
 12 conclusion, that it is meaningful, someone else -- it is kind of a  
 13 comparison.

14 MR. ZANNONI: Let me try it one more time.

15 MR. GILLESPIE: Okay.

16 MR. ZANNONI: I think that, from my conversations with the  
 17 inspectors, is that when they are identifying things, they may be just  
 18 potential or it may be they think it may lead somewhere in the SDP  
 19 process. They are working the SDP process. And I am sure they are  
 20 learning things from that. And like I said before, we are cycling it  
 21 through. We call them and find out, all right, it didn't even make it  
 22 to the Phase 1, and then said, fine, okay, we reached the same  
 23 conclusion. I mean where do you go to find out, you know, where that  
 24 experience is? That all -- they have doing it, I think, for a while.

25 Because I think at the end of the previous inspection  
 period, my understanding was that all opened items were also going to be  
 cycled through the SDP process.

ANN RILEY MR. FRYE: We will talk about that at the next meeting when  
 & we talk about the results of applying the SDP. But to answer your  
 ASSOCIATE COURT question, all the issues are being documented in inspection reports, the  
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1 MR. ZANNONI: Well, maybe part of it is because I haven't  
2 seen the inspection report yet either, the new ones.

3 MR. GILLESPIE: Okay. That may be the --

4 MR. ZANNONI: Okay.

5 MR. GILLESPIE: That may be a matter of just publishing the  
6 inspection reports and then seeing if there is still a question  
7 existing.

8 MR. BROCKMAN: And the second part of that, also, is a lot  
9 -- I don't know a lot, but several licensees are already to the point  
10 where they are running LERs, the SDP, through it, and it is incorporated  
11 into the LER write-up when it is coming in.

12 MR. GILLESPIE: Yeah. Which is actually very beneficial,  
13 because Tim's group, although this isn't Tim because he has got the  
14 pilot program, but they have got the assignment to look at how do you  
15 use this system and events analysis, and how do we screen events when  
16 they come in. So there is a movement to try to use the same importance  
17 determination process for both events and inspection findings. And I  
18 think we are going to more and more move as an agency in that direction,  
19 so that is very beneficial.

20 MR. BROCKMAN: In some instances it would help if the  
21 licensees understood the SDP a little better before they did that.

22 MR. GILLESPIE: Well, that is where the system -- that is  
23 where the new stuff we are starting to put in the SDP documentation  
24 about systems -- What is a train? What is a system? What is  
25 functionality? -- becomes extremely, extremely important.

MR. FLOYD: Last week's workshop should help on that.

MR. BROCKMAN: I hope so.

MR. GILLESPIE: With that, any seconds? Anyone on the

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[No response.]

MR. GILLESPIE: We will then be in touch. I thank you all

1 for coming. We had to have a planning session. I do also appreciate,  
2 and although Bill Dean was very frustrated when he left our last  
3 meeting, the next day he felt much better.

4 And although Tim could have killed us, actually, the first  
5 product was very worthwhile. When we were going to do this planning  
6 meeting for the first meeting, but diverted and looked at the criteria  
7 themselves, that was the right time to do it. It was the right time to  
8 give the comments and advise to the staff so they can go final and not  
9 feel that someone is second-guessing them after the fact. So I know  
10 this kind of turned the first two meetings around, but it ended up I  
11 think being very much the right thing to do, so I thank everyone for  
12 their patience on that.

13 And we will be getting in contact with you, but please hold  
14 November 3rd and 4th open, and we aware by the schedule. After that,  
15 you will have approximately seven working days to turn your input  
16 around. And then we are going to try to be task masters and hold to a  
17 schedule on ourselves, turn it around in five working days, and get  
18 through those iterations so we can have a productive report ready to go  
19 in December.

20 Thank you, everybody.

21 [Whereupon, at 3:16 p.m., the meeting was concluded.]  
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