

Fort Calhoun Station

Progress Toward Restart

January 8, 2013

Focus Areas

- **Our accountability**
- **Elements of the Operating Services Agreement**
- **Vision, mission and values**
- **Site organization**
- **Progress on restart issues**
- **Corporate governance and oversight**

Our Accountability

- **The past performance at Fort Calhoun was unacceptable to us and we are implementing the necessary steps to achieve:**
 - **Safe and efficient restart of Fort Calhoun Station and**
 - **Sustained excellence**

Our Accountability – Cont'd

- **We will not restart Fort Calhoun Station until we are convinced that:**
 - **The plant is ready for safe and efficient operation and**
 - **The plan for sustained improvement can be effectively implemented**

Organizational Update

- **Entered into 20-year Operating Services Agreement (OSA) with Exelon Generation**
- **Omaha Public Power District (OPPD) remains owner and licensee**
- **Exelon is responsible for day-to-day operation**

Organizational Update – Cont'd

- **Enhanced corporate governance and oversight to assure the safety of Fort Calhoun Station**
 - **Comprehensive**
 - **Independent**
 - **Intrusive**

Discussion Topics

- **Elements of the OSA – Susan Landahl**
- **Vision, mission and values – Lou Cortopassi**
- **Site organization – Lou Cortopassi**
- **Progress on restart issues – Lou Cortopassi and Mike Prospero**
- **Corporate governance and oversight – Gary Gates and Kerry Ihnen**

Operating Services Agreement

- **Three key elements**
 - **Proven Exelon leaders placed in key positions at Fort Calhoun Station**
 - **Integration team fully engaged with fleet experts providing site support in over 22 functional areas**
 - **Sustainability**
 - **Implementation of the Exelon Nuclear Management Model**
 - **Full integration into the Exelon fleet**

Operating Services Agreement

– Cont'd

- **What has changed today**
 - **Blended leadership team in place and functioning well**
 - **Fleet experts supporting Fort Calhoun Station**
 - **Long-term integration schedule established and being implemented**
 - **Frequent senior executive review meetings**

Vision, Mission and Values

- **Vision**

- **Safe and efficient restart of Fort Calhoun Station and**
- **Achievement of sustained excellence**

- **Mission**

- **Safe, event-free, cost-effective, nuclear production of electricity**

Vision, Mission and Values – Cont'd

- **Values**

- **Safety – nuclear, industrial,
radiological and environmental**
- **Alignment**
- **Accountability**
- **Bias for action**
- **Strong nuclear safety culture**

Site Organization

- **Blended leadership team**
 - **Top 16 leaders**
 - **Over 450 years of collective experience at multiple nuclear power plants**
 - **Embody Fort Calhoun Station values**
 - **Aligned on Fort Calhoun Station vision and mission**
 - **Actively reinforcing values and expectations with their staff**

Site Organization – Cont'd

- **What has changed today**
 - **Established integrated outage schedule with the right level of detail**
 - **Established the Outage Control Center**
 - **Holding staff accountable**
 - **Reinforcing the right values and behaviors**

Progress on Restart Issues

- **Overarching causes**
 - **Organizational Effectiveness**
 - **Leadership and accountability**
 - **Governance and oversight**
 - **Safety Culture**
 - **Leadership values**
 - **Safety Conscious Work Environment**
 - **Problem Identification/Resolution**
 - **Corrective Action Program (CAP) effectiveness**
 - **Bias for action**

Progress on Restart Issues – Cont'd

- **What has changed today**
 - **Vision, mission and values are established**
 - **Safety is always first priority**
 - **Values and expectations established and reinforced**
 - **Staff trained and implementing upgraded CAP process**
 - **Measuring progress**

Progress on Restart Issues – Cont'd

- **Progress has been made on all phases of each restart checklist item**
 - **Scoping: complete**
 - **Discovery: in progress
(22 of 23 complete)**
 - **Analysis: in progress
(16 of 23 complete)**
 - **Implementation and Inspection Ready: in progress
(2 of 23 ready for inspection)**

Progress on Restart Issues – Cont'd

Industrial Safety Performance

	2011	2012
Minor injuries	23	22
First aid injuries	22	7
OSHA recordable injuries	21	1
Lost time injuries	1	0

Progress on Restart Issues – Cont'd

Human Performance

	2011	2012
Department clock resets	134	55
Station clock resets	9	2

Progress on Restart Issues – Cont'd

- **Key issue – 480 volt breaker fire**
 - **Rebuilt switchgear and ensured proper breaker engagement**
 - **Root cause completed by OPPD staff and independent industry experts**
 - **Engineering change process improved**
 - **Bus available – final testing for operability in progress**

Progress on Restart Issues – Cont'd

- **Key issue – flooding restoration and readiness**
 - **Flooding recovery plan**
 - **94% complete to date**

Progress on Restart Issues – Cont'd

- **Key issue – flood water impact on soils**
 - **Comprehensive testing and evaluation complete**
 - **Independent engineering assessment complete**
 - **Safety-related structural adequacy has been confirmed**

Progress on Restart Issues – Cont'd

- **Key issue – containment electrical penetration qualification**
 - **Identified by Fort Calhoun Station staff**
 - **Affects over 600 penetrations**
 - **Solutions identified and being evaluated**
 - **Qualification testing program in progress**

Progress on Restart Issues – Cont'd

- **Key issue – containment internal structure design margin**
 - **Identified by Fort Calhoun Station staff**
 - **Internal structure re-analyzed**
 - **Operability being evaluated**
 - **Integrated plan for modifications being developed**

Readiness for NRC Inspections

- **OPPD Restart Checklist Implementation Strategy**
- **NRC Restart Checklist Basis Document**
- **Preparation of issue closure books**
- **Technical Review Boards and Management Challenge Boards**
- **Independent review**
- **Chief Nuclear Officer decision**

Restart Decision Making

- **Restart Checklist resolved**
- **Confirmatory Action Letter addressed**
- **Systems, programs and departments ready for restart**
- **Operational assessment completed**
- **Independent assessments completed**
- **Restart Report submitted to NRC**

Corporate Governance and Oversight

- **Established strategic plan**
- **Documented expectations and roles and responsibilities**
- **Strengthened Safety Audit and Review Committee function**
- **Established Nuclear Oversight Department (NOS)**
- **Strengthened Employee Concerns Program (ECP)**

Corporate Governance and Oversight – Cont'd

- **What has changed today**
 - **Expectations clear**
 - **NOS intrusive and actively engaged**
 - **NOS reinforcing expected values and behaviors**
 - **ECP staff expanded and confidentiality assured**
 - **Station staff utilizing ECP**

Closing Comments