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U.S. NUCLEAR REGULATORY COMMISSION

DAVIS-BESSE REACTOR VESSEL HEAD DEGRADATION
LESSONS LEARNED TASK FORCE

PUBLIC MEETING

Meeting held on Wednesday, November 20, 2002, at
7:00 p.m. at the Oak Harbor High School, Oak Harbor,
Ohio, taken by me, Marlene S. Rogers-Lewis, Stenotype
Reporter, and Notary Public, in and for the State of
Ohio.

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PANEL MEMBERS PRESENT:

U.S. NRC LESSONS-LEARNED TASK FORCE

Arthur Howell, Team Leader, Region IV

Robert Haag, Region II

Russell Bywater, Region IV

Joelle Starefos, Region II

Edwin Hackett, Assistant Team Leader,
Office of Research

Joseph Donoghue, Nuclear Reactor Regulation

Thomas Koshy, Nuclear Reactor Regulation

Ronald Lloyd, Research

1 MR. HOWELL: Well, good evening.
2 My name is Arthur Howell. I'm with the United States
3 Nuclear Regulatory Commission or NRC. For those
4 folks in the audience who may not know what the NRC
5 is, it's the Federal agency that regulates the
6 various commercial institution on uses of nuclear
7 energy, including nuclear power plants such as
8 Davis-Besse. I'm from the NRC's Region IV office in
9 Arlington, Texas.

10 For the past several months a number of NRC
11 staff members and I have served on the NRC's
12 Davis-Besse reactor vessel head degradation Lessons
13 Learned Task Force. This task force was formed to
14 review the full scope of regulatory activities
15 related to the Davis-Besse reactor pressure vessel
16 head damage that was identified this past February
17 and March. The task force's activities are separate
18 and distinct from the NRC's Oversight Panel of
19 Davis-Besse, which some of you may be familiar with.
20 This panel meets regularly here, typically about once
21 a month. I believe their last meeting was last
22 week, so this effort that we're here to talk about
23 tonight is separate and distinct from the Oversight
24 Panel.

25 One of -- there's two purposes that I wanted

1 to relate to you all concerning this meeting. The
2 first one is that we would like to provide an
3 overview of the objectives and scope and review
4 results of recommendations of the NRC's Lessons
5 Learned Task Force report. This report was made
6 publicly available last month, and if you had an
7 opportunity, out there we have a graphic that
8 provides some information which you can find the
9 report on our web site.

10 The second purpose is to provide an
11 opportunity to members of the public to make comments
12 or ask questions regarding the task force's review
13 activities, so what we'd like to do is for the first
14 hour or so of the meeting is to present an overview
15 of the report, and then we'll take a short break and
16 then the task force members and I will come down in
17 front of the orchestra pit, and then we'll have a Q
18 and A session.

19 Before going any further, the team and I
20 would like to thank all the folks in the audience who
21 can be here to participate in the meeting tonight.

22 Also, we wish to acknowledge the outstanding
23 support of Mr. Bob Stucker of the Oak Harbor High
24 School on making this meeting possible at this
25 facility.

1 I'd also like to recognize Ms. Sonia Eischen.

2 Where are you, Sonia?

3 MS. EISCHEN: (Indicating).

4 MR. HOWELL: Back there. Sonia is
5 from the State of Ohio. She's works for the State of
6 Ohio Emergency Management Agency, and she
7 participated on the task force as an observer.

8 I'd also like to recognize Mr. Jere Witt, the
9 Ottawa County Administrator, who is also in
10 attendance.

11 There are a number of informative handouts at
12 the front of the auditorium including copies of the
13 NRC public meeting feedback form. I encourage
14 everyone to complete the feedback form and mail it to
15 the NRC. It's self-addressed and no postage is
16 necessary.

17 At this time, I'll ask the other members of
18 the task force to introduce themselves starting on
19 the left.

20 MS. STAREFOS: Joelle Starefos,
21 Region II.

22 MR. BYWATER: Russell Bywater,
23 Region IV.

24 MR. HAAG: Rob Haag, Region II.

25 MR. HACKETT: Ed Hackett, Office of

1 Research.

2 MR. DONOGHUE: Joe Donoghue, Nuclear
3 Reactor Regulation.

4 MR. KOSHY: Thomas Koshy, Nuclear
5 Reactor Regulation.

6 MR. LLOYD: Ron Lloyd, Research.

7 MR. HOWELL: Thanks. These are
8 all the task force members with the exception of
9 Patrick Castleman of the NRC's Office of Nuclear
10 Material Safety and Safeguards and Elaine Raphael,
11 our Administrative Assistant, who could not be with
12 us tonight.

13 I'd also like to acknowledge that there are a
14 number of other NRC managers and staff members who
15 are present in the audience, including
16 representatives from the Executive -- Office of the
17 Executive Director for Operations and the Office of
18 Nuclear Reactor Regulation.

19 In just a moment Dr. Hackett will provide an
20 overview of the Lessons Learned report. This
21 discussion will include a number of areas including
22 some background information on past Lessons Learned
23 review activities, the task force objectives and
24 scope, task force team composition and attributes,
25 and task force review methods. I mentioned the

1 report availability. We also had some coordination
2 activities with other ongoing NRC reviews. The
3 overall conclusions of the task force, including a
4 summary of the detailed results, and then finally a
5 summary of the task force recommendations.

6 Following Dr. Hackett's presentation, I will
7 provide an overview of the NRC's approach to
8 addressing the task force's recommendations.

9 After that, we would like to, again, as I
10 mentioned, open up the meeting to comments and
11 questions from members of the audience. Since there
12 is quite a bit of material, I would request that
13 folks hold their comments and questions until the end
14 of the presentation. I mentioned that we'll take a
15 short break, about five minutes, just long enough for
16 us to reposition in front of the orchestra pit.

17 For the next part of the presentation, I
18 wanted to mention that the NRC has changed its public
19 meeting policy several months ago in order to enhance
20 public participation in NRC meetings. I know many
21 of you are aware of this change as a result of
22 attending meetings held by the NRC's Davis-Besse
23 Oversight Panel, the so-called 0350 Panel, as well as
24 attending a meeting conducted by this task force in
25 Oak Harbor this past June. This policy brings

1 consistency by introducing a system whereby the
2 public can participate or can anticipate the level of
3 participation that will be provided for during the
4 upcoming meeting. The NRC has identified three
5 categories of public meetings it convenes. This
6 meeting has been designated as a Category 3 meeting,
7 which is defined as a meeting that is held with
8 representatives, non-Government organizations,
9 private citizens, interested parties or various
10 businesses or industries not covered by the other two
11 categories. The purpose of a Category 3 meeting is
12 to maximize discussions with the public to ensure
13 that issues and concerns are understood and
14 considered by the NRC.

15 I also wanted to mentioned that the NRC has
16 established a strong track record of conducting
17 critical assessments of its activities and processes
18 as they relate to significant plant events and
19 problems. Dr. Hackett will discuss this in further
20 detail during his remarks.

21 I wanted to thank the members of the public
22 who provided input to the task force review areas.
23 We conducted two public meetings in June and did
24 receive input from the public, and all of the input,
25 I believe, was factored into our detailed review

1 plans.

2 Before turning the presentation over to Dr.
3 Hackett, I just wanted to say that the results of our
4 review revealed multiple missed opportunities on the
5 part of the NRC to have identified the problem much
6 sooner than it was ultimately identified by
7 FirstEnergy.

8 I wanted to indicate that we have made more
9 than 50 recommendations to address the findings and
10 conclusions of our review, that the NRC has already
11 taken action to move forward to address these
12 recommendations.

13 Finally, in accordance with our normal
14 practice, the information used from this meeting will
15 be made publicly available.

16 At this time, if there are no further
17 questions or any questions, I'll turn the
18 presentation over to Dr. Hackett.

19 MR. HACKETT: Thanks, Art.
20 Hopefully, everyone can hear me okay. Art did such a
21 good job there, I don't think I need to dwell over
22 much on the overview, so go to slide three.

23 Slide three, basically wanted to say the NRC
24 has previously taken the initiative to conduct these
25 types of reviews for significant issues. These have

1 been self-critical. Improvements have been made at
2 the agency in response to them, so this is not
3 something that's going to go away. It's something
4 the NRC will continue to do as part of an overall
5 self-improvement. Recent examples include the Indian
6 Point steam generator tube failure, year 2000, and
7 NRC inspections at the South Texas Project in 1995.

8 Art already differentiated between our role
9 and the 0350 Panel. Our role is really
10 retrospective. It's to look -- take the event and
11 look backwards and see why it wasn't prevented.

12 Now, we'll go to slide four. It's important
13 to emphasize that this was an independent evaluation.
14 None of the members of the team that you see up here
15 had any significant prior involvement in Davis-Besse
16 and oversight of the Davis-Besse plant, particularly
17 with regard to inspection activities, so the
18 evaluation was an independent evaluation even though
19 it was the NRC conducting the evaluation. The
20 review had these five elements that you see on the
21 slide. This was basically the elements of our
22 charter. The reactor oversight process is primarily
23 the process by which NRC oversees the regulated power
24 plants and the inspection activity basically
25 inspection assessment and enforcement of activities.

1 We're also chartered to look at regulatory processes,
2 including things like our generic communications
3 bulletins and processes associated with those. Most
4 of the focus of the task force was on the top two
5 elements, but we are also chartered to look at
6 research activities both NRC and industry,
7 International practices particularly those of you who
8 followed this activity, the French program. There
9 what were a lot of lessons learned associated with
10 the French activity. The NRC Generic Issues program
11 which is a process by which some, you know, longer
12 term actions and verifications can be followed on by
13 the NRC, and the idea, of course, is that we would
14 identify and recommend improvements, and we have done
15 that in our report.

16 I'll go to slide five. Art talked about the
17 composition of the team. It is multi-disciplined,
18 experienced team. I already mentioned no previous
19 involvement in the oversight of Davis-Besse. Art
20 introduced Sonia Eischen, and Sonia was an observer
21 of the proceedings of the task force for the majority
22 of the duration. We did have stakeholder input to
23 the task force review activities. We had a meeting
24 on June 12th here in Oak Harbor where we presented
25 this to the public, and we had a follow up meeting at

1 NRC headquarters on June 19th in Rockville.

2 Go to Slide 6. In terms of our review
3 methods, we have two groups. One was based at
4 headquarters. It's largely enacted by Joe Donoghue,
5 to my right, which focused on licensing review
6 requirements and guidance -- industry guidance, the
7 International activities and generic issues.

8 We had a second group that was primarily
9 focused on the site, activities in Region III that
10 was acted by Bob Haag that really looked at
11 inspection, enforcement, operating experience,
12 generic communications and safety performance.

13 MR. HOWELL: Excuse me. I just
14 wanted to point out that we actually conducted review
15 activities involving all four NRC regions. There are
16 four NRC regions. One of them is near Dallas,
17 Texas, the one I'm from Arlington Texas. Another is
18 Atlanta. A third is near Philadelphia, and then the
19 fourth is NRC Region III, which is in the Chicago
20 suburbs.

21 MR. HACKETT: Thanks, Art. The
22 information collection is largely through document
23 reviews and interviews. There were upwards of 35
24 plus interviews, I think, conducted with the
25 licensee, over 80 with NRC personnel, as Art said,

1 you know, spread out over the headquarters operation
2 and regions, a significant amount of fact-finding at
3 the Davis-Besse site. There were also some elements
4 that involved contacts with some of the foreign
5 regulatory authorities and also with the U.S.
6 industry.

7 Move to slide seven. Some of you may have
8 seen the poster out in the lobby. The report is
9 available on an NRC electronic document management
10 system called ADAMS. The accession number is listed
11 there on the slide and is available out in the lobby.
12 That can be obtained from NRC that way. There is
13 also a public web site with the world wide web
14 address listed there. This report issuance was
15 coordinated with other NRC offices because of ongoing
16 reviews in other areas. As the Lessons Learned Task
17 Force progressed, and probably most importantly for
18 us, the findings of the Lessons Learned Task Force
19 were in issues that were plant-specific were provided
20 on a regular basis to the 0350 Oversight Panel for
21 any appropriate follow up.

22 Go to slide eight. The overall conclusion
23 that if you have seen -- you have copies of the
24 executive summary available to you and also the
25 report is that the NRC and industry recognized the

1 potential for this type of event at least 10 years
2 ago, going back to the initial cracking problem of
3 this type of issue and control rod drive penetrations
4 at the Bugey plant in France. There were boric acid
5 corrosion and degradation events that predated that
6 back almost 30 years. There were industry
7 submittals made to the NRC by the U.S. industry that
8 not only recognized the potential for this, but
9 analyzed the boric acid type of attack that was
10 ultimately seen here at Davis-Besse in approximately
11 the 1993 time frame. The NRC and the U.S.
12 industry's initial conclusion was that the vessel
13 head penetration cracking was not an immediate safety
14 concern. This is due to the flaw tolerance of the
15 Inconel 600 material from these penetrations. At
16 the time it was axial cracking that was in concern,
17 and what you get in a situation like that even if
18 those cracks go through a wall, you get a situation
19 called leak before break which means that you would
20 have leakage that would be observed before there
21 would be any catastrophic safety issues at the plant.
22 The follow on to that was that the analysis from
23 there became protracted and lead us to -- to not look
24 at some of the -- some of the other connected items
25 like boric acid corrosion.

1 The third element there is that the NRC and
2 the licensee failed to learn key lessons from past
3 boric acid events. As I mentioned there was one in
4 particular that dated back 30 years. I think the
5 date was 1969, 1970 at a foreign plant. The
6 corrosion rates for boric acid attack were known to
7 be potentially very rapid, although there was a mind
8 set that developed that dry boric acid crystals on a
9 reactor vessel head were not corrosive. The reactor
10 vessel heads are hot during operation and that there
11 would not be extensive corrosive attack due to that.
12 Corrosion rates for this type of attack are often
13 underestimated. There was also a -- I mentioned
14 these industry submittals to the NRC. Their
15 conclusion was that if there were corrosion that
16 leakage -- there would be leakage that would be
17 observable in NRC and licensee inspections and it
18 would be found before it ever got to a situation like
19 what happened at Davis-Besse. Obviously, that didn't
20 happen.

21 Two other events that I'll mention that
22 happened at Davis-Besse itself in 1993 and 1998 were
23 precursors. They had boric acid attack that was
24 reasonably extensive on their steam generator shell
25 in 1993 and again on some bolting and fastener

1 materials on a pressurizer spray valve in 1998. The
2 lessons learned from those activities were very
3 similar to what we've seen here for the reactor
4 vessel head degradation.

5 Go ahead to slide nine. The bottom line for
6 us was this was a preventable event. It was
7 obviously not prevented. That goes to our three,
8 what we call, contributing conclusions, which are the
9 three sub-bullets you see there on the slide. It
10 goes to Sections 3-1, 3-2 and 3-3 of our report.
11 No. 1 really goes to how we did and how the industry
12 and licensee did with regard to looking at operating
13 experience. Obviously there is operating experience
14 being accumulated all the time at the plants. We
15 had some incumbent upon us and the industry and the
16 licensees to access that operating experience and
17 follow up on anything that's relevant. That
18 obviously -- there were some inadequacies in that
19 category here. It's a major contributing cause.
20 The licensee, for their case, and I think FENOC has
21 put out their own conclusions on this and a
22 presentation I first saw in August, but that they
23 failed to assure that their plant safety issues were
24 receiving the appropriate attention. I think Mr.
25 Myers looked at that as a production versus a safety

1 focus, I think is what's been said before. There was
2 also issues uncovered previously by the Augmented
3 Inspection Team sent out by the NRC and the follow up
4 to that Augmented Inspection Team.

5 The third element goes to the NRC's
6 performance and it's really in, I think, the team's
7 estimation, it's the NRC's failure to integrate what
8 was a lot of available information in these areas, in
9 particular, boric acid corrosion attack and stress
10 corrosion cracking and some of the inspection
11 assessments that were available to us at the time.

12 Go to slide 10. We had some other
13 contributing factors, looking at our other guidance
14 and requirements at the NRC and the inspection and
15 reactor oversight process area, some contradictions
16 and differences in our enforcement policy for reactor
17 coolant pressure boundary leakage. We had some
18 difficulties with the ASME code. The American
19 Society for Mechanical Engineers has a code that
20 specifies inspection requirements for these plants.
21 Those inspection requirements were entirely
22 inadequate for this particular situation of the
23 vessel head penetration cracking.

24 Staffing and resources were problems for the
25 NRC. The Davis-Besse plant was viewed as a good

1 performer. Over the 1990's, which was early in the
2 1990's, the Region III resources in a lot of cases
3 were diverted to other plants that had been perceived
4 at the time to have more problems. We had some
5 regional inspector in region -- region based
6 inspector vacancies and some problems with coverage
7 during that time frame over which this degradation
8 occurred.

9 MR. HOWELL: Resident inspector.

10 MR. HACKETT: I'm sorry, resident
11 inspectors not the region based inspectors.

12 In terms of communications with the licensee,
13 there were several items that the team found relative
14 to if you follow this issue to bulletin 2001-01 which
15 related to the circumferential cracking at Oconee and
16 some inaccuracies in bulletin response, also related
17 to the nature and extent of the boric acid deposits
18 on top of the Davis-Besse head, particularly
19 following their refuel outage No. 12 which was the
20 year 2000 and questions about effectiveness of some
21 previous inspections.

22 In the licensing process and implementation
23 area, we, the team, noted a lack of documentation for
24 a decision justifying operation of the plant for an
25 additional six weeks in the year 2002. There were

1 also some issues with -- just to give you some
2 examples with our project managers who were based at
3 the headquarters operation and their oversight at the
4 plant activities and visits to the plant and actions
5 that they would take in the licensing arena.

6 Go to slide 11. This goes to the operating
7 experience. I think I already mentioned the
8 operating experience involving boric acid leakage and
9 corrosion. The report conducted or the team
10 conducted an independent review which is documented
11 in Appendix E. Ron Lloyd, to my far right, did most
12 of that work. It documents a long history of
13 operating experience involving boric acid leakage and
14 corrosion. That was available there for everyone to
15 assess, quite a number of events, and, in addition,
16 technical assessments of that information that were
17 available that were not -- that were not properly
18 followed up on for this particular issue.

19 Some issues with our generic communication
20 program; in this case we had many generic
21 communications both on the topic of stress corrosion
22 cracking, in particular on those penetrations.

23 MR. HOWELL: Excuse me, Ed. Could
24 you just take a moment and briefly describe what
25 generic communications are to the folks?

1 MR. HACKETT: Good point. The NRC
2 communicates with the licensees through a variety of
3 mechanisms one of which is the Generic Communication
4 program. The Generic Communication program, the
5 mechanisms that you'll see in there are things like
6 information notices, generic letters and bulletins.
7 Most of you are probably familiar with the bulletins
8 that have been issued in reaction to this particular
9 issue, but typically these generic communications are
10 in reaction to events, although they don't have to
11 be, and they most typically request information from
12 the licensees to enable the NRC to get a better
13 picture of what needs to be done in a regulatory
14 sense. They typically do not impose requirements,
15 so it's good to lay that out. Thanks, Art.

16 I guess I was also at this point going to lay
17 out -- what I'm going to try to do in these next few
18 slide with you is just to give you some samples.
19 The report itself can be more than a little bit
20 intimidating, I think is probably fair, although I
21 have been told we're not good objective judges of
22 that, of course, we think it's excellent, but it is
23 98 pages in length. There are over 50
24 recommendations that are documented there, so what
25 I'm going through here is just a series of highlights

1 and some examples for you in some of these areas.

2 With regard to our Generic Communications
3 program, as I mentioned, there were many generic
4 communications on this issue and the boric acid
5 degradation. What we found in terms of some
6 systematic weaknesses, we think in some the NRC's
7 processes is one thing is that we have seen a lack of
8 verification for licensee responses to these
9 communications. It's not required by the process
10 and in a lot of cases the NRC focus was not on these
11 generic communications for the longer term, now,
12 let's say many years after they had been issued.
13 There was also --

14 MR. HOWELL: Just to clarify, in
15 some cases, there is verification of the generic
16 communications, but I think Ed is focusing primarily
17 on the one's that deal with boric acid corrosion.
18 There was some inspection guidance that was
19 developed, for example, that was in effect optional,
20 so in the case of Davis-Besse this procedure was
21 never implemented over the years, for example.

22 MR. HACKETT: Yeah, Art's -- one of
23 the examples Art's referring to there is our generic
24 letter 8805, which was issued in 1988. There was
25 some follow up on the part of the Office of Nuclear

1 Reactor Regulation and some follow up inspections to
2 verify responses to that generic letter, but what
3 didn't happen is many years since I think there was a
4 lack of focus on that particular area so that one was
5 of the weaknesses the team identified.

6 I'll jump to the last bullet, looking at our
7 operating experience review with the NRC, we had a
8 significant amount of changes in the agency in the
9 1990's that related to trying to, you know, achieve
10 increased efficiencies within the budget constraints
11 that we had and some reductions in the size of the
12 NRC staff. Some of that lead to a dissolution of an
13 office at the NRC in 1999. We had an office prior
14 to 1999 that was an office for analysis and
15 evaluation of operational data. This office was
16 originally established in reaction to the Three-Mile
17 Island event and then served as a -- I guess I'll use
18 the phrase, clearinghouse, for looking at operating
19 experience, review and assessment of the NRC, so I
20 think one of the weaknesses the team identified there
21 was a diminished capacity at the NRC for dealing with
22 this type of assessment.

23 In fairness to the Davis-Besse situation, the
24 degradation that we're talking about here tonight was
25 most likely in progress well before that time frame.

1 This wasn't something that was operating in a
2 positive direction.

3 In terms of slide 12, I won't dwell on that,
4 I think the licensee has covered this in previous
5 presentations of their own, but we have the items
6 that you see listed there, and I think some of these
7 tend to get repeated. There were numerous symptoms
8 and indications of reactor coolant system leakage
9 that were not properly addressed. I think the
10 bottom line there was that the licensee was
11 addressing the symptoms and not the causes for the
12 leakage. Some examples that the report goes into
13 are fouling of the containment air coolers with
14 corrosion products and boric acid deposits and also
15 fouling of the radiation filter element monitors.
16 There was a history of leakage from CRDM flanges and
17 valves and other components and repairs were often
18 deferred.

19 With regard to the boric acid corrosion
20 control program at Davis-Besse, the team found that
21 it was never properly established or effectively
22 implemented in reaction to our generic letter 8805.
23 Boric acid removal from the head was looked at, I
24 think, as more of a -- or what the team thinks is
25 more of a decontamination issue rather than safety

1 issue. The cleaning of the head, we found, was
2 limited in a number of instances by pressure brought
3 there from the outages themselves. In terms of
4 owners group and industry guidance, the B&W owners
5 group, as an example, had served a structure
6 modifications that would have enabled better access
7 for inspection cleaning of the head at Davis-Besse
8 that were not implemented at Davis-Besse in the early
9 to mid 1990's. In terms of industry guidance there
10 was an electric power research institute corrosion
11 control handbook for boric acid corrosion that had
12 some -- there are some things in there the team would
13 have differences in or with, but there are some
14 elements that provided some very good guidance on
15 what to do about this issue and what some of the
16 symptoms would be that didn't appear to be
17 internalized by the licensee.

18 I have mentioned before that there was a lack
19 of awareness both internal and external operating
20 experience, particularly in the area of boric acid
21 corrosion and boric acid corrosion control. In
22 terms of safety related activities just to give a few
23 examples, I think the licensee had during this time
24 frame strained engineering resources, again, they
25 were operating and addressing the symptoms of this

1 RCS leakage and not the causes. I think we saw a
2 lack of questioning attitude on the part of their
3 inspectors and their inspections and a lack of
4 engineering rigor in a lot of the analysis that were
5 performed over that time frame just as some examples.

6 Go to slide 13. This slide tries to
7 summarize the NRC's performance. I think I have
8 covered some of these. With regard to reactor
9 coolant leakage assessment, the NRC was aware of
10 these symptoms as the licensee was. There was a
11 lack of questioning attitude, a questioning of some
12 assumptions that the licensee was making at the time,
13 a lack of questioning attitude on the part of our
14 inspection activity. Probably most importantly, the
15 inspections over that time frame and that time frame
16 being probably 1996 and on, inspections related to
17 reactor coolant system leakage were not properly
18 integrated into the NRC overall safety assessment.
19 The inspection program implementation, particularly
20 with regard to refueling outage 12, there wasn't an
21 awareness of boric acid deposits on the part of the
22 resident inspection team. There was a lack of
23 follow up in terms of the NRC on enforcement action
24 that related to the boric acid attack event on the
25 pressurized spray valve in 1998, and there were some

1 deficiencies with regard to implementation of
2 corrective actions.

3 In terms of integration and assessment of
4 performance data, I think again, it points back to
5 the numerous opportunities and missed opportunities
6 on the part of the resident inspector staff in some
7 of the region based inspection assessments,
8 particularly in the area of reactor coolant system
9 leakage to not be integrated over a range of
10 activities and also a certain time period.

11 With regard to guidance and requirements, it
12 goes both to the NRC inspection guidance not being as
13 clear as it could be in certain cases, some conflicts
14 or differences in our enforcement policy over exactly
15 what to do about reactor coolant pressure boundary
16 leakage, also goes to the ASME code that I mentioned
17 previously and some inadequacies in their inspection,
18 inspection requirements. Staffing and resources --

19 MR. HOWELL: Excuse me, Ed. Before
20 we go to staffing and resources, I just -- in terms
21 of the first three bullets what we're trying to
22 convey is that the NRC knew a whole lot about the
23 symptoms and indications of the leakage that in this
24 case that resulted ultimately in the degradation of
25 the vessel head.

1 Now, at the time, of course, they didn't know
2 that the source was the nozzle, but we conducted a
3 number of inspections over the years, primarily in
4 the 1999, 2000 time frame, 2001, in which the NRC was
5 cognizant of some of the operational problems that
6 were being evidenced by the symptoms of this problem,
7 but we never pieced all that information together to
8 ultimately identify the source, and so that's
9 essentially what we're trying to convey is that we
10 did know a lot, we followed up on some of these
11 indications, but, ultimately, we never pieced all the
12 information together.

13 MR. HACKETT: In terms of the
14 recommendations now on slide 14, the report has an
15 Appendix A, which documents the detailed
16 recommendations that the team came up with. I
17 believe there are about 51 of them. What we tried
18 to do here is just stay at a fairly high level and
19 give you these eight categories in which the majority
20 of those recommendations fall. First on the list is
21 inspection guidance. One of the things that we're
22 looking at hard there or one of the recommendations
23 went to revising inspection guidance with regard to
24 RCS leakage and differentiation of RCS leakage and
25 RCPV, RCPV leakage and RCPV degradation. I think

1 it's fair to say the team found that some of the
2 guidance in that regard is not as clear as it could
3 be and there are some improvements that we could make
4 in that area. In terms of the operating
5 experience --

6 MR. HOWELL: Excuse me, Ed. Also
7 obviously we made some recommendations to address
8 future inspections of boric acid corrosion control
9 programs. I mentioned earlier, the NRC had an
10 inspection procedure to conduct essentially
11 programmatic reviews of licensee boric acid corrosion
12 control programs. This procedure was optional. It
13 was rarely implemented not only at Davis-Besse -- it
14 was never implemented, but nationwide it was rarely
15 implemented over the 10 plus years that it was in
16 force, and so one of the recommendations is to go
17 back and revisit the decision to cancel that
18 procedure, and, in addition to that, we made a number
19 of other recommendations. I believe fully a third of
20 our recommendations are in the inspection guidance
21 area. We made some recommendations pertaining to
22 how we go about conducting assessments of corrective
23 action programs, employee concerns programs, safety
24 conscious work environment, as well as a number of
25 other areas including nozzle inspections, too.

1 MR. HACKETT: That's one of our
2 longer recommendations went to the operating
3 experience category and operating experience
4 assessment, particularly with regard to looking at
5 the longer term -- the longer term performance, and
6 I'll just read to you from some of that actually, but
7 we're looking at some directed recommendations in the
8 area of looking at the agency's capability to retain
9 operating experience indignation and perform longer
10 term operating experience reviews, also to evaluate
11 thresholds and criterion guidance for -- we talked
12 about these generic communications earlier for
13 issuing and following up on these generic
14 communications. We're looking at evaluating the
15 effectiveness of our generic issues program. We
16 didn't talk a whole lot about that tonight, but
17 that's an element of the longer term aspect of this,
18 and also evaluating our effectiveness internally with
19 the dissemination of operating experience to the
20 ultimate end users within the NRC. We didn't talk a
21 whole lot about the foreign experience, but there was
22 a wealth of experience that was available to the NRC,
23 particularly from the French program that was not --
24 I use the word again, internalized, as well as it
25 could have been or not may be disseminated as well as

1 it could have been. With regard to the --

2 MR. HOWELL: If I could just add
3 one other example of --

4 MR. HACKETT: Sure.

5 MR. HOWELL: Sorry. We also made a
6 recommendation -- as you could imagine over the
7 years, the NRC has issued many, many generic letters
8 and bulletins on a variety of safety issues,
9 different technical areas, and so one of our
10 recommendations is to go back and revisit on a
11 sampling basis some of those generic letters and
12 bulletins that were issued in the past to verify
13 whether or not the actions that were indicated to be
14 done actually addressed the problem, so we think
15 that's one of our more important recommendations in
16 this area.

17 MR. HACKETT: I mentioned the ASME
18 code earlier. The American Society of Mechanical
19 Engineers has a code of requirements for inspections
20 for nuclear power plants. It's called Section 11 of
21 the ASME code. The NRC endorses Section 11 of the
22 ASME code through our regulations. 10CFR50-55A.
23 One of the things we found early on with these types
24 of inspections is all that was relied upon for
25 evaluation and leakage from nozzles or potential

1 cracks in vessel head penetration nozzles were visual
2 examinations. These visual examinations could be
3 done from quite a distance, these were examinations
4 they refer to as VT-2 examinations. In certain
5 cases, the nozzles themselves could be obscured by
6 the insulation. In other cases they could be
7 obscured by boric acid deposits which again when you
8 go back to the mind set that caused part of this
9 problem, that was something that wasn't really viewed
10 as a problem, so it goes to the inadequacy of the
11 ASME code inspection requirements, and the ASME code
12 is currently working on revising those requirements.
13 Some of the NRC staff are working closely with them
14 on that with the hope that somewhere within probably
15 the next year we'll have some revisions there that
16 hopefully will act in a positive direction, improving
17 the overall inspection requirements.

18 We had a fairly long recommendation that went
19 to NRC's programs and general capabilities, including
20 training and experience, but also went to questioning
21 attitude or lack of questioning attitude on the part
22 of our inspection activities, an inspection follow
23 up, and also, in particular, the issue of reactor
24 coolant system leakage and reactor coolant pressure
25 boundary leakage. Also going towards communicating

1 to the staff, expectations regarding inspection
2 follow up and maintaining the appropriate awareness
3 and surroundings when conducting inspections.

4 Leakage monitoring and requirements,
5 monitoring requirements and methods was an area that
6 the team had an awful lot of discussion on. The way
7 this -- the way this particular degradation is
8 inspected for, as I mentioned, is visual. One of the
9 problems that is incumbent in that situation is the
10 fact that you cannot make a connection between how
11 seriously cracked or degraded these nozzles are and
12 how much leakage is evident there. There is not a
13 one-to-one correlation, so inspecting visually just
14 for leakage can become very problematic. That's not
15 to say it's not helpful, but in terms of going from
16 there to the situation with how serious a potential
17 degradation I have is very problematic, so we have
18 several recommendations that go towards re-examining
19 the NRC requirements in this area. Our technical
20 specifications basically prohibit reactor coolant
21 pressure boundary leakage, but differentiating
22 between reactor coolant pressure boundary leakage and
23 unidentified leakage from the reactor coolant system
24 say that might be from flanges or other bolted and
25 flanges connections is very problematic. Basically

1 our recommendations in this area are going towards
2 trying to provide better assurance of no reactor
3 coolant pressure boundary leakage.

4 In terms of technical information and
5 guidance, I think Art mentioned that several times.
6 There is a wealth of information available on stress
7 corrosion cracking in this particular case and boric
8 acid degradation. One of the issues there is
9 appropriate training of the NRC staff to be focused
10 on these issues and looking. In this case the
11 recommendation goes not just to the situation, but
12 well beyond. There are many penetrations of the
13 reactor coolant pressure boundary in a nuclear power
14 plant. A lot of them are Inconel 600 or stainless
15 steel. These materials are susceptible to these
16 degradation phenomena. One of the recommendations
17 goes towards making sure the NRC staff, and
18 particularly the inspection activity has the
19 appropriate awareness in that category.

20 NRC license processes I discussed before, but
21 there were some areas I maybe didn't mention in the
22 case of some contributing factors that, you know, we
23 need to do better on in terms of our project
24 management effort at the NRC headquarters. We have
25 project managers that oversee the activities at the

1 plants, at all the plants, at headquarters, and a
2 couple of cases here at least --

3 MR. HOWELL: Ed, I just want to
4 add, from a licensing prospective --

5 MR. HACKETT: From a licensing
6 prospective, not an inspection prospective. In that
7 case, in the case of Davis-Besse there was a
8 significant amount of turnover in this project
9 management staff during the 1990's, more than we
10 would have liked to have seen. There were less
11 frequent site visits by the project manager and staff
12 during that time frame also which goes contrary to
13 some of what we like to see in terms of the NRC
14 guidance. There is also an issues with review of
15 topical reports. These topical reports I mentioned
16 earlier were actually, you know, quite descriptive in
17 terms of analyzing the potential for the type of
18 degradation that was seen at Davis-Besse ultimately,
19 and they were reviewed by the NRC staff, but I don't
20 think connections -- appropriate connections were
21 made particularly between the boric acid degradation
22 and the stress corrosion cracking issue.

23 The last piece here and then I'll turn the
24 presentation back over to Art regarded previous
25 lessons learned reviews. We have an Appendix F in

1 the report that did a -- I think what we call a
2 cursory look at previous lessons learned, of the
3 lessons learned reviews that the NRC has conducted to
4 look for some common themes. As you'd expect in any
5 kind of structural or human failure situation, there
6 are some common themes, so one of the recommendations
7 that the team made was for the NRC to conduct an
8 effectiveness review of these lessons learned
9 activities to make sure we're learning the lessons
10 from the lessons learned and that these things aren't
11 just going to sit on the shelf, and with that, I
12 think we'll turn it back to Art and talk about some
13 future plant activities with the -- for the
14 following.

15 MR. HOWELL: Thanks, Ed. The next
16 slide, as I mentioned, the report was issued last
17 month and so many of you may be wondering, well, what
18 will become of these recommendations, and the NRC's
19 approach to understanding the issues from a
20 regulatory perspective at Davis-Besse is really a two
21 step approach, and the first step is what we're
22 talking about here tonight, and that is to conduct a
23 lessons learned review by senior staff members who
24 are familiar with the subject matter who are
25 independent in the sense that they've had no

1 significant oversight at Davis-Besse activities and
2 to identify issues and make recommendations, and
3 we've done that. The next step is already underway
4 and that is the agency has formed a -- a team of
5 senior executives, very high level team to not only
6 assess our recommendations and review them, but also
7 really to go through the whole entire report to see
8 if there are other issues that may need to be
9 addressed that we didn't make recommendations to
10 address, and so that effort is underway, has been
11 underway for a number of weeks, and it's expected
12 that -- that the senior management review team will
13 complete its activities in the near future, in the
14 next few weeks or certainly before the end of the
15 year.

16 I just wanted to point out that even though
17 we have made 51 recommendations, many of them -- not
18 many, but some -- some of the more important ones are
19 already being addressed. For example, the NRC has
20 already issued another bulletin which would suggest
21 that more stringent nozzle -- vessel head nozzle
22 inspections may be needed, and, in fact, a number of
23 plants throughout the country are in refueling
24 outages right now and many are conducting more
25 stringent inspections as recommended in the bulletin

1 and additional cracking has been found.

2 Now, the degradation to the extent that
3 occurred at Davis-Besse has not been found at other
4 plants, but the nozzles that leaked at Davis-Besse,
5 similar nozzles have been found if not to be leaking
6 to at least have been found cracked and at some point
7 may have resulted in leakage had they not been
8 detected through these more stringent inspections.

9 Also the NRC is well underway in plans to
10 obtain additional information from other reactor
11 plants, nuclear plants throughout the country in
12 terms of their boric acid corrosion control programs
13 and once that information is obtained, then
14 additional future actions will be identified as
15 appropriate, and then, finally, we mentioned that
16 we've made a number of recommendations pertaining to
17 inspection guidance and some of that guidance is
18 already in the process of being revised. The
19 inspection procedure may not be issued yet, but the
20 individual procedures are being reviewed and revised
21 in a number of instances already, so, in other words,
22 action is being taken even though the senior
23 management review team is reviewing all of the
24 recommendations in the report and will make its
25 findings available to the public before the end of

1 the year.

2 So, with that, we are at the end of our
3 prepared remarks and what we'd like to do now is move
4 onto the question and answer phase, and the team --
5 we're going to come down to the front of orchestra
6 pit, we have a microphone down there to give
7 everybody an opportunity to ask questions, make
8 comments, and then we'll adjourn the meeting after
9 folks have had an opportunity to do that. I think
10 the schedule has us going until about 9 p.m. We'd
11 like to try to keep to the schedule.

12 There's really two methods in which one can
13 ask a question or make a comment. One is to come to
14 the podium here, identify yourself, and then ask your
15 question, make your comment. Another is, we have
16 some cards, is that right, some folks, if you would
17 prefer, you can write your question on a card, you
18 can pass it up, and then we'll read the question.

19 We're going to give priority to questions
20 that are within the scope of the task force. If
21 there are other questions that are outside of the
22 scope of the task force, if we're not in a position
23 to answer them, then we'll try to obtain the contact
24 information so we can get back to you at a later
25 date, and, finally, since we are scheduled to go

1 about another hour and 10 minutes, there's a number
2 of folks in the audience, you want to just be mindful
3 of giving everybody an opportunity to ask questions,
4 and, in particular, I'd like to extend an invitation
5 to the folks that live near the community to ask
6 their questions first, so we can take a very short
7 break, five minutes, gives us an opportunity
8 basically just to walk down in front of the orchestra
9 pit, and then we'll resume the meeting. Thank you.

10 THEREUPON, a brief recess was taken.

11 MR. HOWELL: Okay, we'll go ahead
12 and resume the meeting. At this point we do want to
13 go into a question/answer phase, so I invite members
14 of the audience to come up to the podium or pass
15 their cards forward.

16 MR. WHITCOMB: Good evening to the
17 members of the panel. My name is Howard Whitcomb.

18 MR. HOWELL: Good evening, Howard.

19 MR. WHITCOMB: And I am a resident of
20 Oak Harbor. I have had an opportunity to read your
21 report and make some comments. It is a -- I mean,
22 it's a monumental effort in terms of number of pages,
23 and I don't intend to get into the nitty-gritty
24 details. I'm going to give you a couple of prepared
25 comments that I've made in terms of some things that

1 I think, perhaps are missing from your report.

2 The contents of the NRC's Lessons Learned
3 Task Force report clearly indicates the NRC is given
4 greater weight to the technical issues surrounding
5 the degraded reactor vessel head than it has to the
6 problematic NRC oversight issues regarding the
7 Davis-Besse Nuclear Plant. The findings of the task
8 force even attempt to provide a rationale that the
9 NRC's actions over the last decade rise to the level
10 of "excusable neglect." It appears that the Lessons
11 Learned Task Force has chosen to ignore the realities
12 of the relationship which has existed between the NRC
13 and FirstEnergy managements over the last 17 years.
14 The problems at the Davis-Besse Nuclear Plant
15 resulted from a lack of technical and management
16 integrity. While the findings in the report attempt
17 to address the technical issues with some vigor, it
18 fails to forthrightly address the apparent loss of
19 management integrity regarding both the FirstEnergy
20 and NRC staffs.

21 On June 12th, Mr. Howell, as team leader of
22 the NRC's Lessons Learned Task Force, you stated that
23 as part of your review, the team would review the
24 allegation history pertaining to the Davis-Besse
25 facility and determine if the NRC had appropriately

1 dispositioned those allegations. Nowhere in the
2 report is there any discussion about a review of the
3 allegation history of the Davis-Besse Nuclear Power
4 Plant. Had an appropriate review of the allegation
5 history been performed, the team would have found at
6 least nine separate allegations regarding the
7 occurrence of specific reported improprieties at the
8 Davis-Besse Nuclear Plant during the period of time
9 from January 1993 to present. The team would also
10 have discovered that the regional NRC office
11 improperly dispositioned a certain alleged material
12 false statement made by Toledo Edison management
13 personnel to the NRC in September of 1988. It is
14 inconceivable that a thorough review of the
15 allegation history at Davis-Besse could possibly
16 overlook the significant dispositional error on the
17 part of NRC management.

18 The Lessons Learned Task Force did not
19 include the allegation history at Davis-Besse in its
20 final report because either:

- 21 1. The Lessons Learned Task Force did not
22 conduct a review of the allegation history at
23 Davis-Besse as was promised on June 12th or
- 24 2. The Lessons Learned Task Force members
25 were not qualified or adequately competent to

1 determine whether the disposition of the past
2 allegations at the Davis-Besse facility had been
3 performed in accordance with Federal law, or

4 3. The Lessons Learned Task Force
5 deliberately ignored the allegation history and the
6 NRC's prior dispositions at the Davis-Besse Nuclear
7 Plant.

8 Any one of the three choices is problematic.
9 First, the failure to perform a review of all -- a
10 review at all is contrary to the expectations of the
11 public, particularly since the public's expectation
12 is based on specific assertions made by you, Mr.
13 Howell, on June 12th.

14 Secondly, the use of unqualified or
15 incompetent inspectors is unlikely in light of the
16 number of personnel employed by the NRC.

17 Finally, the most likely possibility is that
18 the NRC has reviewed the allegation history at
19 Davis-Besse and has chosen to sidestep making a
20 critical assessment of the NRC's mis-handling of past
21 allegations at the Davis-Besse Nuclear Plant. Such a
22 decision violates the public's trust and confidence
23 in the NRC's ability to fulfill its responsibility
24 regarding the protection of the health, safety and
25 welfare of the public.

1 The executive summary of the report further
2 claims that the managers and staff members of the
3 NRC's regional office responsible for the Davis-Besse
4 Nuclear Plant oversight were more focused on other
5 plants that were the subject of increased regulatory
6 oversight. The report further claims that the
7 distracted management attention contributed to
8 staffing and resource challenges impacting the
9 regulatory oversight of the Davis-Besse Nuclear
10 Plant. The NRC is fully aware of the problematic
11 history at Davis-Besse over the last 17 years. It
12 cannot now feign ignorance of the problems or blame
13 events at other facilities as the basis for why
14 aggressive action was not focused at the Davis-Besse
15 Nuclear Plant. The warning signs of waning problems
16 were either apparent or presented to the NRC staff
17 through the established program for processing and
18 investigation -- investigating allegations submitted
19 to the NRC. What the Lessons Learned Task Force
20 failed to identify in its report is that the
21 established program for processing allegations was
22 inadequate to intervene and prevent the current
23 inability of the typical Davis-Besse worker to raise
24 genuine concerns and safety issues without fear of
25 reprisal. What has again been demonstrated is that

1 when the process fails, reactor safety is
2 compromised.

3 The lack of management integrity at both the
4 Davis-Besse Nuclear Plant and the NRC is the root
5 cause of the current problems at Davis-Besse. The
6 reactor vessel head degradation is only a symptom of
7 that problem. Over the last several months,
8 FirstEnergy's management has continued to violate
9 quality assurance requirements and generally accepted
10 maintenance practices. FirstEnergy's management
11 continues to mislead and deceive the public about
12 matters of significant general interest regarding the
13 Davis-Besse Nuclear Plant. The lack of any
14 recommendations in the final report, Section 3.3.6
15 titled "Davis-Besse Nuclear Power Station
16 Communications" clearly shows that the NRC either
17 does not consider the lack of management integrity as
18 being a foundational building block in assuring
19 reactor safety or it refuses to consider it at all.
20 Either way, reactor safety is compromised.

21 It is time for the NRC to discontinue the
22 practice of affording FirstEnergy management
23 disparate and preferential treatment in comparison to
24 the rest of the industry. FirstEnergy's deleterious
25 actions over the last 17 years clearly deserve more, -

1 not less, critical treatment, particularly since
2 FirstEnergy's management has conceded that at times
3 they have placed production demands over reactor
4 safety. It is time for an independent review of the
5 NRC and Davis-Besse management issues as requested by
6 the 2-206 petition submitted earlier this year.
7 This review should focus on an independent and
8 critical assessment of the integrity of both the NRC
9 and FirstEnergy managements. Additionally, it is
10 time that the legislative branch of the Federal
11 Government investigate the continued and sustained
12 ability of the NRC to fulfill and execute its
13 responsibility in an independent and unbiased manner,
14 and without alternative motive other than ensuring
15 the health, safety and welfare of the public. Thank
16 you.

17 MR. HOWELL: Thank you, sir. Mr.
18 Whitcomb, you raised a number of issues over the last
19 few minutes, and, forgive me, but we'll try to
20 respond to them. One of the things that I would
21 suggest if you're willing is that perhaps if you have
22 some time that we can get together so we can more
23 fully understand your issues. We can either do that
24 after the meeting or the next day or by phone, but in
25 the short term, what we'd like to do is try to

1 address some of the points you just raised.

2 MR. WHITCOMB: I will make myself
3 available, and I will talk to you after the meetings,
4 so that we can set up some kind of a meeting.

5 MR. HOWELL: Thank you. First, I
6 just wanted to, as a matter of process, we didn't
7 really go too much into our methodology during the
8 presentation, but the fundamental question that we
9 try to answer as part of our review, bearing in mind
10 that our focus was primarily -- introspective, was
11 why the event was not prevented, and once we settled
12 on that as a focus, that drives you to consider
13 certain information and to answer that question and
14 that's what we set out to do. Now, as part of that,
15 we did conduct fact-finding at the site as the folks
16 here know as we discussed during the meeting.
17 Section 3.2 of the report does go into some detail
18 about some of the management issues in terms of not
19 handling safety issues appropriately as we identified
20 them through the course of our review.

21 Now, I'm not sure that -- based on your
22 comments, Mr. Whitcomb, I get the impression that you
23 don't feel that those are fully satisfactory in terms
24 of the discussion there, but clearly Section 3.2.5
25 was intended to articulate our concerns with some of

1 the management lapses that we identified by reviewing
2 material that dated back some 10, 12 years prior to
3 the event.

4 Secondly, I would point out that we did
5 conduct a review of the allegation history, not only
6 for Davis-Besse, but the other FirstEnergy plants,
7 and Mr. Haag is going to address the scope of that
8 review. Bob?

9 MR. HAAG: Our intent was never
10 to look at every allegation at -- through FirstEnergy
11 sites and try to verify that they were handled
12 properly. What we were doing is we were looking for
13 similarities and allegations related to our mission
14 and by submittal to the task force. As far as boric
15 acid corrosion with problems with the way the
16 utilities were handling boric acid corrosion program,
17 allegations dealing with nozzles, and that was our
18 scope of looking at the allegations, not to look at
19 every one in detail and verify that they were handled
20 properly, so I'm not sure where you got that
21 impression that we were looking at all of them, you
22 know, in that level of detail. That was part of our
23 inspection charter. We had a very detailed charter,
24 you know, where we looked at a number of areas. The
25 reason we didn't have anything in the report is

1 because our review did not identify any problems
2 related to previous allegations that would have
3 brought light on the issue at hand.

4 THEREUPON, Mr. Haag conferred with Mr.
5 Howell.

6 MR. HAAG: The one allegation you
7 mentioned, the 1998 allegation, we did some review of
8 that, some of the letters and correspondence that
9 were going back and forth between the alleged
10 providing the basis for that. We reviewed that,
11 and, you know, that did not relate again to what we
12 were doing, but we did look at that because there was
13 a request from our management to review it, and there
14 was nothing we saw in that correspondence and the
15 issues that were brought up that, you know, that
16 would give us reason to look at it in more depth and
17 try to provide some view of whether it was handled
18 properly, but, again, we did look at that in more
19 detail than the other ones. The other ones were
20 basically just a review of the issues. We had the
21 region that the sites were located provide us a
22 historical listing of all the allegations and provide
23 us enough description where we could understand what
24 the issue was, and I think we went back 10 years.

25 MR. HOWELL: At least.

1 MR. HAAG: As far as looking at
2 what allegations had been provided at the three
3 sites.

4 MR. HOWELL: And, again, after the
5 meeting we'll get with you, Mr. Whitcomb.

6 MR. WHITCOMB: (Nod indicating yes).

7 MR. HOWELL: Any other questions?

8 MS. SPAULDING: My name is Helen
9 Spaulding, I live in Port Clinton.

10 MR. HOWELL: Good evening.

11 MS. SPAULDING: And I have several
12 questions. I know that you have a dual function --
13 oh, if you lean on this it moves. I know that you
14 have a dual function at the NRC to both regulate and
15 encourage the use of nuclear power, and the building
16 of nuclear reactors.

17 MR. HOWELL: Actually, that second
18 statement is not part of our role, we do not
19 encourage the use of --

20 MS. SPAULDING: Oh, when did they take
21 that out?

22 MR. HOWELL: When the agency was
23 split apart from the atomic energy agency and
24 their --

25 MS. SPAULDING: The atomic energy

1 commission was, is the NRC, so I would submit that
2 you still probably are charred with both at least
3 according to the regulations that I have been
4 reading. Perhaps, there have been updates more
5 recent than 2002.

6 MR. HOWELL: Right, it's not part
7 of our charter.

8 MS. SPAULDING: It wasn't in the copy
9 I read; however, shortly after the shut down and
10 permitting Davis-Besse to continue operating despite
11 the findings in March until it was time for their
12 scheduled shut down, you gave Davis-Besse your Golden
13 award after the inspection. Why the hell did you do
14 that?

15 MR. HOWELL: Can you help me out in
16 terms of Golden award? Are you referring to the --

17 MS. SPAULDING: I am referring to the
18 award that you all gave Davis-Besse right after the
19 inspection for their efficiency and operation of the
20 plant. It was referred to as the Golden award. It
21 kind of goes along with their little sign that has
22 been saying six million hours with no lost time
23 accidents. It now says seven million hours with no
24 lost time unless, of course, the media is around then
25 they turn the little sign off. Even here on the

1 first page of the update that we picked up today in
2 the first paragraph, Containment Extent of Condition
3 Inspection, Part 2, found that plant personnel were
4 properly trained and qualified to identify components
5 and systems inside the building that could be
6 affected by boric acid deposits and corrosion. They
7 used adequate tools and followed adequate quality
8 standards and guidance, so how come they had a hole?

9 Paragraph 3, same page, plant personnel
10 performing these inspections weren't properly trained
11 and certified. Excuse me, but that seems to be in
12 contradiction. Would you explained that, please?

13 MR. HOWELL: I can't, because I
14 don't know what document you're referring to, ma'am.

15 MS. SPAULDING: This one, right there.
16 I've underlined the parts. Help yourself.

17 MR. HOWELL: Roland, Jan, I think
18 she's referring to the NRC Update. Perhaps you can
19 provide some clarity.

20 MR. LICKUS: Yeah, what you're
21 referring to is a recent inspection that was just
22 completed that looked at the individuals that were
23 doing work by the Utility to identify components and
24 systems within containment.

25 MS. SPAULDING: Were those the