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PUBLIC MEETING

Between U.S. Nuclear Regulatory Commission 0350 Panel
and FirstEnergy Nuclear Operating Company

Meeting held on Wednesday, November 12, 2003, at
7:00 p.m. at Oak Harbor High School, Oak Harbor,
Ohio, taken by me, Marlene S. Lewis, Stenotype
Reporter and Notary Public in and for the State of
Ohio.

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PANEL MEMBERS PRESENT:

U.S. NUCLEAR REGULATORY COMMISSION

John (Jack) Grobe, Chairman for 0350 Panel
Davis-Besse facility

Christine Lipa, Branch Chief, NRC, Region III

William Ruland, Vice Chairman, MC 0350 Panel

Monica Salter-Williams, Resident Inspector at
Davis-Besse facility

Scott Thomas, Senior Resident Inspector at
Davis-Besse facility

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1 MS. LIPA: Welcome, everyone!
2 My name is Christine Lipa, I work for the Nuclear
3 Regulatory Commission, and I'm a Branch Chief out of
4 Region III office, which is in Lisle, Illinois near
5 Chicago. Thank you all for coming.

6 This is a public meeting to discuss the
7 results of an afternoon session that we had and also
8 to allow any members of the public -- anybody who has
9 comments or questions for us to share them, so what
10 we're going to do is Monica is going to give us a
11 summary of the afternoon session, and then we're
12 going to open it up for comments and questions, but I
13 wanted to go through a few introductions.

14 On the way in tonight, there was the NRC
15 Update, and this is a monthly newsletter that we've
16 been preparing, and it provides a lot of updates on
17 things that we've been doing and has the Restart
18 Checklist that we have been following, and we've
19 closed 22 of 31 items and those are all statused in
20 here.

21 It also on the last page has information for
22 how you can reach our Public Affairs folks in Region
23 III, and the Web site information and phone numbers,
24 so there's a lot of good information in here.

25 There's also a public meeting feedback form

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1 that you can fill out and mail back to us to let us
2 know how this meeting went, provide any feedback that
3 you have. We tried to incorporate a lot of those
4 feedbacks over the months that we've been holding
5 these meetings, so let me start off with some
6 introductions here. Bill Ruland is the Senior
7 Manager out of NRR.

8 MR. RULAND: (Indicating).

9 MS. LIPA: And he's the Vice
10 Chairman of the panel.

11 Jack Grobe is the Chairman of the panel.
12 He's a Senior Manager in the Region III office.

13 Monica Saltzer-Williams --

14 MS. SALTZER-WILLIAMS: (Indicating).

15 -- is a Resident Inspector at the Davis-Besse
16 office, and Scott Thomas is also --

17 MR. THOMAS: (Indicating).

18 MS. LIPA: -- he's the Senior
19 Resident. He's also at the Davis-Besse office.

20 We've also got Dave Passahl.

21 MR. PASSAHL: (Indicating).

22 MS. LIPA: He's a Project
23 Engineer out of the Region III office.

24 Jack Rutkowski is another Resident
25 Inspector --

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1 MR. RUTKOWSKI: (Indicating).

2 MS. LIPA: -- at the Davis-Besse
3 facility. We now have three of them that are there
4 full-time, day-to-day. They live in this area.

5 We also have Jeff Wright, who is a Team
6 Leader for one of the inspection teams, management
7 and human performance, which is ongoing.

8 MR. WRIGHT: (Indicating).

9 MS. LIPA: And we have Doug
10 Weaver, who's a Region III Coordinator with the
11 Executive Director for Operations office.

12 MR. WEAVER: (Indicating).

13 MS. LIPA: And Jon Hopkins is
14 the Project Manager out of headquarters in NRR.

15 MR. HOPKINS: (Indicating).

16 MS. LIPA: Viktoria Mitlyng.

17 MS. MITLYNG: (Indicating).

18 MS. LIPA: She's Public Affairs
19 in the back, and there will be some others that are
20 just late getting back from dinner that should be
21 joining us shortly, so that's about all I have for
22 opening comments for now, and I'll turn it over to
23 Monica to summarize the afternoon session.

24 MS. SALTZER-WILLIAMS: The afternoon session
25 initially began with the NRC discussion of the

1 corrective action team inspection results, a review
2 of the operation issues and inspection report
3 2003-018, discussion of the completeness and accuracy
4 of information inspection, and an inspection of the
5 licensee's NOP test, which is the normal operating
6 pressure -- normal -- normal operation temperature
7 test.

8 On behalf of FENOC, the Chief Operating
9 Officer discussed progress toward restarting the
10 facility. Specifically, he mentioned that there were
11 22 of the 31 NRC Restart Checklist items that are
12 completed, and he discussed several hardware and
13 software issues that have been resolved.

14 There was a follow-up by the Director of
15 Engineering, who discussed efforts to improve the
16 quality of engineering calculations, and these
17 efforts included calculation process improvements,
18 results of an independent assessment by
19 architect/engineering -- architect/engineers, their
20 immediate improvement actions and their calculation
21 improvement plan.

22 The Director of Support Services discussed
23 efforts to improve the corrective action program,
24 specifically, improving apparent cause evaluation
25 quality, improving the quality and rigor of the

1 documentation associated with corrective actions,
2 increased management involvement, and resuming
3 trending of corrective actions and condition report
4 issues.

5 The site Vice President discussed the NOP
6 test conclusions; specifically, that there was no
7 leakage discovered or -- an association with the
8 incore nozzles that are located on the bottom of the
9 reactor vessel head, that no leakage was noted on the
10 control rod drive mechanism nozzles and on the upper
11 reactor vessel head and that several issues were
12 identified in terms of operator performance.

13 The plant Operations Manager discussed the
14 Operations Improvement Action Plan. Specifically, he
15 addressed efforts to improve the Operation Department
16 in five years; operations oversight and leadership,
17 transition from an outage focus to an operations
18 focus, reinforcements of standards and expectations
19 to strengthen the knowledge and skills of the
20 operators, and improvements in the quality of
21 condition report investigation.

22 That was followed by a presentation by the
23 Restart Action Plan owner, and he discussed several
24 key event dates on their restart schedule.

25 That was followed by a summary from the Chief

1 Operating Nuclear officer, and that definitely kind
2 of is a big overview of the items discussed earlier
3 this afternoon.

4 MR. GROBE: Thanks, Monica. Why
5 don't I start off, while you all are getting warmed
6 up with your questions, just describing a little bit
7 of the process that the NRC will go through from here
8 until the panel's evaluation of whether this plant is
9 ready to be restarted. Currently the utility is
10 completing a number of hardware changes,
11 improvements, including the high pressure injection
12 pumps that we have been discussing for a number of
13 months, electric power distribution, improvements
14 inside the plant.

15 We've also been discussing those over the
16 last several months and other modifications that
17 still need to be made for the hardware, as Monica
18 indicated. They're also making what we call
19 software improvements and processes, those are
20 primarily driven by the results of the two
21 inspections, recent inspections. During the normal
22 operating pressure tests, as Monica summarized, the
23 condition of the reactor coolant system was very
24 good. There was very, very low leakage from
25 components associated with the reactor coolant

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1 system, so from the standpoint of the condition of
2 the reactor coolant system, the test was a
3 significant success. Unexpected outcomes had to do
4 with the effectiveness of the operating organization,
5 and there were a number of problems that occurred in
6 the implementation of procedures. There were also
7 some deficiencies identified in procedures and
8 training, things of that nature. The outcome of
9 these operational problems was that, on two
10 occasions, safety systems actually that shouldn't
11 have actuated, the equipment was doing things that
12 was not planned by the operators, and that's never a
13 good situation, operators need to have firm control
14 of everything that's going on in the plant at all
15 times, and as a result of those findings, FirstEnergy
16 conducted what they call a collective significance
17 assessment, and that's looking at everything that
18 they learned and pulling it all together and figuring
19 out what happened and what needs to be done, and
20 they've identified a whole series of activities to
21 improve the readiness of the operations organization
22 for restart. Those activities are ongoing, have
23 been for a number of weeks and will continue to be
24 ongoing for a number of weeks. That's the hardware
25 and the software side.

1 The other part of the software, the side that
2 they discussed this afternoon, was the Corrective
3 Action Program improvements. We completed an
4 extensive Corrective Action Program and inspection
5 and found a number of issues that led us to believe
6 that there were a couple of themes or a couple of
7 areas where there appeared to be opportunities for
8 improvement. One of those had to do with problem
9 solving focus for lack of a better phrase. It was
10 the way in which people were thinking about the
11 problems that they observed, documenting them and
12 evaluating the apparent cause of the problems.
13 FirstEnergy laid out a series of activities that they
14 are undertaking to improve in that area.

15 The second area had to do with calculations
16 and analyses, what we call engineering work products,
17 and a number of the issues that we looked at -- these
18 are activities which the engineering organization is
19 implementing to correct problems, had errors in the
20 calculations. There were a total of 25 violations
21 identified, and that's a fairly large number of
22 violations for this type of inspection. The -- all
23 of those violations were of very low risk
24 significance. The only thing that was concerning was
25 these trends and several of the violations that

1 indicated there were some areas of weakness.

2 As Monica indicated, Jim Hires described a
3 series of activities that they have undertaken to
4 improve in the engineering quality area also, so
5 those activities are going on.

6 The utility also described in some detail the
7 steps that they're going to go through internally to
8 be ready for restart as far as reviews and approvals,
9 and those include safety culture assessment, safety
10 conscious work environment assessments, reviews by
11 various oversight panels that they have internal to
12 their organization, and those will all culminate in
13 December.

14 The final inspection -- we have a number of
15 inspections that are ongoing right now today. The
16 final inspection will be on restart readiness
17 assessment team inspection. We call it the RRATI.
18 We probably should have come up with a better name
19 that resulted in a better acronym, but that will be a
20 group of folks that we're going to be flying in from
21 around the country who are experts in plant
22 operations, so it will be led by the Senior Resident
23 Inspector from the Byron Station in Illinois and
24 there will be a number of Resident and Senior
25 Resident Inspectors from other stations around the

1 country, and that inspection will occur at the time
2 the utility is taking the plant to Mode 4 and Mode 3
3 for the second time. They did it the first time for
4 the normal operating pressure test. That will be
5 the last significant inspection activity that we
6 have.

7 The utility indicated that they planned on
8 sending us their compendium of reasons why the plant
9 is nearing readiness for restart on November 24th.
10 I expect that that will be a lot of history of
11 everything that you've been hearing us talk about for
12 the last 18 months, plus a current assessment of
13 where they are today -- today being November 24th, so
14 there's a lot of activities that are all going to
15 come together at the end, and from the NRC's
16 perspective this will be culminated with the Restart
17 Readiness Assessment Team Inspection. That
18 inspection will occur -- it's currently scheduled
19 for -- to begin December 8th -- is that right?

20 MS. LIPA: Yes.

21 MR. THOMAS: Uh huh.

22 MR. GROBE: And that's to conform
23 with their schedule. It will occur when they change
24 to Mode 4 and 3, so if that occurs that week, then
25 that's when the inspection will start. If it occurs

1 at a different time, then the inspection will follow
2 whenever that happens, because that's the next
3 opportunity for us to observe the integrated
4 operations -- complex integrated operations and get
5 an understanding of how the operators are performing
6 and how the rest of the organization and maintenance
7 and engineering and other support elements through
8 operations are performing in their supportive role.

9 Following the results of the Restart
10 Readiness Assessment Team Inspection, the panel will
11 be considering those inspections as well as all of
12 the other inspections, and if the panel finds that
13 the inspection findings support a recommendation for
14 restart, it will document that recommendation and
15 provide it to Jim Caldwell. Jim is the Regional
16 Administrator in Region III, he's my boss, and Jim
17 has the authority to authorize restart.

18 I'm sure Jim will have lots of questions for
19 us, and he would consult then with the Director of
20 the Office of Nuclear Reactor Regulation. That's
21 Bill's boss, and that's a person that's in
22 Washington. He has responsibility for all of the
23 nuclear power plants in the United States, and the
24 Deputy Executive Director for Reactors, that
25 individual reports to the top official in the agency,

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1 so Jim will consult with those two individuals. They
2 will also receive copies of the panel's
3 recommendation, and Jim will make the final decision
4 on whether or not the NRC is ready to authorize
5 restart.

6 There will be one more -- at least one more
7 public meeting before restart, but the last public
8 meeting is what we call the restart, and that's not a
9 meeting where we make a decision. That's a meeting
10 when we receive the Company's final presentation -- I
11 apologize, there is a meeting on December 3rd, which
12 is our next routine panel meeting, and then this
13 meeting will occur sometime after that. We will
14 give our normal 10 days' public notice of when that
15 meeting will occur. That notice will likely come
16 out while the licensee is in the midst of these
17 complex operations that I was talking about in Mode 4
18 and 3, and if everything goes well, the meeting
19 should occur -- notice. If things are not going
20 well, then the meeting will be delayed, so, from our
21 standpoint, this plant won't be restarted until we're
22 convinced that it will be safe, and we've got a
23 number of activities that we have to do between now
24 and then, and one of the most important is the
25 Restart Readiness Assessment Team Inspection.

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1 There's, I think, nine checklist items left.
2 The vast majority of those, most of the work is
3 already done. There's one or two specific items
4 that we still need to follow up on, the utility is
5 working on. The one that will likely be the last
6 one to be closed is checklist item -- is it 5-C,
7 Operations Readiness for Restart, and the RRATI will
8 be the significant contributor to the panel's
9 assessment of that checklist, so that's kind of, in a
10 nutshell, the process from here on.

11 Again, I want to emphasize that the NRC is
12 not held to any sort of schedule. The plant won't
13 restart until we're convinced it can do so safely and
14 be reliably operated after restart, so at this point
15 why don't we open it up to the floor, and we have a
16 fairly robust crowd this evening, so why don't we
17 start with local officials. If there is any local
18 officials or representatives of local elected
19 officials that are interested in providing a comment
20 or making a comment -- or asking a question, please
21 come forward. Carl?

22 MR. KOEBEL: Thank you. My name
23 is Carl Koebel, and I wish to speak on behalf of the
24 restart of Davis-Besse this evening. I have been
25 associated with Davis-Besse since its first day of

1 operation, as Director of Environmental Health at the
2 Ottawa County Health Department for 17 years and now
3 seven years as County Commissioner.

4 I helped establish the split sampling program
5 conducted between the State and industry to ensure
6 that no off site contamination ever occurred.

7 I understand the risks involved with the
8 production of nuclear energy, and I also understand
9 the demand for such production. I was probably more
10 shocked by what occurred at that plant last year than
11 any other resident of this County. I actually felt
12 betrayed, and I will admit that I did lose a little
13 trust in their ability to safely operate this
14 facility.

15 It has been said that the Ottawa County
16 Commissioners only want the tax dollars generated by
17 Davis-Besse. This is not true. Yes, Davis-Besse
18 is our largest employer, and they do generate a
19 sizable income for our County, but it is also an
20 industry that if not operated correctly would destroy
21 this County.

22 Ottawa County's largest industry is the
23 tourist related business, and even a minuscule
24 release of radioactive material from Davis-Besse
25 would be extremely detrimental to that industry. It

1 is doubtful that we would ever recover from it.

2 The financial impact of this County by a
3 failure at Davis-Besse far exceeds the benefits that
4 are generated by its tax dollars. Though our
5 concern is not generated on taxes and jobs, it is
6 centered on the safety for the residents and the
7 visitors to Ottawa County.

8 Once these hearings began, I saw the
9 determination of FirstEnergy and its employees not
10 only to correct the deficiencies found, but to
11 develop a work ethic that would prevent future safety
12 concerns. I found that the people of Ottawa County
13 believe that, as I do, that Davis-Besse has been a
14 good neighbor in the past, and though it stumbled,
15 it's still a good neighbor now.

16 We have witnessed the completion of over 100
17 modifications to the plant. The three County
18 Commissioners were given a tour of the facility
19 several months ago, and we saw firsthand the
20 modifications made within the reactor containment
21 building. Our County Administrator is an active
22 member of the Davis-Besse Restart Overview Panel.
23 We know that FirstEnergy has conducted well over
24 24,000 corrective actions, completed over 15,000
25 surveillance tests and made over 2,700 procedure

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1 changes. This type of action is not taken by a
2 company that doesn't care. It proves to me, and it
3 should to you, that FirstEnergy is committed to
4 operating Davis-Besse in the safest manner possible.
5 In connection with the physical changes, emphasis has
6 been placed on teamworking and developing a strong
7 work ethic revolving around safety.

8 You will hear from a lot of people tonight.
9 Those from this area I am certain will talk about the
10 improvements made, the return of public trust, and
11 the need to get Davis-Besse back on-line once all
12 corrections have been made and tests have been
13 conducted to assure compliance. If you listen, you
14 will hear the pride we have in this plant, in this
15 company, and these employees. Tonight you will also
16 hear from many individuals deeply concerned about
17 nuclear power generation. In their eyes the
18 generation of nuclear power is wrong and nothing can
19 be done to operate it safely. You and I both know
20 that this is not true. You will hear how they fear
21 living in the shadow of the plant, but actually they
22 are from communities many miles outside the 10 mile
23 emergency planning zone and outside the 50 mile
24 ingested zone. Listen to them as you should, but,
25 please, I urge you, do not allow their concerns to be

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1 considered as those of the community of Ottawa
2 County.

3 Yes, I did lose a little trust, but once this
4 problem was noted, the corrective actions were taken.
5 I have seen what has occurred at Davis-Besse over the
6 past several months. My trust in them is back, and
7 I believe FirstEnergy and Davis-Besse Nuclear Power
8 Station has proven themselves to be dedicated to the
9 safe operation of this plant, and I urge you to
10 continue to work with them to restart. Thank you.

11 MR. GROBE: Thanks, Carl.

12 THEREUPON, the audience applauded.

13 MR. GROBE: Just an observation.

14 In my career, I have been involved in five recoveries
15 of plants that have had problems and at none of those
16 other plants -- this is the fifth one, at none of
17 those other plants has the engagement of the County
18 administration been anywhere near what it is with us
19 in Ottawa County. We meet regularly, usually
20 monthly, with the Ottawa County Administrator and
21 several Board members and sometimes all three of
22 them, and they're deeply engaged in what's going on
23 and, quite frankly, holding us to doing our job well,
24 so I appreciate their involvement.

25 Does somebody else have a comment or

1 questions?

2 Are there any other representatives of
3 elected officials or public officials here tonight?

4 (NO AUDIBLE RESPONSE).

5 MR. GROBE: Good. Why don't we
6 take any questions or comments from local residents
7 in the area. Hello, Donna.

8 MS. LUEKE: Hi, Jack. My name is
9 Donna Lueke -- can you hear me?

10 MR. GROBE: Yes.

11 MS. LUEKE: Donna Lueke, and I am
12 a local resident of Ottawa County, and I'm here to
13 present a letter that has been signed by -- at this
14 point, 21 members of the local community. This
15 letter is to the NRC, to FirstEnergy, to PUCO, to the
16 Elected Officials, to Watchdogs, Advocates and
17 Reporters. I think that pretty much takes care of
18 everyone.

19 "As citizens of Ottawa County who live near
20 the Davis-Besse Nuclear Power Station, we offer
21 thanks and have requests.

22 Thanks to those with FirstEnergy and the NRC
23 who have had the courage and integrity to report the
24 problems at Davis-Besse and within FirstEnergy and
25 the NRC, and those who are striving to improve the

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1 plant's safety and the safety of all nuclear plants.

2 Thanks to the media, the watchdog groups and
3 elected officials who have stood up for the public
4 health and safety when the NRC and FirstEnergy failed
5 to do so.

6 Thanks to those demanding that the Ohio
7 Office of Consumers' Council and PUCO do a better job
8 on behalf of the local ratepayers.

9 We request:

10 We request that NRC Chairman Diaz reconvene
11 the Lessons Learned Task Force or a similar panel to
12 monitor how recommendations have been enforced and to
13 study the problems within the NRC that have surfaced
14 this past year, including those in the Inspector
15 General's reports.

16 We request that the NRC revisit petitions for
17 the addition of a watchdog panel and/or further
18 investigations for the oversight of Davis-Besse,
19 since the oversight of the NRC and FirstEnergy have
20 twice been insufficient to protect the public health
21 and safety.

22 We request that the NRC revoke Davis-Besse's
23 operating license until the design and all the
24 systems and procedures in the aging plant are
25 reviewed, inspected and scrutinized.

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1 In the light of the information showing how
2 close the stainless steel liner was to rupturing and
3 how key safety systems, the HPI pumps, the
4 containment coatings, the sump, the hydrogen
5 detection valve were ineffective or nonoperational,
6 that the NRC and FirstEnergy let the public know how
7 close Davis-Besse came to a major accident.

8 We request that PUCO personnel be true
9 consumer advocates.

10 We request that FirstEnergy management
11 seriously consider the serious concerns and proposals
12 from members of the public, members of Congress and
13 consumer advocates in a way that is not dismissive and
14 that discusses all possibilities, including closing
15 Davis-Besse or converting it to non-nuclear.

16 We request that FirstEnergy management forgo
17 raises and bonuses instead of passing along the cost
18 of their mistakes at Davis-Besse to us ratepayers and
19 to the shareholders.

20 And we request that FirstEnergy refrain from
21 making statements like last week's quote that
22 "nuclear power is far and away the safest form of
23 energy production" -- not when a nuclear power plant
24 comes as close to a disaster as Davis-Besse twice has
25 and not when nuclear power plants are at the top of

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1 terrorist hit lists, and not until there is a better
2 system for the safe storage and transportation of
3 spent fuel, and not when those running and regulating
4 nuclear plants fail to put safety before promotions
5 and profits.

6 Thank you again for all that you have done
7 and may you have the courage to do what still needs
8 to be done."

9 THEREUPON, the audience applauded.

10 MR. GROBE: Thank you, Donna.
11 As always, you've raised a number of very thought
12 provoking questions.

13 First let me just comment, we've received
14 some 4,000 or more letters and nearly a thousand
15 E-mails regarding the Davis-Besse facility, and it's
16 our intention to reply to every one of those. About
17 a thousand replies have been issued so far and over
18 the next couple weeks we'll complete that task, as
19 I'm sure you can appreciate. Responding to 5,000
20 correspondences is a rather huge task, and it's taken
21 us a number of weeks to get that done, but you've --
22 let me try to address your questions that you raised
23 for us. I'm not going to try to respond for
24 FirstEnergy or the Public Utility Commission, and if
25 I don't hit them all, please let me know.

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1 One thing you mentioned was that you
2 requested that Chairman Diaz reconvene the Lessons
3 Learned Task Force or some other type of evaluation
4 and study the problems, including the issues that
5 have been raised by our Inspector General's office.
6 That's already being done, every Inspector General
7 report gets evaluated and responded to, and I have
8 been involved in several dialogues regarding the
9 Inspector General's report.

10 In a large context, there wasn't a whole lot
11 of new information in the Inspector General's report
12 that wasn't already in the Lessons Learned Task Force
13 report. It's been carefully studied and will be
14 responded to, and we will pass on a copy of your
15 letter to Chairman Diaz.

16 MS. LUEKE: Well, one of the
17 reasons I brought that up, Jack, was because the
18 previous Chairman had pretty much said that negated
19 the Inspector General's first report, so I feel that
20 the new chairman ought to revisit that.

21 MR. GROBE: The first Inspector
22 General's report that the -- Chairman Meserve was
23 responding to was a completely different focus and he
24 did respond to that promptly and, quite frankly,
25 disagreed with it. This report is very much in line

1 with what we already know, and there are some nuance
2 differences between the Lessons Learned Task Force
3 report, and those will be carefully studied and
4 responded to.

5 You asked that we reconsider the petitions
6 for independent oversight. I can think of no plant
7 that has gotten more independent oversight than this
8 one, and including many hundreds of weeks of NRC
9 inspection, including contractors, independent
10 contractors, where we felt we wanted to augment
11 either our staffing levels or our expertise, for
12 example the corrective action team inspection that I
13 referred to earlier was a team of 10 people on site
14 for five weeks, comprised of five engineers from the
15 NRC and five contractors to get additional expertise
16 and resources.

17 The possibility of reconsidering a petition
18 can only come through, I guess, another petition.
19 It's a formal written process described in our
20 regulations, 10CFR2-- 206, and if you have the desire
21 to pursue that, that would be the way to do that.
22 You requested that all systems be reviewed. A
23 significant number of the systems have been reviewed,
24 including all of the systems that have the largest
25 risk -- what we call risk reduction worth. What

1 that means is they're the most safety significant of
2 the systems, and I believe the number is somewhere
3 over 99% of the risk reduction worth of the safety
4 systems have already been evaluated. We've
5 concluded that that process -- it's what FirstEnergy
6 calls their systems building block, was adequate, and
7 completed our inspection of that already. We don't
8 have any plans at this time to expand that prior to
9 restart as far as systems reviews. We still have a
10 specific number of issues we have to follow up on,
11 but we have no plans of expanding that beyond the
12 current systems that have been evaluated. The work
13 that FirstEnergy did and our inspection of it gives
14 us confidence in the safety systems at Davis-Besse.
15 The utility, however, has committed to continuing
16 what they call their latent issues review, and that's
17 kind of a funny name. It's essentially looking for
18 things that are not immediately obvious. It's why
19 it's called latent issues, and those are detail
20 design reviews in operation of user systems, and I
21 believe the commitment is to do five per year, or
22 something on that order, and that is what they refer
23 to as a business practice that they are planning on
24 doing that on a continuing basis, so it's something
25 that has become part of the culture at Davis-Besse.

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1 MS. LUEKE: Do you feel that that
2 will then encompass the fact that many of the parts
3 are not to original design?

4 MR. GROBE: I'm sorry?

5 MS. LUEKE: Many of the
6 replacement parts aren't as originally designed, so
7 is there a comprehensive look at how that impacts the
8 end --

9 MR. GROBE: Well, I'm not sure I
10 understand your question, but let me take a shot at
11 it. All of the replacement parts, you only have two
12 choices. You either have to return it to its
13 original design -- actually, you have three choices.

14 The second choice is you replace pumps or
15 valves or components, breakers, whatever it might be,
16 with differently designed components that achieve the
17 same function, and the utility has the opportunity to
18 do that without our review. They don't have to come
19 to us for our approval for that. If they choose to
20 change the design such that it's different than what
21 was originally licensed, then they are required to
22 come to us for approval of that, so there's a rather
23 lengthy document that might be on the order of five
24 to 10 feet of paper, it's called the Final Safety
25 Analysis Report, and it has a fairly detailed

1 description of all of the important safety systems of
2 the plant, and as long as they stay within the
3 perimeters of that final Safety Analysis Report they
4 can modify the design of given systems. If they get
5 outside of those perimeters and choose to do
6 something more differently, it needs our approval,
7 and the final comment -- I think the final comment
8 that you had for me was to -- for us to let the
9 public know. I can't imagine conducting more public
10 meetings than we have conducted over the last 18
11 months. I think we're up to about 70 now. We've
12 certainly tried very hard to let the public know as
13 much as we possibly can. There is some ongoing work
14 and there will be ongoing work for quite awhile in
15 our Office of Research to continue to evaluate what
16 happened at Davis-Besse. That takes two
17 perspectives.

18 One is from a metallurgical perspective, and
19 there is ongoing metallurgical research work into
20 what happened at Davis-Besse to make sure that
21 everything we in the industry could learn has been
22 learned.

23 The second perspective is an activity that we
24 undertake to ensure that we understand all possible
25 accident sequences as well as we can and that our

1 regulatory framework appropriately addresses those.
2 It's more of a research activity as contrasted with
3 what we do every day, day in and day out. It's what
4 is referred to as the Accident Sequence Precursor
5 Program, and what it does is looks over a period of a
6 year prior to something that's significant that
7 happened, and it looks at everything that happened
8 during that prior year and integrates all of the
9 things and tries to learn if there's a gap in either
10 our regulatory program or in our knowledge, and that
11 work is also ongoing. I don't anticipate that
12 either one of those activities is going to change
13 what we have been doing at Davis-Besse from a restart
14 perspective. We assigned the highest level risk
15 significance in our program, a red finding to the
16 reactor head degradation, and we have an 0350 panel.
17 What that means is that we -- that Davis-Besse
18 essentially lost our confidence, and we took them out
19 of our routine oversight program -- we commonly refer
20 to that as the ROP -- and established a separate
21 dedicated oversight program just for the Davis-Besse
22 facility because their performance was so
23 inconsistent with what we would expect for a routine
24 operating reactor, so instead of having a routine
25 oversight program at Davis-Besse, we have an

1 oversight panel, and the function of the panel, which
2 includes many of the people that Christine introduced
3 earlier, is to define the NRC's oversight program for
4 Davis-Besse until such point in time that the panel
5 is comfortable that the plant is ready to return --
6 if we get to that point in time -- to the routine
7 oversight program, and that would be well after
8 restart if restart occurs. This panel would stay in
9 existence and will be directing the Agency's
10 regulatory activities at Davis-Besse for some time in
11 the future.

12 I think those were the questions that I
13 garnered from the letter that you asked other than
14 those for Ohio elected officials and FirstEnergy.

15 There is one other thing I wanted to point
16 out. I complimented the Ottawa County Commissioners
17 for their interest in Davis-Besse. This project, in
18 my experience, has also had an unprecedented interest
19 from your State and Federal elected officials, a
20 variety of us had spent probably 25 or so briefings
21 of the staff of Representative Kaptur, for Senator
22 Voinovich, for the Governor beyond all of the time we
23 spent with the local County officials as well as
24 Representative Latourette, who has the Perry plant in
25 his district, and other elected officials who are

1 interested in what's going on at Davis-Besse and
 2 what's going on in nuclear power in general, so
 3 there's been extensive information sharing of
 4 dialogue between a variety of elected officials with
 5 local, Federal -- local, State and Federal. How did
 6 I do? Did I hit --

7 MS. LUEKE: Thank you.

8 MR. GROBE: Okay, great!
 9 Who else might have a question?

10 MR. RULAND: I just have one thing
 11 I need to add. We are going to -- kind of a
 12 process -- a process perspective from your letter, we
 13 are going to take your letter and decide what process
 14 this fits in as we do every letter that we get, so
 15 we'll examine it and decide, you know, what action
 16 the NRC needs to do about this, and, of course, we'll
 17 get back to you.

18 MS. LUEKE: Thank you.

19 MR. GROBE: Thanks, Bill. Sounds
 20 like there is thunder in here. I don't know what
 21 I'm doing.

22 MS. LIPA: No, it's Bill's
 23 microphone.

24 MR. GROBE: Does anybody else have
 25 a question for us?

1 MR. KORFF: (Indicating).

2 MR. GROBE: Yes, sir.

3 MR. KORFF: My name is Joseph
4 Korff, and I'm from Vermilion, Ohio.

5 Before I start, what I was originally
6 standing up to do, I would like to -- appreciate the
7 hard work and perseverance that everybody has had to
8 go through for this -- pretty much gut wrenching
9 experience to find all of the skeletons in your
10 closet and realize that they're not only in someone
11 else's house, but they're in your house and to deal
12 with them forthrightly.

13 My purpose right now is to describe the worst
14 case scenario and remind people in this room what
15 happens in the worst case scenario by again quoting
16 from the 2002 report by the Nuclear Energy Agency,
17 and I'll tie that into a very personal experience.
18 It talks about low doses of radiation. It says
19 lower doses and dose rate do not produce acute
20 affects early because available cellular repair
21 mechanisms are able to compensate for the damage;
22 however, this repair may be incomplete or defective,
23 in which case the cell may be altered so that it may
24 develop into a cancerous cell perhaps many years into
25 the future, or its transformation may lead to

1 inheritable defects in the long-term. This is
2 speaking about Chernobyl, of course, and it says,
3 since the last report we have a better view of the
4 behavior of ~~radial nuclides~~ radionuclides in the contaminate area,
5 and we know now that the natural decontamination
6 process has reached an equilibrium. The decrease of
7 contamination from now on will be mainly due to
8 radioactive decay, indicating that radioactive
9 ~~ceasing~~ Cesium will be present for approximately 300 years.

10 I mean, we won't be around to worry about that, but
11 someone hopefully will; however, the most important
12 lesson learned is probably the understanding that a
13 major nuclear accident has inevitable transboundary
14 implications, and its consequences could affect
15 directly or indirectly many countries even at large
16 distances from the accident site.

17 My comment is this is certainly not contained
18 in Ottawa County, and it was concluded that the
19 Chernobyl accident has had significant long-term
20 impact on psychological well-being, health related
21 quality of life and illness in the effective
22 populations.

23 One statistic they cited was in 1986 children
24 under 15 in Belarus had the occasion of three out of
25 100,000 had a cancer incident, thyroid cancer. By

1 1993, it was 87 out of 1,000 that contracted the
2 cancer, and outside the former Soviet Union, no
3 concerns were ever warranted for the levels of
4 radioactivity in drinking water. On the other hand,
5 there were lakes, particularly in Switzerland and the
6 Nordic countries, where restrictions were necessary
7 for the consumption of fish. These restrictions
8 still exist in Sweden, for example, where thousands
9 of lakes contain fish with a radioactive content
10 which is still higher than limits established by the
11 authority for the sale in those markets.

12 Over 16 years after the accident, exposures
13 of populations are mainly due to the consumption of
14 agricultural food contaminated with ~~ceasing one in~~
15 ~~37~~ Cesium 137, a very heavy element.

16 Talking about the area immediately around the
17 Chernobyl area and it's a 27 -- a 30 kilometer
18 radius, so we're again 20 miles radius from the site
19 of the accident, it is not clear whether return to
20 the 30 kilometer exclusion zone will ever be
21 possible, nor whether it would be feasible, so we're
22 saying there's a whole chunk of the earth that may
23 never be contaminated again for 300 years perhaps,
24 and one of the conclusions they -- on the health
25 impact, it says an important affect of the accident,

1 which has a bearing on health, is the appearance of
2 the widespread status of psychological stress and the
3 populations affected. The severity of this
4 phenomenon, which is mostly observed in the
5 contaminated regions of the former Soviet Union,
6 appear to reflect public fears about the unknowns of
7 radiation and its affects as well as its mistrust
8 toward public authorities and official experts.

9 On a personal side, last month when I was
10 here, I said that my wife and I were host of a
11 Chernobyl child for a couple years. Quite
12 surprisingly, we've heard from him for the first time
13 since he left us in the mid '90s, and he sends a
14 letter which is dated October 27th and he wrote it in
15 Russian, and my son happens to be a Russian linguist
16 so he translated it for us, and it reads this.

17 Now, Sergei Volcolv came to our house when he
18 was, oh, 10 or 11, I think, maybe a little older.
19 For a child, he grew up with my son, Jeff. Sergei is
20 now 21 probably, has a child, and he says, hello to
21 my dear friends, Susan, Joe, and your big family,
22 with a big hello and a lot of the best memories from
23 your old friend Sergei Volcolv and my family, my
24 wife, Olga, and my daughter, Ketrin. You have
25 probably forgotten me and likely don't remember, and

1 after all this time I still have not forgotten you
2 and often think of you and tell my friends how good
3 it was to stay with you. I probably would not have
4 written to you, but I, well, more precisely, my
5 daughter has suffered a great tragedy. When she was
6 born, a heart defect was discovered and she needs a
7 very expensive operation before her first birthday,
8 and he goes on to ask for the funds. She has a hole
9 in her heart and she's not quite a year old, and he
10 thinks if she doesn't have the operation by the time
11 she's a year old she's going to pass away. He goes
12 on, he says, truthfully, I'm not hopeful that my
13 letter will get to you or, even worse, that you have
14 moved somewhere else for which I don't have the
15 address, but I am strongly counting on you and think
16 that you will understand and help me if you can.
17 I'll be grateful for the rest of my life, and he
18 encloses a picture of himself and he's holding his
19 daughter and his wife, and he says, well, that's
20 probably all. I'll close my letter and wait and
21 hope that this letter reaches you and that you will
22 understand and help me, after all, hope is the last
23 to die. Good-bye, with greetings from you -- to you
24 from the family of Volcolv, and he gives his address
25 in Belarus.

1 And my point in saying this tonight is that
2 the consequences of not doing absolutely flawless
3 work in a nuclear power plant now that they have age
4 on them is -- the consequences are unthinkable, and
5 you're the ones responsible. You're the public --
6 you hold the public trust, and I know you take it
7 seriously, and I can only emphasize the consequences
8 of something going wrong. We see it -- we're going
9 to try to help this young man with this operation for
10 his daughter, and we hope that it doesn't happen
11 here.

12 MR. GROBE: Thank you very much,
13 Joe.

14 MR. KORFF: You're welcome.

15 THEREUPON, the audience applauded.

16 MR. GROBE: A couple comments.
17 The Chernobyl accident involved is referred to as a
18 core melt accident. It's a type of reactor that's
19 not used in the United States. We did have one core
20 melt accident in the United States at a commercial
21 nuclear power plant, that was at Three-Mile Island.
22 The United States has chosen to regulate its nuclear
23 power plants very differently than the former Soviet
24 Union. We require extensive safety systems and
25 ensure -- through regulations and inspections that

1 those safety systems are maintained. One key
2 difference -- there's many differences, but one key
3 difference between the types of reactors that we have
4 in the United States and the Chernobyl reactor is
5 that it didn't have a containment structure.
6 Three-Mile Island had a containment structure and
7 there were no health affects from Three-Mile Island.
8 A very similar accident in the sense they were core
9 melt accidents, but no health affects, and it's
10 because of that diversity and redundancy in safety
11 systems that we require in the United States that
12 there's no comparison, and it would be inappropriate
13 to even think to compare the potential safety risks
14 from a plant in the United States to the safety risks
15 of a plant in the former Soviet Union.

16 I wrote down a lot of notes, but I'm not sure
17 how to structure a response to these. The -- what
18 happened -- I don't want anybody to interpret those
19 comments as any kind of diminishment of the
20 importance of what happened at Davis-Besse. Clearly
21 the agency has responded to its strongest actions and
22 has taken the necessary steps to keep Davis-Besse
23 plant shut down, and ~~we'll~~ **will** keep it shut down until
24 such a point in time that we're confident that it can
25 meet our safety standards, which are very much higher

1 than the safety standards in the Soviet Union, so I
2 don't believe that there's a reasonable comparison
3 between operating a nuclear power plant in the United
4 States and operating a nuclear power plant in the
5 former Soviet Union.

6 We try to ask folks to keep their questions
7 and comments to five minutes, so if there is somebody
8 else that would like to come forward.

9 MR. RULAND: Can I --

10 MR. GROBE: Sure.

11 MR. RULAND: Just a few other
12 things, Joe, I think you talked about. One has to do
13 with the large distances involved -- involved in the
14 Chernobyl accident, and as Jack has reiterated on a
15 number of occasions, the design was substantially
16 different, and in large distances that were involved
17 in no way reflect what the NRC's regulations require
18 for emergency planning. Not only does the NRC have a
19 containment, we also, frankly, don't plan on things
20 being flawless. I know you argue that things have
21 to be flawless, but -- well, these machines are
22 designed by people, operated by people and overseen
23 by people, and we know we're not perfect, and,
24 frankly, that's why we have defense and in depth. We
25 have redundant and diverse equipment. We have

1 operators to take action if the equipment doesn't
2 work. We have containment to take to contain the
3 problem if, in fact, those things don't work, and if
4 all that doesn't work, we have emergency planning and
5 that emergency planning zone goes out for 10 miles
6 for the direct -- any direct affects, and out to 50
7 miles for ingestion pathway, so -- and don't in any
8 way -- because I'm arguing this, that I'm saying that
9 Chernobyl and Davis-Besse are even like in kind.
10 They both were power reactors. They both produced
11 electricity, and I think from there, I think the
12 comparison breaks down rather rapidly.

13 In addition, you talked about low doses of
14 radiation, and you described, frankly, a tragic
15 situation that happened to this -- this boy that you
16 took care of and his young daughter -- was it
17 daughter? You know, those things tug at our heart
18 strings. We don't want those things to happen
19 regardless of the cause, and -- so it evokes -- those
20 kind of stories I think invoke in us certain
21 sympathy, as they ought to, but we in the NRC
22 shouldn't be distracted by those stories. We should
23 consider them, in fact, it should spur us to do our
24 jobs even better, and I believe they do, but, we --
25 you know, we, I think, have taken a number of actions

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1 here at Davis-Besse to make sure that in spite of the
2 fact that Chernobyl is not possible here, that we --
3 I hope you've seen that both FENOC and the NRC have
4 re-doubled our efforts specifically referring to this
5 plant and industry-wide. One of the beauties of our
6 system is you get to basically challenge us, and,
7 frankly, the tradition of almost the kind of the New
8 England town meeting where the public is, you know,
9 complains, argues, and asks us tough questions, so --
10 and that's just a general answer to really
11 contrasting the system associated with the Soviet
12 Union, and, frankly, the infrastructure that
13 supported that and really in rather stark contrast to
14 the system that we have, so that's -- that's kind of
15 how I see this.

16 MR. GROBE: We have a uniquely
17 qualified person here.

18 MS. MITLYNG: Hi, I'm Viktoria
19 Mitlyng. I'm Public Affairs officer in Region III.
20 If you cannot identify my accent, I'm sure you will
21 hear it. I am from Kiev, which is not too many
22 miles away from Chernobyl. My members of my family
23 are still in Ukraine, so the situation strikes home
24 to me, and one of the reasons that I'm here working
25 for the NRC is because of from where I am and because

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1 of the kind of system from which I come in which at a
2 public meeting is unthinkable.

3 In the former Soviet Union and even in Russia
4 today, citizens don't have an opportunity to really
5 understand how nuclear power plants work or how the
6 oversight process works, it's just not possible, and
7 one of the reasons that you're here is to make sure
8 that we are doing our jobs and we feel accountable to
9 you. And. Because of that difference, because of
10 that accountability, Chernobyl is not possible here,
11 and that's what we are trying to ensure. Every
12 single person in the Nuclear Regulatory Commission is
13 dedicated to that, and as I said before, it's one of
14 the reasons that I work in this organization, so I
15 just wanted to share the personal note with you.
16 Thank you.

17 MR. GROBE: Thanks, Vika. I
18 think -- it almost makes you proud to be an American,
19 doesn't it?

20 (Laughter).

21 MR. GROBE: One of the things that
22 Bill said was that we recognize that all of the
23 activities that go on at nuclear power plants could
24 be flawed, and he specifically highlighted the
25 redundancy, diversity. It's an extremely remote

1 possibility that radioactive material could be
2 released under any series of accident scenarios, but
3 even though that's a remote possibility, we plan for
4 it, and every year we conduct ~~billions of phrase~~ emergency
5 ~~planning drills~~ or exercises called ingestion pathways. Every year we conduct ingestion
6 pathway exercise with one of the utilities in Region
7 III. Each region does this, and the one we're going
8 to be doing this year is coming up next month or
9 actually it's next week, but that's an exercise where
10 the entire Federal family, Department of Energy,
11 Health and Human Services, EPA, Agriculture, Nuclear
12 Regulatory Commission come together and simulate
13 failure of all the safety systems, failure of the
14 containment, failure of the core and what might
15 happen and how we deal with that if that did happen,
16 so even though it's an incredibly remote probability,
17 and it was an incredibly remote probability at
18 Davis-Besse that you could have the reactor vessel
19 breach and all of the safety systems not work, the
20 core melt, the containment fail and have a release of
21 radioactivity and you just add all of that up, it's a
22 very, very low probability, we plan for it just in
23 case it might happen. Nothing like what happened at
24 Chernobyl. I think we have talked about Chernobyl
25 enough.

1 Who else has a question?

2 MS. CABRAL: I'm Barb Cabral from
 3 Port Clinton, so I'm very local. There were a
 4 number of things, pumps, containment coatings,
 5 detection systems that weren't working at the plant,
 6 so your scenario of worse case scenario, things
 7 falling apart, there is quite a list there, and we're
 8 not really sure, I mean, how close were we really to
 9 an accident and if this stainless steel liner had
 10 given way, what really would have happened with those
 11 other systems not working? The stainless steel
 12 liner, you know, is continually referred to as, it
 13 hadn't been eaten away, it was just the other steel,
 14 and the insinuation in most of these statements was
 15 that the stainless steel liner was designed as part
 16 of the containment system, you know, just in general
 17 comments, in recent readings it's like, well, that's
 18 a liner. That wasn't ever intended for containment,
 19 was it?

20 MR. GROBE: No.

21 MR. RULAND: Right.

22 MS. CABRAL: Nor was -- and that's
 23 why the steel thickness varied all over the place,
 24 right, because it wasn't necessary for it to be a
 25 consistent thickness or --

1 MR. GROBE: Why don't you go ahead
2 and finish your questions, and we'll get them all
3 when you're done?

4 MS. CABRAL: Okay. I want to know
5 what the real purpose of -- was it just a liner, was
6 it meant for containment, and since it was -- I
7 believe very close to its maximum pressure that it
8 could take being that it wasn't for containment, we
9 were very close to a serious accident.

10 What would have happened with these other
11 systems not working, so I want to know more about the
12 liner itself and more about what kind of danger we
13 were really in?

14 MR. GROBE: Sure, I'll take a shot
15 at that and then Bill or Christine, anybody else can
16 pipe in. There is some -- a somewhat lengthy
17 description of this in our monthly update, if you go
18 back about six or eight months, there's even --
19 there's about a three page description that might
20 help you, but the liner can be thought of as a paint.
21 It's a coating on the inside of the reactor vessel.
22 The reactor vessel is six inches thick of carbon
23 steel, normal steel, and the reactor coolant is at a
24 very high temperature, high temperature ~~wand~~ water is
25 corrosive, but, in addition to that, it has a very

1 mild solution of boric acid in it, so on the interior
2 surface they apply the same as a house plant to
3 protect it from the sun and water, and it's made out
4 of very thin stainless steel and it's applied to a
5 welding process on the inside of the vessel. It was
6 never intended to have any structural function. Its
7 only intended purpose was to be there to resist the
8 corrosive effects of high temperature water. The
9 con -- consequently, as you have correctly pointed
10 out, the liner was not designed to hold structural
11 strength, to hold high pressures, it was not applied
12 in such a way that you would get such a metal that is
13 a reliable metal to hold high pressures, but, in
14 fact, it did. It had cracks in it, it was bulging a
15 little bit. It's difficult to say how close it was
16 to failure, but that's part of the ongoing research
17 that I was talking about, and I'm sure that when that
18 network research work has come to fruition that will be published,
19 but your other and more important question, what are
20 the consequences; had the reactor vessel ruptured,
21 the sodium cladding ruptured, that would have been what we
22 referred to as a medium break LOCA -- I'm sorry, a
23 medium break loss of coolant to accident, and
24 different accidents -- different types of accidents
25 require different equipment to respond to them, and

1 that type of an accident would likely have generated
2 little debris, and would have represented a low
3 risk -- certainly not where it should have been, but
4 a low risk of the core failure. The core is the
5 part of the reactor which contains the uranium fuel,
6 and the goal of all of your safety systems is to keep
7 that core intact, such that it doesn't melt. If you
8 lose cooling it will heat itself up and melt, and
9 that's when you could have the release of radioactive
10 material. Should that happen and that's a -- we're
11 now down another magnitude lower in probability,
12 should that happen, you have systems inside
13 containment, and they're referred to as containment
14 spray that are specifically designed to pull the
15 gaseous radio nuclides out of the containment
16 atmosphere and cool the containment atmosphere, so
17 the -- as the gentleman who had the child from
18 Ukraine or Belarus, I guess it was, mentioned, there
19 was a very high incidence of thyroid cancer, that
20 comes from radioiodine. With the containment spray,
21 we pull that out of the containment atmosphere. All
22 of this is still inside the containment building, so
23 nothing would be released unless it failed, and if
24 the containment failed and now we're many, many
25 orders of magnitude lower in probability, then we

1 have our emergency preparedness requirements. We
2 have things like potassium iodine pills that are
3 ready to be distributed to members of the public in
4 the incredibly unlikely event that all of that would
5 occur. What potassium iodine does specifically for
6 radioiodine is it floods your thyroid with good
7 iodine so any radioiodine that might be in the
8 atmosphere isn't absorbed in your thyroid. We have
9 evacuation plans and sheltering plans and all sorts
10 of things, so the goal of the Nuclear Regulatory
11 Commission is to make sure that the risks are
12 maintained at a reasonable level. The risks at
13 Davis-Besse were not maintained at the level that we
14 require them to be, and that's why we're all here
15 today, but that does not -- I don't think you should
16 equate that to any imminent danger to the people in
17 the Ottawa County area. I don't equate it imminent
18 danger to the people in Ottawa County, but that is
19 not our standard. Our standard is nowhere near
20 imminent danger. Our standard is way down below
21 that, so, I think we've answered your questions.

22 MS. CABRAL: (Nod indicating yes).

23 MR. GROBE: Those are for
24 FirstEnergy, right?

25 MR. DUNN: No, no, they're not.

1 They're for Jim, Mr. Caldwell.

2 MR. GROBE: Okay.

3 MR. DUNN: My name is Brian Dunn,
4 and I represent Ohio Citizen Action -- some 100,000
5 members, and I would like to thank Mr. Caldwell for
6 responding to the letters from citizens. In the five
7 weeks since the last meeting, we've collected 780
8 more, and all of them are really good, in fact, we've
9 read each of them ourselves, and there are a couple
10 letters that, with the permission of the citizens
11 that wrote them, I'd just like to read on public
12 record, we'll keep them very short and to the point.

13 MR. GROBE: Okay, thank you.

14 MR. DUNN: Dear Mr. Caldwell, we
15 live in the Cleveland area and almost daily we fear
16 the prospect of a catastrophic nuclear accident at
17 Davis-Besse that will almost certainly occur if the
18 plant is restarted under the authority of
19 FirstEnergy. We are writing to ask you to perform
20 the responsibilities of your office and keep the
21 Davis-Besse -- keep Davis-Besse closed indefinitely.
22 The consequences of restart are too grave to leave to
23 the management -- to leave the management of
24 Davis-Besse in the hands of the mediocre
25 functionaries who run FirstEnergy. We are confident

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1 that you will take this step in the name of simple
2 public safety. Please tell us of your position in
3 an immediate reply. Ralph Day and Eileen O'Conner,
4 Sincerely.

5 The other is Dear Mr. Caldwell, I live in
6 Northeast Ohio and am very concerned about the status
7 of all power plants in this area. Since FirstEnergy
8 took over the electric utility service the safety
9 record has been tainted. The number of power
10 outages has increased significantly. I worked for a
11 public utility and have great concerns about how
12 FirstEnergy is operating and their judgment in
13 regards to the Davis-Besse nuclear reactor, please
14 keep it closed. Thank you, Sherry Hribar.

15 The other thing to note, and we can get you a
16 copy of it, is that we also have a letter signed by
17 70 health professionals, one of the groups being the
18 Ohio Nurses' Association, another being -- I want to
19 get this right -- Physicians for Social
20 Responsibility, and that letter asks simply that
21 alternatives be considered rather than restarting
22 Davis-Besse, and we would be happy to get Mr.
23 Caldwell a copy of that letter.

24 MS. LIPA: I didn't see that in
25 the news articles, but was that addressed to him or

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1 to --

2 MR. DUNN: I believe it was
3 addressed to FirstEnergy -- Peter Berg, actually.

4 MS. LIPA: Sure, and we'd
5 appreciate a copy of that.

6 MR. DUNN: Okay. Thanks.

7 MS. LIPA: Okay, thank you.
8 Just to let you know a couple things, thank you for
9 the letters, and, like we stated before, we do plan
10 to read every letter, and we do plan to respond, and
11 I did want to let you know, in case you weren't here
12 earlier, we talked about that Jim Caldwell did make a
13 site visit on Sunday, and he toured the facility with
14 Scott Thomas and went all through the facility, and
15 then he also attended an all day session that the
16 utility had with their off site Reactor Restart
17 Oversight Panel, so he has been at the facility
18 recently, does plan to come when there is a restart
19 meeting. When there is a restart meeting held, he
20 will be coming out for that and we do brief him
21 regularly, so he's up to speed on Davis-Besse.

22 MS. WEIR: Hi. I'm Shari Weir.
23 I have just a couple of quick things to raise.

24 One deals with the margin of safety, and I
25 appreciate Mr. Grobe's description of the various

1 safety reinforcements, but, you know, since -- since
2 your last public meeting here, which was, oh, a
3 little more than a month ago, there has been a report
4 that the NRC's own research has determined that
5 the -- that the liner at Davis-Besse would likely
6 have ruptured at much lower pressure than either the
7 company or the NRC had previously thought, and
8 actually at levels that may be below the normal
9 operating pressure at Davis-Besse, so it looks like
10 the margin of safety is gone, and that rather than a
11 margin of safety, we were protected by only luck.

12 That leads me to another -- my second point,
13 and that is that FirstEnergy admitted that they put
14 production ahead of safety, and that they said that
15 they had learned an important lesson because of that,
16 and, yet, they are hustling to get this plant back
17 on-line by the end of the year and attempting to
18 convince the NRC to move quickly to approve the
19 restart. The reason, 'cause that's what the
20 financial community wants to happen. This plant is
21 costing FirstEnergy a lot of money, and so being cash
22 strapped, they are doing all they can to get it back
23 on-line by the end of the year, and with the -- with
24 the continual screw-ups that we heard about this
25 afternoon, it seems that, once again, they are

1 looking at profits ahead of safety.

2 The third point is an -- I know that rumors
3 are a dime a dozen, but I want to say this because
4 there is a rumor that FirstEnergy is interested in
5 selling Davis-Besse. I bring that up not because it
6 has anything to do with the NRC's oversight of the
7 current problems, I bring it up to say only that we
8 in Ohio have been lucky with two Davis-Besse near
9 mishaps. We don't want it -- we don't want to put
10 our luck on the line a third time and so, if, in
11 fact, a reliable seller would take on the plant, that
12 would solve a lot of problems. Thanks.

13 MR. GROBE: I think you had three
14 points, which I will try to address and ask for help
15 appropriately.

16 The last one, nobody can operate the
17 Davis-Besse plant except FirstEnergy unless we
18 approve it, so whether or not FirstEnergy does or
19 does not want to sell Davis-Besse, they are the only
20 people licensed to operate Davis-Besse.

21 Your middle set of questions really weren't
22 for us, they were for FirstEnergy with respect to how
23 they evaluate business decisions and whether to
24 proceed with operating Davis-Besse or whether to shut
25 it down permanently, those are strictly business

1 decisions. What I can assure you of is that
2 Davis-Besse won't operate unless we're confident it
3 can be operated safely and meet our regulations and
4 operate it in the future safely and reliably.

5 Your first set of questions concerned what I
6 was talking about earlier, which was some ongoing
7 research activities. The tests that were recently
8 discussed in the newspapers were conducted in an
9 attempt to calibrate some engineering models that we
10 used to predict metal failures, and they were done in
11 close replication to the situation at Davis-Besse,
12 but certainly not an identical replication and they
13 are giving us -- this is part of the research program
14 I was talking about in conjunction with the accident
15 sequence precursor. That work will be going on quite
16 awhile, and, as I mentioned, that goal in that type
17 of work is for us to learn as much as we can about
18 what happened here. It really has nothing to do
19 with the restart of Davis-Besse in the context of
20 those conditions are not going to be replicated or
21 this plant wouldn't be permitted to restart, so it's
22 related to ongoing for work looking, learning and
23 growing in our knowledge, in both our knowledge and
24 metallurgic respect and knowledge in our regulatory
25 effectiveness. We assign the highest level

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1 significance problem at Davis-Besse so whatever
2 research comes out with it will simply reinforce what
3 we have already decided and we've been providing
4 oversight at the highest level, so it's -- it's
5 interesting research, it will help us learn for the
6 future, but it really has little to do with the
7 ongoing activities here at Davis-Besse.

8 MR. RULAND: You described what you
9 felt was FENOC's hustling to get the plant on-line by
10 the end of the year, I don't want to speak to that,
11 but what I would speak to is what the NRC is doing,
12 and we are continuing to observe the criteria that we
13 established when we established the 0350 plan. We
14 have restart -- we have a Restart Checklist, and
15 those things need to be completed and need to receive
16 our approval prior to restart and not before, and we
17 still need to get Mr. Caldwell's permission to --
18 that we're going to have to do that, and, frankly,
19 there is no hustling about it. We're working at the
20 normal -- the NRC is working at our normal pace, and
21 we'll continue to do that.

22 MR. GROBE: I don't know if I can
23 keep up this normal pace much longer.

24 (Laughter).

25 MR. RULAND: Yeah, well, normal is

1 in parentheses, Jack.

2 So, you know, hustling -- from your
3 perspective, they might be hustling. I don't see
4 it. I mean, I'm not going to mince words. Nuclear
5 plants are money making ventures, and, you know, but
6 that's not our business. It's our business not
7 to -- is to avoid and, in fact, not be bothered by
8 that, and, frankly, that's the beauty of our system
9 is -- it doesn't make any difference to me whether
10 they make money or not, and we'll continue with that
11 approach.

12 MR. GROBE: Bill's absolutely
13 right. The pace of our activities actually get
14 greater towards the end of a project like this
15 because we can't inspect anything until the utility
16 finishes the work, so a lot of the work is now coming
17 to completion, and we have folks like Jeff Wright
18 sitting here in the fifth row, a team leader for one
19 of our inspections, and a number of other folks that
20 are on site inspecting this week, and our activities
21 are going to be intense because we have a
22 responsibility to perform inspections at the time
23 that they're ready to be performed, and now is the
24 time when many of those inspections are being
25 performed, but, as Bill indicated, our only focus is

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1 safety, and the plant won't be restarted unless it's
2 safe.

3 MS. MUSSER: Hi, Mary Musser from
4 Cleveland, Ohio. I have a few questions and just a
5 quick observation.

6 Had the lid burst, how would a core melt have
7 been prevented given the fact that the emergency
8 cooling system, lack of cooling system has never
9 worked in the 25 plus years that that plant was
10 operating, according to an engineer that worked
11 there, and you mentioned the evacuation plan, how
12 about the people who live on the islands in Lake
13 Erie, we're about 15 miles away from the plant where
14 there is no evacuation plan, and what about the
15 drinking water? Had the worst case scenario
16 happened, how would iodine pills have saved Lake
17 Erie?

18 And this is just an observance. You
19 mentioned there were no ill health effects from
20 Three-Mile Island -- a personal friend of mine spoke
21 to Three-Mile Island survivors, did research on it.
22 A lot of them didn't want to come forward publicly.
23 It was too painful for them. A lot of them sent
24 photographs, and I dare to tell you I saw some pretty
25 scary photographs of two-headed animals, plant

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1 mutations, animal mutations, and, in fact, some of
2 the photographs that were handed over to us, the
3 person who took some of these photographs has since
4 died of thyroid cancer himself, so I kind of think
5 that maybe you should meet with those people and talk
6 to them directly before you publicly say that.

7 THEREUPON, the audience applauded.

8 MR. GROBE: I was actually
9 referring to accepted research and evaluation
10 research data. My sister has thyroid cancer, and
11 she doesn't live anywhere near a nuclear plant. The
12 way we analyze situations like this is probabilistic,
13 and I know that's sometimes hard to understand simply
14 because 40,000 square feet of coatings, or something
15 like that was not properly qualified, doesn't mean
16 the coating failed. It has a probability of failing.
17 Because the high pressure injection pumps have a
18 design defect doesn't necessarily mean they're going
19 to fail, it means they have an increased likelihood
20 of failing. Each of these is a probabilistic
21 concept. There was one valve that had been shut
22 which is a reasonably consequential valve, had been
23 shut for a number of years, had to do with a cooling
24 line to a heat exchanger on a hydrogen analyzer, and,
25 in fact, the instrument overresponds to that cooling

1 line, is not operating properly, so it would have
2 operated conservatively. The -- I know of no
3 information that says that the safety systems would
4 not have functioned for 25 years. The fact of the
5 matter, though, is that several of the safety systems
6 had either design defects or, in the case of the
7 sump, it wasn't the sump that had the defect
8 necessarily, it was the containment coatings, which
9 are like paints applied inside containment. One
10 type of coating was used which that was not properly
11 qualified which would have caused the sump to
12 misperform. Each of those has an increased
13 likelihood that is outside of our requirements, and
14 that's why it's being fixed. It results in the
15 increased likelihood that the core may have melted,
16 that was -- at an unacceptable level, and we
17 categorized it at a red level simply based on the
18 head degradation, not adding in these other issues,
19 so that's why we're here. That's why we're providing
20 this additional oversight. That's why we're going
21 to make sure these issues are not only fixed at
22 oversight, but fixed in such a way that there's
23 confidence in the future that they won't recur.
24 Other comments?
25 MR. RULAND: I think this is the

1 second month in a row that the question of -- is it
2 Catawba Island that you're referring to?

3 MS. CABRAL: Kelley's Island.

4 MR. RULAND: That's about 15 miles
5 from the plant?

6 MS. CABRAL: Yeah.

7 MR. RULAND: That is outside the 10
8 miles EPZ, emergency planning zone, where our
9 regulations require folks to -- require licensees to
10 have evacuation plans. The Commission has decided
11 that those folks outside that 10 mile zone aren't --
12 won't need to evacuate because we have containment;
13 however, it would be within the 50 mile ingestion
14 pathway planning zone, and we would take actions --
15 rather the licensee would take actions in concert
16 with the State officials, with the FEMA emergency
17 plan to ensure that those folks don't ingest liquids
18 or solid foods that possibly they could ingest
19 radioactive material, and that has been our emergency
20 planning approach for, gee, at least 20 years,
21 probably in excess of that, and we've deemed that to
22 be acceptable, and we've -- those plans have
23 undergone a lot of scrutiny, and the NRC is
24 comfortable with that amount of evacuation, and --
25 Jack, do you have anything to add?

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1 MR. GROBE: Yeah, just a comment.
2 This is an interesting area where different local,
3 State and Federal jurisdictions apply, and I just
4 wanted to comment and make sure you understand our
5 responsibility. The Federal Emergency Management
6 Agency has responsibility for overseeing the State
7 plans and County plans for off site emergency
8 planning. We require that those plans be in place
9 and be approved by those folks, the County, the
10 State, and FEMA, but we actually don't require off
11 site emergency planning. We set guidelines for what
12 the expectations that they need to accomplish for,
13 and FEMA's responsibility is to make sure those are
14 being accomplished. For a person outside the 10
15 mile EPZ, which is what we require, that doesn't mean
16 there is no emergency planning for you. What that
17 means is it's not mandated by the Nuclear Regulatory
18 Commission. You have a State emergency management
19 agency and local County emergency management
20 department -- I'm not quite sure what it's called,
21 and they're responsible for the health of the
22 citizens in Ottawa County and the State of Ohio day
23 in and day out for all types of emergencies, so those
24 are the folks you need to talk to with respect to
25 emergency planning for Kelleys Island or Marblehead.

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1 MS. MUSSER: We talked to a lot of
2 people, and the bottom line is they are ineffective,
3 if at all.

4 MR. GROBE: Yeah, I can't help you
5 a lot with that because we have our guidelines, and
6 they are very clearly articulated and well supported
7 by the radiological or potentially radiological
8 hazards, and FEMA is required to make sure that the
9 State and local officials have good plans, and that's
10 really a double benefit, not only is it a good plan
11 to respond to a nuclear problem, but it's also a plan
12 that's used for any type of emergency.

13 MR. RULAND: There is something
14 else to add here. Our plant requires a certain
15 infrastructure and organization, and that
16 infrastructure and organization, while it might not
17 have the specific evacuation that you're supposing
18 would happen, we have this organization in place and
19 the extremely unlikely situation where maybe that
20 evacuation would be required -- and I'm not saying it
21 is, under no circumstances am I saying that, you have
22 an organization in place that will be able to make
23 decisions to protect the health and safety of the
24 public and that is that organization that would be
25 able to respond.

1 MS. MUSSER: (Nod indicating).

2 MR. GROBE: Yes, ma'am?

3 MS. BAUMGARTNER: Yes, good evening.

4 I'm Doctor Elizabeth Baumgartner. I'm a
5 pharmaceutical scientist by training as well as a
6 member of the Bar of the United States District Court
7 for the Northern District of Ohio. I'm a resident
8 here in Oak Harbor, and I apologize, I came in late,
9 so there may be some concerns I have that were
10 addressed earlier, but I'd like to follow up on the
11 concern with some local safety.

12 The gentleman said that, you know, the
13 Government will protect us, and I'd like to point out
14 on September 11, 2001 we had the mass -- greatest
15 intelligence failure in this country in terms of
16 national security. I'm presently a complainant in
17 United States District Court asking for an
18 investigation of our local law enforcement and Court
19 system here in Ottawa County in regards to legal
20 corruption. I'm intrigued with your --

21 MR. GROBE: Dr. Baumgartner, do
22 you have a specific comment regarding Davis-Besse?

23 MS. BAUMGARTNER: Yes, my concern is
24 that the culture of safety that your group was
25 supposed to ensure that whistle-blowers would not be

1 retaliated against, I'm interested in what steps are
2 being taken there integrating with the United States
3 Department of Justice, perhaps the EEOC to ensure
4 that people here in this community and the workers
5 out there are not retaliated against and that the
6 system in effect, that there is integrity in the
7 system. That's a huge concern that I have in view of
8 the fact that a local attorney has filed a lawsuit, a
9 local judge is now involved in that lawsuit, and I
10 have complaints against both of them for legal
11 misconduct, so I'm concerned that there is no
12 integrity in the process and that we as local
13 citizens have nowhere to go, that's my concern.

14 MR. GROBE: I would be glad to try
15 to answer your question. There are two
16 jurisdictions that are concerned with the protection
17 of whistle-blowers at nuclear power plants. They
18 have different purposes. The Department of Labor
19 has the purpose of making sure that the individuals
20 must hold, meaning that if an individual is
21 discriminated against for raising safety concerns
22 that appropriate remunerations are provided to
23 address the affects on the individual. We have a
24 regulation which prohibits that from the standpoint
25 in a way in which a utility is operated. We have no

1 outstanding concerns that have occurred in the last
2 year and a half -- well, since it has been shut down,
3 I guess it's getting closer to two years at the
4 Davis-Besse plant with respect to discrimination --
5 confirmed discrimination complaints. There was one
6 case that went to the Department of Labor for
7 investigation and adjudication, and the Department of
8 Labor found that the company did not discriminate
9 against the individual. There have been other
10 issues that have come up, and none of them have
11 been -- have resulted in findings of discrimination
12 against the company. None of this has to do with
13 State and local officials. This is all Federal
14 officials, and I hope you have confidence in us, but
15 even if you don't, that's the process and those are
16 the involved folks, and we will investigate any valid
17 allegations of discrimination and find the facts.

18 MS. BAUMGARTNER: May I follow up? I
19 appreciate what you're saying, but what's happening
20 here locally is firms like FirstEnergy or Brush
21 Berrillum deliberately locate in remote rural
22 counties because of the lack of -- for lack of a
23 better word, sophisticated local citizenry --

24 THEREUPON, the audience sighed.

25 MS. BAUMGARTNER: And there's a

1 situation here in this part of the State where
2 citizens are quite frankly being threatened and
3 receiving death threats.

4 MR. GROBE: I appreciate that. If
5 this has to do with nuclear power, it's our
6 responsibility, and I think you just insulted a bunch
7 of people in the room, so --

8 MS. BAUMGARTNER: No, I don't think I
9 did. I'm a resident here.

10 (Laughter).

11 MS. BAUMGARTNER: I'm not saying -- I
12 know a lot of people at the plant, and I think the
13 workers out there are fabulous people. My concern
14 is that there's a culture or lack of integrity among
15 local leadership in this County that's enabling
16 bribery and things like that to go on, and I have an
17 enormous concern that officials of FirstEnergy are
18 engaged in that type of behavior.

19 MR. GROBE: Well --

20 MS. BAUMGARTNER: And that's what I'd
21 like to have addressed.

22 Where do you go to have that type of behavior
23 addressed?

24 MR. GROBE: If you have a specific
25 allegation regarding financial malfeasance, I'm sure

1 the Securities Exchange Commission would be an
2 appropriate place. I'm not sure. I'm not a lawyer
3 nor a finance person, so I would recommend you pursue
4 it through that --

5 MS. BAUMGARTNER: Well, the concern I
6 have is it's just all these overlapping agencies, and
7 everybody has their one little turf, but nobody is
8 looking out to the overall integrity of the process.

9 MR. GROBE: Appreciate your
10 comments.

11 MS. BAUMGARTNER: And then you pass the
12 buck, you know?

13 MR. GROBE: I don't think I'm
14 passing the buck on nuclear safety. Thank you.

15 MR. GREVE: Good evening. My name
16 is Eric Greve. I have two questions, both of which
17 center on the failure of the two NRC Resident
18 Inspectors to act when presented with information
19 about the boric acid deposits on the vessel head back
20 in the year 2000. I guess some new information has
21 been -- has come to light, at least come to public
22 knowledge recently in the newspapers.

23 First of all, the Senior Resident Inspector,
24 I believe his name is Kevin Zeller, when given the
25 information, for example, the infamous red photo by

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1 the FirstEnergy employee, he took no action on it. I
2 believe the quote in the paper said it was because he
3 assumed the company would fix the problem. The
4 other resident inspector, when he was given this
5 information about the boric acid deposit, he was
6 quoted saying that he didn't -- he quote, did not
7 have sufficient training to recognize the
8 significance of boric acid deposits, end quote. And
9 then also on October 22nd, excerpts from the NRC's
10 own Inspector General report were printed in The
11 Plain Dealer and I believe some other papers. This
12 report characterized those inspectors' failure pretty
13 succinctly. The reports cited flawed communication,
14 inept assessments, wrong assumptions, poor follow up
15 and an over-reliance on the utility that the NRC is
16 supposed to regulate, so, with all due respect to the
17 current three Resident Inspectors, who I'm sure are
18 very nice people, by giving the incompetence of those
19 two past inspectors, what faith should the public
20 have that these current three inspectors are going to
21 do a better job? That's my first question. I have
22 another one, too.

23 MR. GROBE: Go ahead. Why don't
24 you ask the other one?

25 MR. GREVE: Okay. My second

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1 question concerns accountability, there was a brief
2 mention of that a few minutes ago because the second
3 inspector that I mentioned -- the one that did not
4 realize the significance of the acid deposits,
5 becoming -- he received a promotion within the NRC,
6 becoming the Senior Resident Inspector at another
7 plant. Then Kevin Zeller, the other Resident
8 Inspector, he now holds a position at Davis-Besse.

9 What can this do but further shake the public
10 confidence when the failure of these two inspectors
11 is rewarded by the Nuclear Regulatory Commission and
12 FirstEnergy? Bluntly put, why weren't these
13 inspectors held accountable?

14 MR. GROBE: There's a number of
15 answers to your questions, you have asked a number of
16 different questions. Let me try to get at some of
17 them and I'll ask for help. First off, the agency
18 concluded as a result of the last Inspector General
19 report that what occurred at Davis-Besse with respect
20 to our performance was unacceptable, and it was, as
21 Chairman Meserve characterized, an institutional
22 failure. It had to do with a number of things and,
23 specific with these Resident Inspectors, the resident
24 inspection program is a very interesting and
25 challenging assignment. We have three residents at

1 Davis-Besse, that's one more -- 50% more than we have
2 at most other nuclear power plants, and they're
3 charged with the responsibility to implement the
4 inspection program. That is based on gaining
5 insights into licensee performance from a small
6 sample of activities. Davis-Besse has somewhere
7 near a thousand people working at the facility, and
8 we have three inspectors. That's the realities of
9 where we are today. We have a structural program
10 that involves maintaining an awareness of what's
11 going on at the plant and sampling what activities to
12 look at, and, unfortunately, we did not sample the
13 condition report, which the Inspector General
14 concluded one of our inspectors sought. The Senior
15 Resident Inspector I don't believe saw the specific
16 condition report you're referring to, but was aware
17 that there was boric acid on the head, was aware that
18 the utility believed it was coming from leaking
19 flanges. That had been a challenge the utility had
20 been facing for a number of years and was working on
21 replacing all of the gaskets on those flanges with
22 updated gaskets, was aware based on what he was told
23 that the utility was replacing the gaskets on the
24 affected control rod drive mechanisms, was cleaning
25 the head, and was aware, based on what he was told,

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1 that the head had been cleaned and inspected and
2 there was no problems. Because this was an issue
3 that had been dealt with for a number of years at
4 Davis-Besse, the individual made the decision that he
5 would monitor the activity through the regular
6 meetings and conversation, and he did not choose that
7 as one of the samples, and had he chosen possibly
8 this issue would have been identified two years
9 earlier. The issue was identified as a result of an
10 agency activity. That is what we call a generic
11 correspondence, that was a bulletin, and when we
12 develop safety concern with a class of reactors,
13 Davis-Besse is a pressurized water reactor, that we
14 need the utility to look into, we send out what's
15 called a bulletin or a generic letter, depending on
16 the nature of the activity, and they're required to
17 evaluate it, look into it and respond to us in
18 writing and we evaluate those responses. It's --
19 it's endemic in our structure that we have to trust
20 that the utility is telling us the truth. ~~At~~ As a
21 matter of fact, they're required to tell us the
22 truth, and if they don't tell us the truth, then
23 that's a violation of our requirements, which carries
24 sanctions. The -- in this case, we issued a
25 bulletin. It required a response and a shutdown and

1 inspection and Davis-Besse shut down, inspected and
2 found the problem, so while -- while late -- and I'm
3 certainly not making any excuses, this issue was
4 identified as a result of NRC activities monitoring
5 the safety of power plants not only in the United
6 States, but also nationally. The Lessons Learned
7 Task Force report identified many shortcomings.
8 Some of those are relative to activities going on in
9 Washington, some are relative to activities going on
10 in the field. While we were aware of things going
11 on internationally and things that were going on in
12 other power plants in the United States, we could
13 have been better connected, and there are specific
14 actions in the Lessons Learned Task Force activities,
15 the findings to improve in these areas. There were
16 weaknesses in some of the other aspects of our
17 regulations, there were activities to develop rules
18 and things like that. In addition to that, there
19 were identified weaknesses and how we inspect these
20 kinds of generic issues. Quite frankly, because of
21 budget cuts over the years we have spent less time
22 inspecting these because we receive letters from the
23 utilities saying what's going on, they're inspecting
24 them. There's 103 operating nuclear power plants in
25 the United States, and if you look at the safety and

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1 performance record over the last 20 years, it's
2 steadily improved, and it's better by none of any
3 nuclear power plant on an average basis.
4 Davis-Besse clearly was not an average plant. Its
5 performance clearly was substandard, and that's why
6 we're here today. So the regulatory framework
7 generally has worked well for the United States.
8 Nuclear energy is part of our energy mix, and that's
9 worked well for us. There's going to be a lot of
10 differing views on that, but nuclear power provides
11 over 20% of our electricity in the United States and
12 that's less dependence on oil and coal, which also
13 have interesting environmental and international
14 issues.

15 The Lessons Learned Task Force, though,
16 identified that there are opportunities to ensure
17 that Davis-Besse doesn't happen again, and we're
18 implementing those opportunities. The IG report
19 will be evaluated. It will be responded to. If
20 there's a response that is different than what we've
21 already responded to in the Lessons Learned Task
22 Force, then that will happen.

23 The -- as we mentioned earlier, the research
24 activities are ongoing. If those research
25 activities identify something that we need to learn,

1 we'll learn it, and we'll get better and we'll try to
2 make sure that this reduction in the safety margin at
3 Davis-Besse doesn't happen again.

4 Other comments? Questions?

5 THEREUPON, Ms. Lipa conferred with Mr. Grobe.

6 MR. GROBE: Oh, the NRC concluded
7 that the inspectors performed correctly within the
8 context of the tools that they were given, and it's
9 unfortunate that we did not select that specific
10 activity as a sample. It's unfortunate that we
11 didn't find this in 2000 instead of 2002. We're
12 taking actions to address that, but we did not find
13 that these inspectors performed in a substandard
14 manner. Next?

15 MR. KOZIEL: Yes, my name is Mark
16 Koziel. I work for the Nuclear Quality Assessment
17 Organization. It's part of FirstEnergy, and I would
18 like to get this meeting back to reality.

19 We've heard a lot of horror stories from
20 anti-nuclear people, and I want to make sure that
21 local residents have no concerns that there's going
22 to be two-headed dogs in the area or we're going to
23 have babies with flippers or anything like that.
24 It's very upsetting for me to hear those kind of
25 stories because I think it's just fear ~~monitors~~ mongering among

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1 people, and certainly our organization has done
2 everything we can to make this plant safe and to
3 bring it back on-line safely.

4 I would like to remind people that the head
5 is replaced. We have a new head in place. We
6 don't have a liner that's ready to burst right now.
7 That liner, that head is now radioactive ~~strapped~~ scrap.
8 It is no longer at Davis-Besse. We have a new head
9 in place, a fully functional head is in place at the
10 Davis-Besse Nuclear Power Station.

11 Additionally, it's very difficult for me to
12 understand how a profit motive was available to
13 FirstEnergy employees and FirstEnergy executives. I
14 can tell you right now that there is not a single
15 executive that made money off the damage and
16 degradation to the reactor head. Money was lost.
17 Money was lost due to the degradation of that head,
18 and everyone at FirstEnergy understands that if you
19 don't have nuclear safety, you can't have production
20 and you can't make money. There was no profit
21 motive involved with people overseeing safety for
22 profit. There was no profit involved with the
23 degradation of this head. The plant has learned, we
24 replaced the head. We improved our organizations.
25 We've improved our safety systems. We've improved

1 the safety margin. This plant will be ready to
2 restart hopefully by the end of this year, and we
3 have done everything we can to make it safe, and
4 certainly FirstEnergy has afforded us money, and the
5 anti-nuclears act like that's a bad thing. That's a
6 good thing that they support us with all this money.
7 They put a hell of a lot of money into this plant to
8 make it safe. We didn't want any doubt in anyone's
9 mind that we have done everything we can to make this
10 plant safe. Thank you very much.

11 THEREUPON, the audience applauded.

12 MR. GROBE: Thank you. Other
13 comments and questions?

14 MR. DUSSEL: Yes, my name is Tim
15 Dussel, and I have been to a lot of the meetings,
16 almost all of the meetings.

17 The thing that still stands out, all the
18 things that's happened, the NRC has promoted people
19 for not doing their job.

20 The other thing that I find really amazing is
21 the fact that you've set up here and you say it is
22 highly unlikely that this could happen, that could
23 happen, all the failures of the backup systems and
24 poor engineering and the backup systems -- two years
25 ago if I would have stood up here and asked you what

1 the chances are off a hole being rusted through a six
2 inch nuclear reactor lid, what would you have told
3 us? You would have probably said I was out of my
4 mind. I think we better look at what has happened
5 and look at the past. Thank you.

6 MR. GROBE: Tim, I appreciate your
7 comments, and I think as we've already discussed this
8 evening, not only is FirstEnergy looking hard at it,
9 but the NRC is also equally looking hard at it, and
10 you folks are here holding us accountable and asking
11 good questions, and what we refer to as our oversight
12 committee and the house side are keenly involved and
13 making sure that we work very hard at this and learn
14 from it, so I hope we're doing that. Thank you.

15 Who else has a question? Good.

16 MR. OSTROWSKI: Good evening. My name
17 is Kevin Ostrowski, Manager of Regulatory Affairs at
18 the Davis-Besse Station. I have a collective total
19 of 23 years of nuclear power experience. I really
20 started out life as a high school math, physics, and
21 chemistry teacher.

22 In 23 years I have been a Senior Reactor
23 Operator, at Beaver Valley for 12 years, at Perry for
24 three years, and at Davis-Besse now for four months.
25 I say that because I understand the science, the

1 technology and the engineering behind the plant.
2 We have always, always put safety before
3 production. We work with a group of trained,
4 experienced nuclear professionals. I have never,
5 ever considered anyone I worked with to be mediocre.
6 I don't see anyone hustling to go get this plant
7 on-line by the end of the year. What I do see is a
8 daily discussion of nuclear radiological and
9 industrial safety, and we talk about it daily.
10 Every day we talk about the health and safety of the
11 public, the health and safety of the people that we
12 work with, and the health and safety of the people in
13 the community.
14 I am personally committed to the safe
15 operation of Davis-Besse, the management team I work
16 with is committed to the safe operation of
17 Davis-Besse. Our entire population of plant staff is
18 committed to the safe operation of Davis-Besse. Our
19 company is committed to the safe operation of
20 Davis-Besse. My CEO, my President, Chief Operating
21 Officer, my plant manager have always come to the
22 meetings and told us personally, we want the job done
23 right, we want it done safely. It will take us as
24 long as it takes. Before too long, I would expect
25 sometime soon, I will be asked to sign my name

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1 stating that it's okay for Davis-Besse to restart.
 2 I will not do that and nor will any of the other
 3 managers that work on our team sign their name saying
 4 it's okay for Davis-Besse to restart until we have
 5 the assurance it's 100% safe to restart and we do not
 6 anticipate -- we will not come to the NRC and ask you
 7 for permission to restart our plant until we know
 8 it's safe and ready to operate. Have a good
 9 evening.

10 THEREUPON, the audience applauded.

11 MR. GROBE: Thank you, Kevin.

12 Other questions or comments?

13 (NO AUDIBLE RESPONSE).

14 MR. GROBE: Okay, very good.

15 Thank you very much.

16 Our next pair of public meetings is December
 17 3rd here in the auditorium of Oak Harbor High School,
 18 at 2:00 and 7:00. Thank you.

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CERTIFICATE

STATE OF OHIO)
) ss.
COUNTY OF HURON)

I, Marlene S. Lewis, Stenotype Reporter and
Notary Public within and for the State aforesaid,
duly commissioned and qualified, do hereby certify
that the foregoing, consisting of 78 pages, was taken
by me in stenotype and was reduced to writing by me
by means of Computer-Aided Transcription; that the
foregoing is a true and complete transcript of the
proceedings held in that room on the 12th day of
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Commission.

I also further certify that I was present in
the room during all of the proceedings.

IN WITNESS WHEREOF, I have hereunto set my hand
and seal of office at Wakeman, Ohio this day of
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Marlene S. Lewis
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My commission expires 4/29/04

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