

UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

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BRIEFING ON STATUS OF PEACH BOTTOM

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PUBLIC MEETING

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Nuclear Regulatory Commission
One White Flint North
Rockville, Maryland

Monday, February 6, 1989

The Commission met in open session, pursuant
to notice, at 2:00 p.m., the Honorable LANDO W. ZECH,
JR., Chairman of the Commission, presiding.

COMMISSIONERS PRESENT:

LANDO W. ZECH, JR., Chairman of the Commission
THOMAS M. ROBERTS, Member of the Commission
KENNETH M. CARR, Member of the Commission
KENNETH C. ROGERS, Member of the Commission
JAMES R. CURTISS, Member of the Commission

1 STAFF AND PRESENTERS SEATED AT THE COMMISSION TABLE:

2 SAMUEL J. CHILK, Secretary

3 WILLIAM C. PARLER, General Counsel

4

5 FOR PHILADELPHIA ELECTRIC COMPANY AND PEACH BOTTOM APS

6 J.F. PAQUETTE, JR., Chairman & CEO, Philadelphia

7 Electric Company

8 CORBIN McNEILL, Executive Vice President, Nuclear

9 DICKINSON SMITH, Vice President, Peach Bottom

10 JOHN FRANZ, Plant Manager, Peach Bottom

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P R O C E E D I N G S

(2:00 p.m.)

CHAIRMAN ZECH: Good afternoon, ladies and gentlemen.

The Peach Bottom Power Station has been shut down by the Nuclear Regulatory Commission order since March of 1987. The order resulted from investigation and findings indicating pervasive inattentiveness of licensed operators on watch in the control room, and the failure of Philadelphia Electric Company management to correct this inattentive behavior.

Since the shutdown, the Commission has met with Philadelphia Electric Company on several occasions, and most recently on October the 5th, 1988. We were informed of actions taken by Philadelphia Electric, including sweeping management changes, that extended from the supervisors on watch in the Peach Bottom control room, to the chief executive officer of the company.

We were also told of significant actions to support the cultural changes that were required to foster effective self-assessment, accountability by line management, and a positive attitude towards safety regulation -- indeed, to instill a safety culture in the facility. Other actions aimed at improving the

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1 reliability of plant equipment and the operating
2 environment at this station have also been undertaken by
3 the licensee.

4 The Nuclear Regulatory Commission staff has
5 conducted and concluded its enforcement action related
6 to the operator inattentiveness at Peach Bottom. A
7 civil penalty in the amount of \$1,250,000 was paid by
8 Philadelphia Electric Company. And for the first time
9 this agency assessed civil penalties to the individual
10 licensed operators at Peach Bottom.

11 The NRC staff in both Region I and here at the
12 headquarters, has been closely monitoring that
13 activities at Peach Bottom as Philadelphia Electric
14 Company carries out the actions identified in its
15 restart plan.

16 I understand that a major inspection activity
17 -- the integrated assessment inspection team had an
18 entrance meeting last Friday, and actually began the
19 inspection today at the plant, as part of the NRC
20 staff's overall program to assess the effectiveness of
21 the corrective actions taken at the plant, and the
22 licensee's readiness to return to power operation.

23 Today the Philadelphia Electric Company will
24 update the Commission concerning the status of Peach
25 Bottom and its readiness for restart.

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1 Today's meeting is an information meeting.
2 There is no vote scheduled today. The Commission will
3 meet again at a later date in order to consider a
4 restart decision for Peach Bottom.

5 Copies of the slides to be used during the
6 presentation should be available at the entrance of the
7 meeting room.

8 Do any of my fellow Commissioners have any
9 opening comments, before we begin?

10 (No response)

11 CHAIRMAN ZECH: If not, Mr. Paquette, welcome.
12 You may proceed.

13 MR. PAQUETTE: Thank you, Mr. Chairman,
14 Commissioners. Good afternoon.

15 I am Joe Paquette, Chairman and CEO of
16 Philadelphia Electric. With me today, on my left, is
17 Corbin McNeill, Executive Vice President for Nuclear
18 and, on my right, Dick Smith, who is the Peach Bottom
19 Vice President, and John Franz, who is the Peach Bottom
20 Plant Manager. Additional members of our staff are
21 seated behind me and in the audience.

22 We are pleased today to have this opportunity
23 to brief you on the status of Peach Bottom. Since our
24 last visit with you, in October, we have made
25 considerable progress in restoring Peach Bottom to

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1 operational readiness.

2 Operator skills have been enhanced. Many
3 plant modifications have been completed. Our corporate
4 culture has continued to change in a positive direction.
5 Our self-assessment capabilities have demonstrated their
6 effectiveness. We have completed our negotiations with
7 the Commonwealth of Pennsylvania, and expect to submit
8 our agreement to the NRC for approval shortly.

9 As you mentioned, Mr. Chairman, the NRC staff
10 has begun its integrated assessment team inspection of
11 Peach Bottom 2 and, as a matter of fact, they started
12 yesterday.

13 In late October, we announced a three-month
14 delay in our estimate of Peach Bottom's expected date of
15 restart readiness, from December of 1988 to the second
16 quarter of 1989 in order to provide us with time to
17 conduct additional operator training, to enhance
18 operations and management effectiveness, and to complete
19 physical work. The delay has proven worthwhile, and has
20 increased our confidence in our operators and our
21 overall readiness.

22 I think that decision also presents solid
23 evidence that we will not rush restart or any of our
24 nuclear operations, at the expense of safety.

25 In addition to the anticipated restart of

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1 Peach Bottom Units No. 2 and No. 3 in 1989, Philadelphia
2 Electric's nuclear group is also faced with the
3 challenge of successfully completing a 110-day refueling
4 outage of Limerick Unit No. 1 which is now underway, and
5 of completing construction, surveillance testing, fuel
6 loading and initial start-up of Limerick Unit No. 2
7 which is scheduled for the second half of the year.

8 Coordination of these four major projects has
9 been carefully planned, and top management is committed
10 to providing the resources necessary to complete them in
11 an orderly fashion.

12 Mr. McNeill will discuss the specifics of our
13 planned management of these activities in his remarks.

14 In summary, the last four months have
15 demonstrated tangible results which clearly indicate
16 that we are moving in a positive direction towards
17 achievement of our goals. I believe we are now
18 definitely in control of the plant readiness program.
19 To support that claim, Dick Smith will first brief you
20 on the major accomplishments at the plant, and then
21 Corbin McNeill will discuss corporate accomplishments.

22 And I will turn the program over to Dick
23 Smith, unless somebody has any questions, before we do.

24 CHAIRMAN ZECH: Thank you very much.

25 MR. SMITH: Mr. Chairman, Commissioners, this

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1 is the third time I have had the opportunity to brief
2 you since I have been with Peach Bottom, and it is a
3 pleasure today to be able to discuss our continuing
4 improvements, as we proceed towards readiness.

5 The topics I will be discussing are shown on
6 this slide.

7 (Slide)

8 I would start first then with a brief
9 discussion of our organization. Prior to the shutdown
10 at the Peach Bottom Station, we had a plant manager as
11 the leading person at the station, and several
12 organizations which reported to him, and others which
13 reported to corporate headquarters at 23rd Street. It
14 was a highly matrixed organization.

15 As part of the reorganization, in the Fall of
16 1987 we put all of the activities at the station under
17 one head, that being the vice president of the station.
18 We also looked at ways to relieve the plant manager of
19 workload, so that he could concentrate more heavily on
20 the operators and plant operations. We, therefore,
21 brought on-board a project manager and a support
22 manager; the project manager worrying about those things
23 which were of a longer time frame than the plant manager
24 needed to worry about -- such as outage planning,
25 material modifications, et cetera -- and a support

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1 manager who worried about things such as security,
2 personnel, medical, et cetera, and the other activities
3 that are necessary to run the station, but do not
4 support the day-to-day operation.

5 We looked for people to fill these positions
6 from around Philadelphia Electric Company and, when not
7 available within Philadelphia Electric Company, from
8 other parts of the nuclear power industry. We believe
9 we have assembled a good team. We have been working
10 together for about a year now. We feel there is good
11 communications among us, clear lines of communication
12 and clear accountabilities.

13 (Slide)

14 In the area of operator readiness -- I will
15 dwell a bit on this area because it is a significant
16 item. When we restart, we intend to be on six shifts.
17 On each of those shifts we would have three senior
18 reactor operators. Two are required by the technical
19 specifications but, for added flexibility and
20 management, we will have three senior reactor operators
21 per shift. Two of these are shift supervisors, and the
22 third is the shift manager. This is the new position
23 we brought on after the shutdown -- a licensed, degreed
24 engineer, who had from -- at that time, from five to 13
25 years experience at Peach Bottom.

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1 We will additionally have three reactor
2 operators per shift, which is the number required by the
3 technical specifications. We are planning to build
4 towards the future to a fourth reactor operator per
5 shift in order to give us the flexibility at that level
6 also, but that will take sometime, and it will be well
7 into 1990 before we are able to achieve that.

8 When we were together in October, both
9 Philadelphia Electric Company, INPO and the NRC were in
10 the process of evaluating the crews performance in the
11 simulator, and all were coming to the decision that they
12 were not ready -- fully ready for restart. We continued
13 our evaluations by Philadelphia Electric Company
14 operations management and, when operations management
15 were satisfied, we set up an evaluation team consisting
16 of myself, Mr. Franz and a senior reactor operator,
17 licensed from the Limerick Generating Station.

18 We performed an evaluation of each of the
19 shift teams within each of the six shifts, and
20 recommended then to the Institute that they should come
21 in an evaluate them, which they did. They examined four
22 of the shift teams, and found them to be satisfactory.

23 The crews were subsequently evaluated by your
24 staff in an intensive evaluation, looking at all of the
25 shift teams. They found weakness in some areas, some

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1 additional retraining was conducted, and earlier, in
2 January, the NRC again evaluated the performance of the
3 shift crews in the simulator.

4 We all now agree that they are fully ready for
5 restart from a technical standpoint.

6 Continuing in the area of licensed operator
7 training --

8 (Slide)

9 -- in addition to the training that we have
10 conducted in the simulator and the normal
11 recertification training which has been conducted -- and
12 by the way, all of the licensed operators have either
13 been recertified during the shutdown period, and had
14 their license renewed, or have initially achieved their
15 licenses -- but in addition to that training, we have
16 conducted extensive non-technical training, which was
17 concentrated on inter-personal relationships, attitudes
18 and cultural changes.

19 I think we have achieved a safety culture at
20 Peach Bottom.

21 In the course of the shutdown, we have
22 qualified 11 new reactor operators. And these
23 gentlemen, of course, all have a restricted license,
24 restricted to cold operations only. We also have three
25 new senior reactor operators, who were formerly reactor

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1 operators.

2 During the power ascension program we have
3 laid out an extensive training period where we will
4 conduct the training that is necessary to convert those
5 cold licenses to fully unrestricted licenses, such that
6 by the end of the power ascension on Unit 2, all of our
7 licenses will be hot licenses.

8 In addition, we are laying out specific
9 training requirements for those people who were licensed
10 and fully qualified before, but have not had the
11 opportunity to run an operating plant for two years.

12 We feel that this training program which is
13 laid out and which we have discussed with the regional
14 staff, will lead to well-qualified operators at the
15 beginning and through the power ascension program.

16 We will, of course, continue with licensed
17 operator training. We have in process now a senior
18 reactor operator course for staff members, staff
19 engineers. We will conduct a senior reactor operator
20 course for present reactor operators, as soon as we can
21 release them after additional operators have achieved
22 their hot status, and we will be conducting -- we are
23 conducting a reactor operator course at the present
24 time. It will, however, be Fall of 1989 before we have
25 sufficient number of operators to give us full

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1 flexibility. We have the required numbers and, in fact,
2 as I mentioned, one additional senior reactor operator
3 on each shift, and we have some people we could use in
4 an emergency situation but, until we really achieve the
5 flexibility we are looking at, it will be another year,
6 another year and a half.

7 (Slide)

8 We have done extensive training in our plant-
9 specific simulator and have found this to be an
10 extremely valuable tool for training, a magnificent
11 device. We have been using it for training,, up through
12 this week, and are now turning it off to put in
13 modifications to bring it fully up-to-date and
14 equivalent to the plant.

15 We are also correcting those things which the
16 operators have found over these last several months did
17 not truly replicate the plant -- this will be about a
18 two-month period of modifications -- then we will use it
19 again at the factory where it is presently located, for
20 some additional training late this spring and into the
21 summer, and then, finally, bring it up to Peach Bottom.
22 And we expect to have it installed, running, fully
23 usable for training in the fall of this year, at the
24 Peach Bottom Atomic Power Station, and that will
25 certainly be a major step forward in the training of the

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1 operators.

2 One of the areas which has received a great
3 deal of scrutiny is our security program.

4 (Slide)

5 We have been rated a SALP 3 in this area, in
6 the most recent SALP, and we have had a program which
7 has met minimum standards for a number of years, but we
8 have not had a good security posture at Peach Bottom
9 Atomic Power Station.

10 As reported to you in October, we brought on a
11 new security contractor in August of this past year. We
12 increased our Philadelphia Electric Company oversight.
13 We replaced the Philadelphia Electric Company managers
14 at the station, and moved the organization in so that it
15 reports at a higher level in the station, and reports to
16 me rather than reporting to corporate headquarters.

17 With the new contractor, we have done
18 additional training, both for our own people that are
19 involved with the oversight of security, plus the
20 contractor guard force. The new contractor has gained
21 control of overtime, which was a major issue of poor
22 morale among the guard force with the previous
23 contractor.

24 We have put a good bit of time and money into
25 improving and upgrading the security facilities and the

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1 equipment.

2 We have been told by the NRC that they were
3 going to come in and give us another inspection,
4 specifically in the security area, an in-depth thorough
5 inspection, when we were ready and told them that our
6 security program was -- met our standards. We did
7 extensive self-assessment in September, October and
8 November and, finally, in December, I signed a letter
9 saying that we were indeed ready for that NRC
10 inspection, and that took place in the latter part of
11 last month.

12 CHAIRMAN ZECH: Will you elaborate, just
13 briefly, on the overtime control?

14 MR. SMITH: Mr. Chairman, the previous
15 situation -- the guard force worked an excessive amount
16 of overtime and they had unlimited and not -- they were
17 not accountable for call-offs, any guard could call-off
18 at any time, without any repercussion. And, therefore,
19 you never knew when you came in, when you were actually
20 going to be relieved and be able to go home.

21 The new contractor has scheduled time periods
22 with enough people on each of the shifts, such that they
23 are almost never having to hold anyone over.

24 CHAIRMAN ZECH: Put some discipline in the
25 system.

1 MR. SMITH: The new contractor does, in fact,
2 hold the people accountable for call offs.

3 CHAIRMAN ZECH: Right. And keep control over
4 it, rather than kind of leave control to the individual.

5 MR. SMITH: Yes, sir.

6 CHAIRMAN ZECH: Is that what you've done?

7 MR. SMITH: Yes, sir. Very much so. The
8 management is in charge of it now.

9 MR. McNEILL: There is one added factor, and
10 that has been that we had a large number of compensatory
11 postings, up through about the end of October or early
12 November because of security equipment that was either
13 inoperative or did not meet the design requirements, and
14 we have corrected all of those problems, so that the
15 number of compensatory posts that need to be manned is
16 significantly fewer than there was previously.

17 MR. SMITH: And a number of factors have come
18 together, as I will mention later. We have about 1300
19 less people at the station, so that is that much less
20 activity, so that much less demand on the guard force.
21 We have closed up the drywell, so we don't have posted
22 positions there. All of these things have let us get
23 management control.

24 CHAIRMAN ZECH: Thank you. Let's proceed.

25 MR. SMITH: Turning then to the physical

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1 plant, I will talk about modifications, preventive and
2 corrective maintenance, surveillance tests, and what we
3 are doing in the area of radiation protection.

4 (Slide)

5 Shown on this chart are the Peach Bottom Unit
6 2 and Common restart modifications which we have
7 committed to closing before we restart the plant. This
8 chart is a little confusing to understand. The total
9 standpipe is the number of modifications which are not
10 physically totally completed. The black part of the
11 standpipe is those numbers which still require some
12 installation. The remainder of the standpipe could be,
13 perhaps, correcting a procedure, or changing a
14 surveillance test, or some other software activity that
15 needs to be done, to fully close the modification.

16 At this time, there are about 20 modifications
17 that still require installation, and about an additional
18 20 that have some form of closure still remaining. By
19 the first of March, this total number should be down to
20 less than 20.

21 Now, most of these that are still on this list
22 are newly issued. We have a cumbersome system, such
23 that the many things which really would be in many
24 plants considered a repair activity or an alteration
25 equivalent to a repair, require a modification under our

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1 system.

2 So, this is not a large number of major work
3 items. However, there are some unresolved technical
4 issues in these modifications -- and Mr. McNeill will
5 speak to those issues. With the exception of those
6 issues, this is not a problem.

7 Shown on the next chart --

8 (Slide)

9 -- is the overdue -- and it is not stated on
10 the chart, but I want to make that clear -- this is
11 overdue preventive maintenance on Unit 2 and Common.

12 When I was with you in October, I pointed out
13 that we had brought the number down from nearly 3,000 to
14 less than 300 overdue preventive maintenance items. And
15 our goals was to have it at zero by the time of restart.
16 As of last Wednesday, the 1st of February, there were 12
17 items, and as of yesterday, Mr. Chairman, there were no
18 items.

19 We intend to be able to maintain zero items.
20 We know which items are coming due, and we are
21 scheduling them before they become overdue.

22 CHAIRMAN ZECH: Fine.

23 MR. SMITH: We did achieve zero, as of
24 yesterday.

25 CHAIRMAN ZECH: Good.

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1 MR. SMITH: Looking at total work orders --

2 (Slide)

3 -- and this includes modifications, which are
4 labeled CN up there, construction modifications. It
5 includes these corrective maintenance items and
6 preventive maintenance items. So, this is all work
7 activity, this is a gross number, but we have done over
8 15,000 items since we started the shutdown in Unit 2, in
9 March of '87. When we were together we had a little
10 over a thousand still outstanding that we intended to
11 finish before restart and, presently, we have evaluated
12 all outstanding work, and have determined that about 400
13 work orders are still necessary before restart.

14 These have been evaluated by our operations
15 management, as those items which need to be done before
16 restart. We will, of course, have all systems operable
17 in the tech-spec terminology, before restart. That will
18 definitely be done.

19 Perhaps another view to look at this is the
20 next chart --

21 (Slide)

22 -- which is the Unit 2 and Common non-outage
23 corrective maintenance work orders. There will always
24 be non-outage corrective maintenance. We are running on
25 a 13-week rolling schedule, a quarterly schedule, such

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1 that we take out a particular system in Week One, and
2 another system in Week Two, and we work the outage work
3 -- the non-outage work that is there to be done during
4 those periods of time. So, there will constantly be
5 some number of these.

6 At the time of restart, we will be able to
7 justify why none of these items are essential to safety,
8 or impact reactor safety, and we will have operations
9 review of all of these items. This includes a number of
10 preventive maintenance items that are not overdue,
11 modifications at the present time, and corrective
12 maintenance.

13 CHAIRMAN ZECH: Could you relate that normal
14 backlog to me?

15 MR. SMITH: This is our ^{estimate of} normal backlog.

16 CHAIRMAN ZECH: But could you turn it into
17 weeks for me? How many weeks does that mean?

18 MR. SMITH: If there were no new work coming
19 in, we could work off 250 to 300 of these a week. The
20 problem is that there -- and this is only on Unit 2 and
21 Common, and there is also work coming in on Unit 3.

22 CHAIRMAN ZECH: So, in four weeks you would
23 work off your normal work log if you didn't get anymore,
24 is that what you are saying?

25 MR. SMITH: Yes, if we didn't have parts

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1 problems and all of those activities.

2 CHAIRMAN ZECH: All right. Thank you.

3 COMMISSIONER CARR: The slope says you could
4 get it lower than that.

5 MR. SMITH: It would indicate that, Mr.
6 Commissioner. The problem is there comes a point at
7 which it is not reasonable or cost-effective to try to
8 drive it down further. There are always new items coming
9 in.

10 CHAIRMAN ZECH: That's your estimate of the
11 new items -- in other words, when the slope levels off,
12 that's -- from zero to the line indicates the number of
13 new items you expect to come in, in what you are telling
14 me, I guess, is about a four-week period?

15 MR. SMITH: In about a four-week period.

16 CHAIRMAN ZECH: And that's what you're going
17 to steady --

18 MR. SMITH: And it also indicates that we are
19 going to shift some resources to Unit 3, to work the
20 backlog on Unit 3.

21 CHAIRMAN ZECH: To make it a steady state.

22 MR. SMITH: Sort of a steady state.

23 Now, the industry counts these things
24 differently from plant-to-plant, but this number is a
25 good number.

1 CHAIRMAN ZECH: Okay, all right. Thank you.
2 Let's proceed.

3 MR. SMITH: In the area of surveillance test
4 and routine tests --

5 (Slide)

6 -- shown on this chart are those tests which
7 are conducted at a frequency greater than quarterly.
8 Those items which are conducted weekly, monthly, or
9 quarterly are on this 13-week rolling schedule, and our
10 computerized system keeps track of these and tells us
11 when they come due, and we are up-to-date on those, but
12 we are also looking at those which are of the longer-
13 term, so that when we do start up, we don't have to turn
14 around and shutdown in a couple of months to do
15 surveillance tests. This is strictly a matter of
16 scheduling, such that when we start up, we will be able
17 to stay up and run. This is not a problem.

18 We have continued to make progress in
19 decontaminating the low-level surface contamination in
20 Unit 2 and Common.

21 (Slide)

22 In October, we were right at 15 percent of
23 those areas we were trying to maintain as clean, were
24 clean. Our goal was 10 percent. We are below 10
25 percent now. And as I said before, it gets more

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1 difficult as you get to the last of the areas, but we
2 have cleaned up the plant from somewhere around a third
3 of the areas being contaminated, to less than 10 percent
4 being contaminated. We continue to make progress on
5 Unit 3, and we will be in a similar condition when we
6 are ready to restart 3.

7 CHAIRMAN ZECH: Let me commend you on this
8 effort. This is certainly good management practice. It
9 contributes to your -- what you can anticipate would be
10 lower exposure record -- lower exposure to your working
11 force, a lot less, more difficult -- a lot less
12 difficult working, a lot less difficult to maintain
13 equipment, when you clean it up like this.

14 So, it would appear to me that you have done,
15 in this particular area anyway, a very good job. And I
16 am pleased to hear that you intend to do the same for
17 Unit 3.

18 MR. SMITH: We do.

19 CHAIRMAN ZECH: Good.

20 MR. SMITH: Thank you, Mr. Chairman.

21 CHAIRMAN ZECH: Thank you. Let's proceed.

22 MR. SMITH: We feel we have made strides in
23 radiation protection, in the health physics area.

24 (Slide)

25 And shown here are, in two areas, some

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1 measures of that, personnel exposure on the left and
2 radwaste production on the right. Shown in the dark bar
3 standpipe is the goal that we had set for ourselves for
4 1988, then the next standpipe is our actual achievement
5 for 1988 and, finally, what our goal is for 1989.

6 You will recall that in 1988, we did a major
7 pipe replacement on Unit No. 3, and that's what drove
8 the goal and the actual high on Units 2 and 3 at the
9 station. We have set as a goal 1,000 for 1989. We
10 anticipate achieving it. January had us right on the
11 slope of the graph that would do that. I would say that
12 if we are less than 1,000, it will be only the third
13 time in Peach Bottom's history that we have been at a
14 thousand or less, and the other two years were early in
15 its history.

16 Our radwaste production -- we had a good year
17 this year in radwaste production. Next year will not
18 show a significant decrease because we, hopefully, will
19 be operating here in '89, and will produce a lot of
20 resins, which will increase that.

21 CHAIRMAN ZECH: Let me comment on these two
22 indicators, too, because personnel exposure of your
23 workers and radwaste produced, as far as I am concerned,
24 are significant indicators of performance. It is safety
25 performance, as well as just good management practices.

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1 So, I am pleased to see what you have done here, and I
2 would only encourage you to continue those efforts.

3 MR. McNEILL: I might point out, Mr. Chairman,
4 that at the Limerick Generating Station, in 1988, we had
5 53 man-rem for the year, which I think is a world record
6 for 1988, and is by far and away the best United States
7 record for a boiling water reactor. And we intend to--
8 we may not be able to achieve that level with a 14-year-
9 old plant, but our emphasis is on significant reductions
10 in exposure to our population.

11 CHAIRMAN ZECH: Well, that's -- again, that's
12 just good management practice. I commend you for the
13 efforts on both personnel exposure and radwaste
14 reduction.

15 MR. SMITH: I, finally, want to comment just
16 briefly on what I would call transition to operations.

17 (Slide)

18 I alluded to this a little bit before, but we
19 are regaining control at the station. We had two units
20 in shutdown and, of course, still have two units shut
21 down, but we had major outages going on on both units, a
22 major pipe replacement outage. We had almost 2800
23 contractors, plus our approximately a thousand
24 Philadelphia Electric employees at the station. It made
25 it very difficult to control radiation issues, and

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1 security force issues, and a number of other things,
2 and to just keep track day-to-day, of what was going on.

3 The manning of the contractor force has
4 decreased by more than 50 percent. We are getting back
5 in control, and we are back in control of the workforce
6 at the station.

7 We are also establishing a -- trying to
8 establish a culture and a mentality that we have one
9 plant in outage, Unit 3, and we have one plant which is
10 shut down and getting ready to restart, rather than two
11 plants in long-term shutdown.

12 We are shifting control of Unit 2 back to the
13 operators and operations section, rather than
14 maintenance. So, it is a plant that is near operations,
15 being controlled by operators, rather than a plant under
16 a heavy maintenance load.

17 We have gone to a daily plan of the day,
18 similar to that being used at Limerick Generating
19 Station, and which has received plaudits from INPO at
20 Limerick Generating Station, which puts the operators
21 back in control. And as I mentioned, we have set up a
22 rolling maintenance schedule, so that we will do
23 maintenance and surveillance tests in a routine manner,
24 rather than a bulk or crisis basis.

25 So, we are regaining control of operations.

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1 We are not a hundred percent of the way there, but very
2 close.

3 And that concludes the remarks I intended to
4 make. Subject to any questions, I would pass to Mr.
5 McNeill.

6 CHAIRMAN ZECH: Just one question, regarding
7 the transition to operations, this last slide you have.
8 If permission is granted to Peach Bottom to restart, how
9 do you plan to approach the restart process? Are you
10 prepared to tell us yet about your restart program?

11 MR. SMITH: We have laid out a power ascension
12 program in which we have described the management for
13 the power ascension, the training that would be part of
14 it, the various plateaus, the NRC involvement. We think
15 it is a very complete plan.

16 I officially signed that and submitted it last
17 Friday. We have worked with your staff, and we believe
18 it answers questions that they have raised, but the
19 official submission was last Friday.

20 CHAIRMAN ZECH: All right.

21 MR. SMITH: We think we have sufficient
22 management to continue the maintenance on Unit 3, and
23 operate Unit 2.

24 CHAIRMAN ZECH: All right, fine.

25 You signed it out last Friday, you say. So

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1 the staff has it now for review?

2 MR. SMITH: Yes.

3 CHAIRMAN ZECH: All right. Thank you very
4 much.

5 Let's proceed then.

6 MR. McNEILL: I think we would be prepared to
7 discuss that with you at our next briefing --

8 CHAIRMAN ZECH: All right.

9 MR. McNEILL: -- for the plant.

10 CHAIRMAN ZECH: All right, fine. Thank you
11 very much.

12 Let's proceed.

13 MR. McNEILL: Mr. Chairman, Commissioners,
14 good afternoon. And I thank you, also, for this
15 opportunity to update you on our progress ^{toward} ~~for~~ restart of
16 Peach Bottom.

17 On the slides we have made a minor change,
18 pages 23 and 24 of my presentation are reversed, and
19 page 25A has been added, which will show on the screen
20 when it comes up.

21 I would like to review for you our restart
22 criteria, and then briefly describe beyond the status
23 that Dick Smith has given, where we stand in fulfilling
24 the criteria. Our criteria are shown here --

25 (Slide)

1 First, that plant readiness is demonstrated--
2 and Mr. Smith, I believe, has covered this criteria;
3 secondly, effective management and staff are in place--
4 Mr. Smith has discussed the plant status, and I will
5 review the corporate management; third, our restart
6 programs are implemented; fourth, the self-assessment
7 capability, a major weakness identified in the shutdown
8 order, has been established; and a recent addition,
9 which is resolution of a number of major technical
10 issues that still face us.

11 Last year, Philadelphia Electric formed the
12 dedicated nuclear organization shown on this slide.

13 (Slide)

14 Each of these organizations is in place and
15 functioning effectively. Our Nuclear Engineering
16 Organization has, however, embarked on a major
17 additional reorganization, which will be effective about
18 mid-year this year. This reorganization is a natural
19 one, which recognizes its changing role from one focused
20 on the construction of Limerick toward one focused on
21 configuration management.

22 We have, in fact, compensated for that by
23 having dedicated engineering support groups, both at
24 Peach Bottom and at Limerick, of about 15 people each,
25 to make sure that during this reorganization we do not

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1 affect the engineering support of the stations.

2 The functionality of this organization, and
3 the fact that each with the exception of quality
4 assurance is headed by a vice president, is an important
5 element in our ability to take on the challenging
6 schedule that faces us at Philadelphia Electric this
7 year.

8 (Slide)

9 All of our restart programs are implemented
10 and functioning effectively, and are shown on this
11 slide, although with varying degrees of success to-date.
12 Our operating experience assessment and commitment
13 tracking programs have been in place for nearly eight
14 months, and were recently subject to line management and
15 quality assurance review.

16 Each of these programs has been found to be
17 effective, but can stand a great deal of change to make
18 it more effective and more productive, and each of these
19 programs is being revised to incorporate the lessons
20 learned from these reviews.

21 Our interim configuration management review is
22 complete, with the exception of one element, which we
23 will close out later this month. We have a longer-term
24 configuration management program which will take a
25 number of years to complete, but will be very responsive

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1 to current industry and NRC initiatives.

2 We have also recently promulgated extensive
3 guidelines for root cause analysis, which have greatly
4 strengthened our ability to resolve issues rather than
5 just their symptoms. Root cause analysis has
6 effectively been applied to problems associated with the
7 plant modification process and plant operating
8 incidents.

9 Our goals and objectives for 1989 are in the
10 final stages of review, and we will continue the
11 excellent ones which were highlighted by INPO as one of
12 our strengths in 1988.

13 In September of 1988, we began a hundred
14 percent drug testing of all individuals who had
15 unescorted access to our nuclear facilities, and all
16 individuals granted access thereafter. This year we
17 will have true random drug testing for 110 percent of
18 the population.

19 On the next slide, I show you the figures
20 associated with the testing to-date.

21 (Slide)

22 These numbers indicate a positive test of PECO
23 employees of approximately one-half of one percent, and
24 of contractors of approximately 2 percent. Anyone with
25 a positive test is denied access for three months, and

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1 are reinstated only after demonstrated evidence of
2 rehabilitation and/or counseling. And once reinstated,
3 random testing is conducted quarterly for the next three
4 quarters, before that person goes back into the annual
5 program.

6 (Slide)

7 One weakness noted in the shutdown order of
8 March 31, 1987, was the company's inability to identify
9 its own weaknesses. Correction of this weakness through
10 development of our self-assessment capability, has been
11 a major element of the restart program. We have used
12 self-assessment as an ongoing activity, which has been
13 supplemented in this case for restart by a readiness
14 review process, and by increased involvement of INPO.

15 Our self-assessment is a continuing four-level
16 process, which provides continuous feedback to the
17 organization.

18 (Slide)

19 At the first level, line management, we use
20 performance indicators, goals and objectives, management
21 by walking around, and have very effectively used visits
22 to other plants, as another input to management on to
23 what their standards ought to be. For instance, we have
24 had two teams of people visit Sweden, and we have had
25 people from Peach Bottom visit four other facilities in

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1 the past year.

2 At the second level we utilize our quality
3 control organization, the plant operating review
4 committee, and our corporate nuclear support
5 organizations, such as radiological protection and
6 chemistry, to conduct technical reviews and inspections.
7 In specific areas, we have also used INPO assistance
8 visits to help set our organizational standards, to
9 ensure that we keep pace with the industry.

10 At the third level, we use independent
11 oversight -- our independent oversight organizations of
12 quality assurance and the Nuclear Review Board. These
13 organizations conduct audits, surveillances, compliance
14 inspections, performance assessments, safety system
15 functional inspections and independent event
16 investigations. We are particularly pleased with our
17 performance assessment groups which look at functional
18 effectiveness and efficiency, rather than just
19 compliance.

20 This organization has a significant impact on
21 how functional managers view their organizations, and
22 their accountabilities. Frequently their
23 accountabilities were felt to be compliance-related.
24 They now look more at how -- what is the culture of
25 their organization and its effectiveness.

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1 Our last level of assessment is executive
2 management, which prides itself on involvement and
3 knowledge of the organization. Its various processes
4 and, most important, its strengths and weaknesses. At
5 this level we use special reports from the nuclear
6 quality assurance organization, consultants and from
7 INPO, to ensure that our organizational performance
8 reflects the high standards which we seek.

9 (Slide)

10 INPO has been considered a significant element
11 of this level of our assessment process, and in
12 particular, before we restart. We believe that it has
13 had significant benefit to the regulatory process by
14 fostering a higher degree of performance than would be
15 obtained through the regular, normal and normal
16 regulatory process.

17 INPO conducted plant and corporate evaluations
18 in September and October last year, and follow-up
19 evaluations of operators, and operations and management
20 effectiveness in December and January, respectively.

21 Access to these reports has or will be made
22 available to the NRC, and to representatives of Maryland
23 and Pennsylvania.

24 On January 31 of this year, INPO removed our
25 Category 5 rating, which had been assigned after the

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1 1987 plant evaluation. We also expect later this month
2 a letter from INPO, which will address INPO and PECO's
3 interactions during the past year, in addressing the
4 letter of January 1988, which was critical of PECO's
5 nuclear operation.

6 (Slide)

7 Our readiness restart review panel issued its
8 report in October, indicating that pending completion of
9 operator training, various administrative items and
10 plant physical requirements, the plant would be ready
11 for restart. This panel consisted of myself, the Senior
12 Vice President of Nuclear Construction, the Vice
13 President of Limerick, the General Manager of our
14 Nuclear Quality Assurance organization, the chairman of
15 the Nuclear Review Board, and consultants, Dennis
16 Wilkinson, Saul Levy and Larry Burkhart, who is now with
17 Niagara-Mohawk Corporation.

18 In arriving at their conclusions, the panel
19 considered inputs from the Nuclear Review Board, the
20 Nuclear Quality Assurance organization, 14 functional
21 managers representing 18 functional areas both at the
22 plant and the corporate level, and from their own broad
23 knowledge of our current operations. That panel
24 produced a report and is shown on the slide, and from
25 that report came two broad areas which we are addressing

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1 in our restart program. The first, which is the plant
2 readiness, which Mr. Smith has delineated, plus we had a
3 master open-items list. That master open-items list
4 lists all of the modifications and administrative items
5 that are necessary for us to resolve before restart.

6 I would like now to discuss with you the non-
7 technical issues that still face us, that are shown on
8 this slide.

9 (Slide)

10 As a part of our ongoing self-assessment and
11 ~~as a result of~~ ^{closer look at} issues that arise ⁱⁿ at the plant, we have
12 identified a number of technical issues that may need
13 additional work or, in fact, do need additional work.
14 The first is in our review of Appendix R, we have noted
15 the high impedance fault problem has not been adequately
16 addressed. We have previously submitted an exemption
17 request to the Commission staff on Appendix R and the
18 high impedance fault.

19 We recognize that that will not be approved,
20 and have taken a different approach, and are attempting
21 to resolve this on an interim issue basis with the
22 staff, and we will follow up with a longer term program
23 to bring in full compliance with the Appendix R.

24 We have also noted, and had under review over
25 the last eight months, the electrical design of Peach

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1 Bottom, particularly from the standpoint of degraded
2 grid voltage. We have done an analysis, have identified
3 a number of modifications, and they are now on that list
4 that Dick described in terms of modifications that have
5 to be completed prior to restart.

6 During one of the reviews, or during one of
7 the walk downs that we had at the plant this past year,
8 one of the engineers noted that a number of the floor
9 penetrations that generally provided flood protection,
10 were not sealed. That started us on an extensive review
11 of all of the penetration seals in the plant. And we
12 have corrected all of the flood ones, but we find that
13 some of the high energy line break seals are not
14 properly sealed. And we have some modifications that
15 will take until mid-March or so to correct in order to
16 resolve this particular issue.

17 We have completed, and are about to test the
18 alternate rod insertion modification, and are working
19 with the staff on resolving the technical
20 specifications. Our modification, or our design, was
21 completed somewhat in advance of the generic BWR design,
22 and we have got some minor changes, deviations from that
23 generic design, so that we have to have some minor
24 changes to the tech-specs resolved.

25 Peach Bottom has an emergency cooling tower,

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1 which is designed to function under flood conditions or
2 if there is a break at the dam on the Susquehanna River
3 downstream of the plant.

4 When I first joined Philadelphia Electric last
5 spring, the Nuclear Review Board very strongly urged me
6 to make sure that a test that had been deferred for a
7 large number of years was conducted of that cooling
8 tower. We persisted with that, conducted the test in
9 December, the test did not work, and it now appears that
10 there have been some longstanding technical deficiencies
11 with venting of the reservoirs, the large water
12 reservoirs for that. And we have some modifications to
13 complete, which should be done by the end of February,
14 and we have to rerun that particular test.

15 We have a small bore pipe stress issue where
16 we have found that a number of modifications have been
17 made to the small bore piping, and that, although we
18 exceed the code allowable stresses, we should not exceed
19 the rupture stresses on the pipe. This is not different
20 than many plants of this vintage have found in some of
21 their small bore piping. And we are proposing to
22 undertake a several year review of this particular
23 program, and to bring it in full conformance with
24 today's standard.

25 And, finally, there is a question of

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1 surveillance test adequacy. We have found a number of
2 our surveillance tests in the fire protection system,
3 and in those other conditions which have a number of
4 lists, such as the flood seals, where there are
5 inaccuracies in the compiled listing of things that have
6 to be demonstrated, and we are reviewing those, and
7 bringing them up-to-date.

8 So, that lists the issues that we have to
9 resolve. We believe that all of those will be completed
10 before the end of March, more like the 27th of March, is
11 our last date on those particular items.

12 I am very pleased to report to you that we
13 have progressed very well in our negotiations with the
14 Pennsylvania, and that we, in fact, have a draft
15 agreement which has received initial NRC comments.

16 (Slide)

17 Those comments have been further negotiated
18 with the Commonwealth. And we have a final document
19 which is expected to be submitted by about the 17th of
20 February. The final actions that need to be completed
21 are a review with the Governor, and then a final signing
22 agreement. At that time we will be signing to submit
23 the agreement for NRC review.

24 After the NRC has granted its approval of that
25 document, there will be a final signing. When that

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1 final agreement becomes binding, the Commonwealth will
2 remove itself from the Third Circuit Court of Appeals,
3 in a filing that it has there, and also will remove
4 itself from the Atomic Safety and Licensing Board
5 hearing that is pending on issues.

6 1989 is going to be an extremely challenging
7 year for Philadelphia Electric.

8 (Slide)

9 As Mr. Paquette has indicated, in addition to
10 returning Units 2 and 3 from their long-term regulatory
11 shutdown, we will be returning Limerick Unit 1 from a
12 normal refueling outage, but one that also includes the
13 tie-in of all of the Unit 2 Common systems, and there
14 are a number of those, such as the stand-by gas
15 treatment system and the emergency service water system.

16 So we have an outage of greater complexity than
17 normal. It is currently on schedule, and should finish
18 early in May.

19 We expect early in July, to begin the loading
20 of fuel on Limerick Unit 2, and to be at about 25
21 percent power by year's end.

22 We recognize that this is a challenging series
23 of objectives for us. We intend, through management
24 involvement, attention and support to the various
25 activities involved here, to make sure that we handle

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1 these in a very logical, safe and program manner.

2 Some of the items that we have to look forward
3 to from management in doing this --

4 (Slide)

5 -- is that we already have a demonstrated
6 willingness to delay the schedule, and that comes right
7 from the top down. We also have the availability of a
8 large mobile maintenance force in the company, of about
9 500 people. They are currently at Limerick. They will
10 come back to Peach Bottom, and they are a very solid,
11 well trained maintenance organization, that we can use
12 as an internal resource to help us, if we run into
13 trouble at any one of these activities.

14 There are no competing fossil outages on our
15 fossil system to take away from that maintenance force,
16 and thereby allows us to focus.

17 I mentioned earlier when I described our
18 organization, the independence of Limerick and Peach
19 Bottom, and they are, in fact, well established with
20 vice presidents, with well functioning organizations
21 now. They have resource availability to them. Although
22 we have reduced our budget this year at Peach Bottom, it
23 is still well above normal, and the decline is
24 represented by the decrease in contractors which, in the
25 long-term, has some benefit to us in getting control of

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1 the plant.

2 As I mentioned the independence, on the next
3 slide --

4 (Slide)

5 -- we do have a site vice president, who
6 attends the chairman of the board's weekly staff
7 briefing, can raise issues at that level, if they are
8 not getting attention elsewhere in the organization.
9 They are fully staffed, and we have applied both
10 dedicated engineering support from our Nuclear
11 Engineering Department, but also have added some extra
12 contract assistance to cover for the fact that the
13 engineering department is undergoing reorganization.

14 (Slide)

15 The problem at Limerick has eased somewhat
16 because of the Unit 1 and Unit 2 similarity. And to
17 give you some idea of that, 60 of the 60 operators who
18 took the differences examination to give them a license
19 in Unit 2, passed. We had a hundred percent pass rate
20 of the 60 operators that we sent up, and we sent 60 of
21 the 62 operators that were available. So, I think that
22 is a good indication that we have a quality process
23 underway at Limerick, in the startup of Unit 2.

24 The procedures are all complete, six months
25 ahead of schedule for surveillance tests and operations.

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1 We are within two tests, I believe, of having submitted
2 all of the startup tests for the plant to the NRC, for
3 their review. And we are maintaining close ties with
4 both General Electric and Bechtel, and will maintain a
5 strong presence on-site of those people during the
6 startup of Limerick.

7 I want to assure you that we have a commitment
8 --

9 (Slide)

10 -- that schedule will not impact the quality
11 of either Peach Bottom or Limerick. We are dedicated to
12 doing the job right. We have developed, I think, or
13 are a long way toward developing that safety culture
14 that you would like to see, that is represented in our
15 self-assessment process, and you have our commitment to
16 that.

17 Finally, I would like to talk just a little
18 bit about the tentative schedule that we see ahead of
19 ourselves for Peach Bottom.

20 (Slide)

21 As Dick has indicated, on February 3rd, we did
22 submit the Power Ascension Program for review by the
23 NRC, to the Region I. Sometime between the 8th and 17th
24 of February, we expect to submit the agreement with the
25 Commonwealth of Pennsylvania, to the NRC.

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1 I would point out to you that we have kept the
2 State of Maryland fully informed of our negotiations.
3 And we have basically kept them very pleased with our
4 progress, and the openness with which we are addressing
5 the restart.

6 As you mentioned, the integrated assessment
7 team inspection began this week; it will last for two
8 weeks. We understand that the NRC staff is scheduling
9 public meetings in Maryland and Pennsylvania, to discuss
10 the results of that inspection, the results of their
11 systematic assessment of licensing ~~ce~~ performance and the
12 SER that approved our restart plan.

13 We have a tentative schedule for an ACRS
14 subcommittee meeting at the Peach Bottom facility on
15 March the 8th, and that will be followed up with full
16 ACRS meetings during -- early in March.

17 That concludes our presentation, and we will
18 take any questions you might have.

19 CHAIRMAN ZECH: Thank you very much.

20 Questions? Commissioner Roberts?

21 Commissioner ROBERTS: I don't have any
22 questions for Philadelphia Electric, but I see our
23 regional administrators in the audience, and I wondered
24 if Bill Russell -- do you have any comment?

25 Have you heard anything that is a surprise or

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1 news to you, or do you take any disagreement with
2 anything you've heard, on the part of Philadelphia
3 Electric?

4 MR. RUSSELL: No, sir --

5 CHAIRMAN ZECH: Bill, will you identify
6 yourself for the Reporter, please?

7 MR. RUSSELL: Bill Russell, Regional
8 Administrator, Region I.

9 The information that has been presented today
10 is consistent with information that has been presented
11 to the staff in Region I and the assessment panel. We
12 have commenced our inspection activities. There are a
13 number of things to be done, for us to independently
14 confirm the information that has been presented today,
15 but I would characterize that there were no surprises in
16 today's meeting, sir.

17 COMMISSIONER ROBERTS: That's all I have.

18 CHAIRMAN ZECH: Thank you very much.

19 Commissioner Carr?

20 COMMISSIONER CARR: Nothing.

21 CHAIRMAN ZECH: Commissioner Rogers?

22 COMMISSIONER ROGERS: Nothing.

23 CHAIRMAN ZECH: Commissioner Curtiss?

24 COMMISSIONER CURTISS: Nothing.

25 CHAIRMAN ZECH: Well, let me thank you very

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1 much, gentlemen, for a very informative presentation.

2 I commend you for the progress you are
3 obviously making. We all want to see a safe and
4 reliable program at Peach Bottom. I think what we are
5 looking for is strong management to address the problems
6 that Peach Bottom has had. It would appear that we are
7 seeing that.

8 Constant attention and vigilance is what we
9 are all looking for. I would add, though, that it would
10 appear to me that you do, indeed, have a significant
11 challenge to prepare for possible restart of Peach
12 Bottom Unit 2 with Peach Bottom Unit 3, as I understand
13 it, not too far behind it. At the same time, you have
14 the Limerick Unit 2 facility coming on-line, and you
15 have, as I understand it, a refueling this summer, for
16 Limerick Unit 1 that are all coming together, and it
17 looks like, apparently, late spring, or early summer,
18 and into the fall. So, you do, indeed, have a
19 significant challenge. There is a number of remaining
20 things that need to be looked into by our staff.

21 Mr. Russell indicated that the assessment team
22 is underway -- we mentioned that earlier -- and that
23 they will be looking themselves for an independent
24 review of your work.

25 And then Mr. McNeill mentioned in his

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1 presentation, the public meetings that will be held by
2 our people, our staff, in the vicinity of the plant.
3 And, also, I think it is important to emphasize the
4 Advisory Committee on Reactor Safeguards will review the
5 program that you have, and also make recommendations to
6 the Commission.

7 So, we have all of those things ongoing right
8 now. I do think that we will look forward to, at the
9 proper time, hearing from the staff. And I believe it
10 will be important for Peach Bottom management to come
11 back and present to the Commission at that time,
12 especially your restart plans for Peach Bottom Unit 2.

13 And I would, also, ask that you use that time
14 to at least briefly inform the Commission as to how you
15 address the other challenges at Peach Bottom Unit 3, and
16 also Limerick Unit 1 and 2. So, if you could summarize
17 that for us at the next meeting, I think it would be
18 very important because we recognize, of course, you will
19 be focusing on Peach Bottom Unit 2, to get it restarted,
20 but you have a lot of other activities.

21 So, Mr. McNeill, you, especially, it looks to
22 me, are going to be challenged. And we would like to
23 hear from that at your next meeting, as well as the
24 specifics on the restart program for Peach Bottom Unit
25 2.

1 MR. McNEILL: I will bring you my vacation
2 schedule, which is blank during the summer.

3 (Laughter)

4 CHAIRMAN ZECH: I would hope so. Maybe next
5 summer you will get some vacation, but it doesn't look
6 like you will get any this summer but, in any case, it
7 is a real challenge. And I think you have apparently,
8 from what you told us today, and what I have been led to
9 believe, too, are making a serious effort to turn things
10 around. And we are especially appreciative of your
11 reference to the culture, that is not easy to turn
12 around. I think it has to be turned around. And I
13 recognize that sometimes the technical issues are easier
14 to solve than that kind of an attitude problem, that
15 apparently existed at Peach Bottom.

16 So, addressing those problems in a very
17 realistic way, I think, is extremely important. And I,
18 for one, and I think my colleagues would join me, in
19 saying that we will be watching with great care your
20 continuing progress at Peach Bottom. We look forward to
21 your next meeting here.

22 Anything else from my fellow Commissioners?

23 (No response)

24 CHAIRMAN ZECH: If not, thank you very much
25 for a very fine presentation. We appreciate it.

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1 We stand adjourned.

2 (Whereupon, at 2:55 p.m., the meeting was
3 adjourned)

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CERTIFICATE OF TRANSCRIBER

This is to certify that the attached events of a meeting
of the United States Nuclear Regulatory Commission entitled:

TITLE OF MEETING: BRIEFING ON STATUS OF PEACH BOTTOM

PLACE OF MEETING: ROCKVILLE, MARYLAND

DATE OF MEETING: FEBRUARY 6, 1989

were transcribed by me. I further certify that said transcription
is accurate and complete, to the best of my ability, and that the
transcript is a true and accurate record of the foregoing events.

Phyllis Young

Reporter's name: _____
(if other than transcriber)

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J. F. PAQUETTE, JR.

PHILADELPHIA ELECTRIC COMPANY
PEACH BOTTOM ATOMIC POWER STATION
PRESENTATION TO NRC COMMISSIONERS
FEBRUARY 6, 1989

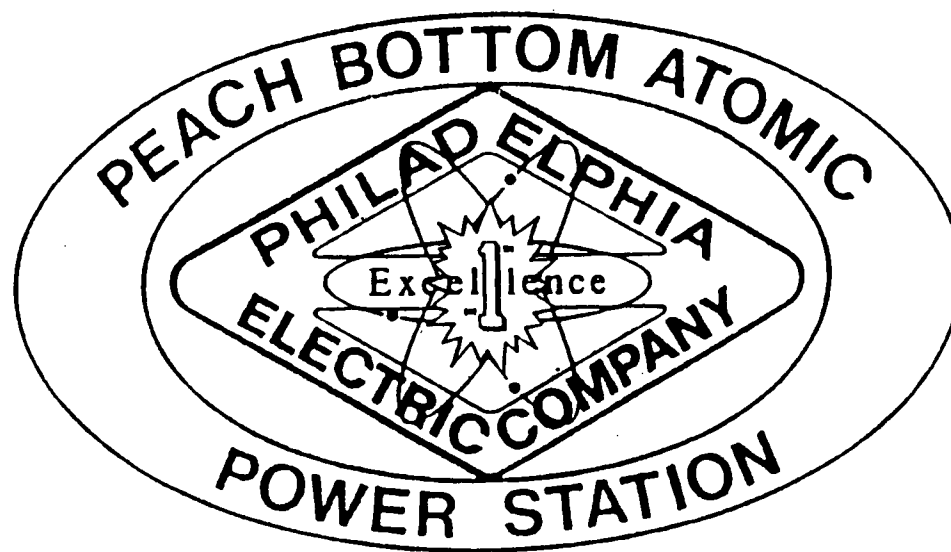
JOSEPH F. PAQUETTE, JR.
CHAIRMAN AND CEO

CORBIN A. McNEILL, JR.
EXEC. VICE PRESIDENT NUCLEAR

DICKINSON M. SMITH
VICE PRESIDENT - PBAPS

JOHN F. FRANZ
PLANT MANAGER - PBAPS

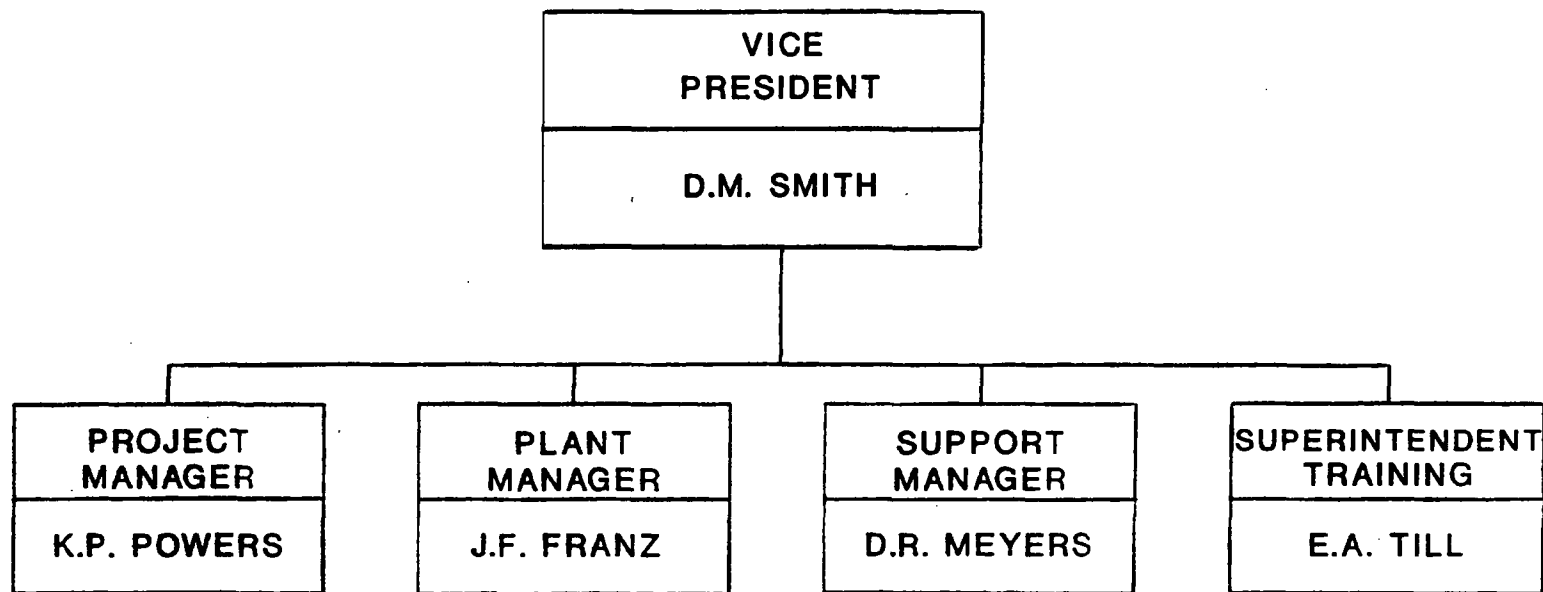
D. M. SMITH



TOPICS

- ORGANIZATION
- OPERATORS
- SECURITY
- PHYSICAL PLANT
- TRANSITION TO OPERATIONS

PEACH BOTTOM ATOMIC POWER STATION
ORGANIZATION CHART
VICE PRESIDENT - PBAPS



OPERATOR READINESS

- SHIFT COMPLEMENT AT RESTART
 - 6 SHIFTS
 - 3 SRO PER SHIFT (ONLY 2 REQUIRED)
 - 3 RO PER SHIFT
- CREW EVALUATIONS
 - PECO
 - INPO
 - NRC

LICENSED OPERATOR TRAINING

- PRE-RESTART
- POWER ASCENSION
- CONTINUING

PLANT SPECIFIC SIMULATOR

- PRESENT USE
- FUTURE PLANS

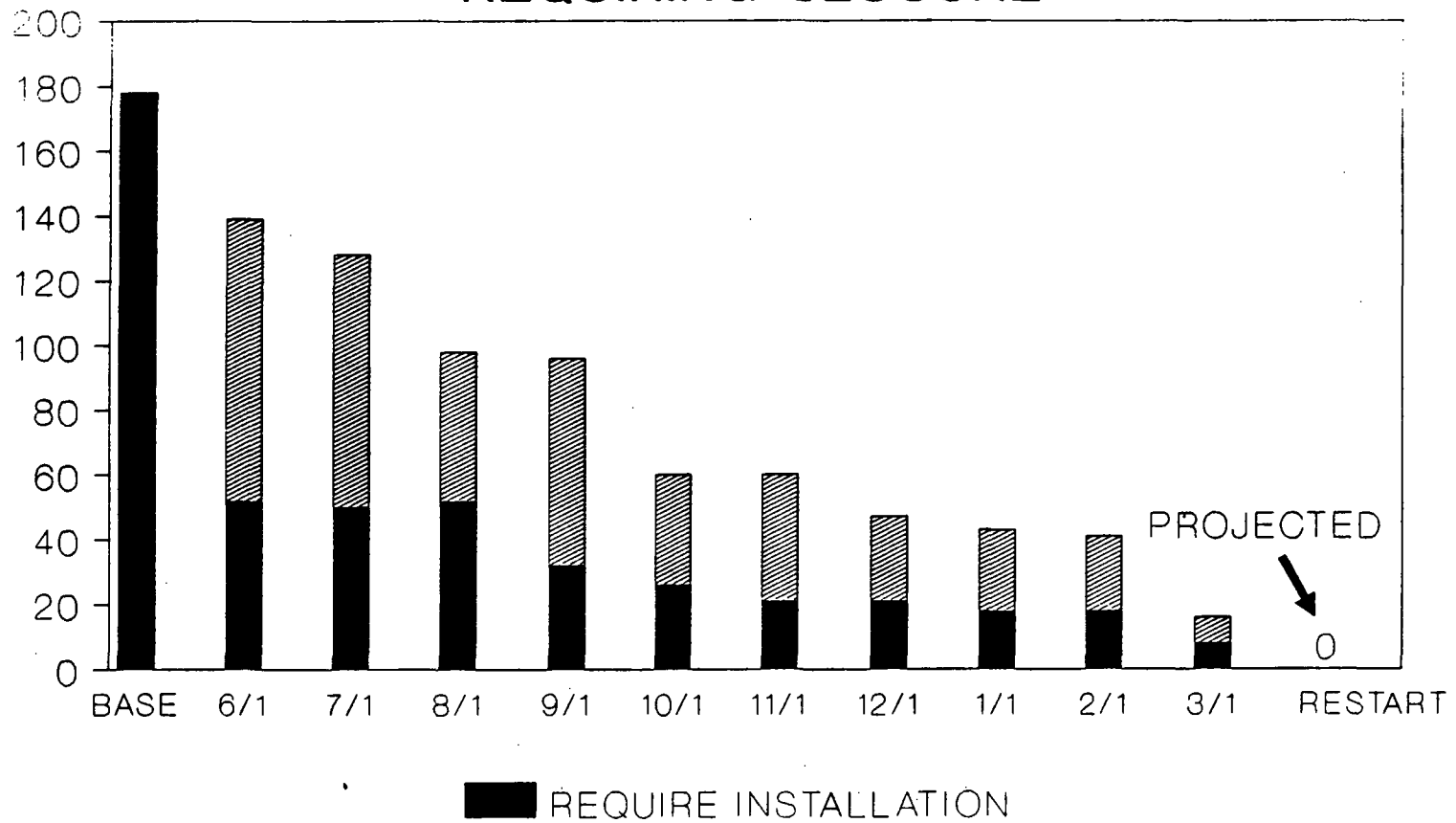
SECURITY PROGRAM IMPROVEMENTS

- **NEW SECURITY CONTRACTOR**
- **INCREASED PECO OVERSIGHT**
- **ADDITIONAL TRAINING**
- **OVERTIME CONTROL**
- **IMPROVED MORALE**
- **IMPROVED SECURITY FACILITIES AND EQUIPMENT**
- **PECO SELF ASSESSMENT**
- **NRC INSPECTION (JANUARY 23-27, 1989)**

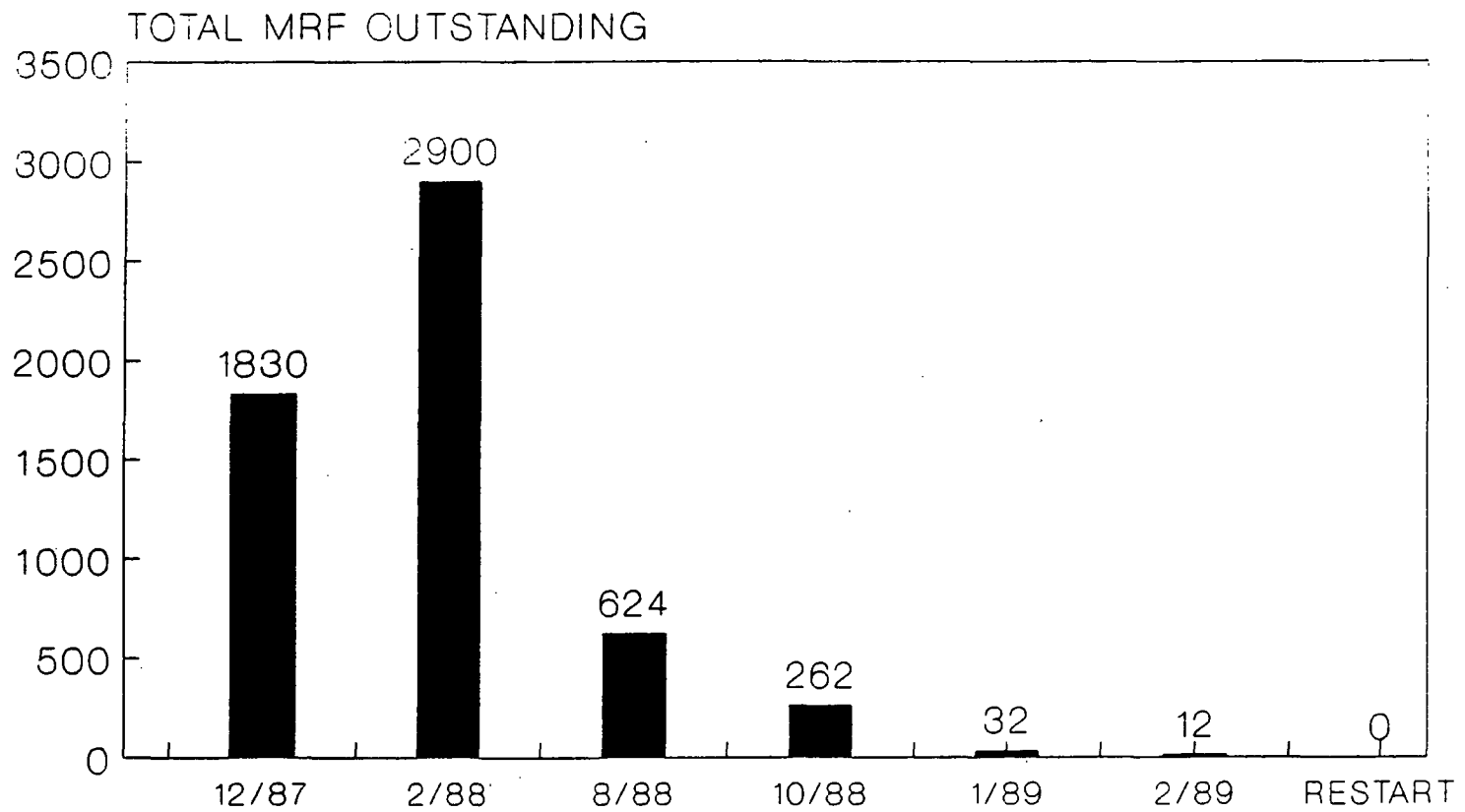
PHYSICAL PLANT

- **MODIFICATIONS**
- **PREVENTIVE MAINTENANCE**
- **CORRECTIVE MAINTENANCE**
- **SURVEILLANCE TESTS**
- **RADIATION PROTECTION**

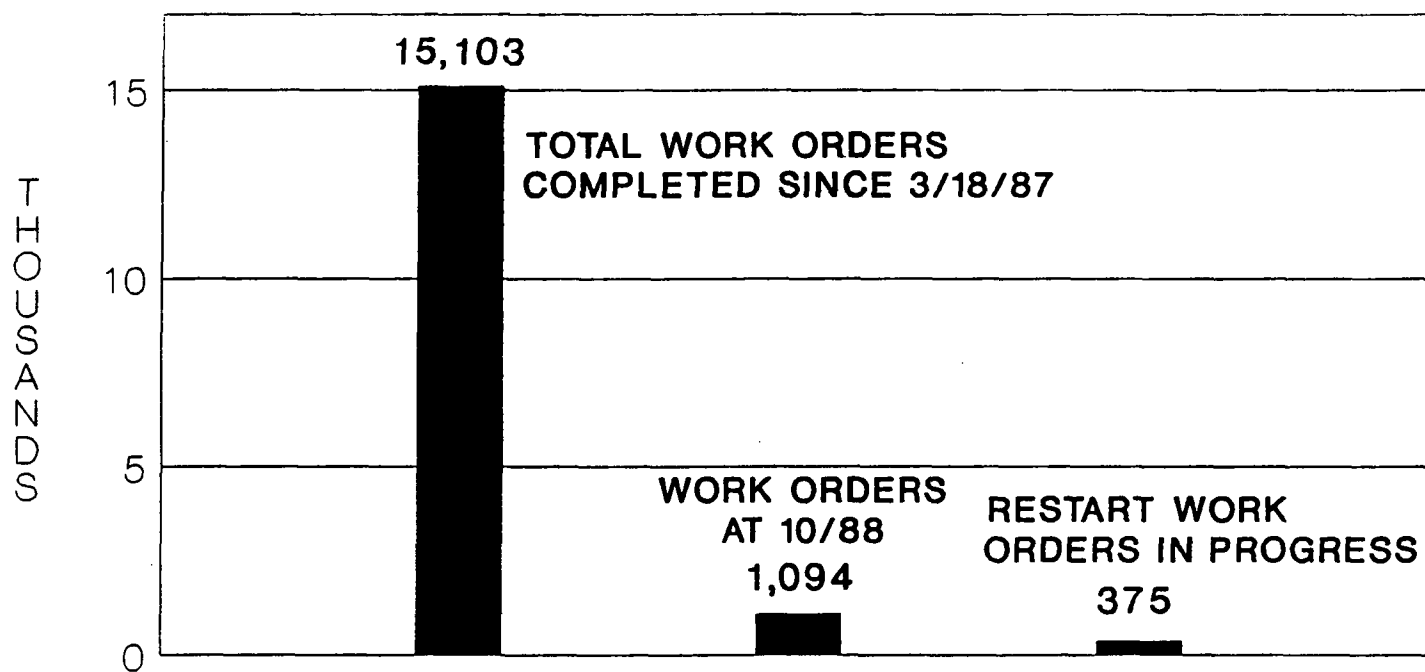
PBAPS UNIT 2 AND COMMON RESTART MODIFICATIONS REQUIRING CLOSURE



PREVENTIVE MAINTENANCE UNIT 2 AND COMMON

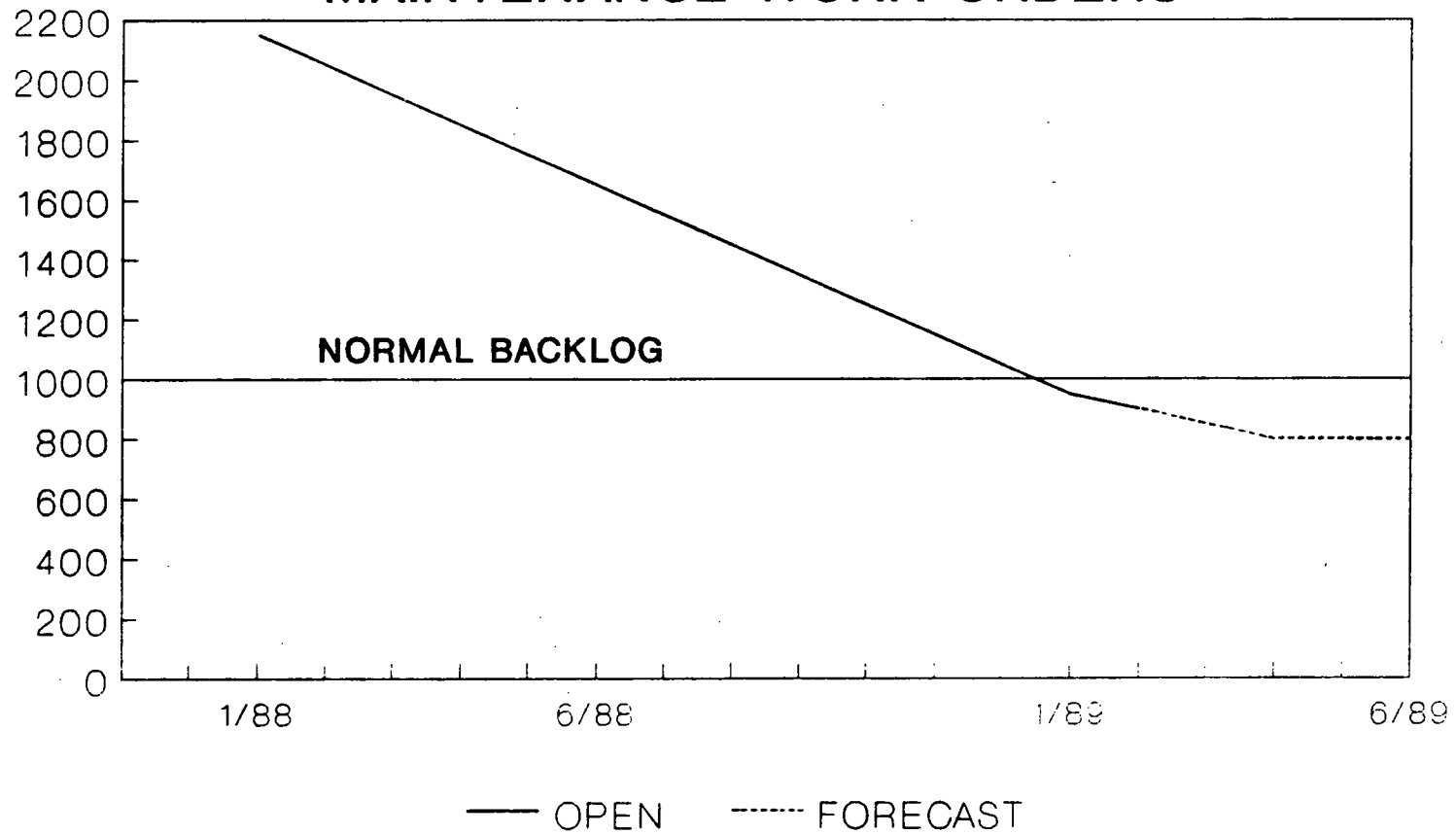


WORK ORDER PROGRESS UNIT 2 AND COMMON

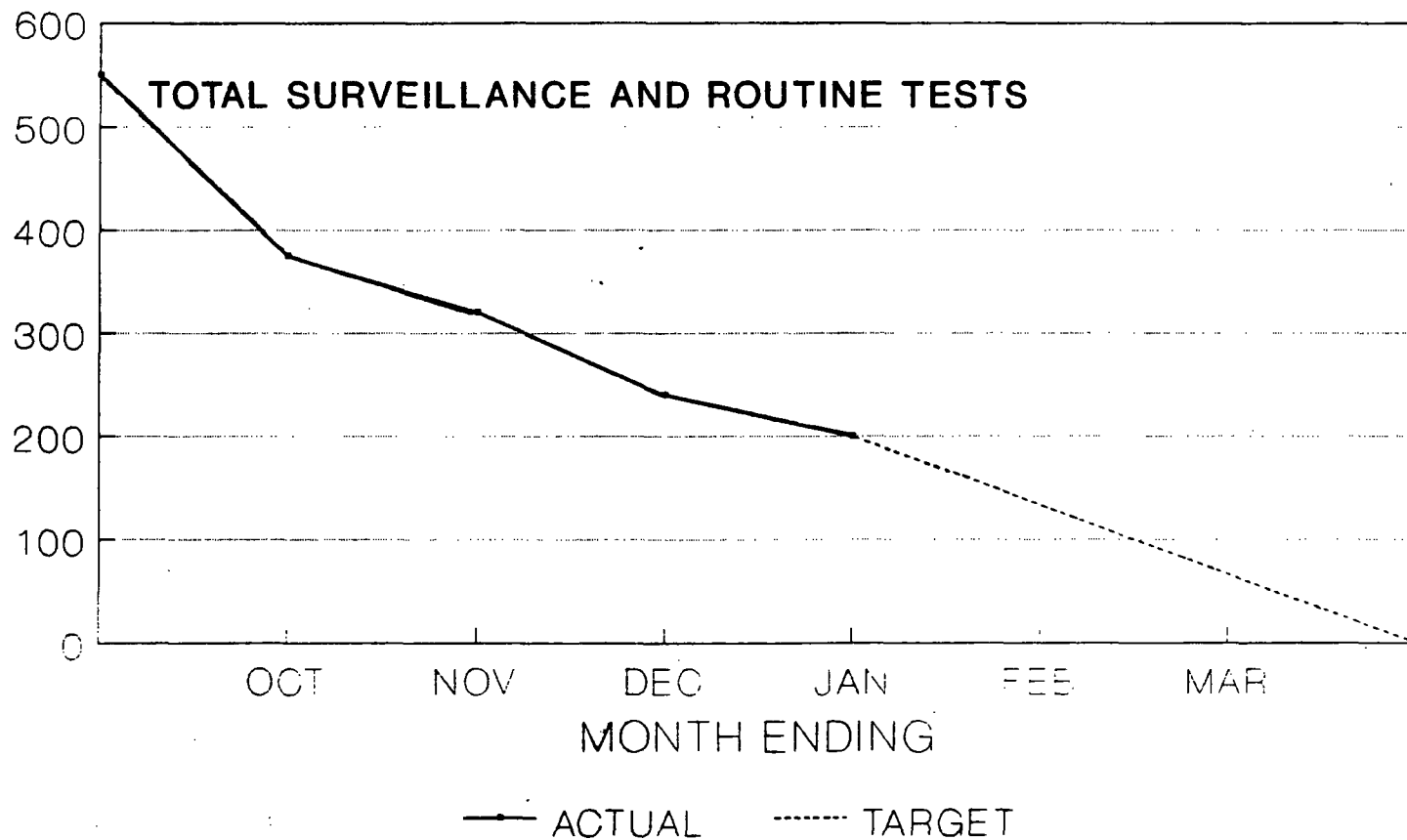


INCLUDES CN, CM, AND PM SECTION 6 WORK ORDERS

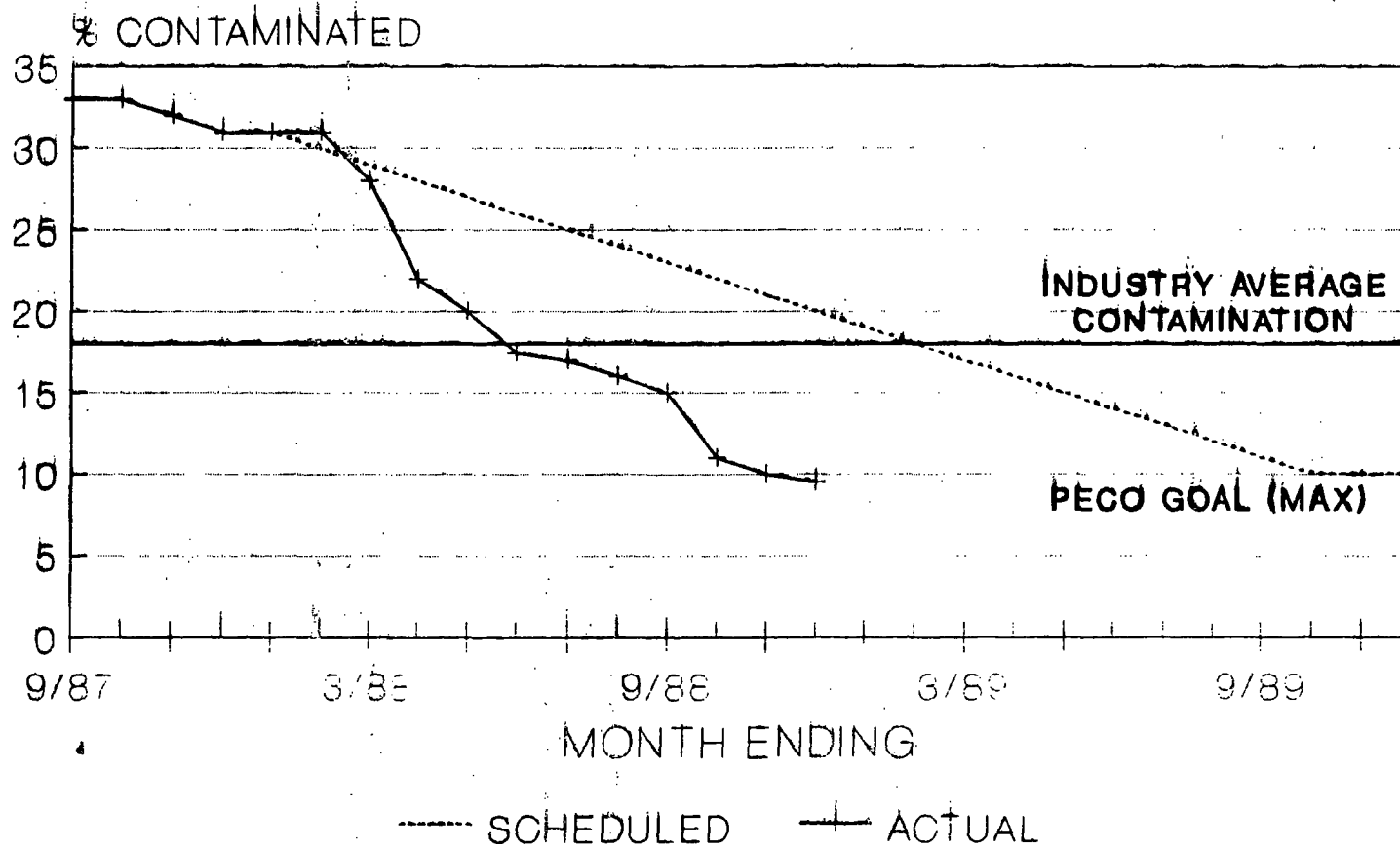
PBAPS UNIT 2 & COMMON NON-OUTAGE CORRECTIVE MAINTENANCE WORK ORDERS



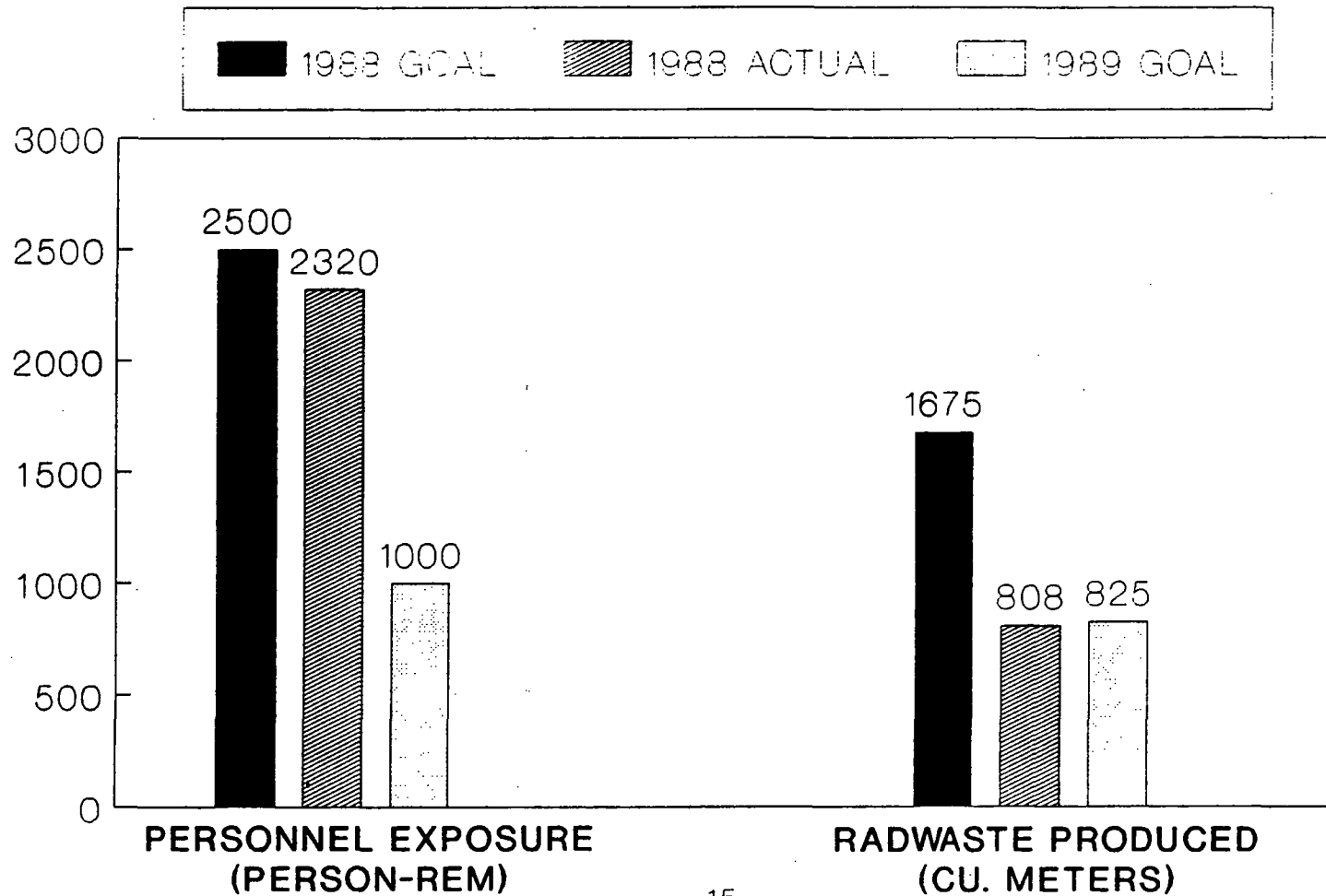
UNIT 2 AND COMMON
PRE-STARTUP SURVEILLANCE
AND ROUTINE TESTS
FREQUENCY GREATER THAN QUARTERLY



UNIT 2 AND COMMON DECONTAMINATION PROGRESS



HEALTH PHYSICS TOTAL STATION



TRANSITION TO OPERATIONS

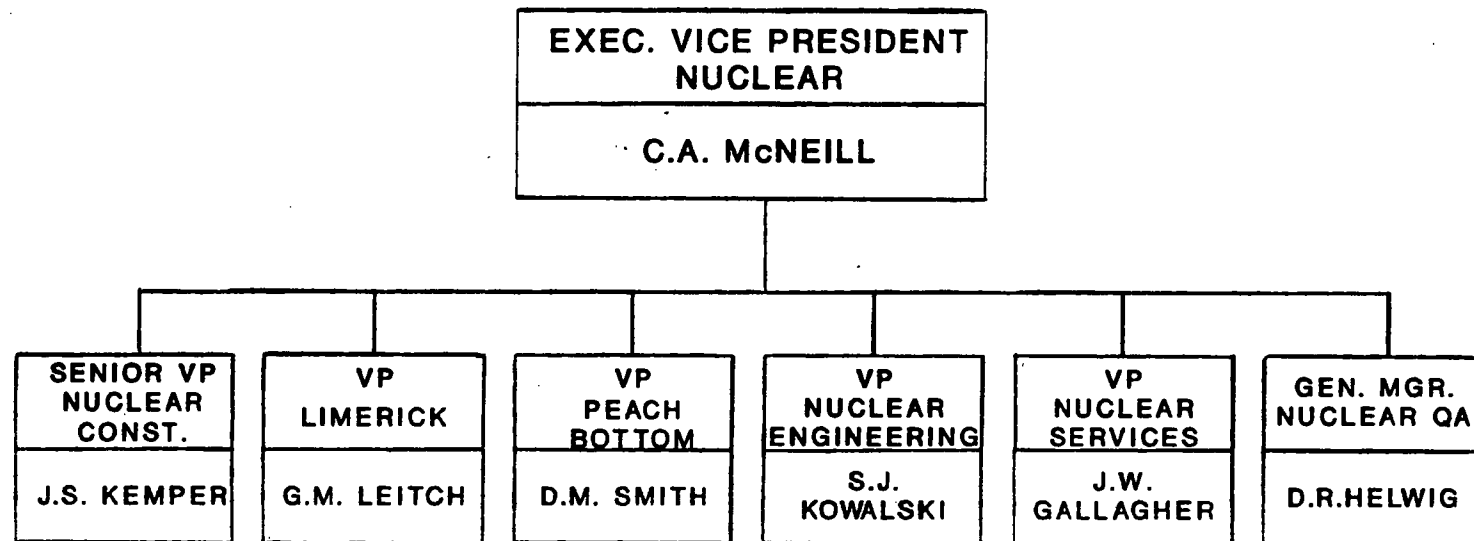
- **CONTRACTOR MANNING**
 - 2767 TO 1362
- **MANAGEMENT CONTROL OF OPERATIONS**
 - PLAN FOR THE DAY
 - ROLLING MAINTENANCE SCHEDULE

C. A. McNEILL, JR.

RESTART CRITERIA

- **PLANT READINESS DEMONSTRATED**
- **EFFECTIVE MANAGEMENT AND STAFF IN PLACE**
- **RESTART PROGRAMS IMPLEMENTED**
- **SELF-ASSESSMENT CAPABILITY ESTABLISHED**
- **RESOLVE MAJOR TECHNICAL ISSUES**

NUCLEAR GROUP ORGANIZATION CHART



RESTART PROGRAMS IMPLEMENTED

- **OPERATING EXPERIENCE ASSESSMENT PROGRAM**
- **COMMITMENT TRACKING PROGRAM**
- **CONFIGURATION MANAGEMENT PROGRAM (INTERIM)**
- **ROOT CAUSE ANALYSIS**
- **GOALS AND OBJECTIVES**
- **FITNESS-FOR-DUTY PROGRAM**
- **SELF ASSESSMENT**

DRUG SCREENING RESULTS

	<u>TESTED</u>	<u>CONFIRMED</u>
<u>AT CORPORATE</u>		
PECO EMPLOYEE	932	5
CONTRACTOR	86	0
<u>AT PEACH BOTTOM</u>		
PECO EMPLOYEE	1220	2
CONTRACTOR	2471	36 *
<u>AT LIMERICK</u>		
PECO EMPLOYEE	939	8
CONTRACTOR	<u>4385</u>	<u>105 *</u>
TOTAL	10,033	156

* INCLUDES APPLICANTS FOR UNESCORTED ACCESS

SELF - ASSESSMENT CAPABILITY ESTABLISHED

- **CONTINUING ASSESSMENT**
- **READINESS REVIEW PROCESS**
- **INPO**

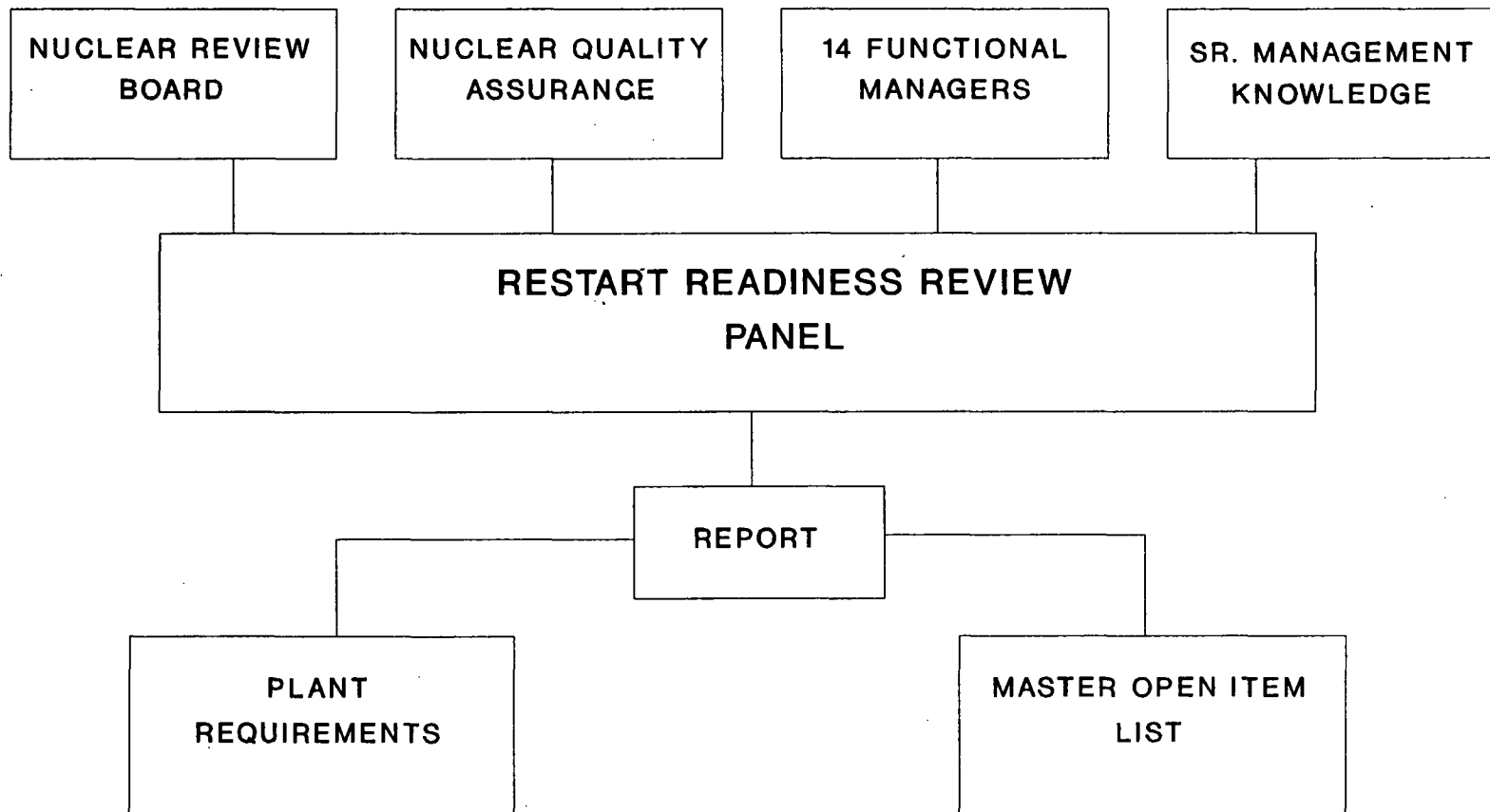
SELF - ASSESSMENT: THE FOUR LEVEL PROCESS

- 1. LINE ORGANIZATION AND MANAGEMENT**
- 2. SUPPORT EVALUATIONS**
- 3. INDEPENDENT OVERSIGHT**
- 4. EXECUTIVE MANAGEMENT**

INPO

- CONSIDERED PART OF SELF ASSESSMENT
- SIGNIFICANT BENEFIT TO REGULATORY PROCESS
- ASSISTED IN BENCHMARKING PERFORMANCE STANDARDS
- REPORTS
 - PLANT EVALUATION
 - CORPORATE EVALUATION
 - SIMULATOR FOLLOW-UP EVALUATION
 - OPERATOR/MANAGEMENT EFFECTIVENESS FOLLOW-UP EVALUATION
- ACCESS TO REPORTS - NRC, COMMONWEALTH OF PENNSYLVANIA AND STATE OF MARYLAND
- CATEGORY 5 RATING REMOVED JANUARY 31, 1989
- SUMMARY LETTER ADDRESSING INPO/PECO INTERACTION
 - LATE FEBRUARY

READINESS ASSESSMENT PROCESS



UNRESOLVED TECHNICAL ISSUES

- **APPENDIX R - HIGH IMPEDANCE FAULT**
- **ELECTRICAL DESIGN REVIEW - DEGRADED GRID**
- **HIGH ENERGY LINE BREAK SEALS**
- **ALTERNATE ROD INSERTION MODIFICATION -
TECHNICAL SPECIFICATION**
- **EMERGENCY COOLING TOWER TEST**
- **SMALL BORE PIPE STRESS**
- **SURVEILLANCE TEST ADEQUACY**

STATUS OF PENNSYLVANIA AGREEMENT

- DRAFT AGREEMENT COMPLETE
- INITIAL NRC COMMENTS RECEIVED AND RESOLVED
- FINAL AGREEMENT TO BE SUBMITTED FEBRUARY 8-17
- AGREEMENT SIGNED AFTER FINAL NRC APPROVAL
- FINAL AGREEMENT REMOVES COMMONWEALTH FROM
 - 3RD CIRCUIT COURT OF APPEALS
 - ASLB

CHALLENGES IN 1989

- **PBAPS UNITS 2 & 3 RETURN FROM SHUTDOWN**
- **LGS UNIT 1 RETURNS FROM REFUELING**
- **LGS UNIT 2 FUEL LOAD AND START-UP**

WILL BE HANDLED THROUGH

- **MANAGEMENT INVOLVEMENT**
 - **ATTENTION**
 - **SUPPORT**

MANAGEMENT

- **DEMONSTRATED WILLINGNESS TO DELAY SCHEDULE**
- **AVAILABILITY OF MOBILE MAINTENANCE**
- **NO COMPETING FOSSIL OUTAGES**
- **INDEPENDENCE OF LIMERICK AND PEACH BOTTOM**

INDEPENDENCE OF LIMERICK AND PEACH BOTTOM

- **SITE VICE PRESIDENT**
- **FULL STAFF**
- **DEDICATED ENGINEERING SUPPORT**

LIMERICK

- **UNIT 1 AND UNIT 2 SIMILARITY**
- **60/60, 60/62 OPERATORS PASSED EXAM**
- **PROCEDURES COMPLETED 6 MONTHS AHEAD**
- **CLOSE TIES WITH GENERAL ELECTRIC AND
BECHTEL DURING STARTUP**

COMMITMENT
SCHEDULE WILL NOT IMPACT QUALITY

TENTATIVE SCHEDULE FOR RESTART

FEB 3 (ACTUAL)	SUBMIT POWER ASCENSION PROGRAM
FEB 8 - 17	SUBMIT PA AGREEMENT TO NRC
FEB 6 - 17	INTEGRATED ASSESSMENT TEAM INSPECTION
FEB 27 (WEEK)	PUBLIC MEETINGS (MARYLAND AND PENNSYLVANIA)
MARCH 8	ACRS SUBCOMMITTEE MEETING
MARCH 10-12	ACRS MEETINGS