Chair Nancy Dragani called to order the February 7, 2008 special meeting of the Utility Radiological Safety Board of Ohio at 9:00 a.m.

The first order of business was roll call, taken by Ramona Hauenstein.

I. ROLL CALL

EMERGENCY MANAGEMENT AGENCY
DEPARTMENT OF HEALTH
DEPARTMENT OF AGRICULTURE
PUBLIC UTILITIES COMMISSION
ENVIRONMENTAL PROTECTION AGENCY
DEPARTMENT OF COMMERCE

MS. NANCY DRAGANI
MR. ROBERT OWEN
MR. ANTHONY MITCHELL
MR. SHAWN SMITH
MS. CINDY HAFNER
NOT IN ATTENDANCE

A quorum was declared.

II. CONSIDERATION OF ISSUES RELATIVE TO THE PERFORMANCE OF THE PERRY NUCLEAR POWER PLANT

Ms. Dragani asked Ms. Carol O’Claire to outline the problems as the Board understands them and then each Board member to go over any specific concerns that their agency had with the performance of Perry.

Perry entered column 4 of the Nuclear Regulatory Commission (NRC) Reactor Oversight Program, which is the multiple, repetitive degraded cornerstone in March 2004 indicating increased NRC inspections and performance evaluations on a quarterly basis due to multiple “White” findings over a prolonged period of time, i.e., 5 consecutive quarters. Between October 2002 and September 2003, 3 “White” findings were identified. The findings were due to high pressure core spray pump failure; emergency service water pump failure; residual heat removal and low pressure core spray water leg pump failure. Perry exited Column 4 in March of 2007 and entered Column 2 (Regulatory Response Column -- indicating inspections greater than baseline) in March 2007 due to diesel generator problems. Since March 2007, Perry has experienced with 4 reactor SCRAMs; 2 manual, 2 automatic and 6 forced outages. The SCRAMs occurred on May 15, June 21, June 29 and November 28, 2007 primarily due to equipment problems. The most recent SCRAM was on November 28 as a result of feedwater control problems. Concident with the shutdown, Perry experienced the loss of both turbine driven feedwater pumps; the motor driven feedwater pumps and the Reactor Core Isolation Coolant System (RCIC) failed to function as designed twice. Proper water levels were maintained using the high pressure core spray; which is a safety system, and subsequently, the RCIC system. Currently, Perry remains in Column 2.
Ms Dragani then asked each agency to identify their concerns that they would like addressed by a Perry official.

Mr. Mitchell stated that the Ohio Department of Agriculture (ODA) was concerned with performance issues from the past and to date with the SCRAMs and forced outages. Agriculture would like to see a detailed performance plan and detailed explanation of what’s currently happening from the plant point of view; such as a major, detailed timeline from the plant; know the outages and what caused them; an overall performance plan to improve their situation currently.

Mr. Smith of the Public Utilities Commission of Ohio (PUCO) concurred with Mr. Mitchell. Mr. Smith also noted that there was a communication breakdown during the last SCRAM and that a plan to improve that process should be included with the other information requested. He also voiced a concern with the frequency that issues are occurring and continue to occur, but would like to hear from the plant on how they intend to proceed.

Mr. Robert Owen of the Ohio Department of Health (ODH) stated that ODH’s primary concern is the root cause behind the repeated equipment failures and the plan to move forward. Also, is this indicative of a larger systemic problem? The other problem was the communication issue as noted by Mr. Smith.

Ms. Hafner of EPA agreed with the issues as stated by Mr. Smith and Mr. Owen. EPA was generally concerned the issues that Ms. O’Claire outlined in that it could affect the environmental (permits, etc.) although they have no specific indications that has happened yet.

Ms. Dragani stated that Ohio Emergency Management Agency (EMA) wanted to stress that EMA would like to see not just the issues explained, but a plan to address these issues in the future.

Ms. Dragani asked if there are any other issues that the Board felt needed to be addressed.

Basically, the issues to be addressed by Mr. Allen or Perry executive in a presentation to the Board are:

1. Root causes;
2. Performance plan;
3. Corrective action plan for communication in the future.

III. BOARD ACTIONS

There are 3 actions the Board can take:

1. Do nothing and continue to run meetings as usual;
2. Send a letter to Perry Vice President and request his attendance or comparable representative at a regular meeting of the Board (probably April 2008), and discuss the issues identified in the letter;
3. Ask the Vice President to participate in another special meeting, focused on the Perry issues.

Ms. Dragani polled members of the Board on which option the Board members preferred:

- OEPA: April meeting
- ODA: April meeting
- PUCO: April meeting; but making sure they have time to prepare
- ODH: April meeting
- EMA: April meeting

A draft letter, based on a letter developed by the Working Group, was provided to the Board that invited Mr. Allen, Site Vice President and any appropriate members of his staff to attend the April 2008 meeting and prepare a presentation that contains information to address the following issues noting that some issues might take more time to give an adequate answer:

1. Identify root cause(s) of the equipment problems and address concerns that occurrences are indicative of a larger, systemic problem;
2. Identify course of action for correction of root cause(s) identified and attendant timeline;
3. Compare Perry’s performance with other Boiling Water Reactors (BWR);
4. Identify processes to improve communication.

The Board reviewed the draft letter reference above and it was determined that EMA will finalize the letter, mail it to Perry and copy members of the Board. The Board’s legal advisor will assist with the final version. It will be mailed as soon as possible to ensure Perry officials have adequate time to prepare.

Mr. Fred Cayia, Director of Performance Improvement at Perry, made a statement for FirstEnergy. He thanked the Board for the opportunity to speak. He noted that he heard the message pretty clear that the Board had concerns about the Perry plant performance and communications that the plant had with the State after the November 28 SCRAM. FirstEnergy feels privileged to generate electricity with nuclear power in the state of Ohio and values the relationship they have with both Lake County and the State. Based on the feedback Perry continues to receive from the NRC, the plant is operating safely; however, there are aspects of performance that all the employees at Perry are unhappy with. He stated that they do know the root cause of the SCRAM on November 28; however, the recovery was somewhat protracted. They took the extra time to clearly identify the root cause and correct the problem. It was a new system installed in the early 2005 timeframe. One of the things the employees at the plant have been doing during the past few outages is improving the condition of the plant and installing new systems. This follows the trend in the rest of the industry. The nuclear industry is an industry that is never satisfied with performance and they are constantly raising expectations for performance of people and equipment. In this particular case, the SCRAM that started was due to the digital feedwater system which has an industry standard system with a digital control system. The November SCRAM was first of a kind failure. The vendor has never seen that type of failure. Perry has added additional features to the system that go way beyond the original
design. Perry will be prepared at the April meeting to go over the specifics of the causes of the SCRAM’s; how they fixed the problems that they had and how they improved the reliability and safety of the plant. He observed that with the exception of the one system noted, everything performed as designed. The performance of the operating crew was commended by the NRC.

The management team at Perry has been as a result of SCRAMS and forced outages are working on a recovery plan that is very detailed and ranges from behaviors to equipment. They have the full support of FENOC and FirstEnergy to make sure they are focused on safety and reliability. Mr. Cayia feels confident that they have the right resources and that there will be a steady improvement in performance.

IV. ADJOURNMENT

Ms. Dragani asked for a motion to adjourn. Mr. Robert Owen moved and Mr. Shawn Smith seconded. Motion approved.