March 2, 2006

Mr. Mark B. Bezilla  
Vice President-Nuclear, Davis-Besse  
FirstEnergy Nuclear Operating Company  
Davis-Besse Nuclear Power Station  
5501 North State Route 2  
Oak Harbor, OH  43449-9760

SUBJECT: ANNUAL ASSESSMENT LETTER - DAVIS-BESSE NUCLEAR POWER STATION (REPORT 05000346/2006-001)

Dear Mr. Bezilla:

On February 8, 2006, the NRC staff completed its performance review of Davis-Besse Nuclear Power Station. Our technical staff reviewed performance indicators (PIs) for the most recent quarter and inspection results for the period from January 1 through December 31, 2005. The purpose of this letter is to inform you of our assessment of your safety performance during this period and our plans for future inspections at your facility.

This performance review and enclosed inspection plan do not include physical protection information. A separate letter designated and marked as "Exempt from Public Disclosure in accordance with 10 CFR 2.390" will include the physical protection review and resultant inspection plan.

Overall, Davis-Besse operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance for the most recent quarter was within the Regulatory Response column of the NRC's Action Matrix, based on one White finding associated with EP siren testing and reporting of siren PI data. We conducted supplemental inspection 95001 during the period of October 17 to 21, 2005. No findings of significance were identified concerning your evaluations and corrective actions associated with the White finding and the finding was closed. With the closure of that finding you were positioned to transition to the Licensee Response column of the NRC's Action Matrix at the end of the fourth quarter of 2005.

While plant performance for the most recent quarter and the third quarter of 2005 was within the Regulatory Response column of the Action Matrix, Davis-Besse was not under the Reactor Oversight Program (ROP) from January through June 2005. Therefore, there was no Action Matrix column designation during this time period. In our May 19, 2005, letter, we informed you that the Davis-Besse Nuclear Power Station would exit the Inspection Manual Chapter 0350 process and return to the ROP on July 1, 2005, in the Regulatory Response Column of the NRC’s Action Matrix.
Additionally, on April 21, 2005, the NRC issued to FirstEnergy Nuclear Operating Company
a notice of violation and proposed implementation of civil penalties totaling $5.45 million
associated with the significant Davis-Besse reactor vessel head damage discovered in
March 2002. Your response was submitted on September 14, 2005. While agreeing to pay
the total civil penalty, you did deny some of the specifics associated with a violation. On
January 23, 2006, you submitted a supplemental reply to the notice of violation and admitted
to the previously denied violation. The NRC is continuing to review both responses.

The enclosed inspection plan details the inspections, less those related to physical protection
scheduled through September 30, 2007. In addition to the program defined inspection
activities, additional oversight activities will be conducted to follow up on the independent
assessments required by the March 8, 2004, Confirmatory Order (EA-03-214) in the areas of
Operations, Engineering, Corrective Action Program, and Safety Culture/Safety Conscious
Work Environment. The inspection plan is provided to allow for the resolution of any scheduling
conflicts and personnel availability issues well in advance of inspector arrival onsite. Routine
resident inspections are not listed due to their ongoing and continuous nature. The inspections
in the last 9 months of the inspection plan are tentative and may be revised at the mid-cycle
review.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter
and its enclosure will be made available electronically for public inspection in the NRC
Public Document Room or from the Publicly Available Records (PARS) component of
NRC’s document system (ADAMS). ADAMS is accessible from the NRC Web site at

If circumstances arise which cause us to change this inspection plan, we will contact you to
discuss the change as soon as possible. Please contact Ms. Christine Lipa, Branch Chief, at
630-829-9619 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Mark A. Satorius, Director
Division of Reactor Projects

Docket No. 50-346
License No. NPF-3

Enclosure:  Davis-Besse Nuclear Power Station Inspection/Activity Plan

See Attached Distribution
Additionally, on April 21, 2005, the NRC issued to FirstEnergy Nuclear Operating Company a notice of violation and proposed implementation of civil penalties totaling $5.45 million associated with the significant Davis-Besse reactor vessel head damage discovered in March 2002. Your response was submitted on September 14, 2005. While agreeing to pay the total civil penalty, you did deny some of the specifics associated with a violation. On January 23, 2006, you submitted a supplemental reply to the notice of violation and admitted to the previously denied violation. The NRC is continuing to review both responses.

The enclosed inspection plan details the inspections, less those related to physical protection scheduled through September 30, 2007. In addition to the program defined inspection activities, additional oversight activities will be conducted to follow up on the independent assessments required by the March 8, 2004, Confirmatory Order (EA-03-214) in the areas of Operations, Engineering, Corrective Action Program, and Safety Culture/Safety Conscious Work Environment. The inspection plan is provided to allow for the resolution of any scheduling conflicts and personnel availability issues well in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last 9 months of the inspection plan are tentative and may be revised at the mid-cycle review.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC’s document system (ADAMS). ADAMS is accessible from the NRC Web site at http://www.nrc.gov/reading-rm/adams.html (the Public Electronic Reading Room).

If circumstances arise which cause us to change this inspection plan, we will contact you to discuss the change as soon as possible. Please contact Ms. Christine Lipa, Branch Chief, at 630-829-9619 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Mark A. Satorius, Director
Division of Reactor Projects

Docket No. 50-346
License No. NPF-3

Enclosure: Davis-Besse Nuclear Power Station Inspection/Activity Plan

See Attached Distribution

OFFICIAL RECORD COPY
cc w/encl: The Honorable Dennis Kucinich
   G. Leidich, President and Chief Nuclear Officer - FENOC
   J. Hagan, Senior Vice President of Operations and Chief Operating Officer
   Director, Plant Operations
   Manager - Site Regulatory Compliance
   D. Pace, Senior Vice President of Fleet Engineering
   J. Rinckel, Vice President, Fleet Oversight
   D. Jenkins, Attorney, FirstEnergy
   Manager - Fleet Licensing
   Ohio State Liaison Officer
   R. Owen, Administrator, Ohio Department of Health Public Utilities Commission of Ohio
   President, Board of County Commissioners
   of Lucas County
   President, Ottawa County Board of Commissioners
   Ottawa County Sheriff
   Director, Ottawa County EMA
   Lucas County Sheriff
   Director, Lucas County EMA
   Genoa Village Administrator
   Mayor of Clay Center
   Mayor of Elmore
   Mayor of Genoa
   Mayor of Oak Harbor
   Mayor of Toledo
   Mayor of Port Clinton
   Mayor of Marblehead
   President of Rocky Ridge
   Village Administrator of Oak Harbor
   Mayor of Put-in-Bay
   INPO
ADAMS Distribution:
GYS
DWW
SPS1
SJC4
RidsNrrDirslpab
JLC1
GEG
KGO
RML2
SRI Davis-Besse
DRPIII
DRSIII
PLB1
JRK1
### Inspection / Activity Plan

**Davis-Besse**

**03/01/2006 - 09/30/2007**

<table>
<thead>
<tr>
<th>Inspection Activity</th>
<th>Title</th>
<th>No. of Staff on Site</th>
<th>Planned Dates</th>
<th>Inspection Type</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ISI</strong> - ISI/TI-150</td>
<td></td>
<td>1</td>
<td></td>
<td>Baseline Inspections</td>
</tr>
<tr>
<td>1</td>
<td>IP 2515/150</td>
<td>Reactor Pressure Vessel Head and Vessel Head Penetration Nozzles (NRC ORDER EA-03-01)</td>
<td>03/07/2006 - 03/24/2006</td>
<td>Safety Issues</td>
</tr>
<tr>
<td>1</td>
<td>IP 711108P</td>
<td>Inservice Inspection Activities - PWR</td>
<td>03/07/2006 - 03/24/2006</td>
<td>Baseline Inspections</td>
</tr>
<tr>
<td><strong>71121.02</strong> - OUTAGE: ACCESS CONTROL &amp; ALARA</td>
<td></td>
<td>2</td>
<td></td>
<td>Baseline Inspections</td>
</tr>
<tr>
<td>1</td>
<td>IP 7112101</td>
<td>Access Control to Radiologically Significant Areas</td>
<td>03/06/2006 - 03/17/2006</td>
<td>Baseline Inspections</td>
</tr>
<tr>
<td>1</td>
<td>IP 7112102</td>
<td>ALARA Planning and Controls</td>
<td>03/06/2006 - 03/17/2006</td>
<td>Baseline Inspections</td>
</tr>
<tr>
<td><strong>IP 71122</strong> - REMP, ACCESS CONTROL</td>
<td></td>
<td>2</td>
<td></td>
<td>Baseline Inspections</td>
</tr>
<tr>
<td>1</td>
<td>IP 7112101</td>
<td>Access Control to Radiologically Significant Areas</td>
<td>05/15/2006 - 05/19/2006</td>
<td>Baseline Inspections</td>
</tr>
<tr>
<td>1</td>
<td>IP 7112203</td>
<td>Radiological Environmental Monitoring Program (REMP) And Radioactive Material Control Program</td>
<td>05/15/2006 - 05/19/2006</td>
<td>Baseline Inspections</td>
</tr>
<tr>
<td><strong>93812</strong> - IN PROCESS OPS CY 06 EVALUATION</td>
<td></td>
<td>1</td>
<td></td>
<td>Event Response Insp</td>
</tr>
<tr>
<td>1</td>
<td>IP 93812</td>
<td>Special Inspection</td>
<td>06/12/2006 - 06/23/2006</td>
<td>Event Response Insp</td>
</tr>
<tr>
<td><strong>93812</strong> - IN PROCESS CAP CY06 EVALUATION</td>
<td></td>
<td>1</td>
<td></td>
<td>Event Response Insp</td>
</tr>
<tr>
<td>1</td>
<td>IP 93812</td>
<td>Special Inspection</td>
<td>08/14/2006 - 08/25/2006</td>
<td>Event Response Insp</td>
</tr>
<tr>
<td><strong>93812</strong> - IN PROCESS ENGINEERING CY 06 EVALUATION</td>
<td></td>
<td>1</td>
<td></td>
<td>Event Response Insp</td>
</tr>
<tr>
<td>1</td>
<td>IP 93812</td>
<td>Special Inspection</td>
<td>09/11/2006 - 09/22/2006</td>
<td>Event Response Insp</td>
</tr>
<tr>
<td><strong>IP 71122</strong> - ACCESS CNTL, RADWASTE &amp; TRANSPORTATION</td>
<td></td>
<td>1</td>
<td></td>
<td>Baseline Inspections</td>
</tr>
<tr>
<td>1</td>
<td>IP 7112101</td>
<td>Access Control to Radiologically Significant Areas</td>
<td>09/18/2006 - 09/22/2006</td>
<td>Baseline Inspections</td>
</tr>
<tr>
<td>1</td>
<td>IP 7112202</td>
<td>Radioactive Material Processing and Transportation</td>
<td>09/18/2006 - 09/22/2006</td>
<td>Baseline Inspections</td>
</tr>
<tr>
<td>1</td>
<td>IP 71151</td>
<td>Performance Indicator Verification</td>
<td>09/18/2006 - 09/22/2006</td>
<td>Baseline Inspections</td>
</tr>
<tr>
<td><strong>PI&amp;R</strong> - PROBLEM IDENTIFICATION &amp; RESOLUTION TEAM</td>
<td></td>
<td>5</td>
<td></td>
<td>Baseline Inspections</td>
</tr>
<tr>
<td>1</td>
<td>IP 71152</td>
<td>Identification and Resolution of Problems</td>
<td>10/30/2006 - 11/17/2006</td>
<td>Baseline Inspections</td>
</tr>
<tr>
<td><strong>93812</strong> - IN PROCESS SC/SCWE CY06 EVALUATION</td>
<td></td>
<td>1</td>
<td></td>
<td>Event Response Insp</td>
</tr>
<tr>
<td>1</td>
<td>IP 93812</td>
<td>Special Inspection</td>
<td>11/06/2006 - 11/17/2006</td>
<td>Event Response Insp</td>
</tr>
<tr>
<td><strong>71111.11</strong> - LIC OPERATOR REQUAL PROGRAM EVALUATION</td>
<td></td>
<td>2</td>
<td></td>
<td>Baseline Inspections</td>
</tr>
<tr>
<td><strong>HS</strong> - HEAT SINK INSPECTION</td>
<td></td>
<td>1</td>
<td></td>
<td>Baseline Inspections</td>
</tr>
<tr>
<td><strong>7112201</strong> - EFFLUENTS, ACC CNTL</td>
<td></td>
<td>1</td>
<td></td>
<td>Baseline Inspections</td>
</tr>
<tr>
<td>1</td>
<td>IP 7112101</td>
<td>Access Control to Radiologically Significant Areas</td>
<td>01/08/2007 - 01/12/2007</td>
<td>Baseline Inspections</td>
</tr>
<tr>
<td>1</td>
<td>IP 7112201</td>
<td>Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems</td>
<td>01/08/2007 - 01/12/2007</td>
<td>Baseline Inspections</td>
</tr>
<tr>
<td><strong>FPI</strong> - FIRE PROTECTION TRIENNIAL</td>
<td></td>
<td>3</td>
<td></td>
<td>Baseline Inspections</td>
</tr>
<tr>
<td><strong>MAINRULE</strong> - MAINTENANCE RULE INSPECTION</td>
<td></td>
<td>1</td>
<td></td>
<td>Baseline Inspections</td>
</tr>
<tr>
<td>1</td>
<td>IP 711112B</td>
<td>Maintenance Effectiveness</td>
<td>06/25/2007 - 06/29/2007</td>
<td>Baseline Inspections</td>
</tr>
</tbody>
</table>

This report does not include INPO and OUTAGE activities.
This report shows only on-site and announced inspection procedures.
<table>
<thead>
<tr>
<th>Unit Number</th>
<th>Inspection Activity</th>
<th>Title</th>
<th>No. of Staff on Site</th>
<th>Planned Dates</th>
<th>Inspection Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>7112102</td>
<td>ALARA, PI VERIFICATION</td>
<td>Access Control to Radiologically Significant Areas</td>
<td>1</td>
<td>08/27/2007 08/31/2007</td>
<td>Baseline Inspections</td>
</tr>
<tr>
<td></td>
<td></td>
<td>ALARA Planning and Controls</td>
<td>1</td>
<td>08/27/2007 08/31/2007</td>
<td>Baseline Inspections</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Performance Indicator Verification</td>
<td>1</td>
<td>08/27/2007 08/31/2007</td>
<td>Baseline Inspections</td>
</tr>
</tbody>
</table>

This report does not include INPO and OUTAGE activities.
This report shows only on-site and announced inspection procedures.