

June 22, 1998

Mr. John K. Wood  
Vice President - Nuclear, Davis-Besse  
Centerior Service Company  
c/o Toledo Edison Company  
Davis-Besse Nuclear Power Station  
5501 North State Route 2  
Oak Harbor, OH 43449-9760

SUBJECT: CONFIRMATORY ORDER MODIFYING LICENSE - DAVIS-BESSE NUCLEAR  
POWER STATION, UNIT NO. 1 (TAC NO. M85542)

Dear Mr. Wood:

The Commission has issued the enclosed Confirmatory Order Modifying License (Order) to the Toledo Edison Company, Centerior Service Company, and The Cleveland Electric Illuminating Company, the licensees for the Davis-Besse Nuclear Power Station, Unit No. 1. This Order confirms the licensees' commitment to complete implementation of Thermo-Lag 330-1 fire barriers corrective actions by December 31, 1998. This commitment was set out in your letter of consent dated June 11, 1998.

You should proceed with implementation of these corrective actions in accordance with your proposed schedule. A copy of this Order is being filed with the Office of the Federal Register for publication.

Sincerely,

ORIG. SIGNED BY  
Allen G. Hansen, Project Manager  
Project Directorate III-3  
Division of Reactor Projects III/IV  
Office of Nuclear Reactor Regulation

Docket No. 50-346

Enclosure: Order

cc w/encl: See next page

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OFC	PM:PD33	LA:PD33	PD:PD33	D:DRPW	BC:SPLB
NAME	AHansen	EBarnhill	RBellamy *	EAdensam *	LMarsh *
DATE	6/15/98	6/15/98	6/1/98	6/1/98	6/2/98

OFC	OGC	ADPR(A)	B:Mirgalia
NAME	BHogan	BBoger	SCollins
DATE	6/15/98	6/16/98	6/15/98

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PDR

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 Vice President - Nuclear, Davis-Besse  
 Centerior Service Company  
 c/o Toledo Edison Company  
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You should proceed with implementation of these corrective actions in accordance with your proposed schedule. A copy of this Order is being filed with the Office of the Federal Register for publication.

Sincerely,

Allen G. Hansen, Project Manager  
 Project Directorate III-3  
 Division of Reactor Projects III/IV  
 Office of Nuclear Reactor Regulation

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OFC	PM:PD33   E	LA:PD33   E	PD:PD33   E	D:DRW <sup>b1</sup>	BC:SRLB514EK
NAME	AHansen <sup>ACH</sup>	EBarnhill <sup>EB</sup>	RBellamy <sup>RB</sup>	EAdensam	LMarsh <sup>LM</sup>
DATE	5/29/98	5/29/98	6/1/98	6/1/98	6/2/98

OFC	OGC	ADPR(A)	D:NRR
NAME		BBoger	SCollins
DATE	/ /	/ /	/ /

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UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

June 22, 1998

Mr. John K. Wood  
Vice President - Nuclear, Davis-Besse  
Centerior Service Company  
c/o Toledo Edison Company  
Davis-Besse Nuclear Power Station  
5501 North State Route 2  
Oak Harbor, OH 43449-9760

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POWER STATION, UNIT NO. 1 (TAC NO. M85542)

Dear Mr. Wood:

The Commission has issued the enclosed Confirmatory Order Modifying License (Order) to the Toledo Edison Company, Centerior Service Company, and The Cleveland Electric Illuminating Company, the licensees for the Davis-Besse Nuclear Power Station, Unit No. 1. This Order confirms the licensees' commitment to complete implementation of Thermo-Lag 330-1 fire barriers corrective actions by December 31, 1998. This commitment was set out in your letter of consent dated June 11, 1998.

You should proceed with implementation of these corrective actions in accordance with your proposed schedule. A copy of this Order is being filed with the Office of the Federal Register for publication.

Sincerely,

A handwritten signature in black ink, appearing to read "A.G. Hansen".

Allen G. Hansen, Project Manager  
Project Directorate III-3  
Division of Reactor Projects III/IV  
Office of Nuclear Reactor Regulation

Docket No. 50-346

Enclosure: Order

cc w/encl: See next page

John K. Wood  
Toledo Edison Company

Davis-Besse Nuclear Power Station, Unit 1

cc:

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Department of Attorney  
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James H. Lash, Plant Manager  
Toledo Edison Company  
Davis-Besse Nuclear Power Station  
5501 North State Route 2  
Oak Harbor, OH 43449-9760

President, Board of County  
Commissioner of Ottawa County  
Port Clinton, OH 43252

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

In the Matter of )  
TOLEDO EDISON COMPANY )  
CENTERIOR SERVICE COMPANY )  
THE CLEVELAND ELECTRIC ILLUMINATING )  
COMPANY )  
(Davis-Besse Nuclear Power Station, )  
Unit 1) )

Docket No. 50-346

CONFIRMATORY ORDER MODIFYING LICENSE  
EFFECTIVE IMMEDIATELY

I.

Toledo Edison Company, Centerior Service Company, and The Cleveland Electric Illuminating Company (the Licensees) are the holders of Facility Operating License No. NPF-3, which authorizes operation of the Davis-Besse Nuclear Power Station, Unit 1, located in Ottawa County, Ohio.

II.

The staff of the U.S. Nuclear Regulatory Commission (NRC) has been concerned that Thermo-Lag 330-1 fire barrier systems installed by licensees may not provide the level of fire endurance intended and that licensees using Thermo-Lag 330-1 fire barriers may not be meeting regulatory requirements. During the 1992 to 1994 timeframe, the NRC staff issued Generic Letter (GL) 92-08, "Thermo-Lag 330-1 Fire Barriers," and subsequent requests for additional information that asked licensees to submit plans and schedules for resolving the Thermo-Lag issue. The NRC staff has obtained and reviewed all

such corrective plans and schedules. The staff is concerned that some licensees may not be making adequate progress toward resolving the plant-specific issues, and that some implementation schedules may be either too tenuous or too protracted. For example, several licensees informed the NRC staff that their completion dates had slipped by 6 months to as much as 3 years. The NRC staff has met with licensees of plants that have completion action scheduled beyond 1997 to discuss the progress of the licensees' corrective actions and the extent of licensee management attention regarding completion of Thermo-Lag corrective actions. In addition, the NRC staff discussed with licensees the possibility of accelerating their completion schedules.

The NRC staff met with the Licensees for Davis-Besse on April 3, 1997. At this meeting, the NRC staff reviewed the schedule of Thermo-Lag corrective actions described in the Licensees' submittals to the NRC dated February 20, April 24, June 26, and November 5, 1996, as documented in the NRC meeting summary dated April 16, 1997. On the basis of the information submitted by the Licensees (including an additional letter dated September 10, 1997), the NRC staff has concluded that the schedules presented are reasonable. This conclusion is based on (1) the amount of installed Thermo-Lag; (2) the complexity of the plant-specific fire barrier configurations and issues; and (3) the need to perform certain plant modifications during outages as opposed to those that can be performed while the plant is at power. In order to remove compensatory measures such as fire watches, it has been determined that resolution of the Thermo-Lag corrective actions by the Licensees must be completed in accordance with their current schedule. By letter dated May 4, 1998, the NRC staff notified the Licensees of its plan to incorporate their

schedule commitment into a requirement by issuance of an order and requested consent from the Licensees. By letter dated June 11, 1998, the Licensees provided their consent to issuance of a Confirmatory Order.

### III.

The Licensees' commitment as set forth in their letter of June 11, 1998, is acceptable and is necessary for the NRC to conclude that public health and safety are reasonably assured. To preclude any schedule delay and to ensure public health and safety, the NRC staff has determined that the Licensees' commitment in their June 11, 1998, letter be confirmed by this Order. The Licensees have agreed to this action. On this basis, and the Licensees' consent, this Order is immediately effective upon issuance.

### IV.

Accordingly, pursuant to sections 103, 161b, 161i, 161o, 182, and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR 2.202 and 10 CFR Part 50, IT IS HEREBY ORDERED, effective immediately, that

The Toledo Edison Company, Centerior Service Company, and The Cleveland Electric Illuminating Company (the licensees) shall complete final implementation of Thermo-Lag 330-1 fire barrier corrective actions at the Davis-Besse Nuclear Power Station, Unit No. 1, by December 31, 1998, as described in the licensees' submittals to the NRC dated February 20, 1996, April 24, 1996, June 26, 1996, November 5, 1996, and September 10, 1997, and as presented at the licensees' meeting with the NRC staff on April 3, 1997, as documented in the NRC meeting summary dated April 16, 1997.

The Director, Office of Nuclear Reactor Regulation, may relax or rescind, in writing, any provisions of this Confirmatory Order upon a showing by the Licensees of good cause.

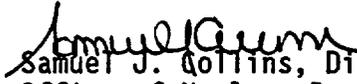
## V.

Any person adversely affected by this Confirmatory Order, other than the Licensees, may request a hearing within 20 days of its issuance. Where good cause is shown, consideration will be given to extending the time to request a hearing. A request for extension of time must be made in writing to the Director, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555-0001, and must include a statement of good cause for the extension. Any request for a hearing shall be submitted to the Secretary, U.S. Nuclear Regulatory Commission, Attention: Rulemakings and Adjudications Staff, Washington, D.C. 20555-0001. Copies of the hearing request shall also be sent to the Director, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555-0001, to the Deputy Assistant General Counsel for Enforcement at the same address, to the Regional Administrator, NRC Region III, 801 Warrenville Road, Lisle, Illinois 60532-4351, and to the Licensees. If such a person requests a hearing, that person shall set forth with particularity the manner in which his/her interest is adversely affected by this Order and shall address criteria set forth in 10 CFR 2.714(d).

If a hearing is requested by a person whose interest is adversely affected, the Commission will issue an Order designating the time and place of any such hearing. If a hearing is held, the issue to be considered at such hearing shall be whether this Confirmatory Order should be sustained.

In the absence of any request for hearing, or written approval of an extension of time in which to request a hearing, the provisions specified in Section IV above shall be final 20 days from the date of this Order without further order or proceedings. If an extension of time for requesting a hearing has been approved, the provisions specified in Section IV shall be final when the extension expires if a hearing request has not been received. An answer or a request for hearing shall not stay the immediate effectiveness of this Order.

FOR THE NUCLEAR REGULATORY COMMISSION

  
Samuel J. Collins, Director  
Office of Nuclear Reactor Regulation

Dated at Rockville, Maryland  
this 22nd day of June 1998