Subject: Davis-Besse Bulletin 2001-01, "Circumferential Cracking of Reactor Pressure Vessel Head Penetration Nozzles," Response and Staff Interaction with the Licensee.

Licensees submitted their bulletin responses by September 4, 2001. The staff completed its review of these responses by September 12, 2001, and held a series of briefings on the results of the reviews with NRC Senior Management. These briefings concluded with a Commissioners' TA briefing on Wednesday, October 3, 2001. During these briefings the staff discussed their efforts for resolving technical issues with a subset of the Bulletin responses that were unacceptable. These efforts include parallel paths. The first path is working with licensees through conference calls and meetings to gather and evaluate any additional clarifying information. The second path includes the drafting of Orders which would require the subset of licensees to take actions necessary to perform inspections capable of detecting vessel head penetration (VHP) nozzle degradation prior to December 31, 2001. The staff is proceeding with the second path as a contingency plan should the need arise. However, the staff continues to support further discussion of this issue with the affected licensees.

Davis-Besse was identified as one of the plants in this subset. On Friday, September 28, 2001, NRR senior management called First Energy Nuclear Operating Company (FENOC), the licensee for Davis-Besse, regarding the staff's initial assessment of FENOC's Bulletin response. NRR senior management indicated that the Davis-Besse bulletin response did not provide sufficient basis for delaying their inspection schedule until April 2002, and therefore, the staff's position was that Davis-Besse should perform a 100% inspection of VHP nozzles by December 31, 2001. This position is consistent with the Bulletin discussion for plants such as Davis-Besse which are classified as being highly susceptible to degradation of VHP nozzles.

On Wednesday, October 3, 2001, the staff had a conference call with FENOC regarding the staff's assessment of the Davis-Besse bulletin response. The staff requested clarifying information on past inspections conducted at Davis-Besse and future inspection plans, including the timing of future inspections. In addition, the staff discussed the acceptance criteria used during its review of the Davis-Besse bulletin response. The staff reiterated its position that unless FENOC can provide sufficient, and new technical information to support their proposed inspection schedule, Davis-Besse should perform a 100% inspection of VHP nozzles by December 31, 2001.

During the October 3, 2001 call, the staff offered to have additional conference calls or meetings with FENOC to discuss this issue further. On Thursday, October 11, 2001, a drop-in meeting was held between NRR management and FENOC. During this meeting FENOC indicated that they had new information that had not previously been submitted for staff review. In addition, FENOC requested that the staff document its acceptance criteria used to develop the staff position relative to the Davis-Besse plant. The staff agreed to provide FENOC with such documentation in the near future. FENOC provided additional information (emailed and being docketed)) to the NRR Project Manager on Friday, October 12, 2001, and committed to provide docketed information within two weeks of the meeting. The staff is currently reviewing the additional information that has been submitted to determine its impact on the staff's position regarding acceptability of the FENOC bulletin response.

On October 12, 2001, FENOC requested a meeting with NRR, which has been tentatively scheduled for Wednesday, October 24, 2001. The purpose of this meeting is to share and review technical information between FENOC and the NRC related to the potential for

circumferential cracking of reactor pressure vessel head control rod drive mechanism penetration nozzles at Davis-Besse.

At present, the staff is working to complete documentation of the technical basis for its acceptance criteria. In addition, staff is reviewing additional information that has been and will be provided by FENOC, and continues to support teleconferences and meetings with this licensee (and several others) to achieve resolution of the relevant technical issues.