

September 24, 2003

Mr. Paul Gunter  
Nuclear Information and Resource Service  
1424 16<sup>th</sup> St. NW, Suite 404  
Washington, D.C. 20036

Dear Mr. Gunter:

I am responding on behalf of the U.S. Nuclear Regulatory Commission (NRC) to your letter of June 20, 2003. Your letter was in response to my letter to you dated June 9, 2003, and requested answers to three questions concerning the risk-informed review performed by the NRC staff to evaluate operation of the Davis-Besse Nuclear Power Station (DBNPS) beyond December 31, 2001.

Your questions concern the NRC staff's use of Regulatory Guide (RG) 1.174, "An Approach for Using Probabilistic Risk Assessment in Risk-Informed Decisions on Plant-Specific Changes to the Licensing Basis," in its review of the licensee's response to NRC Bulletin 2001-01, "Circumferential Cracking of Reactor Pressure Vessel Head Penetration Nozzles." More specifically, you requested information regarding the staff's evaluation of the RG 1.174 principles as shown in briefing material from November 2001, as compared to the NRC staff evaluation issued on December 3, 2002 (ADAMS ML023300539).

Regarding your first question you assert that, "four out of five, and arguably five out of five, key principles of the appropriate regulatory guide were not clearly met at the time of the decision." The NRC staff disagrees with this assertion and has documented the rationale for allowing the DBNPS to continue to operate until February 16, 2002, in a safety evaluation dated December 3, 2002. This safety evaluation addresses the five safety principles associated with risk-informed decisionmaking. Based on information available at the time, the NRC believes that the decision to allow DBNPS to operate until February 16, 2002, was consistent with the guidelines of RG-1.174. It is important to note that at the time the NRC permitted DBNPS to continue operation until February 16, 2002, boric acid corrosion of the reactor pressure vessel head was not recognized as a potential significant safety concern. This issue has been addressed by the Davis Besse Lessons Learned Task Force Report dated September 30, 2002 (ADAMS ML022760414).

Your second question concerned why the Lessons Learned Task Force (LLTF) did not assess the staff's engineering evaluations and risk assessments in using RG 1.174 and in the formulation of the draft order. While the staff's evaluation issued December 3, 2002, to DBNPS was not issued in time for review by the LLTF, the draft shutdown order and the letter dated December 4, 2001 (ADAMS ML022420121), accepting the continued operation of DBNPS were reviewed by the LLTF. The LLTF documented its review in Section 3.3.7, entitled "Licensing Process Guidance and Implementation," on pages 91 and 92 of its report issued on September 30, 2002.

Your third question requested documentation that NRC used in its December 3, 2002, safety evaluation. The same information was used by NRC in reaching its conclusion at the November 2001 briefing as was referenced in the December 2002 safety evaluation.

In summary, as I stated in my June 9, 2003 letter to you, the goal of the Commission is to make good technical and regulatory decisions in the best interest of the public. RG 1.174 is one of the tools available to the staff to help make good decisions. The staff appropriately utilized the information and guidance of RG 1.174 and Regulatory Information Summary 2001-02, "Guidance on Risk-Informed Decisionmaking in License Amendment Reviews," in its review of the licensee's basis for continued plant operation beyond December 31, 2001. I appreciate the opportunity to clarify this matter.

Sincerely,

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Nils J. Diaz