~~A5~~ A.4.

ALLEGATION REVIEW BOARD

SUMMARY

Allegation: NMSS-2002-A-0002 **Holtec International**
Exelon Generating Co.

1. The NMSS Allegation Review Board met on **May 2, 2002,** at **2:00 p.m.** in **O-13H27**

2. Present at the meeting were:

   M. W. Hodges, Dep. Dir. SFPO, Chairman
   R. L. O'Connell, OAC
   P. P. Narbut, SFPO
   F. Jacobs, SFPO

3. Facilities involved: **Holtec, Excelon**

4. Concerns:

   1. **Wide-ranging welding deficiencies existed in spent fuel storage casks manufactured by Holtec and its subcontractors sufficient to demonstrate that there were and are fundamental flaws in the casks, and the casks are components to which 10 CFR Part 21 applies; however, neither Holtec nor Exelon made a required Part 21 report.**

   2. **Holtec spent fuel storage casks were manufactured with materials from suppliers who were not approved bidders to supply materials for safety-related use; however, these suppliers were never audited by Holtec or Exelon to establish product acceptability as required.**

5. Safety significance: Medium

   Basis: Casks are not being transported presently. However, wide-ranging welding deficiencies or sub-standard material could lead to potential for thru-wall leaks or other failures resulting in releases on site within the protected area.

   Generic Issues: These deficiencies could affect all Holtec casks.

6. Priority: **N/A**

   Basis:

7. OI/OIG: **N/A**

F-23

26

8. The following resolution plan & schedule was approved by the ARB:

Transfer of two concerns from RIII-2001-A-0174. ARB reviewed the concerns and determined that they should be evaluated by the SFPO staff during an inspection at Holtec during the week of May 6, 2002. ARB will determine further action following results of inspection. No indications of wrongdoing warranting OI involvement at this time, subject to reconsideration based on staff inspection findings.

	Activity	Due Date
a.	**SFPO conduct inspection of Holtec**	**06/03/02**
b.	**ARB determine further action**	**Call of Chairman following insp.**

9. Prepared by: R. L. O'Connell, NMSS OAC Date: 5/02/02

10. Approved by: M. W. Hodges, Chairman, ARB Date: 5/02/02