

EDO Principal Correspondence Control

FROM: DUE: 03/05/04 EDO CONTROL: G20040092
DOC DT: 02/10/04
FINAL REPLY:

Chairman Diaz

TO:

Travers, EDO

FOR SIGNATURE OF :

** GRN **

CRC NO:

Travers, EDO

DESC:

ROUTING:

NRC Oversight of Davis-Besse Boric and Leakage
and Corrosion During the April 2000 Refueling
Outage (Case No. 03-02S)

Travers
Norry
Paperiello
Kane
Collins
Dean
Burns/Cyr
Caldwell, RIII
Malloy, OEDO
OIG File

DATE: 02/12/04

ASSIGNED TO:

CONTACT:

NRR

Dyer

SPECIAL INSTRUCTIONS OR REMARKS:

Add Commission and SECY as cc's.
Ref. G20030635.

Template: EDO-001

E-RIDS: EDO-01



CHAIRMAN

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

February 10, 2004

NOTE TO: William Travers
FROM: Nils J. Diaz *Nils J. Diaz*
SUBJECT: FEBRUARY 2, 2004, IG MEMORANDUM
CONCERNING COMMUNICATIONS

As you are aware, I have a continuing interest in improving the communications within the NRC at all levels of agency operations. The attached memorandum from the IG raises several issues concerning the adequacy of the agency's response to generic communications concerns that were discussed in the OIG's Event Inquiry related to NRC oversight of the Davis-Besse boric acid leakage and corrosion.

Please prepare a response (from you) to the IG responding to the issues raised in the attached memorandum within the next 30 days and provide me with a copy of your response.

attachment: As stated

cc w/attachment:
Commissioner McGaffigan
Commissioner Merrifield
A. Vietti-Cook, SECY



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

4279

CHAIRMAN REC'D

04 FEB -3 PH 2:53

February 2, 2004

OFFICE OF THE
INSPECTOR GENERAL

MEMORANDUM TO:

Chairman Diaz

FROM:


Hubert T. Bell
Inspector General

SUBJECT:

AGENCY RESPONSE TO THE OFFICE OF INSPECTOR
GENERAL (OIG) EVENT INQUIRY (NRC'S OVERSIGHT OF
DAVIS-BESSE BORIC ACID LEAKAGE AND CORROSION
DURING THE APRIL 2000 REFUELING OUTAGE (CASE NO.
03-02S)

Reference is made to the memorandum of Samuel J. Collins, Deputy Executive Director for Reactor Programs, dated January 12, 2004, which sets out NRC planned activities intended to address the findings of the OIG Event Inquiry into NRC's oversight of the Davis-Besse boric acid leakage and corrosion.

The memorandum notes that NRC activities undertaken during the April 2000 refueling outage at the Davis-Besse Nuclear Power Station (DBNPS) evidenced an institutional failure on the part of the NRC and not just the inspection program. We agree. However, in our view, the corrective actions taken by the agency in response to the OIG Event Inquiry focus on specific findings pertaining to NRC's handling of boric acid and corrosion at DBNPS but do not address the underlying, more generic, communication failures identified during our inquiry.

In its first finding, OIG reported that requirements placed on licensees by NRC Headquarters in response to Generic Letters were not communicated to the Regions. In the second finding, OIG noted that although the resident inspector at DBNPS reported adverse plant conditions to his regional manager, this information was not communicated to other regional managers to be appropriately evaluated. The third OIG finding reported that Region III inspection reports documented longstanding problems at DBNPS related to boric acid leakage and corrosion. However, during Plant Performance Reviews, these problems were not discussed and regional managers did not communicate the findings of these inspection reports to the inspection staff to be considered during inspections during the refueling outage. OIG findings four and five are, in our view, the direct result of the agency's lack of communication between the various levels of NRC management. Had the DBNPS inspectors been better informed of the ongoing NRC industry wide efforts to address coolant pressure boundary leakage and the effects of boric acid corrosion, they would have recognized the significance of Condition Report 2000-0782 and highlighted the information to regional management.

ATTACHMENT

We believe that to fully address the shortcomings identified as a result of the Davis-Besse incident, the associated corrective actions by the agency should include an expectation of improved communication between and among Headquarters and regional staff and should outline specific guidance to achieve this goal.

cc: W. Travers, EDO
S. Collins, DEDRP/OEDO