

*RG III*

**From:** Marc Dapas *MD*  
**To:** E. William Brach  
**Date:** 3/1/02 10:45 AM  
**Subject:** Re: Fwd: HOLTEC SEQUENCE OF EVENTS

My understanding is that Holtec has requested code relief for the subject weld, specifically weld No. 29 and informed the Holtec user's group that no casks should be used until the exemption request is approved by the NRC. Regarding those casks already in use, including those at Dresden, Holtec has concluded that the "non-code" welds are not safety significant. Dresden is not planning on using any more casks to load fuel until the Holtec Code exemption is approved. I don't know that we have any action other than to verify that the licensee follows through with its plan not to further use casks until the weld Code relief issue is resolved. I will check with Bruce Jorgensen when he is back in the office on Monday to verify that my understanding of where we are with this issue is correct. One other thought, since Holtec identified the weld issue as a result of their review of the violations issued in the SFPO inspection report, I would assume we (the NRC) will be evaluating the adequacy of their corrective actions when we review the violation response.

*NWISF*

>>> E. William Brach 03/01/02 06:31AM >>>

Marc, Thank you, I have forwarded your note on to Mike Tokar and his inspection staff. Have you all discussed next steps? Bill

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>>> Marc Dapas 02/28/02 07:04PM >>>

I am forwarding this to you per a commitment by Cindy to provide you with the time line once constructed. If you or your staff have any questions, please contact Bruce Jorgensen or myself. Thanks.

**CC:** Bruce Jorgensen ; Charles Miller; Cynthia Pederson; Michael Tokar

*2-17*

**From:** Bruce Jorgensen  
**To:** Cynthia Pederson; Marc Dapas  
**Date:** 2/28/02 4:43 PM  
**Subject:** HOLTEC SEQUENCE OF EVENTS

Attached per Cindy's request is a timeline relating to Holtec cask issues and Dresden/Exelon involvement in those issues, leading to the 2/8/02 "operability" teleconference among SFPO, the Holtec User's Group, and a couple of Regions.

It does not appear that Exelon had prior knowledge of Code non-compliance while they continued to load casks - it may be that they understood not to ask questions too explicitly.

One post-facto item (2/18/02): Holtec has not informed its clients not to load until NRC approves the Code exemptions.

Sequence of Events on Holtec's Welding Issues

May 22 - 26, 2000 NUPIC audited Holtec's implementation of its QA program at OMNI. The number and nature of issues identified indicated that Holtec had poor program control. This should have alerted ComEd (and other NUPIC members) to the potential for problems at U.S. Tool & Die.

Note: Subsequently, numerous Condition Reports were being written at Dresden, on products supplied by Holtec, indicating QA/QC problems were ongoing.

November 2000 The NRC attended Holtec User's Group Meeting, learned of the NUPIC audit and obtained and reviewed the audit report. The Spent Fuel Projects Office (SFPO) was informed and (informally) advised that an inspection should be done at US Tool & Die (UST&D).

Note: Inspection performed at UST&D in February 2002.

August 13, 2001 RIII Inspection Report (IR 07200037/2001-002)(DNMS) documented NRC review and issues relating to Holtec's performance.

September 21, 2001 SFPO inspection "Exit" meeting at Holtec identifying several issues including code exceptions on longitudinal welds in the MPC basket assembly.

September 26, 2001 Holtec e-mails memo to User's Group regarding NRC inspection; elaborating comments include the statement that NRC "did not discover any issues of safety significance or issues that would affect delivered hardware."

October 22, 2001 SFPO Inspection Report (IR 072-1014/01-201) issued addressing Sept. inspection. Five cited violations, one NCV, six examples of procedure inadequacies.

October 25, 2001 Holtec forwards NRC Inspection Report (IR 72-1014/01-201) to members of the Holtec User's Group via e-mail; elaborating comments include the statement that NRC "did not discover any issues of safety significance or issues that would affect delivered hardware."

October 31, 2001 Dresden issues a condition report noting a code exception identified by Trojan (Weld #29, MPC baseplate-to-shell) earlier in 2001. Processing of cask #10 stopped until issued resolved.

November 1, 2001 Exelon (Regulatory Services) issues a condition report documenting NRC inspection findings published in 10/22 I.R. and reporting that SFPO considered Holtec cask quality indeterminate; however, findings not considered safety significant and no exemption request needed from Exelon pending resolution by Holtec.

November 2, 2001 Processing of cask #'s 10,11,12 resumed based on Holtec's position that the Weld #29 issue is not safety significant.

November 21, 2001 Holtec responds to Oct. 22 report and acknowledges one unapproved

code exception. Regarding Weld #29, Holtec asserts it does not require an exemption, but states there is disagreement among the owner's group.

February 4, 2002 SFPO initiates announced inspection at U.S. Tool & Die; Holtec had still not requested NRC approval of code exceptions identified from Oct. 22, 2001 report.

February 4, 2002 Holtec formally requests numerous Code exceptions be approved by the NRC, including Weld #29. All exceptions described by Holtec as not safety significant.

February 18, 2002 Holtec issues information to the Holtec Users Group explicitly stipulating that previously-made casks are not to be used pending NRC approval of requested exceptions.

It should be noted that all code exceptions were to be listed in both Appendix B of Certificate of Conformance and the SAR Table 2.2.15. The previously identified exceptions and the new ones identified in the latest submittal were not listed in the SAR.