

(2)

From: Joseph Petrosino) H.A.P.
To: Chan, Terence
Date: Wednesday, June 02, 2004 11:19AM
Subject: Allegation 2004-A-0026

Terence:

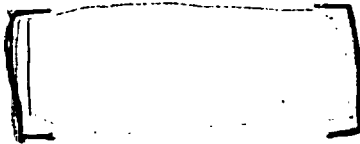
Please review and comment on the Enclosure to the attached letter. Please ensure that I have an accurate understanding of what action DE will or expects to perform. I also have some time lines.

CC: Bateman, Bill; Quay, Theodore; Talbot, Frank; Thatcher, Dale

Information in this record was deleted
in accordance with the Freedom of Information
Act, exemptions 7c
FOIA/PA-2004-0282

C-15

Ex 7C



SUBJECT: ALLEGATION NO. NRR-2004-A-0026

Dear 

Ex 7C

This letter refers to your May 21, 2004, and May 27, 2004, messages that you transmitted to the U.S. Nuclear Regulatory Commission (NRC) Allegation E-Mail address. In those e-mail transmittals, you expressed concerns about safety-related activities at the Point Beach Nuclear Plant (PBNP) regarding the adequacy of an NRC Order requiring nondestructive examination requirements. You also asserted that a PBNP "fracture mechanics analysis" used to support Code relief of inspection elements contained in an NRC Order contained suspiciously small and arbitrary flaw size considerations.

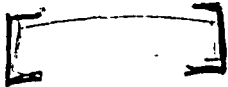
Enclosure 1 to this letter documents your concerns as we understand them and provides a brief discussion on actions and reviews which address your concerns that were performed by the NRC Office of Nuclear Regulatory Regulation (NRR) Division of Engineering (DE). We have initiated these actions to examine the facts and circumstances on the basis of our understanding your concerns. If the description of your concerns in the enclosure is not accurate, please contact me so that I can assure that we correctly understand your concerns before we continue our review.

In addition, your May 21, 2004, concern was referred to Nuclear Management Company, LLC. (NMC) by the NRC Region III staff. Your identity was withheld. The cognizant Region III engineer performed a review of that referral and did not identify any major concerns.

Your concerns regarding "NRC's lack of performance in dealings with safety issues (as identified in the recent GAO assessment) . . . and lack of assertiveness in ensuring that PBNP operates without recurring safety significant events" will be referred to the NRC Office of the Inspector General (OIG). If you have any questions or other comments on these matters, please contact the OIG directly, toll-free, at 1-800-233-3497.

The staff has also determined that your May 21, 2004 concern may relate to other facilities and may be considered generic. Because the resolution of that concern will require a review of multiple facilities and may require a review of, or changes to, NRC policy, the time necessary to resolve your concerns may be extended. However, please be assured that the NRC will take appropriate and necessary action to maintain public health and safety.

CERTIFIED MAIL
RETURN RECEIPT REQUESTED



Enclosure 2 is an NRC brochure entitled "Reporting Safety Concerns to the NRC," which contains information that you may find helpful in understanding our process for review of safety concerns. It includes an important discussion (on pages 5-7) of our Identity protection procedures and limitations. Please read that section.

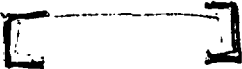
Thank you for notifying us of your concerns. We will advise you when we have completed our review of these matters. However, should you have any questions or comments during the interim regarding these matters, please call Mr. Frank Talbot, the technical reviewer responsible for your issue, or me at (800) 368-5642.

Sincerely,

Gregory C. Cwalina, Senior Allegations Coordinator
Office of Nuclear Reactor Regulation

Enclosures: As stated

Ex
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Gregory C. Cwalina, Senior Allegations Coordinator
Office of Nuclear Reactor Regulation

Enclosures: As stated

DISTRIBUTION:
OAC Files

DISK/DOCUMENT NAME: C:\WINDOWS\TEMP\Acknowledgment Letter.wpd

OFC	IPSB:DIPM:NRR	IPSB:DIPM:NRR	EMCB:DE:NRR	OAC:NRR	
NAME	FXTalbot:jc	DFThatcher	WHBateman	GCCwalina	
DATE	/ /04	/ /04	/ /04	/ /04	

OFFICIAL RECORD COPY

ALLEGATION NO. NRR-2004-A-0026

STATEMENT OF CONCERNS

CONCERN 1:

You are concerned that the NRC Order which required ultrasonic (UT) examination was not capable of finding the damage discovered within Point Beach Nuclear Plant (PBNP) Unit 1 penetration 26 "J" groove weld, and that primary water stress corrosion cracking (PWSCC) damage probably exists in other penetration "J" groove welds in the PBNP reactor pressure vessel head. You also believe that the licensee will not pursue the PT examinations of other "J" groove welds because of the potential for finding additional evidence of PWSCC damage.

Interim Response/Action:

The Division of Engineering in NRC's Office of Nuclear Reactor Regulation (NRR/DE) is currently reviewing this matter and intends to issue a formal written position within 45 days of the date of the transmittal letter. Nonetheless, NRC staff indicated that if the licensee performs its RPV head examinations in accordance with the provisions of Order EA-03-009, the NRC would most likely consider those licensee actions to be adequate unless additional objective evidence was presented that would indicate otherwise. Currently, compliance with the Order appears to provide reasonable assurance of public health and safety with respect to RPV upper head penetration examinations.

CONCERN 2:

You are concerned that a Point Beach reactor vessel head nozzle fracture mechanics analysis, which is supposed to support a CRDM Code Relief, and which was verbally granted to PBNP by NRR/DE on May 26, 2004, may not be adequate. You stated that the assumed flaw size for PBNP is arbitrary and very small (in fact, suspiciously small), which will allow achieving a calculated operational life greater than a plant operational cycle.

Interim Response/Action:

NRR/DE is also currently reviewing this matter and intends to issue a formal written position within a few days of the date of this transmittal letter. Nonetheless, NRC staff has reviewed the fracture analysis and has not identified a concern with the assumed flaw size that was used because the head will only be used for one last cycle, and because the calculated end-of-operational life does not suggest catastrophic failure. Instead, the end-of-operational life is the time period when nozzle "J" welds may reach the onset of leakage, not failure.

ENCLOSURE 1