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President and Chief Nuclear Officer

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March 18, 2008  
L-08-102

10 CFR 2.202

Beaver Valley Power Station, Unit Nos. 1 and 2  
Docket Nos. 50-334 and 50-412, License Nos. DPR-66 and NPF-73

Davis-Besse Nuclear Power Station, Unit No. 1  
Docket No. 50-346, License No. NPF-3

Perry Nuclear Power Plant, Unit No. 1  
Docket No. 50-440, License No. NPF-58

Ms. Cynthia A. Carpenter  
Director, Office of Enforcement  
United States Nuclear Regulatory Commission  
Washington, DC 20555-0001

**Subject: Actions Required by Confirmatory Order EA-07-199**

By letter dated August 15, 2007, the Nuclear Regulatory Commission (NRC) issued a Confirmatory Order (Order) to the FirstEnergy Nuclear Operating Company (FENOC) to formalize commitments made by FENOC following the NRC issuance of a Demand for Information (DFI) on May 14, 2007. In addition to the commitments made by FENOC in response to the DFI in letters dated June 13, 2007, and July 16, 2007, the Order contained requirements to provide letters to the Director, NRC Office of Enforcement, prior to implementation and following completion of selected commitments.

Item 2 of Section IV of the Order required that effectiveness reviews be conducted, with the first review to be conducted by an external consultant in January 2008. The first of the required effectiveness reviews was completed January 18, 2008, and the final report was issued February 1, 2008. In accordance with the Order, FENOC is required to provide the Director, NRC Office of Enforcement, with a summary of the results of the effectiveness review and a description of any actions taken or planned in response to the results.

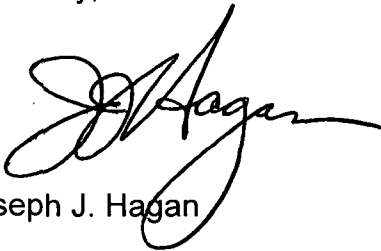
The attachment to this letter contains a summary of the results of the effectiveness review, which was conducted by a team led by Mr. John M. Griffin, President of The Kestrel Group, Inc. The attachment also contains a description of the actions taken or planned in response to the results of the assessment.

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There are no regulatory commitments contained in this letter. If there are questions, or additional information is required, please contact Mr. Gregory H. Halnon, Director - Fleet Regulatory Affairs, at 330-384-5638.

I declare under penalty of perjury that the foregoing is true and correct. Executed on March 18, 2008.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Hagan', with a long horizontal flourish extending to the right.

Joseph J. Hagan

Attachment:  
Summary of 2008 External Effectiveness Review

cc: Document Control Desk  
Assistant General Counsel for Materials Litigation and Enforcement  
Regional Administrator, NRC Region I  
Regional Administrator, NRC Region III  
NRC Project Manager – Davis-Besse  
NRC Resident Inspector – Davis-Besse  
NRC Project Manager – Beaver Valley  
NRC Resident Inspector – Beaver Valley  
NRC Project Manager – Perry  
NRC Resident Inspector – Perry  
Utility Radiological Safety Board  
Mr. D. A. Allard, Director BRP/DEP  
Mr. L. E. Ryan, BRP/DEP  
Ms. N. Dragani, Ohio Emergency Management Agency

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### Summary of the Results of the Effectiveness Review

On August 15, 2007 the Nuclear Regulatory Commission (NRC) issued Confirmatory Order EA-07-199 to FirstEnergy Nuclear Operating Company (FENOC). The Confirmatory Order required FENOC to conduct regulatory sensitivity training and to have effectiveness reviews of the training performed by an external consultant during January 2008 and January 2009.

The regulatory sensitivity training was conducted in several training sessions between October 23 and November 29, 2007. One training class, held on October 31, 2007, was observed by two members of the review team. The effectiveness review was conducted on January 10 through 18, 2008, with the final report being issued on February 1, 2008.

The effectiveness review was performed by an external consultant with support from two industry peers and a FENOC project manager. An NRC Region III inspector attended structured interviews with each of the team members and observed team discussions and interactions from January 16 through 18, 2008.

The effectiveness review team reviewed documentation pertaining to the development and conduct of the regulatory sensitivity training and the selection of the FENOC and non-FENOC FirstEnergy employees to receive the training. The team conducted 100 structured interviews with FirstEnergy employees to evaluate their understanding of the terminal objectives of the regulatory sensitivity training.

The effectiveness review team concluded that the regulatory sensitivity training conducted for selected FENOC and non-FENOC FirstEnergy employees was effective in increasing their knowledge, awareness, and sensitivity to the need for identification and evaluation of issues with potential regulatory interest or impact. The review team concluded that the individuals who received the training know to contact FENOC Regulatory Affairs if they have any questions about issues of potential regulatory impact.

The team also concluded that FENOC management understands, and has taken action to address, the problems in the handling of the Exponent Report and in responding to the NRC's letter of April 2, 2007.

### Actions Taken or Planned

In addition to its conclusions, the review team identified a number of suggested items for enhancements to the regulatory sensitivity training process. The FENOC response to these items is provided below.

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The team suggested that FENOC communicate the expectation that those employees who received the regulatory sensitivity training will have discussions with their respective staff about the training and the need to be sensitive to issues of potential regulatory impact. This expectation has been communicated by the Director – FENOC Fleet Regulatory Affairs.

The team suggested that FENOC review the Operating Experience provided to the nuclear industry and evaluate it against the salient points of the Root Cause Evaluation of the Demand for Information (DFI) event and reissue the Operating Experience, if necessary. The Operating Experience provided to the nuclear industry has been reviewed and found to be in alignment with the Root Cause Evaluation. The purpose of issuing the Operating Experience to the industry was to inform interested parties of FENOC's experience. Further follow-up with the industry is now being accomplished through presentations at industry meetings. Therefore, it has been determined that there is no need to re-issue the Operating Experience.

The team suggested that FENOC communicate to the organization that the regulatory sensitivity training has been completed, that it was effective in increasing sensitivity to issues of potential regulatory interest and the interim and new Regulatory Sensitivity Evaluation Process have been used at least 10 times since the DFI event. The February 7, 2008, edition of FENOC Online, FENOC's internal newsletter, contained an article communicating that the external effectiveness review team determined that the regulatory sensitivity training program has been effective in increasing knowledge, awareness and sensitivity to the need to identify and evaluate issues with potential regulatory interest or impact.

The team suggested that FENOC establish a mechanism to periodically evaluate the need to provide regulatory sensitivity training to employees who have moved into positions on the training target population list and have not received the training; establish a mechanism to periodically evaluate the need to provide refresher training to those employees who received the regulatory sensitivity training; and evaluate if the FirstEnergy President and Chief Executive Officer, the Executive Vice President and General Counsel, and the three Regulatory Compliance Managers should be included in any refresher training conducted in the future. These suggestions have been documented in the action tracking system and are considered to be within the scope of the effectiveness reviews that were established as part of the Regulatory Sensitivity Assessment process. No additional actions beyond this normal process review are planned for these suggestions.