

July 10, 2002

Mr. Oscar Shirani


SUBJECT: ALLEGATION - NMSS-2002-A-0002
Holtec International / U. S. Tool & Die, Inc.

Dear Mr. Shirani:

The U. S. Nuclear Regulatory Commission (NRC) previously completed its review of two of your concerns about activities at Holtec International and U. S. Tool & Die, Inc., and documented the staff's response in my letter to you dated May 28, 2002. That letter stated that, based on reviews of the information provided by you and on the results of an NRC inspection conducted in response to your allegation, the staff determined that your concerns were substantiated, but that there was not a resulting safety or regulatory concern requiring further NRC action. Consequently, the allegation file was closed. Subsequently, you sent by email on June 13, 2002, a letter indicating that you do not agree with the staff's conclusions reported in my May 28, 2002 letter. You had also previously sent additional comments in emails to the NRC Region III office dated May 8, 2002, and May 30, 2002, which have recently been forwarded to us by Region III.

The staff has reviewed the information you provided in emails dated May 8, 2002, May 30, 2002, and June 13, 2002, and has determined that, although you stated that you disagreed with the staff's findings, you did not provide new information that would cause the NRC to change its conclusions.

You stated that you had previously asserted, in material sent to Region III on May 30, 2002, that weld repairs weaken the base metal and stated that you had provided a table showing that metal strength is reduced with increased temperature. The staff examined information forwarded by Region III and determined that the table to which you referred dealt with reduced metal strength with increased operating service temperatures. The yield strength for common steels decreases when the service temperature increases. Temperature changes due to welding are temporary and, after welding, temperatures return to normal, and so does the basic metal yield strength. You did not provide any examples of instances in which this concept was improperly applied. The NRC inspectors' review of weld repair controls found them to be adequate. The information you provided does not change the staff's conclusions.

You stated that your repair and use-as-is issue is not only contrary to Commonwealth Edison (Com Ed) procedures, but is also contrary to codes and standards requirements. The staff previously addressed this issue in my letter to you dated May 28, 2002. The staff noted that the ASME code and ANSI N45.2 have slightly different definitions of rework and repair. The staff's

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assessment addressed the underlying reason for the requirements: that is to involve the design engineer when departures from the engineered design drawings are made by the fabricator. NRC's inspection found this to be properly implemented. The information you provided does not change the staff's conclusions.

You stated that ComEd procedures require owner (ComEd) review of design change calculations generated by Holtec (the designer) and that Com Ed had not done this. This appears to be based on a belief on your part that deficiencies dispositioned as use-as-is or repair were design changes by definition. However, the staff has previously explained that this was a contractual issue, not a safety issue, and that the examples were not design changes even though a "design change" box may have been checked on the U.S. Tool and Die forms. Moreover, in your discussion, the terms "design change" and "calculation" are sometimes confused and used interchangeably. The staff inspectors noted that, in their reviews of the reports of audits you performed, and transcripts of NRC interviews with you, no examples of Com Ed failing to review design calculations were identified. The staff inspection found that U.S. Tool & Die did not make any design changes, and that it operated within the parameters of the design drawings and specifications. The information you provided does not change the staff's conclusions.

Since you have not submitted any new information that causes the staff to change its conclusions, the allegation file remains closed. Unless the NRC receives additional information that suggests that our conclusions should be altered, we plan no further action on this matter.

We appreciate your bringing these matters to our attention. Safety and safeguards concerns from concerned individuals serve a vital role in the protection of public health and safety. If you have any questions, you may contact me at 1(800) 368-5642 (toll free) or (301) 415-7877.

Sincerely,

(S)

Robert L. O'Connell
Allegation Coordinator
Office of Nuclear Material Safety
and Safeguards

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