

September 12, 1996

EA 96-304

Mr. John K. Wood  
Vice President - Nuclear  
Davis-Besse Nuclear Power Station  
Centerior Service Company  
5501 North State Route 2  
Oak Harbor, OH 43449

SUBJECT: NRC INSPECTION REPORT NO. 50-346/96008(DRS)

Dear Mr. Stetz:

This refers to the inspection conducted by Mr. D. Schrum of this office on June 24 to July 11 and August 14-15, 1996, at the Davis-Besse Nuclear Power Station. The inspection included a review of activities authorized for your Davis-Besse facility. At the conclusion of the inspection, the findings were discussed with those members of your staff identified in the enclosed report.

Areas examined during the inspection are identified in the report. The inspector reviewed the circumstances surrounding several fire protection conditions identified as being outside the design basis of the facility. Within these areas, the inspection consisted of selective examinations of procedures and representative records and interviews with personnel. The purpose of the inspection was to determine whether activities authorized by the license were conducted safely and in accordance with NRC requirements.

Based on the results of this inspection, two apparent violations were identified and are being considered for escalated enforcement action in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions" (Enforcement Policy), NUREG-1600. Accordingly, no Notice of Violation is presently being issued for these inspection findings. These apparent violations involve the failure to provide post-fire safe shutdown capability (normal shutdown path or an alternative path) which was free of fire damage and adequately protected in accordance with 10 CFR 50, Appendix R, Section III.G., "Fire Protection of Safe Shutdown Capability." Please be advised that the number and characterization of apparent violations described in the enclosed inspection report may change as a result of further NRC review.

A predecisional enforcement conference to discuss these apparent violations has been scheduled for 10:00 a.m. (CDT) on September 26, 1996, at the Region III office. The decision to hold a predecisional enforcement conference does not mean that the NRC has determined that a violation has occurred or that enforcement action will be taken. This conference is being held to obtain information to enable the NRC to make an enforcement decision.

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In particular, we expect you to address the following: (1) the safety significance of each example of the apparent violations; (2) the root cause(s) of the apparent violations, including the apparent failure of your staff to conduct thorough and rigorous evaluations of technical issues and implement effective corrective actions; (3) the missed opportunities to identify and resolve these conditions during previous evaluations and corrective actions; and (4) the corrective actions to resolve these apparent violations, including an estimated completion date for each action.

This conference will be open to public observation in accordance with the Commission's continuing trial program as discussed in the enclosed excerpt from the Enforcement Policy (Enclosure 2). Although not required, we encourage you to provide your comments on how you believe holding this conference open to public observation affected your presentation and your communications with the NRC.

In addition, this conference is an opportunity for you to point out any errors in our inspection report and for you to provide any information concerning your perspectives on: (1) the severity level of the violations; (2) the application of the factors that the NRC considers when it determines the amount of a civil penalty that may be assessed in accordance with Section VI.B.2 of the Enforcement Policy; and (3) any other application of the Enforcement Policy to this case, including the exercise of discretion in accordance with Section VII.

You will be advised by separate correspondence of the results of our deliberations on this matter. No response regarding these apparent violations is required at this time.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures will be placed in the NRC Public Document Room.

Sincerely,

Original signed by Brent Clayton for

Geoffrey E. Grant, Director  
Division of Reactor Safety

Docket No. 50-346

Enclosures: 1. Inspection Report  
No. 50-346/96008  
2. Enforcement Policy: Section V  
"Pre-decisional Enforcement Conferences"

See Attached Distribution

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