

NATIONAL CREDIT UNION ADMINISTRATION

Sunshine Act; Notice of Meeting

TIME AND DATE: 10 a.m., Thursday, January 19, 2006.

PLACE: Board Room, 7th Floor, Room 7047, 1775 Duke Street, Alexandria, VA 22314-3428.

STATUS: Open.

MATTERS TO BE CONSIDERED:

1. Proposed Rule: Interpretive Ruling and Policy Statement (IRPS) 06-1, Section 701.1 of NCUA's Rules and Regulations, Amendments to NCUA's Chartering and Field of Membership Policies.

2. Final Rule: Section 741.6(a) of NCUA's Rules and Regulations, Financial and Statistical and Other Reports.

3. Final Rule: Section 701.34 of NCUA's Rules and Regulations, Uninsured Secondary Capital Accounts.

4. Final Rule: Part 742 of NCUA's Rules and Regulations, Regulatory Flexibility Program.

RECESS: 11:15 a.m.

TIME AND DATE: 11:30 a.m., Thursday, January 19, 2006.

PLACE: Board Room, 7th Floor, Room 7047, 1775 Duke Street, Alexandria, VA 22314-3428.

STATUS: Closed.

MATTERS TO BE CONSIDERED:

1. Administrative Action under Section 206(h)(1)(A) of the Federal Credit Union Act. Closed pursuant to Exemptions (8), (9)(A)(ii), and (9)(B).

2. One (1) Insurance Appeal. Closed pursuant to Exemption (6).

FOR FURTHER INFORMATION CONTACT: Mary Rupp, Secretary of the Board, Telephone: 703-518-6304.

Mary Rupp,

Secretary of the Board.

[FR Doc. 06-460 Filed 1-12-06; 3:50 pm]

BILLING CODE 7535-01-M

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

National Endowment for the Arts

Federal Advisory Committee on International Exhibitions

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463), as amended, notice is hereby given that a meeting of the Federal Advisory Committee on International Exhibitions (FACIE) to the National Council on the Arts will be held on January 25, 2006 at the Nancy Hanks

Center, 1100 Pennsylvania Avenue, NW., Washington, DC 20506. This meeting, which will be held by teleconference from 1 p.m. to 1:30 p.m., will be closed.

Closed meetings are for the purpose of Panel review, discussion, evaluation, and recommendations on financial assistance under the National Foundation on the Arts and the Humanities Act of 1965, as amended, including information given in confidence to the agency. In accordance with the determination of the Chairman of April 8, 2005, these sessions will be closed to the public pursuant to subsection (c)(6) of section 552b of Title 5, United States Code.

Further information with reference to these meetings can be obtained from Ms. Kathy Plowitz-Worden, Office of Guidelines & Panel Operations, National Endowment for the Arts, Washington, DC 20506, or call 202/682-5691.

Dated: January 11, 2006.

Kathy Plowitz-Worden,

*Panel Coordinator, Panel Operations,
National Endowment for the Arts.*

[FR Doc. 06-398 Filed 1-13-06; 8:45 am]

BILLING CODE 7537-01-P

NATIONAL SCIENCE FOUNDATION

Advisory Committee for International Science and Engineering; Notice of Meeting

In accordance with Federal Advisory Committee Act (Pub. L. 92-463, as amended), the National Science Foundation announces the following meeting:

Name: Advisory Committee for International Science and Engineering (#25104).

Date/Time:
February 9, 2006 8:30 a.m. to 5 p.m.
February 10, 2006 8:30 a.m. to noon.

Place: National Science Foundation, 4201 Wilson Boulevard, Room 920, Arlington, VA.

Type of Meeting: Open.

Contact Person: Eduardo Feller, National Science Foundation, 4201 Wilson Boulevard, Arlington, VA 22230, (703) 292-8710.

If you are attending the meeting and need access to the NSF, please contact the individual listed above so your name may be added to the building access list.

Purpose of Meeting: To provide advice concerning issues related to the current NSF international programs and initiatives.

Agenda

February 9, 2006

Introductions and Updates—Current initiatives, budget and programs. Activities of the NSF overseas Offices. Update on the Partnerships for International Research and Education.

February 10, 2006

Committee discussion of current international initiatives and programs. Initiatives for the coming fiscal year. Planning for the next meeting, feedback and other business.

Dated: January 11, 2006.

Susanne Bolton,

Committee Management Officer.

[FR Doc. 06-375 Filed 1-13-06; 8:45 am]

BILLING CODE 7555-01-M

NUCLEAR REGULATORY COMMISSION

[IA-05-052]

David Geisen; Order Prohibiting Involvement in NRC-Licensed Activities (Effective Immediately)

I

Mr. David Geisen was previously employed, at times relevant to this Order, as the Manager of Design Engineering at the Davis-Besse Nuclear Power Station (Davis-Besse) operated by FirstEnergy Nuclear Operating Company (FENOC or licensee). The licensee holds License No. NPF-3 which was issued by the Nuclear Regulatory Commission (NRC or Commission) pursuant to 10 CFR part 50 on April 22, 1977. The license authorizes the operation of Davis-Besse in accordance with the conditions specified therein. The facility is located on the licensee's site near Oak Harbor, Ohio.

II

On August 3, 2001, the NRC issued Bulletin 2001-001, "Circumferential Cracking of Reactor Pressure Vessel Head Penetration Nozzles," (Bulletin). In the Bulletin, the NRC requested that all holders of operating licenses for pressurized water nuclear power reactors (PWR), including FENOC for the Davis-Besse facility, provide information to the NRC relating to the structural integrity of the reactor pressure vessel (RPV) head penetration nozzles at their respective facilities. The information requested from the licensees included the extent of RPV head penetration nozzle leakage and cracking that had been found to date, a description of the inspections and repairs undertaken to satisfy applicable regulatory requirements, and the basis for concluding that a licensee's plans for future inspections would ensure compliance with applicable regulatory requirements. The NRC also required that all Bulletin addressees, including FENOC, submit a written response to the NRC in accordance with the provisions of 10 CFR 50.54(f). That

regulation provides, in part, that upon request of the NRC, an NRC-licensee must submit written statements, signed under oath or affirmation, to enable the NRC to determine whether the license should be modified, suspended, or revoked.

On September 4, October 17, and October 30, 2001, the licensee provided written responses to the Bulletin. Additionally, the licensee met with the NRC staff on numerous occasions during October and November of 2001 to provide clarifying information. Based, in part, on the information provided by FENOC in its written responses to the Bulletin and during meetings with the NRC staff, the NRC staff allowed the licensee to continue operation of the Davis-Besse facility until February 2002, rather than requiring FENOC to shut the unit down to perform inspections by December 31, 2001, as provided in the Bulletin.

On February 16, 2002, FENOC shut down Davis-Besse for refueling and inspection of control rod drive mechanism (CRDM) RPV head penetration nozzles. Using ultrasonic testing, the licensee found cracks in three CRDM RPV head penetration nozzles and on March 6, 2002, the licensee discovered a cavity in the RPV head in the vicinity of CRDM Penetration Nozzle No. 3. The cavity measured approximately 5 to 7 inches long, 4 to 5 inches wide, and penetrated through the 6.63 inch-thick low-alloy steel portion of the RPV head, leaving the stainless steel cladding material (measuring 0.202 to 0.314 inches-thick) as the sole reactor coolant system (RCS) pressure boundary. A smaller cavity was also found near CRDM Penetration Nozzle No. 2.

The licensee conducted a root cause evaluation and determined that, contrary to the earlier information provided to the NRC, the cavities were caused by boric acid from the RCS released through cracks in the CRDM RPV head penetration nozzles. The root cause evaluation found that the licensee conducted limited cleaning and inspections of the RPV head during the Twelfth Refueling Outage (12RFO) that ended on May 18, 2000. However, neither the limited RPV head cleaning nor the resultant inspections during 12RFO were sufficient to ensure that the significant boric acid deposits on the RPV head were only a result of CRDM flange leakage, as supposed, and were not a result of RCS pressure boundary leakage.

On March 6 and March 10, 2002, the licensee provided information to the NRC concerning the identification of a large cavity in the RPV head adjacent to

CRDM Penetration Nozzle No. 3. The NRC conducted an Augmented Inspection Team (AIT) inspection at Davis-Besse from March 12 to April 5, 2002, to determine the facts and circumstances related to the significant degradation of the RPV head. The results of the AIT inspection were documented in NRC Inspection Report No. 50-346/2002-03, issued on May 3, 2002. A follow-up Special Inspection was conducted from May 15 to August 9, 2002, and on October 2, 2002, the NRC issued the AIT Follow-up Special Inspection Report No. 50-346/2002-08 documenting ten apparent violations associated with the RPV head degradation.

On April 22, 2002, the NRC Office of Investigations (OI) initiated an investigation at Davis-Besse to determine, among other matters, whether FENOC and individual employees at the Davis-Besse facility failed to provide complete and accurate information to the NRC in its September 4, October 17, and October 30, 2001, responses to the Bulletin and during numerous conference calls and meetings in violation of 10 CFR 50.9 and 10 CFR 50.5(a)(2). The OI report (No. 3-2002-006) was issued on August 22, 2003. A copy of the OI report was provided to the U.S. Department of Justice (DOJ), Office of the United States Attorney, Northern District of Ohio for review. The matter remains under continued Federal investigation. Mr. Geisen, through the performance of his engineering duties, and through oral and written communications with other FENOC employees, was aware of the results of previous RPV head inspections. For example:

- On April 27, 2000, Mr. Geisen signed and closed out Condition Report (CR) 2000-1037 which included the following problem statement associated with the identification of five leaking control rod drives:

“Identified at locations: F10, D10, C11, F8, and G9 * * * There are no boron deposits on the vertical faces of the flange of G9 drive. The bottom of the flange of G9 drive is inaccessible for inspection due to the boron buildup on the reactor head insulation, not allowing full camera insertion. Since the boron is evident only under the flange and not on the vertical surfaces, there is a high probability that G9 is a leaking CRD.”

- On June 27, 2001, Mr. Geisen approved and signed an intra-company memorandum that indicated that “large boron leakage from a control rod drive mechanism (CRDM) flange was observed during 12RFO inspection” and “This leakage did not permit the detailed inspection of CRDM nozzles.”

- On August 11, 2001, Mr. Geisen received an E-mail that stated, in part: “it was pointed out that we cannot clean our head thru the mouse holes and a system engineer is requesting that three large holes be cut in the Service Structure for viewing [inspection] and cleaning.”

- Mr. Geisen reviewed a Piedmont Management and Technical Services, Inc., report, dated September 14, 2001, that indicated, in part, that at the completion of 12RFO the RPV head had boric acid deposits of considerable depth left at the center top area of the head.

- A Senior Staff Nuclear Advisor (former inservice inspector), FENOC, at the request of a system engineer from Davis-Besse plant engineering, reviewed a CD ROM video that the system engineer had made from videos of the reactor vessel head. The purpose of the review was to assist in locating or determining the location of some nozzles. Shortly after completing the review, Mr. Geisen asked the Senior Staff Nuclear Advisor what he thought, from a visual standpoint, of the data he had seen on the video. The Senior Staff Nuclear Advisor replied, in part, that, based on an Electric Power Research Institute (EPRI) head examination document being developed, boron on the Davis-Besse head would preclude an examination of that nature [EPRI] from being performed.

- In March 2002, a consultant from Martin Sigmund Consulting Services, Inc., conducted an assessment of reactor head management issues at Davis-Besse. The consultant provided his assessment to the Davis-Besse Site Vice President via a memorandum dated March 28, 2002. The assessment, in part, consisted of interviews with many of the personnel involved with the reactor head corrosion issues. Mr. Geisen was interviewed for this assessment on March 27, 2002, and stated, in part, that some boric acid was left on the head in 2000 and that the condition report was not very thoroughly evaluated. Mr. Geisen also stated that he became aware that the reactor vessel head had not been cleaned completely when reviewing the videos of the inspections in preparation for interacting with the NRC in August, 2001.

- On June 18, 2002, the licensee interviewed Mr. Geisen regarding the Davis-Besse responses to Bulletin 2001-001. When asked whether the reactor vessel head was inspected in accordance with plant procedure, Mr. Geisen stated, in part, that we did the inspection but clearly not with [in accordance with] the procedure. Mr. Geisen further stated that Davis-Besse

was taking credit for a general inspection which clearly did not meet the requirements in Bulletin 2001-001.

The above information demonstrates that Mr. Geisen had sufficient knowledge of the results of previous inspections of the RPV head and that he knew that the licensee's written and oral responses to NRC Bulletin 2001-001 were incomplete and inaccurate.

Several FENOC employees, including Mr. David Geisen, were responsible for the information provided to the NRC by FENOC in response to the Bulletin.

III

David Geisen was employed by FENOC as the Manager of Design Engineering at Davis-Besse at the time the licensee developed and transmitted to the NRC its written responses to the Bulletin and at the time the licensee met with the NRC to provide clarifying information regarding its written responses.

On August 28, October 17, and October 30, 2001, respectively, Mr. Geisen concurred in the issuance of the licensee's September 4, October 17, and October 30, 2001, responses to the Bulletin. On the concurrence sheets, Mr. Geisen was listed as the FENOC manager responsible for ensuring the completeness and accuracy of the responses. Mr. Geisen participated in the development and presentation of information to the NRC during information briefings held on October 3, October 11, and November 9, 2001.

Item 1.d of the Bulletin requested each pressurized water reactor (PWR) licensee, including FENOC for Davis-Besse, to provide a description of the RPV head penetration nozzles and RPV head inspection (including type, scope, qualification requirements, and acceptance criteria) that were performed at PWRs in the 4 years preceding the date of the Bulletin, and the findings resulting from the inspections. The licensees were requested to include a description of any limitations (insulation or other impediments) to accessibility of the bare metal of the RPV head for visual examinations.

On September 4, 2001, FENOC submitted its written response to the Bulletin for Davis-Besse. Item 1.d of the licensee's September 4, 2001, response to the Bulletin stated, in part, that:

"The DBNPS [Davis-Besse] has performed two inspections within the past four years, during the 11th Refueling Outage (RFO) in April 1998 and during the 12th RFO in April 2000. The scope of the visual inspection was to inspect the bare metal RPV head area that was accessible through the weep holes to identify any boric acid leaks/deposits. The DBNPS also inspected 100% of Control Rod

Drive Mechanism (CRDM) flanges for leaks in response to Generic Letter 88-05, 'Boric Acid Corrosion of Carbon Steel Reactor Pressure Boundary Components in PWR Plants.' The results of these two recent inspections are described below.

Inspections of the RPV head are performed with the RPV head insulation installed in accordance with DBNPS procedure NG-EN-0324, 'Boric Acid Corrosion Control Program,' which was developed in response to Generic Letter 88-05. As stated previously, a gap exists between the RPV head and the insulation, the minimum gap being at the dome center of the RPV head where it is approximately 2 inches, and does not impede visual inspection. The service structure envelopes the DBNPS RPV head and has 18 openings (weep holes) at the bottom through which inspections are performed. There are 69 CRDM nozzles that penetrate the RPV head. The metal reflective insulation is located above the head and does not interfere with the visual inspection. The visual inspection is performed by the use of a small camera. This camera is inserted through the weep holes."

Item 1.d of the licensee's September 4, 2001, response, under the section entitled, "April 2000 Inspection Results (12RFO)," stated:

"The boric acid deposits were located beneath the leaking flanges with clear evidence of downward flow. No visible evidence of nozzle leakage was detected."

Item 1.d of the licensee's September 4, 2001, response, under the section entitled, "Subsequent Review of 1998 and 2000 Inspection Videotapes Results," stated:

"Since May 2001, a review of the 1998 and 2000 inspection videotapes of the RPV head has been performed. This review was conducted to re-confirm the indications of boron leakage experienced at the DBNPS were not similar to the indications seen at ONS and ANO-1; i.e., was not indicative of RPV nozzle leakage. This review determined that indications such as those that would result from RPV head penetration leakage were not evident."

The licensee's September 4, 2001, response was materially incomplete and inaccurate in that the response: (1) Mischaracterized the accumulation of boric acid on the RVP head as a result of the 12RFO RPV head inspection; (2) failed to include information that during the Eleventh Refueling Outage (11RFO) and 12RFO, the licensee's access to the RPV head bare metal was impeded by the presence of significant accumulations of boric acid deposits; (3) failed to indicate that the presence of boric acid deposits was not limited to the area beneath control rod drive mechanism flanges; and (4) failed to indicate that the build-up of boric acid deposits was so significant that the licensee could not inspect all of the RPV head penetration nozzles. Mr. Geisen

was aware that the licensee's September 4, 2001, response to the Bulletin was materially incomplete and inaccurate, but nevertheless concurred on the response, thereby allowing it to be submitted to the NRC.

The NRC staff determined that the September 4, 2001 response did not include sufficient information to justify the NRC permitting FENOC to operate Davis-Besse beyond December 31, 2001. As a result, FENOC met with the NRC staff, Commissioners' Technical Assistants, the Advisory Committee on Reactor Safeguards, and Congressional staff members, and developed supplemental responses in an effort to better communicate its justification for continued operations beyond December 31, 2001.

On October 3, 2001, Mr. Geisen participated in a conference call with the NRC staff. Mr. Geisen was also involved in preparatory meetings for the October 3rd conference call. The agenda for the conference call stated "Video Inspection Review from RFO10, RFO11, and RFO12: Further Confirmation of no indication of leakage attributable to CRDM nozzle leakage; clearly CRDM flange leakage." During the conference call, Mr. Geisen informed the NRC that 100% of the reactor pressure vessel head had been inspected during the last outage (RFO12) but some areas were precluded from inspection and that videotapes of the 10RFO, 11RFO, and 12RFO reactor pressure vessel head inspections had been reviewed. The information communicated by the Mr. Geisen during the conference call was materially incomplete and inaccurate in that the licensee did not conduct a 100% inspection of the RPV head during 12RFO due to the presence of significant amount of boric acid on the reactor pressure vessel head which obscured a significant number of RPV head nozzles.

On October 10, 2001, Mr. Geisen attended a meeting with other FENOC management officials for the purposes of finalizing presentation slides for an October 11, 2001, meeting with the NRC Commissioner's Technical Assistants. Draft Presentation Slide 20 stated: "Reviewed video inspections of Reactor Vessel head taken during 11RFO (April 1998) and 12RFO (April 2000) and confirmed that Davis-Besse has not experienced boron leakage as seen at Oconee or Arkansas Nuclear." Presentation Draft Slide 21 stated: "Reviewed past 3 outages of Reactor Vessel Head inspection video tapes which were taken to satisfy Generic Letter 97-01: No telltale "popcorn" type boron deposits; During 12RFO (Spring 2000), Davis-Besse identified sources of

boron that precluded the visual inspection of some CRDM penetrations, as five leaking flanges above the mirror insulation; Viewed past 3 outages of inspection video tapes of area masked by boron in 12 RFO did not have previous leakage.”

On October 11, 2001, Mr. Geisen and other licensee staff briefed the NRC Commissioners’ Technical Assistants as to FENOC’s basis for determining that Davis-Besse was safe to operate until the next refueling outage (March 2002). During the briefing, FENOC and Mr. Geisen, as a presenter, discussed the presentation slides that were finalized the previous day. Presentation Slide 6, as presented by FENOC stated, in part: “Conducted and recorded video inspections of the head during 11RFO (April 1998) and 12RFO (April 2000)—No head penetration leakage was identified.” Presentation Slide 7, as presented by Mr. Geisen stated, in part: “All CRDM [control rod drive mechanism] penetrations were verified to be free from “popcorn” type boron deposits using video recordings from 11RFO or 12RFO.”

The licensee’s October 11, 2001, presentation to the NRC Commissioners’ Technical Assistants was materially incomplete and inaccurate in that the presentation slides did not state that the build-up of boric acid on the RPV head was so significant that the licensee could not inspect all of the RPV head penetration nozzles. Due to the significant amount of boric acid present on the RPV head, of which he was aware, Mr. Geisen did not have a basis for stating that no visible evidence of RPV penetration nozzle leakage was detected.

On October 17, 2001, the licensee provided a supplemental response to the Bulletin. The second paragraph under the section entitled, “Previous Inspection Results,” on Page 2 of Attachment 1 of the licensee’s October 17, 2001, supplemental response stated, in part:

“The inspections performed during the 10th, 11th, and 12th Refueling Outage (10RFO, conducted April 8 to June 2, 1996; 11RFO, conducted April 10 to May 23, 1998; and, 12RFO, conducted April 1 to May 18, 2000) consisted of a whole head visual inspection of the RPV head in accordance with the DBNPS Boric Acid Control Program pursuant to Generic Letter 88–05 ‘Boric Acid Corrosion of Carbon Steel Reactor Pressure Boundary Components in PWR Plants.’ The visual inspections were conducted by remote camera and included below insulation inspections of the RPV bare head such that the Control Rod Drive Mechanism (CRDM) nozzle penetrations were viewed. During 10RFO, 65 of 69 nozzles were viewed, during 11RFO, 50 of 69 nozzles were viewed, and

during 12RFO, 45 of 69 nozzles were viewed. It should be noted that 19 of the obscured nozzles in 12RFO were also those obscured in 11RFO.”

Information included under Column 6 of Attachment 2 of the licensee’s October 17, 2001, supplemental response stated, in part, that 24 nozzles have a “flange leak evident.” Note 1 on the same table stated, in part:

“In 1996 during 10 RFO, the entire RPV head was inspected. Since the video was void of head orientation narration, each specific nozzle view could not be correlated.”

The licensee’s October 17, 2001, supplemental response was materially incomplete and inaccurate, in that the licensee did not view the stated number of RPV head penetration nozzles during the referenced outages, and the licensee believed that only five RPV head control rod drive mechanism flanges were leaking instead of the 24 RPV head control rod drive mechanism flanges noted in the response. Mr. Geisen was aware that the licensee’s October 17, 2001, supplemental response was materially incomplete and inaccurate but, nevertheless, concurred on the response, thereby allowing it to be submitted to the NRC.

On October 30, 2001, the licensee provided a supplemental response to the Bulletin. In an enclosure to the supplemental response, the licensee provided a summary table and photographic images of areas of accumulated boric acid crystal deposits on the RPV head. The photographic images were labeled to indicate the time the images were captured, the specific RPV nozzle locations associated with the images, except for those associated with 10 RFO (1996), and narrative comments. The labels also represented that the images were generally indicative of the condition of the RPV head for 10RFO and 11RFO.

The licensee’s October 30, 2001, supplemental response was materially incomplete and inaccurate, in that the photographic images of the RPV head nozzles and the accompanying labels were not consistent with the actual RPV head conditions and with the actual RPV head nozzle pictured. Specifically, the RPV head images omitted images of the significant boric acid accumulations present on the RPV head, and many of the RPV head nozzle images were mislabeled to indicate that the images were of different RPV head nozzles than actually presented in the image. In addition, several of the images were mere copies of other images with the labels changed. Mr. Geisen labeled the images based on his understanding of

the head inspections and his discussions with a former Davis-Besse system engineer. Mr. Geisen was aware that the information contained in the licensee’s October 30, 2001, supplemental response was materially incomplete and inaccurate but, nevertheless, concurred on the response, thereby allowing it to be submitted to the NRC.

On November 9, 2001, in a transcribed presentation to the Advisory Committee on Reactor Safeguards (ACRS), Mr. Geisen stated that the 11RFO (1998) and 12RFO (2000) inspections were focused on inspecting the RPV for indications of the impact of boric acid leakage from leaking flanges. Mr. Geisen stated that the 1998 and 2000 inspections (video tapes) did not give a good view of the control rod drives because the camera angle was looking upwards at the structural material of the service structure on top of the head. Mr. Geisen stated that the video tape of the 10RFO (1996) inspection was a better video because the camera was following around a vacuum and probe that were specifically looking for head wastage as a result of boron deposits on the head. The information provided by the licensee and Mr. Geisen to the ACRS was materially incomplete and inaccurate in that each of the video tapes was helpful in understanding the significant boron accumulations present at the start of each outage, the clear impediments to 100% inspection of the RPV head nozzles, and difficulty the licensee encountered in its attempts to fully clean the RPV head of boron or to complete a comprehensive inspection of the RPV head nozzles.

Following the 1996 RPV head inspection, the licensee generated Potential Condition Adverse to Quality Report 96–0551, which stated, in part, on Continuation Sheet Page 9, Part C, Item 1:

“The extent of the inspection was limited to approximately 50 to 60% of the head area because of the restrictions imposed by the location and size of mouseholes. The inspection showed varying sizes of boric acid mounds scattered in various areas of the head. It is extremely difficult to develop an estimate of the amount of boric acid deposit because of the deposit scatter and limited inspection.”

Based on the above information, the NRC concludes that Mr. Geisen had knowledge of the RPV head conditions and the limitations experienced during RPV head inspections, and that, notwithstanding that knowledge, he deliberately provided materially incomplete and inaccurate information when he: (1) Concurred, on August 28,

October 17, and October 30, 2001, respectively, in the licensee's September 4, October 17, and October 30, 2001, responses to the Bulletin; and (2) assisted in the preparation and presentation of incomplete or inaccurate information during internal meetings on October 2 and 10, 2001, and during meetings or teleconferences held with the NRC on October 3, 11, and November 9, 2001.

The information provided by the licensee under oath in the Bulletin responses based, in part on the concurrence of Mr. Geisen, was material to the NRC because the NRC used the information, in part, to allow FENOC to operate Davis-Besse until February 2002 rather than requiring the plant to shut down by December 31, 2001, to conduct inspections of the head as discussed in Item 3.v.1. of the Bulletin. The information provided to the NRC during teleconferences and meetings was material to the NRC because the information gave the impression to the NRC staff that the Davis-Besse RPV head had been completely inspected and that the licensee had not identified any indications of RPV head penetration nozzle cracks when this was not the case at the time the response was submitted.

Based on the above information, Mr. David Geisen, while employed by the licensee, engaged in deliberate misconduct by deliberately providing FENOC and the NRC information that he knew was not complete or accurate in all material respects to the NRC, a violation of 10 CFR 50.5(a)(2). Mr. Geisen's actions also placed FENOC in violation of 10 CFR 50.9. The NRC determined that these violations were of very high safety and regulatory significance because they demonstrated a pattern of deliberate inaccurate or incomplete documentation of information that was required to be submitted to the NRC. Had the NRC been aware of this incomplete and inaccurate information, the NRC would likely have taken immediate regulatory action to shut down the plant and require the licensee to implement appropriate corrective actions.

The NRC must be able to rely on the licensee and its employees to comply with NRC requirements, including the requirement to provide information that is complete and accurate in all material respects. Mr. Geisen's action violated 10 CFR 50.5(a)(2) and caused the licensee to violate 10 CFR 50.9, and raise serious doubt as to whether he can be relied upon to comply with NRC requirements and to provide complete and accurate information to the NRC.

Consequently, I lack the requisite reasonable assurance that licensed activities can be conducted in compliance with the Commission's requirements and that the health and safety of the public will be protected if Mr. Geisen is permitted to be involved in NRC-licensed activities. Therefore, the public health, safety and interest require that Mr. Geisen be prohibited from any involvement in NRC-licensed activities for a period of five years from the effective date of this Order.

Additionally, Mr. Geisen is required to notify the NRC of his first employment in NRC-licensed activities for a period of five years following the prohibition period.

V

Accordingly, pursuant to sections 103, 104, 161b, 161i, 161o, 182 and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR 2.202, 10 CFR 50.5, and 10 CFR 150.20, *It is hereby ordered* that effective immediately:

1. Mr. David Geisen is prohibited for five years from the date of this Order from engaging in NRC-licensed activities. The NRC considers NRC-licensed activities to be those activities that are conducted pursuant to a specific or general license issued by the NRC, including those activities of Agreement State licensees conducted pursuant to the authority granted by 10 CFR 150.20.

2. If Mr. Geisen is currently involved with another licensee in NRC-licensed activities, he must immediately cease those activities, and inform the NRC of the name, address and telephone number of the employer, and provide a copy of this Order to the employer.

3. For a period of five years after the five-year period of prohibition has expired, Mr. Geisen shall, within 20 days of acceptance of his first employment offer involving NRC-licensed activities or his becoming involved in NRC-licensed activities, as defined in Paragraph IV.1 above, provide notice to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555, of the name, address, and telephone number of the employer or the entity where he is, or will be, involved in NRC-licensed activities. In the notification, Mr. Geisen shall include a statement of his commitment to compliance with regulatory requirements and the basis why the Commission should have confidence that he will now comply with applicable NRC requirements.

The Director, Office of Enforcement, may, in writing, relax or rescind any of

the above conditions upon demonstration by Mr. Geisen of good cause.

VI

In accordance with 10 CFR 2.202, David Geisen must, and any other person adversely affected by this Order may, submit an answer to this Order, and may request a hearing on this Order within 20 days of the date of this Order. However, since this enforcement action is being proposed prior to the U.S. Department of Justice completing its review of the OI investigation results, consideration may be given to extending the response time for submitting an answer as well as the time for requesting a hearing, for good cause shown. A request for extension of time must be made in writing to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555, and include a statement of good cause for the extension. The answer may consent to this Order. Unless the answer consents to this Order, the answer shall, in writing and under oath or affirmation, specifically admit or deny each allegation or charge made in this Order and shall set forth the matters of fact and law on which Mr. Geisen or other person adversely affected relies and the reasons as to why the Order should not have been issued. Pursuant to 10 CFR 2.202(c)(2)(i), Mr. Geisen, may, in addition to demanding a hearing, at the time the answer is filed or sooner, move the presiding officer to set aside the immediate effectiveness of the Order on the ground that the Order, including the need for immediate effectiveness, is not based on adequate evidence but on mere suspicion, unfounded allegations, or error. Any answer or request for a hearing shall be submitted to the Secretary, U.S. Nuclear Regulatory Commission, Attn: Rulemakings and Adjudications Staff, Washington, DC 20555. Copies also shall be sent to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555, to the Assistant General Counsel for Materials Litigation and Enforcement at the same address, to the Regional Administrator, NRC Region III, 2443 Warrenville Road, Lisle, IL 60532-4352, and to Mr. Geisen if the answer or hearing request is by a person other than Mr. Geisen. Because of continuing disruptions in delivery of mail to United States Government offices, it is requested that answers and requests for hearing be transmitted to the Secretary of the Commission either by means of facsimile transmission to 301-415-1101 or by e-mail to hearingdocket@nrc.gov and also to the Office of the General

Counsel either by means of facsimile transmission to 301-415-3725 or by e-mail to OGCMailCenter@nrc.gov. If a person other than Mr. Geisen requests a hearing, that person shall set forth with particularity the manner in which his interest is adversely affected by this Order and shall address the criteria set forth in 10 CFR 2.309.

If a hearing is requested by Mr. Geisen or a person whose interest is adversely affected, the Commission will issue an Order designating the time and place of any hearing. If a hearing is held, the issue to be considered at such hearing shall be whether this Order should be sustained.

Pursuant to 10 CFR 2.202(c)(2)(i), Mr. Goyal, may, in addition to demanding a hearing, at the time the answer is filed or sooner, move the presiding officer to set aside the immediate effectiveness of the Order on the ground that the Order, including the need for immediate effectiveness, is not based on adequate evidence but on mere suspicion, unfounded allegations, or error.

In the absence of any request for hearing, or written approval of an extension of time in which to request a hearing, the provisions specified in Section V above shall be effective immediately and shall be final 20 days from the date of this Order without further order or proceedings. If an extension of time for requesting a hearing has been approved, the provisions specified in Section V shall be final when the extension expires if a hearing request has not been received.

Dated this 4th day of January 2006.

For the Nuclear Regulatory Commission.

Martin J. Virgilio,

Deputy Executive Director for Materials, Research, State and Compliance Programs, Office of the Executive Director for Operations.

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NUCLEAR REGULATORY COMMISSION

[IA-05-055]

Prasoon Goyal; Order Prohibiting Involvement in NRC-Licensed Activities (Effective Immediately)

I

Mr. Prasoon Goyal was previously employed, at times relevant to this Order, as a Senior Engineer at the Davis-Besse Nuclear Power Station (Davis-Besse) operated by FirstEnergy Nuclear Operating Company (FENOC or licensee). The licensee holds License No. NPF-3 which was issued by the

Nuclear Regulatory Commission (NRC or Commission) pursuant to 10 CFR part 50 on April 22, 1977. The license authorizes the operation of Davis-Besse in accordance with the conditions specified therein. The facility is located on the licensee's site near Oak Harbor, Ohio.

II

On August 3, 2001, the NRC issued Bulletin 2001-001, "Circumferential Cracking of Reactor Pressure Vessel Head Penetration Nozzles," (Bulletin). In the Bulletin, the NRC requested that all holders of operating licenses for pressurized water nuclear power reactors (PWR), including FENOC for the Davis-Besse facility, provide information to the NRC relating to the structural integrity of the reactor pressure vessel (RPV) head penetration nozzles at their respective facilities. The information requested from the licensees included the extent of RPV head penetration nozzle leakage and cracking that had been found to date, a description of the inspections and repairs undertaken to satisfy applicable regulatory requirements, and the basis for concluding that a licensee's plans for future inspections would ensure compliance with applicable regulatory requirements. The NRC also required that all Bulletin addressees, including FENOC, submit a written response to the NRC in accordance with the provisions of 10 CFR 50.54(f). That regulation provides, in part, that upon request of the NRC, an NRC-licensure must submit written statements, signed under oath or affirmation, to enable the NRC to determine whether the license should be modified, suspended, or revoked.

On September 4, October 17, and October 30, 2001, the licensee provided written responses to the Bulletin. Additionally, the licensee met with the NRC staff on numerous occasions during October and November of 2001 to provide clarifying information. Based, in part, on the information provided by FENOC in its written responses to the Bulletin and during meetings with the NRC staff, the NRC staff allowed the licensee to continue operation of the Davis-Besse facility until February 2002, rather than requiring FENOC to shut the unit down to perform inspections by December 31, 2001, as provided in the Bulletin.

On February 16, 2002, FENOC shut down Davis-Besse for refueling and inspection of control rod drive mechanism (CRDM) RPV head penetration nozzles. Using ultrasonic testing, the licensee found cracks in three CRDM RPV head penetration

nozzles and on March 6, 2002, the licensee discovered a cavity in the RPV head in the vicinity of CRDM Penetration Nozzle No. 3. The cavity measured approximately 5 to 7 inches long, 4 to 5 inches wide, and penetrated through the 6.63 inch-thick low-alloy steel portion of the RPV head, leaving the stainless steel cladding material (measuring 0.202 to 0.314 inches-thick) as the sole reactor coolant system (RCS) pressure boundary. A smaller cavity was also found near CRDM Penetration Nozzle No. 2.

The licensee conducted a root cause evaluation and determined, contrary to the earlier information provided to the NRC, that the cavities were caused by boric acid from the RCS released through cracks in the CRDM RPV head penetration nozzles. The root cause evaluation found that the licensee conducted limited cleaning and inspections of the RPV head during the Twelfth Refueling Outage (12RFO) that ended on May 18, 2000. However, neither the limited RPV head cleaning nor the resultant inspections during 12RFO were sufficient to ensure that the significant boric acid deposits on the RPV head were only a result of CRDM flange leakage, as supposed, and were not a result of RCS pressure boundary leakage.

On March 6 and March 10, 2002, the licensee provided information to the NRC concerning the identification of a large cavity in the RPV head adjacent to CRDM Penetration Nozzle No. 3. The NRC conducted an Augmented Inspection Team (AIT) inspection at Davis-Besse from March 12 to April 5, 2002, to determine the facts and circumstances related to the significant degradation of the RPV head. The results of the AIT inspection were documented in NRC Inspection Report No. 50-346/2002-03, issued on May 3, 2002. A follow-up Special Inspection was conducted from May 15 to August 9, 2002, and on October 2, 2002, the NRC issued the AIT Follow-up Special Inspection Report No. 50-346/2002-08 documenting ten apparent violations associated with the RPV head degradation.

On April 22, 2002, the NRC Office of Investigations (OI) initiated an investigation at Davis-Besse to determine, among other matters, whether FENOC and individual employees at the Davis-Besse facility failed to provide complete and accurate information to the NRC in its September 4, October 17, and October 30, 2001, responses to the Bulletin and during numerous conference calls and meetings in violation of 10 CFR 50.9 and 10 CFR 50.5(a)(2). The OI report (No. 3-2002-