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MEMORANDUM TO FILE:

On December 12, 1990, I met with Bernie Fox, President, Chief Operating and Financial Officer of Northeast Utilities, in the NRC headquarters building in Rockville Maryland. The following persons were in attendance:

J. Taylor, Executive Director for Operations, NRC
J. Snizek, Deputy Executive Director for Nuclear Reactor Regulation, Regional Operations, and Research, NRC
J. Scinto, Deputy General Counsel for Hearings, Enforcement, and Administration, OGC, NRC
J. Partlow, Associate Director for Projects, Office of Nuclear Reactor Regulation, NRC
J. Caldwell, Regional Operations Staff, ODEDR, NRC
B. Fox, President, Chief Operating and Financial Officer, NU
R. Kacch, Manager of Generation Facility Licensing, NU
N. Reynolds, Legal Agent for NU

During the meeting Mr. Fox presented information regarding the following topics:

- Plant Life Extension process
- PUC incentives
- New NE&O's Safety Ethic Principles and NE&O Vision Statement
- Management of employee concerns
- Status on acquisition of Seabrook
- Status of Millstone 2 S G inspection and replacement
- Self-assessment and technical assessment concerns

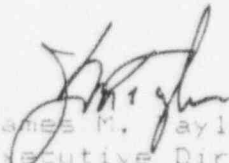
I recommended that if NU had comments or questions on the NRC's draft policy statement regarding PUC incentives they are encouraged to provide them to the staff.

I informed Mr. Fox that the NRC is concerned about the effects of the Seabrook takeover on the Seabrook personnel, especially the rumors of layoffs. I asked him if Management was providing assurance to the personnel essential for the safe operation of Seabrook that their jobs were not in jeopardy. Mr. Fox informed me that they were providing excellent severance packages, they were working very closely with Public Service Company of New Hampshire management and they did not intend to layoff personnel essential to the safe operation of the plant. However he fell short of saying that they had provided assurance to the essential Seabrook personnel.

Jim Snizek asked whether Mr. Fox felt that the NRC was treating them fairly and encouraged them to identify evidence of perceived NRC staff misconduct. Mr. Fox said that regulatory impact was a problem but he felt that they could live with it and they were concerned with retribution if they brought concerns about NRC

personnel or activities to the attention of NRC management. Jim Sniezek and I assured Mr. Fox that retribution would not be tolerated and examples would be aggressively pursued by management.

No regulatory decisions were requested or made at the meeting.



James M. Taylor
Executive Director
for Operations

NUCLEAR GROUP

STRATEGIC PLAN 1995 - 2000

FOCUS TO OPERATE OUR NUCLEAR PLANTS THROUGH THE YEAR 2000 AND BEYOND.

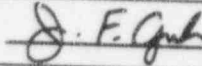
MISSION Safe, environmentally sound, dependable, and economical generation of electrical energy utilizing nuclear power.

CULTURE Quick, responsible, smart, tough, winners who use innovation and teamwork to succeed.

VALUES Safety, respect for people, integrity, professionalism, business focus and clarity. "Do it right the first time."

BEHAVIORS

1. Think outside the box, don't assume given.
2. Eliminate unnecessary work, prioritize the remainder.
3. Achieve increased levels of cooperation and trust, promote honest and open feedback.
4. Effectively manage group change.



John F. Opeka

Executive Vice President - Nuclear

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OPERATIONAL EXCELLENCE OBJECTIVES

- Recognized industry leader.
- Rebuild regulatory confidence.
- Improve communications/morale.
- Increase teamwork, all five units.
- Improve employees' ability to conduct work successfully.

Achieve Operational Excellence Goals.

Achieve Business Plan Goals.

Reduce or maintain Lost Time Accident rate.

Composite busbar <4 cents/kwh composite.

Refueling Outages less than 50 days.

Capacity factors >90% between outages.

24 month fuel cycles.

O&M budgets at or below targets.

Capital budgets managed wisely.

Implement simple processes wherever possible.

NUCLEAR GOALS

Safety - We are committed to the safe operation of our plants.

Organizational Effectiveness - We pursue organizational effectiveness through employees who are dedicated to continuous improvement activities designed to meet shareholder expectations.

Financial Performance - We are led to strong economic performance by achieving our safety, operational, and regulatory goals.

Regulatory Performance - Our relationship with our regulators and oversight agencies is open and interactive.

Operating Performance - We optimize plant reliability and net generation by pursuing operational excellence.

Information Technology - Provide the Nuclear Organization with Information Technology in a cost-effective, easy to use, timely, and accessible method.

ROUTING SLIP

ORGANIZATION

TO: ("X" as appropriate)	NAME	MAIL STOP	TO	NAME	MAIL STOP
	Comm. Jackson	<i>Asst CP</i>			
	R. Boyle	<i>Asst CP</i>			
	J. Johnson	<i>Asst CP</i>			
	K. Winsberg	<i>Asst CP</i>			
	J. Shoemaker				
	J. Mullikin				
	P. Celenza				

REMARKS

Meeting on 6/8 @ 1:00 pm

<input type="checkbox"/> AS REQUESTED	<input type="checkbox"/> FILE	<input type="checkbox"/> PER CONVERSATION
<input type="checkbox"/> APPROVAL/SIGNATURE	<input type="checkbox"/> INFORMATION	<input type="checkbox"/> SEE ME
<input type="checkbox"/> COMMENT/CONCURRENCE	<input type="checkbox"/> NECESSARY ACTION	<input type="checkbox"/> SIGNATURE OF
<input type="checkbox"/> CORRECTION	<input type="checkbox"/> NOTE AND DESTROY	
<input type="checkbox"/> ANSWER/ACKNOWLEDGE FOR	<input type="checkbox"/> NOTE AND RETURN TO	
FROM: <i>Internal</i>		PHONE
OFFICE		DATE

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George W. Davis

George W. Davis is the former President and Chief Operating Officer of Boston Edison Company. He served at Edison from 1989 until his retirement in September 1995, filling in succession the positions of Senior Vice President, Nuclear for the Pilgrim Nuclear Power Station and Executive Vice President for the operations of the Company's generating, transmission and distribution systems. Davis was a member of the Company's Board of Directors and the Board of Directors of the Institute of Nuclear Power Operators (INPO). He also served as Chairman of the Executive Committee of the New England Power Pool. Boston Edison is a 4000 employee electric utility with operations in Boston, Massachusetts and surrounding communities.

Prior to joining Edison, Davis served for 34 years in the U.S. Navy, including 25 years of close association with the Navy's nuclear power program. This association involved the operations, maintenance and testing of Navy nuclear propulsion plants, training of nuclear plant operators and supervision of nuclear powered ships at sea. His duty assignments included Commanding Officer of four Navy ships, Deputy Commander for Logistics for NATO forces in southern Europe and Deputy Commander Naval Sea Systems Command for Surface Ship Acquisition and Repair. He concluded his Navy career as the commander of the surface fleet in the Pacific at the rank of Vice Admiral.

Currently, Davis serves on The University of Chicago's Board of Governors for the Argonne National Laboratory and on the Board's Scientific and Technical Advisory Committee. He is the Chairman of the Secretary of the Navy's Board of Advisors to the Superintendent of the Naval Postgraduate School and of the National Nuclear Accrediting Board, an organization responsible for ensuring the training programs for the nation's commercial nuclear power plants meet the industry's standards. Within the electric power industry, Davis is a member of Carolina Power and Light Company's Nuclear Oversight Committee, an advisor to PECO Energy Company's Nuclear Committee of the Board of Directors and Chairman, Nuclear Committee Advisory Team to the Northeast Utility's Board of Trustees.

Davis is a graduate of the United States Naval Academy and holds a Masters of Science degree in Electrical Engineering from the Naval Postgraduate School in Monterey, California.

He is currently a resident of Plymouth, Massachusetts.

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BIOGRAPHICAL SUMMARY

Robert E. Patricelli
Chairman, President and Chief Executive Officer
Value Health, Inc.

Robert E. Patricelli is founder, Chairman, President and Chief Executive Officer of Value Health, Inc., the nation's leading provider of specialty managed health care and information services. Value Health has more than 78 million covered lives in its managed care programs in the areas of: mental health and substance abuse; prescription drugs; workers' compensation, disability and group health; and disease management.

Mr. Patricelli was formerly President of CIGNA's Affiliated Businesses Group, managing several health care businesses including CIGNA's chain of health maintenance organizations (HMOs). His experience also includes several appointments in the Federal Government. Beginning as a White House Fellow in 1965, he served as counsel to a U.S. Senate Subcommittee, as Deputy Under Secretary of the Department of Health, Education and Welfare, and as Administrator of the U.S. Urban Mass Transportation Administration.

A graduate of Wesleyan University and Harvard Law School, Mr. Patricelli was a Fulbright Scholar at the University of Paris. He is active in civic affairs, both locally and nationally. He is a member of the boards of directors of the Northeast Utilities, the American Association of Health Plans, the Connecticut Business and Industry Association, Wesleyan University, Hartford Hospital, and The Bushnell, and is a member of the National Academy of Sciences' Institute of Medicine.

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