



Northeast
Utilities System

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NOT 20 1996

Docket No. 50-245
E15894

Appendix A Exempt
From Public Disclosure
Pursuant to 10 CFR 2.790

Mr. H. J. Miller
U.S. Nuclear Regulatory Commission
Regional Administrator, Region I
475 Allendale Road
King of Prussia, PA 19406

Millstone Nuclear Power Station, Unit No. 1
NRC Inspection Report No. 50-245/96-03

In Inspection Report No. 50-245/96-03 and in the cover letter⁽¹⁾ which accompanied the transmittal of this report to Northeast Nuclear Energy Company (NNECO), the NRC expressed a concern about the quality of the information that NRC had received regarding the condition of the Millstone Unit No. 1 Radwaste Facility in response to verbal inquiries from various NRC inspectors during the period from 1990-1992. In response, NNECO retained outside counsel to perform an independent investigation of this issue and NNECO's related concerns about the quality of NNECO's internal communications and management actions with respect to the Radwaste Facility.

An unredacted copy of the final report of this investigation is enclosed as Appendix A. This report confirms that there were a series of miscommunications and misunderstandings between NNECO and NRC over the years concerning the actual conditions in the Radwaste Facility and the significance of those conditions. The report also identifies the apparent causes of the miscommunications and concludes that these miscommunications, in combination with a number of additional factors, events, attitudes, and circumstances, contributed to the failure by NNECO management to take timely and aggressive corrective action to address the degraded material conditions.

⁽¹⁾ J. T. Wiggins letter to T. C. Feigenbaum, "NRC Inspection Nos. 50-245/96-03; 50-336/96-03; and 50-423/96-03," dated February 15, 1996.

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NNECO has developed and is currently implementing a series of preventive and corrective actions to assure that this type of situation does not occur again. The major steps include the following:

1. Radwaste Facility Inspections

Managers and first line supervisors from the five nuclear units operated by the Northeast Utilities (NU) system toured the Millstone Unit No. 1 Radwaste Facility to gain an appreciation for the significant material condition issues that existed. In addition, the former President of the Energy Resource Group, the nuclear Vice Presidents, and the five nuclear Unit Directors also toured the facility. In all, approximately 210 people participated in these inspections. Management's expectations and standards were explicitly conveyed to those who toured the facility. A central theme of these briefings was that the conditions found in the Radwaste Facility would not be tolerated at any NU nuclear plant in the future.

2. Radwaste Facility Remediation Program

A comprehensive remediation program has been developed and is being implemented to restore the material condition of the Millstone Unit No. 1 Radwaste Facility and assure compliance with applicable requirements and standards. To date, over five million dollars has been expended on this program, with a total projected remediation cost estimate of approximately 8.5 million dollars.

3. Regulatory Communications Improvement Effort

Our nuclear employees have received and will receive in the future additional guidance, through the distribution of Northeast Utilities memo or newsletters, on the importance of complete and accurate communications with the NRC. We have emphasized the need for "proactive" regulatory communications by employees at all levels throughout the company to ensure that similar miscommunications and misunderstandings do not occur in the future. In addition, the lessons learned critique discussed below will include a presentation on communications with the regulator.

4. Lessons Learned Critique

Our key nuclear Directors and Officers will be provided with a copy of the investigative report and will participate in a critique of the management actions related to the Millstone Unit No. 1 Radwaste Facility. This critique is intended to reinforce the Company's requirements for complete and accurate regulatory communications, identify and eliminate potential barriers to effective communications, reinforce management's expectations regarding the material condition of our nuclear facilities, and identify additional lessons which can be learned from events related to the Radwaste Facility.

5. NCAT/FCAT Actions

Many of the specific factors, events, attitudes, and circumstances identified in the investigative report which adversely contributed to management's actions with respect to the Millstone Unit No. 1 Radwaste Facility were similar to, or symptomatic of, some of the concerns identified by the Nuclear Committee Advisory Team (NCAT)⁽²⁾ and the Fundamental Cause Assessment Team (FCAT)⁽³⁾ in their recent evaluations of the performance of our nuclear program. The necessary actions to address and resolve these particular concerns have been subsumed within the changes being developed and implemented in response to the NCAT and FCAT reports.

For example, effective October 1, 1996, Northeast Utilities instituted a new recovery organization that provides for a unitized approach to the management of our nuclear facilities. In replacing the currently centralized structure, we now have a dedicated officer-level presence at each of our units. Thus, in lieu of our previous plans to have the centralized senior management group tour periodically each of our five nuclear units, we expect that our recent organizational changes will lead to a more focused and effective allocation of senior management resources to evaluate and help maintain the material condition of each individual facility.

As a final matter, the report enclosed as Appendix A contains personnel information, the public disclosure of which would constitute a clearly unwarranted invasion of personal privacy. Accordingly, pursuant to 10 CFR 2.790(a)(6), NNECO requests that Appendix A be withheld from public disclosure in its entirety. An affidavit to support NNECO's request is attached. However, NNECO has prepared a redacted version of the final report, which is enclosed as Appendix B. Consistent with 10 CFR 2.790(a)(6), the redactions from Appendix B have been made to protect personal privacy, and consist primarily of the deletion of names and other identifying information. Appendix B is enclosed for the NRC's use as appropriate, including placement in the NRC Public Document Room.

Commitments

The following are NNECO's commitments contained within this letter.

B15894.1 A comprehensive remediation program is being implemented to restore the material condition of the Millstone Unit No. 1 Radwaste Facility and

⁽²⁾ T. C. Feigenbaum letter to the U.S. Nuclear Regulatory Commission, "Submittal of Additional Information Regarding Millstone Recovery Activities", dated September 3, 1996.

⁽³⁾ T. C. Feigenbaum letter to the U.S. Nuclear Regulatory Commission, "Report of the Fundamental Cause Assessment Team", dated July 24, 1996.

assure compliance with applicable requirements and standards. This will be completed prior to Millstone Unit No. 1 startup.

- B15894.2 Our nuclear employees will receive by December 2, 1996, additional guidance on the importance of complete and accurate communications with the NRC.
- B15894.3 Our key nuclear Directors and Officers will be provided with a copy of the investigative report and will participate in a critique of the management actions related to the Millstone Unit No. 1 Radwaste Facility. These actions will be completed by December 20, 1996.

If you have any questions about the report, please contact T. L. Harpster at (860) 437-5880. Question regarding the redacted version of the final report (Appendix B) may be directed to Lillian M. Cuoco, the company's Senior Nuclear Counsel, at (860) 665-3195.

Very truly yours

NORTHEAST NUCLEAR ENERGY COMPANY

FOR: Ted C. Feigenbaum
Executive Vice President and
Chief Nuclear Officer

BY:



F. C. Rothen
Vice President - Work Services

Enclosures

cc: U.S. Nuclear Regulatory Commission
Attention: Document Control Desk
Washington, DC 20555

J. W. Andersen, NRC Project Manager, Millstone Unit No. 1
T. A. Easlick, Senior Resident Inspector, Millstone Unit No. 1

AFFIDAVIT

I, F. C. Rothen, being duly sworn, depose and state as follows:

1. I am currently the Vice President - Work Services with Northeast Nuclear Energy Company (NNECO). I am filing this affidavit in support of NNECO's request that Appendix A to the response to NRC Inspection Report No. 50-245/96-03 be withheld from public disclosure pursuant to 10 C.F.R. § 2.790(a)(6).
2. The information contained within Appendix A contains personnel information, the public disclosure of which would constitute a clearly unwarranted invasion of personal privacy. The information identifies individuals who were involved with the matters being investigated. Under NNECO policy, this information is confidential and, in NNECO's view, public disclosure of the information would invade the personal privacy of these individuals.
3. The personal privacy information contained in NNECO's response is of a type customarily held in strict confidence by NNECO and, to the best of my knowledge and belief, has not been disclosed to the public.

The above three paragraphs are true and accurate to the best of my knowledge, information, and belief.

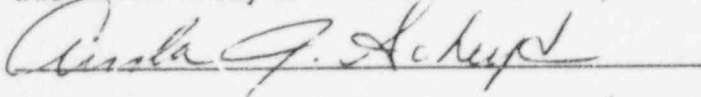
Executed this 29th day of October, 1996.



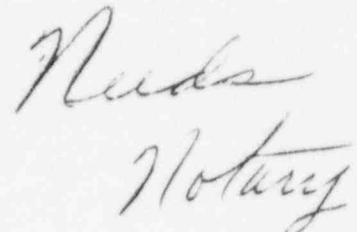
F. C. Rothen

Subscribed and sworn to before me

this 29th day of October, 1996



Date Commission Expires: 12/31/96



Notary