

50-309

February 3, 1997

Mr. William S. Linnell II
Committee for a Safe Energy Future
P.O. Box 4034
Portland, ME 04101

Dear Mr. Linnell:

This is in response to your letter of December 30, 1996.

Please let me assure you that the points you raise will be considered by the Commission in preparing for and conducting the Commission meeting regarding the Maine Yankee facility now scheduled for February 4, 1997.

It is my understanding that Mr. Charles Frizzle of the Maine Yankee Atomic Power Company will not attend the Commission meeting.

By letter dated January 23, 1997, the Office of the Commission's Secretary informed you that you will be allowed 5 minutes to briefly address the Commission at the meeting scheduled for 9:30 a.m., Tuesday, February 4, 1997.

Sincerely,
Original signed by
Frank J. Miraglia
Frank J. Miraglia, Jr., Acting Director
Office of Nuclear Reactor Regulation

FILENAME - G:\970015.ltr *see previous concurrences

| | | | |
|------------|-----------|-----------|------------|
| PM:PDII-1* | D:DRPE* | OGC | ADPR* |
| DTrimble | SVarga | | RZimmerman |
| 01/27/97 | 01/27/97 | 01/ /97 | 01/27/97 |
| Yes/No | Yes/No | Yes/No | Yes/No |
| D:NRR* | EDO | OCM | |
| FMiraglia | HThompson | SJackson | |
| 01/27/97 | 01/24 /97 | 01/31 /97 | |
| Yes/No | Yes/No | Yes/No | |

OFFICIAL RECORD COPY

060070

9702060321 970203
PDR ADOCK 05000309
H PDR



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

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Sincerely,

A handwritten signature in dark ink, reading "Frank J. Miraglia, Jr.", is written over the typed name.

Frank J. Miraglia, Jr., Acting Director
Office of Nuclear Reactor Regulation

DISTRIBUTION: for letter to William S. Linnell, II dated February 3, 1997
Green Ticket #970015

Docket File (50-309 w/original incoming)

PUBLIC (w/incoming)

EDO Reading (#G970015)

HThompson

EJordan

PNorry

JBlaha

HMiller, RI

DRoss,

FMiraglia/ATHadani

RZimmerman

BSheron

TMartin

WTravers

SECY #CRC-96-1301

NRR Mail Room (GT#970015 w/incoming)

PDI-3 Reading (w/incoming)

SVarga

JZwolinski

DTremble

JMoore, OGC

JHogg, RI *R. Conte*

OPA

OCA

OGC

CNorsworthy, NRR

ACTION

EDO Principal Correspondence Control

FROM:

DUE: 01/22/97

EDO CONTROL: G970015

DOC DT: 12/30/96

FINAL REPLY:

William S. Linnell II
Committee for a Safe Energy Future

TO:

Chairman Jackson

FOR SIGNATURE OF :

** PRI **

CRC NO: 96-1301

Miraglia

DESC:

ROUTING:

MAINE YANKEE

Thompson
Jordan
Norry
Blaha
Miller, RI
Ross, AEOD

DATE: 01/09/97

ASSIGNED TO:

CONTACT:

NRR

Miraglia

SPECIAL INSTRUCTIONS OR REMARKS:

Put EDO and Chairman on for concurrence.
Chairman's office to review response prior to
dispatch.

NRR RECEIVED:

JANUARY 9, 1997

NRR ACTION:

DRPE:YARGA

NRR ROUTING:

MIRAGLIA
THADANI
ZIMMERMAN
STIRON
MUTIN
TREVES
BOHRER

ACTION

DUE TO NRR DIRECTOR'S OFFICE

BY Jean 16

OFFICE OF THE SECRETARY
CORRESPONDENCE CONTROL TICKET

PAPER NUMBER: CRC-96-1301 LOGGING DATE: Dec 31 96
ACTION OFFICE: EDO
AUTHOR: WILLIAM LINNELL II
AFFILIATION: MAINE
ADDRESSEE: CHAIRMAN JACKSON
LETTER DATE: Dec 30 96 FILE CODE: IDR-5 MAINE YANKEE
SUBJECT: MAINE YANKEE JANUARY 9, 1997 MEETING
ACTION: Signature of EDO
DISTRIBUTION: CHAIRMAN, COMRS, OGC
SPECIAL HANDLING: SECY TO ACK
CONSTITUENT:
NOTES: CHAIRMAN'S OFFICE TO REVIEW RESPONSE PRIOR TO
DISPATCH. INCOMING LTR PLACED IN THE PDR - 1/3/97.
DATE DUE: Jan 23 97
SIGNATURE: DATE SIGNED:
AFFILIATION:

SECY WILL RESPOND TO QUESTIONS ON
ATTENDANCE AT THE COMMISSION MEETING
AND THE EDO WILL RESPOND TO THE OTHER
ISSUES

For NRR Sign
~~For NRR Sign~~

*Prepare short acknowledgement.
"The points you raise will be
considered by the Commission
in preparing for and conducting
the Commission meeting w/ MY.
Mr. Frugze is expected to be there."
J. Blaha*



Committee for a Safe Energy Future

P.O. Box 4034
Portland, ME 04101
Phone: (207) 772-2958

P.O. Box 2627
Augusta, ME 04338
Fax: (207) 780-1266



Safe energy for Maine's future...It's in our hands!

The Honorable Shirley Jackson, Chair
United States Nuclear Regulatory Commission
Washington, DC 20555

December 30, 1996

sent by fax

re: Maine Yankee January 9, 1997 meeting

References:

- 1: Independent Safety Assessment of Maine Yankee Atomic Power Company, October, 1996.
- 2: Minutes of Commission Meeting, October 18, 1996.
- 3: Maine Yankee response to ref.1, dated December 10, 1996.

Dear Chairwoman Jackson,

As spokesperson for the oldest nuclear watchdog organization in the State of Maine, and as a local elected official, I would like to share my thoughts with you both in this letter and at the January 9, meeting with Maine Yankee. Please let me know if I may have an opportunity to briefly address the Commission at that meeting.

In ref.1, I note that the NRC staff identifies "economic stress" as one of the root causes of problems at Maine Yankee. And in ref.2, Commissioner McGaffigan recognizes that the owners of Maine Yankee have not allowed the plant to retain sufficient earnings in order to maintain the plant properly. I would agree that these financial observations go to the heart of the matter.

I see in ref.3, that while Maine Yankee agrees that "economic stress" is a root cause of their problems, Maine Yankee emphatically disagrees with the NRC staff's finding that the economic stress was caused by the plant owners' unwillingness to allow the plant to retain earnings. In other words, the official response is that it was management's fault, not the plant owners' fault, because management *never asked* the plant owners for enough money.

Meanwhile, the plant owners have announced that they have asked for the resignation of President Charles Frizzle.

W.S.LINNELL LETTER TO NRC CHAIR SHIRLEY JACKSON, DEC.30,1996 P.2

There is a significant discrepancy between the ISAT report, (Ref.1), on the one hand, and Maine Yankee's response (Ref.3), on the other.

The question is, does Maine Yankee not retain earnings because plant owners have not allowed it, or because it never occurred to the plant's management (Charles Frizzle) to ask for the money? It is an important question, as it lies at the root of many safety problems. The correct answer is therefore critical to resolving these safety problems. It seems imperative, then, that Mr. Frizzle be at the January 9th meeting.

I am respectfully insisting that Mr. Frizzle be required to attend the January 9 meeting, by subpoena if necessary, in order to confirm, under oath, and under further questioning by the NRC, whether or not he ever asked plant owners for more money to operate the plant safely. I truly do not wish to cause Mr. Frizzle any more anxiety than his termination already has, I just don't believe the company response. And if the NRC is committed to resolving this root cause, I think you would agree that Mr. Frizzle could lend tremendous insight to both the problem and the solution.

Plant owners, it can be argued, have a significant self-interest in promoting the notion that all problems should be blamed on management:

1. They can sidestep the retained earnings issue, avoiding new (and prudent) requirements that they post a bond or otherwise put up the money to guarantee, not merely promise, that Maine Yankee will have all the funds that may be necessary to operate the plant safely for the duration of its license. I am not impressed by the comment, in ref.3, that plant owners have "conceptually endorsed" future investment (p.2-1).

2. To the extent that they can blame management for their problems, Maine Yankee's owners can deflect attention from the deteriorated condition of the plant. It costs almost nothing to replace one employee with another. And the expense of hiring 50 more employees can be easily cut by laying them off. But proper investment in the plant itself is expensive, and much more risky if other, well-hidden problems could later result in a premature shutdown.

I look forward to your response.

With best wishes for the New Year,

Bill Linnell

William S. Linnell II