

**Northeast
Nuclear Energy**

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Millstone Nuclear Power Station
Northeast Nuclear Energy Company
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The Northeast Utilities System

May 14, 1997

Docket No. 50-245

50-336

50-423

B16443

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

Millstone Nuclear Power Station, Unit Nos. 1-2-3
Additional Information on Contractor Selection for the
Independent Corrective Action Verification Program (ICAVP)

In a letter dated February 14, 1997,¹ Northeast Nuclear Energy Company (NNECO) proposed the selection of Parsons Power Group, Inc. (Parsons) as the ICAVP contractor for Millstone Unit No. 2 and provided background information supporting this selection. The basis for the selection of Parsons was discussed at a public meeting with the Nuclear Regulatory Commission (NRC) in Waterford, CT on March 18, 1997. The discussion included a description of Parsons organizational and financial independence from NU, and a listing of work previously performed for NU (nuclear and non-nuclear). //

In the letter of March 27, 1997,² NNECO provided additional information on Parsons previous work for NU, resumes of additional ICAVP audit team members, Parsons commitment to restrict future work for NU, and some other administrative clarifications. AB

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¹ Martin L. Bowling letter to U.S. Nuclear Regulatory Commission, "Millstone Nuclear Power Station, Unit 2, Independent Corrective Action Program (ICAVP)," dated February 14, 1997.

² Martin L. Bowling letter to U.S. Nuclear Regulatory Commission, "Millstone Nuclear Power Station, Unit No. 2, Additional Information on Contractor Selection for the Independent Corrective Action Verification Program (ICAVP)," dated March 27, 1997.



It has recently come to our attention that Parsons, as a subcontractor to Yankee Atomic Electric Company (YAEC), has done decommissioning planning work on the Haddam Neck (Connecticut Yankee) Plant, a facility in which NU affiliates have an ownership interest. This work was not disclosed in either of the above-mentioned letters. The work scope is described in Attachment 1. Parsons involvement at Haddam Neck has been terminated. Parsons is currently doing no work for NU.

In our letter of May 7, 1997,³ NNECO requested that the approval of Parsons be held until an evaluation of the impact of the shift in Millstone Station restart emphasis was completed. NNECO noted that with the curtailment in the emphasis on Millstone Unit 1, a consideration was being made to use one contractor for the ICAVP on both Units 3 and 2.

The evaluations are now complete. We have made the decision to retain two contractors for the ICAVP. Please continue with the internal reviews that are necessary to approve Parsons as the Unit 2 ICAVP contractor.

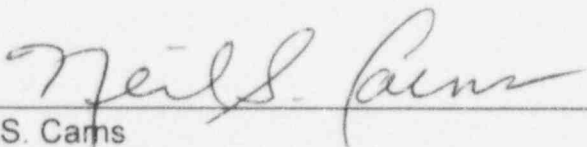
Additionally, Parsons has agreed to perform the seismic reviews that Sargent and Lundy is precluded from performing on Millstone Units 1 and 3. We ask that the NRC approval of Parsons confirm the acceptability of this arrangement.

Finally, copies of material relating to the Parsons Corporation Retirement Savings Plan are included with this letter to allow the NRC to review the financial independence of the Parson's 401(K) Plan.

If you should have any additional questions concerning this submittal, please contact Mr. Richard T. Laudenat at (860) 444-5248.

Very truly yours,

NORTHEAST NUCLEAR ENERGY COMPANY



Neil S. Carns
Senior Vice President and Chief Nuclear Officer

Attachment

³ Neil S. Carns letter to U. S. Nuclear Regulatory Commission, "Millstone Nuclear Power Station, Unit 2, ICAVP Contractor Selection," dated May 7, 1997.

Attachment 1

Millstone Nuclear Power Station, Unit No. 2

Independent Corrective Action Verification Program (ICAVP)

Attachment 1

Millstone Nuclear Power Station, Unit No. 2

Independent Corrective Action Verification Program (ICAVP)

**Millstone Nuclear Power Station - Unit No. 2
Independent Corrective Action Verification Program (ICAVP)**

**Millstone Unit 2 Proposed ICAVP Contractor (Parsons Power)
Summary of Work Performed at Northeast Utilities**

Additional Information

Work Performed as Parsons Power

1997 (\$12,000) NG*	One person assigned to perform large component removal and radiological characterization work as part of the Haddam Neck (Connecticut Yankee) Plant decommissioning planning, as a subcontractor to Yankee Atomic Electric Company. Work began on 2/3/97 and ended on 4/25/97, and involved about 250 man-hours of work.
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* Nuclear Group

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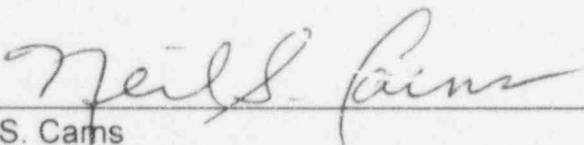
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NORTHEAST NUCLEAR ENERGY COMPANY



Neil S. Carns
Senior Vice President and Chief Nuclear Officer

Attachment

³

Neil S. Carns letter to U. S. Nuclear Regulatory Commission, "Millstone Nuclear Power Station, Unit 2, ICAVP Contractor Selection," dated May 7, 1997.

cc: H. J. Miller, Region I Administrator
D. G. McDonald, Jr., NRC Project Manager, Millstone Unit No. 2
D. P. Beaulieu, Senior Resident Inspector, Millstone Unit No. 2
W. D. Travers, PhD, Director, Special Projects Office
P. F. McKee, Deputy Director of Licensing, Special Projects Office
W. D. Lanning, Deputy Director of Inspections, Special Projects Office
E. V. Imbro, Deputy Director for ICAVP, Special Projects Office