



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

June 23, 1997

Mr. Bruce D. Kenyon  
President and Chief Executive Officer  
Northeast Utilities Service Company  
P.O. Box 128  
Waterford, CT 06385

50-245/326/423

Dear Mr. Kenyon:

On June 10 and 11, 1997, the U.S. Nuclear Regulatory Commission (NRC) senior managers met to evaluate the nuclear safety performance of operating reactors, fuel facilities, and other materials licensees. The NRC conducts this meeting semiannually to determine if the safety performance of the various licensees exhibits sufficient weaknesses to warrant increased NRC attention or if it is trending adversely and requires steps be taken to communicate concerns to the utility's president or board of directors. At the June 1997 Senior Management Meeting (SMM), the Millstone Nuclear Power Station was discussed.

The Millstone Nuclear Power Station remains a Category 3 facility. Facilities in this category are having or have had significant weaknesses that warrant maintaining the plant in a shutdown condition until the licensee can demonstrate to the NRC that adequate programs have both been established and implemented to ensure substantial improvement. Commission approval is required for restart of a plant in a Category 3 status. A summary of NRC discussions related to the Millstone facilities follows:

Millstone Nuclear Power Station was designated a Category 3 facility in June 1996. Because of the longstanding issues at the Millstone facilities and resultant increased NRC attention on licensee activities, the discussions on Millstone concentrated on ongoing NRC oversight. The NRC Special Projects Office (SPO), which was formed to direct managerial attention on the issues at Millstone Nuclear Power Station, has provided focused agency oversight of the recovery efforts at the Millstone units. Principally, the SPO has given attention to the licensee's efforts to establish an Independent Corrective Action Verification Program (ICAVP) and an independent third party to oversee the employee concerns programs. Other activities of the SPO are detailed in the Millstone Restart Assessment Plan, which was last updated on March 24, 1997. In addition to identifying major elements requiring resolution before plant restart, the plan contains, for each unit, a list of significant issues and actions that the staff intends to review before the restart. On January 30, 1997, and April 23, 1997, Northeast Utilities (NU) executives and NRC senior management briefed the Commission on the status of the Millstone recovery efforts.

In summary, longstanding Millstone performance concerns remain to be resolved. NRC's SPO will continue to apply NRC Inspection Manual Chapter 0350, "Staff Guidelines for Restart Approval," to the activities to support restart of Millstone Units 1, 2, and 3. Through application

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Bruce D. Kenyon

- 2 -

of these guidelines, the NRC plans to continue to closely monitor the programs and performance at the Millstone Station to assure development and implementation of effective corrective action programs. The next periodic meeting with the Commission on the status of Millstone recovery efforts is scheduled for August 6, 1997.

An NRC Commission Meeting, open to the public, is scheduled to be held in the Commissioners' Conference Room in Rockville, Maryland on June 25, 1997 at 10:00 a.m., to review the results of the latest meeting of NRC senior managers. Since the status of Millstone recovery efforts are the subject of periodic meetings as discussed above, we expect that the discussion of the Millstone Station at this meeting will be limited. Mr. Phillip F. McKee, Deputy Director for Licensing in NRC's Special Projects Office, has discussed the bases for our conclusions with regard to the Millstone Station with members of your staff.

If you have any questions, regarding this matter, do not hesitate to call me at (301) 415-1700.

Sincerely,

Original signed by  
L. Joseph Callan

L. Joseph Callan  
Executive Director  
for Operations

Docket Nos.: 50-245, 50-336, and  
50-423

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In summary, longstanding Millstone performance concerns remain to be resolved. NRC's SPO will continue to apply NRC inspection Manual Chapter 0350, "Staff Guidelines for Restart Approval," to the activities to support restart of Millstone Units 1, 2, and 3. Through application of these guidelines, the NRC plans to continue to closely monitor the programs and performance at the Millstone Station to assure development and implementation of effective corrective action programs. The next periodic meeting with the Commission on the status of Millstone recovery efforts is scheduled for August 6, 1997. SPO office staff is coordinating with your staff on an agenda outline that will provide the Commission with sufficient details to support their review.

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Millstone Nuclear Power Station  
Units 1, 2, and 3

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Millstone Nuclear Power Station  
Units 1, 2, and 3

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