December 15, 2000

Mr. L. J. Olivier  
Senior Vice President and Chief Nuclear Officer - Millstone  
O/O Mr. D. A. Smith, Process Owner - Regulatory Affairs  
Northeast Nuclear Energy Company  
P.O. Box 128  
Waterford, Connecticut  06385

SUBJECT:  ASSESSMENT FOLLOW-UP - MILLSTONE UNIT 2

Dear Mr. Olivier:

Our review of Millstone Unit 2 identified that you have crossed the threshold for the mitigating systems cornerstone for a white performance indicator due to the unavailability of the high pressure injection system. Also, we have identified a significant (white) inspection finding for the mitigating systems cornerstone due to your failure to take prompt corrective actions for a problem with the turbine-driven auxiliary feedwater pump. As a result, we have assessed Millstone Unit 2 performance to be in the Degraded Cornerstone column of the NRC’s Action Matrix in the mitigating systems cornerstone. A degraded cornerstone per the Action Matrix is a cornerstone for which the objective is met with minimal reduction in safety margin. Consistent with the NRC Reactor Oversight Program, we plan to conduct an additional supplemental inspection to better understand the causes contributing to your decline in performance.

This letter is to inform you that we are planning an inspection at your facility during the month of January 2001 to implement Inspection Procedure 95002 consisting of a review of your evaluation of the root causes and extent of condition for the white issues, plus a review of proposed corrective actions for both individual and collective issues. At the Regulatory Conference held on November 28, 2000, you acknowledged that additional attention and improvements were needed in the implementation of the corrective action program. Therefore, during this supplemental NRC inspection, we also plan to independently assess the validity of your determination of the extent of condition of the identified problems. Subsequent follow-up inspection to evaluate the adequacy of your corrective actions may also result.

In accordance with 10 CFR 2.790 of the NRC’s "Rules of Practice," a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC’s document system (ADAMS). ADAMS is accessible from the NRC Web site at http://www.nrc.gov/NRC/ADAMS/index.html (the Public Electronic Reading Room).
If circumstances arise which cause us to change this inspection plan, we will contact you to discuss the change as soon as possible. Please contact James C. Linville at 610-337-5129 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA by
J. T. Wiggins for
Acting For/

Hubert J. Miller
Regional Administrator

Docket No.: 05000336
License Nos.: DPR-65

Enclosures: Revised Millstone Unit 2 Nuclear Power Plant Inspection/Activity Plan

cc w/encl:
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L. J. Olivier, Senior Vice President and Chief Nuclear Officer - Millstone
E. S. Grecheck, Vice President - Generation
F. C. Rothen, Vice President - Nuclear Work Services
J. T. Carlin, Vice President - Human Services - Nuclear
G. D. Hicks, Master Process Owner - Training
C. J. Schwarz, Master Process Owner - Operate the Asset
D. A. Smith, Process Owner - Regulatory Affairs
L. M. Cuoco, Senior Nuclear Counsel
J. R. Egan, Esquire
N. Burton, Esquire
V. Juliano, Waterford Library
S. Comley, We The People
J. Buckingham, Department of Public Utility Control
E. Wilds, Director, State of Connecticut SLO Designee
First Selectmen, Town of Waterford
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This report does not include INPO and OUTAGE activities.
This report shows only on-site and announced inspection procedures.