

December 6, 2000

EA-00-236

Mr. R. P. Necci, Vice President - Nuclear Technical Services
c/o Mr. D. A. Smith, Process Owner - Regulatory Affairs
Northeast Nuclear Energy Company
P.O. Box 128
Waterford, Connecticut 06385

SUBJECT: FINAL SIGNIFICANCE DETERMINATION FOR A WHITE FINDING AND
NOTICE OF VIOLATION AT MILLSTONE UNIT 2
(NRC Inspection Report No. 05000336/2000-011)

Dear Mr. Necci:

The purpose of this letter is to provide Northeast Nuclear Energy Company (NNECo) with the final results of our significance determination of the preliminary White finding identified during an NRC inspection conducted between August 13, 2000, and September 20, 2000. The inspection finding was assessed using the significance determination process and was preliminarily characterized as White, an issue with low to moderate increased importance to safety that may require additional NRC inspections. This preliminary White finding, which was described in the subject inspection report previously sent to you on October 30, 2000, concerned a failure to take corrective actions for a problem with the turbine-driven auxiliary feedwater (TDAFW) pump. Specifically, during a routine monthly surveillance test on August 23, 2000, plant operators identified unresponsive and erratic speed control by the TDAFW pump. At the time, NNECo personnel failed to take prompt corrective action to address this degraded condition consistent with the pump's importance to safety. Subsequently, during its next routine monthly surveillance test on September 20, 2000, operators were unable to increase the pump's speed, and as a result, the pump failed to develop sufficient discharge pressure to provide feedwater to the steam generators.

At your request, a Regulatory Conference was held on November 28, 2000, with you and other members of your staff, to further discuss your views on this issue. A copy of the NRC's presentation and a copy of your presentation provided at this conference are enclosed. During the conference, you agreed with the NRC characterization of the issue as a White finding, and admitted that a violation had occurred. Further, NNECo discussed that additional attention and improvements were needed in corrective action program implementation, human performance, and performance of the operations, maintenance and engineering staff.

After considering the information developed during the inspection and the information you provided at the conference, the NRC has concluded that the inspection finding is appropriately characterized as White, an issue with low to moderate increased importance to safety that may require additional NRC inspections.

You have 10 business days from the date of this letter to appeal the staff's determination of significance for the identified White finding. Such appeals will be considered to have merit only if they meet the criteria given in NRC Inspection Manual Chapter 0609, Attachment 3.

The NRC has determined that your failure to promptly correct the failed speed control mechanism for the turbine-driven auxiliary feedwater pump (a significant condition adverse to quality), is a violation of 10 CFR 50, Appendix B, Criterion XVI, "Corrective Action," as cited in the enclosed Notice of Violation (Notice). The circumstances surrounding the violation are described in the subject Notice of Violation, as well as in the subject inspection report. In accordance with the NRC Enforcement Policy, NUREG-1600, the Notice of Violation is considered escalated enforcement action because it is associated with a White finding.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

The White finding for this issue in conjunction with a pre-existing White performance indicator places your facility in the degraded cornerstone band. Therefore, we will use the NRC Action Matrix to determine the most appropriate NRC response. We will notify you by separate correspondence of that determination.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures will be 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).

Sincerely,

/RA/

Hubert J. Miller
Regional Administrator

Docket No. 05000336
License No. DPR-65

Enclosures:

1. Notice of Violation
2. NRC Handout at Regulatory Conference
3. NNECo Handout at Regulatory Conference

cc w/encl:

B. D. Kenyon, President and Chief Executive Officer - NNECO
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
R. G. Lizotte, Master Process Owner - Assessment
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
D. Katz, Citizens Awareness Network (CAN)
T. Concannon, Co-Chair, NEAC
R. Bassilakis, CAN
J. M. Block, Attorney, CAN
J. Besade, Fish Unlimited
G. Winslow, Citizens Regulatory Commission (CRC)
E. Woollacott, Co-Chair, NEAC

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DATE	11/30/00	11/30/00	11/30/00	11/30/00	11/30/00

OFFICE	RA				
NAME	HMiller (HJM)				
DATE	11/30/00 - 12/5/00				

NOTICE OF VIOLATION

Northeast Nuclear Energy Company
Millstone Unit 2

Docket No. 50-336
License Nos. DPR-65
EA-00-236

During an NRC inspection conducted from August 13, 2000 to September 30, 2000, a violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," NUREG-1600, the violation is listed below:

10 CFR 50, Appendix B, Criterion XVI, "Corrective Action," requires, in part, that conditions adverse to quality be promptly identified and corrected. For significant conditions adverse to quality, the cause must be identified and corrective actions taken to preclude recurrence.

Contrary to the above, between August 23, 2000, and September 20, 2000, with the reactor operating at 100% power, the licensee failed to promptly correct a significant condition adverse to quality involving the turbine-driven auxiliary feedwater (TDAFW) pump. Specifically, during a routine monthly surveillance test of the TDAFW pump on August 23, 2000, plant operators identified unresponsive and erratic speed control of the pump. At that time, licensee personnel failed to take prompt corrective action to identify and correct, consistent with its importance to safety, the degraded condition of the TDAFW pump, as evidenced by a lack of troubleshooting or additional testing. As a result, during the next regularly scheduled surveillance test performed on the TDAFW pump on September 20, 2000, plant operators were unable to increase its speed from a starting speed of about 1400 rpm. The discharge pressure of the TDAFW pump operating at this speed was insufficient to provide feedwater to the steam generators. As a result, the licensee declared the TDAFW pump inoperable.

This violation is associated with a White SDP finding.

Pursuant to the provisions of 10 CFR 2.201, Northeast Nuclear Energy Company is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555 with a copy to the Regional Administrator, Region I, and a copy to the NRC Resident Inspector at the facility that is the subject of this Notice, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation or significance determination, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an Order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

Because your response 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), to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction. ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/NRC/ADAMS/index.html> (the Public Electronic Reading Room). If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.790(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days.

Dated this 6th day of December 2000