



February 16, 2001

DNC Serial No. 01-109 B18339

> 10 CFR 50.80 10 CFR 50.90 10 CFR 2.1315

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

Re: Millstone Nuclear Power Station, Units 1, 2 and 3

Facility Operating License Nos. DPR-21, DPR-65 and NPF-49

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

Supplemental Information in Support of Application for Order and Conforming

Amendments for License Transfer

Ref.: August 31, 2000 letter from James P. O'Hanlon and Bruce D. Kenyon to U.S. NRC,

Application for Order and Conforming Amendments for License Transfer

In the above referenced application, Northeast Nuclear Energy Company (NNECO) and Dominion Nuclear Connecticut, Inc. (DNC) applied for NRC's consent and conforming license amendments to transfer the operating licenses for the Millstone Nuclear Power Station (Millstone) Units 1, 2 and 3 to DNC. This letter provides additional information supplementing and supporting that application.

On December 14, 2000, NNECO notified the NRC that two Unit 1 spent fuel pins are currently unaccounted for. These spent fuel pins are identified as the pins with serial numbers BP0406 and BK0136 from fuel bundle MS 557. DNC, NNECO, and the current owners of Unit 1, The Connecticut Light and Power Company and Western Massachusetts Electric Company, have agreed that acquired assets under the Purchase and Sale Agreement shall include these two spent fuel pins, and that DNC shall be considered the person licensed by the NRC to possess these fuel pins, unless it is later determined that these fuel pins were previously transferred to a person authorized by the NRC to receive and possess them. NNECO and the current Unit 1 owners have indemnified DNC against costs or liability that may arise from the missing spent fuel pins, so this situation will have no effect on DNC's financial qualifications. This indemnity is supported by the fact that the current Unit 1 owners are and will continue to be electric utilities as defined by the NRC in 10 CFR 50.2. Moreover, in the event that the current Unit 1 owners fail to maintain investment grade securities ratings, DNC will be further protected by an irrevocable, unconditional standby letter of credit having a drawing amount of at least \$25 million, or equivalent financial assurance.

U.S. Nuclear Regulatory Commission Page 2

If you have any questions concerning this supplemental information, please contact David A. Smith, Process Owner-Regulatory Affairs, NNECO at 860-437-5840, or Joseph D. Hegner, Project Supervisor, Dominion Generation, at 804-273-2770.

There are no regulatory commitments contained in this letter.

Sincerely,

Eugene S. Grecheck

Vice President - Nuclear Operations/Millstone Dominion Nuclear Connecticut, Inc.

eon J. Olivier

Senior Vice President and Chief Nuclear Officer

Northeast Nuclear Energy Company

CC:

H. J. Miller, NRC Region I Administrator

J. B. Hickman, NRC Project Manager, Millstone Unit 1

P. C. Cataldo, Resident Inspector, Millstone Unit 2

J. I. Zimmerman, NRC Project Manager, Millstone Unit 2

S. R. Jones, Senior Resident Inspector, Millstone Unit 2

V. Nerses, NRC Senior Project Manager, Millstone Unit 3

A. C. Cerne, Senior Resident Inspector, Millstone Unit 3

Affirmation

I, Eugene S. Grecheck, being duly sworn, state that I am Vice President - Nuclear Operations/Millstone, that I am authorized to sign and file this supplemental information with the Nuclear Regulatory Commission on behalf of Dominion Nuclear Connecticut, Inc., and that the statements made and the matters set forth herein pertaining to Dominion Nuclear Connecticut, Inc. are true and correct to the best of my knowledge, information and belief.

Dominion Nuclear Connecticut, Inc.

Eugene S. Grecheck Vice President - Nuclear Operations/Millstone

STATE OF Connecticut

Subscribed and sworn to before me, a Notary Public, in and for the County and State above named this 16 day of February, 2001

Donna Lynne Williams

My Commission Expires: Nov 30, 2001

Affirmation

I, Leon J. Olivier, being duly sworn, state that I am the Senior Vice President and Chief Nuclear Officer of Northeast Nuclear Energy Company, that I am authorized to sign and file this supplemental information with the Nuclear Regulatory Commission on behalf of Northeast Nuclear Energy Company, and that the statements made and the matters set forth herein pertaining to Northeast Nuclear Energy Company, The Connecticut Light and Power Company and Western Massachusetts Electric Company are true and correct to the best of my knowledge, information, and belief.

Northeast Nuclear Energy Company

Leon J. Olivier

Senior Vice President and Chief Nuclear Officer

STATE OF Connecticut

COUNTY OF New London

Subscribed and sworn to before me, a Notary Public, in and for the County and State above named, this _______, 2001

Donna Lynne Williams

My Commission Expires: Nov 30, 200 1