

UNITED STATES NUCLEAR REGULATORY COMMISSION REGION IV 611 RYAN PLAZA DRIVE, SUITE 400 ARLINGTON, TEXAS 76011-8064

July 2, 2001

Mo-Shing Chen, Ph.D., P.E. Professor of Electrical Engineering Director, Energy Systems Research Center P.O. Box 19048 416 South College Street Arlington TX 76019-0048

SUBJECT: SUMMARY OF MEETING TO DISCUSS MAANSHAN EVENT

On June 14, 2001, a meeting was held between you and Messrs. Jeff Shackelford, Troy Pruett and me of the United States Nuclear Regulatory Commission's (NRC) Region IV Office. The purpose of the meeting was to discuss your observations associated with the Maanshan Nuclear Power Station loss of offsite power event. It is our understanding that similar discussions were held with personnel from the NRC's Office of Nuclear Reactor Regulation (NRR) on May 8 and 17, 2001.

Your observations were related to grid reliability issues involving phase imbalances and negative sequencing and how the issues may affect nuclear power plants in the United States. The NRC does not maintain regulatory oversight of grid reliability issues in the United States. This function is primarily the responsibility of the Department of Energy's Federal Energy Regulatory Commission. Nevertheless, the NRC periodically issues correspondence to its power reactor licensees informing them of ongoing grid reliability concerns. The NRC recently issued Regulatory Issue Summary 2000-24, "Concerns About Offsite Power Voltage Inadequacies and Grid Reliability Challenges Due to Industry Deregulation," to inform the industry of grid reliability concerns and industry initiatives to address the concerns. A copy of this document was provided to you during our June 14, 2001, meeting.

NRR plans to issue an Information Notice to licensees in the United States to disseminate the results of the Maanshan Nuclear Power Station event review so that licensees may assess the concerns for applicability to their facility. It is our understanding that NRR plans to provide you with a copy of the Information Notice once it is issued.

We appreciate your willingness to share your observations of the Maanshan event. If you have additional observations, please contact Troy Pruett at (817) 860-8182.

Sincerely,

/RA/ Ellis W. Merschoff **Regional Administrator**

Mo-Shing Chen, Ph.D., P.E.

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