

April 14, 2004

Mr. J. Alan Price,
Site Vice President - Millstone
Dominion Nuclear Connecticut, Inc.
Millstone Nuclear Power Station
Rope Ferry Road
Waterford, CT 06385

Dear Mr. Price:

In October 2001, NRC initiated a special inspection at the Millstone Station concerning the inability of the licensee to account for two fuel rods. The results of that special inspection were reported in February 2002, and resulted in a Notice of Violation and Civil Penalty for failure to adequately account for special nuclear material contained within two irradiated fuel rods, and report to the NRC, in a timely manner, the missing licensed material. NRC has continued to evaluate the consequences of the potential presence of the rods at either the Barnwell, South Carolina, or Hanford, Washington, low-level waste disposal facilities. We have completed those evaluations, and attached are the final safety analyses for the missing fuel rods (Attachments 1 and 2) and the response to comments (Attachment 3) received following the January 6, 2003, publication of the draft analyses in the Federal Register.

The conclusion of the safety analyses is that the presence of the two fuel rods, if they are at either site, is minimal to both the present workers and future generations of the public. Additional efforts to locate and retrieve the missing fuel rods are not warranted. The rods, if present do not constitute a risk to the public health and safety, or environment. Consequently, on the basis of the safety analyses, no further regulatory action is warranted. NRC considers this matter closed. Corresponding letters have been sent to the appropriate officials in the State of Washington and South Carolina (Attachments 4 and 5). If the location of the Millstone Unit 1 missing spent fuel rods is identified, pursuant to 10 CFR 50.54(f), you are required to notify the Director, Office of Nuclear Reactor Regulation.

J. Alan Price

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If you have any questions regarding this decision, please contact Christopher McKenney, of my staff, at (301) 415-6663.

Sincerely,

/RA/

John T. Greeves, Director
Division of Waste Management
and Environmental Protection
Office of Nuclear Material Safety
and Safeguards

Docket No.: 50-245

Attachment:

1. Barnwell Safety Analysis
2. Hanford Safety Analysis
3. Response to Comments on Draft Safety Analyses
4. Letter to State of Washington Department of Health
5. Letter to State of South Carolina Department of Health and Environmental Control

