

VERMONT YANKEE NUCLEAR POWER CORPORATION

SEVENTY SEVEN GROVE STREET
RUTLAND, VERMONT 05701

TELEPHONE 802-775-2964

November 16, 1979

Mr. Thomas Stetka
U. S. Nuclear Regulatory Commission
Reactor Operations and Nuclear Support Branch
631 Park Avenue
King of Prussia, Pennsylvania 19406

Dear Mr. Stetka:

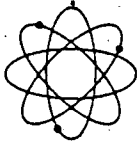
Attached is a copy of the Review Group's Report No. 3 for 1979,
and a copy of my transmittal letter to Mr. Gilbert.

Please call if you have any questions concerning the report.

Sincerely,

John W. Beck
Executive Vice President

JWB/cmm



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RUTLAND, VERMONT 05701

TELEPHONE 802-775-2964

November 16, 1979

William A. Gilbert
Legal Counsel to the Governor
State of Vermont
The State House
Montpelier, Vermont 05602

Dear Mr. Gilbert:

Enclosed is the Nuclear Review Group report for their visit of September 4-7, 1979.

Vermont Yankee management has long recognized the vital importance of responding in a timely and complete manner to NRC requirements. We have a detailed schedule and commitment from Yankee Nuclear Services Division to satisfy NUREG-0573 requirements. With regard to the post TMI demands on our staff, we have added three engineers to the Vermont Yankee Nuclear Power Corporation payroll as of mid-October, and continue to search for additional qualified individuals.

The issue of emergency planning and the potential critical impact (plant shutdown) of a failure to have an approved plan in place in June of 1980, is very high on our priority list. To date it appears that the state of Vermont is on a schedule which should result in acceptance of the plan prior to June, 1980. We at Vermont Yankee Nuclear Power Corporation have pledged our help and resources in any way the state desires to use them.

The reconstituted fuel bundles which were reinserted during the 1979 refueling have a greater probability of operating without failures during the next cycle than did the fuel which operated successfully from April through September of this year. Thus the observation of a calculated risk of further fuel failure, while accurate, actually involves a risk less than that we were exposed to subsequent to our March outage last spring. We will keep a constant watch on fuel performance.

Should there be any questions regarding the report or the comments in this letter, I would be pleased to respond.

Very truly yours,

John W. Beck
Executive Vice President

JWB/cmm

NUCLEAR REVIEW GROUP

VISIT #3-79

VERMONT YANKEE NUCLEAR POWER CORPORATION

SEPTEMBER 4 - 7, 1979

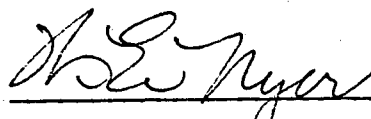
The Nuclear Review Group's visit of September 4 - 7, 1979 was focused on Vermont Yankee's response to NRC bulletins and TMI recommendations. VY's responses are articulated by Yankee Atomic by virtue of the Technical Specifications. The Group found that the burden of response preparation to NRC was laid on the plant staff at Vernon.

The Group believes that VY's management must attach the highest priority to assuring that the nuclear plant is in full compliance with all of the NRC actions taken since the Three Mile Island accident including increased attention to items such as the checkout of seismic snubbers. It is the opinion of the Group that Vermont Yankee should take strong action to prepare adequately for the stringent demands upon their resources that it is believed operators of nuclear plants will be faced with in the near future. In order to define the needs it is recommended that Vermont Yankee request from NSD a comprehensive plan and schedule for the preparation of all responses to applicable NRC requirements (for example, the applicable I&E Bulletins and NUREG 0578) for which NSD has responsibility. Complete plans, dates and responsible individuals should be specified by Yankee NSD. The above should be followed by a VY estimate of staff and other support needs in order to satisfy regulatory requirements on a timely basis while maintaining safe operations and a high capacity factor. Consistent with this estimate, VY should immediately begin augmenting its technical staff. The Group foresees little possibility that recruiting can run ahead of staff needs.

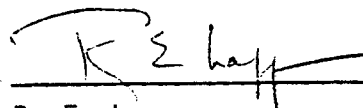
Technical backup at the Vernon plant must be increased to meet the amplified requirements and shortened schedular demands of NRC. In several recent cases, equipment modifications required by NRC were completed only a few hours before established deadlines. Additional delays would have resulted in plant shutdown orders.

The trend of the SJAE activity shows no additional fuel rod leakage. Plans for the outage include the reuse of 46 reconstituted fuel bundles. General Electric has not as yet provided an explanation for the fuel rod failures that necessitated plant shutdown this spring. The Group recognizes that a calculated risk is being taken in reuse of fuel from a core in which unexplained fuel deterioration, not heretofore observed, occurred.

The Group's next visit will be scheduled for early 1980.



W. E. Nyer, Chairman

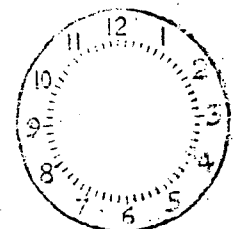


R. E. Lapp



C. M. Rice

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VERMONT YANKEE
PUTLAND, VERMONT