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12-07-81

SAFEGUARDS INFORMATION

NOV 2 7 1981

Docket Nos. 50-245 50-336

Northeast Nuclear Energy Company ATTN: Mr. W. G. Counsil Senior Vice President - Nuclear Engineering and Operations Group P. O. Box 270 Hartford, Connecticut 06101

Gentlemen:

Subject: Combined Inspection 50-245/81-12 and 50-336/81-11

This refers to the routine physical protection inspection conducted by Miss Lisa McKeown of this office on July 27-31, 1981 at the Millstone Nuclear Power Station, Units 1 and 2, of activities authorized by NRC License Nos. DPR-21 and DPR-65 and to the discussions of our findings held by Miss McKeown with Mr. Edward Mroczka and members of your staff at the conclusion of the inspection, and to a subsequent telephone discussion between Miss McKeown, Mr. J.T. Shedlosky, USNRC Senior Resident Reactor Inspector, and Mrs. P. Weekley of your staff on August 3, 1981.

Areas examined during this inspection are described in the Office of Inspection and Enforcement Inspection Report which is enclosed with this letter.

Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspectors.

Our inspectors also verified the steps you have taken to correct the item of noncompliance brought to your attention in the enclosure to our letter dated August 20, 1979. We have no further questions regarding your action at this time.

Based on the results of this inspection, it appears that certain of your activities were not conducted in full compliance with NRC requirements as

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Northeast Nuclear Energy Company

set forth in the Notice of Violation, enclosed herewith as Appendix A. These items of noncompliance have been categorized into the levels described in the Federal Register Notice (45 FR 66754) dated October 7, 1980. You are required to respond to this letter and in preparing your response, you should follow the instructions in Appendix A. In addition to the need for corrective action regarding these specific items of noncompliance, we are concerned about the implementation of your management control systems that permitted these items to occur. Consequently, in your reply, you should describe, in particular, those actions taken or planned to improve the effectiveness of your management control systems.

With respect to Appendix A, we note that you have corrected Item B, and therefore you need not address this matter in your response.

In accordance with Section 2.790(d) of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, documentation of findings of your control and accounting procedures for safeguarding special nuclear materials and your facility security measures for physical protection are deemed to be commercial or financial information within the meaning of 10 CFR 9.5(a)(4) and shall be subject to disclosure only in accordance with the provisions of 10 CFR 9.12; therefore, the enclosures to this letter, and your response to this letter will not be placed in the Public Document Room and will receive limited distribution.

The responses directed by this letter are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

Should you have any questions concerning this inspection, we will be pleased to discuss them with you

Sincerely,

Original Signed By:

Ronald C. Haynes Director

Enclosures:

1. Appendix A, Notice of Violation (Contains 2.790(d) Information)

 Office of Inspection and Enforcement Combined Inspection Report Numbers 50-245/81-12; 50-336/81-11 (Contain 2.790(d) Information)

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Northeast Nuclear Energy Company

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J. F. Opeka, Vice President, Nuclear Operations (w/ copy of report cover sheet only)

E. J. Mroczka, Station Superintendent (w/ copy of report cover sheet only)

D. G. Diedrick, Manager of Quality Assurance (w/ copy of report cover sheet only)

R. T. Laudenat, Manager, Generation Facilities Licensing (w/ copy of report cover sheet only)

Public Document Room (PDR) (w/ copy of report cover sheet only) Local Public Document Room (LPDR) (w/ copy of report cover sheet only) Nuclear Safety Information Center (NSIC) (w/ copy of report cover sheet only) NRC Resident Inspector (with enclosures) State of Connecticut (w/ copy of report cover sheet only)

bcc:

Region I Docket Room (with concurrences) (w/ copy of report cover sheet only) Chief, Operational Support Section (w/o encls)

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