



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D. C. 20555

May 20, 1994

OFFICE OF THE
CHAIRMAN

NOTE TO: File

FROM: Ed Baker *ETB*

SUBJECT: APRIL 18, 1994 MEETING BETWEEN THE CHAIRMAN AND MR.
FREEMAN, PRESIDENT AND CEO, NEW YORK POWER AUTHORITY

Mr. Freeman opened the meeting stating that he had requested a meeting with the Chairman to share his views on the status of affairs at NYPA and his plans for improving performance. Dr. Selin responded that he thought that Fitzpatrick was performing well and that Indian Point 3 was getting adequate corporate support. However, Dr. Selin stated he was concerned with the performance of the on-site staff at IP3 and with reports of Mr. Freeman's intent to cut the NYPA budget by \$50 million.

Mr. Freeman stated that he believes that with the hiring of Mr. William Cahill as Executive Vice President-Nuclear, he has a management team in place to effect a turn-around in performance. He also stated that NYPA needs to become more competitive and that with a cash flow of \$1.5 billion, he does not believe that phased cuts amounting to \$50 million will adversely affect the recovery at IP3 or the operation of Fitzpatrick. However, he is committed to providing both plants the resources necessary to improve performance.

Mr. Freeman then asked how receptive the NRC would be to building a facility for the temporary storage of low-level waste at one of NYPA's nuclear power plant sites? The Chairman responded that the NRC could only accept such a request for review if such a facility was part of the state's plan for meeting the Waste Policy Act of 1982.

The meeting ended with a discussion on INPO's role in assessing the performance of the nuclear industry, in particular, their ability to call on senior managers in the industry to help assess the performance of management at nuclear utilities.

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