

The Honorable Nunzio J. Palladino, Chairman U. S. Nuclear Regulatory Commission 1717 H Street Washington, D. C. 20555

Haddam Neck Plant Millstone Nuclear Power Station, Unit Nos. 1 and 2 Comments on Draft Statement of Policy on Regionalization

Dear Mr. Chairman:

On March 10, 1983, Connecticut Yankee Atomic Power Company and Northeast Nuclear Energy Company provided a letter to Commissioner Ahearne entitled "Comments on the Systematic Evaluation Program". This letter was provided in accordance with a commitment made during a Commission briefing on the Systematic Evaluation Program held on February 4, 1983. The principle thrust of this letter was to provide examples of previous instances where failure of the NRC Staff to coordinate regulatory requirements has effectively denied the opportunity for integration by licensees.

During the final stages of preparation of the March 10 letter, the Commission's regionalization/decentralization plans were the subject of increasing levels of attention within Northeast Utilities. Based upon our preliminary perspectives, we were concerned that one element of the regionalization plan would exacerbate the difficulties associated with implementing a strong project management function within the NRC. We mentioned in passing in our letter our concern with certain aspects of regionalization. Both at that time and today we have no major concerns in principle regarding regionalization of such functions as operator licensing, emergency preparedness, state liaison etc.; the issue of concern indicated above related to regionalization of selected power reactor licensing activities.

Since the docketing of our March 10 letter, we have had the benefit of participating in the first regional meeting regarding regionalization held in Atlanta on March 29, 1983. As a consequence of that meeting and our independent study of the proposed regionalization in the Commission's draft Statement of Policy, we believe that we have a clearer understanding of NRC's plans. Based upon that understanding, we are now able to cautiously endorse NRC's proposed regionalization of selected power reactor licensing activities. While there remain a number of potential pitfalls in this proposal, we are more confident that the NRC is aware of these difficulties and has initiated steps to deal with them in a responsible fashion. We also believe that senior NRC DS09 add Edward Blackword 4/26/83

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management recognizes the importance of this activity, and their personal commitment to ensure that it is successfully implemented provides additional confidence that these proposals are in the best interest of both the NRC and licensees. In summary, this letter modifies our previous inference regarding the posture of Northeast Utilities regarding NRC's regionalization plans. With a continuation of the dialogue between the nuclear industry and the NRC Staff established in recent weeks, we are hopeful these proposals will lead to a more efficient and properly focused regulatory process. We will be providing more detailed comments to the Secretary of the Commission in accordance with the March 25 Federal Register notice.

Very truly yours,

CONNECTICUT YANKEE ATOMIC POWER COMPANY NORTHEAST NUCLEAR ENERGY COMPANY

Senior Vice President

cc: Commissioner Ahearne Commissioner Asselstine Commissioner Gilinsky Commissioner Roberts W. J. Dircks V. Stello, Jr. -2-