

**NORTHEAST UTILITIES**

THE CONNECTICUT LIGHT AND POWER COMPANY  
WESTERN MASSACHUSETTS ELECTRIC COMPANY  
MIDDLESEX WATER POWER COMPANY  
NORTHEAST UTILITIES SERVICE COMPANY  
NORTHEAST NUCLEAR ENERGY COMPANY

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(203) 665-5000

May 15, 1992

Docket No. 50-336  
A10316

Re: Settlement Agreement Related  
to Two Named Individuals

U.S. Nuclear Regulatory Commission  
Attention: Document Control Desk  
Washington, DC 20555

Gentlemen:

Millstone Nuclear Power Station, Unit No. 2  
March 4, 1992, Request for Withholding

This provides the response of Northeast Nuclear Energy Company (NNECO) to your April 6, 1992, letter concerning settlement agreements executed between NNECO and two named individuals. On March 4, 1992, the day after the settlement agreements were executed, Mr. Thomas T. Martin, NRC Region I Administrator, faxed a letter to me requesting that NNECO express mail a copy of the settlement agreements to the NRC for review. On that same date, the settlement agreements were submitted to the NRC on a confidential basis pursuant to 10CFR2.790. An affidavit supporting request for confidential treatment was submitted at that time. Your April 6, 1992, letter states that "[i]n light of the information released to the press about this settlement, please review the March 4, 1992, letter and its attachment to identify which, if any, of the information continues to be confidential information."

NNECO would strongly object to the release of any portion of the settlement agreements which were submitted to the NRC for review in confidence. As discussed more fully below, to disclose any of the terms and conditions of these settlements is fundamentally at odds with the express provisions of these settlements, as well as with the treatment of settlements generally.

It is NNECO's position that the settlement agreements are exempt from public disclosure in accordance with 10CFR2.790(a)(4) and (6). As explained in the affidavit submitted with our transmittal letter of March 4, 1992, NNECO considers the records and data contained in personnel files to be confidential when the records and data contain specific information concerning a named individual, and the public disclosure of which would infringe upon the individual's privacy. It appears that this rationale led to the NRC's initial determination not to place the settlement agreements in the public document room and, as discussed below, nothing has occurred since submittal of the

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settlement agreements which would suggest a contrary determination should be made. Additionally, it is NNECO's position that the various sections of the settlement agreements are so inextricably intertwined that it is not possible to separate the information in a meaningful fashion, and therefore the settlement agreements should be completely withheld from public disclosure.

The settlement agreements contain the type of information that will remain strictly confidential under NNECO policy. Indeed, settlement negotiations and agreements are of such a nature that they are routinely kept confidential, and our understanding of NRC practice is that such agreements have been completely withheld from disclosure. If settlement agreements were routinely released to the public, there would be a disincentive for employers and employees to settle employment matters in the future. Moreover, public disclosure of these settlement agreements would violate the expectations of NNECO and the two individuals who entered into the agreements that their content would be held in utmost confidence. We submit that the understanding of the parties in executing the settlement agreements should be respected by the NRC.

Your April 6, 1992, letter seems to suggest that information released to the press about the settlements has somehow compromised their confidential nature. I can assure you that at all times since the settlement agreements were entered into on March 4, 1992, NNECO has consistently acted in a manner to maintain the confidentiality of the settlement agreements and to protect against their public disclosure. Those very few NNECO personnel who have knowledge of the terms and conditions of the agreements have made no public statements regarding their substantive content. Moreover, public statements have been limited to a single press release which was mutually agreed upon by NNECO and the two involved individuals. NNECO has no objection to NRC placing this press release in the public document room, and a copy is enclosed for your convenience. NNECO's response to subsequent press inquiries have been consistent with the parameters of the original press release and specific details relating to terms and conditions of the settlement agreements have not been disclosed by NNECO.

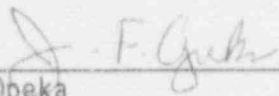
We trust this adequately responds to your April 6, 1992, letter. Should you disagree with this position, NNECO hereby respectfully requests that pursuant to 10CFR2.790(c) the settlement agreements be withdrawn and returned to NNECO. Of course, NNECO will retain these agreements in its offices, and they will be made available should the NRC have a need to review them further in the future.

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If you have any further questions on this matters, please contact R. M. Kacich  
at (203) 665-3298.

Very truly yours,

NORTHEAST NUCLEAR ENERGY COMPANY

  
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J. F. Opeka  
Executive Vice President

cc: J. F. Stolz, Director, Project Directorate I-4  
L. Doerflein, NRC Region I  
G. S. Vissing, NRC Project Manager, Millstone Unit No. 2  
W. J. Raymond, Senior Resident Inspector, Millstone Unit Nos. 1, 2,  
and 3  
D. H. Jaffe, Office of Nuclear Reactor Regulation