

NORTHEAST UTILITIES



THE CONNECTICUT LIGHT AND POWER COMPANY
THE EASTERN MASSACHUSETTS ELECTRIC COMPANY
HOLYOKE WATER POWER COMPANY
NORTHEAST UTILITIES SERVICE COMPANY
NORTHEAST NUCLEAR ENERGY COMPANY

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WILLIAM B. ELLIS
CHAIRMAN AND CHIEF EXECUTIVE OFFICER

July 2, 1992

Mr. James M. Taylor
Executive Director of Operations
U.S. Nuclear Regulatory Commission
One White Flint North
11555 Rockville Pike
Rockville, MD 20852

Dear Mr. Taylor:

At the instruction of the Northeast Utilities Board of Trustees, I am responding to your June 3, 1992, letter to each of the Trustees. In your letter you noted the reservations of the Nuclear Regulatory Commission with respect to our ongoing efforts to improve performance at Millstone station pending a demonstration of their effectiveness, and you asked for the personal support of each NU Board member in resolving performance issues at Millstone.

The Board of Trustees and its Corporate Responsibility Committee both met on June 23, 1992, and discussed fully and frankly the concerns raised in your letter. In addition, each member of the Board has been fully apprised of the Seabrook license conditions and understands clearly that their purpose is to insulate Seabrook from the causes of the difficulties at Millstone.

More specifically, the Trustees reviewed NU's earlier actions, discussed in our May 11, 1992, meeting with the Commission and in our May 13, 1992, follow-up letter, which added nearly \$10 million per year to our operation and maintenance budgets for the upcoming five-year period and added approximately 200 personnel to our nuclear organization. In addition, the Trustees reviewed in detail the report of the results of Phase II of NU's Performance Enhancement Program, copies of which were furnished to the NRC Staff on June 4, 1992, and they were apprised of NU's authorization of additional operation and maintenance budget resources approaching, at peak, \$30 million per year, including the addition of approximately 250 personnel to the nuclear organization.

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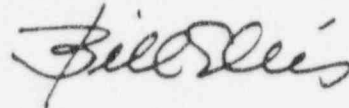
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As a result of the discussions, I can report to you that the NU Trustees are fully committed to support the ongoing efforts to resolve performance issues and to restore operational excellence at Millstone. The Board has requested management to provide full and timely information so that it can closely monitor the progress of NU's efforts. The relationship between the Board and senior NU management is based upon openness and candor, and I fully expect that discussion of these enhancement efforts will be probing and spirited.

As you will note from the copy list below, two additional Trustees have been elected to the NU Board of Trustees. Both are residents of New Hampshire, reflecting NU's acquisition of Public Service Company of New Hampshire; their election was effective June 23, 1992.

Very truly yours,



cc: Cotton M. Cleveland
Richard L. Creviston
George David
Donald J. Donahue
Bernard M. Fox
George B. Harvey
Eugene D. Jones
Elizabeth T. Kennan
Denham C. Lunt, Jr.
Burke Marshall
William J. Pape, II
Norman C. Rasmussen
John F. Swope

Eileen E. Chen

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bcc:

T. Martin, RA

K. Smith, RC

J. Durr, DRP