

NORTHEAST UTILITIES



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

General Offices • Selden Street, Berlin, Connecticut

P.O. BOX 270
HARTFORD, CONNECTICUT 06141-0270
(203) 665-5000

July 29, 1988

Docket No. 50-336
A07168

Re: 10CFR50.59

U.S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington, D.C. 20555

Gentlemen:

Millstone Nuclear Power Station, Unit No. 2
10CFR50.59 Reviews

By letter dated March 31, 1988, (1) the NRC Staff issued to Northeast Nuclear Energy Company (NNECO) Amendment No. 128 to Facility Operating License No. DPR-65 for Millstone Unit No. 2. In that letter, the Staff expressed its position that should we desire to use the temporary spent fuel storage racks for long-term spent fuel storage, that NNECO should identify the change and request approval from the NRC. By letter dated June 13, 1988, (2) NNECO documented its interpretation that the provisions of 10CFR50.59 would govern whether or not prior NRC approval would be required if we intended to use the temporary spent fuel storage racks for long-term spent fuel storage.

During subsequent discussions with the Staff, we obtained additional background and information regarding the Staff's position. It was agreed that we would provide this clarifying letter to document our mutual understanding, which is summarized below.

First, it is noted that the likelihood of this circumstance materializing is rather remote. In any event, our original intention with the June 13, 1988 letter was merely to note that a well-established regulatory process is in place to identify the

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- (1) D. H. Jaffe letter to E. J. Mroczka, "Issuance of Amendment (TAC No. 65274)," dated March 31, 1988.
 - (2) E. J. Mroczka letter to U.S. Nuclear Regulatory Commission, "Millstone Nuclear Power Station, Unit No. 2 - 10CFR50.59 Reviews," dated June 13, 1988.

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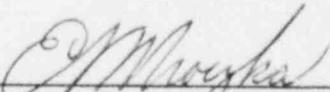
conditions during which prior NRC Staff approval of plant changes is required. No inference on the merits of a 10CFR50.59 review of the change from temporary to any long-term storage application was stated or intended. In all likelihood, use of the temporary racks for long-term storage could potentially constitute an unreviewed safety question under 10CFR50.59 and as such, prior NRC approval would be required. Furthermore, our frequent interactions with the Staff on fuel rack changes (e.g., the subject Millstone Unit No. 2 amendment, our ongoing dialogue regarding the Millstone Unit No. 1 spent fuel reracking, the planned new fuel storage racks for Millstone Unit No. 3) serves to heighten our awareness of NRC Staff interpretations in this regard. Specifically, our corporate philosophy is to abide by the regulations in a fashion agreeable to the Staff.

In light of the above considerations, in the unlikely event that we plan to use the temporary racks for long-term storage, we would contact the Staff to insure that the appropriate regulatory vehicle (10CFR50.90 or 10CFR50.59) is utilized. We make this commitment with continued confidence in the integrity of our existing 10CFR50.59 process.

Please contact us if you have any questions.

Very truly yours,

NORTHEAST NUCLEAR ENERGY COMPANY



E. J. Mroczka
Senior Vice President

cc: W. T. Russell, Region I Administrator
D. H. Jaffe, NRC Project Manager, Millstone Unit No. 2
W. J. Raymond, Senior Resident Inspector, Millstone Unit
Nos. 1, 2, and 3