VERMONT YANKEE
NUCLEAR POWER CORPORATION

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October 9, 1998
BVY 98-150

United States Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555

References:

(a) License No. DPR-28 (Docket No. 50-271)
(b) Letter USNRC to VYNPC, NVY 96-158, dated October 9, 1996
(c) Letter, VYNPC to USNRC, BVY 97-23, dated February 14 ,1997
(d) Letter, VYNPC to USNRC, BVY 97-34, dated March 11,1997
(e) Letter, VYNPC to USNRC, BVY 97-120, dated November 18,1997
(f) Letter, USNRC to VYNPS, NVY 98-34, dated March 3,1998
(g) Letter, USNRC to VYNPS, NVY 97-200 (TAC No. M72490), dated November 5, 1997
(h) NRC Enforcement Guidance Memorandum, dated September 15, 1998

Subject: **Vermont Yankee Nuclear Power Station**
License No. DPR-28 (Docket No. 50-271)
Vermont Yankee Update of Supplemental Response to Request for Information Pursuant to 10CFR 50.54(f)

Reference (b) requested that Vermont Yankee provide information, in accordance with the requirements of 10CFR 50.54(f), to provide confidence and assurance that Vermont Yankee is operated and maintained within the design basis and that deviations are reconciled in a timely manner. Reference (c) and (d), provided the requested information and a schedule for implementing the improvements we determined necessary. The following provides a status of our initiatives in this area and provides an update on our current schedules.

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Design Basis Documents

In reference (d) Vermont Yankee provided a schedule for generation of 23 Design Basis Documents by the end of 1997. During 1997, in reference (e), based on experience with the effort required to generate, review and approve the DBDs, Vermont Yankee updated the expected completion date to the end of 1998.

To date Vermont Yankee has developed and issued 10 of the 23 DBDs. The remaining DBDs have been developed and are in the review and approval process. Based on our current schedule, the generation, review and approval process for all 23 DBDs remains on schedule for completion by the end of 1998.

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DBD Validation

In reference (d) Vermont Yankee provided a schedule which indicated that validation of the 23 DBDs would be completed by October, 1998. The intent of the validation is to provide reasonable assurance that design basis information is consistently reflected in both the physical plant and the documents used to support plant operation (e.g. operating, surveillance, test and operating procedures).

Based on feedback received during the Architect/Engineer inspection of mid 1997, Vermont Yankee made adjustments in the depth of the validation effort which is employed using a vertical slice methodology. Our experience has proven that this approach is very effective and we plan to continue this for the remaining validations. Accordingly, during the pre-decisional enforcement conference for the A/E inspection, conducted on March 2, 1998, Vermont Yankee updated the NRC that the validation schedule would extend to the end of 1999 (Reference f).

To date Vermont Yankee has validated 9 of the 23 DBDs. The current schedule for validation has 11 of 23 to be validated by the end of 1998 with the remainder to be completed on schedule during 1999.

FSAR Verification

Vermont Yankee has initiated efforts to perform the FSAR verification. This includes establishment of a multi-disciplined project team, development of tools to be used by the team including a computerized data base for researching historical licensing records and development of a project plan and implementing procedures. In parallel with these project development activities, and resulting from our ongoing Instrument Setpoint Verification Program and our transition to General Electric for Reload Analysis services, we have completed a major rewrite of Section 14 of our FSAR. These changes detail our new LOCA analysis as well as our limiting and non-limiting transients.

Scheduling of this effort has been coordinated to take advantage of our DBD development and DBD validation efforts and the NRC and NEI initiatives to define the expectations for FSAR accuracy and completeness.

In reference (c) Vermont Yankee provided a schedule for verification of the FSAR by the end of 1998.

We now expect to complete our FSAR accuracy and completeness verification project within the schedule established by the latest NRC Enforcement Guidance Memorandum.

Improved Technical Specifications (ITS)

Development of an accurate ITS is highly dependent upon accurate FSAR and DBD documents. ITS development also requires application of significant engineering resources. At present our focus is on completing our DBDs and completion of our FSAR accuracy and completeness verification. The completion of these projects is required for us to develop an effective ITS. Once these projects are complete we will be in a position to refocus our organization on ITS. As agreed to at our November 3, 1997 meeting and as captured in your letter to VY on November 5, 1997 (Reference g) we will keep you apprised of our ITS plans as they become clearer. Our current expectation is to reinitiate our ITS work once the FSAR project is completed. We will provide a more definitive schedule for ITS in the latter part of 1999.

Summary

As demonstrated by our performance to date, Vermont Yankee remains committed to the development and validation of design basis documents, verification of the FSAR and development and implementation of the ITS. We believe this commitment is further demonstrated by our plans to expand the scope of our DBD effort beyond the original 23 to other systems and selected topical areas. We have found this effort to be extremely effective in ensuring that licensing and design basis requirements are well documented and translated into implementing documents. From conversations with your staff and as discussed in Enforcement Guidance Memorandum 98-007 (Reference h) Vermont Yankee wishes to underscore its understanding that enforcement discretion will be applied to issues identified regarding FSAR accuracy and completeness.

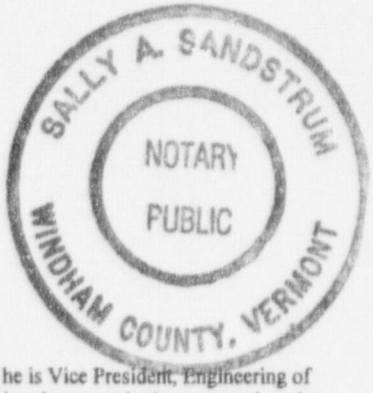
We will continue to update you on the status of our efforts as necessary. Should you have any questions or require additional details on our efforts, please contact my office.

Sincerely,

VERMONT YANKEE NUCLEAR POWER CORPORATION

Don M. Leach
Vice President, Engineering

Cc: USNRC Region 1 Administrator
USNRC Project Manager – VYNPS
USNRC Resident Inspector - VYNPS
VT Department of Public Service



STATE OF VERMONT)
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WINDHAM COUNTY)

Then personally appeared before me, Don M. Leach, who, being duly sworn, did state that he is Vice President, Engineering of Vermont Yankee Nuclear Power Corporation, that he is duly authorized to execute and file the foregoing document in the name and on the behalf of Vermont Yankee Nuclear Power Corporation, and that the statements therein are true to the best of his knowledge and belief.

Sally A. Sandstrum, Notary Public
My Commission Expires February 10, 1999