50-309



UNITED STATES NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

January 15, 1998

Mr. David Flanagan Chairman of the Board Maine Yankee Atomic Power Company 329 Bath Road Brunswick, ME 04011

Dear Mr. Flanagan:

On January 6 and 7, 1998, the U.S. Nuclear Regulatory Commission (NRC) senior managers met to evaluate the nuclear safety performance of operating reactors, fuel facilities, and other materials licensees. The NRC conducts this meeting semiannually to determine if the safety performance of the various licensees exhibits sufficient weaknesses to warrant increased NRC attention or if it is trending adversely and requires steps be taken to communicate concerns to the utility's president or board of directors. At the January 1998 Senior Management Meeting (SMM), the Maine Yankee facility was discussed.

On the basis of our discussions, we concluded that the Maine Yankee Atomic Power Station should be administratively removed from the NRC Watch List. A summary of NRC discussions related to Maine Yankee follows:

Maine Yankee was placed on the Watch List as a Category 2 plant in January 1997 due to significant regulatory concerns related to safety equipment operability, testing, safety evaluations, and corrective actions. At the June 1997 SMM, improvements were made in some areas. However, significant additional work was needed before plant restart and the plant remained on the Watch List in a Category 2 status.

Following the June 1997 SMM, the Maine Yankee Board of Directors decided to permanently cease further operation of the plant. Certification to the NRC of the permanent cessation of operation and permanent removal of fuel from the vessel, in accordance with 10 CFR 50.82(a)(1)(i) & (ii), was filed on August 7, 1997. On August 27, 1997, Maine Yankee submitted, in accordance with 10 CFR 50.82(a)(4)(i), a post-shutdown decommissioning activities report. Based on the commitments and statements in the Maine Yankee letters of August 7 and August 27, 1997, it was concluded that the Maine Yankee Atomic Power Station should be administratively removed from the Watch List.

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The NRC Region I office will continue to provide oversight of Maine Yankee's post-shutdown decommissioning activities.

Mr. Hubert Miller, the Region I Regional Administrator, has discussed our conclusions with regard to Maine Yankee with members of your staff.

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An NRC Commission Meeting, open to the public, is scheduled to be held in the Commissioners' Conference Room in Rockville, Maryland, on January 21, 1998, at 10:00 a.m., to review the results of the latest meeting of NRC senior managers.

If you have any questions, regarding this matter, do not hesitate to call me at (301) 415-1700.

Sincerely,

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L. Joseph Callan
 Executive Director
 for Operations

Docket No.: 50-309

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Sincerely,

L. Joseph Callan Executive Director for Operations

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^{**} Concurred via telecon

Maine Yankee Atomic Power Station

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