



COMMISSIONER

UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555

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May 5, 1998

Mr. Ronald P. McKeown
Friends of a Safe Millstone
5 North Edgwood Drive
Niantic, CT 06357

Dear Mr. McKeown:

I received your letter of April 2, 1998, which was forwarded to me through NRC's Special Project Office. I understand the goals of your organization and would like to take this opportunity to respond to the questions in your letter.

1. WHAT HAS THE NRC DONE REGARDING THEIR OVERSIGHT OF NUCLEAR PLANTS SO THAT OTHER NUCLEAR PLANTS DON'T END UP LIKE MILLSTONE?

- In response to events at Millstone Station and at Maine Yankee, the NRC conducted a wide range of special inspections and lessons-learned reviews that have formed the basis for a number of corrective actions. Significant staff effort has been expended on improving the NRC's capability in the areas of maintenance of the design and licensing basis; the use and content of the plant Safety Analysis Reports; and issues related to 10 CFR 50.59, "Changes, test and experiments."
- In addition, in September 1997, the NRC initiated the Integrated Review of the NRC Assessment Process for Operating Commercial Reactors (referred to as IRAP) to address weaknesses with the current set of assessment processes. Changes that will likely be proposed include: (1) streamlining the current assessment process; (2) tying specific regulatory actions directly to the assessment made; (3) improving the systematic use and categorization of data; (4) developing and using threshold criteria; and (5) providing increased opportunity for licensee input and feedback.

2. WHAT IMPROVEMENTS HAVE BEEN MADE OR SHOULD BE MADE IN ENGAGING THE PUBLIC IN THE REGULATORY PROCESS?

- NRC recognizes that public involvement is a cornerstone of strong, fair regulation of the nuclear industry. The agency also recognizes the public's

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interest in making their opinions known for inclusion in policy-making. This process is considered vital to assuring the public that the NRC is making sound, balanced and fair judgments that involve issues of public safety.

- To involve the public, NRC currently publishes notices of meetings in the Federal Register. The agency also publishes notices in the Federal Register inviting public comment on rulemakings under consideration. Frequently, NRC holds meetings in the vicinity of nuclear plants or other licensed facilities to give members of the public an opportunity to communicate their concerns and ask questions about the regulatory process. During the past three years, for example, dozens of meetings have been held in the area near the Millstone reactors.
 - The phenomenal growth in the past three years of the Internet, has also provided the agency with a new means of public outreach. The agency maintains a website and posts documents to it on a daily basis that can easily be accessed by the public. These include the Plant Status Report, compiled by our Operations Center each morning that provides information on the operating status of all of the reactors in the country. NRC also posts hundreds of other documents on its website for access by the public. These range from Event Reports, which describe operational events, to background papers, which provide information on topics ranging from radiation protection to the reactor inspection process.
 - In an effort to further improve public outreach, a special task force has been working for more than a year. It invited some of the agency's harshest critics, as well as industry representatives and officials from other government agencies, to participate in a day-long roundtable discussion on ways to improve public communications. The task force recently finished its work and has made more than 40 recommendations that will be studied by the Commission and be made public.
3. MILLSTONE WORKERS HAVE WORKED VERY HARD FOR THE PAST TWO YEARS TO FIX THE PROBLEMS AT THE STATION WITH CONTINUAL OVERSIGHT BY THE NRC; DO YOU THINK MILLSTONE WILL SOON BE READY TO OPERATE?
- While specific issues varied somewhat from unit to unit, the Commission made the decision to classify Millstone as a Category 3 Watch List plant because of the unique challenges that were confronting the Northeast Utilities, including inadequacies in the corrective action program, numerous allegations, design bases discrepancies, and other issues. Schedules for restart decisions will

continue to be dependent upon the completion of scheduled activities by Northeast Utilities, as well as on the assessments by the independent contractors and the NRC staff.

- In light of the progress Northeast Utilities has made in addressing its challenges, the Commission met on May 1, 1998, to receive a status update from the licensee, public interest groups, independent contractor and the NRC staff regarding the key issues that need to be resolved. The effectiveness of the Employee Concerns Program, the establishment of a Safety Conscious Work Environment, and the effectiveness of management oversight and quality assurance were the topics discussed at this meeting.
4. WHAT ARE YOUR IMPRESSIONS OF THE MANAGEMENT AT MILLSTONE AS COMPARED TO OTHER NUCLEAR PLANTS?
- NRC's oversight of nuclear power plants is to ensure adequate protection of the public health and safety. Effective licensee management is essential to good performance at a plant and is therefore, an important element of the overall NRC assessment of all plants. In the case of Millstone, "Management Oversight and Effectiveness" is part of the restart approval checklist under NRC Manual Chapter 0350. The NRC staff is continuing its assessment of Millstone management and the results will be reflected in the final recommendation to the Commission regarding Millstone restart readiness.
5. ARE ALL NUCLEAR PLANTS OPERATING WITH UP-TO-DATE FINAL SAFETY ANALYSIS REPORTS (FSARs)?
- The Final Safety Analysis Report is required to be updated (by 10 CFR 50.71(e)) annually or 6 months after each refueling outage, provided the interval between successive updates does not exceed 24 months. The revisions must reflect all changes up to a maximum of 6 months prior to the date of filing. The FSAR is updated to include the effects of:
 - all changes made to the facility or procedures described in the FSAR;
 - all safety evaluations performed by the licensee either in support of requested license amendments or in support of conclusions that changes did not involve an unreviewed safety question;
 - all analyses of new safety issues performed by or on behalf of the licensee at Commission's request.
 - As part of the NRC's lessons learned efforts, the inspection guidance is modified such that all inspectors were to review the FSARs in the areas that they were inspecting and verify that the licensee was operating the facility in accordance with its FSAR. A number of discrepancies were found. The results of these

inspections highlighted a number of areas where additional guidance was needed in implementing the rule. The staff has concluded that implementation by licensees of the requirements of 10 CFR 50.71(e) has been inconsistent. The staff is currently awaiting Commission decision on a proposed generic letter which would provide regulatory guidance on requirements for licensee updates of FSARs.

- All licensees are striving to have accurate FSARs by October 1998. This was the date established by the Commission when it applied enforcement discretion to encourage licensees to perform a thorough review of their FSARs and identify and correct deficiencies.
6. WHAT STEPS HAS THE NRC TAKEN SO THAT A TIMELY COMMISSION RESTART REVIEW WILL OCCUR WHEN MILLSTONE IS READY TO RESTART?
- As I noted earlier, the Commission met on May 1, 1998, to discuss selected topics. The intent is to come to closure on certain issues where it appears the licensee may have resolved them. A subsequent Commission Meeting will have to be conducted to address those issues that remain. These issues have been assessed by the staff on an ongoing basis. However, the two-week operational safety team inspection (OSTI) will provide us an opportunity to assess these areas further. The staff is documenting results of the OSTI and will be prepared to provide its recommendations on Millstone restart readiness to the Commission.

Sincerely,



Nils J. Diaz

cc: Chairman Jackson
 Commissioner Dicus
 Commissioner McGaffigan
 Mr. B. Kenyon (NU)
 PDR