

November 3, 1999

Mr. R. P. Necci, Vice President
Nuclear Oversight and Regulatory Affairs
c/o Mr. D. A. Smith, Manager - Regulatory Affairs
Northeast Nuclear Energy Company
P.O. Box 128
Waterford, Connecticut 06385

SUBJECT: NRC COMBINED INSPECTION 50-245/99-09; 50-336/99-09; and 50-423/99-09

Dear Mr. Necci:

On October 4, 1999, the NRC completed an inspection at Millstone Units 1, 2, and 3 reactor facilities. The enclosed report presents the results of that inspection.

During the eight-week period covered by this inspection period, your conduct of activities at the Millstone facilities was generally characterized by safety-conscious operations, sound engineering and maintenance practices, and careful radiological work controls. Your staff conducted Unit 1 decommissioning activities, including the preparation for transferring new fuel assemblies from the spent fuel pool to the new fuel storage vault, in a safe and deliberate manner. Operators responded well to Unit 2 plant equipment problems, including a dropped control rod and a failed control circuit card for a main feedwater regulating bypass valve. At Unit 3, both plant and personnel performance have been generally good with fewer operational concerns than was the norm during the cycle ending with the completion of the last refueling outage in June 1999.

However, we noted three issues associated with the implementation of design controls and design changes, which were identified by our inspectors or self-revealing. At Unit 2, a setpoint change to a reactor protection system (RPS) parameter was not translated into the plant cooldown procedure, which resulted in an unplanned RPS actuation on low steam generator level while the plant was shut down. Also at Unit 2, the design control measures were inadequate to assure that the 4160 volt switchgear room coolers were capable of maintaining a suitable environment for the vital switchgear under post-accident conditions. At Unit 3, the safety-related design control measures for the relocation of an emergency lighting box were ineffectively implemented.

In addition, our inspectors identified the failure to initiate a condition report to document that reactor criticality occurred at a higher power level than expected during the Unit 2 reactor startup. As a result, the criticality data was recorded at power level that was higher than specified in the procedure. This is an additional example of our concern at Unit 2 regarding the failure to initiate condition reports, which was highlighted in our last inspection report. We also noted that you incorrectly retracted your initial notification of the Unit 2 unplanned RPS actuation.

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Based on the results of this inspection, the NRC identified five Level IV violations of NRC requirements, which were associated with the above described issues. The NRC also identified seven Level IV violations of NRC requirements, which were associated with conditions that are described in Licensee Event Reports (LERs) and that occurred before 1999. These violations are being treated as Non-Cited Violations (NCVs), consistent with the NRC Enforcement Policy. These NCVs are described in the subject inspection report. If you contest the violation or severity level of these NCVs, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington DC 20555-0001; with copies to the Regional Administrator, Region I; the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001; and the NRC Resident Inspector at the Millstone facility.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures will be placed in the NRC Public Document Room (PDR).

Sincerely,

ORIGINAL SIGNED BY:

James C. Linville, Director
Millstone Inspection Directorate
Office of the Regional Administrator
Region I

Docket Nos. 50-245, 50-336 and 50-423

Enclosure: NRC Combined Inspection Report 50-245/99-09, 50-336/99-09 and 50-423/99-09

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