

November 29, 2000

Mr. L. J. Olivier
Senior Vice President and Chief Nuclear Officer - Millstone
c/o Mr. D. A. Smith, Process Owner - Regulatory Affairs
Northeast Nuclear Energy Company
P.O. Box 128
Waterford, Connecticut 06385

SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN
- MILLSTONE NUCLEAR POWER STATION, UNITS 2 AND 3

Dear Mr. Olivier:

On November 7, 2000, the NRC staff completed its Mid-Cycle plant performance assessment of the Millstone Nuclear Power Station, Units 2 and 3. The Mid-Cycle Review for Millstone involved the participation of the responsible technical divisions in Region I in evaluating performance indicators (PIs) and inspection results for the period of April 2, 2000 through September 30, 2000. The purpose of this letter is to inform you of our assessment of your safety performance during this period and our plans for future inspections at your facility so that you will have an opportunity to prepare for these inspections and to inform us of any planned inspections which may conflict with your plant activities.

Millstone Unit 2 plant performance for the most recent quarter was within the Regulatory Response column of the NRC's Action Matrix based on a white performance indicator (PI) for high pressure safety injection (HPSI) system unavailability in the mitigating systems cornerstone. Consistent with the NRC Reactor Oversight Program, we are planning a supplemental inspection to review your investigation of the issues associated with the white PI and to review your corrective actions. In addition, utilizing our Significance Determination Process (SDP), we are still evaluating the significance of a failure of the speed control mechanism for the turbine-driven auxiliary feedwater pump (TDAFWP) on September 20, 2000, discussed in NRC Inspection Report 05000336/2000-011, issued October 30, 2000. This inspection finding may be of low to moderate safety significance (white) in the mitigating systems cornerstone. A second white issue in that cornerstone would warrant additional NRC actions, such as a change to the nature of our planned supplemental inspection. Therefore, we are not including the supplemental inspection in the attached inspection plan. We will provide you, via separate correspondence, our updated inspection plan following the completion of the evaluation of this finding.

Millstone Unit 3 plant performance for the most recent quarter was within the Licensee Response Column of the NRC's Action Matrix, based on all inspection findings being classified as having very low safety significance (Green) and all PIs indicating performance at a level requiring no additional NRC oversight (Green). Therefore, we plan to conduct only baseline inspections at Unit 3 through September 30, 2001.

The NRC staff has identified cross-cutting issues in the areas of problem identification and resolution, and human performance at Millstone Unit 2. The staff noted an adverse trend in problem identification and resolution that resulted from several instances of incomplete or untimely corrective actions. Examples involved the TDAFWP speed controller failure, improper emergency diesel generator voltage regulator settings, and reactor building closed cooling water (RBCCW) system relief valve failures. Further, an adverse trend in human performance was related to inadequate identification and implementation of post-maintenance restoration and testing activities. Examples involved inadequate bearing oil inventory for a HPSI pump, inadequate venting of the chilled water system, and inadequate testing of the RBCCW system.

Although Unit 3 has not been challenged by similar significant equipment failures as were identified at Unit 2, the trends involved program areas common to both units, such as your site-wide problem identification and resolution program, and the human performance program. As a result, these cross-cutting issues will be a focus of the NRC during the upcoming supplemental inspection at Unit 2, and during routine baseline inspections of your corrective action program at both units.

Enclosures 1 and 2 detail the scheduled inspections for Millstone Units 2 and 3, respectively, that will occur through September 30, 2001, with the exception of the planned supplemental inspection at Unit 2 discussed above. The inspection plan is provided to minimize the resource impact on your staff and to allow for scheduling conflicts and personnel availability to be resolved in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The last six months of the inspection plans are tentative and may be revised at the end-of-cycle review meeting.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/NRC/ADAMS/index.html> (the Public Electronic Reading Room).

If circumstances arise which cause us to change this inspection plan, we will contact you to discuss the change as soon as possible. Please contact James C. Linville at 610-337-5129 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

A. Randolph Blough, Director
Division of Reactor Projects

Docket Nos.: 05000336, 05000423

License Nos.: DPR-65, NPF-49

Mr. L. J. Olivier

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Enclosures: 1. Millstone Unit 2 Nuclear Power Plant Inspection/Activity Plan
2. Millstone Unit 3 Nuclear Power Plant Inspection/Activity Plan

cc w/encl:

B. D. Kenyon, President and Chief Executive Officer - NNECO

R. P. Necci, Vice President - Nuclear Technical Services

E. S. Grecheck, Vice President - Generation

F. C. Rothen, Vice President - Nuclear Work Services

J. T. Carlin, Vice President - Human Services - Nuclear

R. G. Lizotte, Master Process Owner - Assessment

G. D. Hicks, Master Process Owner - Training

C. J. Schwarz, Master Process Owner - Operate the Asset

D. A. Smith, Process Owner - Regulatory Affairs

L. M. Cuoco, Senior Nuclear Counsel

J. R. Egan, Esquire

N. Burton, Esquire

V. Juliano, Waterford Library

J. Buckingham, Department of Public Utility Control

State of Connecticut SLO Designee

First Selectmen, Town of Waterford

D. Katz, Citizens Awareness Network (CAN)

T. Concannon, Co-Chair, NEAC

R. Bassilakis, CAN

J. M. Block, Attorney, CAN

G. Winslow, Citizens Regulatory Commission (CRC)

E. Woollacott, Co-Chair, NEAC

Distribution w/encl: <VIA E-MAIL>:

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- D. Thatcher, NRR
- J. Shea, OEDO
- J. Zimmerman, PM, NRR
- S. Jones, SRI - Millstone Unit 2
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- J. Linville, DRP
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NAME	JLinville/JL		ABlough/AB	
DATE	11/27/00		11/29/00	

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Millstone 2
Inspection / Activity Plan
12/03/2000 - 09/29/2001

ENCLOSURE

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	71152	- PROBLEM IDENTIFICATION & RESOLUTION	6			
2	IP 71152	Identification and Resolution of Problems		01/15/2001	01/19/2001	Baseline Inspections
2	IP 71152	Identification and Resolution of Problems		01/29/2001	02/02/2001	Baseline Inspections
	7113003	- SECURITY - RESPONSE	2			
2	IP 7113003	Response to Contingency Events (Protective Strategy and Implementation of Protective Strategy)		02/12/2001	02/16/2001	Baseline Inspections
	3/12EXAM	- U2 INIT OPER LICENSE EXAM	1			
2	U01421	MILLSTONE 2 O/L INITIAL EXAM 01/22-01/26/2001		02/19/2001	02/23/2001	Not Applicable
2	U01421	MILLSTONE 2 O/L INITIAL EXAM 01/22-01/26/2001		03/12/2001	03/14/2001	Not Applicable
	71114	- EP PI VERIFICATION	1			
2	IP 71151	Performance Indicator Verification		02/26/2001	03/01/2001	Baseline Inspections
	7112101	- OCC RAD SAFETY - ACCESS	1			
2	IP 7112101	Access Control to Radiologically Significant Areas		04/09/2001	04/13/2001	Baseline Inspections
	7112201	- RETS	1			
2	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		05/07/2001	05/11/2001	Baseline Inspections
	71130	- SECURITY	1			
2	IP 7113001	Access Authorization Program (Behavior Observation Only)		05/21/2001	05/25/2001	Baseline Inspections
2	IP 7113002	Access Control (Search of Personnel, Packages, and Vehicles: Identification and Authorization)		05/21/2001	05/25/2001	Baseline Inspections
	71114	- EP PRGM REVIEW & PI	1			
2	IP 7111402	Alert and Notification System Testing		06/04/2001	06/08/2001	Baseline Inspections
2	IP 7111403	Emergency Response Organization Augmentation Testing		06/04/2001	06/08/2001	Baseline Inspections
2	IP 7111404	Emergency Action Level and Emergency Plan Changes		06/04/2001	06/08/2001	Baseline Inspections
2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		06/04/2001	06/08/2001	Baseline Inspections
2	IP 71151	Performance Indicator Verification		06/04/2001	06/08/2001	Baseline Inspections
	7112102	- OCC RAD SAFETY - ALARA	1			
2	IP 7112102	ALARA Planning and Controls		06/18/2001	06/22/2001	Baseline Inspections
	7112103	- OCC RAD SAFETY - CALIBRATION	1			
2	IP 7112103	Radiation Monitoring Instrumentation		08/13/2001	08/17/2001	Baseline Inspections

This report does not include INPO and OUTAGE activities.
This report shows only on-site and announced inspection procedures.

Millstone 3
Inspection / Activity Plan
12/03/2000 - 09/29/2001

ENCLOSURE

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	71152	- PROBLEM IDENTIFICATION & RESOLUTION	6			
3	IP 71152	Identification and Resolution of Problems		01/15/2001	01/19/2001	Baseline Inspections
3	IP 71152	Identification and Resolution of Problems		01/29/2001	02/02/2001	Baseline Inspections
	71121	- OCCUPATIONAL RAD SAFETY	1			
3	IP 7112101	Access Control to Radiologically Significant Areas		01/08/2001	01/12/2001	Baseline Inspections
3	IP 7112102	ALARA Planning and Controls		01/08/2001	01/12/2001	Baseline Inspections
3	IP 7112103	Radiation Monitoring Instrumentation		01/08/2001	01/12/2001	Baseline Inspections
	7113003	- SECURITY - RESPONSE	2			
3	IP 7113003	Response to Contingency Events (Protective Strategy and Implementation of Protective Strategy)		02/12/2001	02/16/2001	Baseline Inspections
	7111108	- ISI	1			
3	IP 7111108	Inservice Inspection Activities		02/26/2001	03/01/2001	Baseline Inspections
	71114	- EP PI VERIFICATION	1			
3	IP 71151	Performance Indicator Verification		02/26/2001	03/01/2001	Baseline Inspections
	7112102	- U3 OCCUPATIONAL RAD SAFETY	1			
3	IP 7112102	ALARA Planning and Controls		02/26/2001	03/02/2001	Baseline Inspections
	71130	- SECURITY	1			
3	IP 7113001	Access Authorization Program (Behavior Observation Only)		05/21/2001	05/25/2001	Baseline Inspections
3	IP 7113002	Access Control (Search of Personnel, Packages, and Vehicles: Identification and Authorization)		05/21/2001	05/25/2001	Baseline Inspections
	71114	- EP PRGM REVIEW & PI	1			
3	IP 7111402	Alert and Notification System Testing		06/04/2001	06/08/2001	Baseline Inspections
3	IP 7111403	Emergency Response Organization Augmentation Testing		06/04/2001	06/08/2001	Baseline Inspections
3	IP 7111404	Emergency Action Level and Emergency Plan Changes		06/04/2001	06/08/2001	Baseline Inspections
3	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		06/04/2001	06/08/2001	Baseline Inspections
3	IP 71151	Performance Indicator Verification		06/04/2001	06/08/2001	Baseline Inspections
	7111121	- U3 SSDI	6			
3	IP 7111102	Evaluation of Changes, Tests, or Experiments		08/13/2001	08/17/2001	Baseline Inspections
3	IP 7111121	Safety System Design and Performance Capability		08/13/2001	08/17/2001	Baseline Inspections
3	IP 7111121	Safety System Design and Performance Capability		08/27/2001	08/31/2001	Baseline Inspections
	7111105T	- FIRE PROTECTION - UNIT 3	5			
3	IP 7111105T	Fire Protection		09/24/2001	09/28/2001	Baseline Inspections

This report does not include INPO and OUTAGE activities.
This report shows only on-site and announced inspection procedures.