

March 30, 2000

MEMORANDUM TO: Samuel J. Collins, Director
Office of Nuclear Reactor Regulation

FROM: Hubert J. Miller **/RA/**
Regional Administrator

SUBJECT: N+1 STAFFING POLICY FOR RESIDENT INSPECTORS AT
MILLSTONE UNITS 2 AND 3

The purpose of this memorandum is to obtain your agreement that Millstone units 2 and 3 will continue to be considered single unit sites for resident inspector staffing purposes. Field Policy Manual No. 18 provides a process for granting exceptions to the current resident inspector staffing policy. Although I do not consider the approach at Millstone to be an exception to the policy, it is, nonetheless, an important matter on which I'm seeking your agreement in accordance with the spirit of the field policy.

Millstone units 2 and 3 have been treated as separate single-unit inspection projects since 1995. The past reasons for this approach were different reactor designs, separate unit organizations and poor licensee performance.

The significant difference between units continues to be the major factor in our staffing decisions. Unit 2 is a Combustion Engineering design for which Bechtel was the architect engineer in the 1975 time frame, while unit 3 is a Westinghouse design for which Stone and Webster was the architect engineer in the 1986 time frame. While the plants adjoin one another, there is very little shared equipment and the control rooms are physically separated and very different. Although the licensee has recently begun to move in the direction of a common site management organization and common station processes, it will realistically take some time before this restructuring is complete.

While licensee performance has improved since restart of the second unit in May 1999, the units continue to be Agency and Regional Focus plants pending further review at the May 2000 Senior Management Meeting. Like many other utilities, the licensee faces several significant challenges over the next couple of years relating to the transition to a competitive environment and the sale of the units. However, such activities will be particularly challenging at Millstone as the licensee is still in transition from the very large recovery project and organizational structure that was established during the extended shutdowns. This includes: significantly reducing the number of staff and management positions; completing work associated with the large (albeit lower significance) backlog of corrective action issues that emerged from the shutdown period; addressing equipment aging issues on Unit 2 that were deferred during the shutdown; and modifications needed to separate Unit 1 from the operating units. While the licensee has avoided significant safety conscious work environment and employee concerns problems that

existed in the past in staff reductions to this point, these will remain significant potential issues as the licensee completes the transition process.

Therefore, it is important that we continue to maintain a senior resident inspector at each operating unit, to provide unit-specific technical expertise and close oversight of the continuing organizational challenges. This will provide the added benefit of maintaining the public confidence, which has been painstakingly rebuilt since the extended shutdown.

Region I intends to revisit this approach periodically and whenever changes to the situation may warrant.

Samuel J. Collins

3

Distribution:

W. Travers, EDO

F. Miraglia, OEDO

J. Shea, OEDO

R. Zimmerman, NRR

J. Johnson, NRR

J. Zwolinski, NRR

E. Adensam, NRR

J. Clifford, NRR

Millstone Resident Office

H. Miller, RA

J. Wiggins, DRA

A. Blough, DRP

R. Crlenjak, DRP

J. Linville, DRP

M. Oprendeck, DRP

DOCUMENT NAME: C:\n+1excep.wpd

To receive a copy of this document, indicate in the box: "C" = Copy without attachment/enclosure "E" = Copy with attachment/enclosure "N" = No copy

OFFICE	RI/MID	RI/DRP	RI/DRP	RI/RA
NAME	Linville/meo	Crlenjak	Blough	Miller
DATE	3/8/2000	3/8/00	3/11/00	3/30/00

OFFICIAL RECORD COPY