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United States Nuclear Regulatory Commission
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**DEFERRAL OF INSERVICE INSPECTION PROGRAM EXAMINATIONS
HOPE CREEK NUCLEAR GENERATING STATION DOCKET NO. 50-354
FACILITY OPERATING LICENSE NOS. NPF-57**

- References:
1. Letter W. H. Bateman (NRC) to G. L. Vine (EPRI) October 28, 1999, *Safety Evaluation Report Related to EPRI Risk-Informed Inservice Inspection Procedure (TR-112657, Rev. B-A)*
 2. LRN-98-0228, E. C. Simpson (PSEG) to NRC dated May 11, 1998, *Hope Creek Generating Station ISI Program Submittal – Interval 2*

This letter provides notification of PSEG Nuclear LLC's (PSEG) intent to implement a Risk Informed Inservice Inspection (RI-ISI) approach starting in fall, 2004 during the twelfth refueling outage (RF12) at the Hope Creek Nuclear Generating Station.

PSEG plans to defer performance of some currently scheduled ASME Section XI class 1 and 2 Inservice Inspection (ISI) piping examinations at Hope Creek Nuclear Generating Station by one refueling cycle. Second ISI interval inspections for piping examination Categories B-F, B-J, C-F-1 and C-F-2, that were originally scheduled for the second refueling outage of the second period (RF11), will be deferred until the start of the third period (RF12). This will result in delaying a portion of second period inspections approximately 19 months, from April 2003 until October 2004. During RF11, PSEG Nuclear will still perform those class 1 and 2 examinations necessary to satisfy the Code-required percentage of examinations completed (50% minimum and 67% maximum), that can be credited for the second inspection period of the second ten-year interval, including any necessary Generic Letter 88-01 (IGSCC) type examinations. Delay of the remaining inspections will allow for the preparation, approval and implementation of a RI-ISI program. Since Code compliance is still being maintained, PSEG believes that a formal request for relief from NRC requirements is not needed.

This approach is consistent with NRC Information Notice 98-44, *Ten-Year Inservice Inspection (ISI) Program Update for Licensees that Intend to Implement Risk-Informed ISI of Piping*, which states that the staff will consider authorizing a delay up to two years in implementation of the next ten-year ISI program in order to allow sufficient time to develop and obtain approval for a RI-ISI program. Other Generic Letter 88-01 (IGSCC) and Code requirements (e.g., vessels, supports, class 3 inspections, pressure testing, repairs and replacements, etc.) must be conducted as required per current inservice inspection program requirements.

By letter LRN-98-0228 dated May 11, 1998 (Ref. 2), PSEG submitted and amended its second interval inservice inspection program. Hope Creek is now implementing its second ten-year inspection interval (ASME XI 1989 Edition), which started December 13, 1997 and will end in the fall of 2007 after completion of RF14.

Hope Creek will complete inspection requirements for the second inspection period after the scheduled outage in April 2003 (RF11) has concluded. Hope Creek intends to implement risk informed inservice inspection of piping during the first outage of the third period inspections (RF12) currently scheduled for Fall 2004. A revision to the inservice inspection program will be made to reflect risk informed methodology.

PSEG Nuclear intends to submit a risk informed inservice inspection (RI-ISI) program for Hope Creek Nuclear Generating Station, class 1 and 2 systems, by December 2003 in accordance with the alternative provision of 10 CFR 50.55a (a)(3)(i). This submittal will be based upon the risk-informed methodology of EPRI Technical Report TR-112657, Rev. B-A, accepted by the NRC in a letter and supporting Safety Evaluation Report dated October 28, 1999 (Ref. 1). Subsequent implementation of RI-ISI for ASME XI Categories B-F, B-J, C-F-1 and C-F-2 is expected to eliminate many inspections and contribute to significantly reduced accumulated personnel radiation exposure, greater focus for risk significant welds, increased efficiency for inservice inspections and cost savings.

The Hope Creek RI-ISI Program submittal will incorporate a mid-interval implementation. Such an approach is addressed in the NRC's SER associated with EPRI risk informed ISI, report TR-112657, Rev. B-A (Ref 1). Hope Creek will modify the second interval's third period examination schedule for piping categories B-F, B-J, C-F-1, C-F-2 to meet risk informed inservice inspection program and code requirements to maintain full compliance with the inspection completion percentages for the last period as required by ASME Section XI, Articles IWB-2412 and IWC-2412. Scheduling in this manner will coincide with the expected implementation date of the RI-ISI program and will avoid any lapses in the inspection cycle.

Other Generic Letter 88-01 (IGSCC) and Code required examinations (e.g., supports, vessels, class 3 inspections, pressure testing, repairs and replacements, etc.) will continue to be conducted as required by the inservice inspection program.

Since compliance with ASME Section XI is maintained, PSEG believes that a formal request for relief from NRC requirements is not needed.

Please direct any comments or questions to Carl Berger at (856) 339-1432.

Sincerely,

A handwritten signature in black ink, appearing to read "G. Salamon", with a long horizontal line extending to the right.

Gabor Salamon
Manager – Nuclear Safety and Licensing
PSEG Nuclear, LLC

C Mr. H. Miller, Regional Administrator - Region I
U. S. Nuclear Regulatory Commission
475 Allendale Road
King of Prussia, PA 19406

Mr. G. Wunder, Licensing Project Manager – Hope Creek
U. S. Nuclear Regulatory Commission
Mail Stop 08 C2
Washington, DC 20555

USNRC Resident Inspector Office (X24)

Mr. K. Tosch, Manager IV
Bureau of Nuclear Engineering
P. O. Box 415
Trenton, NJ 08625