

November 5, 2004

Mr. Tom Gurdziel

Dear Mr. Gurdziel:

I am responding to your e-mail of October 12, 2004, to the Office of Public Affairs in which you asked a number of questions relating to the *New York Times* article published on October 11, 2004, regarding PSEG Nuclear, LLC (PSEG or the licensee) and the October 10, 2004, reactor scram at the Hope Creek Generating Station (Hope Creek).

In reference to the October 11, 2004, *New York Times* article, you asked why a committee has not been formed in accordance with Inspection Manual Chapter (IMC) 0350. Although we recognize that there have been longstanding weaknesses in PSEG's implementation of the corrective actions process, due in part to a lack of a strong safety conscious work environment (SCWE), we believe that the Hope Creek and Salem Nuclear Generating Stations (Stations) have maintained acceptable margins of safety, in that these weaknesses have not manifested themselves in significant plant events or serious safety violations at the Stations. Additionally, PSEG's performance has remained in either the licensee or regulatory response columns of the NRC Action Matrix for the past several years. Consequently, we have concluded that entrance into the IMC 0350 process for the Stations is not appropriate.

It should be noted that while the NRC has not entered the Stations into the IMC 0350 process, our oversight has been proactive, including the creation of an internal NRC coordination team composed of experts in reactor oversight, SCWE, and related performance attributes. Also, the NRC has taken steps to augment the scope of currently planned inspections, as well as planning additional inspections to review the Stations' work environment. Additionally, the NRC will be reviewing SCWE-based performance indicators developed by PSEG to assess any changes in the work environment. This is in addition to the inspection efforts currently prescribed by the Reactor Oversight Process (ROP).

You also asked a number of questions relating to the October 10, 2004, reactor scram at Hope Creek. The first question was if the entire High Pressure Coolant Injection (HPCI) System was inoperable due to a tripped barometric condenser vacuum pump. Although the event report you reference does not address this, the HPCI system was not inoperable at that time because the barometric condenser vacuum pump is not required for HPCI system operability. Operators chose not to use the system because other plant systems were capable of providing adequate makeup and its use would have increased contamination levels in the HPCI room. The system remained available to perform its design function during the event.

Additionally, you asked if PSEG should have made an emergency action level (EAL) declaration during the event. On October 12, 2004, PSEG reported to the NRC that it did not declare an unusual event in accordance with the plant emergency classification guide. PSEG made this determination during a review of the actions specified by Technical Specifications (TSs) after

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the plant had been brought to Cold Shutdown. As discussed below, this after-the-fact discovery that an EAL declaration was required is being included in the scope of the NRC response to the event.

You also asked if Region I is sending an inspection team to follow up on the event. In response to the event, the Region I staff sent a special inspection team to the site. The team's ongoing inspection activities include 1) the failure of the 8" Moisture Separator Reheater return line, 2) equipment challenges encountered during the shutdown, 3) licensee compliance with TS requirements during the shutdown, and 4) the after-the-fact discovery that an EAL declaration was required.

Although this incident appears to be similar to the Japanese, Mihama Nuclear Plant, event in that it involved a steam leak in the turbine building, there are a number of differences. The Japanese event involved the rupture of a very large line containing high energy water, whereas the line at Hope Creek was considerably smaller and contained steam at a very low pressure. Additionally, the area where this leak occurred is typically not accessed during plant operation.

We appreciate you taking the time to engage the NRC in these matters. If you have any further questions regarding these issues, please call the Project Manager for Hope Creek, Mr. Daniel Collins, at (301) 415-1427.

Sincerely,

/RA/

Cornelius F. Holden, Director  
Project Directorate I  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

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