Question N.2.

Some critics call Salem/Hope Creek the Davis-Besse of Region I. Are there similarities? Should these plants be shut down until the problems are resolved?

Answer

1. The Salem and Hope Creek stations have operated with acceptable safety margins and have met all safety objectives. We have found no serious safety violations and have not concluded there has been a breakdown in the work environment. We have requested that PSEG assess the work environment at this time to enable the company to address potential issues before they become serious and impact on plant safety. This is the only area of similarity, in that potential issues if left unaddressed could potentially rise to the level experienced at Davis-Besse. Accordingly, based on the acceptable operation of Salem and Hope Creek, a shutdown would be inappropriate.

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Chairman/RI 03/26/04