

From: David Vito *WY*  
To: Glenn Meyer; Tracy Walker  
Date: Wed, Oct 15, 2003 3:58 PM  
Subject: Re: Allegation writeup

Glenn,

Please arrange a time to talk this through with Hub, tomorrow preferably (the letter is due out on Friday). I will make the other tweaks to the remainder of the document per Hub's comments, and bring that to the meeting, so that we can assure that all of his comments are addressed.

>>> Glenn Meyer 10/15/03 03:49PM >>>

Tracy - The attached file has my writeup of the response to allegation concern 1 (SCWE), as we discussed earlier today. I'm sorry I didn't get it to you sooner.

CC: A. Randolph Blough; Scott Barber

*B-32*

**Initial Response to Concern 1:**

We have evaluated the information you provided with regard to SCWE at Salem and Hope Creek to develop an appropriate review of this matter. We are sensitive to your concerns about the continued safe operation of these facilities and have informed the applicable Region I personnel about the nature of your concerns. Further, in your September 30, 2003, letter mailed electronically to the Regional Administrator, Region I, you requested an immediate shutdown of the Salem and Hope Creek facilities.

We share your anxiety regarding operations at Salem and Hope Creek and have for some time. We believe that improvements in operations are needed and that these facilities should be operated such that a higher assurance of safety exists. In light of our concerns we have pursued our regulatory program vigorously, including establishing substantive cross-cutting issues for problem identification and resolution at both Salem and Hope Creek in each of the last two assessments which we have performed semiannually and publicly issued. For example, the inspection resources expended at Salem for this year through September have exceeded the resources expended at any other site in Region I.

Nonetheless, we have concluded that acceptable safety margins still exist and that a directed shutdown of these facilities would be inappropriate currently. This conclusion is based on our inspection of events and day-to-day operations during the last 12 months, during which only one inspection finding (i.e., a Unit 1 diesel generator failure) had more than very low safety significance. In each event PSEG took acceptable, appropriate actions prior to restarting the reactors. Further, we have been aware of many of the incidents for which you have provided a unique internal look at the PSEG discussions, and we believe PSEG management eventually appears to have taken the correct action, such as shutting down the plant for repairs or to comply with the technical specifications.

In light of our concerns, the regional staff, including the Office of Investigations personnel, are reviewing your concerns as a matter of top priority. Thus far, four senior PSEG managers have been interviewed extensively, and contacts have been made to interview others soon. Should anything be conclusively revealed in these interviews, we will take appropriate regulatory actions. Also, we plan to continue to staff the resident inspector office with four highly qualified inspectors, to inspect the facilities with more than routine resources, and to pursue our regulatory program at every opportunity. Further, senior regional management has made three onsite assessments over the last 11 months, and we plan to maintain this pace of review and to perform another by December 2003.