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Public Service Electric and Gas Company 80 Park Place Newark, N.J. 07101 201/430-7373

December 4, 1978

Mr. Boyce H. Grier
Director of USNRC
Office of Inspection and Enforcement
Region 1
631 Park Avenue
King of Prussia, Pennsylvania 19406

Dear Mr. Grier:

NRC INSPECTION REPORT 50-272/78-27
INSPECTION DATE OCTOBER 31 - NOVEMBER 3, 1978
UNIT NO. 1 SALEM GENERATING STATION

We have reviewed the report of your inspection transmitted with your letter dated November 12, 1978, which was received on November 24, 1978. The following information is provided as response to your report:

As a result of management concern for the ineffective administration of Salem Generating Station identified during an internal audit of the station administrative practices, the following management action has been taken:

1. Three senior staff engineers from the Production Department General Office were assigned for an indefinite period to investigate administrative problems identified in these audits or further identified by station supervisory personnel, and to prepare the necessary program changes required to effectively manage station operations. They investigated and prepared revisions for twenty-three specific areas which included corrections to findings discovered during the course of the review of the Administrative Procedures. These revisions are currently being processed for required reviews and issue.

Public Service Electric and Gas Company will continue its review to simplify and clarify the Administrative Procedures to further promote and assure full implementation. The review will be accomplished by March 1, 1979. The results of our review will be recorded and will be available for examination at the station.

2. A comprehensive training program has been implemented, whereby, all station supervisory personnel are being trained in performance of their duties as identified in the Station Administrative Procedures. This training will continue until

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all Administrative Procedures are covered under the program and will be re-instituted whenever substantial administrative procedure changes are contemplated.

The items identified in Paragraph 2 of the inspection report have been re-grouped to correspond to our corrective action.

A. Work Orders

- Work Order Forms specified in Administrative Procedure AP-9 differ from forms actually in use.
- Work Order Forms in use make no provision for documenting test requirements following the completion of maintenance.
- Administrative procedural requirements for the retention of completed work orders (AP-9) differ from the method of retention actually practiced.
- A work order for which an incident report was written did not have the related block checked on the completed work order.
- No post maintenance check-out was specified on one completed work order.
- Approved Maintenance Department Procedure A-6 refers to a Work Order Form that has not yet been issued.

Our response to the above items is as follows:

In an attempt to improve the productivity, efficiency and control of the maintenance resources of its generating stations, Public Service Electric and Gas Company has initiated implementation of the Repair and Maintenance Procedures System (RAMPS). This program requires revisions to the work order system for the Salem Generating Station which will result in a new Work Order Form.

Preliminary familiarization lectures on RAMPS were held as early as June of 1978, and the revised procedures necessary to implement this program were issued to station personnel in draft form for review. As a result of this distribution of information, station personnel became less concerned with complying with procedures which were believed to be obsolete, even though new procedures had not yet been implemented.

Administrative Procedure 9 (Work Order System) and Administrative Procedure 25 (Control of Station Repair and Maintenance) have been revised to comply with the RAMPS program. The Procedures will be implemented as soon as training in the new requirements is completed. This training is scheduled for completion by January 1, 1979.

B. Material Control

- A method of purchasing safety related spare parts exist (Direct Charge), whereby, the safety related spare part issuance and storage requirements of AP-19 can be bypassed.
- No material traceability was included on one completed work order. Material was stated as having been obtained from Unit 2 using a "101 Form". The use of a "101 Form" is not described in facility administrative procedures.

Our response to the above items is as follows:

Direct charge items are material or parts which are required to complete a specific job. Administrative Procedure 19 (Procurement, Receiving, Storage, Issue and Shipping of Spare Parts and Material) applies to direct charge items as well as those items ordered for Storeroom stock. The system has broken down when direct charge material is not promptly installed and not returned to the Storeroom as required by the Administrative Procedure. This matter will be emphasized during the training program and will be included in the station QA surveillance program during the next six months to evaluate the effectiveness of the training to assure compliance.

The use of the 101 Form is addressed in the Project Construction Department Manual and traceability of material is not lost through the proper use of the 101 Form. Problems may occur, however, in the timeliness of receipt of the form from construction personnel. In the identified item above, the 101 Form had not been received at the time the work order was complete and could not, therefore, be properly referenced. The Administrative Procedure (AP-19) for control of spare parts and materials will be revised by January 1, 1979, to assure the traceability of material received from construction personnel.

C. Equipment Classification

- Project Directive No. 7, used in the preparation of work orders, which identified safety related components, was noted to be in need of revision.

Our response to the above item is as follows:

Responsibility for maintenance of the Equipment Classification List has been recently transferred from the Projects Organization to the Engineering Department of Public Service Electric and Gas Company. Listing of elements of components and designation of components which are functionally safety related vs. seismically qualified, are presently under consideration by the Engineering and Production Departments. This investigation and plan for upgrading the Equipment Classification List will be completed by March 1, 1979.

D. Technical Document Room Procedures

- AP-12 states, "The collection, return, or destruction of station records shall be under the control of the TDR as per the Document Room Procedures." No Document Room Procedures were stated to have been issued.

Our response to the above item is as follows:

Document Room Procedures were prepared and utilized by TDR personnel. Management review and approval of these procedures was never completed because of changes in reporting responsibilities. These procedures have been rewritten and will be reviewed and issued by December 15, 1978.

E. Fire Protection Surveillance Procedures

- There is no administrative procedure governing the format and content of surveillance procedures, consequently, a number of fire protection system surveillance procedures were issued which did not meet requirements.

Our response to the above item is as follows:

Administrative Procedure 17 (Operational Quality Assurance Program) addresses the format and content of surveillance procedures. The Fire Fighting Manual will be revised by January 1, 1979 to include instructions that detail the administrative requirements of fire protection surveil-

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lance procedures. All fire protection surveillance procedures will be in conformance with the administrative requirements by January 1, 1979.

To assure that these corrective actions are effective, the inspection and surveillance program will be intensified.

If you require additional information, we will be pleased to discuss it with you.

Sincerely,

