

MAR 23 1992

EA No. 92-50
Docket Nos. 50-272
50-311

Public Service Electric and Gas Company
ATTN: Steven Miltenberger
Vice President and Chief Nuclear Officer
P.O. Box 236
Hancocks Bridge, New Jersey 08038

Dear Mr. Miltenberger

Subject: NRC Combined Inspection 50-272/91-32; 50-333/91-33

The findings of the subject NRC inspection were previously provided to you in our letter dated January 16, 1992. Our letter included a request for additional information relative to control room habitability and granted an extension to February 28, 1992 for the submittal of a safety evaluation of control room habitability relative to on-site storage of ammonium hydroxide. The requested information was subsequently provided to us in your letter dated February 28, 1992. Accordingly, the inspection period was extended through March 6, 1992 to review the information contained in your letter.

From our review of the information provided in your letter we understand that an error in design review resulted in your failure to evaluate the potential impact on control room habitability relative to the on-site storage of ammonium hydroxide. The review of such chemicals was specifically required by NUREG 0737 (Item III.D.3.4), and confirmed by an ORDER CONFIRMING LICENSEE COMMITMENTS ON POST-TMI RELATED ISSUES, transmitted to PSE&G in a letter dated July 10, 1981.

Upon review of your submittal, we have determined that PSE&G's failure to evaluate the impact on control room habitability relative to the on-site storage of the ammonium hydroxide is an apparent violation of the requirements of the July 10, 1981 Order. Accordingly, we are considering this matter for escalated enforcement action in accordance with the "The General Statement of Policy and Procedure for NRC Enforcement Actions" (Enforcement Policy), 10 CFR Part 2, Appendix C (1991). Proposed enforcement action is pending the completion of NRC review of this matter. A description of the finding is enclosed and is subject to change as a result of further NRC review.

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This matter was previously discussed in a telephone conversation between you and John White of this office on March 18, 1992. Accordingly, an enforcement conference to examine this apparent violation has been scheduled in Region I on April 9, 1992, at 2:00 p.m. The purposes of this conference are to discuss the apparent violation, including the cause(s) and safety significance; to provide you with an opportunity to identify any factual errors in our inspection report; to identify corrective actions, taken or planned; and to discuss any other information that will help us determine the appropriate enforcement action in accordance with the Enforcement Policy. You should be prepared to discuss this matter relative to impact on control room habitability for the Hope Creek and Salem Generating Stations. Further, in view of this apparent deficiency, your staff should also be prepared to provide an assessment of the adequacy of other actions taken relative to the commitments confirmed by the July 10, 1981 Order.

No response regarding this apparent violation is required at this time. In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and the enclosure will be placed in the NRC Public Document Room. Thank you for your cooperation.

Sincerely,

Original Signed

C. William Hehl, Director
Division of Reactor Projects

Enclosure As Stated

cc w/encl:

S. LaBruna, Vice President-Nuclear Operations
C. Vondra, General Manager-Salem Operations
J. Hagan, General Manager-Hope Creek Operations
F. Thompson, Manager, Licensing and Regulation
C. Schaefer, External Operations-Nuclear, Delmarva Power and Light
J. Robb, Director, Joint Owner Affairs
A. Tapert, Program Administrator
L. Reiter, General Manager, QA and Nuclear Safety Review
M. J. Wetterhahn, Esquire
R. Fryling Jr., Esquire
J. Isabella, Director, Generation Projects Department, Atlantic Electric Company
D. Wersan, Assistant Consumer Advocate, Office of Consumer Advocate
J. Lipoti, State of New Jersey,
K. Abraham, Public Affairs Officer, NRC Region I
Lower Alloways Creek Township
Public Document Room (PDR)
Local Public Document Room (LPDR)
Nuclear Safety Information Center (NSIC)
NRC Resident Inspector
State of New Jersey

bcc w/encl:
 Region I Docket Room (with concurrences)
 Management Assistant, DRMA (w/o encls.)
 T. Martin, RA
 W. Kane, DRA
 C. Hehl, DRP
 W. Hodges, DRS
 W. Lanning, DRS
 J. Trapp, DRS
 M. Knapp, DRSS
 R. Cooper, DRSS
 J. Joyner, DRSS
 R. Nimitz, DRSS
 J. White, DRP
 K. Abraham, PAO (2)
 R. Blough, DRP
 J. Stone, NRR
 S. Dembek, NRR
 C. Miller, NRR
 R. Lobel, OEDO
 K. Smith, RC
 D. Holody, Enforcement Coordinator
 J. Lieberman, OE

RI:DRP

RI:DRSS

RI:DRSS RI:DRP

RI:DRP

J White
 3/19/92

R Nimitz
 3/19/92

J Joyner *R Blough*
 3/19/92 3/23/92

W Hehl
 3/19/92

OFFICIAL RECORD COPY

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ENCLOSURE

NRC INSPECTION FINDING (NRC INSPECTION REPORT 50-272/91-32; 50-311/91-33)
CONSIDERED FOR ESCALATED ENFORCEMENT ACTION

NUREG 0737, Clarification of TMI Action Plan Requirements, was published in November 1980. The NUREG provided a description of certain post-TMI action requirements, including implementation dates. One such requirement was Item III.D.3.4, Control Room Habitability Requirements. The item required that licensees assure that control room operators will be adequately protected from, among other elements, the accidental release of toxic gases. The item provided criteria to be used by the licensee to review control room habitability and specified a completion date of January 1, 1981.

On July 10, 1981, an "Order Confirming Licensee Commitments on Post-TMI Related Issues" was issued to the licensee. The Order applied to Unit 1 and was issued for the purpose of encouraging completion of NUREG 0737 items consistent with the NRC staff's schedule. The Order was based on information provided in the licensee's December 15, 1980 letter. The Attachment to the Order re-stated the due date contained in NUREG 0737 (January 1, 1981) for completion of the control room habitability review.

The Order specified that it was effective immediately and that the licensee shall satisfy the specific requirements described in the Attachment to the Order (as appropriate to the licensee's facility) as early as practicable, but no later than 60 days after the effective date of the ORDER. Based on information provided by the licensee, the staff relied on the licensee's previous letter dated December 15, 1980, which stated that the review was complete and no modifications were necessary relative to this matter.

During the period between December 16 and 19, 1991, a representative of NRC Region I conducted an inspection (Reference NRC Combined Inspection Report Nos. 50-272/91-32; 50-311/91-33, dated January 16, 1992) of the licensee's facility, including review of matters previously raised by the NRC Region I staff related to control room habitability (Reference NRC Combined Inspection Report Nos. 50-272/91-25; 50-311/91-25, dated September 26, 1991).

In a letter dated February 28, 1992, to the NRC, the licensee provided additional information on this issue in response to a request for additional information expressed in the NRC correspondence dated January 16, 1992. From review of this submittal, the NRC determined that the licensee did not satisfy the specific requirements of NUREG 0737 Item III.D.3.4 in that, as of September 13, 1991, the licensee had not actually recognized nor evaluated the potential impact on control room habitability from the on-site storage and transfer of ammonium hydroxide. Specifically, though the licensee's December 15, 1980 letter to the NRC, upon which the Order was based, stated that NUREG 0737 Item III.D.3.4 was complete, the licensee did not consider any habitability concerns associated with transfer to,

and storage of ammonium hydroxide in a 3000 gallon storage tank located on the 120' elevation of the Unit 1 Turbine Building.

In addition, the licensee's responses dated July 1, 1980, and August 13, 1980, submitted, in part, in response to NUREG 0737 Item III.D.3.4, and to support licensing of Unit 2, failed to address the on-site storage of ammonium hydroxide relative to the potential adverse impact on control room habitability.

Although the licensee took immediate compensatory measures, this matter is of concern because the licensee's evaluation of the ammonium hydroxide, provided in the February 28, 1992 submittal, revealed that the chemical actually posed a potential hazard to control room habitability.