Mr. Leon R. Eliason President and Chief Nuclear Officer Public Service Electric and Gas Company P.O. Box 236 Hancocks Bridge, NJ 08038

SUBJECT: SALEM RESIDENT INSPECTION NOS. 50-272/95-19; 50-311/95-19

Dear Mr. Eliason:

The enclosed report documents an inspection for public health and safety, conducted by Mr. C. Marschall, Senior Resident Inspector and other members of the NRC resident and regional staff at the Salem Nuclear Generating Station for the period between October 15, 1995 and November 18, 1995. The inspectors discussed the findings of this inspection with Messrs. C. Warren, General Manager-Salem operations, and other members of your staff.

This report contains inspection findings of the resident inspection staff as well as findings from other inspections which were performed during the time period indicated. The findings from inspectors other than the resident inspectors are provided as attachments to this report with a separate cover which details areas inspected and includes the signatures of the lead inspector and the cognizant branch chief. The overall conclusions will be reflected in the Executive Summary for the complete report. We are taking this approach to better integrate our inspection findings into a consistent regulatory message and more clearly communicate how these findings may reflect a change in your performance.

During this inspection period, we found additional examples of operators not challenging engineering evaluations and untimely corrective action. We noted improved performance relative to management oversight of maintenance activities, however, we remain concerned with your continued work control process deficiencies. We understand you implemented corrective measures to address identified deficiencies, however, we have not yet seen a sustained improvement in work control. In addition, we noted that you did not have an effective process for initiating procedures to prepare the site for severe weather.

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Within the scope of this inspection, the inspectors identified several examples of personnel not following procedure requirements, particularly in the control of maintenance and in the tagging process. Procedure adherence is a previously identified problem. The NRC has taken escalated enforcement action in response to this problem, and we recognize you volunteered to keep the plants shut down for a prolonged period to address programmatic and longstanding issues, including work control and tagging. For these reasons we will not cite the violations, but we remain concerned with your poor performance as noted herein. No reply to this letter is required. In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures will be placed in the NRC Public Document Room.

Your cooperation with us is appreciated.

Sincerely,

ORIGINAL SIGNED BY:

Larry E. Nicholson, Chief Projects Section No. 3 Division of Reactor Projects

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Docket Nos. 50-272 50-311

Enclosure: NRC Inspection Report Nos. 50-272/95-19; 50-311/95-19

cc w/encl:

L. Storz, Senior Vice President - Nuclear Operations

E. Simpson, Senior Vice President - Nuclear Engineering

C. Schaefer, External Operations - Nuclear, Delmarva Power & Light Co.

R. Burricelli, Director - External Affairs

C. Warren, General Manager - Salem Operations J. Benjamin, General Manager - Quality Assurance & Nuclear Safety Review

F. Thomson, Manager, Licensing and Regulation

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State of New Jersey State of Delaware

E. Salowitz, Director - Nuclear Business Support

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Distribution w/encl: Region I Docket Room (with concurrences) K. Gallagher Nuclear Safety Information Center (NSIC) D. Screnci, PAO (2) NRC Resident Inspector **PUBLIC** 

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