

March 26, 1996

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. 50-272/96-01; 50-311/96-01

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 January 14, 1996 and February 24, 1996. 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 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.

During the inspection period we observed some improvement in operator safety focus and use of procedures by maintenance personnel. We also, however, continued to observe examples of failure to adhere to procedures, inadequate control of plant configuration, and weak corrective action.

Sufficient attention was given to the design and performance issues related to the emergency diesel generators and the Hagan modules. The discrepancies identified by the inspector in these areas, however, indicate that more thorough reviews and independent reviews of design documents and requirements by engineering are warranted.

Our inspection of a January 24, 1996, service water piping fire revealed that you did not adequately assess internal operating experience and failed to effectively implement adequate corrective actions from four previous similar fires which resulted in the enclosed violation of NRC requirements. An additional violation of NRC requirements was identified for personnel failing to adhere to fire protection procedures that governed control of combustibles. Based on this review, the inspector concluded that PSE&G's performance for minimizing both the probability and consequences of fires during service water demolition work was less than adequate.

Based on the results of this inspection, it appears that certain of your activities were not conducted in full compliance with NRC requirements, as set forth in the Notice of Violation. In accordance with 10 CFR 2.790 of the

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Mr. Leon R. Eliason

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Your cooperation with us is appreciated.

Sincerely,

ORIGINAL SIGNED BY G. SCOTT BARBER FOR:

Larry E. Nicholson, Chief  
Projects Branch 3  
Division of Reactor Projects

Docket Nos. 50-272  
50-311

Enclosures:

1. Appendix A, Notice of Violation
2. NRC Inspection Report Nos. 50-272/96-01; 50-311/96-01
3. Appendix B, Fire Protection Documents Reviewed

cc w/encl:

L. Storz, Senior Vice President - Nuclear Operations  
E. Simpson, Senior Vice President - Nuclear Engineering  
E. Salowitz, Director - Nuclear Business Support  
C. Schaefer, External Operations - Nuclear, Delmarva Power & Light Co.  
C. Warren, General Manager - Salem Operations  
J. Benjamin, Director - Quality Assurance & Nuclear Safety Review  
D. Powell, Manager, Licensing and Regulation  
R. Kankus, Joint Owner Affairs  
A. Tapert, Program Administrator  
R. Fryling, Jr., Esquire  
M. Wetterhahn, Esquire  
P. MacFarland Goetz, Manager, Joint Generation  
Atlantic Electric  
Consumer Advocate, Office of Consumer Advocate  
William Conklin, Public Safety Consultant, Lower Alloways Creek Township  
Public Service Commission of Maryland  
State of New Jersey  
State of Delaware

Mr. Leon R. Eliason

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