

DEP

January 8, 1997

Mr. Leon R. Eliason  
Chief Nuclear Officer and President  
Nuclear Business Unit  
Public Service Electric and Gas Company  
Post Office Box 236  
Hancocks Bridge, NJ 08038

**SUBJECT: NRC INTEGRATED INSPECTION REPORT 50-272/96-17, 50-311/96-17  
NOTICE OF VIOLATION**

Dear Mr. Eliason:

On December 14, 1996, the NRC completed an inspection at your Salem 1 & 2 reactor facilities. The enclosed report presents the results of that inspection, including a radiation controls inspection of the Salem Unit 1 steam generator replacement outage conducted between November 3 and December 14, 1996.

During the 6-week period covered by this inspection, we noted conservative decisions by your operators and thorough preparation for refueling Salem Unit 2. We also observed improved performance in maintenance and that the quality of safety evaluations had improved as a result of better procedures and good training. We noted, however, one violation of NRC requirements. The NRC inspectors identified that plant staff connected safety related and non-safety related portions of the control air system without first determining whether it involved an unreviewed safety question, as required by 10 CFR 50.59.

The violation is cited in the enclosed Notice of Violation, and the circumstances surrounding the violation are described in detail in the enclosed report. Please note that you are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

During the inspection period, inspections were conducted of the radiation controls program implementation during outage conditions for both Salem units. The inspection also included the review of the Salem Unit 1 steam generator replacement and transportation offsite of a steam generator for disposal. A noteworthy weakness was identified in the resolution of issues identified in radiological occurrence reports. Please respond to this report within 30 days of receipt of this letter and indicate your planned corrective actions to address this weakness.

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Mr. Leon R. Eliason

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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 (PDR).

Sincerely,

ORIGINAL SIGNED BY:

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

Docket Nos.: 50-272, 50-311  
License Nos: ~~DPR-70~~, DPR-75

Enclosures: Notice of Violation  
Inspection Report 50-272/96-17, 50-311/96-17

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.  
D. Garchow, 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 Goelz, 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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