

May 30, 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 COMBINED INSPECTION REPORT 50-272/97-06, 50-311/97-06 AND
NOTICE OF VIOLATION

Dear Mr. Eliason:

On April 12, 1997, the NRC completed an inspection at your Salem 1 & 2 reactor facilities. The enclosed report presents the results of that inspection.

While we continue to believe that the Integrated Test Program, and its associated management oversight are appropriate for the restart of Salem Unit 2, we have found problems with the implementation of the program. We are concerned about violations of NRC requirements that we identified. We are particularly concerned about the failures to conduct testing in accordance with approved procedures which are documented in the attached report and Notice of Violation, since the extended outage was intended, in part, to enable you to resolve personnel performance issues. These further examples of procedural non-compliance call into question the efficacy of your corrective actions for this testing problems.

These violations are cited in the enclosed Notice of Violation, and the circumstances surrounding the violations 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.

In addition, we identified inadequacies in procedures for testing the Control Room Area Air Conditioning System. These deficiencies were identified after you had completed your corrective actions for the deficiencies identified in the Notice of Violation issued with NRC Inspection Report 50-311/96-21. We note that prior to, and subsequent to, the issue of your letter of April 11, 1997, PSE&G also identified additional inadequacies in the content of Control Room Area Air Conditioning System test procedures. We ask that you review your April 11, 1997, response, and amend it, as necessary, to address these additional examples of the violation.

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Q PDR

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,

William H. Ruland, Chief
Electrical Engineering Branch
Division of Reactor Safety

Docket Nos: 50-272, 50-311

Enclosures:

1. Notice of Violation
2. Combined Inspection Report No. 50-272/97-06, 50-311/97-06

cc w/encls:

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E. Simpson, Senior Vice President - Nuclear Engineering
E. Salowitz, Director - Nuclear Business Support
A. F. Kirby, III, External Operations - Nuclear, Delmarva Power & Light Co.
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J. Benjamin, Director - Quality Assurance & Nuclear Safety Review
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Public Service Commission of Maryland
State of New Jersey
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Mr. Leon R. Eliason

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