



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

June 10, 1998

LICENSEE: Public Service Electric and Gas Company

FACILITIES: Hope Creek Generating Station
Salem Nuclear Generating Station, Unit Nos. 1 and 2

SUBJECT: SUMMARY OF MAY 26, 1998, MEETING REGARDING PROPOSED
QUALITY ASSURANCE PROGRAM CHANGES

This summary refers to the meeting with Public Service Electric and Gas Company (PSE&G) conducted on May 26, 1998, at the U.S. Nuclear Regulatory Commission (NRC) office in Rockville, Maryland. The meeting was held at the request of PSE&G to discuss proposed changes to the Quality Assurance (QA) Program for the Hope Creek Generating Station and Salem Nuclear Generating Station, Unit Nos. 1 and 2. A list of the attendees at the meeting and a copy of the slides presented by PSE&G are enclosed.

The purpose of the meeting was to resolve the questions submitted to PSE&G via the NRC's request for additional information dated April 8, 1998. The request for additional information was submitted in response to PSE&G's request to make changes to the QA Program dated February 13, 1998. The PSE&G presentation closely followed the material in their slides provided at the meeting (Enclosure 2). The following major topics were discussed:

1. PSE&G's definition of "qualified specialists" will be added to the Updated Final Safety Analysis Report Section 17.2.
2. PSE&G's request to delete site grading audits will be withdrawn. These audits will be included as part of the Engineering audits performed for plant modifications.
3. The responsibilities of the Procurement Assessment (PA) organization as shown on the slides were discussed. The activities of the PA organization will be audited by the Quality Assessment organization. PSE&G stated that there is precedent for a procurement group that is independent of the QA organization (e.g., South Carolina Electric and Gas, Carolina Power and Light, and Wolf Creek). The NRC staff will review the precedent for the referenced utilities.
4. The auditing of fuel installation activities will continue to be performed by the Quality Assessment organization. This will be clarified in PSE&G's submittal.

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5. PSE&G plans to resubmit a revised request for changes to the QA Program by June 15, 1998.

/s/

Richard B. Ennis, Acting Project Manager
Project Directorate I-2
Division of Reactor Projects - I/II
Office of Nuclear Reactor Regulation

Enclosures: 1. Attendance List
2. PSE&G Slides

Docket Nos. 50-272, 50-311,
and 50-354

cc w/enclosures: See next page

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SBlack
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JLinville, RGN-1
BMcCabe (BCM)
TMartin (SLM3)

OFFICE	PDI-2/PM	PDI-3/LA	HQMB/BC	PDI-2/D
NAME	REnnis:mw	TClark <i>JC</i>	SBlack <i>SB</i>	RCapra <i>RC</i>
DATE	6/4/98	6/14/98	6/19/98	6/19/98

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DOCUMENT NAME: HCSA5-26.MTS

5. PSE&G plans to resubmit a revised request for changes to the QA Program by June 15, 1998.



Richard B. Ennis, Acting Project Manager
Project Directorate I-2
Division of Reactor Projects - I/II
Office of Nuclear Reactor Regulation

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and 50-354

cc w/enclosures: See next page

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Units 1 and 2, and
Hope Creek Generating Station

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MEETING ATTENDANCE LIST

Licensee: Public Service Electric and Gas Company
Plant(s): Hope Creek; Salem, Units 1 and 2
Subject: Quality Assurance Program Changes

Date: May 26, 1998 Time: 10:00 a.m.

Location: NRC Offices, OWFN Room 1-F-5

<u>NAME</u>	<u>TITLE</u>	<u>ORGANIZATION</u>
<u>NRC STAFF</u>		
R. Capra	Project Director	NRR/DRPE/PD1-2
R. Ennis	Acting Project Manager	NRR/DRPE/PD1-2
S. Black	Branch Chief	NRR/DRCH/HQMB
R. Gramm	Section Chief	NRR/DRCH/HQMB
L. Campbell	Reactor Engineer	NRR/DRCH/HQMB
<u>PSE&G</u>		
D. Crouch	Manager	Nuclear Procurement & Materials Management
C. Fricker	Manager	Quality Assessment
M. Maradeo	Supervisor	Material & Supplier Plant Support
G. Phelps	Specialist	Material & Supplier Plant Support
G. Salamon	Manager	Hope Creek Licensing
C. Manges	Senior Engineer	Hope Creek Licensing

**PSE&G/NRC MEETING ON
PROCUREMENT ASSESSMENT
ORGANIZATION CHANGES**

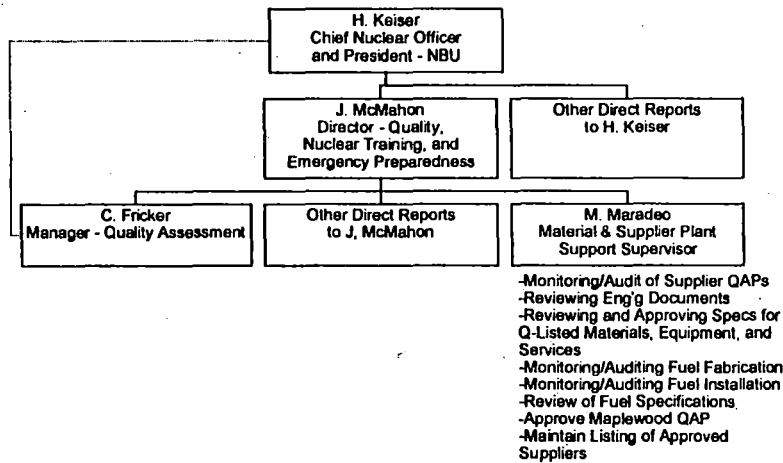
MAY 26, 1998

QUALIFIED SPECIALISTS/ SITE GRADING AUDITS

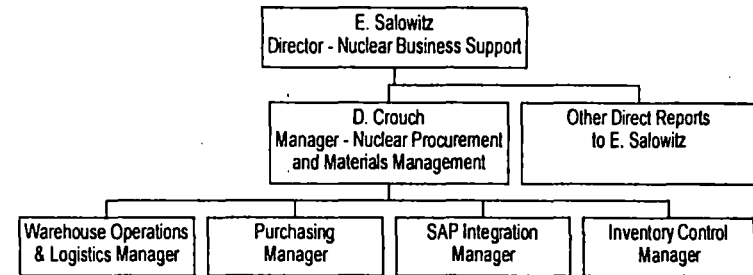
- **Qualified Specialists**
 - Personnel with Certified Proficiency in the Area of Review
 - NDE Procedure Reviews Performed By Discipline Specific Level III
 - Review of Other Procedures/Reports Performed By Personnel Qualified In Accordance With PSE&G Engineering Support Personnel Program Based on INPO ACAD-91-017
- **The Request to Delete Site Grading Audits**
 - Requirement Was Added During Licensing Process for Hope Creek
 - Will Be Withdrawn - Re-Evaluation Has Determined that These Audits Are Not Overly Burdensome

BRIEF REVIEW OF PROPOSED CHANGES

Current QA Organization

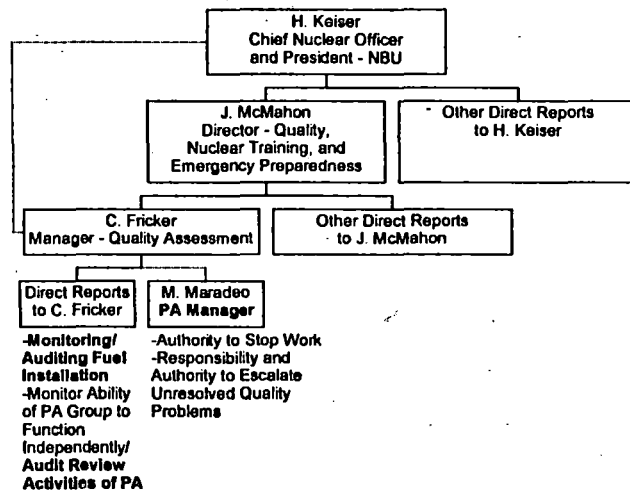


Current Procurement Organization

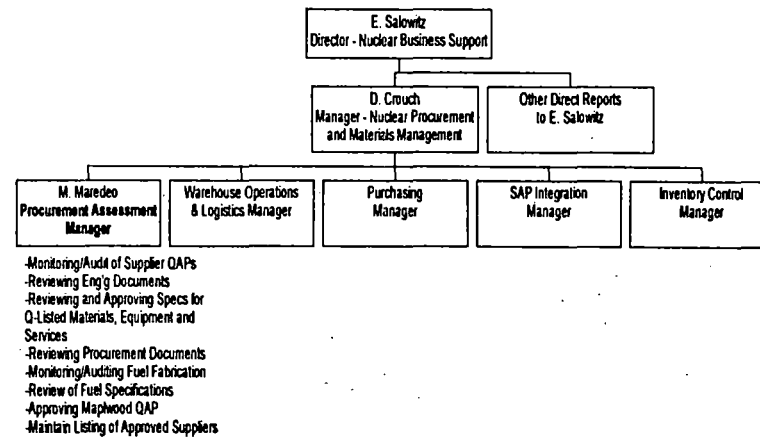


BRIEF REVIEW OF PROPOSED CHANGES

Proposed QA Organization



Proposed Procurement Organization



RAI ITEM 1
REVIEW OF ENG'G AND PROCUREMENT
DOCUMENTS/REVIEW AND APPROVAL OF
SPECIFICATIONS FOR Q-LISTED
MATERIALS/EQUIPMENT/SERVICES

- **These Functions Will Be Audited for Procedural Compliance and Implementation by the Quality Assessment Organization**

RAI ITEM 3

AUDITING OF FUEL INSTALLATION

- We Agree - Auditing of Fuel Installation Has Always Been Performed By QA Personnel with Support from the PA Fuels Specialist - Our Submittal Will Be Clarified

**RAI ITEMS 2 AND 4
REVIEW AND AUDITING OF VENDOR/
MAPLEWOOD TEST FACILITY QA PROGRAMS**

- **PA Manager Will Have Access to Manager - QA**
- **PA Functions Will Be Audited by the QA Organization**
- **PA Group Head Upgraded to a Manager Position**
- **Precedent At Other Plants**

COMPLIANCE WITH CRITERION 1

- PA Will Have Sufficient Authority and Organizational Freedom and Sufficient Independence From Cost and Schedule
 - PA Group Head Position Upgraded to Manager
 - Direct Access to Manager - QA
 - Authority to Stop Work/Escalate Quality Problems
 - Assessment of All PA Functions/Activities Will Be Performed by the QA organization