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Mr. David C. Lew Regional Administrator U.S. Nuclear Regulatory Commission, Region 1 2100 Renaissance Blvd., Suite 100 King of Prussia, PA 19406-2713

> Salem and Hope Creek Generating Stations Renewed Facility Operating License Nos. DPR-70, DPR-75 and NPF-57 NRC Docket Nos. 50-272, 50-311 and 50-354

Subject: Resident Inspector Staffing at Salem and Hope Creek Generating Stations

PSEG Nuclear, LLC (PSEG) requests that the NRC review the current resident inspector staffing at the Salem and Hope Creek Generating Stations with respect to the policy described in SECY-99-227, "N+1 Resident Inspector Staffing Policy," and align it with the level described in the policy for a multi-unit site consisting of three units. This request is based on organizational and governance alignment initiatives which have been implemented by PSEG and sustained over the past two years, specifically for the purpose of operating the site as a single nuclear generating facility. This is a difference from when the Commission approved SECY-99-227, at which time Salem and Hope Creek were operating more as independent business units, and while sharing certain resources and experience, were not operated under a common organization and governance structure, as is the case today. The Salem and Hope Creek Generating Stations are co-located at the same site within a common protected area. The significant regulatory processes for all three operating units are governed under a common organizational structure reporting to a single Chief Nuclear Officer (CNO), and accountability for site performance is owned by a single nuclear business unit, PSEG Power, LLC.

Due to the organization structure and common governance and accountability model described above, the site's resident inspectors performing on-site inspection activities have the ability to interact with a single overall licensee organization that maintains comprehensive knowledge of and responsibility for all three units. While there are differences between Hope Creek and Salem Units 1 and 2, these differences are primarily due to structures, systems and components and programs specific to either pressurized water reactor (PWR) or boiling water reactor (BWR) technology. These differences are well known within the industry and have also been addressed by established NRC inspection procedures that support the on-site inspection activities performed by resident inspectors. PSEG recognizes that having the two different types of facilities co-located at the same site is not typical. However, for the purpose of considering the assigned resident inspector staffing level at the site, PSEG considers this difference to be addressed by a number of other factors, consistent with the discussion in SECY-99-227.

The Salem and Hope Creek Generating Stations current performance and performance improvement trajectory has been achieved with the fleet organizational structure implementing the common governance and accountability model previously described. The site is located in proximity to other nuclear sites as well as the NRC Region I office, therefore facilitating the ability for the NRC to efficiently apply additional inspection resources, if warranted. Each NRC Region includes both PWR and BWR facilities, therefore the co-location of PWR units and a BWR unit at a single site should not in and of itself present significant challenges to either NRC resident inspectors located at the site (in rotational tours of duty) or other inspectors supporting from the Region.

For these reasons, the Salem and Hope Creek Generating Stations should be appropriately considered collectively as a triple unit site for the purposes of resident inspector staffing, rather than the current staffing which corresponds to separate dual-unit and single unit sites. Per SECY-99-227, a triple unit site would consist of three resident inspectors and N+1 vacancies at multi-unit sites would not be refilled unless unique conditions warrant. This request would be expected to increase efficiency and effectiveness by allowing NRC inspection resources to be assigned where they are most needed, while maintaining the flexibility for resident inspectors to facilitate site coverage and preserving the ability to participate in off-site activities such as inspections at other sites and training, consistent with the discussion in SECY-99-227.

This request, if approved, would align NRC inspection resources at the Salem and Hope Creek site with the current baseline inspection requirements for a triple unit site, and is consistent with NRC Transformation effort and recent industry initiatives including Nuclear Energy Institute (NEI) recommendations for Reactor Oversight Process (ROP) enhancements. It is also anticipated to result in consolidation of the quarterly integrated inspection reports and annual inspection reports for the Salem and Hope Creek Generating Stations, as deemed appropriate by the NRC.

Should you have any questions or comments regarding the submittal, please contact Mr. David Mannai, Senior Director, Regulatory Operations and Nuclear Oversight at 856-339-2061.

There are no regulatory commitments contained in this letter.

Sincerely.

Peter P. Sena

President and Chief Nuclear Officer

cc: Document Control Desk

U.S. Nuclear Regulatory Commission; Deputy Executive Director for Materials, Waste, Research, State, Tribal, Compliance, Administration, and Human Capital Programs

U.S. Nuclear Regulatory Commission; Director, Nuclear Reactor Regulation