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Certified By *C. Hecker*
27 OCT 1982

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Docket Nos. 50-272; 50-311
EA No. 82-113

Public Service Electric and Gas Company
ATTN: Mr. Richard A. Uderitz
Vice President - Nuclear
Mail Code T15A
P. O. Box 270
Newark, New Jersey 07101

Gentlemen:

Subject: Inspection Nos. 50-272/82-15 and 50-311/82-15

This refers to the special physical protection inspection conducted by Mr. G. C. Smith of this office on June 14-18, 1982, at the Salem Nuclear Generating Station, Hancocks Bridge, New Jersey, of activities authorized by NRC Licenses DPR-70 and DPR-75 and to the discussions of our findings held by Mr. Smith with Mr. H. J. Midura at the conclusion of the inspection. During this inspection, violations associated with implementation of your physical security plan were identified.

These violations, described in the attached Notice to this letter, demonstrate that adequate management control of the security program at the Salem Nuclear Generating Station has not been implemented. In particular, Violation A, involving a change to a vital area barrier which degraded that barrier, clearly illustrates inadequate management control. Security management reviewed the change to the vital area barrier for compliance with physical protection requirements, but failed to recognize that an unacceptable degradation of the barrier occurred, resulting in noncompliance.

Previously a civil penalty was imposed on February 23, 1982 for security violations that resulted from inadequate management control. The recent violations, identified in June 1982, described in the attached Notice to this letter, demonstrate that prior corrective actions were ineffective in precluding recurrence of significant violations of your physical security plan.

On August 12, 1982, an Enforcement Conference was held at Region I between you and members of your staff, and Mr. Thomas T. Martin, Director, Division of Engineering and Technical Programs, and members of my staff, to discuss these violations and their fundamental causes. You addressed planned improvements including increased management overview, and review and revision of security plan implementing procedures. Specific details of these improvements and a schedule for their implementation were not provided.

Increased management attention to the physical security program is needed at the Salem Nuclear Generating Station. In order to emphasize this need, and after consultation with the Director of the Office of Inspection and Enforcement, I have been authorized to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the amount of Forty Thousand Dollars for Violation A as set forth in the attached Notice to this letter. The

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CERTIFIED MAIL
RETURN RECEIPT REQUESTED

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PDR ADOCK 05000272
Q PDR

violations in the Notice have been categorized by severity level in accordance with the NRC Enforcement Policy (10 CFR 2, Appendix C) published in the Federal Register (47 FR 9987) on March 9, 1982. You are required to respond to the Notice and you should follow the instructions specified in the Notice in preparing your response. In your response, you should place all Safeguards Information (as defined in 10 CFR 73.21) in enclosures, so as to allow your letter (without enclosures) to be placed in the Public Document Room.

In addition to your response to the Notice, additional information is necessary to understand the scope of your planned improvements in the security program, and to assess the effectiveness of those planned improvements. Accordingly, pursuant to Section 182 of the Atomic Energy Act of 1954, as amended, and 10 CFR 50.54(f), in order to determine whether or not Licenses DPR-70 and DPR-75 should be modified, you are requested to submit to this office, within thirty days of the date of this letter, a written plan for improving your security program, which includes the following:

1. Detailed descriptions of each specific planned improvement in the security program, including improvements in management control and overview, training programs, procedures, personnel, and equipment.
2. Schedules for implementation and completion of all planned improvements.
3. Documentation of completed improvements.
4. Methods for measuring the effectiveness of improvements.

In accordance with 10 CFR 73.21 of the NRC's regulations, documentation of security measures for the physical protection of special nuclear materials and certain plant equipment vital to the safety of production or utilization facilities is deemed to be Safeguards Information. Each person who produces, receives, or acquires Safeguards Information is required to ensure that it is protected against unauthorized disclosure. Therefore, the enclosures to this letter, except for the inspection report cover sheet, and the enclosures to your response to this letter will not be placed in the Public Document Room and will receive limited distribution pursuant to 10 CFR 73.21(c).

The responses directed by this letter and the accompanying Notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

Sincerely,

Original Signed By:

RONALD C. HAYNES
Ronald C. Haynes
Regional Administrator

Enclosures:

1. Notice of Violation and Proposed Imposition of Civil Penalty
(Contains Safeguards Information)
2. Combined NRC Region I Inspection Report Number
50-272/82-15 and 50-311/82-15 (Contains Safeguards Information)

cc: (w/cy of report cover sheet only)

- R. L. Mittl, General Manager - Corporate QA
- H. J. Midura, General Manager - Salem Operations
- E. A. Liden, Manager - Nuclear Licensing and Regulation
- R. Fryling, Jr., Esquire

bcc: (w/cy of report cover sheet only)
 Public Document Room (PDR)
 Local Public Document Room (LPDR)
 Nuclear Safety Information Center (NSIC)
 NRC Resident Inspector (w/cy of enclosures)
 TIC
 ALRS
 SECY
 Congressional Affairs
 RC DeYoung, IE
 J. H. Sniezek, IE (w/cy of enclosures)
 J. Axelrad, IE
 V. Stello, DED/ROGR
 J. Lieberman, ELD
 F. Ingram, PA
 R. Haynes, RI
 Enforcement Directors (w/cy of enclosures)
 RI, RII, RIII, RIV, RV
 J. Crooks, AEOD
 J. Cummings, OIA
 J. Fitzgerald, OI
 H. Denton, NRR
 R. Burnett, NMSS
 IE:ES Files
 EA File
 EDO Rdg File
 DCS
 A. Puglise, CON L-316
 CP Book
 W. J. Ross, ORB1-P 316
 D. Rosano, ES (w/cy of enclosures)

State of New Jersey
 Office of the Attorney General
 Dept. of Law & Public Safety
 2nd Floor, State House Annex
 Trenton, NJ 08625

Board of Public Utilities
 ATTN: George H. Barbour, President
 202 Commerce Ct.
 Newark, NJ 07102

<i>[Signature]</i> RI:DETP Smith/pja 10/25/82	<i>[Signature]</i> RI:DETP Gody 10/25/82	<i>[Signature]</i> RI:DETP Joyner 10/25/82	<i>[Signature]</i> RI:DETP Martin 10/25/82	<i>[Signature]</i> RI:E&I Holody 10/25	<i>[Signature]</i> RI:DRA Allan 10/25	<i>[Signature]</i> RI:RA Haynes 10/25
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IE:ES Rosano	ELD Lieberman	ES:D Axelrad	IE:DD Sniezek	IE:D DeYoung
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IE, ELD concurrences
 rec'd by phone 10/22
 from Rosano
 Pjt
 11/25