

ENCLOSURE

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTY

Public Service Electric and Gas Company
Hope Creek Nuclear Power Station

Docket No. 50-354
License No. NPF-57
EA 95-216

During an NRC Special Team Inspection conducted on August 7-16, 1995, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," NUREG-1600, (60 FR 34381; June 30, 1995), the Nuclear Regulatory Commission proposes to impose a civil penalty pursuant to Section 234 of the Atomic Energy Act of 1954, as amended (Act), 42 U.S.C. 2282, and 10 CFR 2.205. The particular violations and associated civil penalty are set forth below:

- A. Technical Specification 6.8, "Procedures and Programs," subsection 6.8.1.a, requires, in part, that "Written procedures shall be established, implemented, and maintained covering the activities referenced, including the applicable procedures recommended in Appendix A of Regulatory Guide 1.33, Rev.2, February 1978."

Section 4 of Appendix A of Regulatory Guide 1.33., Revision 2, February 1978, requires procedures for Startup, Operations, and Shutdown of Safety-Related BWR Systems, including instructions for energizing, filling, venting, draining, startup, shutdown, and changing modes of operation, for the shutdown cooling and Reactor Vessel Head Spray System.

Licensee procedure HC.OP-SO.BB-0002(Q) - Rev. 22, "Reactor Recirculation System Operation", Limitation 3.2.17, written to satisfy the requirements in Appendix A of Regulatory Guide 1.33, requires that "To preclude thermal binding, the suction and discharge valves shall alternately be opened and closed for each 75 degree F temperature drop in the isolated loop."

Contrary to the above, on July 8-9, 1995, licensed Reactor Operators failed to implement Limitation 3.2.17, of procedure HC.OP-SO.BB-0002(Q) - Rev.22, "Reactor Recirculation System Operation" in that the recirculation pump discharge valves (F031A&B) were opened and left open (between 6:45 p.m. and 9:00 p.m. on July 8, 1995, for F031A, and between 11:00 a.m. on July 8, 1995, and 5:50 a.m. on July 9, 1995, F031B) to preclude thermal binding, rather than opened and closed for each 75°F temperature drop in the isolated loop. This resulted in the bypass of shutdown cooling flow from the reactor vessel, a loss of the temperature monitoring capability provided by the shutdown cooling system, and the inadvertent and undetected change of plant operational condition from cold shutdown to hot shutdown on two separate occasions.

- B. Technical Specification Limiting Condition of Operation (LCO) 3.4.9.2 "Reactor Coolant System - Cold Shutdown" requires that two shutdown cooling mode loops of the Residual Heat Removal (RHR) system shall be operable and, unless at least one recirculation pump is in operation, at least one shutdown cooling mode loop shall be in operation. A footnote to this Technical Specification allows that a shutdown cooling pump may be removed from operation for up to 2 hours per 8 hour period provided the other loop is operable.

The LCO 3.4.9.2 Action Statement requires the following: (1) that with less than the above required RHR shutdown cooling mode loops operable, within one hour and at least once per 24 hours thereafter, demonstrate the operability of at least one alternate method of decay heat removal for each inoperable RHR shutdown cooling mode loop; and (2) With no RHR shutdown cooling mode loop or recirculation pump in operation, within one hour establish reactor coolant circulation by an alternate method and monitor reactor coolant temperature and pressure at least once per hour.

Contrary to the above, on July 8-9, 1995, two shutdown cooling mode loops of the residual heat removal system were not operable. Specifically, the "B" RHR shutdown cooling loop was inoperable from 11:00 a.m. on July 8, 1995 until 5:50 a.m. on July 9, 1995, in that it was unable to perform its intended safety function of maintaining the reactor in cold shutdown (CSD) because cooling flow bypassed the reactor core. The "A" RHR shutdown cooling loop, while not in operation, was also inoperable from 6:45 p.m. until 9:00 p.m. on July 8, 1995, in that its recirculation pump discharge valve (F031A) was open. However, the Licensee did not (1) demonstrate the operability of at least one alternate method capable of decay heat removal for each inoperable RHR shutdown cooling mode loop within one hour; nor (2) establish reactor coolant circulation by an alternate method within one hour when no RHR shutdown cooling mode loops were operable.

- C. Technical Specification LCO 3.3.2, "Isolation Actuation Instrumentation," requires, in part, that actuation instrumentation channels shown in TABLE 3.3.2-1 shall be operable for the operational conditions shown in the table. TABLE 3.3.2-1, Item 7, RHR System Shutdown Cooling Mode Isolation" requires that the RHR system shutdown cooling mode isolations for reactor vessel water level and pressure must be operable in the hot shutdown condition (operational condition 3), and if the isolations are not operable, Action 27 of the table requires that the affected system isolation valves be locked closed within one hour and the affected system be declared inoperable.

Contrary to the above, sometime between 9:00 and 10:00 p.m. on July 8, 1995, and 4:29 a.m. on July 9, 1995 (a period greater than one hour), while the reactor was in the hot shutdown condition, the RHR system shutdown cooling mode pressure isolation signals were not operable in that the signals were bypassed, and action was not taken to lock the affected system isolation valves and declare the system inoperable.

- D. Technical Specification LCO 3.6.1.4, "Containment Systems, Main Steam Isolation Valve (MSIV) Sealing System", requires, in part, that two independent MSIV sealing system subsystems shall be operable in the hot shutdown condition. Technical Specification LCO 3.6.1.4 Action Statement permits continuation in that operational condition with one MSIV sealing system subsystem inoperable, provided the inoperable subsystem is restored to an operable status within 30 days or the reactor must be in cold shutdown (CSD) in the next 36 hours. Technical Specification LCO 3.0.3 requires that when an LCO is not met, except as provided in the associated Action requirements, action shall be initiated within one hour to place the unit in an Operational Condition in which the Specification does not apply by placing it, as applicable, in at least cold shutdown in the subsequent 24 hours. Technical specification LCO 3.0.4 requires that entry into an operational condition may be made in accordance with the action requirements when conformance to them permits continued operation of the facility for an unlimited period of time.

Contrary to the above, at sometime between 9:00 p.m. and 10:00 p.m. on July 8, 1995, the reactor entered the hot shutdown condition (operational condition 3) from the cold shutdown condition (operational condition 4) without satisfying the requirements in Technical Specification 3.6.1.4, Technical Specification 3.6.1.4 Action Statement, and Technical Specification 3.0.3, in that two independent MSIV sealing system subsystems were not operable in that the drywell primary containment instrument gas (PCIG) system was tagged out and depressurized in preparation for outage maintenance activities, rendering both MSIV steam sealing system subsystems inoperable. In this condition, the Technical Specification 3.0.3 would not permit continued operation of the facility for an unlimited period of time; rather, it required initiation of action within 1 hour to place the reactor in cold shutdown in the subsequent 24 hours.

This is a Severity Level III problem (Supplement I).
Civil Penalty - \$100,000.

Pursuant to the provisions of 10 CFR 2.201, Public Service Electric and Gas Company is hereby required to submit a written statement or explanation to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, within 30 days of the date of the Notice of Violation and Proposed Imposition of Civil Penalty (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each alleged violation: (1) admission or denial of the alleged violation, (2) the reasons for the violations if

admitted, and if denied, the reasons why, (3) the corrective steps that have been taken and the results achieved, (4) the corrective steps that will be taken to avoid further violations, and (5) the date when full compliance will be achieved.

If an adequate reply is not received within the time specified in this Notice, an Order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Consideration may be given to extending the response time for good cause shown. Under the authority of Section 182 of the Act, 42 U.S.C. 2232, this response shall be submitted under oath or affirmation.

Within the same time as provided for the response required above under 10 CFR 2.201, the Licensee may pay the civil penalty by letter addressed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, with a check, draft, money order, or electronic transfer payable to the Treasurer of the United States in the amount of the civil penalty proposed above, or the cumulative amount of the civil penalties if more than one civil penalty is proposed, or may protest imposition of civil penalty in whole or in part, by written answer addressed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission. Should the Licensee fail to answer within the time specified, an order imposing the civil penalty will be issued. Should the Licensee elect to file an answer in accordance with 10 CFR 2.205 protesting the civil penalty in whole or in part, such answer should be clearly marked as an "Answer to a Notice of Violation" and may: (1) deny the violation(s) listed in the Notice, in whole or in part, (2) demonstrate extenuating circumstances, (3) show error in this Notice, or (4) show other reasons why the penalty should not be imposed. In addition to protesting the civil penalty in whole or in part, such answer may request remission or mitigation of the Penalty.

In requesting mitigation of the proposed penalty, the factors addressed in Section VI.B.2 of the Enforcement Policy should be addressed. Any written answer in accordance with 10 CFR 2.205 should be set forth separately from the statement or explanation in reply pursuant to 10 CFR 2.201, but may incorporate parts of the 10 CFR 2.201 reply by specific reference (e. g., citing page and paragraph numbers) to avoid repetition. The attention of the Licensee is directed to the other provisions of 10 CFR 2.205, regarding the procedure for imposing a civil penalty.

Upon failure to pay any civil penalty due which subsequently has been determined in accordance with the applicable provisions of 10 CFR 2.205, this matter may be referred to the Attorney General, and the penalty, unless compromised, remitted, or mitigated, may be collected by civil action pursuant to Section 234c of the Act, U.S.C. 2282c.

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The response noted above (Reply to Notice of Violation, letter with payment of civil penalty, and Answer to a Notice of Violation) should be addressed to: James Lieberman, Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852-2738, with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, Region I, and a copy to the NRC Resident Inspector at Hope Creek.

Because your response will be placed in the NRC Public Document Room (PDR), to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction. However, if you find it necessary to include such information, you should clearly indicate the specific information that you desire not to be placed in the PDR, and provide the legal basis to support the request for withholding the information from the public.

Dated at King of Prussia, Pennsylvania
this 12th day of December 1995