

January 30, 1996

EA 96-014

Mr. Leon R. Eliason
Chief Nuclear Officer and President
Nuclear Business Unit
Public Service Electric and Gas Company
P.O. Box 236
Hancocks Bridge, NJ 08038

SUBJECT: HOPE CREEK RESIDENT INSPECTION NO. 50-354/95-19

Dear Mr. Eliason:

The enclosed report documents an inspection for public health and safety, conducted by Mr. R. Summers, Senior Resident Inspector and other members of the NRC resident and regional staff at the Hope Creek Nuclear Generating Station for the period between November 9, 1995 and December 21, 1995, including: a routine resident safety inspection; a special assessment of outage controls; and three separate specialist inspector reviews of the inservice inspection program, outage radiation protection program, and follow up on pressure locking and thermal binding of motor operated gate valves. The inspectors discussed the findings of this inspection with Mr. M. Reddemann of your staff.

This report contains inspection findings of the resident inspection staff as well as findings from other inspections which were performed during the time period indicated. The findings from inspectors other than the resident inspectors are provided as attachments to this report with a separate cover which details areas inspected and includes the signatures of the lead inspector and the cognizant branch chief. The overall conclusions will be reflected in the Executive Summary for the complete report. We are taking this approach to better integrate our inspection findings into a consistent regulatory message and more clearly communicate how these findings may reflect a change in your performance.

Based on the results of this inspection, it appears that certain of your activities were not conducted in full compliance with NRC requirements, as set forth in the enclosed Notice of Violation. The violations were relative to operator implementation of required technical specifications associated with the unit shutdown on November 9, 1995. It appears that the violations resulted from inadequately maintained or implemented procedures.

Also during the inspection period, additional apparent violations of NRC requirements were identified associated with inadequate or ineffective corrective actions regarding the operation of safety related equipment, specifically, the safety auxiliaries cooling system and the shutdown cooling system. The apparent violations associated with the ineffective corrective actions will be the subject of separate correspondence. The NRC recognizes that these activities occurred prior to the implementation of the new

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corrective action program in July 1995. While recognizing that these violations may not be indicative of current practices, the NRC is nonetheless concerned that equipment degradation was previously identified and corrective actions were not implemented to prevent recurrence. Further, the NRC is concerned that these examples of prior ineffective corrective actions may indicate that other previously identified significant problems remain uncorrected. As a result of these concerns and the apparent significance of the degradation to the RHR shutdown cooling water system common suction line, the NRC has scheduled a pre-decisional enforcement conference for March 14, 1996, at the Region I Office.

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. The responses directed by this letter and the enclosed Notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, Public Law No. 96.511.

Your cooperation with us is appreciated.

Sincerely,

ORIGINAL SIGNED BY
WILLIAM LAZARUS FOR:

Larry E. Nicholson, Chief
Projects Section No. 3
Division of Reactor Projects

Docket No. 50-354

Enclosures:

1. Appendix A, Notice of Violation
2. NRC Inspection Report No. 50-354/95-19

cc w/encl:

L. Storz, Senior Vice President - Nuclear Operations
E. Simpson, Senior Vice President - Nuclear Engineering
C. Schaefer, External Operations - Nuclear, Delmarva Power & Light Co.
P. MacFarland Goelz, Manager, Joint Generation
Atlantic Electric
E. Salowitz, Director - Nuclear Business Support
M. Reddemann, General Manager - Hope Creek Operations
J. Benjamin, Director - Quality Assurance & Nuclear Safety Review
D. Powell, Manager - Licensing and Regulation
R. Kankus, Joint Owner Affairs
A. C. Tapert, Program Administrator
R. Fryling, Jr., Esquire
M. J. Wetterhahn, Esquire
Consumer Advocate, Office of Consumer Advocate
William Conklin, Public Safety Consultant, Lower Alloways Creek Township
State of New Jersey
State of Delaware

Mr. Leon R. Eliason

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bcc w/encl:
Region I Docket Room (with concurrences)
K. Gallagher
D/ Screnci, PAO (2)
Nuclear Safety Information Center (NSIC)
NRC Resident Inspector
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bcc w/encl: (Via E-Mail)
W. Dean, OEDO
D. Jaffe, Project Manager, NRR
J. Stolz, PDI-2, NRR
Inspection Program Branch, NRR (IPAS)
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J. Goldberg, OGC
J. Lieberman, OE (OEMAIL)
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