April 26, 1996 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: Dear Mr. Eliason:

HOPE CREEK RESIDENT INSPECTION NO. 50-354/96-03 AND NOTICE OF

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 February 11, 1996 and March 30, 1996. 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 that 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 are reflected in the Executive Summary for the complete report.

Based on the results of this inspection, several positive indications of station performance were noted. Specifically, reactor startup activities were well controlled, coordinated, and closely monitored by oversight groups. Good operator response to transient events was evident. Additionally, all of the Readiness Assessment Team Inspection open items were promptly addressed and closed.

Despite the above, it appears that certain of your activities were not conducted in full compliance with NRC requirements. One of the violations described in this report involved misuse of personnel dosimetry during entry to the radiological control area. This violation of station technical specifications and radiation protection procedures is enclosed in the attached Notice of Violation. Another violation described in this report involved a failure to adhere to maintenance procedures for repair of a safety-related service water pump strainer. This violation is identical to a violation previously identified during the NRC readiness assessment team inspection in IR 354/96-80. Because this violation occurred prior to fully implementing

070011 9605070106 960426 PDR ADDCK 05000354 IEO1 1/1

corrective actions for the first occurrence, a separate Notice of Violation is not enclosed with this letter. However, in your response to the violation forwarded with IR 354/96-80, you should address this second example of failing to adhere to station maintenance procedures.

Two apparent violations of station procedures involving maintenance and testing of control rods are also described in this report. One of these involved an apparent failure to adequately conduct post-maintenance testing prescribed in the plant technical specifications and would have resulted in a violation of a Limiting Condition for Operation had not the NRC identified this concern prior to plant restart. The second issue involved an apparent violation of 10 CFR Part 50 Appendix B Criterion XVI for inadequate corrective actions in establishing control rod movement speed limitations in procedures.

Further, an additional apparent violation of 10 CFR Part 50 Appendix B Criterion XVI for untimely corrective actions for an original construction deficiency on the reactor building ventilation system identified in 1992 is described in the report. Specifically, this concern involved improper installation of backdraft isolation dampers. Finally, an apparent violation of 10 CFR 50.59 for a design change on the safety-related service water pump strainer backwash valve controls is also discussed. This latter matter was corrected prior to plant restart and resulted in your identification of additional apparent nonconservative settings in the safety-related service water system.

These four apparent violations are being considered for appropriate enforcement. As such, a Notice of Violation has not been enclosed for these issues. A pre-decisional enforcement conference will be scheduled to discuss any additional relevant facts that you have determined regarding these issues in order for the NRC to conclude what appropriate enforcement, if any, should result for these apparent violations.

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 LARRY E. NICHOLSON FOR:

Richard W. Cooper II, Director Division of Reactor Projects

Enclosures:

Appendix A, Notice of Violation

2. NRC Inspection Report No. 50-354/96-03

cc w/encl:

L. Storz, Senior Vice President - Nuclear Operations

E. Simpson, Senior Vice President - Nuclear Engineering

E. Salowitz, Director - Nuclear Business Support

C. Schaefer, External Operations - Nuclear, Delmarva Power & Light Co.

P. MacFarland Goelz, Manager, Joint Generation Atlantic Electric

M. Reddemain, General Manager - Hope Creek Operations

J. Benjamir, 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

Distribution w/encl: Region I Docket Room (with concurrences) K. Gallagher D. Screnci, PAO Nuclear Safety Information Center (NSIC) NRC Resident Inspector PUBLIC

Distribution w/encl: (Via E-Mail) W. Dean, OEDO D. Jaffe, Project Manager, NRR J. Stolz, PDI-2, NRR

J. Zimmerman, NRR Inspection Program Branch, NRR (IPAS)

DOCUMENT NAME: a:9603.hc To receive a copy of this document, indicate in the box: "C" Copy without attachment/enclosure "E" = Copy with attachment/enclosure "N" = No copy "N" = No copy RIJORP OFFICE RI: DR NAME LNicholson RCooper DATE 4/20/96 4R0/96

OFFICIAL RECORD COPY

IE01