OFFICE OF ENFORCEMENT NOTIFICATION OF SIGNIFICANT ENFORCEMENT ACTION

Licensee:

Public Service Electric and Gas Company (EAs 96-125 and 96-281)

Hope Creek Nuclear Generating Station

Docket No. 50-354

Subject:

PROPOSED IMPOSITION OF CIVIL PENALTIES - \$150,000

This is to inform the Commission that a Notice of Violation and Proposed Imposition of Civil Penalties in the amount of \$150,000 will be issued on or about October 23, 1996, to Public Service Electric and Gas Company. The action is based on two inspections being performed at the Hope Creek Nuclear Generating Station that identified six violations involving: 1) two violations of failures to plan appropriate surveillance testing for control rod drive systems; 2) two violations of failures to promptly identify and correct conditions adverse to quality regarding reactor building ventilation supply duct backdraft isolation dampers and control rod withdrawal speeds being in excess of the values assumed in the Updated Final Safety Analysis Report: 3) one violation of a failure to obtain Commission approval prior to making changes to the facility's service water system design that involved an unreviewed safety question; and 4) one violation involving the failure to maintain the service water system in accordance with the Technical Specifications (TS). Both the first two violations and the second two violations were categorized as Severity Level III problems; the fifth and sixth violations were each categorized singularly as Severity Level III violations.

In accordance with the Enforcement Policy, a base civil penalty in the amount of \$50,000 is considered for each Severity Level III problem or violation. For the two problems and the violation associated with the unreviewed safety question involving the service water system, the licensee was not given credit for the factor of identification because the NRC identified the problems and violation; however, due to the licensee's prompt and comprehensive corrective actions, credit was warranted for the factor of corrective action for these problems and violation. For the violation involving service water system TS compliance, the licensee was given credit for both the factors of identification and corrective action. Consideration of these factors resulted a civil penalty of \$50,000 each for the two problems and the violation associated with the unreviewed safety question, making the total civil penalties assessed for this action \$150,000. The violation involving TS compliance was not assessed a civil penalty.

It should be noted that the licensee has not been specifically informed of the enforcement action. The schedule of issuance and notification is:

Mailing of Notice Telephone Notification of Licensee October 23, 1996

October 23, 1996

The State of New Jersey will be notified.

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The licensee has thirty days from the date of the Notice in which to respond. Following NRC evaluation of the response, the civil penalty may be remitted, mitigated, or imposed by Order.

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PRELIMINARY INFORMATION - NOT FOR PUBLIC DISCLOSURE UNTIL VERIFICATION THAT LICENSEE HAS RECEIVED ACTION