

October 9, 1998

EA 98-482

Mr. Harold W. Keiser
Executive Vice President
Nuclear Business Unit
Public Service Electric and Gas Company
Post Office Box 236
Hancocks Bridge, NJ 08038

SUBJECT: NRC INTEGRATED INSPECTION REPORT 50-354/98-08
NOTICE OF VIOLATION AND EXERCISE OF ENFORCEMENT DISCRETION

Dear Mr. Keiser:

On September 19, 1998, the NRC completed an inspection at your Hope Creek reactor facility. The enclosed report presents the results of that inspection.

Throughout the six-week period covered by this inspection period, your conduct of activities at the Hope Creek facility was generally characterized by safety-conscious operations, sound engineering and maintenance practices, and careful radiological work controls.

During the inspection, a violation of NRC requirements was identified. The violation is cited in the enclosed Notice of Violation (Notice), and the circumstances surrounding it are described in the subject inspection report. The violation involved inadequate corrective actions to resolve steam leaks from piping located in the torus room. These leaks were identified by your staff on August 3, 1998, but your staff failed to correct the steam leaks before the water intrusion caused a safety-related component to fail, rendering a residual heat removal subsystem inoperable. The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence are already adequately addressed on the docket in the enclosed report. Therefore, you are not required to respond to this letter unless the description does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instruction specified in the enclosed Notice.

The NRC also reviewed an issue involving a past design deficiency related to maintaining proper design control for the containment hydrogen recombiner system. Specifically, the operating procedure was inconsistent with the design and licensing bases. This design issue is a violation of NRC requirements which could have been considered as a violation. However, after consultation with the Director, Office of Enforcement and the Director, Division of Reactor Projects, I have been authorized not to issue a Notice of Violation in this case in accordance with the provisions provided in Section VII.B.3 of the NRC's Enforcement Policy.

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Mr. Harold W. Keiser

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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 (PDR).

Sincerely,

Original Signed By:

James C. Linville, Chief
Projects Branch 3
Division of Reactor Projects

Docket No.: 50-354

License No: NPF-57

Enclosures: Notice of Violation
Inspection Report 50-354/98-08

cc w/encl:

L. Storz, Senior Vice President - Nuclear Operations
E. Simpson, Senior Vice President - Nuclear Engineering
E. Salowitz, Director - Nuclear Business Support
A. F. Kirby, III,, External Operations - Nuclear, Delmarva Power & Light Co.
J. A. Isabella, Manager, Joint Generation
Atlantic Electric
M. Bezilla, General Manager - Hope Creek Operations
J. McMahon, Director - QA/Nuclear Training/Emergency Preparedness
D. Powell, Director - Licensing/Regulation & Fuels
R. Kankus, Joint Owner Affairs
A. C. Tapert, Program Administrator
Jeffrey J. Keenan, Esquire
Consumer Advocate, Office of Consumer Advocate
William Conklin, Public Safety Consultant, Lower Alloways Creek Township
State of New Jersey
State of Delaware

Mr. Harold W. Keiser

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