

August 23, 2002

Mr. Harold W. Keiser
Chief Nuclear Officer and President
PSEG Nuclear LLC - N09
P. O. Box 236
Hancocks Bridge, NJ 08038

SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN
SALEM GENERATING STATION UNITS 1 & 2

Dear Mr. Keiser:

On August 7, 2002, the NRC staff completed its mid-cycle plant performance assessment of Salem Units 1 & 2. In accordance with NRC Inspection Manual Chapter 0305 "Operating Reactor Assessment Program," the mid-cycle review involved the participation of all technical divisions in evaluating the performance of your Salem facility for the first half of the current assessment cycle, January 1 - December 31, 2002. The purpose of this letter is to inform you of our assessment of your safety performance during this period and our plans for future inspections at your facility so that you will have an opportunity to prepare for these inspections and to inform us of any planned inspections which may conflict with your plant activities.

At Unit 1, plant performance for the most recent quarter was within the Regulatory Response Column of the NRC's Action Matrix based on a White performance indicator (PI) for unplanned power changes >20% per 7,000 hours critical, indicating a level of performance requiring additional NRC oversight. We plan to conduct a supplemental inspection in late September 2002 to review your analysis of the cause(s) for the events that led to this White PI as well as the corrective actions you have planned or completed.

At Unit 2, plant performance for the most recent quarter was within the Licensee Response Column of the NRC's Action Matrix, based on all inspection findings being classified as having very low safety significance (Green) and all PIs indicating performance at a level requiring no additional NRC oversight (Green). Therefore, we plan to conduct only baseline inspections at Unit 2 through September 30, 2003.

The enclosed inspection plan details the inspections scheduled through September 30, 2003. The inspection plan is provided to minimize the resource impact on your staff and to allow for scheduling conflicts and personnel availability to be resolved in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The last six months of the inspection plan are tentative and may be revised at the end-of-cycle review.

In addition, the NRC is in the process of finalizing the Temporary Instruction (TI) that will be used to review implementation of the Interim Compensatory Measures required by the Agency's security Order to all commercial nuclear power plants dated February 25, 2002. Schedules have not yet been finalized, but it is anticipated that these inspections will begin

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within the next calendar quarter. Once finalized, the details will be communicated by separate correspondence.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Electronic Reading Room).

If circumstances arise which cause us to change the inspection plan, we will contact you to discuss the change as soon as possible. Please contact Glenn Meyer of my staff at (610) 337-5211 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

A. Randolph Blough, Director
Division of Reactor Projects

Docket Nos. 50-272 & 311
Licensee Nos. DPR-70 & -75

Enclosure: Salem Inspection/ Activity Plan

cc w/encl:

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NAME		G Meyer /GWM/	A R Blough /ARB/				
DATE		08/22/02	08/23/02	08/ /02	08/ /02		

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Salem
Inspection / Activity Plan
06/30/2002 - 09/30/2003

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	71121	- OCC RAD SAFETY	1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		07/15/2002	07/19/2002	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		07/15/2002	07/19/2002	Baseline Inspections
1, 2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		07/15/2002	07/19/2002	Baseline Inspections
	711107B	- HEAT SINK	1			
1, 2	IP 711107B	Heat Sink Performance		08/12/2002	08/16/2002	Baseline Inspections
	95001	- 95001 WHITE PI SUPPLEMENTAL INSPECTION	1			
1, 2	IP 95001	Supplemental Inspection For One Or Two White Inputs In A Strategic Performance Area		09/16/2002	09/20/2002	Supplemental Program
	11/4+EXM	- LICENSED OPERATOR INITIAL EXAMS	3			
1	U01469	SALEM UNIT 1 - O/L INITIAL EXAM 11/4-8/02		10/14/2002	10/18/2002	Not Applicable
1	U01469	SALEM UNIT 1 - O/L INITIAL EXAM 11/4-8/02		11/04/2002	11/15/2002	Not Applicable
	7111108	- INSERVICE INSPECTION	2			
1	IP 7111108	Inservice Inspection Activities		10/21/2002	10/25/2002	Baseline Inspections
1	IP 2515/145	Circumferential Cracking of Reactor Pressure Vessel Head Penetration Nozzles (NRC Bulletin .		10/28/2002	11/01/2002	Safety Issues
	71121	- OCC RAD SAFETY	1			
1	IP 7112101	Access Control to Radiologically Significant Areas		10/28/2002	11/01/2002	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		10/28/2002	11/01/2002	Baseline Inspections
1	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		10/28/2002	11/01/2002	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		10/28/2002	11/01/2002	Baseline Inspections
	71130	- SECURITY-RESPONSE ATT3	2			
1, 2	IP 7113003	Response to Contingency Events (Protective Strategy and Implementation of Protective Strategie		11/04/2002	11/08/2002	Baseline Inspections
	711105T	- FIRE PROTECTION	5			
1, 2	IP 711105T	Fire Protection		02/10/2003	02/14/2003	Baseline Inspections
1, 2	IP 711105T	Fire Protection		02/24/2003	02/28/2003	Baseline Inspections
	71151	- EP PI VERIFICATION AND ERO PARTICIPATION	1			
1, 2	IP 71151	Performance Indicator Verification		12/16/2002	12/20/2002	Baseline Inspections
1, 2	IP 71152	Identification and Resolution of Problems		12/16/2002	12/20/2002	Baseline Inspections
	711117B	- MODS & 50.59	3			
1, 2	IP 7111102	Evaluation of Changes, Tests, or Experiments		01/13/2003	01/17/2003	Baseline Inspections
1, 2	IP 711117B	Permanent Plant Modifications		01/13/2003	01/17/2003	Baseline Inspections
	7112203	- PUB RAD SAFETY - REMP	1			
1, 2	IP 7112203	Radiological Environmental Monitoring Program		02/17/2003	02/21/2003	Baseline Inspections
	71121	- OCC RAD SAFETY	1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		02/24/2003	02/28/2003	Baseline Inspections

This report does not include INPO and OUTAGE activities.
This report shows only on-site and announced inspection procedures.

Salem
Inspection / Activity Plan
06/30/2002 - 09/30/2003

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	71121	- OCC RAD SAFETY	1			
1, 2	IP 7112102	ALARA Planning and Controls		02/24/2003	02/28/2003	Baseline Inspections
1, 2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		02/24/2003	02/28/2003	Baseline Inspections
	71152B	- PROBLEM IDENTIFICATION AND RESOLUTION	6			
1, 2	IP 71152B	Identification and Resolution of Problems		03/10/2003	03/14/2003	Baseline Inspections
1, 2	IP 71152B	Identification and Resolution of Problems		03/24/2003	03/28/2003	Baseline Inspections
	71122.01	- RETS	1			
1, 2	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		06/16/2003	06/20/2003	Baseline Inspections
	71121	- OCC RAD SAFETY	1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		07/07/2003	07/11/2003	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		07/07/2003	07/11/2003	Baseline Inspections
1, 2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		07/07/2003	07/11/2003	Baseline Inspections
	71130	- SECURITY	1			
1, 2	IP 7113001	Access Authorization Program (Behavior Observation Only)		07/21/2003	07/25/2003	Baseline Inspections
1, 2	IP 7113002	Access Control (Search of Personnel, Packages, and Vehicles: Identification and Authorizatio		07/21/2003	07/25/2003	Baseline Inspections
	7111111B	- L.O.REQUALIFICATION PROGRAM	2			
1, 2	IP 7111111B	Licensed Operator Requalification		09/08/2003	09/12/2003	Baseline Inspections