

January 19, 2001

Mr. Harold W. Keiser
President and Chief Nuclear Officer
PSEG Nuclear L.L.C.
Post Office Box 236
Hancocks Bridge, NJ 08038

**SUBJECT: NOTICE OF ENFORCEMENT DISCRETION REGARDING HOPE CREEK
[NOED No. 2001-1-001]**

By letter dated January 15, 2001, which superceded a letter dated January 12, 2001, PSEG Nuclear LLC (PSEG Nuclear), requested that the Nuclear Regulatory Commission (NRC) exercise discretion to not enforce compliance with the actions required by Technical Specification (TS) 3.8.1.1, "A.C. Sources - Operating," for the Hope Creek Generating Station (Hope Creek). Your letter documented information previously discussed with the NRC in a telephone conference on January 10, 2001, at 7:00 p.m. The principal NRC staff members who participated in that telephone conference included:

NRC Region I Staff

- Richard (Jack) Crlenjak, Deputy Director, Division of Reactor Projects (DRP)
- Richard Barkley, Senior Project Engineer, DRP
- Joseph Schoppy, Hope Creek Senior Resident Inspector

NRC Headquarters Staff

- Elinor Adensam, Project Director, Division of Licensing Project Management (DLPM)
- Richard Ennis, Hope Creek Project Manager, DLPM
- Mark Caruso, Acting Section Chief, Probabilistic Safety Assessment Branch
- Om Chopra, Senior Electrical Engineer, Electrical and Instrumentation and Controls Branch

You stated that on January 11, 2001, at 2:00 a.m., Hope Creek would not be in compliance with TS 3.8.1.1 due to the inoperability of the "A" emergency diesel generator (EDG) and thus would be required to enter the hot shutdown condition by 2:00 p.m. on January 11, 2001. You requested that a Notice of Enforcement Discretion (NOED) be issued pursuant to the NRC's policy regarding exercise of discretion for an operating facility, set out in Section VII.C. of the "General Statement of Policy and Procedures for NRC Enforcement Actions" (Enforcement Policy), NUREG-1600, and be effective for 48 hours, ending at 2:00 a.m. on January 13, 2001. This letter documents our telephone conversation on January 10, 2001, when we orally issued this NOED. We understand that the condition causing the need for this NOED was corrected such that you were able to exit the limiting condition for operation (LCO) in TS 3.8.1.1 at 10:09 a.m. on January 11, 2001.

PSEG Nuclear requested this NOED following problems encountered during the post maintenance testing of the "A" EDG following an on-line maintenance outage. Specifically:
1) the shutdown solenoid that had been replaced stuck in mid-position and failed to shutdown the EDG when called upon to operate; 2) the voltage regulating device on the EDG failed to

properly control voltage when in automatic; and, 3) the seal on an intercooler pump that had also been replaced leaked excessively. PSEG Nuclear requested this NOED after consideration of the safety significance and potential consequences that led your staff to conclude that completing the repairs to the EDG was more appropriate than shutting down the plant in accordance with TS 3.8.1.1. That conclusion was based on a risk assessment that showed only very small increases in core damage frequency and large early release frequency as a result of having this EDG out of service for up to 48 additional hours as well as your confidence that the repairs ongoing to the EDG would be effective and would be completed well within this discretionary period. As compensatory measures during the period of the NOED, your staff agreed to limit activities conducted on equipment redundant to the "A" EDG, and if any of that equipment became inoperable, the plant would be shut down in accordance with the TSs. In addition, during our telephone conversation, we discussed Hope Creek Amendment No. 75 dated August 1, 1999, which revised the allowed outage times for the "C" and "D" EDGs from 72 hours to 14 days. The Safety Evaluation for this amendment discusses several conditions that must be satisfied as the basis in granting the amendment. These conditions were later incorporated on TS Bases page B 3/4 8-1a. During our telephone conversation, your staff agreed to satisfy any applicable conditions as discussed in Amendment No. 75 as additional compensatory measures.

The NRC's basis for this discretion considered: 1) the availability of the other three EDGs, all of which were inspected and tested on January 10, 2001; 2) the availability of the offsite electrical system; 3) the absence of adverse weather or generation shortages that would impact the reliability of these power supplies; 4) the very small increases in conditional core damage probability and large early release probability, as established in Regulatory Guide 1.177, as a result of this EDG being out of service for an additional 48 hours; 5) indications that your repairs to the EDG would be successfully implemented during the discretionary period, and 6) the fact that the apparent root causes had been identified for the three problems encountered during post maintenance testing of the "A" EDG (as discussed above) and that no failure mechanisms common to the other three EDG's were identified.

Based on the above considerations, the staff concluded that Criterion B.2.1.1.a and the applicable criteria in Section C.4 to NRC Manual Chapter 9000, "Technical Guidance, Operation - Notices of Enforcement Discretion" were met. Criterion B.2.1.1.a states that for an operating plant, the NOED is intended to avoid undesirable transients as a result of forcing compliance with the license condition and, thus, minimize potential safety consequences and operational risks.

On the basis of the staff's evaluation of your request, we concluded that a NOED was warranted, because we were clearly satisfied that this action involved minimal or no safety impact, was consistent with the enforcement policy and staff guidance, and had no adverse impact on public health and safety. Therefore, we exercised discretion to not enforce compliance with TS 3.8.1.1 for the 48 hour period starting from 2:00 a.m. on January 11, 2001. As noted in your letter, the "A" EDG was returned to an operable status at 10:09 a.m. on January 11, 2001.

As stated in the Enforcement Policy, action will be taken, to the extent that violations were involved, for the root causes that led to the noncompliance for which this NOED was requested.

Sincerely,

Mr. Harold W. Keiser

3

/RA/

Richard V. Crlenjak,
Deputy Director
Division of Reactor Projects

Enclosure: NOED Request from PSEG Nuclear dated January 15, 2001

Docket No.: 05000354

License No.: NPF-57

NOED No. 2001-01-001

cc w/encl:

E. Simpson, Senior Vice President and Chief Administrative Officer

M. Bezilla, Vice President - Technical support

D. Garchow, Vice President - Operations

G. Salamon, Manager - Licensing

R. Kankus, Joint Owner Affairs

J. J. Keenan, Esquire

Consumer Advocate, Office of Consumer Advocate

F. Pompper, Chief of Police and Emergency Management Coordinator

M. Wetterhahn, Esquire

State of New Jersey

State of Delaware

Mr. Harold W. Keiser

4

Distribution w/encl:

Region I Docket Room (with concurrences)

J. Schoppy - NRC Senior Resident Inspector

H. Miller, RA

J. Wiggins, DRA

G. Meyer, DRP

R. Barkley, DRP

C. O'Daniell, DRP

B. Platchek, DRP

J. Shea, OEDO

E. Adensam, NRR

J. Clifford, NRR

R. Ennis, PDI-2, NRR

NOED

DOCUMENT NAME: C:\noed reply letter(new).wpd

After declaring this document "An Official Agency Record" it **will** be released to the Public.

To receive a copy of this document, indicate in the box: "C" = Copy without attachment/enclosure "E" = Copy with attachment/enclosure "N" = No copy

OFFICE	RI/DRP		RI/DRP		NRR / PD I		RI/DRP	
NAME	RBarkley		GMeyer		EAdensam		RCrlenjak	
DATE	01/16/01		01/17/01		01/17/01		01/18/01	

OFFICIAL RECORD COPY