

February 21, 1997

Mr. Leon R. Eliason  
Chief Nuclear Officer and President  
Nuclear Business Unit  
Public Service Electric and Gas Company  
Post Office Box 236  
Hancocks Bridge, NJ 08038

SUBJECT: NRC INTEGRATED INSPECTION REPORT 50-354/96-11  
NOTICE OF VIOLATION AND NOTICE OF DEVIATION

Dear Mr. Eliason:

On February 1, 1997, the NRC completed an inspection at your Hope Creek reactor facility. The enclosed report presents the results of that inspection.

During the 6-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. Further, Emergency Response Organization (ERO) members demonstrated good overall performance during NRC observed mini-drill scenarios. We are concerned, however, about a deviation from a licensee commitment that was identified; and, about one violation of NRC requirements that also was identified during the inspection.

In the first instance, NRC inspectors identified that PSE&G failed to revise the plant technical specification bases as was committed during a 1995 submittal requesting a license change to increase the allowed outage time for certain equipment, including two of the emergency diesel generators (Amendment 75 to License NPF-57). The inspectors also noted that at least one of the specified conditions associated with this commitment regarding risk assessment and overall emergency diesel generator unavailability, did not appear to be accurately reflected in current station policies, procedures or practices. This deviation is cited in the enclosed Notice of Deviation, and the circumstances surrounding the deviation are described in the enclosed report. Please note that you are required to respond to this letter and should follow the instructions in the enclosed Notice of Deviation when preparing your response. We further request that in your response to the enclosed Notice of Deviation, that you also provide a clear statement about how you intend to implement the committed conditions.

In the second instance, NRC inspectors concluded that an unresolved item described in NRC Inspection Report 50-354/96-06, dated October 23, 1996, and Licensee Event Report (LER) 50-354/95-033-07, dated July 24, 1996, was a violation of plant technical specifications. The violation involved a failure to appropriately establish and maintain a surveillance test procedure for the traversing in-core probe (TIP) system containment isolation logic. Further, the inspectors noted that your analysis and corrective actions for this event, as described in the referenced LER, were appropriate and complete. As such, this violation is being treated as a cited violation not requiring a response. If, however,

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Mr. L. Eliason

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you determine that a response is otherwise warranted for this violation, please note that you should follow the instructions specified in the enclosed Notice of Violation.

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:

Larry E. Nicholson, Chief  
Projects Branch 3  
Division of Reactor Projects

Docket No.: 50-354

License No: NPF-57

Enclosures: Appendix A: Notice of Violation  
Appendix B: Notice of Deviation  
Inspection Report 50-354/96-11

cc w/encl:

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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. Bezilla, General Manager - Hope Creek Operations  
J. Benjamin, Director - Quality Assurance & Nuclear Safety Review  
D. Powell, Manager - Licensing and Regulation  
R. Kankus, Joint Owner Affairs  
A. C. Tapert, Program Administrator  
R. E. Selover , 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

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