



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

August 2, 1993

MEMORANDUM FOR: The Record

FROM: James M. Taylor
Executive Director for Operations

SUBJECT: DROP-IN VISIT -- PUBLIC SERVICE ELECTRIC AND GAS COMPANY

On July 23, 1993, four senior executives from Public Service Electric and Gas Company (PSE&G) visited J. Taylor, F. Miraglia, L. Chandler and D. Wheeler to discuss items of mutual interest regarding the Hope Creek and Salem 1 and 2 nuclear power plants. The visitors were:

R. J. Dougherty, Jr., Senior Vice President - Electric
S. E. Miltenberger, Vice President - Chief Nuclear Officer
S. LaBruna, Vice President - Nuclear Engineering
J. J. Hagan, Vice President - Nuclear Operations

After introductory remarks by Mr. Miltenberger, a discussion of the Salem Revitalization Program was led by Mr. LaBruna.

Highlighted among the actions completed were control room modifications, improvements in the chemistry laboratory, and replacement of the Unit 1 main transformer.

Of particular interest regarding the efforts still in progress was the installation of a digital feedwater control system. Mr. Taylor offered information to PSE&G from the staff on recent experience with digital feedwater control at Catawba. The information was provided after the meeting.

Additional topics discussed were the reduction of the maintenance backlog, preventive maintenance ratio improvements, and results of the procedure upgrade project.

A book of before-and-after photos was used to show results achieved by establishing and achieving higher standards for material conditions and general housekeeping in the plant.

Following the discussion of the Salem Revitalization Plan, there was a presentation on performance trends and indicators for Hope Creek and Salem. With regard to the frequency of reactor trips, Mr. Taylor emphasized the importance of BOP systems, given the number of reactor trips caused by BOP system failures.

Mr. LaBruna led a discussion on the status of previous issues. The issues included the erosion/corrosion program, service water system upgrade, and the MOV program. The RPV level indication issue for Hope Creek was mentioned. Mr. Taylor pointed out that NRC views on that issue had been provided to the industry for a year now, and that it would be helpful if any requests for

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delays in implementing modifications were based on new technical information not previously provided to the staff.

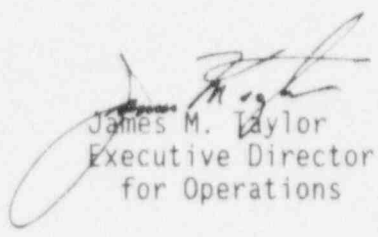
Attention was focused on current and long term challenges facing the utility. Regarding the NJPDES permit, Mr. Dougherty discussed PSE&G environmental programs to increase wetland wildlife populations. The programs would involve a cooperative effort by the utility, state officials and environmentalists, and would be supported by sound financial decisions.

PSE&G strategies for continuous improvement were presented that involved short and long term actions. Central to this effort was a full time self assessment team reporting to Mr. Miltenberger. Short term items of interest included the NJPDES program noted above and a strong focus on optimizing refueling outages. Long term programs involved the implementation of TQM practices, NUMARC cost reduction initiatives, and planning for future radwaste and spent fuel storage requirements. Mr. Dougherty provided his views on future trends in industry competition and PSE&G strategic options.

Mr. Taylor stated that he was encouraged by actions being taken to improve the weak performance trends at Salem, noting that other utilities had achieved the kind of successes envisioned by PSE&G for Salem (citing Pilgrim and Davis-Besse as examples). He also stated the importance of management being sensitive to employee safety concerns, noting that big problems in this area can emerge quickly.

Mr. Miltenberger asked Mr. Taylor to offer his thoughts on Hope Creek and Salem. Mr. Taylor stated that Hope Creek has been a good performer for a long time and Salem has not. However, he also stated that he was beginning to have a better feeling about what to expect for the future, based on improvements in material conditions and favorable changes in performance trends.

The meeting adjourned at approximately 12:10 p.m. No regulatory decisions were requested or made.



James M. Taylor
Executive Director
for Operations