

December 1, 1995

MEMORANDUM TO: RECORD

FROM: James L. Milhoan  
Deputy Executive Director

SUBJECT: DROP-IN VISIT -- PUBLIC SERVICE & GAS COMPANY

On November 29, 1995, at 1:00 p.m., Public Service & Gas Company (PSEG or the licensee) representatives Messrs. Louis Storz, Senior Vice President Nuclear Operations, Elbert Simpson, Senior Vice President Nuclear Engineering, Mark Reddemann, General Manager, Hope Creek Operations and Clay Warren, General Manager, Salem Operations met with Mr. J. Milhoan, Mr. R. Zimmerman (NRR), Mr. S. Burns (OGC), Mr. Victor McCree, Mr. Glen Meyers and Mr. L. Raghavan (OEDO) to discuss items of mutual interest. The following topics were discussed:

- ▶ New Business unit and staff reorganization
- ▶ Restart plans and initiatives
- ▶ Performance improvement programs
- ▶ Miscellaneous Issues

PSEG provided an overview of its new business unit and staff reorganization. The licensee indicated that the reorganization has made a generally positive impact on the plant staff and is expected to improve human performance. The licensee stated that its new management team brings with them proven "plant-recovery" experience. Initiatives in the engineering area include integrated engineering organizations with three new departments, systems, design and plant engineering, and dedicated root-cause analysis group.

The licensee discussed its restart initiatives. PSEG recognizes that it has to improve the material condition and operator performance. The licensee noted that 45 out of 54 forced outages in Salem 1 were caused by 8 systems.

The licensee stated that it is implementing several actions to improve human performance, enhance safety-culture and executive management oversight. These initiatives include staff training, communicating performance expectations and accountability, team building, providing adequate resources and improved communication with regulators. The licensee stated that it plans to discuss these initiatives in detail during the December 11, 1995 meeting. Mr. Milhoan requested that in its December 11 meeting, the licensee present details of significant modifications and maintenance items it plans to complete before restart and what modifications and maintenance items would be postponed to after restart and basis for postponement.

The meeting adjourned at 2:45 p.m. No regulatory decisions were requested nor made.

A/MS