

August 23, 1996

4

NOTE TO: Chairman Jackson
FROM: Christopher G. Miller
COORDINATED WITH: Annette/Mary ~~W~~
SUBJECT: August 26, 11-11:30 Drop-In, PSE&G executives
VISITORS: E. James Ferland - Chairman, President & Chief Executive Officer
Leon R. Eliason - President- Nuclear Business Unit and Chief Nuclear Officer
PLANTS: Hope Creek Generating Station (BWR) and Salem Nuclear Generating Station, Units 1 and 2 (PWRs)

SUMMARY:

- [REDACTED]
- An attached news clipping announces talks potentially leading to a merger of PSE&G with Philadelphia Electric (PECO) which is a part owner of Salem. The other two part owners of Salem (Atlantic Energy Inc. and Delmarva Power and Light Company) announced a merger on August 12, 1996.
- Other news clippings deal with NRC and PSE&G role in Salem shutdown and restart as well as the potential for customer rate rebates ordered by the state Board of Public Utilities because of the Salem reactors.
- Salem Unit 1 replacement of four Steam Generators received from Seabrook should be complete by January 1997.

PERFORMANCE:

- Hope Creek restarted from a lengthy refueling outage 6 in Spring 1996 and has had a Hope Creek record run for post outage startup operation. Current SALP period ends November 1996. Previous period scores were three 2s and a 1 in Plant Support.
- [REDACTED]
- Salem Units 1 and 2 have been shut down since May and June 1995 respectively. Both units must meet the conditions of a Confirmatory Action Letter, including a Salem Restart Plan, prior to restart. The previous SALP ended November 1994 with scores of 1 in Plant Support, 2 in Engineering, and 3s in Operations and Maintenance.

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A maintenance department overhaul is in progress, with the hiring of all new maintenance superintendents, testing and offsite training of the entire department, and contractor coverage during the process.

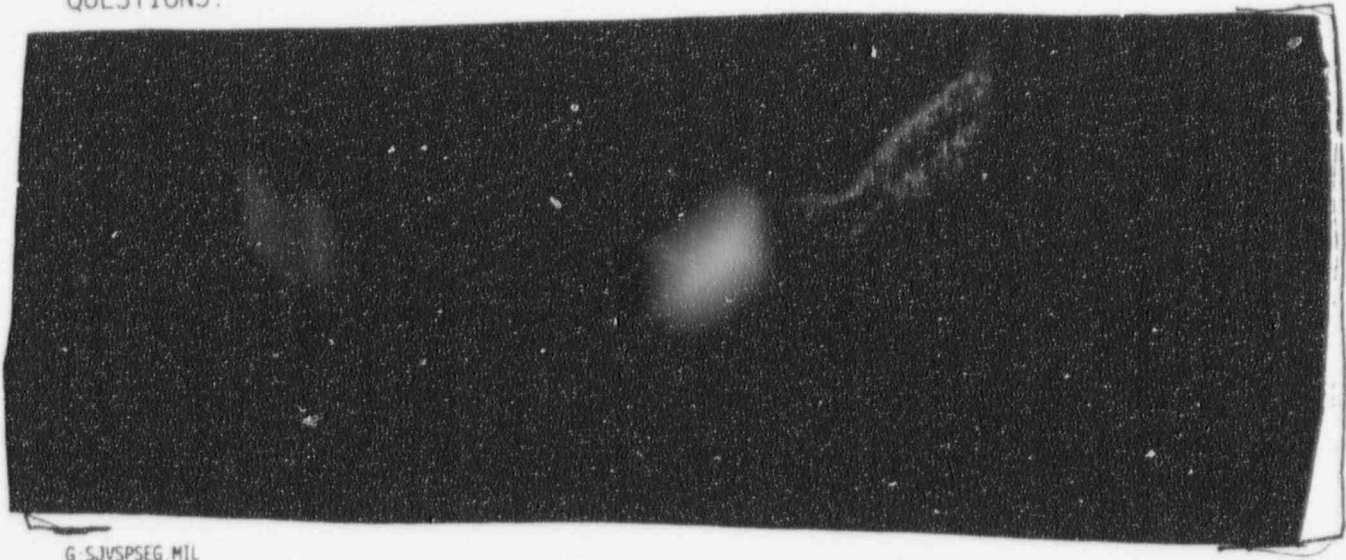
On August 7, the licensee notified the NRC that they were not meeting a license condition requiring the establishment of eight hour shifts. In 1992 the licensee had transitioned to 12 hour shifts without a license amendment.

The Licensing Basis Conformance Project completed August 9, with more than 100 items requiring corrective actions. Most are documentation problems.

MANAGEMENT CHANGES:

- Effective July 1996, David Garchow became the General Manager, Salem operations.
- Hope Creek has had difficulty maintaining and staffing management positions including General Manager and Operations Manager. The latter two positions are now filled, while the positions of Maintenance Manager and Chemistry/Radiation Protection/Radiation Waste Manager are not filled.

QUESTIONS:



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