

April 4, 1997

Mr. L. F. Storz, Senior Vice President  
Nuclear Operations  
Public Service Electric & Gas Company  
PO Box 236  
Hancocks Bridge, NJ 08038

SUBJECT: NRC INSPECTION NO. 50-354/96-11

Dear Mr. Storz:

This letter refers to your March 21, 1997 correspondence, in response to our February 21, 1997 letter.

Thank you for informing us of the corrective and preventive actions documented in your letter. These actions will be examined during a future inspection of your licensed program.

Your cooperation with us is appreciated.

Sincerely,

ORIGINAL SIGNED BY  
G. SCOTT BARBER FOR:

James C. Linville, Chief  
Projects Branch 3  
Division of Reactor Projects

Docket No. 50-354

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PDR ADOCK 05000354  
P PDR



cc:

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J. Benjamin, Director - Quality Assurance & Safety Review  
M. Bezilla, General Manager - Hope Creek Operations

cc w/cy of Licensee's Letter

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Public Service  
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Louis F. Storz

Senior Vice President - Nuclear Operations

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LR-N97167

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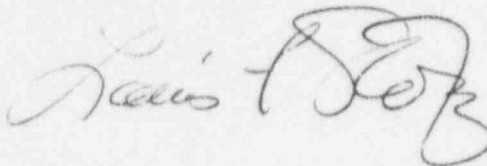
RESPONSE TO A NOTICE OF DEVIATION  
INSPECTION REPORT NO. 50-354/96-11  
FACILITY OPERATING LICENSE NPF-57  
HOPE CREEK GENERATING STATION  
DOCKET NO. 50-354

Gentlemen:

This letter submits the response of Public Service Electric and Gas Company (PSE&G) to a Notice of Deviation described in NRC Inspection Report No. 50-354/96-11, dated February 21, 1997. Information pertaining to the description of the issue, the reason for the deviation and the corrective actions taken or planned is provided in Attachment 1. Attachment 2 of this letter provides details of Hope Creek's implementation of the conditions associated with Hope Creek Technical Specification Amendment No. 75 that were referenced in the Notice of Deviation.

Should you have questions or comments on this transmittal, do not hesitate to contact us.

Sincerely,



Attachments (2)



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-2-

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## ATTACHMENT 1

RESPONSE TO A NOTICE OF DEVIATION  
INSPECTION REPORT NO. 50-354/96-11  
HOPE CREEK GENERATING STATION  
DOCKET NO. 50-354

LR-N97167

### I. INTRODUCTION:

On February 21, 1997, the NRC issued Hope Creek Inspection Report 354/96-11. This Inspection Report included a Notice of Deviation for Hope Creek related to a failure to satisfy a commitment to revise the Technical Specification Bases.

PSE&G hereby submits a written response to this Notice of Deviation, which includes: 1) the reason for the deviation; 2) the corrective steps that have been taken and the results achieved; 3) the corrective steps that will be taken to avoid further deviations; and 4) the date when the corrective actions will be completed.

### II. REPLY TO THE NOTICE OF DEVIATION:

#### A. Description of the Deviation

"A July 25, 1995 letter from the PSE&G Vice President - Nuclear Operations to the NRC included an Attachment 1 which listed seven specific conditions to which the licensee would adhere when either the 'C' or 'D' emergency diesel generators were removed from service for extended preventative maintenance. In the letter, PSE&G stated that 'the Technical Specification Bases will be revised to include these (Attachment 1) conditions.'

Contrary to the above, on January 29, 1997, the NRC identified that the Hope Creek Technical Specification Bases had not been revised to include the specific conditions listed in Attachment 1 to the July 25, 1995 PSE&G letter."

#### B. Response to the Deviation

##### 1. Description of the Event

On August 1, 1995, the NRC issued a Safety Evaluation Report (SER) for Hope Creek Technical Specification Amendment No. 75. This Technical Specification amendment provided, in part, a 14 day allowed outage time (AOT) for the "C" and "D" emergency diesel generators (EDGs). In the Safety Evaluation Report for that change, the NRC



referenced a July 25, 1995 letter from PSE&G (LR-N95115) that was submitted to support approval of Amendment No. 75.

The July 25th letter referenced a teleconference PSE&G held with the NRC to discuss the proposed amendment. This letter provided an attachment that listed conditions agreed to during the teleconference to support the proposed 14 day AOTs. One condition on the list (number 5) was clearly noted as a commitment to be incorporated into the Technical Specification Bases, while the transmittal cover letter stated that the complete list of attached conditions would be incorporated into the Technical Specification Bases. PSE&G failed to adequately track this commitment nor effectively review commitments made when the Technical Specification Amendment was received. As a result, PSE&G implemented the commitment to incorporate condition number 5 into the Technical Specification Bases but not all of the conditions contained on the list. Hope Creek's implementation of these conditions is discussed in Attachment 2 of this letter.

2. Reason for the Deviation

Since that time, PSE&G has conducted a review of its license amendment implementation and commitment management processes for both Salem and Hope Creek. When reviewing the details of this issue against the conclusions reached in those reviews, PSE&G has determined that the apparent causes for this deviation are attributed to: 1) less than adequate ownership and overview of the amendment development/implementation process; and 2) less than adequate communications and controls in identifying and tracking commitments that are associated with an amendment.

3. Corrective Steps That Have Been Taken and Results Achieved

On March 3, 1997, via letter LR-N97113, PSE&G submitted a Technical Specification amendment request (LCR H97-01) to the NRC. That LCR included revised Hope Creek Technical Specification Bases pages which will incorporate the conditions listed in the Safety Evaluation Report for Amendment No. 75.

To improve the process for the development of LCRs and implementation of approved Technical Specification Amendments, the Licensing and Regulation Department has implemented procedure NC.LR-AP.ZZ-0008, "Operating License and Technical Specification Change Process." This procedure established, in part, specific requirements to: 1) review LCR submittals, determine implementation actions, assign responsibilities and track them in the Corrective

Action Program; 2) review the NRC approved amendment, the SER and any other changes, including requests for additional information (RAIs), to determine the impact on previous implementation commitments; 3) develop implementation packages to validate completion of actions required to implement the Technical Specification amendment; and 4) perform a Licensing management review of the validation package to independently ensure adequate implementation of commitments associated with the Technical Specification amendment.

To improve the management of commitments, including those associated with Technical Specification amendments, PSE&G has, in part, implemented the following actions: 1) due dates have been established in correspondence to the NRC to clearly define completion times for required actions; 2) commitments tracked in the Corrective Action Program are periodically reviewed with station management to ensure adequate focus on commitments that are coming due; and 3) expectations were rolled out to Nuclear Business Unit management concerning commitment management and implementation verification. PSE&G believes that these actions have been effective in ensuring that regulatory commitments are implemented appropriately.

This deviation was reviewed with the personnel involved with the issue. The personnel involved were coached to reinforce regulatory commitment management and Technical Specification amendment implementation process requirements.

4. Corrective Steps That Will be Taken to Avoid Further Deviations

The Licensing and Regulation Department management will monitor the implementation of the revised programs to: 1) ensure that the procedural requirements for Hope Creek LCR development are being followed; and 2) ensure that commitments contained in Hope Creek LCRs are being appropriately tracked. An assessment will be conducted by 6/1/97.

5. Date When Corrective Actions Will Be Completed

The revised Hope Creek Technical Specification Bases pages will be issued with the NRC Safety Evaluation Report associated with LCR 97-01.



ATTACHMENT 2

RESPONSE TO A NOTICE OF DEVIATION  
INSPECTION REPORT NO. 50-354/96-11  
HOPE CREEK GENERATING STATION  
DOCKET NO. 50-354

LR-N97167

The NRC Safety Evaluation Report (SER) for Hope Creek Technical Specification Amendment No. 75, dated August 1, 1995, discussed seven conditions pertaining to the bases for the 14 day allowed outage times for the "C" and "D" emergency diesel generators (EDGs). On March 3, 1997, via letter LR-N97113, PSE&G submitted a Technical Specification amendment request (LCR H97-01) to the NRC, which included the revised Technical Specification Bases containing these conditions agreed to for Amendment No. 75. As described in the following paragraphs, PSE&G is implementing the conditions contained in the revised Technical Specification Bases pages submitted with LCR H97-01.

For planned EDG maintenance, Hope Creek utilizes a work control and management process that comprehensively manages the identification, scheduling, planning and implementation of work activities on plant structures, systems and components. This process includes Planning, System Engineering and Operations Department reviews of planned maintenance activities to ensure that: 1) the safety impact is evaluated; 2) a risk assessment is performed as required; 3) the prudence of online maintenance is reviewed; and 4) appropriate contingency and compensatory measures are in place to support the maintenance activities.

These policies, including the overall process for developing, approving and implementing LCO Maintenance Plans, ensure that appropriate measures are taken to: 1) control availability of equipment required to mitigate the consequences of an accident prior to removing an EDG from service for extended preventative maintenance; and 2) limit testing on other components that would increase the likelihood of a plant transient while the EDG is inoperable. Surveillance tests on plant equipment (required to demonstrate its continued operability) that do not significantly increase the likelihood of a plant transient are performed as appropriate. PSE&G believes that the above process satisfactorily implements conditions described in Technical Specification Amendment No. 75 and contained in LCR H97-01.

To address the condition associated with the limits on EDG unavailability, Hope Creek has established performance criteria developed for implementation of 10CFR50.65 requirements as described in NUMARC 93-01, "Industry Guideline for Monitoring the Effectiveness of Maintenance at Nuclear Power Plants", as endorsed by Regulatory Guide 1.160, "Monitoring the Effectiveness

of Maintenance at Nuclear Power Plants", June 1993. The purpose of these performance criteria is to establish a threshold for evaluating excessive EDG unplanned unavailability and implementing appropriate measures to rectify its causes. To control "C" and "D" EDG unavailability, Hope Creek will not plan "C" or "D" EDG outages that exceed 72 hours if the total unavailability of the EDG will be greater than 720 hours on a 12 month rolling basis. This unavailability limit is consistent with the basis established in Technical Specification Amendment No. 75.

In addition to the work management process described above, Hope Creek's procedures also address the specific conditions relating to the "C" and "D" EDG allowed outage times as described in the following paragraphs:

1. "Hope Creek should verify through Technical Specifications, procedures or detailed analyses that the systems, subsystems, trains, components and devices that are required to mitigate the consequences of an accident are available and operable before removing an EDG for extended preventative maintenance (PM). In addition, positive measures should be provided to preclude subsequent testing or maintenance activities on these systems, subsystems, trains, components and devices while the EDG is inoperable."

The Work Control Process procedure, NC.NA-AP.ZZ-0009(Q), states that, "maintenance shall be planned in a manner so as not to compromise plant safety." The planning of the maintenance work must "consider the safety consequences of concurrent or sequential maintenance, testing or operating activities." PSE&G believes that these controls, in addition to the aforementioned development and review of maintenance plans, appropriately implement the above conditions.

2. "The overall unavailability of the EDG should not exceed the performance criteria developed for implementation of 10CFR50.65 requirements as described in NUMARC 93-01, 'Industry Guideline for Monitoring the Effectiveness of Maintenance at Nuclear Power Plants', as endorsed by Regulatory Guide 1.160, 'Monitoring the Effectiveness of Maintenance at Nuclear Power Plants', June 1993."

As discussed previously, Hope Creek will not plan "C" or "D" EDG outages that exceed 72 hours if the total unavailability of the EDG will be greater than 720 hours on a 12 month rolling basis. This unavailability limit is consistent with the basis established in Technical Specification Amendment No. 75. As discussed later, this information will be

included into an appropriate Operations Department procedure.

3. "When the 'C' or 'D' EDG is removed from service for an extended 14 day AOT, any two of the remaining EDGs must be capable, operable and available to mitigate the consequences of a LOOP condition."

The provisions of the Work Control Process procedure described in condition 1 above, in conjunction with the existing Technical Specification ACTION Statements contained in LCO 3.8.1.1, ensure that sufficient onsite AC power is available to support continued plant operation and provide an appropriate level of safety.

4. "The removal from service of safety systems and important non-safety equipment, including offsite power sources, should be minimized during the extended 14 day AOT."

The Work Control Process procedure, NC.NA-AP.ZZ-0009(Q), states that, "maintenance shall be planned in a manner so as not to compromise plant safety." The planning of the maintenance work must "consider the safety consequences of concurrent or sequential maintenance, testing or operating activities." PSE&G believes that these controls, in addition to the aforementioned development and review of maintenance plans, and the Technical Specification LCOs for onsite and offsite AC power sources, appropriately implement the above condition.

5. "Entry into this LCO should not be abused by repeated voluntary entry into and exit from the LCO. The primary intent of the extended EDG AOT is that the extended EDG AOT from 72 hours to 14 days may be needed to perform preplanned EDG maintenance such as teardowns and modifications that would otherwise extend beyond the original 72 hour AOT."

The provisions of the Work Control Process procedure are used to safely plan system maintenance such that: 1) maintenance activities are well coordinated; 2) equipment unavailability is limited; and 3) overall risk to plant operations is minimized. As a result, repeated entries into a Technical Specification LCO ACTION Statement would not be required nor be abused.

6. "Any component testing or maintenance that increases the likelihood of a plant transient should be avoided. Plant operation should be stable during the extended 14 day AOT."

The Work Control Process procedure, NC.NA-AP.ZZ-0009(Q), states that, "maintenance shall be planned in a manner so as not to compromise plant safety." The planning of the maintenance work must "consider the safety consequences of concurrent or sequential maintenance, testing or operating activities." PSE&G believes that these controls, in addition to the aforementioned development and review of maintenance plans, appropriately implement the above conditions.

7. "Voluntary entry into this LCO action statement should not be scheduled if adverse weather conditions are expected."

Procedure HC.OP-AB.ZZ-0139(Q), "Acts of Nature," has a specific provision for the Senior Nuclear Shift Supervisor to prevent initiation of EDG preventative maintenance activities or defer ongoing work activities to expedite restoration of the EDG to an available status if environmental conditions are determined to be challenging the reliability of the offsite power sources.

To enhance Hope Creek's implementation of the above, an appropriate Operations Department procedure will be revised by 6/1/97 such that a review of these specific conditions takes place prior to removing either the "C" or "D" EDG from service for extended maintenance activities.