

June 1, 2004

Mr. Roy A. Anderson
Chief Nuclear Officer and President
PSEG LLC - N09
P. O. Box 236
Hancocks Bridge, NJ 08038

SUBJECT: HOPE CREEK NUCLEAR GENERATING STATION - ASSESSMENT FOLLOW
UP LETTER

Dear Mr. Anderson:

On May 27, 2004, the NRC staff completed, as part of our continuous review, an update of our assessment of the Hope Creek Nuclear Generating Station. The assessment evaluated the performance indicators (PIs) and inspection results. The purpose of this letter is to inform you of your safety performance during this period and our plans for a future inspection at your facility. This letter supplements, but does not supercede, our annual assessment letter issued on March 3, 2004.

On May 10, 2004, the NRC staff forwarded a letter concerning the final significance determination of a White inspection finding in the mitigating systems cornerstone. This White finding resulted from a self-revealing event and involved maintenance procedures not being adequately implemented and not containing adequate instructions, which contributed to the "A" station service water system (SSWS) traveling screen failure that occurred on July 1, 2003. The unavailability of the SSWS traveling screen increased the likelihood of the loss of a service water initiating event and affected the ability of a service water pump train to mitigate the effects of initiating events.

As a result, we have assessed Hope Creek's performance to be in the Regulatory Response Column of the NRC Action Matrix. Therefore, we plan to conduct a supplemental inspection in accordance with Inspection Procedure 95001. This inspection procedure is conducted to provide assurance that the root causes and contributing causes of risk significant performance issues are understood, the extent of condition is identified, and the corrective actions are sufficient to prevent recurrence.

Please inform Daniel J. Holody of my staff, within 20 days of receipt of this letter, of your schedule for completing any evaluations of the issues that led to this White inspection finding. We will use this information to schedule our inspection at an appropriate time mutually convenient to both parties.

Mr. Roy A. Anderson

2

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

Please contact Mr. Holody at 610-337-5312 with any questions you may have regarding this letter.

Sincerely,

/RA/

A. Randolph Blough, Director
Division of Reactor Projects

Docket No. 50-354
License No. NPF-57

Mr. Roy A. Anderson

3

cc:

C. Bakken, Senior Vice President Nuclear Operations
M. Brothers, Vice President - Site Operations
J. T. Carlin, Vice President Nuclear Assurance
D. F. Garchow, Vice President, Engineering and Technical Support
W. F. Sperry, Director Business Support
S. Mannon, Manager - Licensing (Acting)
J. A. Hutton, Hope Creek Plant Manager
R. Kankus, Joint Owner Affairs
J. J. Keenan, Esquire
Consumer Advocate, Office of Consumer Advocate
F. Pompper, Chief of Police and Emergency Management Coordinator
M. Wetterhahn, Esquire
J. Lipoti Ph.D., Assistant Director of Radiation Programs, State of New Jersey
H. Otto, Ph.D., DNREC Division of Water Resources, State of Delaware
N. Cohen, Coordinator - Unplug Salem Campaign
W. Costanzo, Technical Advisor - Jersey Shore Nuclear Watch
E. Zobian, Coordinator - Jersey Shore Anti Nuclear Alliance

Mr. Roy A. Anderson

4

Distribution w/encl:

Region I Docket Room (with concurrences)

M. Gray - NRC Resident Inspector

H. Miller, RA

J. Wiggins, DRA

D. Holody, DRP

S. Barber, DRP

J. Jolicoeur, OEDO

R. Laufer, NRR

J. Clifford, NRR

D. Collins, PM, NRR

Chief, NRR/DIPM/IIPB

RidsNrrDipmlipb

Accession Number:

DOCUMENT NAME: C:\ORPCheckout\FileNET\ML041530213.wpd

After declaring this document "An Official Agency Record" it **will** be released to the Public.

To receive a copy of this document, indicate in the box: "C" = Copy without attachment/enclosure "E" = Copy with attachment/enclosure "N" = No copy

OFFICE	RI/DRP		RI/DRP		RI/DRP			
NAME	SBarber/SB		DHolody/DJH*		ABlough/ARB			
DATE	05/17/04		05/27/04		06/01/04			

OFFICIAL RECORD COPY

*Discussed with Mel Gray, Scott Barber and Ted Wingfield 5/27/04