

May 18, 2000

Mr. Harold W. Keiser  
President and Chief Nuclear Officer  
Nuclear Business Unit  
Public Service Electric & Gas Company  
Post Office Box 236  
Hancocks Bridge, NJ 08038

**SUBJECT: ANNUAL ASSESSMENT LETTER - SALEM NUCLEAR GENERATING  
STATION (Reports 05000272/2000-008 & 05000311/2000-008)**

Dear Mr. Keiser:

On May 1, 2000, the NRC staff completed its end-of-cycle plant performance assessment of the Salem Nuclear Generating Station, in which numerous NRC organizations evaluated the performance indicators (PIs) and inspection results for the period from May 30, 1999, to April 1, 2000. The purpose of this letter is to inform you of our assessment of your safety performance during this period.

Overall, Salem Units 1 & 2 were operated in a manner that preserved public health and safety. Plant performance for both Units 1 & 2 for the most recent quarter was within the Regulatory Response Column of the NRC's Action Matrix, based on one inspection finding of low to moderate safety significance (White) within the Mitigating Systems Cornerstone and all PIs indicating performance at a level requiring no additional NRC oversight (Green). Both units met all cornerstone objectives.

The White finding within the Mitigating Systems Cornerstone at each unit involved carbon dioxide gas concentrations for fire suppression which did not reach and maintain the required levels during pre-operational testing of the 4160 Vac switchgear rooms. In your response to the March 15, 2000, Notice of Violation on this White finding, you committed to complete a root cause evaluation of this issue by June 30, 2000, and to provide us with a schedule of corrective actions by July 15, 2000. Subsequent to reviewing your evaluation and schedule, we plan to schedule a supplemental inspection to review this issue.

During the assessment period there were some PIs and findings which were other than Green, but the issues have been resolved and no additional inspection is planned. Specifically, a White PI on the Protected Area Security Equipment Performance Index at both units in the second quarter of 1999 has been retroactively categorized as Green based on recent changes in PI thresholds. The Unit 1 Reactor Coolant System Activity PI (3<sup>rd</sup> quarter 1999) was White, but under recently revised guidance the elevated data would be excluded due to transient effects (an iodine spike after a reactor scram) and result in a Green PI. Also, a preliminary White inspection finding was identified within the Emergency Preparedness Cornerstone regarding corrective actions for untimely event classifications, but this finding was recategorized as Green following a regulatory conference in which PSEG provided information that demonstrated

appropriate corrective actions had been taken. Because these PIs and findings are presently Green and the issues have been resolved, no additional inspection beyond the baseline inspection program is planned.

On June 15 we plan to present this assessment to you and your staff in a meeting at the Salem site with public observation.

This letter advises you of our planned inspection effort resulting from the Salem end-of-cycle review. The enclosed inspection plan details the scheduled inspections for the period from April 2, 2000 to March 31, 2001. The inspection plan is provided to minimize the resource impact on your staff and to allow for scheduling conflicts and personnel availability to be resolved in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The last six months of the inspection plan are tentative and may be revised in early December following the mid-cycle review meeting.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be placed in the NRC Public Document Room (PDR). More detailed information that provides the basis for this assessment is available at the following NRC website:

<http://www.nrc.gov/NRR/OVERSIGHT/ASSESS/index.html>

If circumstances arise which cause us to change this inspection plan, we will contact you to discuss the change as soon as possible. Please contact Glenn Meyer at (610) 337-5211 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

**/RA/**

James C. Linville for

A. Randolph Blough, Director  
Division of Reactor Projects

Docket Nos. 50-272, 50-311  
Licensee Nos. DPR-70, DPR-75

Enclosure: Salem Inspection/Activity Plan

cc: w/enclosure

E. Simpson, Senior Vice President and Chief Administrative Officer

M. Bezilla, Vice President - Nuclear Operations

D. Garchow, Vice President - Technical Support

M. Trum, Vice President - Maintenance

T. O'Connor, Vice President - Plant Support

E. Salowitz, Director - Nuclear Business Support

G. Salamon, Manager - Licensing

A. F. Kirby, III, External Operations - Nuclear, Delmarva Power & Light Co.

J. McMahon, Director - QA/Nuclear Training/Emergency Preparedness

R. Kankus, Joint Owner Affairs

A. Tapert, Program Administrator

J. J. Keenan, Esquire

Consumer Advocate, Office of Consumer Advocate

W. Conklin, Public Safety Consultant, Lower Alloways Creek Township

M. Wetterhahn, Esquire

State of New Jersey

State of Delaware

J. Guinan, NJ PIRG

N. Cohen, Coalition for Peace and Justice

R. Fisher

F. Berryhill

B. August

Mr. Harold W. Keiser

4

Distribution w/encl:  
 Region I Docket Room (with concurrences)  
 Nuclear Safety Information Center (NSIC)  
 NRC Resident Inspector  
 T. Frye, NRR  
 H. Miller, RA  
 J. Wiggins, DRA  
 G. Meyer, DRP  
 R. Barkley, DRP  
 P. Bonnett, DRP  
 B. Platchek, DRP  
 DRS/DRP Division Director  
 DRS/DRP Deputy Division Director  
 DRS/DRP Branch Chief  
 L. Privity, DRS  
 J. Furia, DRS  
 G. Smith, DRS  
 N. McNamara, DRS  
 J. Shea, OEDO  
 E. Adensam, NRR  
 R. Fretz , PM, NRR  
 J. Clifford, NRR  
 Inspection Program Branch, NRR (IPAS)  
 C. See, NRR

DOCUMENT NAME: G:\BRANCH3\Salem EOC Letter.wpd

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	RBarkley	GMeyer	ABlough (j cl for)			
DATE	5/18/00	5/18/00	5/18/00			

OFFICIAL RECORD COPY