

Public Service
Electric and Gas
Company

MAY 18 1998

Louis F. Storz

Public Service Electric and Gas Company

P.O. Box 236, Hancocks Bridge, NJ 08038

609-339-5700

Senior Vice President - Nuclear Operations

LR-N980245

United States Nuclear Regulatory Commission
Document Control Desk
Washington, DC 20555

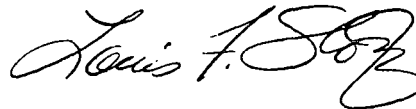
Gentlemen:

**REPLY TO NOTICE OF VIOLATION
OFFICE OF INVESTIGATIONS NO. 1-96-031
EA No. 97-422
SALEM AND HOPE CREEK GENERATING STATIONS
FACILITY OPERATING LICENSE DPR-70, DPR-75, NPF-57
DOCKET NOS. 50-272, 311, 354**

Pursuant to the provisions of 10CFR2.201, Public Service Electric and Gas Company (PSE&G) hereby submits a reply to the Notice of Violation (NOV) issued to the Salem and Hope Creek Generating Stations in a letter dated April 24, 1998. The violation involved the inaccurate logging of security records.

The PSE&G response for this violation is contained in Attachment 1 of this letter. If you have any questions or comments on this transmittal, please contact Robin Ritzman at (609) 339-1445.

Sincerely,



Attachment (1)

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Mr. H. Miller, Administrator - Region I
U. S. Nuclear Regulatory Commission
475 Allendale Road
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Mr. R. Ennis, Licensing Project Manager - Hope Creek
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Mr. S. Pindale (X24)
USNRC Senior Resident Inspector - HC

Mr. S. Morris (X24)
USNRC Senior Resident Inspector - Salem

Mr. K. Tosch, Manager IV
Bureau of Nuclear Engineering
P. O. Box 415
Trenton, NJ 08625

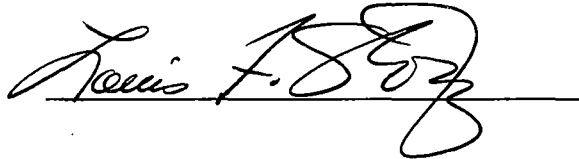


REF: LR-N980245

STATE OF NEW JERSEY }
) SS.
COUNTY OF SALEM }

Louis F. Storz, being duly sworn according to law deposes and says:

I am Sr. Vice President Nuclear Operations of Public Service Electric and Gas Company, and as such, I find the matters set forth in the above referenced letter, concerning the Salem and Hope Creek Generating Stations, are true to the best of my knowledge, information and belief.



A handwritten signature in cursive script, reading "Louis F. Storz", is written over a horizontal line.

Subscribed and Sworn before me
this 18th day of May, 1998



A handwritten signature in cursive script, reading "Deloris D. Hadden", is written over a horizontal line.

Notary Public of New Jersey

DELORIS D. HADDEN
Notary Public of New Jersey
My Commission Expires
03-29-2000

My commission expires on _____

ATTACHMENT 1

RESPONSE TO NOTICE OF VIOLATION
OFFICE OF INVESTIGATIONS NO. 1-96-031
EA NO. 97-422
SALEM AND HOPE CREEK GENERATING STATIONS
FACILITY OPERATING LICENSE DPR-70, DPR-75, NPF-57
DOCKET NOS. 50-272, 311, 354

I. INACCURATE INFORMATION LOGGED INTO THE SAFEGUARDS
EVENT LOG

1. Description of Violation

10 CFR 50.9 requires, in part, that information required by the Commission's regulations or license conditions to be maintained by the licensee shall be complete and accurate in all material respects.

License Condition 2.E of License Number NPF-57 for the Hope Creek facility, and License Conditions 2.E of License Numbers DPR-70 and DPR-75 for Salem, require, in part, that PSE&G fully implement and maintain in effect all provisions of the safeguards contingency plans approved by the Commission and all amendments and revisions to such plans made pursuant to the authority of 10 CFR 50.90 and 10 CFR 50.54(p).

Section 4.3.1 of the PSE&G Safeguards Contingency Plan requires that the licensee establish, implement, and maintain, security contingency procedures.

Security Contingency Plan Procedure (SCP-15), "Safeguards Event Reporting Procedure", requires, in Section 4.6.1 that the licensee record in the Safeguards Event Log, and retain on site for inspection by the NRC, any failure or degradation of a safeguards system or a discovered vulnerability that could have allowed unauthorized or undetected access to the protected or vital area, if compensatory measures had not been established. Section 4.3.1 requires that compensatory measures be placed in effect within ten minutes of security management becoming aware of the event.

Contrary to the above, a Safeguard Event Log, required to be maintained by the licensee, was not complete and accurate in all material respects. Specifically, after security management became aware of the failure of the security computer at 6:10 a.m. on May 25, 1996, security post No. 127 was not manned until 6:28 a.m., approximately 18 minutes after the computer failure. However, the Safeguards Event Log was inaccurate in that it documented that the compensatory measures were implemented at 6:19 a.m.. These records were material because they provide evidence as to whether the licensee met the requirement for manning the post within 10 minutes. **(01013)**

ATTACHMENT 1

This is a Severity Level III violation (Supplement VII).

2. Reply to Notice of Violation

PSE&G agrees that inaccurate information was included in the Safeguards Event Log. This information was corrected upon discovery. As stated at the December 9, 1997, Enforcement Conference, PSE&G did not conclude that the actions that led to the logging of the inaccurate information were willful.

3. Reason for the Violation

The inaccurate information was logged as a result of poor work practices and inadequate procedures, both of which were allowed to exist due to an unhealthy culture within the security department. The poor work practices and inadequate procedures included the method used to log the times that the compensatory posts were met, the practice of calling compensatory posts into more than one individual, and confusion over the compensatory posting assignments.

These poor work practices and inadequate procedures made it difficult for the individuals involved in the event to determine if the compensatory posting was met within the required 10 minutes. Additionally, security supervision exercised poor judgment during the post-event critique in that they did not exercise sufficient rigor to determine if the compensatory post times were met.

4. Corrective Steps That Have Been Taken and Results Achieved

- a) The Safeguards Event Log was updated when the incorrect log entry was discovered.
- b) Procedures were revised to establish single point accountability during security events and to create a matrix accountability sheet to be used in determining if compensatory posts have been properly established.
- c) The CAS/SAS operator and the Systems Operations Supervisor involved in this event were suspended.
- d) Both Wackenhut and PSE&G Security Management were replaced to address cultural issues. As a result of the management changes, and improved procedures and work practices, the culture of the security organization has improved notably.

ATTACHMENT 1

5. Corrective Steps That Will Be Taken to Avoid Further Violations

No further corrective actions are required.

6. Date When Full Compliance Will Be Achieved

Full compliance was achieved in August 1996, when the Safeguards Event Log was corrected.