tified By: CV

AUG 11 1987

Docket Nos. 50-354 50-272 50-311

Public Service Electric & Gas Company ATTN: Mr. C. A. McNeill, Jr. Senior Vice President - Nuclear Post Office Box 236 Hancocks Bridge, New Jersey 08038

Gentlemen:

Subject: Combined Inspection Nos. 50-354/87-15, 50-272/87-14 and 50-311/87-17

This refers to the routine safeguards inspection conducted by Mr. R. J. Bailey of this office on May 18-21, 1987, at Hancocks Bridge, New Jersey, of activities authorized by NRC License Nos. NPF-50, DPR-70 and DPR-75 and to the discussions of our findings held by Mr. Bailey with Mr. J. Bavlish of your staff at the conclusion of the inspection.

Areas examined during this inspection are described in the NRC Region I Inspection Report which is enclosed with this letter. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector.

Within the scope of this inspection, no violations were observed.

A paragraph in the enclosed inspection report contains details of your security program that have been determined to be exempt from public disclosure in accordance with 10 CFR 73.21 (Safeguards Information). Therefore, the paragraph so identified in the inspection report will not be placed in the NRC Public Document Room and will receive limited distribution. This letter and the remainder of the inspection report will be placed in the Public Document Room, in accordance with 10 CFR 2.790(a).

No reply to this letter is required. Your cooperation with us is appreciated.

Sincerely,

Original Signed By: James H. Joyner

Thomas T. Martin, Director Division of Radiation Safety and Safeguards

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CIR SG SALEM/HC 87-15 - 0001.0.0 08/06/87

Enclosure: Combined NRC Region I Inspection Report Numbers 50-354/87-15, 50-272/87-14 and 50-311/87-17 (Safeguards Information (SGI) is contained in paragraph 10)

cc w/encl (w/o SGI): S. LaBruna, General Manager, Hope Creek Operations W. H. Hirst, Manager, Joint Generation Projects Department, Atlantic Electric Company L. A. Reiter, General Manager - Licensing and Reliability Rebecca A. Green, Bureau of Radiation Protection Thomas S. Shaw, Jr., Vice President - Production J. M. Zupko, Jr., General Manager - Salem Operations B. A. Preston, Manager, Licensing and Regulation S. E. Miltenberger, Vice President - Nuclear Operations General Manager - Nuclear Safety Review M. J. Wetterhahn, Esquire R. Fryling, Jr., Esquire Public Document Room (PDR) Local Public Document Room (LPDR) Nuclear Safety Information Center (NSIC) NRC Resident Inspector (Hope Creek) (w/SGI) NRC Resident Inspector (Salem) (w/SGI) State of New Jersey

bcc w/encl (w/o SGI):
Region I Docket Room (with concurrences)
Management Assistant, DRMA (w/o encl)
DRP Section Chief
Robert J. Bores, DRSS

Bailey R1:DRSS Bailey/gcb

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RICES Martin

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