



**PUBLIC  
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INDIANA**

S. W. Shields  
Vice President - Electric System

March 7, 1980

Mr. James G. Keppler  
Nuclear Regulatory Commission  
Region III  
799 Roosevelt Road  
Glen Ellyn, Illinois 60137

Dear Mr. Keppler:

Attached are twelve (12) copies of PSI's letter to Mr. Victor Stello, NRC Washington, requesting that PSI be allowed to resume Receipt Inspection at our Marble Hill Nuclear Generating Station. This letter was delivered to Washington yesterday.

Sincerely,

*S. W. Shields*  
(KC)

SWS/kc

Attachment

cc: J. J. Harrison - Site - w/o att.

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**PUBLIC  
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March 5, 1980

S. W. Shields  
Vice President - Electric System

Mr. Victor Stello, Jr., Director  
U.S. Nuclear Regulatory Commission  
Office of Inspection and Enforcement  
Washington, D.C. 20555

Docket Nos.: STN 50-546  
STN 50-547  
Construction  
Permit Nos: CPPR-170  
CPPR-171

**SUBJECT: Marble Hill Nuclear Generating Station - Units 1 and 2  
Order Confirming Suspension of Construction**

Dear Mr. Stello:

On August 15, 1979, the U.S. Nuclear Regulatory Commission, Office of Inspection and Enforcement, issued an order confirming suspension of safety-related construction at the Public Service Company of Indiana, Inc. (PSI) Marble Hill Station. That order required that PSI submit a written description of specific actions taken to assure that safety-related construction will be conducted in accordance with 10 CFR Part 50, Appendix B. On February 28, 1980, PSI submitted, under oath, a report stating actions completed and in progress to meet conditions to be considered by the NRC prior to restarting any part of safety-related construction. The NRC confirming order made provision for the order to be partially lifted for specific areas of safety category work where the NRC had adequate confidence that 10 CFR Part 50, Appendix B requirements would be met. The purpose of this letter is to address one such area and to submit for consideration by the NRC a plan for resuming receipt inspection of safety category materials and components, which will work to the betterment of the ultimate quality of the Marble Hill Generating Station.

Under terms of the confirming order and subsequent NRC correspondence, PSI was permitted to receive and store purchased safety-related materials and components, but was not permitted to evaluate conformance to specified requirements of either the items themselves or their supporting documents. PSI is requesting a partial lifting of the confirming order so that verification of the acceptability of material received on-site can be accomplished and corrective action taken in a timely manner, where required. The action proposed herein will permit resumption of this work in a controlled manner to approved procedures and will enhance the monitoring and evaluation of its effectiveness.

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Mr. V. Stello, Jr.

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PSI proposes that receipt inspection of safety category items be resumed in parallel with the material and construction verification programs required by the confirming order and described in PSI's February 28, 1980, submittal. Performing this work in parallel will permit an interchange of information relative to conditions found in purchased items and installed items, will assist in the early identification of problems, and in obtaining corrective action to minimize recurrence.

PSI proposes to demonstrate to the NRC, to the extent required, the PSI Quality Assurance Program, organization, personnel qualifications, improvements in checklists, and associated activities. PSI checklists will provide prerequisites to performing receipt inspection, and will include requirements for protection of preservation and packaging, dimensional and visual acceptance criteria, and classification and identification of requirements for handling, preservation, and storage after receipt inspection.

Upon completion of the proposed receipt inspection, accepted items will in many instances be turned over to site contractors for handling and warehousing; however, PSI will identify status and retain custody of the items until the appropriate site contractor has likewise demonstrated his capability to conduct receipt inspection to the satisfaction of PSI and the NRC.

Subsequent to PSI demonstration of receipt inspection, site contractors will be identified by discipline to demonstrate their receipt inspection capabilities in an equivalent manner to PSI.

In all cases, nonconformances detected will be identified, documented, trended, and dispositioned by a technical review in accordance with approved procedures of PSI and the site contractors. As appropriate, corrective action will be required of suppliers. In addition, nonconformance information will be utilized to identify any similar conditions in installed items. Similarly, adverse conditions noted in the quality of installed items will be utilized in enhancing the inspection for like conditions in new hardware.

As site contractors successfully demonstrate their capability of performing receiving inspection, they will be allowed to continue receipt inspection. Items accepted by such contractors will be directed to proper handling and storage, but will be placed on hold by direction of PSI until resumption of related construction activities has been authorized by the NRC.

Upon completion of the material and construction verification programs, the inventory of receipt inspected and properly stored material and components will be available to support restarting construction activities.



Mr. V. Stello, Jr.

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Subsequent to start of receipt inspection and after completion of the material and construction verification programs, PSI will request further partial lifting of the confirming order to permit resumption of construction installation activities. Upon this further lifting of the order, PSI plans to restart construction installation activities on a phased plan by four major types of construction activities, namely: civil/structural, mechanical, electrical, and ASME piping. Prior to restart of each type of major activity, after PSI has determined that the contractors are capable of successfully performing the activity, PSI will obtain approval from the NRC to perform the activity.

I would respectfully request that you review and approve this request for resumption of safety-related activities at Marble Hill. I should also like the opportunity to meet with you to answer any questions you might have concerning this request or the report which was delivered to you on February 28, 1980.

Sincerely,

A handwritten signature in cursive script, appearing to read 'S.W. Shields', written over the typed name.

S.W. SHIELDS

JMN/dks

cc: Mr. J. G. Keppler, Director  
U.S. Nuclear Regulatory Commission  
Region III  
799 Roosevelt Road  
Glen Ellyn, IL 60137

E. R. Schweibinz, P.E.  
J. J. Harrison