

UNITED STATES NUCLEAR REGULATORY COMMISSION REGION I 631 PARK AVENUE

KING OF PRUSSIA, PENNSYLVANIA 19406

JUL 0 2 1980

Docket Nos. 50-354 50-355

> Public Service Electric & Gas Company ATTN: Mr. T. J. Martin

Vice President

Engineering and Construction

80 Park Place

Newark, New Jersey 07101

Gentlemen:

Subject: Inspection Nos. 50-354/80-07

50-355/80-07

This refers to the inspection conducted by Mr. W. H. Bateman of this office on May 5-30, 1980 at Hancocks Bridge, New Jersey of activities authorized by NRC License Nos. CPPR-120 and CPPR-121 and to the discussions of our findings held by Mr. Bateman with Mr. A. Giardino of your staff at the conclusion of the inspection.

Areas examined during this inspection are described in the Office of Inspection and Enforcement 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.

Based on the results of this inspection, it appears that certain of your activities were not conducted in full compliance with NRC requirements, as set forth in the Notice of Violation, enclosed herewith as Appendix A. These items of noncompliance have been categorized into the levels as described in our correspondence to you dated December 31, 1974. This notice is sent to you pursuant to the provisions of Section 2.201 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office, within thirty (30) days of your receipt of this notice, a written statement or explanation in reply including: (1) corrective steps which have been taken by you and the results achieved; (2) corrective steps which will be taken to avoid further items of noncompliance; and (3) the date when full compliance will be achieved.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10. Code of Federal Regulations, a copy of this letter and the enclosures will be placed in the NRC's Public Document Room. If this report contains any information that you (or your contractor) believe to be proprietary, it is necessary that you make a written application within 20 days to this office to withhold such information from public disclosure. Any such application must be accompanied by an affidavit executed by the owner of the information, which identifies the document or part sought to be withheld, and which contains a statement of reasons which addresses with specificity the items which will be considered by the Commission as listed in subparagraph (b) (4) of Section 2.790. The information sought to be withheld shall be incorporated as far as possible into a separate part of the affidavit. If we do not hear from you in this regard within the specified period, the report will be placed in the Public Document Room.

Should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,

Robert T. Carlson, Chief

Reactor Construction and Engineering

Support Branch

## Enclosures:

Appendix A. Notice of Violation

 Office of Inspection and Enforcement Inspection Report Numbers 50-354/80-07 and 50-355/80-07

## cc w/encl:

E. N. Schwalje, Manager - Quality Assurance, Engineering and Construction Department