



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
799 ROOSEVELT ROAD
GLEN ELLYN, ILLINOIS 60137

TTC

SEP - 8 1980

Docket No. 50-546
Docket No. 50-547

Public Service of Indiana
ATTN: Mr. S. W. Shields
Senior Vice President
Nuclear Division
Post Office Box 190
New Washington, IN 47162

Gentlemen:

This refers to the routine inspection conducted by Mr. J. J. Harrison of this office on July 1-31, 1980, of activities at Marble Hill Generating Station, Units 1 and 2, authorized by NRC Construction Permits No. CPPR-170 and No. CPPR-171 and to the discussion of our findings with Messrs. Brown, Kime, Ramsett, Norris and others of your staff at the conclusion of the inspection.

The enclosed copy of our inspection report identifies areas examined during the inspection. Within these areas, the inspection consisted of a selective examination of procedures and representative records, observations, and interviews with personnel.

During this inspection, certain of your activities appeared to be in non-compliance with NRC requirements, as described in the enclosed Appendix A.

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 days of your receipt of this notice a written statement or explanation in reply, including for each item of noncompliance: (1) corrective action taken and the results achieved; (2) corrective action to be taken to avoid further 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, the enclosures, and your response to this letter will be placed in the NRC's Public Document Room, except as follows. If the enclosures contain

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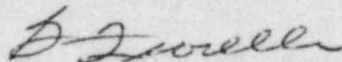
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information that you or your contractors believe to be proprietary, you must apply in writing to this office, within twenty days of your receipt of this letter, to withhold such information from public disclosure. The application must include a full statement of the reasons for which the information is considered proprietary, and should be prepared so that proprietary information identified in the application is contained in an enclosure to the application.

We will gladly discuss any questions you have concerning this inspection.

Sincerely,



G. Fiorelli, Chief
Reactor Construction and
Engineering Support Branch

Enclosures:

1. Appendix A, Notice
of Violation
2. IE Inspection Reports
No. 50-546/80-28 and
No. 50-547/80-28

cc w/encl:

C. Kammerer, CA

H. Thordberg, IE

Mr. G. N. Brown, Project
Director

Central Files

Reproduction Unit NRC 20b

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Local PDR

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Mr. Dave Martin, Office of
Attorney General

Mr. John R. Galloway, Staff
Director, Environment, Energy
and Natural Resources Subcommittee