



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
631 PARK AVENUE
KING OF PRUSSIA, PENNSYLVANIA 19406

NOV 18 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 Report Nos. 354/80-16 and 355/80-16

This refers to the routine inspection conducted by W. H. Bateman of this office on October 6 - November 2, 1980, at the Hope Creek Generating Station, Units 1 and 2, 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 W. H. Bateman with A. E. 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.

Item II in the Notice of Violation enclosed with this letter was identified during a previous inspection of your licensed activities on Unit 1 and was documented in the enclosure to our letter dated March 24, 1980. Your letter to this office dated April 28, 1980 stated:

- a. Schneider has retained, on a permanent basis, one laborer specifically assigned to keep Schneider's work area clean and free of debris.

8104160008

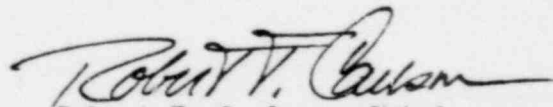
- b. Schneider Inspection Plan S520-1, Rev. 0, "Surveillance of House-keeping, Material Storage and Weld Wire Control," was issued April 18, 1980. This plan provides for weekly surveillance of storage areas for cleanliness, piping end caps in place, use of dunnage, and adequate drainage. The plan also provides for weekly surveillance of work areas for environmental controls, weld electrode control, cleanliness, and piping end caps in place. Surveillance reports will be submitted to the Schneider QA Manager for review.

From our October 6 - November 2, 1980 inspection it appears that the stated corrective actions were not effective since this item has recurred. Recurrent and uncorrected items of noncompliance are given additional weight in the consideration and selection of appropriate enforcement action. Therefore, in your response to this letter, you should give particular attention to those actions taken or planned to ensure that identified items of noncompliance will be completely corrected and will not recur.

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:

1. Appendix A, Notice of Violation
2. Office of Inspection and Enforcement Inspection Report
Nos. 354/80-16 and 355/80-16

cc w/encl:

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