



**PUBLIC
SERVICE
INDIANA**

S. W. Shields
Senior Vice President -
Nuclear Division

November 7, 1980

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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.: CFPK-170
CFPR-171

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

REFERENCE: Letter dated May 15, 1980, entitled "Graduated Rescission of Order
Dated August 15, 1979"

Dear Mr. Stello:

This letter is submitted in response to Section B.8 of your letter of May 15, 1980, identified as "Graduated Rescission of Order Dated August 15, 1979."

Those activities identified as items B.5, B.6, and B.7 of your above referenced letter have been accomplished by Public Service Company of Indiana, Inc. (PSI) and NRC Region III relative to the prerequisites for commencing receipt inspection by Cherne Contracting Corporation (CCC) and Commonwealth-Lord JV (C-LJV).

Specific activities accomplished are as follows:

1. PSI has required CCC and C-LJV to adjust, as necessary, their Quality Assurance programs, procedures and implementation thereof, personnel staffing levels and personnel qualifications as those items relate to receipt inspection activities.
2. PSI has reviewed and approved the Quality Assurance programs of CCC and C-LJV and performed comprehensive audits of those programs.
3. PSI has requested NRC Region III to perform evaluations of adjusted receipt inspection programs of CCC and C-LJV (Ref. Letter from S. W. Shields to J. G. Keppler dated August 26, 1980).

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4. NRC Region III has performed evaluations of adjusted receipt inspection programs of CCC and C-LJV with results indicating that both contractors are prepared to support receipt inspection.

PSI hereby requests your written permission as required by Section B.8 of the referenced letter to allow resumption of receipt inspection by CCC and C-LJV.

Your cooperation and response regarding this matter will be greatly appreciated.

Sincerely,

S. W. Shields
S. W. Shields

cc: J. G. Keppler
E. R. Schweibins
J. J. Harrison

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