

UNITED STATES NUCLEAR REGULATORY COMMISSION REGION I

631 PARK AVENUE KING OF PRUSSIA, PENNSYLVANIA 19406

Docket Nos. 50-354 50-355 MAR 0 4 1981

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

Vice President

Engineering and Construction

80 Park Plaza - 17C Newark, New Jersey 07101

Gentlemen:

Subject: Combined Inspection 50-354/80-21 and 50-355/80-21

This refers to the routine safety inspection conducted by Mr. W. H. Bateman of this office on December 1, 1980 to January 4, 1981 at Hope Creek Generating Station, Units 1 and 2 in Hancock's 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. 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 one of your activities was not conducted in full compliance with NRC requirements, as set forth in the Notice of Violation, enclosed herewith as Appendix A. This item of noncompliance has been categorized into the levels described in the Federal Register Notice (45 FR 66754) dated October 7, 1980.

Item I in the Notice of Violation enclosed with this letter is similar to items identified during previous inspections of your licensed activities on Unit 1 and documented in the enclosures to our letters dated November 18, 1980 and March 24, 1980. Your letter to this office dated April 28, 1980 in response to our letter of March 24. 1980 stated:

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

Schneider Inspection Plan S520-1, Rev. 0, "Surveillance of Housekeeping, 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."

Your letter to this office dated January 5, 1981 in response to our letter dated November 18, 1980 stated:

"Schneider, Inc. has revised their procedure to provide more detailed housekeeping requirements. SI has reinstated the weekly (minimum) surveillance of the housekeeping activities. PDM will monitor the SI surveillance as part of overall increased surveillance. Bechtel will increase its surveillance of its contractors and subcontractors."

From our December 1, 1980 to January 4, 1981 inspection it appears that the stated corrective actions were not effective since this inspection resulted in a second recurrent of a noncompliance involving housekeeping/cleanliness of piping in the suppression chamber area. This and other related matters were discussed in the management meeting held February 5, 1981 at the Region I Office, which is documented in the enclosure to our letter dated February 26, 1981. 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 25 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

Enclosure: Appendix A, Notice of Violation

cc w/encl:

J. Boettger, General Manager, Corporate QA