



Northern Indiana Public Service Company

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EUGENE M. SHORB
EXECUTIVE VICE PRESIDENT
AND CHIEF OPERATING OFFICER

September 1, 1982

Mr. Harold R. Denton, Director
Office of Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Re: Northern Indiana Public Service Company
Bailly Generating Station, Nuclear-1
Docket No. 50-367
Site Restoration Plan

Dear Mr. Denton:

Pursuant to the May 6, 1982 Order of the Atomic Safety and Licensing Board which terminated the proceeding on the application of Northern Indiana Public Service Company (NIPSCO) for the extension of Construction Permit No. CPPR-104 and required quarterly reports on the progress of NIPSCO's site restoration plan beginning June 1, 1982, attached herewith is NIPSCO's September 1, 1982 Report on Progress of Bailly N-1 Site Restoration Plan.

Copies of this report are being sent to each of the individuals and organizations appearing on the service list as of May 6, 1982, in the above-referenced proceeding.

Further reports will be forwarded to you and others on the service list as required by the May 6, 1982 Order.

Yours very truly,

EMS/dgg
Attachment
cc: Per Attached List

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Mr. Harold R. Denton

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cc: Herbert Grossman, Esquire, Chairman
Dr. Robert L. Holton
Dr. Kenneth McCollom
Docketing and Service Section
Guy H. Cunningham, Esquire
Stephen H. Lewis, Esquire
Susan Sekuler, Esquire
Robert J. Vollen, Esquire
Edward W. Osann, Jr., Esquire
Robert L. Graham, Esquire
Mr. Mike Olszanski
Mr. Clifford Mezo
Mr. George Grabowski
Ms. Anna Grabowski

NORTHERN INDIANA PUBLIC SERVICE COMPANY'S
SECOND REPORT ON PROGRESS OF BAILLY N-1
SITE RESTORATION PLAN
SEPTEMBER 1, 1982

On May 6, 1982, the Atomic Safety and Licensing Board entered an order in Docket No. 50-367 terminating the proceeding on the application of Northern Indiana Public Service Company (NIPSCO) for extension for Construction Permit No. CPPR-104 for the Bailly Generating Station, Nuclear-1 project (Bailly). One of the conditions of that order required NIPSCO to send reports on the progress of the site restoration plan to each individual and organization on the service list as of May 6, 1982. The reports are to be sent on June 1, 1982, and the first day of each third month thereafter. The required reports are to include "a detailed description of all site work done; a detailed description of all site work remaining to be done; an estimate of the percentage of completion of site restoration, together with the basis for the estimate; and, an estimated completion date for site restoration."

In accordance with the May 6, 1982 Order, NIPSCO sent reports dated June 1, 1982, to each individual and organization on the service list as of May 6, 1982. The following is the progress report for September 1, 1982.

I.

DESCRIPTION OF ALL WORK DONE

As of September 1, 1982, all physical site restoration work is in progress or has been completed. All the preliminary

administrative and regulatory work required prior to commencement of actual construction work has been completed. The following is a description of the work completed as of September 1, 1982.

- (A) The sump pumps have been removed from the excavation.
- (B) The recording equipment has been removed from all groundwater observation wells located outside of the excavation and all wells have been capped.
- (C) The meteorological tower and instrumentation building have been removed by NIPSCO's Construction Department.
- (D) NIPSCO has obtained all the necessary permits described in its June 1, 1982 report authorizing use of materials dredged from Lake Michigan as a portion of the backfill for the excavation.
- (E) After careful evaluation of the two (2) backfilling alternates described in its June 1, 1982 report, NIPSCO, on June 23, 1982, awarded a contract to backfill the excavation by dredging two-thirds (2/3) of the fill material from Lake Michigan and utilizing on-site material for the remaining fill material. Mobilization of dredging equipment began shortly thereafter. Actual on-site work related to backfilling the excavation began during the week of July 5, 1982. Mobilization of dredging equipment and actual backfilling of the excavation have been delayed because of adverse weather conditions and

actual dredging operations did not begin until August 13, 1982. To date, approximately 25,000 cubic yards of the approximate amount of 200,000 cubic yards that must be obtained by dredging have been placed in the excavation. NIPSCO is not certain that all dredging will be completed by September 30, which is the last day that dredging operations can be carried out under NIPSCO's Indiana Department of Natural Resources (DNR) permit.

In the event that dredging is not completed by September 30, 1982, NIPSCO will either seek an extension of the DNR permit or require the dredging contractor to supply the additionally required fill material from an off-site source. In any event, backfilling of the excavation is expected to be completed by December 31, 1982.

- (F) The H-piles in the excavation have been cut off.
- (G) After discussions with contractors, NIPSCO determined that it was not practical to remove the sheet piling from inside the excavation. The sheet piling within the excavation has been abandoned in place and is being covered over as the excavation is filled.

(H) NIPSCO has determined that it was not practical to remove the well points from within the excavation. As a result, these well points have been abandoned in place and are being covered over as the excavation is filled.

II.

DESCRIPTION OF ALL WORK REMAINING TO BE DONE

The only physical work remaining to be done is the backfilling of the excavation. As described in Section I.(E), filling of the excavation has begun but is not complete. The dredging portion of the backfill work has been scheduled to be completed by September 30, 1982, which is the last day that dredging operations can be carried out under NIPSCO's DNR permit. However, because of the delays discussed in Section I., NIPSCO is not certain that all dredging will be completed by September 30, 1982.

In the event that dredging is not completed by September 30, 1982, NIPSCO will either seek an extension of the DNR permit or require the dredging contractor to supply the additionally required fill material from an off-site source. In any event, backfilling of the excavation is expected to be completed by December 31, 1982.

III.

ESTIMATE OF THE PERCENTAGE OF COMPLETION OF
SITE RESTORATION AND THE BASIS THEREFOR

As of September 1, 1982, NIPSCO estimates that approximately 27 percent of the total site restoration work has been completed. The estimate is based on a combination of the two (2) major portions of the work involved in the Site Restoration Plan; the administrative work and the actual construction work completed.

- (A) ADMINISTRATIVE WORK. NIPSCO estimates that approximately 15 percent of most major construction project costs are for administrative work as opposed to material and actual physical construction work. This is a reasonable factor to be applied to the site restoration work. NIPSCO estimates that approximately two-thirds (2/3) of the administrative work has been completed in the preparation of specifications for backfilling the excavation, reviewing bids received, applying for and obtaining the various permits, certification and determination required for dredging as described in its June 1, 1982 report, preparing and awarding the contract to fill the excavation, scheduling and administration of the contract to backfill the excavation, and scheduling and administration of the various other projects required by the Site Restoration Plan. Ten (10) percent of NIPSCO's

estimate of the total percentage of work completed is based upon the completion of two-thirds (2/3) of the administrative work.

- (B) CONSTRUCTION WORK. NIPSCO estimates that the remaining 85 percent of most major construction project costs are for material and actual physical construction work. This is a reasonable factor to be applied to the site restoration work. Based on the amounts which NIPSCO has expended and the amounts for which NIPSCO has been invoiced, as compared to the total costs for the site restoration work, approximately one-fifth (1/5) of the actual construction has been completed. Thus, 17 percent of NIPSCO's estimate of the total percentage of work that has been completed is based upon the completion of one-fifth (1/5) of the actual construction work.

IV.

ESTIMATED COMPLETION DATE FOR SITE RESTORATION

As was described in Section I., all activities involving actual work which relates to completion of the site restoration plan is either completed or under way. The major portion of the site restoration plan is the backfilling of the excavation, and completion of this work will be the final step in completing the entire project. NIPSCO now estimates that backfilling of the excavation will be completed by December 31, 1982.

V.

MISCELLANEOUS MATTERS

- (A) The Board's Order of May 6, 1982, provided that on April 15, 1983, and at the completion of site restoration, NIPSCO give notice of, and arrange for, an inspection of the site at which time the parties may be present. NIPSCO understands the intent of the Order to be that the parties be given an opportunity to inspect the site while the restoration work is in progress and at the completion of the work. Based on the scheduled completion of the work as discussed in Section IV. above, NIPSCO will make arrangements for, and notify the parties of, an interim site inspection to be held in mid-October, 1982, if restoration work proceeds as presently planned. Further notification of such a site inspection will also be provided. Notification will also be given for a site inspection upon completion of the work.
- (B) A copy of this report will be sent to the NRC Staff and all individuals and organizations on the service list as of May 6, 1982, in Docket No. 50-367 (Construction Permit Extension).