Appendix

NOTICE OF VIOLATION

Public Service of Indiana

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

As a result of the inspection conducted August 1-31, September 1-30, and October 1-8, 1982, and in accordance with NRC Enforcement Policy, 47 FR 9987 (March 9, 1982), the following violation was identified:

10 CFR 50, Appendix B, Criterion XIII Handling, Storage, and Shipping, states "Measures shall be established to control the handling, storage, shipping, cleaning, and preservation of material and equipment in accordance with work and inspection instructions to prevent damage or deterioration."

In addition, Public Service of Indiana's Marble Hill PSAR Chapter 17 dated April 18, 1980, Section 1.13 stated in part "PSI had delegated responsibility for specifying handling, storage, shipping, cleaning, and preservation of material and equipment requirements to its principal contractors and contractors." Cherne Contracting Company's procedure 12.5, General Requirements for Fabrication and Installation of Safety Related Components, implements these requirements.

Contrary to the above, the licensee failed to assure fully that the responsible contractor implemented the preservation program for materials and equipment being installed as follows:

- . Protective End Caps were not installed
- . Material and piping spools were stacked such that proper protection was not afforded
- . Weld joints were not covered, taped, or sealed
- . Piping spools were utilized to store construction equipment

This is a Severity Level V violation (Supplement II).

Pursuant to the provisions of 10 CFR 2.201, you are required to submit to this office within thirty days of the date 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. Consideration may be given to extending your response time for good cause shown.

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AC Knop

R. C. Knop, Cnief Project Branch 1

Dated

