APR 27 1988

Docket No. 50-354

Public Service Electric & Gas Company ATTN: Mr. Steven E. Miltenberger Vice President - Nuclear Post Office Box 236 Hancocks Bridge, New Jersey 08038

Gentlemen:

Subject: Inspection Report Number 50-354/88-03

Enclosed is the subject report of the NRC team inspection conducted by Mr. R. J. Paolino and other NRC inspectors and contract personnel on January 26-29, 1988 at the Hope Creek Unit 1 Nuclear Power Plant site located at Hancocks Bridge, New Jersey of activities authorized by license number NPF-57.

The team's findings were discussed with members of your staff at the conclusion of the inspection. The inspection reviewed your implementation of a program for establishing and maintaining the qualification of electric equipment within the scope of 10 CFR 50.49. Within these areas, the inspection consisted of examination of selected procedures and records, interviews with personnel, observations and a physical walkdown verification of specific electrical equipment selected from the EQ Master List.

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. The violation has been categorized by severity level in accordance with the General Statement of Policy and Procedure for NRC Enforcement Actions, 10 CFR Part 2, Appendix C.

You are required to respond to this letter and in preparing your response, you should follow the instructions in Appendix A.

The response directed by this letter and the accompanying Notice are not subject to the clearance procedures of the Office of Management and Budgets as required by the Paperwork Act of 1980, PL-96-511.

Your cooperation with us in this matter, is appreciated. We are available to discuss any questions you may have concerning this inspection.

Sincerely.

ORIGINAL SIGNED BY WILLIAM V. JOHNSTON

William V. Johnston, Acting Director Division Reactor Safety

Enclosures:

1. Appendix A, Notice of Violation

2. NRC Region I Inspection Report Number 50-354/88-03

cc w/encl:

S. LaBruna, General Manager, Hope Creek Operations

W. H. Hirst, Manager, Joint Generation Projects Department, Atlantic

Electric Company

L. A. Reiter, General Manager - Licensing and Reliability

Rebecca A. Green, Bureau of Radiation Protection

Public Document Room (PDR)

Local Public Document Room (LPDR)

Nuclear Safety Information Center (NSIC)

NRC Resident Inspector

State of New Jersey

bcc w/encl:

Region I Docket Room (with concurrences)

Management Assistant, DRMA (w/o encl)

DRP Section Chief

Robert J. Bores, DRSS

U. Potapovs, NRR

J. Kudrick, NRR

D. Holody, RI

Region I TIC

Paolino/tlm/rw

4/7/88

RI:DRS Anderson

4/9/88

RI: DRS

4/5 0/88

RI: DRS THADANI

4/22/88

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