06 OCT 1986

Docket Nos. 50-354

Public Service Electric and Gas Company ATTN: Mr. C. A. McNeill, Jr. Vice President - Nuclear P. O. Box 236 Hancocks Bridge, NJ 08038

Gentlemen:

Subject: Inspection No. 50-354/86-41

This transmits the findings of a special safety inspection conducted by the NRC resident and region based inspectors on August 13 - September 2, 1986, at the Hope Creek Nuclear Power Station, Hancocks Bridge, New Jersey. The inspection consisted of a review of the causes for inoperability of the reactor building to suppression chamber pressure relief system identified on August 8, 1986. These findings were based on observation of activities, interviews and document reviews, and were discussed with Mr. R. Salvesen of your staff.

Areas examined during this inspection are described in the NRC Region I Inspection Report which is enclosed with this letter.

Based on the results of our inspection, we are concerned about the underlying reasons that let to operation of the Hope Creek plant with the reactor building to suppression chamber pressure relief system in an inoperable condition. The details of these concerns are described in the enclosed special inspection report. An enforcement conference will be scheduled in the near future, to be held in the Region I office to further discuss these concerns. At this conference you should be prepared to discuss your review of the concerns identified in the inspection report and corrective actions taken or planned.

The need for and nature of appropriate enforcement action relative to the issues identified in the enclosed report will be considered after this conference and will be the subject of separate correspondence at a later time. No response to this letter is required.

Your cooperation with us is appreciated.

Sincerely,

8610160290 861006 PDR ADOCK 05000354 Q PDR Original Signed By:

William F. Kane, Director Division of Reactor Projects

Enclosure: NRC Inspection Report No. 50-354/86-41

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IEOI /

cc w/encl:

P. R. H. Landrieu, Vice President - Engineering (Newark) R. S. Salvesen, General Manager, Hope Creek Operations

A. E. Giardino, Manager, Station Quality Assurance

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

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:

D. J. Holody, Enforcement Specialist, Region I

S. J. Collins, Deputy Director, DRP, Region I R. M. Gallo, Chief, Region I Projects Branch No. 2

L. J. Norrholm, Chief, Reactor Projects Section 2B, Region I

L. H. Bettenhausen, Chief, Operations Branch, Region I

L. E. Briggs, Chief, Test Program Section, Acting, Region I

S. D. Ebneter, Director, Division of Reactor Safety, Region I J. A. Axelrad, Director, Enforcement Staff, Office of Inspection & Enforcement

J. R. Johnson, Chief, Operations Section, Region I

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Bettenhausen

9/25/86

9/15/86

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