

Public Service
Electric and Gas
Company

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November 26, 1984

Dr. Thomas E. Murley, Administrator
U. S. Nuclear Regulatory Commission
Office of Inspection and Enforcement
Region I
631 Park Avenue
King of Prussia, Pennsylvania 19406

Dear Dr. Murley:

INSPECTION REPORT 50-354/84-16
HOPE CREEK GENERATING STATION

We have reviewed the subject report transmitted by letter dated November 9, 1984. We wish to clarify an apparent misunderstanding regarding the inspection report's findings which were not presented at the exit meeting nor were they acknowledged by PSE&G. In particular, we are concerned with the statement that the inspection checklist system in use at Hope Creek constitutes a "potential for programmatic breakdown".

The following information is provided to clarify the apparent misunderstanding of the NRC Inspector:

1. Paragraph 2.4.1 indicates that one (1) QC Engineer did not know the acceptance criterion for gouges and cuts in piping and was not carrying that reference material with him at the time. While this may be an accurate statement, to proceed directly from this to a conclusion of a "potential for programmatic breakdown" indicates a lack of familiarity with our in-process inspection activities. In accordance with our program requirements, the QC Inspector identified an arc strike and brought it to the attention of Construction; the arc strike was removed with emery paper; the resultant condition was evaluated and found acceptable by Engineering; then the QC Inspector signed off Item 2.1 on his

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Quality Control Inspection Record. Item 2.1.h of QCIR/T-1.00 is a specific inspection checklist entry to "inspect and identify visible damage to the pressure boundary (surface gouge, etc.)."

2. In Paragraph 2.4.2 of the inspection report, it was stated that sign-off of the prerequisite block (Item 1.4 of QCIR/T-1.00) concerning valve line-up would mean approval of a future activity. Sign-off on this block only attests that the QC Inspector reviewed the Work Plan/Procedure Record and test documents for test parameters and boundaries. Valve line-up is a separate checklist entry under the In-Process Inspection Activities portion of the record (Item 2.1.b of T-1.00). It appears that a misunderstanding exists with pertinent aspects of our inspection program.

The implementation of Quality Control Instructions and completion of the QC Inspection Records are defined in Section III of Bechtel's Construction Quality Control Manual. The conclusions stated in the report seem to indicate a lack of complete understanding of our inspection system.

We do not concur with the report's statements regarding generic administrative problems with the checklist format or potential for programmatic breakdown. Please have this response filed with all copies of the subject report.

Very truly yours,



C Office of Inspection and Enforcement
Division of Reactor Construction Inspection
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NRC Resident Inspector - Hope Creek
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