

JAN 31 1986

Docket No. 50-354

Public Service Electric & Gas Company
ATTN: Mr. C. A. McNeill, Jr.
Vice President - Nuclear
Post Office Box 236
Hancocks Bridge, New Jersey 08038

Gentlemen:

Subject: Inspection Report No. 50-354/85-65

This refers to the routine inspection conducted by Mr. S. D. Kucharski of this office on December 23, 1985 to January 3, 1986, at Hope Creek Generating Station, Hancocks Bridge, New Jersey, of activities authorized by NRC License No. CPPR-120 and to the discussions of our findings held by Mr. Kucharski with Mr. R. Salvesen of your staff at the conclusion of the inspection.

Areas examined during this inspection are described in the NRC Region I Inspection Report which is enclosed with this letter. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector.

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. This violation has been categorized by severity level in accordance with the revised NRC Enforcement Policy (10 CFR 2, Appendix C) published in the Federal Register Notice (49 FR 8583) dated March 8, 1984. As stated in this policy we want to encourage and support licensee initiative for self-identification and corrective of problems. And we recognize the action of your QA personnel in identifying a certain problem with local operation of a test valve. However, we also believe that additional corrective actions are warranted because it could reasonably be expected to have been prevented by previous licensee findings and correction actions. Accordingly, you are required to respond to this letter and in preparing your response, you should follow the instructions in Appendix A.

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

Your cooperation with us in this matter is appreciated.

Sincerely,

Original Signed By:
Lee H. Butterhausen

8602070133 860131
PDR ADOCK 05000354
G PDR

for Stewart D. Ebnetter, Director
Division of Reactor Safety

TEO!

OFFICIAL RECORD COPY

IR HOPE CREEK 85-65 - 0001.0.0
01/31/86

Enclosure:

1. Appendix A, Notice of Violation
2. NRC Region I Inspection Report Number 50-354/85-65

cc w/encl:

A. E. Giardino, Manager, Station Quality Assurance
R. L. Mittl, General Manager, Nuclear Assurance and Regulation
A. J. Pietrofitta, General Manager, Power Production Engineering,
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:

Region I Docket Room (with concurrences)
Management Assistant, DRMA (w/o encl)
DRP Section Chief
J. Grant, DRP

RI:DRS
JGolla/mb
01/31/86

RI:DRP
SKucharski
01/31/86

RI:DRS
JJohnson
01/31/86

RI:DRS
LBattenhausen
01/31/86

OFFICIAL RECORD COPY

IR HOPE CREEK 85-65 - 0001.1.0
01/31/86