

MAR 27 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. 50-354/86-10

This refers to the routine safety inspection conducted by Mr. L. Briggs of this office on January 27, 1986 - February 7, 1986, at the 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. L. Briggs with Mr. Giardino and others 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, measurements made by the inspector, and observations by the inspector.

Based on the results of this inspection, it appears that certain of your activities were not conducted in full compliance with NRC requirements, as set forth in the Notice of Violation, enclosed herewith as Appendix A. These violations have 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. Your proposed corrective actions for these violations were followed up on and reviewed on site February 12-14, 1986 during inspection 50-354/86-12. Based on this review which is described in detail in report 50-354/86-12, you need not respond to this letter. We will continue to closely review your preoperational testing program and assess the effectiveness of your corrective actions.

Your cooperation with us in this matter is appreciated.

Sincerely,

Original Signed By:  
Lee H. Bettenhausen

8604040067 860327  
PDR ADOCK 05000354  
G PDR

for Stewart D. Ebnetter, Director  
Division of Reactor Safety

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IR HOPE CREEK 86-10 - 0001.0.0  
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Enclosures:

1. Appendix A, Notice of Violation
2. NRC Region I Inspection Report Number 50-354/86-10

cc w/encls:

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/encls:

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

RI:DRS  
Briggs/gcb  
3/7/86

RI:DRS  
Eseigroth  
3/7/86

MAS  
RI:DRS  
Bettenhausen  
3/27/86

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