

July 19, 1988

Docket No. 50-498

Mr. J. H. Goldberg  
Group Vice-President, Nuclear  
Houston Lighting & Power Company  
P. O. Box 1700  
Houston, Texas 77001

Dear Mr. Goldberg:

SUBJECT: NOTICE OF CONSIDERATION OF ISSUANCE OF AMENDMENT TO  
FACILITY OPERATING LICENSE AND PROPOSED NO SIGNIFICANT  
HAZARDS CONSIDERATION DETERMINATION AND OPPORTUNITY  
FOR HEARING

Enclosed is a copy of the subject notice which relates to your application for  
amendment dated June 9, 1988 to reflect an adjustment in the ownership  
interests in the South Texas Project.

We are publishing this notice as an individual notice, in lieu of a regular  
biweekly notice, in order to expedite the processing to support your schedule  
for implementation of these changes.

This notice has been forwarded to the Office of the Federal Register for  
publication.

Sincerely,

/s/

George F. Dick, Jr., Project Manager  
Project Directorate - IV  
Division of Reactor Projects - III,  
IV, V and Special Projects

Enclosure:  
As stated

cc w/enclosure:  
See next page

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UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D. C. 20555

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George F. Dick, Jr., Project Manager  
Project Directorate - IV  
Division of Reactor Projects - III,  
IV, V and Special Projects

Enclosure:  
As stated

cc w/enclosure:  
See next page

Mr. J. H. Goldberg  
Houston Lighting and Power Company

South Texas Project

cc:

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General Manager, Operations Support  
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Wadsworth, Texas 77483

Mr. J. H. Goldberg  
Houston Lighting & Power

- 2 -

South Texas Project

cc:  
Regional Administrator, Region IV  
U.S. Nuclear Regulatory Commission  
Office of Executive Director  
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Arlington, Texas 76011

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R. W. Chewning, Chairman  
Nuclear Safety Review Board  
Houston Lighting & Power Company  
P. O. Box 289  
Wadsworth, Texas 77483

UNITED STATES NUCLEAR REGULATORY COMMISSIONHOUSTON LIGHTING & POWER COMPANYDOCKET NO. 50-498NOTICE OF CONSIDERATION OF ISSUANCE OF AMENDMENT TO  
FACILITY OPERATING LICENSE AND PROPOSED NO SIGNIFICANT HAZARDS  
CONSIDERATION DETERMINATION AND OPPORTUNITY FOR HEARING

The U. S. Nuclear Regulatory Commission (the Commission) is considering issuance of an amendment to Facility Operating License No. NPF-76, issued to Houston Lighting & Power Company (the licensee), for the operation of the South Texas Project, Unit 1, located in Matagorda County, Texas.

The proposed amendment would reflect an adjustment in ownership interests in the South Texas Project which results from the settlement of litigation between the licensee and the City of Austin, memorialized in a Settlement Agreement dated March 17, 1988.

Before issuance of the proposed license amendment, the Commission will have made findings required by the Atomic Energy Act of 1954, as amended (the Act) and the Commission's regulations.

The Commission has made a proposed determination that the amendment request involves no significant hazards consideration. Under the Commission's regulations in 10 CFR 50.92, this means that operation of the facility in accordance with the proposed amendment would not (1) involve a significant increase in the probability or consequences of an accident previously evaluated; or (2) create the possibility of a new or different kind of accident from any accident previously evaluated; or (3) involve a significant reduction in a margin of safety.

The Commission has provided guidance concerning the application of the standards for determining whether a significant hazards consideration exists by providing certain examples (51 FR 7751). An example of an amendment which involves a no significant hazards consideration is example (viii) which states that "a change to a license to reflect a minor adjustment in ownership shares among co-owners already shown on the license."

The licensee has concluded and the staff agrees, that the proposed amendment fits the guidance provided in example (viii) because it is administrative in nature and involves only the transfer of an ownership interest from one entity to another entity which is already an owner and licensee.

The Commission is seeking public comments on this proposed determination. Any comments received within 30 days after the date of publication of this notice will be considered in making any final determination. The Commission will not normally make a final determination unless it receives a request for a hearing.

Comments should be addressed to the Rules and Procedures Branch, Division of Rules and Records, Office of Administration, U. S. Nuclear Regulatory Commission, Washington, D. C. 20555, and should cite the publication date and page number of this FEDERAL REGISTER notice.

By August 25, 1988 , the licensee may file a request for a hearing with respect to issuance of the amendment to the subject facility operating license, and any person whose interest may be affected by the proceeding and who wishes to participate as a party in the proceeding must file a written petition for leave to intervene. Request for a hearing and petitions for leave to intervene must be filed in accordance with the Commission's "Rules

of Practice for Domestic Licensing Proceedings" in 10 CFR Part 2. If a request for a hearing or petition for leave to intervene is filed by the above date, the Commission or an Atomic Safety and Licensing Board Panel will rule on the request and/or petition, and the Secretary or the designated Atomic Safety and Licensing Board will issue a notice of hearing or an appropriate order.

As required by 10 CFR 2.714, a petition for leave to intervene must set forth with particularity the interest of the petitioner in the proceeding, and how that interest may be affected by the results of the proceeding. The petition should specifically explain the reasons why intervention should be permitted with particular reference to the following factors: (1) the nature of the petitioner's right under the Act to be made a party to the proceedings; (2) the nature and extent of the petitioner's property, financial, or other interest in the proceeding; and (3) the possible effect of any order which may be entered in the proceeding on the petitioner's interest. The petition should also identify the specific aspect(s) of the subject matter of the proceeding as to which the petitioner wishes to intervene. Any person who has filed a petition for leave to intervene or has been admitted as a party may amend the petition without requesting leave of the Board up to fifteen (15) days prior to the first prehearing conference scheduled in the proceeding, but such an amended petition must satisfy the specificity requirements described above.

Not later than fifteen (15) days prior to the first prehearing conference scheduled in the proceeding, the petitioner shall file a supplement to the petition to intervene which must include a list of the contentions which are sought to be litigated in the matter, and the bases for each contention set forth with reasonable specificity. Contentions should be limited to matters

within the scope of the amendment under consideration. A petitioner who fails to file such a supplement which satisfies these requirements with respect to at least one contention will not be permitted to participate as a party.

Those permitted to intervene become parties to the proceeding, subject to any limitations in the order granting leave to intervene, and have the opportunity to participate fully in the conduct of the hearing, including the opportunity to present evidence and cross-examine witnesses.

If a hearing is requested, the Commission will make a final determination on the issue of no significant hazards consideration. The final determination will serve to decide when the hearing is held.

If the final determination is that the request for amendment involves no significant hazards consideration, the Commission may issue the amendment and make it effective, notwithstanding the request for a hearing. Any hearing held would take place after issuance of the amendment.

Normally, the Commission will not issue the amendment until the expiration of the 30-day notice period. However, should circumstances change during the notice such that failure to act in a timely way would result, for example, in derating or shutdown of the facility, the Commission may issue the license amendment before the expiration of the 30-day notice period, provided that its final determination is that the amendment involves no significant hazards consideration. The final determination will consider all public and state comments received. Should the Commission take this action, it will publish a notice of issuance and provide for opportunity for a hearing after issuance. The Commission expects that the need to take this action will occur very infrequently.

A request for a hearing or a petition for leave to intervene must be filed with the Secretary of the Commission, U. S. Nuclear Regulatory Commission, Washington, D. C. 20555, Attention: Docketing and Service Branch, or may be delivered to the Commission's Public Document Room, 1717 H Street, N.W., Washington, D. C., by the above date. Where petitions are filed during the last ten (10) days of the notice period, it is requested that the petitioner promptly so inform the Commission by toll-free telephone call to Western Union at (800) 325-6000 (in Missouri (800) 342-6700). The Western Union operator should be given Datagram Identification Number 3737 and the following message addressed to Jose A. Calvo: petitioner's name and telephone number; date petition was mailed; plant name; and publication date and page number of this FEDERAL REGISTER notice. A copy of the petition should also be sent to the Office of the General Counsel-Rockville, U. S. Nuclear Regulatory Commission, Washington, D. C. 20555, and to Newman & Holtzinger, P.C., 1615 L Street, N.W., Washington, D. C. 20036, attorneys for the licensee.

Nontimely filings of the petition for leave to intervene, amended petitions, supplemental petitions and/or requests for hearing will not be entertained absent a determination by the Commission, the presiding officer or the presiding Atomic Safety and Licensing Board, that the request should be granted based upon a balancing of the factors specified in 10 CFR 2.714(a)(1)(i)-(v) and 2.714(d).

For further details with respect to this action, see the application for amendment which is available for public inspection at the Commission's Public

Document Room, 1717 H Street, N.W., Washington, D.C., and at Wharton Junior  
College Library, Wharton, Texas 77488.

Dated at Rockville, Maryland, this 19th day of July, 1988

FOR THE NUCLEAR REGULATORY COMMISSION

*George F. Dick, Jr.*  
George F. Dick, Jr., Project Manager  
Project Directorate - IV  
Division of Reactor Projects - III,  
IV, V and Special Projects