UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of) HOUSTON LIGHTING AND POWER COMPANY,) <u>ET AL</u>.) (South Fexas Project, Units 1 and 2))

> NRC STAFF'S RESPONSE TO BOARD MEMORANDUM OF MARCH 10, 1980

In its Memorandum dated March 10, 1980, the Board invited the views of the parties on the feasibility of separating out from the admitted contentions in this proceeding those "issues relating to asserted construction and QA/QC deficiencies (Contentions 1 and 2)" and engaging in an early hearing on the issues. The Staff's comments are provided below.

The NRC Office of Inspection and Enforcement initiated several months ago an extensive investigation into construction activities at the South Texas Project, Units 1 and 2. An assessment of the effectiveness of the QA/QC program for ongoing activities was included as part of the investigation. Staff counsel has been advised that this investigation is nearing completion and issuance of the investigation report is expected within the near future.

Under these circumstances, the Staff believes that it would be appropriate to await the issuance of the investigation report before responding directly to the Board's inquiry. After the issuance of the investigation report, the Staff will provide a further report to the Board.

Respectfully submitted,

Stuart A. Treby Assistant Chief Hearing Counsel for NRC Staff

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Dated at Bethesda, Maryland this 10th day of April, 1980

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BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of \chi)	
HOUSTON LIGHTING AND POWER COMPANY,) <u>ET AL</u> .	Docket Nos. 50-498 50-499
(South Texas Project, Units 1 and 2)	

CERTIFICATE OF SERVICE

I hereby ce tify that copies of "NRC STAFF'S RESPONSE TO BOARD MEMORANDUM OF MARCH 10, 1980" in the above-captioned proceeding have been served on the following by deposit in the United States mail, first class, or, as indicated by an asterisk, through deposit in the Nuclear Regulatory Commission's internal mail system, this 10th day of April, 1980:

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