



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

May 13, 1980

Charles Bechhoefer, Esq., Chairman
Atomic Safety and Licensing Board
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Dr. Emmeth A. Luebke
Atomic Safety and Licensing Board
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Dr. James C. Lamb, III
313 Woodhaven Road
Chapel Hill, NC 27514

In the Matter of
Houston Lighting and Power Company, et al.
(South Texas Project, Units 1 and 2)
Docket Nos. 50-498 and 50-499

Gentlemen:

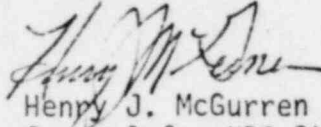
In the "NRC Staff's Response to Board Memorandum of March 10, 1980", dated April 10, 1980, the Staff indicated that it believed it would be appropriate to await issuance of the NRC Office of Inspection and Enforcement's investigation report concerning construction activities at the South Texas Project, Units 1 and 2, before offering its views on the feasibility of engaging in an early hearing on certain issues related to asserted construction and QA/QC deficiencies.

By cover letter of April 30, 1980 (attached with all enclosures - including the Investigation Report and the Order to Show Cause), the NRC Office of Inspection and Enforcement issued its inspection report as well as an Order directing the Licensee to show cause why safety-related construction activities should not be stopped ninety days from April 30, 1980, and remain stopped until certain information regarding construction and QA/QC matters is provided to the Director of the Office of Inspection and Enforcement.

The Staff believes that the Board and the parties should await the resolution of this enforcement action before further con-

sidering the feasibility of engaging in an early hearing on issues related to asserted construction and QA/QC deficiencies. The Staff will inform you of the status of this enforcement action on a monthly basis starting July 1, 1980.

Sincerely,



Henry J. McGurren
Counsel for NRC Staff

Enclosure: As stated

cc w/encl: Board Chairman and Members
Mr. Lanny Alan Sinkin
Mrs. Peggy Buchorn
Richard W. Lowerre, Esq.
Jack R. Newman, Esq.

cc w/o encl: Rest of Service List