

October 29, 1981

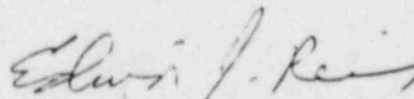
Note to Don Sells

CEU PETITION TO SUSPEND CONSTRUCTION OF THE STP, FILED
OCTOBER 28, 1981, WITH THE COMMISSION

In order to respond to the above referenced pleading in this case, it is necessary that we formulate staff positions on several matters. Many, if not all, of these positions will have to be coordinated with I&E. Specifically;

1. What is the Staff position on the Quadrex Report?
 - a. Does the report conclude that the design of the South Texas Project is fundamentally flawed?
 - b. Does the Staff on the basis of the report believe that the design of STP is flawed?
2. Does Jordan (CEU) correctly characterize the findings of the Quadrex Report in his pleading? Go through the pleading and each time the Quadrex Report is characterized state:
 - a. Why it is inaccurate or, if accurate, the significance.
 - b. Why the construction proposed by HL&P's letter of 10/16/81 is not affected by the Quadrex findings.
3. Specifically, does the Staff believe that each of the construction activities listed in Attachment A to HL&P's letter of 10/16/81 may proceed? What is the effect of uncertainties concerning the accuracy of the Quadrex Report on this answer?
4. What evaluations were made by the Staff to assure the work proposed in HL&P's 10/16/81 letter could go forward?

There is a short turnaround time on this so let's organize a meeting with I&E early next week.


Edwin J. Reis
Attorney, OELD

cc: J. Sniezek

MEETING SUMMARY DISTRIBUTION

Docket File
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Local PDR
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J. Collins	R. Taylor
J. Sniezek	M. Wilbur
D. Eisenhut	R. Shewmaker
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E. Christenberry	
E. Reis	
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UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

OCT 22 1981

Docket Nos.: 50-498/499

APPLICANT: Houston Lighting and Power Company (HL&P)
FACILITY: South Texas Project, Units 1 and 2 (STP)
SUBJECT: MEETING SUMMARY CONCERNING REALLOCATION OF RESPONSIBILITIES
FOR STP

On 6 October 1981 a meeting was held in Bethesda with the Houston Lighting and Power Company (HL&P) concerning the transfer of architect engineer and construction management responsibilities for the South Texas Project (STP) from Brown and Root (B&R) to Bechtel.

A partial list of attendees is attached.

The purpose of this meeting was to provide HL&P with an opportunity to advise the staff of its decision and plans to replace B & R with Bechtel on the STP. It is anticipated that it will take 6 to 8 weeks to develop a transition plan that will call for a transition period estimated at 6 to 12 months.

HL&P is to return to Bethesda in late November to provide the details of the transition and a more definitive schedule for its completion.

In general, the plan calls for the development of some 120 work packages that will be reviewed in detail by Bechtel. This review is aimed at determining the current status of the work in each package (both engineering and construction), what needs to be accomplished to finish the work, compliance with all applicable requirements (RG's, FSAR, Regulations, etc.), and development of a schedule to complete the work. The issues raised in the Quadrex Report which fall into a work package will be specifically addressed in the detailed review. Essentially four sets of work packages will be established, Systems, Structures, Components, and the fourth that will cut across the other three, Compliance. As an example, one of the System packages could be the service water system.

Bechtel anticipates that a peak of approximately 130 Bechtel employees will be located in Houston and at the site under the current plan that calls for B & R to continue as the constructor. Construction management will consist of approximately 30 people at the site. They will be obtained from the Bechtel work force at San Onofre and Palo Verde. The Bechtel Executive Director for the project will be located in the Power Division of the Los Angeles, California office.

*7012 (3/81)
Dyer
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OCT 22 1981

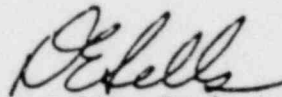
Only that construction which has been currently authorized by Region IV will continue during the transition. No new construction can be started until Bechtel has provided advise to HL&P on the validity of the request for initiating additional construction during the transition period.

The qualifications of Bechtel, QA/QC Program for design and construction, and the transition program are scheduled to be filed shortly after the second briefing scheduled for late November, as indicated above.

It is estimated that a new schedule for the completion of STP and a new fuel load date will be provided in July or August 1982.

The precise role of B & R is yet to be determined. However, it is expected that a decision by B & R to continue with construction, or not, will be made by early November. If B & R should decide to withdraw as the STP constructor, then it can be anticipated that Bechtel would also become the constructor on the project.

Subsequent to this meeting arrangements were made to hold the detailed briefing, mentioned earlier, on 24 November 1981 in Room P-118 of the Phillips Building in Bethesda, Md. The meeting will begin at 9:00 a.m. and is expected to last approximately 3 hours.



D. Sells, Project Manager
Licensing Branch #3
Division of Licensing

cc: See next page.

Attendees 6 Oct '81 Meeting with HL&P

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R. Tedesco NRR
F. Miraglia NRR
E. Christenberry OELD
E. Reis OELD
J. Gutierrez OELD
D. Sells NRR
H. Scherling IE

R. Taylor IE
M. Wilbur IE
R. Shewmaker IE

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L. Sinkin CCANP

HL&P

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R. Barker
C. Roberston

J. Newman
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