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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

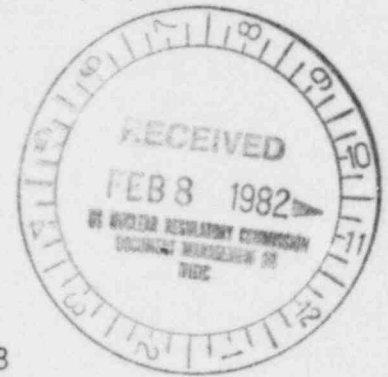
BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of

HOUSTON LIGHTING AND POWER COMPANY,
ET AL.

(South Texas Project, Units 1 & 2)

Docket Nos. 50-498
50-499



NRC RESPONSE IN OPPOSITION TO ADDITIONAL CONTENTIONS
FILED BY CITIZENS CONCERNED ABOUT NUCLEAR POWER

I. INTRODUCTION

On November 21, 1981, Citizens Concerned About Nuclear Power (CCANP) filed a motion seeking the admissions of twenty-six (26) new contentions.^{1/} In addition to having new contentions admitted, CCANP sought a 90 day suspension of the on-going operating license hearing in order to engage in discovery and sought a restructuring of the expedited hearing.

In its Fourth Prehearing Conference Order of December 16, 1981, (Order) the Board ruled on certain aspects of CCANP's motion. The Board denied the requested 90 day suspension of the on-going hearings. In addition, it accepted proposed contentions 23-26 (renumbered as Contentions 1.8(a)-(d)) arising out of I&E Report 81-28 and denied

^{1/} See, "Citizens Concerned About Nuclear Power Motion to File Additional Contentions Based on New Information and to Establish a Discovery and Hearing Schedule with Respect to New Contentions," dated November 21, 1981.

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proposed contentions 10 (the alleged break-up of the South Texas Project partnership) and 12 (the extent of HL&P's appreciation of Brown and Root's construction and quality assurance program). The Board also restructured the hearing into three rather than two phases; the new second phase to address all aspects of the Quadrex Report. It set February 5, 1982 as the date when the Staff should file its response to the remaining twenty (20) contentions.^{2/}

All of the contentions which remain to be ruled upon stem from concerns generated by the Quadrex Report. In light of the fact that the Board's Order of December 16 envisions a hearing encompassing all matters concerning the substance and reporting of the Quadrex Report in relation to the issues already admitted into this proceeding, the Staff opposes the admissions of CCANP's additional twenty contentions for the following reasons:^{3/}

1. The Board's December 16th Order provided that matters relating to the Quadrex Report will be considered in relation to issues presently in this proceeding. Thus the admission of these twenty new contentions is not necessary to protect CCANP's

^{2/} Applicants' reply was due February 1, 1982. The Staff has received "Applicants' Response to CCANP's Motion to File Additional Contentions" and comments thereon in Section III.D., infra.

^{3/} Each of the relevant factors of 10 C.F.R. § 2.714 which must be weighed in determining whether or not to admit a new contention will be addressed in Section III, however, the Staff maintains the two factors set forth in 10 C.F.R. § 2.714(a)(1)(ii) and (iii) are determinative and require denial of the admission of these new contentions. In addition, since all of the proposed contentions are the result of concerns generated by one report, the Staff will apply the factors of 10 C.F.R. § 2.714 to the contentions as a group, rather than individually.

interests. See, 10 C.F.R. § 2.714(a)(1)(ii) and Section III.B., infra.

2. The approach suggested by the Board in its December 16 Order of looking at all aspects of the Quadrex Report to see if any findings on existing issues warrant modification is a more efficacious way of developing a sound record than the adoption of twenty new contentions. See, 10 C.F.R. § 2.714(a)(1)(iii) and Section III.C., infra.

II. PROCEDURAL BACKGROUND

On September 24, 1981, HL&P informed the Board and parties that Brown and Root had been dismissed as the architect-engineer of the South Texas Project and that Bechtel Power Corporation had been awarded that function.^{4/} On September 28, 1981, HL&P notified the Board and parties of the existence of a review of Brown and Root design engineering prepared by the Quadrex Corporation (the Quadrex Report).

The parties next had a series of meetings in an effort to make a joint recommendation to the Board on how best to proceed in the wake of these several changes. In an October 8, 1981 Order, the Board adopted one joint recommendation by all the parties to cancel the then scheduled hearings in October and December and further suggested a one day Prehearing Conference in early December in order to resolve differences among the parties relative to what issues should be heard during the

^{4/} Subsequently, the Board and parties were advised that Brown and Root would be replaced as the constructor by an as yet unnamed organization. See, letter from Jack Newman to Chairman Bechhoeffer, dated November 5, 1981.

Commission mandated expedited phase of this hearing.^{5/} In an effort to focus the inquiry at the prehearing conference, all parties were further directed to file a written status report with the Board on or before November 23, 1981.

Following further negotiations among the parties in October and November, it was generally agreed that this Board should consider the effect of the Quadrex Report and the new organizational arrangements between HL&P and its architect-engineer and constructor in order to write ultimate findings on the issues currently before the Board. All parties could not agree, however, on the timing of the taking of this evidence. The central concern was whether such evidence should be taken during the current expedited phase and before the Board issued a partial initial decision on the issues currently pending or whether to issue a partial initial decision on all issues, subject to modification as a result of hearing matters relevant to Quadrex during Phase II. Thus, during the December prehearing conference much of the disagreement was over when evidence on the Quadrex Report should be taken. Approximately two weeks prior to this prehearing conference CCANP filed the instant motion.

In its fourth Prehearing Conference Order, the Board acknowledged that both the organizational changes and the Quadrex Report have a distinct bearing upon the contentions and issues presently before it.

^{5/} See, Houston Lighting and Power Co. (South Texas Project, Units 1 and 2), CLI-80-32, 12 NRC 281 (1980).

See Order, p.2. Hence, the Board established Phase II of this hearing to consider all aspects of the Quadrex matter. It stated:

. . . Hence, our inquiry into all aspects of the Quadrex Report is deferred to Phase II. Any findings made at the conclusion of Phase I will be subject to change in Phase II to reflect the information in and reviews of the Quadrex Report. We note that the Phase II hearings will be held earlier than the normal operating license review.

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Phase II will include all aspects of the Quadrex Report, including its commissioning, its findings [sic] its submission to and handling by the Applicants, and Applicant's notification of the NRC (including this Board). We expect to consider Bechtel's analysis, the Staff's analysis of the report's findings and of Bechtel's review and remedial steps to be taken to correct deficiencies that must be corrected. . . . Any QA/QC matters remaining which are not capable of completion during Phase I, as well as any matters from Phase I which require modification because of subsequent findings, will also be deferred to Phase II.

Order, p.5.

The commencement of Phase II is tied to the completion of the various reviews of the Quadrex Report by Bechtel, HL&P and the Staff See Order p. 5. Thus, the perspective through which this Board would be exploring the Quadrex Report during the second phase would be to see whether any of its findings from Phase I on Issues A through E and Contentions 1 and 2 should be modified in light of the evidence developed in the second phase.

Given the broad scope of the anticipated Board inquiry into all aspects of the Quadrex Report, and the Board's acknowledgement that any findings made in Phase I will be subject to change as a result of

subsequent information developed during Phase II, it is the Staff's position that adopting any of CCANP's remaining twenty new contentions at this time is unnecessary to protect CCANP's interest in having Quadrex related matters fully litigated and would not be the best means to create a comprehensive and sound record.

III. DISCUSSION

A. General Legal Principles

When a contention is filed late in a proceeding, its admissibility must be judged by a balancing of the five (5) factors listed in 10 C.F.R. § 2.714(a)(1)(i-v) of the Commission's regulations. Pacific Gas and Electric Company (Diablo Canyon Nuclear Power Plant, Units 1 and 2), CLI-81-5, 13 NRC 361, 364 (1981); 10 C.F.R. § 2.714(b). The five (5) factors set forth in this section which should be considered as a pre-condition to admitting any late contention are:

1. Good cause, if any, for failure to file on time.
2. The availability of other means whereby the petitioner's interest will be protected.
3. The extent to which the petitioner's participation may reasonably be expected to assist in developing a sound record.
4. The extent to which the petitioner's interest will be represented by existing parties.
5. The extent to which the petitioner's participation will broaden the issue or delay the proceeding.

In this proceeding it has already been determined to explore the relation of the Quadrex Report and its handling to issues A through E and Contentions 1 and 2. Order, at 5. CCANP is a party to this proceeding.

Thus, it is only the second and third factors of 10 C.F.R. § 2.714, involving an alternative to protecting CCANP's interest and the development of a sound record which are germane to the question of whether the contentions CCANP now proffers should be admitted as separately numbered contentions.^{6/} For the reasons set out below, the Staff believes that the addition of CCANP's twenty new contentions is not necessary to protect CCANP's interest in litigating matters arising out of the Quadrex Report and the admission of those contentions would be counterproductive to the development of a sound record herein.

B. Availability of Other Means to Protect Interest

The Staff submits this factor of 10 C.F.R. § 2.714 is the key factor in the instant case arguing against the admission of each of the proposed contentions generated by the Quadrex Report. A more reasonable alternative has already been suggested by the Board's Order of December 16 to protect CCANP's interest in exploring all aspects of the report short of admitting new contentions. In its Prehearing Conference Order the Board

^{6/} In regard to the first factor in 10 C.F.R. § 2.714, CCANP filed its proposed contentions approximately six weeks after receiving the Quadrex Report. In light of the complexity of the issues raised by the report, CCANP filed the proposed contentions within a reasonable time following receipt of the information which gave rise to the contentions. The fourth factor is not applicable as CCANP is already a party to this proceeding. In regard to the fifth factor, it is not clear at this time, in light of the Board's December 16th Order, whether the admission of any of the proposed contentions will delay the proceeding. However, the proposed contentions are encompassed by the inquiry envisioned in the Board's Order, and thus their admission is unnecessary.

established Phase II of the licensing process for the primary purpose of hearing evidence on all aspects of the Quadrex Report, from its commissioning, through its reporting, to the resolution of problems that are confirmed. The Board further ruled that any findings on Issues A through E, as well as Contentions 1 and 2 made after Phase I will be subject to modification following the taking of evidence on the Quadrex Report. See quotation p. 5, supra. In contrast, CCANP through its twenty proposed contentions would have this Board fragment its inquiry concerning the Quadrex Report to determine whether HL&P committed twenty specific violations of Commission regulations.^{7/} In view of the broad scope of both the Quadrex Report and the Board's intended inquiry into that report, CCANP's alternative of litigating twenty specific allegations is surely focusing on the trees and failing to see the forest. Since a more desirable means exists to hear Quadrex concerns and protect CCANP's interest than the admission of CCANP's twenty new contentions, CCANP's request for the admission of these contentions should be denied.^{8/}

^{7/} The Staff submits that if CCANP's concern is whether specific violations of Appendix B were committed by HL&P, the proper forum would be a request to the Director of Inspection and Enforcement for an inspection of those matters and a determination of whether items of noncompliances should result and not proffering such narrowly drawn contentions for litigation in the context of an operating license proceeding.

^{8/} The Staff notes that CCANP's proposed Contention 12 was denied admission as being covered by previously admitted issues. See Order at 7. The remaining contentions should be denied for similar reasons.

C. Development of a Sound Record

The admission of any one of the twenty proposed contentions will not aid in the development of a sound record. A sound record is one which is both comprehensive and gives proper emphasis to the salient facts. The Board's suggested course of conduct in its December 16th Order will better serve the development of a sound record than the approach suggested of separately litigating the twenty new contentions CCANP proposes. To admit and litigate CCANP's proposed contentions would skew the evidence presented on Quadrex into an examination of whether HL&P committed twenty specific violations of Commission regulations in the design engineering area. Such an examination would result in a series of mini-trials on twenty alleged items of non-compliance rather than focusing on the issues highlighted in the Commission Order in CLI-80-32, which initiated this early hearing, of whether the Applicant has the character and competence to be granted an operating license for the South Texas Project. The Board's approach would develop the record in a way that all aspects of Quadrex would be evaluated to determine whether the findings which will be made during the first phase on Issues A through E, which address the concerns of the Commission as well as Contentions 1 and 2, should be modified. In addition, the Board's approach which relates the Quadrex Report to the issues litigated in Phase I, will more closely have the Quadrex inquiry track the central inquiry developed in the

record to date. Namely, whether HL&P has the competence and character to design, construct, and operate the South Texas Project. Thus, the need to develop a sound record also mitigates against the admission of CCANP's twenty new proposed contentions.

D. Applicants Response to CCANP's Motion

On February 2, 1982, the Staff received "Applicants' Response to CCANP's Motion to File Additional Contentions" (Applicants' Response). HL&P suggests that CCANP's twenty proposed new contentions can be boiled down to two central issues which it submits for litigation:

- Issue I Did HL&P violate 10 C.F.R. § 50.55(e) by reporting only three of the findings in the Quadrex Report?
- Issue II Has HL&P appropriately disposed of or otherwise addressed the findings in the Quadrex Report so that there is reasonable assurance that the design and engineering of the South Texas Project will be in conformity with the construction permits and the provisions of Commission regulations?

See Applicants' Response p. 5.

The Staff submits that these two issues do not adequately encompass all of the concerns and questions raised by CCANP, the Board, and other parties as a result of the Quadrex Report, and therefore are neither necessary nor desirable.

Issue I, for example, unnecessarily restricts the question of HL&P's handling and reporting of the Quadrex Report to whether the Applicants properly discharged their reporting responsibility under 10 C.F.R. § 50.55(e)

in reporting only three Quadrex findings.^{9/} A separate and distinct question, however, which has been raised by this Board is whether HL&P properly discharged its obligations to disclose the Quadrex Report to this Board as information relevant to an ongoing proceeding. See e.g., Virginia Electric and Power Co. (North Anna Power Station, Units 1 and 2), CLI-76-22, 4 NRC 480 (1976); Vermont Yankee Nuclear Power Corp. (Vermont Yankee Station), ALAB-138, 6 AEC 520 (1973); Duke Power Co. (William B. McGuire Nuclear Station, Units 1 & 2), ALAB-143, 6 AEC 623 (1973). Such questions as these do not need to be the subject of new contentions; but rather, should be the subject of a re-evaluation of Board Issues A through E which would have been decided in Phase I prior to the inception of Phase II. The findings on those issues may need to be modified in light of the testimony presented on "all aspects of the Quadrex Report, including its commissioning, its findings [sic] its submission to and handling by the Applicants, and the Applicants' notification of the NRC (including this Board)." Order p. 5.

Similarly, in re-evaluating Board Issues A through E in light of the Quadrex findings and the resolution of any identified problems, all concerns expressed in the Applicants' proposed Issue II will be addressed. Specifically, existing Board Issues A, C, D and F encompass all that is set forth in Applicants' proposed Issue II and therefore that Issue is rendered

^{9/} The Applicant properly points out that the scope of the reporting responsibility under 10 C.F.R. § 50.55(e) is not clearly defined. Applicants' Response, p. 5, fn. ____.

unnecessary once the Board acknowledges it will modify its Phase I findings based on what is developed in Phase II.^{10/}

In light of the fact that all Quadrex matters can be litigated by re-evaluating existing Issues, and despite the Applicants' proposal in lieu of CCANP's twenty contentions, the Staff would continue to submit that the best course of action is that which has been set forth previously on page 8, supra.

E. Specific Contentions

As stated at the onset, p. 2 supra, since all of the proposed contentions arise out of the Quadrex Report and the Board has ruled it will look into all aspects of that report the Staff does not see the necessity of applying the factors of 10 C.F.R. § 2.714 to each individual contentions. However, the Staff offers the following comments relative to the admissibility of the proposed contentions and how the concerns embodied in each proposed contention can be litigated during Phase II by

^{10/} The Staff notes that in its reply HL&P set forth extensive arguments on the lack of specificity in most of CCANP's contentions, the scope of HL&P's requirements under both Appendix B to 10 C.F.R. Part 50 and 10 C.F.R. § 50.55(e) and what CCANP would have to show to cure the cited defects in the proffered contentions. Although the Staff will not address each of HL&P's arguments on individual contentions, its silence should not be taken as adoption of the Applicants' positions.

The Staff particularly believes that Appendix B to Part 50 of 10 C.F.R. should be read to create a process to assure that design and engineering, as well as construction is proper. Repeated failure in the design, engineering or construction of a nuclear facility obviously reflects on whether the quality assurance program required by Appendix B to Part 50 of 10 C.F.R. is properly in place and operating in conformity with regulation. Questions involving the relevance of the matters discussed in the Quadrex Report to the implementation of HL&P's quality program and whether HL&P abdicated too much responsibility or knowledge appear germane. Cf. Applicants' Response to CCANP's Motion To File Additional Contentions, e.g. at 9-10, 21, 23, 24.

re-evaluating the existing contentions in light of the Quadrex Report and issues previously admitted in this proceeding.

CCANP Proposed Contention 1

This proposed contention involving the abdication of responsibility is presently in Issue A(3), as well as Issues C and D.

CCANP Proposed Contention 2

This proposed contention involving an abdication of knowledge is presently in Issue A(4), as well as Issues C and D.

CCANP Proposed Contention 3

This proposed contention involving whether HL&P permitted a design and engineering process adverse to quality to continue for years is presently in Issues D and E. Further, the lack of specificity as to the particular design and engineering processes referred to make this contention inadmissible. See e.g. Philadelphia Electric Co. (Peach Bottom Atomic Power Station, Units 1 & 2), ALAB-216, 8 AEC 13, 20 (1974). An intervenor must do more than just reference lengthy documents in properly setting forth contentions. See Tennessee Valley Authority (Browns Ferry Nuclear Plant, Units 1 & 2), LBP-76-10, 3 NRC 209, 216 (1976).

CCANP Proposed Contention 4

This proposed contention involving the reporting of matters to the Commission under 10 C.F.R. 50.55(e) is contained in Issue A, and within the matters the Board set forth at p. 5 of the Fourth Prehearing Conference Order of December 16, 1981.

CCANP Proposed Contention 5

No facts are set forth as basis for the contention dealing with the withholding of safety-related information and thus it fails for a lack of specificity. CCANP does not even aver what information it is referring to. However, this Board at p. 5 of its December 19, 1981, Fourth Prehearing Conference Order did indicate that it would look into Applicants' notification of the Commission of the Quadrex Report. Thus to the extent the proposed contention might be referring to the Quadrex Report, that matter is an issue herein. See also Issue C.

CCANP Proposed Contention 6

No factual basis is set forth for this proposed contention dealing with the Applicants' purported failure to assure that STP's engineering and design met FSAR commitments. No commitment is identified. Thus as worded this contention must fail for lack of specificity. Further, this contention is subsumed in the Issues previously admitted herein. See Issues A, D and E.

CCANP Proposed Contention 7

No factual basis is set forth for this contention dealing with the failure to issue a stop work order after the receipt of the Quadrex Report. No citation is made to any obligation to issue stop work orders. No nexus is supplied between the Quadrex Report and faulty construction necessitating a stop work order. To the extent the contention may go to Applicants' managerial competence or character such matters are already in issue. See Issue C.

CCANP Proposed Contention 8

This proposed contention deals with requests by Applicants to continue construction after receipt of the Quadrex Report. No basis is set out for the contention. CCANP has particularly failed to detail any nexus between the requests to continue certain aspects of construction capable of being performed at STP and any of the findings of the Quadrex Report concerning design or engineering in those areas. To the extent this contention deals with Applicants' managerial character or evidence on the adequacy of construction, these matters are already an issue in this proceeding. See Issues C and E.

CCANP Proposed Contention 9

This proposed contention dealing with the adequacy of structures in place at STP is presently before this Board in Issue E. Further, the over-broad references in the proposed contention to general findings in the Quadrex Report does not provide the requisite specificity to allow admission of this contention.

CCANP Proposed Contention 10

Admission of this proposed contention dealing with an alleged "collapse" of the STP partnership has previously been denied. See Fourth Prehearing Conference Order, at 7.

CCANP Proposed Contention 11

This proposed contention states:

Given the serious deficiencies in the Brown and Root design and engineering programs, Houston Lighting and Power's public position that Brown and Root was "reallocated" from design and engineering for reasons of manpower shortages and scheduling

difficulties demonstrates an inadequate appreciation by HL&P for the quality deficiencies in B&R's design and engineering programs.

This proposed contention is vague and argumentative. The public position of HL&P does not appear to be germane to issues in this proceeding. Further no nexus is set out between the public position of HL&P and what appreciation it may or may not have of design and engineering problems. Thus the contention is not relevant to this proceeding and does not contain sufficient information to allow it to be admitted.

CCANP Proposed Contention 12

This proposed contention dealing with HL&P's appreciation of Brown and Root's programs has been previously denied admission on the ground that the matters therein were covered in previously admitted contentions. See Fourth Prehearing Conference Order, at 7.

CCANP Proposed Contention 13^{11/}

This proposed contention deals with a purported failure to establish and execute an acceptable quality assurance program. The issues set forth herein have already been admitted herein in the issues of whether HL&P abdicated knowledge. See Issues A(4), C and D.^{12/}

^{11/} As set out in fn. 10, supra, the Staff believes continuing deficiencies in engineering or design, such as a failure to realize what equipment is safety-related, might reflect on the adequacy of a licensee's QA program.

^{12/} CCANP in its preface to contentions 13 through 26 states that the basis cited for each contention is not exhaustive. Part of the purpose of contentions is to put other parties on notice of what they must litigate. See Philadelphia Electric Co., supra. CCANP would thus be foreclosed from litigating any other examples of the deficiencies it claims are shown in the Quadrex Report in support of these proposed contentions even should any of its proposed contentions be admitted into this proceeding.

CCANP Proposed Contention 14

This proposed contention alleges that HL&P failed to adequately verify safety-related design and engineering work. Again this matter, to the extent relevant to this proceeding, is already in the proceeding in issues concerning whether HL&P abdicated knowledge or responsibility. See Issues A, C and D.

CCANP Proposed Contention 15

This proposed contention alleges that HL&P failed to assure adequate documentation of the STP design and engineering. Again these matters, to the extent relevant, as already in other issues in this proceeding involving HL&P's involvement in and knowledge of STP. See Issues A, C and D.

CCANP Proposed Contention 16

In this proposed contention it is alleged that HL&P failed to properly identify safety-related versus non-safety-related aspects of design. This proposed contention is similar to proposed contention 13. The Staff opposes this contention for the reasons set out in opposition to contention 13.

CCANP Proposed Contention 17

This proposed contention alleges that HL&P failed to establish and execute adequate design control. As with other proposed contentions to the extent the matters in this contention are relevant, they concern a possible abdication of responsibility and are encompassed in existing Issues A, C and D.

CCANP Proposed Contention 18

This proposed contention deals with the alleged failure to see that proper requirements were included in subcontracts for goods and services. As the Board is aware this matter is already being considered in relation to the issues already in this proceeding. No separate contention is needed on the relation of the Quadrex Report to this matter. Further no sufficient specificity is supplied to ascertain particularly what CCANP wishes to litigate in regard to the referenced page of the Quadrex Report.

CCANP Proposed Contention 19

This contention states that HL&P failed to adequately prescribe documented instructions, procedures and drawings for safety-related activities at STP. This issue is encompassed in the admitted issues concerning abdication of responsibility or knowledge. See Issues A, C and D.

CCANP Proposed Contention 20

This proposed contention states that HL&P failed to properly control the issuance documents which prescribe safety related design and engineering matters. The issues in this proceeding involving HL&P's actions in monitoring and taking responsibility for the actions of its architect-engineer-construction, including the control and updating of documents, are already the subject of issues in this proceeding. Testimony has been heard on these matters. See particularly Issue C. It is noted, however, that the referenced pages of the Quadrex Report do not supply sufficient specificity to allow the admission of the contention as worded.

CCANP Proposed Contention 21

This contention involving the purchase of safety-related design and engineering services is essentially similar to proposed contention 18. The Staff opposes its admission as a separate contention for the same reasons it opposed CCANP proposed contention 18. It is noted, moreover, that the quoted paragraphs from the Quadrex Report do not provide support for the delinquencies alleged in the proposed contention.

CCANP Proposed Contention 22

This proposed contention states that HL&P failed to have an effective program for the inspection of design and engineering work to verify conformance with documented instructions, procedures, and drawings. The issue of the proper inspection of work to assure that it conforms to requirements is the subject of much testimony to date, and is within issues already in this proceeding. This contention should be rejected for that reason alone. Further, the general references to the Quadrex Report and the general statements in that Report do not provide the specificity needed for a contention.

CCANP Proposed Contentions 23, 24, 25 and 26

These proposed contentions involving I&E Report 81-28 have been previously admitted as CCANP's contention 1.8 (a through d). See Fourth Prehearing Conference Order at 7.

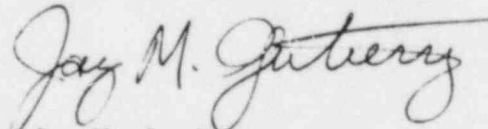
IV. DISCOVERY

In its motion CCANP asks acceptance of new contentions, and for new 90 day discovery period beginning after their admission. The Staff would not oppose a reasonable period for discovery on Quadrex related matters after Bechtel's analysis and the Staff's review of that analysis is complete. Discovery at this time before an evaluation of the Quadrex Report would be premature. See Fourth Prehearing Conference Order at 3, 5. When such reviews are complete a reasonable period for discovery similar to that allowed on other issues would be appropriate. See 10 C.F.R. § 2.740.

V. CONCLUSION

For the reasons aforesaid, the Staff submits that the operative factors in 10 C.F.R. § 2.714(a)(1)(i-v) weigh against the admission of any of CCANP's proposed contentions, and therefore, the motion should be denied. Further, the Staff submits that it is premature to now set a discovery schedule on Quadrex related matters.

Respectfully submitted,

A handwritten signature in cursive script, reading "Jay M. Gutierrez".

Jay M. Gutierrez
Counsel for NRC Staff

Dated at Bethesda, Maryland
this 5th day of February, 1982.

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of

HOUSTON LIGHTING AND POWER COMPANY,)
ET AL.)

(South Texas Project, Units 1 & 2))

Docket Nos. 50-498
50-499

CERTIFICATE OF SERVICE

I hereby certify that copies of "NRC RESPONSE IN OPPOSITION TO ADDITIONAL CONTENTIONS FILED BY CITIZENS CONCERNED ABOUT NUCLEAR POWER" 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 5th day of February, 1982:

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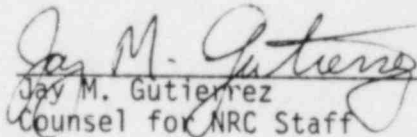
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