



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
611 RYAN PLAZA DRIVE, SUITE 1000
ARLINGTON, TEXAS 76011

October 6, 1978

In Reply Refer To:

RIV

Docket No. 50-498/Rpt. 78-15

50-499/Rpt. 78-15

Houston Lighting and Power Company
ATTN: Mr. E. A. Turner, Vice President
Power Plant Construction and
Technical Services
Post Office Box 1700
Houston, Texas 77001

Gentlemen:

This refers to the investigation conducted by Messrs. R. E. Hall and A. B. Rosenberg of our staff during the period September 11-14, 1978, of activities authorized by NRC Construction Permit Nos. CPPR-128 and 129 for the South Texas Project facility, Units No. 1 and 2, concerning an allegation by a South Texas Project employee.

The investigation and our findings are discussed in the enclosed investigation report.

During the investigation, it was found that certain activities under your license appear to be in noncompliance with Appendix B to 10 CFR 50 of the NRC Regulations, "Quality Assurance Criteria for Nuclear Power Plants." The items of noncompliance and references to the pertinent requirements are identified in the enclosed Notice of Violation.

This notice is sent to you pursuant to the provisions of Section 2.201 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office, within 30 days of your receipt of this notice, a written statement or explanation in reply including: (1) corrective steps which have been taken by you, and the results achieved; (2) corrective steps which will be taken to avoid further noncompliance; and (3) the date when full compliance will be achieved.

Three new unresolved items are identified in paragraphs 2.a, 2.m. and 3.a of the enclosed report.

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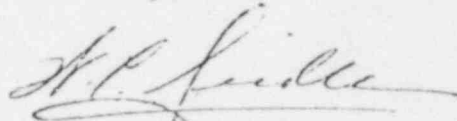
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October 6, 1978

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosed investigation report will be placed in the NRC's Public Document Room. If the report contains any information that you believe to be proprietary, it is necessary that you submit a written application to this office, within 20 days of the date of this letter, requesting that such information be withheld from public disclosure. The application must include a full statement of the reasons why it is claimed that the information is proprietary. The application should be prepared so that any proprietary information identified is contained in an enclosure to the application, since the application without the enclosure will also be placed in the Public Document Room. If we do not hear from you in this regard within the specified period, the report will be placed in the Public Document Room.

Should you have any questions concerning this investigation, we will be pleased to discuss them with you.

Sincerely,



W. C. Seidle, Chief
Reactor Construction and
Engineering Support Branch

Enclosures:

1. Appendix A, Notice of Violation
2. IE Investigation Report No. 50-498/78-15
50-499/78-15