50-498 499

USNRC

UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

BEFORE THE NUCLEAR REGULATORY COMMISSION

CITIZENS CONCERNED ABOUT NUCLEAR POWER, INC. (CCANP)
PETITION TO SUSPEND CONSTRUCTION OF THE
SOUTH TEXAS PROJECT

OFFICE OF SECRETARY DOCKETING & SERVICE

I. INTRODUCTION

- 1. This petition to the Nuclear Regulatory Commission ("NRC") is brought by Citizens Concerned About Nuclear Power, Inc. ("CCANP"). The petition seeks the immediate suspension of construction of the South Texas Project ("STP") on the basis of information that reveals the design of the South Texas Project to be fundamentally flawed in areas bearing directly on reactor safety. It is brought before the Commission rather than the staff for the reasons discussed below.
- 2. The managing partner of the South Texas Project is Houston Lighting and Power Company ("HL&P"), although CCANP understands that one partner and perhaps others are now demanding a share in the management of the project in light of HL&P's poor record to date.
- 3. HL&P entered into contracts on October 31, 1972 and June 11, 1974 with Brown and Root, Inc. ("B&R"), under which B&R was to perform all services as architect-engineer and constructor of the South Texas Project, including particularly the design of the project. HL&P obtained construction permits CPPR 128 and CPPR -129 for the project on December 25, 1975.
- 4. Construction proceeded at the South Texas Project until the issuance of an immediately effective Order to Show Cause by the NRC Office of Inspection and Enforcement on April 30, 1980. This Order resulted from a three month special investigation on construction and quality assurance at the project. In response to the Order to Show Cause, HL&P effectively admitted the findings in the NRC's investigative report and began reviews of several areas of plant construction, including safety-related concrete, safety-related welding, and structural backfill. Neither the NRC special investigation nor the HL&P review included an in depth examination of the design and engineering of the South Texas Project. Based on the HL&P reviews in the

various construction areas and revision of the quality assurance plan for the South Texas Project, the NRC Staff permitted construction to resume.

- 5. As a result of the serious questions raised by the NRC's special investigation and Order to Show Cause and CCANP's request for a public hearing on the Order to Show Cause, the Commission directed the Atomic Safety and Licensing Board in this proceeding to issue an expedited, partial initial decision on the questions raised by the NRC investigation, and particularly on the issues of the managerial character and competence of HL&P. See Houston Lighting and Power Co. (South Texas Project, Units 1 and 2), CLI-80-32, 12 NRC 281 (1980). The expedited hearings began on May 12, 1981. CCANP is the only remaining intervenor in the operating license proceeding.
- 6. On September 24, 1981, HL&P informed the Licensing Board and the parties that it had dismissed B&R as architect-engineer and construction manager of the South Texas Project. HL&P requested B&R to remain in the construction and quality assurance roles. The dismissal of B&R as architect-engineer came within a few days of the time personnel from the NRC's Office of the Executive Legal Director told HL&P to provide the Licensing Board with copies of a report highly critical of the B&R design and engineering effort.
- 7. In a letter to the Licensing Board and parties on September 28, 1981, HL&P revealed the existence of this extensive report on the B&R design and engineering program by the Quadrex Corporation. CCANP received the Quadrex Report, "Design Review of Brown and Root Engineering Work for the South Texas Project," several days later.
- 8. On October 29, 1981, Citizens for Equitable Utilities ("CEU") filed with the Commission its Petition to Suspend Construction of the South Texas Project, much of which is incorporated verbatim herein. The CEU petition detailed the serious nature of the Quadrex Corporation findings and requested the Commission suspend all construction at the South Texas Project until various conditions had been met, including an independent review of the B&R design and engineering work on the South Texas Project and the convening of a full adjudicatory hearing. See "Citizens for Equitable Utilities Petition to Suspend Construction of the South Texas Project"; October 28, 1981.
 - 9. In a separate development, the Licensing Board on October 30,

1981 issued a Memorandum and Order scheduling a special hearing to consider suspending all safety-related work at the South Texas Project, in part as a response to the release of the Quadrex Report. See Memorandum and Order (Scheduling Prehearing Conference and Evidentiary Hearing on Transition Period Construction Activities); October 30, 1981.

- 10. In early November 1981, B&R withdrew from its construction and quality assurance roles at the South Texas Project. By letter of November 9, 1981, HL&P informed Region IV NRC that HL&P had decided to cease all but maintenance and housekeeping work at the South Texas Project.
- 11. By conference call on November 10, 1981, the Licensing Board learned of the suspension of construction activities and responded by cancelling the special evidentiary hearing. See Memorandum and Order (Cancelling Evidentiary Hearing on Transition Period Construction Activities); November 13, 1981.
- 12. Based on this decision by HL&P, CEU withdrew without prejudice its petition to suspend construction of the South Texas Project. See "Citizens for Equitable Utilities Withdrawal Without Prejudice of Petition to Suspend Construction of the South Texas Project"; November 12, 1981.
- 13. On June 15, 1982, CEU formally withdrew as an intervenor in the South Texas Project licensing proceeding.
- 14. On August 2, 1982, CCANP learned that safety-related construction had resumed or was about to resume at the South Texas Project. Since the concerns originally expressed by CEU still remain and since the relief sought by CEU has not been granted to date, CCANP hereby files this petition.
- 15. If the conclusions of the Quadrex Report are correct, all aspects of the South Texas Project may be improperly designed. While no formal report has yet been issued, Bechtel Power Corporation, according to newspaper reports, admits to finding deficiencies in the heating and air conditioning system, the emergency power building, electrical work, and beam and column connections in the reactor containment buildings.
- 16. Based on the Quadrex Report, the absence of truly independent review of the design and engineering of the South Texas Project, and

the absence of further relief specified below, CCANP requests an immediate halt to all construction at the South Texas Project pending a thorough independent review of all aspects and details of the B&R design and engineering work to date on the South Texas Project.

II. DESCRIPTION OF PETITIONER

17. Citizens Concerned About Nuclear Power Inc. is a Texas nonprofit organization of citizens opposed to the introduction of fission
nuclear power plants into the South Texas area. Based in San Antonio,
Texas, CCANP has members in San Antonio and the South Texas area, including
Bay City, Texas, site of the South Texas Project. CCANP has been admitted
as an intervenor in the Operating License Proceeding concerning the South
Texas Project and has actively participated in that proceeding for the
past four years.

III. JURISDICTION

- 18. This petition is brought before the Commission pursuant to the authority granted to the Commission in 42 U.S.C. Sections 2233(d), 2236(a), and 2237, and 10 C.F.R. Sections 2.204, 2.206(c)(1), and 50.54. Furthermore, this petition invokes the inherent supervisory authority of the Commission to oversee all aspects of the regulatory and licensing process and its "overriding responsibility for assuring public health and safety in the operation of nuclear power facilities." In the Matter of Consolidated Edison Co. of New York, Inc. (Indian Point, Units 1, 2 and 3), CLI-75-8, NRCI 7518, 173 (1975).
- on a number of occasions, despite the absence of express procedural authorization in the regulations for Commission oversight or review.

 Petition for Emergency and Remedial Action, CLI-78-6, 7 NRC 400 (1978);

 see also, U. S. Energy Research and Development Administration (Clinch River Breader Reactor Project), CLI-76-13, NRCI-76/8, 67, 75-76 (1976);

 Consumers Power Co. (Midland Units 1 and 2), CLI-78-38, RAI-73-12, 1984 (1973). This authority is necessary for the Commission to carry out its mission to see that "public safety is the first, last, and a permanent consideration in any decision on the issuance of a construction permit or license to operate a nuclear facility." Power Reactor Development Corp v. International Union, 367 U.S. 396, 402 (1961).
 - 20. The Commission's inherent authority is explicitly recognized

in 10 C.F.R. Section 2.206(c)(1). 10 C.F.R. Section 2.206 (a) and Section 2.206(b) provide a mechanism for petitions requesting show cause orders to be filed with the Director of Nuclear Reactor Regulation or the Director of Inspection and Enforcement, as appropriate, and reviewed <u>sua sponte</u> by the Commission. However, Section 2.206(c)(1) states:

"This review power does not limit in any way either the Commission's supervisory power over delegated staff actions or the Commission's power to consult with the staff on a formal or informal basis regarding institution of proceedings under this section."

21. In this case, it is necessary for the Commission itself to take action. The NRC Staff has had the opportunity and responsibility for well over six years to review the design and engineering work at the South Texas Project and detect the serious deficiencies found by the Quadrex Corporation. In that time, the Staff has conducted many investigations of the project, including a special investigation, and a Resident Reactor Inspector has been on site since 1979. The Staff takes the position in the licensing hearing that HL&P without reservation has the character and competence to receive an operating license, despite the lengthy history of HL&P violations of NRC regulations. The Staff has made no effort to secure for itself any special review authority over the resumption of safety-related work on the South Texas Project. It would be futile to refer this petition back to the Staff for action because the Staff's own inaction shows clearly enough the Staff's lack of commitme to regulatory oversight of this project.

IV. BASES FOR IMMEDIATE SUSPENSION OF CONSTRUCTION

- 22. The Quadrex Report is the basis for this petition. It is CCANP's understanding that the Commission requested and received copies of this report for review at the time of CEU's petition for suspension in October of 1981.
- 23. According to the Quadrex Report, the B&R design of the South Texas Project suffers from, among other things, inadequate consideration of safety-related versus non-safety-related issues, and a poorly considered design basis for the plant that does not take into account the full range of postulated accidents.

- A. The Basic Conclusions of the Quadrex Report Demonstrate a Pervasive Inadequacy of Design that Relates to Ongoing and Near Term Construction.
- 24. The Quadrex Report reaches several broad conclusions concerning design inadequacies that demonstarte the need for a complete design review before construction continues. The most significant findings appear to be the following:
 - A. "There is no indication that an effective systems integration and overview function exists within the B&R design process. ... A major concern is with the achievement of internal consistency among various design documents and the maintenance of that consistency over time with personnel turnover." Section 3.1(a), pages 3-1 3-2.
 - B. "Based solely on the findings of this review, a determination of current adequacy [of the Civil/Structural design] cannot be made." Section 4.1.2, page 4-4.
 - C. "The technical adequacy of the Mechanical discipline is not presently adequate." Section 4.5.5, page 4-49.
 - D. "The nuclear analyses performed by B&R to date are either not complete or are not adequate. The B&R Nuclear Analysis Group has not demonstrated either the ability to perform or to direct others in the performance of nuclear analyses, and has shown no concern for the timeliness of analysis relative to the needs of other interfacing disciplines. Although STP is well advanced in the construction stage, no evidence has been seen that the Brown and Root Nuclear Analysis Group has produced a significant contribution to the STP design." Section 4.6.2, page 4-57.
 - E. "The B&R Radiological Control design program is not currently adequate." Section 4.8.2, page 4-85.
- 25. The scope of the failings indicated by these conclusions brings the entire design into question. That is particularly true of the finding that B&R's design process lacks an effective systems integration and overview function, since both are crucial to achieving a safe and effective design for a project as complex as a nuclear power plant. Without effective systems integration, it is quite possible, indeed likely, that various aspects of the design will be inconsistent and incompatible with each other.
- 26. More specifically, the Quadrex conclusions concerning the inadequacies of the Civil/Structural design and the Mechanical discipline require that all concrete, welding and other irremedial work within

those disciplines be halted immediately.

- 27. The Quadrex conclusions with respect to inadequate nuclear analyses and radiological control are extremely troubling, since they indicate that the design would fail in its most basic purpose protecting the public health and safety from nuclear and radiological hazards. There is no question that work should be stopped in those areas until an independent review of the design and engineering can be completed.
 - B. The Design Basis for the South Texas Project is Poorly Thought Out and Inadequately Justified.
- 28. Nothing is more important to the ultimate safety of a nuclear power plant than a correct and complete design basis. The entire design and construction hinges on the design basis, and the ability of a nuclear reactor to withstand an accident of any sort depends upon the development of a sound design basis that takes into account all relevant plant operating modes, accident conditions, and other events that may affect safety.
- 29. According to the Quadrex Report, the design basis of the South Texas Project does not come close to providing the requisite degree of precision or protection. Quadrex reaches two broad conclusions that bring into question any further construction activity at the site since they indicate that the entire design may be faulty:
 - A. There are no written design bases to guide the designer, and there is no evidence that the design takes into account the fact that equipment will degrade over time or accident situations. Many design criteria appear to come from the 1973-1975 period and have not been updated. In many instances the design is based on 'normal plant conditions,' not the severe accident conditions that must be taken into account. Section 3.1(c), page 3-4.
 - B. There is little evidence of a well thought out and consistent design basis, and much of the design is based on engineering judgment, without adequate justification. In addition, a number of key front-end criteria documents are missing. Section 3.1(g), page 3-8 to 3-9.

These conclusions apply to the entire project, and therefore encompass the construction now underway. With respect to the Civil/ Structural work particularly, Quadrex calls into question the adequacy of the B&R design and engineering. Construction should be halted until a truly independent

review either confirms the adequacy of current and past designs or identifies the inadequacies and thereby initiates remedial action.

- C. Brown and Root's Design Does Not Meet the Single Failure Criterion.
- 30. One of the major principles of nuclear safety, the single failure criterion, is neither understood nor met by the B&R design. Ouadrex reached the following conclusions:
 - A. There is no multi-disciplinary interpretation of the single failure criterion in controlled documentation. Section 3.1(a), page 3-2.
 - B. No documented evidence exists that the single failure criterion has been complied with. Section 3.1(e), page 3-7.
 - C. The design disciplines do not know the postulated single failures on which the design is based. Section 3.1(e), page 3-7.
 - D. The single failure criterion is not met for the common instrument air line. Sections 4.3.2.1(a), page 4-21, and 4.8.2.1(a), page 4-86.
- 31. To the extent that the South Texas Project does not comply with the single failure criterion, we can expect an accident comparable to Three Mile Island, and probably worse, to occur at the plant, with a significant threat to the public health and safety in South Texas and Northern Mexico, as well as threats to the survival of the Gulf of Mexico as a viable ecological system.
- 32. A conservative approach requires assuming the failure to meet the single failure criterion affects the current construction being undertaken. Since none of the design disciplinse at B&R knew the postulated single failures on which the design was based and, apparently, none had the same interpretation of the single failure criterion, construction should be halted until HL&P meets the burden of demonstrating in an adversary process that construction will be consistent with a valid design.
 - D. The Brown and Root Design Vidates ALARA Requirements.
- 33. 10 C.F.R. 50.34(a) requires that certain radioactive emissions be limited to a level "as low as reasonably achievable" (ALARA).

According to Quadrex, the B&R design does not meet this requirement:

- A. Consideration of ALARA radiation exposure related to access for maintenance and inspection has been inadequate. Section 3.2(n), page 3-16.
- B. Brown and Root reviews of plants design from an ALARA viewpoint have not been adequate. Section 4.8.2.2(i), page 4-87.
- 34. The probably violation of ALARA requirements does not relate simply to particular pieces of equipment, or similar items that could be replaced or corrected, but to the basic design itself as it relates to access for maintenance and inspection. Therefore, any construction that irreversibly establishes the location and relationships of major components of the plant may well preclude correction of the ALARA deficiencies. Accordingly, all construction must be halted until a complete review of the ALARA issue has been carried out and has identified those aspects of the design that would in no way affect compliance with ALARA requirements.
 - E. Brown and Root's Distinctions Between Safety-Related and Non-Safety-Related Aspects of the Design May Not Be Valid.
- 35. Among the most disturbing findings of the Quadrex Report is that B&R's distinctions between safety-related and non-safety-related aspects of the design may be invalid. In particular, Quadrex found:
 - A. In several instances, design activities that affected plant safety were designated as non-safety-related. Section 3.1(d), page 3-6.
 - B. There is doubt about the rigor of the safety-related evaluation process. Section 3.1(h), page 4-86.
- 36. At any plant, this would mean that there may be aspects of the design and construction crucial to reactor safety that do not meet rigorous standards and have not been reviewed under a quality assurance program that meets the requirements of 10 C.F.R. Part 50, Appendix B. In short it would mean that those aspects of the plant could not be relied upon to function properly and protect the public health and safety in event of an accident. This deficiency is particularly acute at the South Texas Project, however, not only because the distinction itself was invalid in some cases, but also because B&R seemed to follow

a policy of minimal compliance for items designated as non-safety-related. These items received such cursory consideration that B&R did not even verify the design outputs for non-safety-related aspects of the design. Section 3.1(d), pages 3-5 - 3-6.

- 37. The lack of any certainty that B&R's distinctions between safety-related and non-safety-related areas are valid requires the conclusion that all aspects of the design must be considered safety-related until an independent review determines which aspects are not. Accordingly, even those areas of construction currently underway which are designated non-safety-related should be halted until such a review can be conducted.
 - F. The Quadrex Report Indicates Serious Deficiciencies in All Aspects of Brown and Root's Design, Including Areas Not Specifically Studied by Quadrex.
- 38. The Quadrex Report clearly explains that the design review from which it is derived did not encompass all aspects of the B&R design, but involved a careful sampling program that "would provide sufficient insight regarding the adequacy of the technical work performed by each discipline." Section 1.0, page 1-1. As a result, Quadrex specifically concluded that its report could not be taken as having identified all of the deficiencies in the design. Rather,
 - (2)"there may still be other concerns in the STP design that were not detected by this design review program because of the nature of the sampling process used;
 - (3) the identified concerns are regarded to be 'indicative' of the technical problems present in the design" Section 1.0, page 1-3.
- 39. Accordingly, the inescapable conclusion is that all aspects of the B&R design must be considered to be deficient to the same degree as those aspects reviewed by Quadrex until an independent review of the entire design is completed. For the reasons discussed previously respecting specific design deficiencies, construction must be halted until the independent review corrects the design such that safety will be assured.
 - 40. CCANP stresses its view that any work done by the Bechtel Power

Corporation cannot be considered as an <u>independent</u> review. Bechtel replaced B&R as architect-engineer on the project, has signed a long term contract with HL&P for such services, is subject to the cost and schedule pressures of a project at least seven years behind schedule and seven times its original budget estimated to completion, and, therefore, can in no way be considered an independent, third party reviewer of the design and engineering work of B&R. The Quadrex Corporation is the closest HL&P has come to such a review.

41. CCANP notes that in its October 30, 1981 Memorandum and Order, the Licensing Board stated, at pages 6 - 7:

"The issues of what safety-related work should be continued during the transition period and the controls (if any) which NRC may exercise over such work are being considered by the Licensing Board because of the important safety significance of the questions, their bearing on the adequacy of construction at the facility, and the possibility that the quality of at least some of the safety-related work may not be able to be adequately verified after construction has been completed. ... In raising these issues, however, we recognize that the halt of some or all safety-related work during the transition period is a possible outcome and that there is some question of whether we possess stop-work authority. If we were to determine that a work stoppage in whole or in part were necessary, we would consider various means of effectuating that determination, including certification to the Commission."

Given the Licensing Board's position regarding its stop-work authority, this petition is brought directly to the Commission. The issues of concern to the Licensing Board still exist, but the Licensing Board has taken no action to schedule any hearing on Quadrex-related matters prior to late 1982 or early 1983. Nor has the Board ordered any special NRC approval or even involvement prior to resumption of safety-related or non-safety-related construction.

- 42. The NRC Staff has stated their review of the Quadrex Report will not be issued until late September or early October of 1982.

 Tr. 10664.
- 43. CCANP considers it crucial that any evaluation by Bechtel, the NRC Staff, or a truly independent third party reviewer by subject to the adversary process of an adjudicatory hearing rather then be

accepted without challenge. This necessity is particularly apparent if the primary reliance is on the company which has now contracted to pick up the pieces of this project.

V. CONCLUSION AND REQUEST FOR RELIEF

44. The Quadrex Report raises serious questions about the adequacy of the most fundamental aspects of the design of the South Texas Project. It clearly demonstrates that the facility could not be considered to be in compliance with NRC requirements or to be safe if it were completed according to the B&R design. It indicates that any irreversible construction activities may adversely affect safety both because the design basis itself is deficient and because flaws exist in the design and design process for particular disciplines, including particularly Civil/Structural and Mechanical. In light of these findings, there can be no reasonable assurance that continued construction of any aspect of the facility will not be detrimental to the public health.

- 45. Accordingly, CCANP seeks the following relief:
 - A. Immediate suspension of all aspects of construction at the South Texas Project.
 - B. Commencement of an immediate independent third party review of the Brown and Root design of the South Texas Project, with initial emphasis on a reanalysis of the safety-related versus non-safety-related distinction and identification of all inadequate areas of the design for which construction has previously been begun or completed.
 - C. A prohibition on any further construction at the South Texas
 Project until the safety-related versus non-safety-related
 analysis has been completed, at which time non-safetyrelated construction may proceed, subject to Paragraph 45(E),
 below.
 - D. A prohibition on further safety-related construction at the South Texas Project until the independent third party review of the entire Brown and Root design has been completed, subject to Paragraph 45(E), below.
 - E. Establishment of an Atomic Safety and Licensing Board to hold a full adjudicatory hearing with respect to:
 - (1) the adequacy of the safety-related versus non-safetyrelated analysis prior to permitting the renewal of non-safety-related construction, and

- (2) the adequacy of the independent design review and the design itself prior to permitting the renewal of safety-related construction.
- 46. In requesting the relief stated in Paragraph 45(E), above, CCANP recognizes that an Atomic Safety and Licensing Board is already in existence and is examining the issues related to an operating license for the South Texas Project. The Licensing Board in this proceeding intends to explore all Quadrex related matters in late 1982 or early 1983 after sufficient time for discovery has been given following the completion of the NRC Staff review of the Quadrex Report. CCANP recommends that the issues raised in this petition be referred to the Licensing Board for resolution in the context of the ongoing proceeding with all construction suspended by the Commission until the completion of the Quadrex phase of the licensing proceeding and the issuance of a partial initial decision based on that phase.

Respectfully submitted,

Lanny Sinkin

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for Intervenor, Citizens Concerned About Nuclear Power, Inc.

August 4, 1982

UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

BEFORE THE NUCLEAR REGULATORY COMMISSION

*82 AGO -9 A11:1

In the Matter of

HOUSTON LIGHTING AND POWER COMPANY, ET AL.

(South Texas Project, Units 1 and 2) OFFICE OF SECRETARY DOCKETING & SERVICE

Docket Nos. 50-498 OL BRANCH 50-499 OL

Certificate of Service

I hereby certify that copies of CITIZENS CONCERNED ABOUT NUCLEAR POWER, INC. (CCANP) PETITION TO SUSPEND CONSTRUCTION OF THE SOUTH TEXAS PROJECT have been served on the following individuals and entities by deposit in the United States Mail, first class, postage prepaid on this 4th day of August, 1982.

Chairman Nunzio J. Palladino Nuclear Regulatory Commission Washington, D.C. 20555

Commissioner Victor Gilinsky Nuclear Regulatory Commission Washington, D.C. 20555

Commissioner John F. Ahearne Nuclear Regulatory Commission Washington, D.C. 20555

Commissioner James K. Asselstine Nuclear Regulatory Commission Washington, D.C. 20555

Commissioner Thomas M. Roberts Nuclear Regulatory Commission Washington, D.C. 20555

Charles Bechhoefer, Chairman Atomic Safety and Licensing Board Nuclear Regulatory Commission Washington, D.C. 20555

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Atomic Safety and Licensing Board Nuclear Regulatory Commission Washington, DC. 20555

Atomic Safety and Licensing Appeal Panel Nuclear Regulatory Commission Washington, D.C. 20555

Docketing and Service Section Nuclear Regulatory Commission Washington, D.C. 20555

Lanny Sinkin

UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

DOCKETED

BEFORE THE NUCLEAR REGULATORY COMMISSION

*82 AGO -9 A1:16

In the Matter of

HOUSTON LIGHTING AND POWER COMPANY, ET AL.

Docket Nos. 50-498 OL 50-499 OL DOCKETING & SERVICE

(South Texas Project, Units 1 and 2)

CITIZENS CONCERNED ABOUT NUCLEAR POWER, INC. (CCANP)
CORRECTION TO PETITION TO SUSPEND CONSTRUCTION OF THE
SOUTH TEXAS PROJECT

On August 4, 1982, Citizens Concerned About Nuclear Power, Inc. (CCANP) filed with the Commission "Cirizens Concerned About Nuclear Power Inc. Petition to Suspend Construction of the South Texas Nuclear Project." In Paragraph 40, page 11 of that petition, CCANP stated:

"Bechtel replaced B&R as architect-engineer on the project,

has signed a long term contract with HL&P for such services,
..." (emphasis added).

On August 5, 1982, the San Antonio <u>Light</u> published an article attached hereto as Attachment 1 which indicates such a contract has in fact not been signed during the ten months Bechtel has been on the project.

This correction to the original CCANP petition in no way changes CCANP's position as set forth in Paragraph 40 that Bechtel can not be considered "independent" of the project.

Respectfully submitted,

Lanny Sinkin

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for Intervenor, Citizens Concerned About Nuclear Power, Inc.

Eureste calls contract snag the major obstacle at STNP

By DEBORAH WESER Staff Writer

Nuclear Project has roadblock is in negotiaemerged.

Councilman Bernardo Another major stum- Eureste revealed last bling block in the con- night during a public troversial South Texas hearing that the major

tions regarding contracts with the proposed new project engineering firm and the contractor.

"Without the signature of one of the partners, they don't have a contract," Eureste declared.

Eureste said that the two private companies - Bechtel Power Corp .. and Ebasco Services Inc. - wanted the partners to waive triple damages available under Texas law if the project was mired in problems later in its life.

The managing partner, Houston Lighting & Power, has agreed to that request, but the city of Austin has refused. Eureste said.

The council member said his . Information came out of the closeddoor briefing that HL&P gave the other partners yesterday in Houston prior to the public hearing here.

Neither Bechtel nor Ebasco will come into the project if the waiver is not provided, Eureste added.

Eureste and Council-

accompanied Cisneros to Houston for the special briefing.

The council member predicted STNP costs will continue to escalate, despite efforts to control them.

Meanwhile, during the hearing, Communities Organized for Publlc Service demanded that City Council delay debate on a proposed \$75 million utility bond issue until public hearings have been held.

Mayor Henry Cisneros said he had already agreed to that demand by COPS. His City Council colleagues were to talk about the delay demand today during their regular

About two-thirds of the CPS bond issue's revenue is earmarked for investment in the controversial South Texas Nuclear Project.

COPS spokesmen angrily denounced STNP and San Antonio's continuing participation, blaming that investment for boosting utility bills here now.

Their harangue, which had a humorous edge to it at times, man . Van Archer came during the threehour public hearing at which details of the STNP cost and completion timetable reforecast was presented

COPS threw barbs at Cisperos, other council members and officials of HL&P, Bechtel and Ebasco, for creating the situation that led to escalating STNP costs.

"The tragedy of this scenario is that COPS could have predicted this," Sonia Hernandez, spokesperson, declared angrily.

"No more promises," Hernandez insisted. She said COPS wanted accountability on STNP. even if it meant suing HL&P for mismanage-

- . Other COPS demands were:
- That City Council and CPS hold three joint public hearings on prospects for setting up a lower utility rate structure for the elderly and San Antonio's continued investment in STNP.
- That no new contracts be approved with Bechtel or Ebasco until details are reviewed by the City Council and COPS in a public hear-
- That any new contracts for STNP work should carry a fixed price, timetable and incentive and penalty clauses.

UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

BEFORE THE NUCLEAR REGULATORY COMMISSION

*82 AGO -9 A1:17

In the Matter of

HOUSTON LIGHTING AND POWER COMPANY, ET AL.

(South Texas Project, Units 1 and 2) Docket Nos 50-BOSKETING & SERVICE 50-499 OFRANCH

Certificate of Service

I hereby certify that copies of CITIZENS CONCERNED ABOUT NUCLEAR POWER, INC. (CCANP) CORRECTION TO PETITION TO SUSPEND CONSTRUCTION OF THE SOUTH TEXAS PROJECT have been served on the following individuals and entities by deposit in the United States Mail, first class, postage prepaid on this 5th day of August, 1982.

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