Docket Nos. 50-498/90-29 50-499/90-29 License Nos. NPF-76 NPF-80

Houston Lighting & Power Company ATTN: Donald P. Hall, Group Vice President, Nuclear P.O. Box 1700 Houston, Texas 77251

Gentlemen:

This refers to the balance-of-plant team inspection conducted by Mr. J. E. Cummins and other NRC personnel during the period October 9-18, 1990, of activities authorized by NRC Operating Licenses NPF-76 and NPF-80 for the South Texas Project, Units 1 and 2, and to the discussion of our findings with Mr. W. H. Kinsey and other members of you staff at the conclusion of the inspection.

Areas examined during the inspection included activities related to the operation, maintenance, and modification of balance-of-plant systems and components. Within these areas, the inspection consisted of selective examination of procedures and representative records, interviews with personnel, and observations by the inspectors. The inspection findings are documented in the enclosed inspection report.

Overall, the inspection team concluded that your staff has implemented programs and procedures to operate and maintain balance-of-plant equipment and systems effectively. However, the team further concluded that various work pressures and impediments, combined with several instances of personnel safety hazards in the plant, have contributed to a declining morale situation at the South Texas Project plant. In our view, the factors that are adversely affecting morale at the plant present a potential for also affecting personnel performance. Additional management attention in this area appears to be warranted.

Within the scope of the inspection, no violations or deviations were identified.

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

Sincerely,

Original Signed By: Samuel J. Collins

Samuel J. Collins, Director Division of Reactor Projects

Enclosure: Appendix - NRC Inspection Report 50-498/90-29 50-499/90-29

cc w/enclosure:
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bcc to DMB (IEO1)

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