April 21, 1994 ST-HL-AE-4773 File No.: G25 10CFR50.7

U. S. Nuclear Regulatory Commission Attention: Document Control Desk Washington, DC 20555

South Texas Project
Units 1 & 2
Docket Nos. STN 50-498; STN 50-499
Supplement to Response to NRC Request For Information

Reference:

Letter from D. D. Jordan, Houston Lighting & Power Company to George Dick, Project Manager, U. S. Nuclear Regulatory Commission, dated July 27, 1989 (ST-HL-AE-3184)

By the referenced letter, Houston Lighting & Power Company responded to an NRC request for information about restrictive clauses in settlement agreements with present or former employees. This letter supplements that response to incorporate information recently obtained by the Company.

Based, in part, on a letter Houston Lighting & Power received from attorneys representing Bechtel Energy Corporation (Bechtel), Houston Lighting & Power's July 27, 1989 response stated "Current contractors and subcontractors have responded and indicated that no such restrictive clauses exist." The Bechtel letter to Houston Lighting & Power states that Bechtel reviewed the settlement agreement with Mr. John Corder, and that in their opinion, the "the language of our settlement agreement with Mr. Corder does not violate the new guidelines" of the Secretary of Labor that settlement agreements not restrict employees from raising safety concerns. Additionally, in 1989, Bechtel's attorneys wrote to Mr. Corder's attorney requesting that he inform Mr. Corder that the settlement agreement "does not prevent nor should it discourage Mr. Corder from asserting any legitimate concern he has about nuclear safety at the South Texas Project, or otherwise."

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Recently, Houston Lighting & Power obtained a copy of a February 9, 1994, Order of the Secretary of Labor in Corder v. Bechtel Energy Corp., Case No. 88-ERA-9, in which the Secretary ordered that the settlement agreement in that case is void because it contains a provision which restricts Mr. Corder's right to raise concerns to various agencies. In view of Bechtel's 1989 letter to Mr. Corder's attorney, and the Secretary's Order voiding the settlement agreement, Houston Lighting & Power does not believe that further notification is necessary to assure that Mr. Corder understands here are no legal restrictions on his raising any safety concerns he may have about the South Texas Project.

After obtaining the Secretary's Order, Houston Lighting & Power again asked Bechtel to verify that it has not entered into any other settlement agreements with any present or former employees that might be construed as restricting the right of the employee to raise safety concerns related to the South Texas Project. Houston Lighting & Power is awaiting confirmation from Bechtel that there are no such agreements.

Houston Lighting & Power strongly encourages its employees and contractor personnel to bring forward any safety concerns they may have. Each of Houston Lighting & Power's major contractors for the South Texas Project has been notified of their obligation not to discriminate against individuals for raising such concerns, as well as the specific responsibility not to include in settlement agreements any provisions tending to prohibit or discourage their employees or former employees from doing so. Houston Lighting & Power regrets that such provisions were included in the Corder settlement, and has recently upgraded the contractual terms and conditions with other major contractors to assure that their obligations in this respect are clearly set forth.

If there are any questions regarding this matter, please contact me at (512) 972-8434.

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W. T. Cottle Group Vice President, Nuclear

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Houston Lighting & Power Company South Texas Project Electric Generating Station

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