

May 2, 1994

Docket Nos. 50-498  
and 50-499

Mr. William T. Cottle  
Group Vice-President, Nuclear  
Houston Lighting & Power Company  
South Texas Project Electric  
Generating Station  
P. O. Box 289  
Wadsworth, Texas 77483

Dear Mr. Cottle:

SUBJECT: LITIGATION CONCERNING SOUTH TEXAS PROJECT, UNITS 1 AND 2

The NRC has been informed that a complaint has been filed by the City of Austin with courts initiating litigation with Houston Lighting & Power Company (HL&P) for the recovery of operation and maintenance costs and fuel replacement costs as a result of the recent extended outage at South Texas Project, Units 1 and 2.

At this time, the NRC has no position on the merits of the complaint. However, we wish to remind HL&P and the other co-licensees of its responsibilities under Title 10, Code of Federal Regulations, Part 21 and Part 50, specifically Sections 50.72 and 50.73, for the review, evaluation, and reporting to the NRC of defects in safety-related equipment, materials, and services which may be identified by you at any time, including during the review and discovery process from this complaint. Additionally, this reminder applies to any other proceeding in which you may enter that could identify defects in safety-related equipment, materials, and services.

Sincerely,

Original Signed By  
Suzanne C. Black, Project Director  
Project Directorate IV-2  
Division of Reactor Projects III/IV  
Office of Nuclear Reactor Regulation

cc: See next page

9405100249 940502  
PDR ADDOCK 05000498  
P PDR

050018

DISTRIBUTION

Docket File OGC  
NRC PDR ACRS (10)  
Local PDR BHayes, OI  
JRoe LChandler, OGC  
EAdensam BBeach, RIV  
EPeyton BJohnson, RIV  
LKokajko LWilliamson, RIV  
DSkay  
TMadden

OFFICE	PDIV-2/LA	PDIV-2/PM	PDIV-2/D		
NAME	EPeyton	LKokajko	SBlack		
DATE	5/2/94	5/2/94	5/2/94	/ /	/ /
COPY	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO

FILENAME: G:\WPDOCS\STEXAS\LITHLP.LTR

NRC FILE CENTER COPY

DF01/0

Mr. William T. Cottle

- 2 -

May 2, 1994

cc:

Mr. David P. Loveless  
Senior Resident Inspector  
U.S. Nuclear Regulatory Commission  
P. O. Box 910  
Bay City, Texas 77414

Mr. J. C. Lanier/M. B. Lee  
City of Austin  
Electric Utility Department  
721 Barton Springs Road  
Austin, Texas 78704

Mr. K. J. Fiedler  
Mr. M. T. Hardt  
Central Public Service Board  
P. O. Box 1771  
San Antonio, Texas 78296

Mr. G. E. Vaughn  
Mr. T. M. Puckett  
Central Power and Light Company  
P. O. Box 2121  
Corpus Christi, Texas 78403

INPO  
Records Center  
700 Galleria Parkway  
Atlanta, Georgia 30339-3064

Regional Administrator, Region IV  
U.S. Nuclear Regulatory Commission  
611 Ryan Plaza Drive, Suite 1000  
Arlington, Texas 76011

Mr. Joseph M. Hendrie  
50 Bellport Lane  
Bellport, New York 11713

Judge, Matagorda County  
Matagorda County Courthouse  
1700 Seventh Street  
Bay City, Texas 77414

Mr. James J. Sheppard  
General Manager, Nuclear Licensing  
Houston Lighting and Power Company  
P. O. Box 289  
Wadsworth, Texas 77483

Jack R. Newman, Esq.  
Newman & Holtzinger, P.C.  
1615 L Street, N.W.  
Washington, D.C. 20036

Licensing Representative  
Houston Lighting and Power Company  
Suite 610  
Three Metro Center  
Bethesda, Maryland 20814

Bureau of Radiation Control  
State of Texas  
1101 West 49th Street  
Austin, Texas 78756

Rufus S. Scott  
Associate General Counsel  
Houston Lighting and Power Company  
P. O. Box 61867  
Houston, Texas 77208

Joseph R. Egan, Esq.  
Shaw, Pittman, Potts & Trowbridge  
2300 N Street, N.W.  
Washington, D.C. 20037