October 12, 1982

Mr. Lanny Sinkin 838 E. Magnolia Avenue San Antonio, Texas 78212

Dear Mr. Sinkin:

This letter is sent to acknowledge receipt of the Petition to Suspend Construction of the South Texas Project (Petition) dated August 4, 1982, filed with the Muclear Regulatory Commission (NRC) by you on behalf of Citizens Concerned About Muclear Power. Inc. (CCANP). The Petition principally seeks immediate suspension of construction at the South Texas Project, of Houston Lighting & Power Company, et al, based upon certain alleged design deficiencies regarding the project identified in the Quadrex Report. The Petition also requests an immediate independent third party review of the design of the South Texas Project and the referral to an Atomic Safety & Licensing Board of the alleged design deficiencies identified in the Quadrex Report. Your Petition has been referred to this office for a response and consideration pursuant to 10 CFR §2.206, and appropriate action will be taken on your Petition within a reasonable time.

The MRC staff is currently investigating the allegations contained in your Petition. In particular, the NRC Region IV Office has been conducting a review of the issues raised in the Quadrex Report since October 1981. In addition, Region IV has undertaken a special inspection program to monitor the activities associated with the transition program from Brown and Root, the original architect-engineer for the South Texas Project (STP), to the new architect-engineer, Bechtel Power Corporation (Bechtel). The transition program includes a review by Bechtel of the entire plant design of STP, with specific consideration given to the findings of the Quadrex Report. The special NRC inspection program has as its purpose oversight of these activities by Bechtel. Results of these special inspections are contained in monthly reports issued and made available in the Public Document Room (PDR) in Washington, D.C., as well as the Local PDR's at the Bay City Library, 1900 Fifth Street, Bay City, Texas. and the Austin Public Library, 810 Guadalupe Street, Austin, Texas 78768. For both the Quadrex Report review and the monitoring of transition activities, additional expertise is being provided to Region IV in certain areas, inter alia, piping design and radiological assessment, from the Office of Nuclear Reactor Regulation. Region IV has also assigned a fulltime inspector to the Bechtel office in Houston beginning in January 1982 to insure close monitoring of transition activities. It should also be pointed out that one inspector working out of Region IV offices has been fully committed to the Quadrex Report review since January 1982, and will continue to be fully committed until the NRC review is completed. It is anticipated that the NRC Report summarizing the Duadrex review will be available by the end of November 1982.

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Additionally. I have considered your request for an immediate thirdparty audit and for an immediate suspension of the construction at the South Texas Project. Continued construction at the South Texas Project, given the Quadrex Report findings, has been based on the detailed and careful design review conducted to date by Bechtel Power Corporation and reviewed by Houston Lighting & Power. As noted above, this review has been closely monitored by the Region IV Resident Inspector in Houston as well as other inspectors from Region IV and technical reviewers from NRC Headquarters. The review has focused on giving the Quadrex Report findings special attention in each of the review packages developed by Bechtel to ascertain that they have been disposed of in a satisfactory manner. While all of the detailed design review of the South Texas Project has not been completed, review activities to date have not revealed findings that would warrant a halt of construction activities at the South Texas Project site. Should substantial deficiencies be identified in the relatively brief period of time remaining prior to completion of the entire review. I would then consider taking appropriate action. But given the absence of any imminent threat to public health and safety due to continued construction and the absence of any substantial design deficiencies to date. I see no bases for taking the drastic action of suspension of construction.

With regard to the request for an independent third party review of the design of the South Texas Project, the circumstances at this time do not appear to warrant such a step. As noted above, the Bechtel review encompasses the entire South Texas Project design with particular attention being given to all of the issues related in the Quadrex Report. That review to date, which is being closely monitored by the NPC staff, has not disclosed deficiencies that would warrant the third party independent review as you suggest.

The staff will continue to review your Petition and I will issue a decision with regard to it in the reasonably near future. I enclose for your information a copy of the Notice that is being filed for publication with the Office of the Federal Register.

Sincerely,

## Original Signed by H. R. Denton

Harold R. Denton, Director Office of Nuclear Reactor Regulation

Enclosure: Federal Register Notice DISTRIBUTION (EDO#12275) See Attached

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NRC FORM 318 (10-80) NRCM 0240

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USGPO: 1981-335-960

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The Monorable Bert O'Connell Judge, Matagorda County Matagorda County Courthouse 1700 Seventh Street Bay City, Texas 77414