

Docket Nos. 50-498/91-99
50-499/91-99
License Nos. NPF-76
NPF-80

JUL 31 1991

Houston Lighting & Power Company
ATTN: Donald P. Hall, Group
Vice President, Nuclear
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Gentlemen:

SUBJECT: INITIAL SYSTEMATIC ASSESSMENT OF LICENSEE PERFORMANCE REPORT (SALP)

This forwards the initial SALP report (50-498/91-99; 50-499/91-99) for the South Texas Project (STP), Units 1 and 2. The SALP Board met on July 10, 1991, to evaluate STP's performance for the period February 1, 1990, through May 31, 1991. The performance analyses and resulting evaluations are documented in the enclosed initial SALP report.

In accordance with NRC policy, I have reviewed the SALP Board's assessment and concur with their ratings, as discussed below:

- ° The performance in the functional area of Plant Operations was rated as Category 2. Although performance in this area was good, performance declined from a previous superior level. This decline was attributed to a large number of equipment failures and personnel errors which resulted in unnecessary challenges to the plant and Technical Specification violations.
- ° The functional area of Radiological Controls was rated as Category 1. Significant challenges were experienced during a series of refueling outages and the resulting performance was superior. Strong and effective management was noted as well as aggressive and innovative approaches to the resolution of technical issues.
- ° The functional area of Maintenance/Surveillance was rated as Category 2. Maintenance and surveillance programs were considered a strength; however, a decline in performance was noted because of implementation weaknesses. These implementation weaknesses included some that resulted in unnecessary challenges to the plant.
- ° The functional area of Emergency Preparedness was rated as Category 2. Effective corrective actions to address previously identified weaknesses were noted.

*RIV:SRI	*PM/NRR	*C:DRP/D	*AD/DRPWIII,IV,V
JITapia	GFDick	ATHowell	MJVirgilio
07/ /91	07/ /91	07/ /91	07/ /91

DD:DRSS	*D:DRS	*D:DRP	*DRA	RA RDM
LAYarde	LJCallan	SJCollins	JMMontgomery	RDMartin
07/30/91	07/ /91	07/ /91	07/ /91	07/31/91

*previously concurred

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PDR ADOCK 0500049B
Q PDR

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- ° The functional area of Security was rated as Category 1. Strong management commitment enhanced by a well qualified and dedicated staff resulted in continuing superior performance. In stark contrast to this superior performance, two apparent violations pertaining to search inadequacies were identified late in the assessment period. Final NRC assessment and resolution of these apparent violations were still ongoing at the end of the assessment period.
- ° The functional area of Engineering/Technical Support was rated as Category 2 with an improving trend. Engineering support of plant activities was generally a strength; however, the implementation of some plant modifications was not timely and, as a result, was inconsistent with plant safety and regulatory requirements. Strong management commitment to enhancing the engineering and technical support programs was noted. A noted weakness was the inability of the training department to provide licensed operator examination material to the NRC that was consistently good quality.
- ° The functional area of Safety Assessment/Quality Verification was rated as Category 1 with a declining trend. Programs to assure quality, including the self-assessment process, were generally performed at a superior level. Some examples were noted where timely recognition and resolution of issues were not forthcoming.

Overall, licensee performance was good and improvements were noted in certain areas, as discussed above. However, I am disappointed by the decline in performance in the areas of plant operations and maintenance/surveillance and the declining trend in safety assessment/quality verification. Performance in these areas was evaluated as superior during the previous assessment period. This past performance was noteworthy, especially during the first years of commercial operation. However, rather than sustaining this superior performance, declining performance was observed in these important areas. Although the safety policies and programs at STP are still viewed as a strength, human and equipment performance problems were common contributing factors in the declining performance observed during this period. To a lesser extent, another common element was the untimely resolution of some technical issues. Collectively, these problems were indicative of weaknesses in management support of and involvement in day-to-day operations. Accordingly, I encourage you to carefully evaluate the results of this assessment and take those actions that are appropriate to restore the level of performance that was demonstrated in the past.

At the conclusion of the assessment, an NRC inspection of the adequacy of your investigations of several employee integrity issues, that occurred during the assessment period that ended May 31, was still ongoing. Although some of these issues are addressed in this report, a final NRC assessment of these issues will be completed during the current assessment period. Additionally, other apparent violations of NRC requirements that were identified prior to May 31, 1991, are also being reviewed in accordance with the NRC Enforcement Policy. Final NRC assessment and resolution of these apparent violations will also be completed during the current assessment period.

On the basis of the SALP Board's assessment, the length of the SALP period will be approximately 14 months. Accordingly, the next SALP period will be from June 1, 1991, to July 31, 1992.

A management meeting has been scheduled with you and your staff at the STP site on August 16, 1991, at 9 a.m. to review the results of the SALP Board. Within 20 days of this management meeting, you may provide written comments on and amplification of, as appropriate, the initial SALP report. Your written comments, a summary of our meeting, and the results of my consideration of your comments will be issued as an appendix to the enclosed initial SALP report and will constitute the final SALP report.

Sincerely,

Robert D. Martin
Regional Administrator

Enclosure:
Initial SALP Report
50-498/91-99
50 499/91-99

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