

DEC 4 1991

Docket Nos. 50-498
50-499
License Nos. NPF-76
NPF-80
EA 91-074

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

Gentlemen:

This refers to the enforcement conference conducted at Region IV's request at South Texas Project on October 22, 1991. This enforcement conference related to the contractor integrity issue at South Texas Project, Units 1 and 2, and was attended by those on the attached Attendance List.

The subjects discussed at this enforcement conference are described in the enclosed Meeting Summary. It is our opinion that this enforcement conference was beneficial to our understanding of the apparent violations identified in NRC Inspection Reports 50-498/91-12; 50-499/91-12 and 50-498/91-23; 50-499/91-23. You will be advised by separate correspondence of the results of our deliberations concerning the number and characterization of the apparent violations identified in these inspection reports.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter will be placed in the NRC's Public Document Room.

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

Sincerely,

Original Signed By:

A. B. BEACH

A. Bill Beach, Director
Division of Reactor Projects

Enclosure:
Meeting Summary w/attachments

cc: (see next page)

*RIV: Intern	DRP/D	*C: DRP/D	D: DRP
DCarcia;df	WBJones	ATHowell	ABBeach
11/ /91	12/2 /91	12/ /91	12/4 /91

IE45
11

*previously concurred
9112100054 911204
PDR ADOCK 05000498
G PDR

cc w/enclosure:
Houston Lighting & Power Company
ATTN: William J. Jump, Manager
Nuclear Licensing
P.O. Box 289
Wadsworth, Texas 77483

City of Austin
Electric Utility Department
ATTN: J. C. Lanier/M. B. Lee
P.O. Box 1088
Austin, Texas 78767

City Public Service Board
ATTN: R. J. Costello/M. T. Hardt
P.O. Box 1771
San Antonio, Texas 78296

Newman & Holtzinger, P. C.
ATTN: Jack R. Newman, Esq.
1615 L Street, NW
Washington, D.C. 20036

Central Power and Light Company
ATTN: D. E. Ward/T. M. Puckett
P.O. Box 2121
Corpus Christi, Texas 78403

INPO
Records Center
1100 Circle 75 Parkway
Atlanta, Georgia 30339-3064

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

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

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

Houston Lighting & Power Company

-3-

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

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

bcc to DMB (IE45)

bcc distrib. by RIV:

k. D. Martin
DRP
DRS
DRSS-RPEPS
RIV File
RSTS Operator

Resident Inspector
Section Chief (DRP/D)
MIS System
Lisa Shea, RM/ALF
R. Bachmann, OGC
Project Engineer (DRP/D)

Houston Lighting & Power Company

-3-

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General Counsel
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Houston, Texas 77209

bcc to DMB (1E45)

bcc distrib. by RIV:
R. D. Martin
DRP
DF
DF
File
Operator

Resident Inspector
Section Chief (DRP/D)
MIS System
Lisa Shea, RM/ALF
R. Bachmann, OGC
Project Engineer (DRP/D)

MEETING SUMMARY

Licensee: Houston Lighting & Power Company (HL&P)
Facility: South Texas Project (STP), Units 1 and 2
License Nos.: NPF-76 and NPF-80
Docket Nos.: 50-498 and 50-499
Subject: ENFORCEMENT CONFERENCE CONCERNING STP, UNITS 1 AND 2,
CONTRACTOR INTEGRITY

On October 22, 1991, representatives of HL&P met with Region IV personnel at STP to discuss the issues concerning contractor integrity and the actions taken and planned to maintain contractor integrity. The staff found the enforcement conference to be beneficial in assessing the apparent violations identified in NRC Inspection Reports 50-498/91-12; 50-499/91-12, dated April 29, 1991, and 50-498/91-23; 50-499/91-23, dated October 11, 1991.

Attachments:

1. Attendance List
2. Licensee Presentation (NRC distribution only)

ATTENDANCE LIST

Attendance at the enforcement conference between HL&P and NRC on October 22, 1991, at STP:

HL&P

D. Hall, Group Vice President, Nuclear
W. Kinsey, Vice President, Nuclear Generation
T. Jordon, General Manager, Nuclear Assurance
M. Wisenberg, Plant Manager
W. Jump, Manager, Nuclear Licensing
A. Harrison, Supervising Engineer, Licensing

NRC

A. Beach, Director, Division of Reactor Projects (DRP)
D. Chamberlain, Deputy Director, Division of Reactor Safety
G. Sanborn, Enforcement Officer, Region IV
W. Jones, Acting Section Chief, Project Section D, DRP
J. Tapia, Senior Resident Inspector, DRP
R. Evans, Resident Inspector, DRP
G. Dick, Project Manager, Office of Nuclear Reactor Regulation
R. Rosano, Senior Enforcement Specialist, Office of Enforcement

Others

P. Golde, Joint Projects Manager, City of Austin
M. Hardt, City Public Service
T. Bosquez, Central Power and Light
W. Baer, Newman & Holtzinger

OCTOBER 22, 1991
ENFORCEMENT CONFERENCE

- OPENING REMARKS D. P. HALL

- ADHERENCE TO RADIATION WORK
PROCEDURE W. H. KINSEY

- ACCURACY OF RECORDS W. H. KINSEY/T. J. JORDAN

- MANAGEMENT OF CONTRACTORS W. H. KINSEY

- CLOSING REMARKS D. P. HALL

ADHERENCE TO RADIATION WORK PROCEDURE

DESCRIPTION

- OCTOBER, 1990- REACTOR PLANT OPERATOR (RPO) CLIMBED LADDER TO UNIT 2 "A" STEAM GENERATOR PLATFORM IN VIOLATION OF RADIATION WORK PERMIT (RWP) INSTRUCTIONS AND CONTRARY TO HEALTH PHYSICS (HP) TECH DIRECTION.
- RPO WAS CONSEQUENTLY TERMINATED.

ASSESSMENT

- SELF IDENTIFIED.
- NO RESULTING SIGNIFICANT SAFETY ISSUE.
- NO PROGRAMMATIC DEFICIENCY.
- PROMPT AND EFFECTIVE CORRECTIVE ACTION BY HL&P.
- PROMPT NOTIFICATION TO NRC.

ACCURACY OF RECORDS (FOUR EXAMPLES)

DESCRIPTIONS:

- INACCURATE ENTRY IN A CONTROL ROOM LOG BOOK
 - FEBRUARY, 1991- HL&P EMPLOYEE CAME FORWARD WITH LOG BOOK FALSIFICATION AND EXPRESSED CONCERNS ON CONDUCT OF OPERATIONS
 - HL&P MANAGEMENT MONITORED ON-SHIFT ACTIVITIES
 - INDEPENDENT TEAM INVESTIGATION CONDUCTED
 - NO MAJOR SYSTEMIC ISSUES
 - UNCERTAINTY REGARDING DOCUMENTATION REQUIREMENTS
 - UNCLEAR MESSAGES FROM MANAGEMENT
 - MANAGEMENT ACTION PLAN INITIATED
- FALSIFICATION OF QUALITY ASSURANCE (QA) SURVEILLANCE REPORT
 - QA SUPERVISOR DISCOVERED QA SPECIALIST EMBELLISHED A SURVEILLANCE REPORT
 - SPECIALIST ALSO LIED TO SUPERVISOR ABOUT THE EMBELLISHMENT
 - SPECIALIST WAS TERMINATED
 - SURVEILLANCE WAS REPERFORMED
 - PAST WORK OF SPECIALIST WAS REVIEWED - NO DISCREPANCIES

ACCURACY OF RECORDS (CONTINUED)

DESCRIPTIONS (CONTINUED):

- CONTRACTOR VIOLATION OF WORK REQUEST INSTRUCTIONS (TWO EXAMPLES)
 - JANUARY, 1991- CONTRACTOR EMPLOYEE STATED HE HAD FALSIFIED WORK DOCUMENTS AT THE DIRECTION OF HIS FOREMAN (EX. 1)
 - HL&P INVESTIGATED CONTRACTOR WORK PRACTICES
 - ADDITIONAL INCIDENT OF FALSIFICATION BY EMPLOYEE'S FOREMAN (EX. 2)
 - INCIDENTS LIMITED TO ONE GROUP/ONE MANAGER
 - CONTRACTOR MANAGEMENT HAD NOT MAINTAINED PROPER WORK ENVIRONMENT
 - SITE ACCESS OF MANAGER AND FOREMAN REVOKED
 - HL&P STRENGTHENED APPLICATION OF HL&P POLICIES BY/TO CONTRACTORS

ASSESSMENT

- SELF IDENTIFIED
- NO SIGNIFICANT IMPACT TO SAFETY
- PROMPT AND ADEQUATE CORRECTIVE ACTION BY HL&P
- PROMPT NOTIFICATION OF NRC
- NO TREND/INDICATION OF GENERAL INTEGRITY PROBLEM

MANAGEMENT OF CONTRACTORS

CONTRACTOR MANAGEMENT IS DIRECTLY ACCOUNTABLE TO HL&P MANAGEMENT.

- AN HL&P MANAGER IS SPECIFICALLY DESIGNATED TO BE RESPONSIBLE FOR PERFORMANCE OF EACH CONTRACTOR.
 - HL&P MANAGERS HAVE BEEN SPECIFICALLY INSTRUCTED TO ASSURE THAT CONTRACTORS ARE AWARE OF THE IMPORTANCE OF CONFORMING TO HL&P NUCLEAR QUALITY STANDARDS.
- HL&P MANAGERS REGULARLY MONITOR CONTRACTOR WORK PERFORMANCE.
 - PERSONAL OBSERVATION
 - REVIEW OF QUALITY REPORTS
- APPROPRIATE MANAGEMENT COVERAGE AROUND THE CLOCK.

CONTRACTOR PERSONNEL RECEIVE TRAINING ON INTEGRITY

CONTRACTORS MUST ADHERE TO HL&P PROGRAMS AND PROCEDURES.

- HL&P NUCLEAR ASSURANCE PERFORMS OVERSIGHT ACTIVITIES ON CONTRACTOR WORK.

HISTORICAL PERFORMANCE OF CONTRACTOR MANAGEMENT HAS BEEN GOOD

- INSTANCES OF CONTRACTOR CONTROL ISSUES ARE ISOLATED

KEY POINTS

- NO SAFETY SIGNIFICANT ISSUES
- ISSUES SELF IDENTIFIED WITH PROMPT ACTION
- SUBSTANTIAL EFFORT IN DETAILED INVESTIGATIONS
- INTEGRITY ISSUES ARE SPECIFIC AND NOT ENDEMIC
- BOTH INDIVIDUAL AND SITE-WIDE RESPONSE INITIATED
- EXTENSIVE SITE-WIDE CORRECTIVE ACTION
- STANDARDS OF PERFORMANCE ARE REACHING INDIVIDUALS
- STIMULATED SPEAKOUT
- REAL TIME INFORMATION TO NRC
- DOCUMENTATION AVAILABLE

CONCLUSION

- NO WIDESPREAD INTEGRITY PROBLEM AT STP
- NONE OF THE IDENTIFIED INTEGRITY ISSUES HAS CREATED AN UNSAFE SITUATION
- NRC KEPT PROMPTLY INFORMED
- SITE-WIDE MANAGEMENT INITIATIVES TO ADDRESS INDIVIDUAL INSTANCES ARE EFFECTIVE
 - STP WORKERS HAVE BECOME MORE OPEN WITH STP MANAGEMENT
 - STP MANAGEMENT HAS IN TURN BECOME MORE ALERT TO IMPROPER CONDUCT ISSUES
 - MORE INDIVIDUALS ARE FORTHCOMING WITH CONCERNS
- HL&P MANAGEMENT WILL CONTINUE TO STRIVE TO CREATE AN ENVIRONMENT OF OPENNESS WHERE ONLY PROFESSIONAL CONDUCT WILL BE ACCEPTED.