



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV

611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-8064

OCT 30 1995

Houston Lighting & Power Company
ATTN: William T. Cottle, Group
Vice President, Nuclear
P.O. Box 289
Wadsworth, Texas 77483

SUBJECT: NRC INSPECTION REPORT 50-498/95-23; 50-499/95-23

This refers to the inspection conducted by Mr. D. P. Loveless, and the inspectors identified in the attached report, of this office on August 27 through October 7, 1995. The inspection included a review of activities authorized for your South Texas Project, Units 1 and 2, facility. At the conclusion of the inspection, the findings were discussed with you and those members of your staff identified in the enclosed report.

Areas examined during the inspection are identified in the report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, inspection of installed equipment, interviews with personnel, and observation of activities in progress. The purpose of the inspection was to determine whether activities authorized by the license were conducted safely and in accordance with NRC requirements.

This report highlights a number of human errors which resulted in violation of your license. Several of these errors involved first line supervisors failing to meet management expectations. Each instance is dispositioned as a noncited violation in the report, consistent with Section IV of the NRC Enforcement Policy, which credits your diligent identification of each instance and extensive corrective actions for all of the errors, as discussed in the report and your October 26, 1995, meeting with us. However, you should note that we expect that an effective corrective action program will ensure that self-checking errors are kept to a minimum and that appropriate barriers are in place to minimize the impact of those errors that do occur.

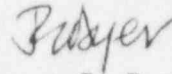
It is our understanding that, during the exit meeting conducted on October 12, 1995, Mr. John F. Groth, Vice President, Nuclear Generation, committed to implement programmatic changes to improve the work risk assessment program following completion of the Unit 2 refueling outage, as part of the corrective action associated with the reactor trip investigation. If your understanding of this commitment differs from ours, please contact me immediately.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, its enclosure(s), and your response will be placed in the NRC Public Document Room.

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PDR ADOCK 05000498
G PDR

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

Sincerely,



James E. Dyer, Director
Division of Reactor Projects

Dockets: 50-498
50-499
Licenses: NPF-76
NPF-80

Enclosure:
NRC Inspection Report
50-498/95-23; 50-499/95-23

cc w/enclosure:
Houston Lighting & Power Company
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Nuclear Assurance & Licensing
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City of Austin
Electric Utility Department
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721 Barton Springs Road
Austin, Texas 78704

City Public Service Board
ATTN: K. J. Fiedler/M. T. Hardt
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San Antonio, Texas 78296

Morgan, Lewis & Bockius
ATTN: Jack R. Newman, Esq.
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ATTN: Andy Barrett, Director
Environmental Policy
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Bay City, Texas 77414

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Washington, D.C. 20037

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ATTN: Mr. J. W. Beck
44 Nichols Road
Cohasset, MA 02025-1166

E-Mail report to D. Nelson (DJN)
E-Mail report to NRR Event Tracking System (IPAS)

bcc to DMB (IE01)

bcc distrib. by RIV:

L. J. Callan
Branch Chief (DRP/A)
MIS System
RIV File
R. Bachmann, OGC (MS: 15-B-18)

Resident Inspector
Leah Tremper (OC/LFDCB, MS: TWFN 9E10)
DRSS-FIPB
Project Engineer (DRP/A)
Branch Chief (DRP/TSS)

DOCUMENT NAME: R:_STP\ST523RP.DPL

To receive copy of document, indicate in box: "C" = Copy without enclosures "E" = Copy with enclosures "N" = No copy

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DPLoveless	<i>mk</i>	JLPellet	<i>mk</i>	JEDyer	<i>mk</i>				
10/27/95		10/27/95		10/30/95					

OFFICIAL RECORD COPY

E-Mail report to D. Nelson (DJN)
E-Mail report to NRR Event Tracking System (IPAS)

bcc to DMB (IE01)

bcc distrib. by RIV:

L. J. Callan

Branch Chief (DRP/A)

MIS System

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R. Bachmann, OGC (MS: 15-B-18)

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DPLoveless	<i>[initials]</i>	JLPellet	<i>[initials]</i>	JEDyer	<i>[initials]</i>				
10/27/95		10/27/95		10/24/95					

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