



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV

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

JAN 23 1996

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

SUBJECT: NRC INSPECTION REPORT 50-498/95-29; 50-499/95-29

This refers to the inspection conducted by Mr. D. P. Loveless, and the inspectors identified in the attached report, of this office on November 19 through December 30, 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.

Based on the results of this inspection, an unresolved item was opened to further evaluate procedural usage in the control room. Of concern is the interpretation of procedural requirements, including emergency operating procedural requirements, by licensed operators, including the associated licensed operator decision-making process. Two recent events indicated that these decisions were being made informally and without appropriate feedback from plant management or other support organizations. This issue was the subject of a special inspection, which will be documented in NRC Inspection Report 50-498/96-12; 50-499/96-12.

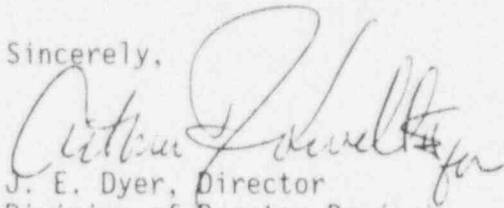
Also of concern was the failure of three rod cluster control assemblies (RCCAs) to fully insert during the recent Unit 1 reactor trip. Your immediate assessment and evaluation of the failures were sufficient to permit restart of the unit. However, further in-depth analysis, evaluation, and testing will be required to support continued plant operations. It is our understanding that during a conference call conducted on December 20, 1995, you committed to develop and present a plan of action for further evaluation and testing of the RCCAs. 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 ADJCK 05000498
G PDR

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

Sincerely,


J. E. Dyer, Director
Division of Reactor Projects

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

Enclosure:
NRC Inspection Report
50-498/95-29; 50-499/95-29

cc w/enclosure:
Houston Lighting & Power Company
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Wadsworth, Texas 77483

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721 Barton Springs Road
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City Public Service Board
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San Antonio, Texas 78296

Morgan, Lewis & Bockius
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44 Nichols Road
Conasset, MA 02025-1166

JAN 23 1996

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)
DRS-PSB
Project Engineer (DRP/A)
Branch Chief (DRP/TSS)

DOCUMENT NAME: R:_STP\ST529RP.DPL

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JAN 23 1996

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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)

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