



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV

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

JUL 10 1992

DOCUMENT CONTAINS
SAFEGUARDS INFORMATION

Docket Nos. 50-498
50-499
License Nos. NPF-76
NPF-80

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

Gentlemen:

SUBJECT: NRC INSPECTION REPORT NOS. 50-498/92-20; 50-499/92-20
(NOTICE OF VIOLATION)

This refers to the inspection conducted by Mr. T. W. Dexter of this office on June 15-19, 1992. The inspection included a review of activities authorized for your South Texas Project facility. At the conclusion of the inspection, the findings were discussed with Mr. W. H. Kinsey and those members of your staff identified in the enclosed report.

The inspection involved the review of certain areas of your physical security program. Areas examined during the inspection are identified in the report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector.

Based on the results of this inspection, certain of your activities appeared to be in violation of NRC requirements, as specified in the enclosed Notice of Violation (Notice). The violation is of concern because it involved the failure to properly protect safeguards information during transmittal to other departments and/or agencies.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In your response, you should document the specific actions taken and any additional

DOCUMENT CONTAINS
SAFEGUARDS INFORMATION

9207160229 920710
PDR ADDCK 05000498
Q PDR

ENCLOSURE CONTAINS
SAFEGUARDS INFORMATION.
UPON SEPARATION THIS
PAGE IS DECONTROLLED.

JE04

DOCUMENT CONTAINS
SAFEGUARDS INFORMATION

actions you plan to prevent recurrence. After reviewing your response to this Notice, including your proposed corrective actions and the results of future inspections, NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

We have also examined actions you have taken with regard to previously identified security inspection findings and security event reports submitted to NRC. The status of these items is identified in paragraph 2 of the enclosed report.

The material enclosed herewith contains Safeguards Information as defined by 10 CFR Part 73.21 and its disclosure to unauthorized individuals is prohibited by Section 147 of the Atomic Energy Act of 1954, as amended. Therefore, the material will not be placed in the Public Document Room.

The responses directed by this letter and the enclosed Notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, Pub. L. No. 96.511.

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

Sincerely,



A. Bill Beach, Director
Division of Reactor Projects

Enclosures:

1. Appendix A Notice of Violation
2. Appendix B - NRC Inspection Report
50-499/92-20
50-499/92-20

cc: (see next page)

DOCUMENT CONTAINS
SAFEGUARDS INFORMATION

ENCLOSURE CONTAINS
SAFEGUARDS INFORMATION.
UPON SEPARATION THIS
PAGE IS DECONTROLLED.

bcc copy of entire report:

RIV Security File
Elaine Koup, RSGB/NRR (9D24)
J. L. Milhoan, RA
Resident Inspector
FIPS Security File
G. F. Sanborn, EO
M. Virgilo, NRR (13E4)

bcc copy of letter, NOV, and inspection summary only:

DMB IE-04

DRS DRP

Lisa Shea, RM/ALF (4503)

MIS

RIV File

Section Chief, DRP/D

RSTS Coordinator

R. Bachmann, OGC (15 B18)

G. Dick, NRR Project Manager (13 H15)

RIV:FIPS	C:FIPS	D:DRSS	D:DRP	
TWDexter:nh	BMurray	W.C. Callan	ABBeach	
7/1/92	7/1/92	7/1/92	7/10/92	

DOCUMENT CONTAINS
SAFEGUARDS INFORMATIONENCLOSURE CONTAINS
SAFEGUARDS INFORMATION.
UPON SEPARATION THIS
PAGE IS DECONTROLLED.

Houston Lighting & Power Company

-3-

DOCUMENT CONTAINS
SAFEGUARDS INFORMATION

cc w/copy of Notice of Violation and summary page only:

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 73296

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

DOCUMENT CONTAINS
SAFEGUARDS INFORMATION

ENCLOSURE CONTAINS
SAFEGUARDS INFORMATION.
UPON SEPARATION THIS
PAGE IS DECONTROLLED.

Houston Lighting & Power Company

-4-

DOCUMENT CONTAINS
SAFEGUARDS INFORMATION

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

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

DOCUMENT CONTAINS
SAFEGUARDS INFORMATION

ENCLOSURE CONTAINS
SAFEGUARDS INFORMATION.
UPON SEPARATION THIS
PAGE IS DECONTROLLED.

bcc copy of entire report:

RIV Security File
Elaine Koup, RSGB/NRR (9D24)
J. L. Milhoan, RA
Resident Inspector
FIPS Security File
G. F. Sanborn, EO
M. Virgilo, NRR (13E4)

bcc copy of letter, NOV, and inspection summary only:

DMB IE-04

DRS DRP

Lisa Shea, RM/ALF (4503)

MIS

RIV File

Section Chief, DRP/D

RSTS Coordinator

R. Bachmann, OGC (15 B18)

G. Dick, NRR Project Manager (13 H15)

RIV:FIPS	C:FIPS	D:DRSS	D:DRP	
TWDexter:nh	BMurray	JJCallan	ABBeach	
7/9/92	7/9/92	7/10/92	7/10/92	

DOCUMENT CONTAINS
SAFEGUARDS INFORMATIONENCLOSURE CONTAINS
SAFEGUARDS INFORMATION.
UPON SEPARATION THIS
PAGE IS DECONTROLLED.