



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV

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

OCT - 2 1992

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: INITIAL SYSTEMATIC ASSESSMENT OF LICENSEE PERFORMANCE (SALP) REPORT

This forwards the initial SALP report (50-498/92-99; 50-499/92-99) for the South Texas Project (STP), Units 1 and 2. The SALP Board met on September 16, 1992, to evaluate STP's performance for the period June 2, 1991, through August 1, 1992. 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. Good performance in the areas of Plant Operations and Emergency Preparedness resulted in a Category 2 rating for these areas of performance. Good performance in the Engineering/Technical Support functional area resulted in a Category 2 rating; however, the improving trend that was identified during the previous assessment period was not sustained. Continued superior performance was noted in the area of Radiological Controls, which was rated as Category 1. Performance in the areas of Security and Safety Assessment/Quality Verification was rated as Category 2, having declined from a Category 1 rating for the previous assessment period. A good level of performance was also noted in the area of Maintenance/Surveillance; however, weaknesses existed which resulted in performance being rated as Category 2 Declining.

Overall, licensee performance was good and improvements were noted in certain programs. This assessment, however, represents the second consecutive assessment period in which performance has declined in certain areas or the effectiveness of improvement initiatives was mixed. In order to prevent a further decline in performance, additional management attention is required. I encourage you to consider the following actions: (1) improve the material condition of the plant by resolving long-standing equipment problems, providing sufficient maintenance support to systems and equipment that are not governed by the Technical Specifications and improving the level of housekeeping in plant areas outside of the radiological controlled areas; (2) provide effective guidance and support to plant operators so that they may consistently carry out their licensed duties; (3) improve work control and

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coordination to increase equipment availability; (4) reduce unnecessary engineered safety features actuations, and continue efforts to further reduce personnel errors that are resulting in a number of other unnecessary plant challenges; (5) increase the level of management involvement in the day-to-day operations of the facility and increase management and supervisory presence in the facility in order to more effectively resolve hardware and process problems; and (6) assess the overall effectiveness of various improvement initiatives and modify planned actions, as appropriate, to achieve the desired results.

At the conclusion of the assessment, an NRC inspection of the circumstances related to the failure by members of your staff to promptly notify control room operators of a condition that required actions to shut down both units was 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.

On the basis of the SALP Board's assessment, the length of the SALP period will be approximately 15 months. Accordingly, the next SALP period will be from August 2, 1992, to October 30, 1993.

A management meeting has been scheduled with you and your staff at 1 p.m. on October 13, 1992, at the Bay City Convention Center in Bay City, Texas, 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,


James L. Milhoan
Regional Administrator

Enclosure:
Initial SALP Report
50-498/92-99
50-499/92-99

cc w/enclosure:
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bcc to DMB (IE40)

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 Project Engineer (DRP/D)
 DRS
 Chief, Technical Support Section
 The Chairman (MS: 16-G-15)
 Commissioner Rogers (MS: 16-G-15)
 Commissioner Curtiss (MS: 16-G-15)
 Commissioner Remick (MS: 16-G-15)
 Commissioner de Planque (MS: 16-G-15)
 J. M. Taylor, EDO (MS: 17-G-21)
 J. M. Montgomery
 J. T. Gilliland, PAO

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 MIS System
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 G. F. Sanborn, EO
 C. A. Hackney, RSLO
 RRIs at all sites
 L. J. Callan, D:DRSS
 J. P. Jaudon, DRSS
 B. Murray, DRSS

SRI <i>Atter</i>	DRP/D <i>Atter</i>	C:DRP/D <i>Atter</i>	NRR/PDIV <i>Atter</i>	NRR/D:PDIV <i>Atter</i>
JITapia	MASatorius	ATHowell	GDick	SBlack
10/2/92	10/2/92	10/2/92	10/2/92	10/2/92

D:DRSS	D:DRS	D:DRP <i>Atter</i>	DRA	RA <i>MM</i>
JLCallan	SJCollins	ABBeach	JMMontgomery	JLMilhoan
10/2/92	10/2/92	10/2/92	10/ /92	10/2/92

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Houston Lighting & Power Company

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