



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

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Atomic Safety and Licensing
Board Panel
U.S. Nuclear Regulatory Commission
Washington, DC 20555

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In the Matter of
HOUSTON LIGHTING AND POWER COMPANY, ET AL.
(South Texas Project, Units 1 & 2)
Docket Nos. 50-498 and 50-499 OL

Dear Administrative Judges:

In reviewing the transcript of the prehearing conference held in Houston on October 16, 1984, I have found that the Staff's position on reportability under the McGuire doctrine has been somewhat affected by a minor reporting error. In the paragraph beginning at Line 21 on Transcript Page 10,837 I am quoted as saying:

On the other hand, I can't point to a specific Board issue or contention and say the Quadrex Report was directly relevant to that. It corrects testimony that was given to the Board. It should have been reported.

The transcript should read to say:

On the other hand, I can't point to a specific Board issue or contention and say the Quadrex Report was directly relevant to that or that it corrects testimony that was given to the Board . . .

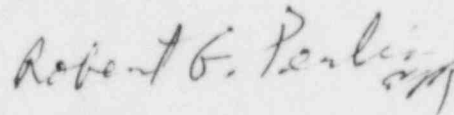
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I do want to make sure that the Staff position on reportability under McGuire is clear: we do not believe the report was directly related to any individual issue or piece of testimony; we do believe it was sufficiently related to the broader issues involved in Phase I in such a manner that it should have been provided to the Board and parties.

On a second matter, the Board at the prehearing established a schedule for the Staff's issuance of a report on construction quality assurance since the close of the Phase I record. Tr. 10731 et seq. The Staff at the prehearing indicated that it would need approximately 30 days to prepare the report, and the Board requested that the report be filed on November 16, 1984. Staff counsel has subsequently learned that Region IV personnel most familiar with construction activities at South Texas are involved in extensive pre-operational inspections for the Waterford facility and will not be available to work on the South Texas report until late in November. The Staff has discussed this matter with the parties and has indicated that it will make every effort to complete the report by December 21st. Both Mr. Goldstein (for CCANP) and Mr. Gutterman (for the Applicants) have indicated they do not object to this extension. Under the circumstances, the Staff requests that the Board revise the schedule established at the prehearing conference for the submittal of the Staff's Phase II report and grant the Staff an extension until December 21, 1984.

Sincerely,



Robert G. Perlis
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