UNITED STATES



NUCLEAR REGULATORY COMMISSION

REGION IV

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

JUN 10 1996

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

Wadsworth, Texas 77483

SUBJECT: NRC INSPECTION REPORT 50-498/96-17; 50-499/96-17

This refers to the inspection conducted by Mr. C. A. Clark of this office on May 19-23, 1996, at the South Texas Project Electric Generating Station, Units 1 and 2, facility. Mr. L. E. Ellershaw of this office, also contributed to this inspection by providing in-office followup inspection on an unresolved item, which is identified in the enclosed report. The purpose of the inspection was to determine whether activities authorized by the license were conducted safely and in accordance with NRC requirements. 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, interviews with personnel, and observation of activities in progress. The results of this inspection are documented in the enclosed report.

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

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

Sincerely,

Gwynn, Director

Division of Reactor Safety

Dockets: 50-498

50-499

Licenses: NPF-76

NPF-80

Enclosure:

NRC Inspection Report

50-498/96-17; 50-499/96-17

w/attachments

cc w/enclosure:
Houston Lighting & Power Company
ATTN: Lawrence E. Martin, General Manager
Nuclear Assurance & Licensing
P.O. Box 289
Wadsworth, Texas 77483

City of Austin Electric Utility Department ATTN: J. C. Lanier/M. B. Lee 721 Barton Springs Road Austin, Texas 78704

City Public Service Board ATTN: K. J. Fiedler/M. T. Hardt P.O. Box 1771 San Antonio, Texas 78296

Morgan, Lewis & Bockius ATTN: Jack R. Newman, Esq. 1800 M. Street, N.W. Washington, D.C. 20036-5869

Central Power & Light Company ATTN: G. E. Vaughn/C. A. Johnson P.O. Box 289 Mail Code: N5012 Wadsworth, Texas 77483

INPO Records Center 700 Galleria Parkway Atlanta, Georgia 30339-5957

Mr. Joseph M. Hendrie 50 Bellport Lane Bellport, New York 11713

Bureau of Radiation Control State of Texas 1100 West 49th Street Austin, Texas 78756

Office of the Governor
ATTN: Andy Barrett, Director
Environmental Policy
P.O. Box 12428
Austin, Texas 78711

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

Egan & Associates, P.C. ATTN: Joseph R. Egan, Esq. 2300 N Street, N.W. Washington, D.C. 20037

Little Harbor Consultants, Inc 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 (IEO1)

bcc distrib. by RIV:

L. J. Callan

Resident Inspector DRS-PSB

DRP Director Branch Chief (DRP/A)

MIS System

Project Engineer (DRP/A)

RIV File

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

Leah Tremper (OC/LFDCB, MS: TWFN 9E10)

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

bcc to DMB (IEO1)

bcc distrib. by RIV:

L. J. Callan DRP Director Branch Chief (DRP/A)
Project Engineer (DRP/A)
Branch Chief (DRP/TSS)

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

Resident Inspector

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