March 2, 1988

PRELIMINARY NOTIFICATION OF EVENT OR UNUSUAL OCCURRENCE -- PNO-IV-88-18

This preliminary notification constitutes EARLY notice of events of POSSIBLE safety or public interest significance. The information is as initially received without verification or evaluation, and is basically all that is known by the Region IV staff on this date.

| FACILITY: | Houston Lighting and Power Company South Texas, Unit 2 DN: 50-499 | Licensee Emergency Classification: Notification of Unusual Event Alert Site Area Emergency General Emergency X Not Applicable |
|-----------|---|--|
| | | NOC Applicable |

SUBJECT: LABOR PROBLEMS

At about 1:30 p.m. (CST), March 1, 1988, a labor problems event occurred at Unit 2 of the South Texas Project. The local business agents (BAs) for the construction electricians (local 716) and pipefitters (local 211) stopped the supervision of field work in Unit 2 by ordering the General Foremen and Foremen to step down to the craft journeyman level. Subsequently, the licensee provided nonmanual and supervisory personnel to supervise the crafts and contacted the International Union representatives. The licensee believes the work action directed by the local BAs is precluded by the work agreements it has with the International Union.

On the evening shift, a similar event occurred. Approximately 45 to 50 electrician and pipefitter crafts were sent home because of lack of field supervision. Local law enforcement authorities were contacted because some fights occurred in the parking lots and some company vehicle tires were slashed.

The construction crafts General Foremen and Foremen assigned to Unit 1 (a limited number) followed the BA direction to step down but continued to direct the crafts work. The licensee has placed on hold all the affected construction crafts badges for Unit 1 to preclude illegal work activities pending resolution of the work stoppage issues.

On March 2, 1988, the local BAs instructed the General Foremen and Foremen to return to their positions while talks were underway. The issues appear to be centered around the pay scale for crafts after a plant system is turned over to the licensee. The work is covered by two separate contracts with the work on plant systems under construction being paid at a higher rate per hour than work on plant systems that have been turned over to the licensee.

As of 7:30 a.m., March 3, 1988, several hundred craftsmen have not reported for work. A small number of pickets are present. Police are also present, and there has been no violence. The licensee has stated that they have received a signed injunction removing the pickets from the site entrance and the injunction is being brought to the site. It is not clear whether removal of the pickets will encourage craftsmen, who have not reported for work, to return to work today. There are sufficient craftsmen on site to perform critical construction activities at Unit 2.

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This activity has not impacted the operation or the security program at Unit 1. Neither the licensee or NRC has issued a press release. Some press interest has been shown.

The NRC has responded to news media inquiries.

The state of Texas will be informed.

Region IV received notification of this occurrence by the senior resident inspector at 7:30 a.m. on March 2, 1988. Region IV has informed EDO, NRR and PA.

This information has been confirmed with a licensee representative.

CONTACT: D. M. Hunnicutt (728-8137)

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