

MAR 18 1988

In Reply Refer To:

Dockets: 50-498/88-07
50-499/88-07

Houston Lighting & Power Company
ATTN: J. H. Goldberg, Group Vice
President, Nuclear
P.O. Box 1700
Houston, Texas 77001

Gentlemen:

This refers to the inspection conducted by Messrs. D. M. Hunnicutt, R. C. Stewart, L. D. Gilbert, R. C. Haag, and R. V. Azua of this office during the periods January 25-29 and February 8-12, 1988, of activities authorized by NRC Operating License NPF-71 and Construction Permit CPPR-129 for the South Texas Project, Units 1 and 2, respectively, and to the discussion of our findings with Mr. J. T. Westermeier and other members of your staff at the conclusion of the inspection.

Areas examined during the inspection included structural steel welding, pipe support and restraint systems, nuclear welding, preoperational testing, onsite design changes, safety-related components, and a review of the manual reactor trip circuits. Within these areas, the inspection consisted of selective examination of procedures and representative records, interviews with personnel, and observations by the NRC inspectors. The inspection findings are documented in the enclosed inspection report.

During this inspection, it was found that certain of your activities were in violation of NRC requirements. Consequently, you are required to respond to these violations, in writing, in accordance with the provisions of Section 2.201 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Your response should be based on the specifics contained in the Notice of Violation enclosed with this letter.

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

The response directed by this letter and the accompanying Notice is not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

RIV:RI/MQPS*
RCStewart;dp
/ /88

RI:MQPS*
LDGilbert
/ /88

C:MQPS*
IBarnes
/ /88

D:DRS*
JLMilhoan
/ /88

C:TPS*
WCSeidle
/ /88

DRP:PE*
DMHunnicutt
/ /88

C:DRP/D
LConstable
3/17/88

D:DRP
LJCaYan
3/17/88

Reconcur
IBarnes *IB*
3/18/88

*Previously concurred.

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

Sincerely,

L. J. Callan, Director
Division of Reactor Projects

Enclosures:

1. Appendix A - Notice of Violation
2. Appendix B - NRC Inspection Report
50-498/88-07
50-499/88-07

cc w/enclosures:

Houston Lighting & Power Company
ATTN: M. Wisenberg, Manager
Nuclear Licensing
P.O. Box 1700
Houston, Texas 77001

Houston Lighting & Power Company
ATTN: Gerald E. Vaughn, Vice President
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Houston, Texas 77001

Central Power & Light Company
ATTN: R. L. Range/R. P. Verret
P.O. Box 2121
Corpus Christi, Texas 78403

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

City of Austin
ATTN: M. B. Lee/J. E. Malaski
P.O. Box 1088
Austin, Texas 78767-8814

Texas Radiation Control Program Director

bcc to DMB (IE01)

bcc distrib. by RIV:

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*P. Kadambi, NRR Project Manager

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*R. C. Stewart

*R. C. Haag

*R. V. Azua

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*L. D. Gilbert

*I. Barnes

*W. C. Seidle

*w/766