

FEB 12 1988

In Reply Refer To:  
Dockets: 50-498/88-03  
50-499/88-03

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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 Mr. J. A. F. Kelly of this office, who was accompanied by Mr. L. A. Yandell during the period January 4-8, 1988, of activities authorized by NRC Operating License NPF-71 and Construction Permit CPPR-129 for the South Texas Project, Units 1 and 2, and to the discussion of our findings with Mr. G. Vaughn and other members of your staff at the conclusion of the inspection.

The inspection reviewed certain areas of your physical security program. Within these areas, the inspection consisted of selective examination of procedures and representative records, interviews with personnel, and observations by the NRC inspector. The areas inspected and inspection findings are documented in the enclosed inspection report.

Within the scope of the inspection, no violations or deviations were identified.

The NRC inspector also examined actions you had taken with regard to previously identified inspection findings. The status of this item is identified in paragraph 2 of the enclosed report.

The material enclosed herewith contains Safeguards Information as defined by 10 CFR Part 73.21 and its disclosure to unauthorized individuals is prohibited by Section 147 of the Atomic Energy Act of 1954, as amended. Therefore, the material, with the exception of the report cover page which is an inspection summary, will not be placed in the Public Document Room.

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PDR ADOCK 05000498  
Q PDR

*OK*  
RIV:PSS  
JAFKelly:de  
1 Feb/88

C:PSV  
RJEverett  
2/1/88

C:RPSB  
LAYandell  
2/9/88

C:DRP/D *HB*  
GLConstable  
2/10/88

D:DRP *JK*  
LJCallan  
2/11/88

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Houston Lighting & Power Company

- 2 -

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

Sincerely,

**Original Signed By**

**L. J. Callan**

L. J. Callan, Director  
Division of Reactor Projects

Enclosure:

Appendix - NRC Inspection Report  
50-498/88-03  
50-499/88-03

cc w/summary page only:  
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  
Nuclear Operations  
P.O. Box 1700  
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

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bcc: Copy of entire report:  
RIV Security File  
P. A. Starcher, RSGB/NRR  
Resident Inspector (2)  
R. D. Martin, RA  
R. L. Bangart, DRSS  
Security Inspector  
Chief, RPSB  
RPSB Security File  
D. A. Powers, EO

bcc: RIV - Letter and Inspection Summary only w/766:  
DRP Lisa Shea, RM/ALF  
MIS RIV File  
RSTS Operator L. Constable, Section Chief, DRP/D  
RPSB H. Bundy, Project Engineer, DRP/D  
.. E. Hall, DRSS R. Taylor, DRP/D

bcc: RIV - Letter and Inspection Summary only w/out 766:  
✓ DMB - IE04  
DRS  
P. Kadambi, NRR Project Inspector  
R. Bachmann, OGC

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