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

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. Hunnicutt, H. F. Bundy, and T. O. McKernon of this office during the period July 11-15 and 25-29, 1988, of activities authorized by NRC Operating License NPF-76 and Construction Permit CPPR-129, for the South Texas Project, Units 1 and 2, and to the discussion of our findings with Mr. J. Westermeir and other members of your staff at the conclusion of the inspection.

Areas examined during the inspection included followup on previously identified inspection findings, review of licensee event reports, review and evaluation of 10 CFR Part 21 Reports, Generic Letter Action Item Followup, Three Mile Island Action Item Followup, observation of planned main generator trip from 100 percent of rated thermal power, preoperational procedure review, preoperational test results evaluation, and preoperational test program implementation. 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.

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

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

Original Signed By: L. J. CALLAN

L. J. Callan, Director Division of Reactor Projects

Enclosure: (see next page)

RIV: SPE: DRP/D DMHunnicutt 0/30/88 RI: DR8 RI: TPS: DRS TOMCKernon HFBundy 6/3//88 8/30/88

C: TPS: DRS WCSeidle f /30/88 DRP/D EJHoller 8 /26/88

D: DRP al S LyCallan 9/, /88

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Enclosure: Appendix - NRC Inspection Report 50-498/88-50 50-499/88-50

cc w/enclosure:
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Houston Lighting & Power Company
ATTN: Gerald E. Vaughn, Vice President
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Houston Lighting & Power Company ATTN: S. L. Rosen P.O. Box 289 Wadsworth, Texas 77483

Houston Lighting & Power Company ATTN: J. T. Westermeier, General Manager South Texas Project P.O. Box 289 Wadsworth, Texas 77483

Houston Lighting & Power Company ATTN: R. W. Chewning, Chairman Nuclear Safety Review Board P.O. Box 289 Wadsworth, Texas 77483

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 Electric Utility ATTN: R. J. Miner, Chief Operating Officer 721 Barton Springs Road Austin, Texas 78704 Newman & Holtzinger, P.C. ATTN: J. R. Newman, Esquire 1615 L Street, N.W. Washington, D.C. 20036 Houston Lighting & Power Company ATTN: Licensing Representative Suite 610 Three Metro Center Bethesda, Maryland 20814

Texas Radiation Control Program Director

bcc to DMB (IEO1)

bcc distrib. by RIV:

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