In Reply Refer To: Dockets: 50-498/88-47 50-499/88-47

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. J. E. Bess and D. L. Garrison of this office during the period July 1-31, 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. W. M. Kinsey and other members of your staff at the conclusion of the inspection.

Areas examined during the inspection included plant status, onsite followup of events, engineered safety feature system walkdown, monthly surveillance observation, operational safety verification, observation of electrical components work - Unit 2, and mechanical equipment and process work observations - Unit 2. 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.

The response requested by this letter 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.

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

Sincerely,

Original Signed By: A. B. BEACH

L. J. Callan, Director Reactor Projects

Enclosure:

 Appendix A - Notice of Violation
 Appendix B - NRC Inspection Report 50-498/88-47 50-499/88-47

cc w/enclosure:
Houston Lighting & Power Company
ATTN: M. A. McBurnett, Manager
Operations Support Licensing
P.O. Box 289
Wadsworth, Texas 77483

Houston Lighting & Power Company ATTN: Gerald E. Vaughn, Vice President Nuclear Operations P.O. Box 1700 Houston, Texas 77001

Houston Lighting & Power Company ATTN: S. L. Rosen, General Manager Operations Support 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 721 Barton Springs Road Austin, Texas 78704

Licensing Representative Houston Lighting & Power Company Suite 610 Three Metro Center Bethesda, Maryland 20814

J. R. Newman, Esquire Newman & Holtzinger, P.C. 1615 L Street, N.W. Washington, DC 20036

Texas Radiation Control Program Director

bcc to DMB: IEC1

bcc distrib. by RIV: \*DRP R. D. Martin, RA \*Section Chief (DRP/D) \*MIS System Lisa Shea, RM/ALF R. Bachmann, OGC \*G. Dick, NRR Project Manager \*RRI-CONST (2)

\*RRI-\_ 1 (2) \*RPSB-DRSS \*RIV File \*RSTS Operator \*D. Hunnicutt \*R. Hall D. Powers \*DRS

<sup>\*</sup>w/766