In Reply Refer To: Dockets: 50-498/88-18 50-499/88-18

MAY 17 1988

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. R. Carpenter, J. E. Bess and other members of this office during the period March 1 through April 4, 1988, of activities authorized by NRC Operating License NPF-71 (NPF-76 as of March 22, 1988) and Construction Permit CPPR-129 for the South Texas Project, Units 1 and 2, and to the discussion of our findings with Mr. W. H. Kinsey and other members of your staff at the conclusion of the inspection.

Areas examined during the inspection included initial criticality of Unit 1 and low power testing of No. 14 turbine driven auxiliary feedwater pump - Unit 1, labor problems, monthly surveillance observations, engineered safety feature system walkdown, operational safety verification, security observations, and Unit 1 operational events. 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.

We have also examined actions you have taken with regard to previously identified inspection findings. The status of these items is identified in paragraph 4 of the enclosed report.

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

Sincerely,

Original Signed By

4JC

L. J. Callan, Director Division of Reactor Projects

Enclosures: (see next page)

DRCarpenter/1r JEBess DMHunnicutt 5/16/88 5/16/88 5/16/88

DRP/D GLConstable 5/16/88 D:DRPY LyCallan 5/14/88

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Enclosure: Appendix - NRC Inspection Report 50-498/88-18 50-499/88-18

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 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 Koad Austin, Texas 78704

Texas Radiation Control Program Director bcc to DMB (IEO1) bcc distrib. by RIV:

\*DRP R. D. Martin, RA \*Section Chief (DRP/D) \*MIS System Lisa Shea, RM/ALF R. Bachmann, OGC \*P. Kadambi, NRR Project Manager \*TSS \*DRS

\*w/766

\*RRI-OPS \*RPSB-DRSS \*RIV File \*RSTS Operator \*D. Hunnicutt \*R. Hall D. Powers