

In Reply Refer To:
Docket: 50-498/88-24

MAY 24 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, D. M. Hunnicutt, J. P. Clausner, and other members of this office during the period April 5 through May 2, 1988, of activities authorized by NRC Operating License NPF-76, for the South Texas Project, Unit 1 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 startup testing results review, operability of steam generator power operated relief valves, No. 13 standby diesel generator oil spill, essential cooling water valve body and pipe fitting leaks, monthly surveillance observations, security observations, radiological protection observations, operational safety verification, and engineered safety feature system walkdown. 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 appear to be in violation of NRC requirements. As discussed in a telephone conversation on May 18, 1988, we have scheduled an enforcement conference in the Region IV office at 10 a.m. on May 26, 1988, to discuss your understanding of the apparent violations, the reasons for occurrence, and your corrective actions. Apparent violations identified in NRC Inspection Report 50-498/88-11 dated April 28, 1988, will also be discussed at that enforcement conference. We will also discuss the NRC Enforcement Policy regarding these matters, if appropriate.

The NRC is particularly concerned regarding the violations that occurred on April 24, 1988, involving operation outside the Technical Specifications action statement for the steam generator power operated relief valves.

RIV:SRI DR Carpenter/lr 5/24/88	DRP/D JEBess 5/24/88	DRP/D DHunnicut 5/24/88	C:DRP/D GL Constable 5/24/88	EO GFSanborn 5/24/88	D:DRP LJCallan 5/24/88
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Although this caused no immediate concern for the safety of the plant, it raises concerns regarding your understanding of the proper application of technical specification requirements to the operation of the South Texas Project. We are also concerned about the apparent inadequate review of test data related to the isothermal temperature coefficient of reactivity. The circumstances of the two additional apparent violations identified in the report may also be discussed during the enforcement conference, if needed.

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 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.

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

Sincerely,

Original Signed By

L. J. C.

L. J. Callan, Director
Division of Reactor Projects

Enclosure:
Appendix - NRC Inspection Report
50-498/88-24

cc w/enclosure:
Houston Lighting & Power Company
ATTN: M. A. McBurnett, Manager
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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

Houston Lighting & Power Company

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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

Texas Radiation Control Program Director

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