IN -7 19

In Reply Refer To: Docket: 50-499/88-24

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. L. Garrison, D. M. Hunnicutt, and other members of this office during the period April 5 through May 2, 1988, of activities authorized by Construction Permit CPPR-129, for the South Texas Project, Unit 2, and to the discussion of our findings with Mr. T. J. Jordan and other members of your staff at the conclusion of the inspection.

Areas examined during the inspection included: tagging status of equipment, cable protection, essential cooling water valve body and pipe fitting leaks, followup callicensee reported significant construction deficiencies, 10 CFR Part 21 reporting, reactor vessel and internals work observation, reactor vessel and internals QA review, standby diesel generator expansion seals (bellows) replacement, safety-related piping observation, and housekeeping. 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 lettor.

The response requested by this letter is not "ubject 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. CALLAN L. J. Callan, Director Division of Reactor Projects

B806140027 880607 PDR ADOCK 05000499 Q DCD Enclosure: (see next page) DRP/D* DRP/D* DRP/D* DLGarrison DHunnicutt 6/1/88 6/1/88 *Previously Concurred

C:DRP/D* GLConstable 6/1/88 D:DRA LJCallan 6/7/88 Houston Lighting & Power Company

Enclosure: Appendix - NRC Inspection Report 50-499/88-24

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 289 Houston, Texas 77001

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

Central Power & Light Company ATTN: R. L. Range/R. P. Verret P.O. Box 2121 Corpus Lhristi, Texas 78403

City of Austin Electric Utility ATTN: R. J. Miner, Chief Operating Officer 721 Barton Springs Road Austin, Texas 78704

Texas Radiation Control Program Director

bcc to DMB (IE01) 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 G. F. Sanborn, E0 Newman & Holtzinger, P.C. ATTN: J. R. Newman, Esquire 1615 L Street, N.W. Washington, D.C. 20036

- 2 -

Houston Lighting & Power Company ATTN: S. L. Rosen 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

City Public Service Board ATTN: R. J. Costello/M. T. Hardt P.O. Box 1771 San Antonio, Texas 78296

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

*RRI-OPS *DRS *RPSB-DRSS *RIV File *RSTS Operator *D. Hunnicutt *D. L. Garrison

*w/766