In Reply Refer To: Dockets: 50-498/86-03 50-499/86-03

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 Mr. R. G. Taylor of this office during the period January 13 through July 25, 1986, of activities authorized by NRC Construction Permits CPPR-128 and CPPR-129 for the South Texas Project, and to the discussion of our findings with Mr. Scott Head, and other members of your staff at the conclusion of the inspection.

Areas examined during the inspection included action on previous inspection findings; followup on allegations, construction deficiencies, and IE Information Notices; review of the Quality Class 7 program; and containment mechanical penetrations.

Within these areas, the inspection consisted of selective examination of procedures and representative records, interviews with personnel, and observations by the inspector. 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 2 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 J. E. Gagliardo

J. E. Gagliardo, Chief Reactor Projects Branch

Enclosure: (see next page)

RIV: RPB Rutaylor/cg 8/14/86 G:RPB/C GtConstable B/1/86 C: RPB JEGagliardo

AC ₹
MEEmerson

TEO!

8609220381 860918 PDR ADOCK 05000498 Q PDR Enclosure: Appendix - NRC Inspection Report 50-498/86-03 50-499/86-03

cc w/enclosure:
Houston Lighting & Power Company
ATTN: M. Wisenberg, Manager,
Nuclear Licensing
P. O. Box 1700
Houston, Texas 77001

Brian Berwick, Esquire Asst. Attorney General Environmental Protection Div. P. O. Box 12548, Capitol Station Austin, Texas 78711

Lanny Alan Sinkin Citizens Concerned About Nuclear Power, Inc. Christic Institute 1324 North Capitol Street Washington, DC 20002

Charles Bechhoefer, Esquire Chairman, Atomic Safety & Licensing Board U.S. Nuclear Regulatory Commission Washington, DC 20555

Dr. James C. Lamb, III 313 Woodhaven Road Chapel Hill, North Carolina 27514

Frederick J. Shon
Administrative Law Judge
Atomic Safety and Licensing Board
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Ray Goldstein, Esquire Gray, Allison and Becker 100 Vaughn Building 807 Brazos Austin, Texas 78701 Alvin H. Gutterman Newman & Holtzinger, P.C. 1615 L St., N.W. Suite 1000 Washington, DC 20036

Texas Radiation Control Program Director

bcc to DMB (IEO1)

bcc distrib. by RIV:

*RPB

*Resident Inspector-OPS

*Resident Inspector-CONST.

*R&SPB

*RIV File

*RSTS Operator

*R. G. Taylor, RPB/C

*B. A. Breslau, RPB/C

M. E. Emerson

DRSP
R. D. Martin, RA
*Section Chief (RPB/C)
*MIS SYSTEM
*D. Weiss, LFMB (AR-2015)
R. Pirfo, ELD
*RSB

*w/766