In Reply Refer to Dockets: 50-498/86-06 50-499/86-06

JUN 2 4 1986

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. C. E. Johnson, D. L. Garrison, and D. P. Tomlinson of this office during the period February 17 through April 4, 1986, of activities authorized by NRC Construction Permits CPPR-128 and 129 for the South Texas Project, Units 1 and 2, and to the discussion of our findings with members of your staff at the conclusion of the inspection.

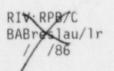
Areas examined during the inspection included site tours, licensee action on previous inspection findings, licensee action on previously reported items, IE Notices, Auxiliary Feedwater Pumps, concrete placement, Incore Instrumentation system, HVAC, pilot valves, small bore piping, and structural steel. Within these areas, the inspection consisted of selective examination of procedures and representative records, interviews with personnel, and observations by the 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 Appendix A, except as noted below, 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.

Based on the corrective actions taken and results achieved during the period of this inspection, it has been determined that a written response to violation C of Appendix A is not required.

One unresolved item is identified in paragraph 10 of the enclosed inspection report.

We have also examined actions you have taken with regard to previously identified inspection findings. The status of these items is identified in paragraphs 3 and 4 of the enclosed report.



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Houston Lighting & Power Company - 2 -

The response directed by this letter and the accompanying Notice 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" U. E. GAGLIARDO"

J. E. Gagliardo, Chief Reactor Projects Branch

Enclosures:

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1. Appendix A - Notice of Violation

2. Appendix B - NRC Inspection Report 50-498/86-06 50-499/86-06

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

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

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

*

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

Texas Radiation Control Program Director

bcc to DMB (IE01)

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