UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

DOCKETED

ATOMIC SAFETY AND LICENSING APPEAL BORGD OCT -8 P3:26

Administrative Judges:

Gary J. Edles, Chairman Dr. W. Reed Johnson Thomas S. Moore OCTODERS 101986
(ALAB-849)

SERVED OCT -8 1986

In the Matter of

HOUSTON LIGHTING AND POWER COMPANY, ET AL.

(South Texas Project, Units 1 and 2) Docket Nos. 50-498-OL 50-499-OL

MEMORANDUM AND ORDER

On June 13, 1986, and August 29, 1986, the Licensing Board issued partial initial decisions in this operating license proceeding. See LBP-86-15, 23 NRC 595; LBP-86-29, 24 NRC ____. Essentially, the Board found that the applicants possess adequate managerial character and competence to operate the South Texas Project. It also resolved certain safety issues in the applicants' favor. As a consequence, it authorized issuance of operating licenses for Units 1 and 2 of the South Texas Project.

No appeals have been filed with respect to either decision. We thus have them before us for our customary

The Board divided the overall proceeding into phases, and we have affirmed certain aspects of an earlier partial initial decision. See ALAB-799, 21 NRC 360 (1985), aff'g in part, LBP-84-13, 19 NRC 659 (1984).

sua sponte review. See Florida Power and Light Co. (Turkey Point Plant, Units 3 & 4), ALAB-846, 24 NRC ___ (September 16, 1986). Although we do not necessarily endorse everything stated therein, we find no errors that warrant corrective action. Accordingly, the Licensing Board's decisions are affirmed. As we have observed in the past, our affirmance only connotes agreement with the ultimate resolution of those issues crucial to the result reached.

See Consumers Power Co. (Big Rock Point Plant), ALAB-795, 21 NRC 1 (1985); Arizona Public Service Co. (Palo Verde Nuclear Generating Station, Units 1, 2 and 3), ALAB-713, 17 NRC 83 (1983).

LBP-86-15 and LBP-86-29 are <u>affirmed</u>.

It is so ORDERED.

FOR THE APPEAL BOARD

C. Jean Shoemaker Secretary to the Appeal Board

We earlier deferred our <u>sua sponte</u> review of the first decision until the second was issued. See Order of July 10, 1986 (unpublished).