

In Reply Refer To:
Dockets: 50-498/89-10
50-499/89-10

JUN - 7 1989

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. A. B. Earnest of this office during the period April 10-14, 1989, of activities authorized by NRC Operating Licenses NPF-76 and NPF-78 for South Texas Project, and to the discussion of our findings with members of your staff at the conclusion of the inspection.

The inspection reviewed certain areas of your physical security program. Within these areas, the inspection consisted of selective examination of procedures and representative records, interviews with personnel, and observations by the NRC inspector. The areas inspected and 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 letter.

We are also concerned about problems associated with the security computer and its ability to assess alarms. Our concerns about this matter are discussed in paragraph 3.b of the enclosed inspection report. Accordingly, you are requested to respond, in writing, within 30 days of your receipt of this letter to inform us of steps you plan to take to address this problem area.

The material enclosed herewith contains Safeguards Information as defined by 10 CFR Part 73.21 and its disclosure to unauthorized individuals is prohibited by Section 147 of the Atomic Energy Act of 1954, as amended. Therefore, the material, with the exception of the report cover page which is an inspection summary, will not be placed in the Public Document Room.

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PDR ADDCK 05000498
PLC
Q

RIV:SEPS
*BEarnest;lm
5/18/89
*previously concurred

C:SEPS
*JEverett
9/18/89

C:RPB
BMurray
5/18/89

D:DRSS
BBeach
6/17/89

D:DRP
JMilhoan
6/17/89

DOCUMENT CONTAINS
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TECH

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

Sincerely,

(S)

James L. Milhoan, Director
Division of Reactor Projects

Enclosures:

1. Appendix A - Notice of Violation
2. Appendix B - NRC Inspection Report
50-498/89-10
50-499/89-10

cc w/summary page only:

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
Wadsworth, Texas 77483

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 Christi, Texas 78403

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

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Houston Lighting & Power Company

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Newman & Holtzinger, P.C.
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Houston Lighting & Power Company
ATTN: S. L. Rosen
P.O. Box 289
Wadsworth, Texas 77483

Houston Lighting & Power Company
ATTN: R. W. Chawning, 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

Texas Radiation Control Program Director

bcc copy of entire report:

RIV Security File	Section Chief, SEPS:RPB
P. A. Starcher, RSGB/NRR	Security Inspector
R. D. Martin, RA	Resident Inspector
B. Beach, DRSS	SEPS:RPB File
Chief, RPB	G. F. Sanborn, EO
D. M. Crutchfield, NRR	

bcc copy of letter and inspection summary only w/766:

DRP
Lisa Shea, RM/ALF
MIS
RIV File
Section Chief, DRP/D
RSTS Operator
R. E. Hall, DRSS
D. M. Hunnicutt

bcc copy of letter and inspection summary only w/out 766:

DMB IE-04
G. Dick, NRR Project Manager

DRS
R. Bachmann, OGC

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