

AUG 25 1989

In Reply Refer To:
Dockets: 50-498/89-26
50-499/89-26

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. D. L. Kelley of this office during the period July 18-20, 1989, of activities authorized by NRC Operating Licenses NPF-76 and NPF-80 for South Texas Project, Units 1 and 2, and to the discussion of our findings with you and other members of your staff at the conclusion of the inspection.

The area examined during the inspection was the July 13, 1989, failure of STP Unit 2 Generator Output Transformer 2A. Within this area, 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.

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

Sincerely,

Original Signed By
J. L. Milhoan

James L. Milhoan, Director
Division of Reactor Projects

Enclosure:
Appendix - NRC Inspection Report
50-498/89-26
50-499/89-26

cc w/enclosure: (see next page)

RIV:OPS	*C:OPS*	*AD:DRS*
DLKelley:jt	JEGagliardi	JPJaudon
/ /89	/ /89	/ /89

D:DRP
JLMilhoan
8/25/89

*previously concurred

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PDR ADOCK 05000498
Q PDC

JEol
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Houston Lighting & Power Company -2-

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Houston Lighting & Power Company

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Texas Radiation Control Program Director

bcc to DMB (IE01)

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*w/766