

The Light company

Houston Lighting & Power

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December 27, 1989
ST-HL-AE-3329
File No.: G25.G42
10CFR50

U. S. Nuclear Regulatory Commission
Attention: Document Control Desk
Washington, DC 20555

South Texas Project Electric Generating Station
Units 1 & 2

Docket Nos. STN 59-498, STN 50-499

Review of COA v. HL&P Litigation Record - Final Report

Reference: 1. J. H. Goldberg (HL&P) letter to Document Control Desk dated April 14, 1989 (ST-HL-AE 2985)
2. J. H. Goldberg (HL&P) letter to Document Control Desk dated December 20, 1988 (ST-HL-AE-2921)
3. J. H. Goldberg (HL&P) letter to Document Control Desk dated April 14, 1989 (ST-HL-AE-3053)

This report of Phase III of the City of Austin v. Houston Lighting & Power (COA v. HL&P) Litigation Record Review Program documents the results and conclusions reached following a systematic review of the pretrial record not previously examined and the record of the trial in the litigation between the City of Austin and Houston Lighting & Power company (HL&P) and its parent, Houston Industries, Inc. (HII). The trial ended on July 5, 1989, with a jury verdict in favor of the defendants, HL&P and HII. The review of the portion of the pretrial record created prior to July 25, 1988 (Phase I) was previously documented in a report dated November 1988 and submitted by Reference 2. The review of the portion of the pretrial record created between July 25, 1988 and January 16, 1989 (Phase II) was previously documented in a report dated March 1989 and submitted by Reference 3. This Phase III program completes the litigation review. The review disclosed no safety-related deficiencies which had not already been identified by HL&P.

Enclosed for your review are the following:

- 1) S. Levy, Inc. "Final Report for the South Texas Project COA v. HL&P Litigation Record Review Program Phase III" dated November 1989 (Attachment 1),
- 2) the HL&P Report on the Review of COA vs HL&P Records Sealed by Court Order, dated November 1989 (Attachment 2), and
- 3) the Statement of the Senior Advisory Panel, which was commissioned to monitor the Litigation Record Review Program to assure that the objectives of the review were achieved (Attachment 3).

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A Subsidiary of Houston Industries Incorporated

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The Senior Advisory Panel concluded that the Program was successful in generating complete and accurate results and that Program procedures were followed by S. Levy, Inc. (SLI) and HL&P. The Panel was satisfied that the Program would have detected any previously-unidentified safety-related deficiencies described in the COA v. HL&P Litigation record completed on July 5, 1989 and that the results of the Program are supported by documents organized in a retrievable and auditable manner. The Panel further concluded that the SLI "Final Report for the South Texas Project COA v. HL&P Litigation Record Review Program Phase III" and HL&P's separate report on its review present a fair and comprehensive description of the Program's final phase and its results.

As pointed out in the reference letter, the object of the review was twofold: (1) to examine the litigation record to determine whether it contained any evidence of previously unidentified deficiencies in the safety-related systems, structures, or components of STP or the associated design or quality documents; and (2) to document the review process and its results in a retrievable form.

The review was conducted in two stages. First, the litigation record was screened to determine which record documents (i.e., depositions, interrogatories and exhibits designated for trial) might contain information about technical aspects of the STP design or construction. The second stage of the review process consisted of a detailed line-by-line review by S. Levy, Inc. of all documents identified by the screening process. S. Levy, Inc. recorded each assertion in these documents which described a deficiency in any of the STP systems, structures or components or related design or quality documents. A total of 460 assertions were identified. These assertions were then analyzed and evaluated to determine whether (1) they had been identified in previous reviews; (2) they were not safety related; (3) had already been identified by the STP; or (4) were factually erroneous.

The 460 assertions identified by S. Levy, Inc. were dispositioned as follows: 285 were determined to have already been identified and dispositioned in either the HL&P v. B&B Litigation Record Review Program or Phase I or Phase II of the COA v. HL&P Litigation Record Review Program, 5 were determined not to be safety related, 168 were shown to have already been identified by the STP, and 2 were determined to be factually erroneous.

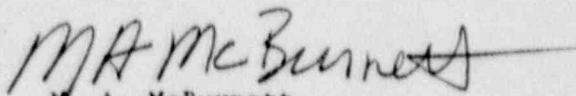
HL&P performed the screening and review of certain records which were sealed by the court and withheld from public disclosure. HL&P's report of that review is provided as Attachment 2. There were no previously unidentified safety-related deficiencies found in the HL&P scope of review. HL&P identified a total of 14 assertions.

The 14 assertions identified by HL&P were dispositioned as follows: 10 were determined to have already been identified and dispositioned in either the HL&P v. B&R Litigation Record Review Program or Phase I or Phase II of the COA v. HL&P Litigation Record Review Program, and 4 were shown to have already been identified by the STP.

This report of the Phase III portion of the COA v. HL&P litigation is the final report in this litigation review. HL&P has concluded the review effort and expects there to be no further records for review in the case.

The complete files of the review effort are available for your review.

If there are any questions regarding the review, please contact Mr. A. W. Harrison at (512) 972-7298 or myself at (512) 972-8530.


M. A. McBurnett
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MAM/AWH/nl

- Attachments: (1) S. Levy, Inc. "Final Report for the South Texas Project Litigation COA v. HL&P Record Review Program Phase III" dated November, 1989 S. Levy
- (2) HL&P Report on Review of COA v. HL&P Records Sealed by Court Order dated November, 1989
- (3) Statement of the Senior Advisory Panel for the South Texas Project Litigation Record Review Program

Houston Lighting & Power Company
South Texas Project Electric Generating Station

ST-HL-AE- 3329
File No.: G25.G42
Page 4

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