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OFFICE OF SECRETARY  
INSPECTING & SERVICE  
BRANCH

November 17, 1981

Samuel J. Chilk  
Secretary  
United States Nuclear  
Regulatory Commission  
Washington, D. C. 20555

Re: Houston Lighting & Power Co. et al.  
South Texas Project, Units 1 & 2,  
Docket Nos. STN 50-498 and 50-499

Dear Mr. Secretary:

On October 29, 1981, Citizens for Equitable Utilities (CEU), an intervenor in the South Texas Project (STP) operating license hearing, filed a Petition to the Nuclear Regulatory Commission requesting suspension of construction at STP. At the time the Petition was filed, Houston Lighting & Power Co. (HL&P) was engaged in discussions with Brown & Root, Inc. concerning whether the latter would continue as constructor of STP. When it was determined that Brown & Root would not continue in that role, HL&P advised the Director, Region IV, that during a transition period, construction work would be reduced to maintenance-level activities. A copy of HL&P's letter is attached.

On November 12, CEU filed a pleading seeking permission to withdraw its Petition without prejudice. Although we do not agree with the comments in that pleading regarding the conditions under which construction activities may return to

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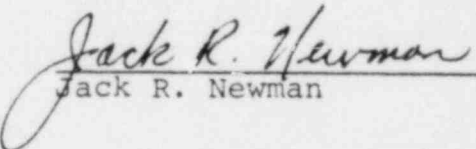
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Samuel J. Chilk  
November 17, 1981  
Page Two

production levels, Licensees do agree to withdrawal of the Petition without prejudice.

In view of the withdrawal of the CEU Petition, Licensees do not intend to reply to the Petition.

Respectfully,

  
\_\_\_\_\_  
Jack R. Newman

Attachment

Of Counsel:

Lowenstein, Newman, Reis  
& Axelrad  
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Washington, D.C. 20036

Baker & Botts  
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Houston, Texas 77002

Attorneys for HOUSTON LIGHTING & POWER  
COMPANY, Project Manager of the South  
Texas Project, acting herein on behalf  
of itself and the other Applicants, CITY  
OF SAN ANTONIO, TEXAS, acting by and  
through the City Public Service Board of  
the City of San Antonio, CENTRAL POWER  
AND LIGHT COMPANY and CITY OF AUSTIN, TEXAS.

cc: Certificate of Service

**The Light  
company**

Houston Lighting &amp; Power P.O. Box 1700 Houston, Texas 77001 (713) 228-9211

Mr Karl Seyfrit  
Director, Region IV  
Nuclear Regulatory Commission  
611 Ryan Plaza Drive, Suite 1000  
Arlington, Texas 76012

November 9, 1981

ST-HL-AE-750

SFN: V-0100

SOUTH TEXAS PROJECT  
UNITs 1 AND 2  
DOCKET NOS. STN 50-498, STN 50-499  
SAFETY RELATED CONSTRUCTION WORK

Nov 1 - 1981

Dear Mr Seyfrit:

This letter supersedes our letter of October 16, 1981, requesting concurrence to proceed on certain safety related construction activities. As we discussed with you on October 15, 1981, we have previously announced our intention to change the contractor for the engineering and construction management responsibilities for South Texas Project and are in the process of developing a transition plan for accomplishing same.

On November 4, 1981, it was concluded that Houston Lighting & Power and Brown & Root could not reach an agreement on the basis for Brown & Root continuing as constructor. Therefore, Brown & Root has decided to withdraw completely from the project.

Brown & Root has agreed to effect an orderly withdrawal and to maintain an organization for site maintenance until a new contractor assumes responsibility for this work.

Attachment I is a list of safety related activities that should be performed during this new transition phase. HL&P and the Bechtel Power Corporation, acting as HL&P's consultant, developed Attachment I utilizing the sole criterion: what essential activities must continue to maintain, preserve, or protect safety related structures, systems, or equipment during the transition period. We estimate that this work will take place over approximately the next six months. During this period, Bechtel's QA staff will augment our staff in performing quality surveillance over this work.

In Attachment "A" to our letter of October 16, 1981, we listed a number of safety related items that would be continuing during the next four months. Since Brown & Root will not continue as constructor, we plan to bring their current safety related construction activities (previously authorized by Region IV) to an orderly conclusion on or before December 1, 1981. The only safety related work which will continue beyond December 1, 1981, is listed in Attachment I.

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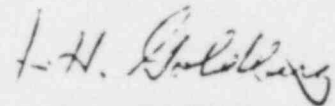
November 9, 1981

Mr Karl Seyfrit

As a matter of information, Attachment II is included and describes the work that we are continuing in non-safety related areas.

Accordingly, we respectfully request your concurrence with this plan for performance of South Texas Project safety related work.

Very truly yours,



J H Goldberg, Vice-President  
Nuclear Engineering and  
Construction

JHG/aks

Enclosures

Houston Lighting & Power Company

cc: J. H. Goldberg  
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D. G. Barker  
C. G. Robertson  
Howard Pyle  
R. L. Waldrop  
H. R. Dean  
R. A. Frazar  
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STP RMS

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M. D. Schwarz (Baker & Botts)  
R. Gordon Gooch (Baker & Botts)  
J. R. Newman (Lowenstein, Newman, Reis, & Axelrad)  
H. B. Friend (Bechtel)  
D. W. Halligan (Bechtel)

Director, Office of Inspection & Enforcement  
Nuclear Regulatory Commission  
Washington, D. C. 20555

November 9, 1981

ST-HL-AE-750  
SFN: V-0100

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Jay Gutierrez, Esquire  
Hearing Attorney  
Office of the Executive Legal Director  
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Washington, D. C. 20555

ATTACHMENT I

SOUTH TEXAS PROJECT  
SAFETY RELATED OR PARTIALLY SAFETY RELATED  
CONSTRUCTION ACTIVITIES TO CONTINUE  
DURING TRANSITION PHASE (about 6 mos.)

1. Jobsite Maintenance (including)
  - A. Maintenance of dewatering system
  - B. Maintenance of installed equipment
  - C. General housekeeping
  - D. Application of protective coatings and preservatives for exposed metal surfaces and completion of concrete coating work which has been started in the reactor containment, mechanical and electric auxiliary, and fuel handling buildings
2. Material Handling
  - A. Receiving/Warehousing
  - B. Preventative maintenance of stored equipment
3. Maintain records and continue document control
4. Maintain fire protection system
5. Concrete curing
6. Maintain project site security
7. Maintain testing facilities as required
8. Maintain geotechnical monitoring for settlement and subsidence

November 9, 1981

ATTACHMENT II

SOUTH TEXAS PROJECT

NON-SAFETY RELATED CONSTRUCTION ACTIVITIES TO CONTINUE  
DURING TRANSITION PHASE (about 6 mos.)

1. Jobsite Maintenance (including)
  - A. General housekeeping and maintenance of roads and ditches
  - B. Maintenance of construction equipment
2. Site dewatering well point, operate and maintain
3. Domestic water wells system, operate and maintain
4. Potable water, operate and maintain
  - A. Chlorinator
  - B. Ice facility and distribution
5. Fire protection system
  - A. Pumps (O & M)
  - B. Fire truck (O & M)
  - C. Portable Equipment (O & M)
6. Concrete curing, continuation
7. Sewage treatment facility (O & M)
8. Weed/grass control
9. Construction power maintenance
10. Construction communication maintenance
11. Trash disposal
12. First-aid facility, operate
13. Weather/storm protection, provide and maintain
14. Continue preparation and issue of required reports to governmental bodies
15. Shut down and maintain concrete batch plant
16. Varmint control

November 9, 1981



UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of	)	
	)	
HOUSTON LIGHTING AND POWER	)	Docket Nos. 50-498 OL
COMPANY, <u>ET AL.</u>	)	50-499 OL
	)	
(South Texas Project,	)	
Units 1 and 2)	)	

CERTIFICATE OF SERVICE

I hereby certify that copies of Applicants' letter to the Secretary, United States Nuclear Regulatory Commission, dated November 17, 1981, have been served on the following individuals and entities by deposit in the United States mail, first class, postage prepaid, on this 17th day of November, 1981.

Charles Bechhoefer, Esq.  
Chief Administrative Judge  
Atomic Safety and Licensing  
Board Panel  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

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Administrative Judge  
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Ernest E. Hill  
Administrative Judge  
Lawrence Livermore Laboratory  
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Executive Director  
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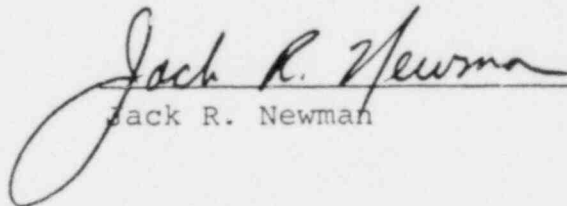


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Washington, D.C. 20555

Atomic Safety and Licensing  
Appeal Board  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

Atomic Safety and Licensing  
Board  
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Docketing and Service Section  
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\_\_\_\_\_  
Jack R. Newman