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February 25, 1985

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Dear Administrative Judges:

Pursuant to the Licensing Board's Partial Initial Decision of March 14, 1984 (19 NRC 659 at 697) and its Fifth Prehearing Conference Order of November 16, 1984 (pages 3-4), enclosed is an affidavit submitted on behalf of Houston Lighting & Power Co. (HL&P) supplementing the information contained in the report on construction QA/QC under the new contractors at the South Texas Project (STP) filed by the NRC Staff on December 21,

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1984 (as corrected by the Staff's January 24, 1985 letter to the Board) (Staff Affidavit). 1/

The enclosed Joint Affidavit of Mark R. Wisenburg and James F. Geiger (HL&P Affidavit) provides the Board with additional information on the following subjects:

(1) At the prehearing conference on October 16, 1984 (Tr. 10731-32) and in the Fifth Prehearing Conference Order (page 3), the Board indicated that to be meaningful the NRC Staff's report should reflect at least six months of significant safety-related activities. The Staff Affidavit reflects that safety-related construction activities resumed in mid-1982, that the work force had been fully staffed by mid-to-late 1983, and that the construction work force began 10-hour shifts, 7 days a week in early January 1984. (Staff Affidavit at ¶¶ 12-14). The HL&P Affidavit supplements that information by quantifying the amount of construction that has been completed since safety-related construction was resumed at the site by Bechtel Energy Corporation (Bechtel) and Ebasco Constructors, Inc. (Ebasco) in mid-1982. (HL&P Affidavit at ¶ 4). As shown in that Affidavit, the amount of construction that has been completed during that period is very substantial -- in fact, it is approximately equivalent to the total amount of construction that was completed between the issuance of the construction permit in December 1975 and the end of 1981. The on-site work force as of January, 1985, not including HL&P personnel, was 8,277.

(2) The Staff Affidavit refers to additional personnel hired by HL&P in management positions at the corporate level and on-site since mid-1982 and to the shifting of personnel within the licensee organization. (Staff Affidavit at ¶¶ 19, 38). The HL&P Affidavit identifies the strengthened qualifications and experience of key personnel in HL&P management positions by summarizing the background of such personnel employed or transferred to such positions since the record closed in the Phase I proceedings. (HL&P Affidavit at ¶¶ 5-12).

(3) The Staff Affidavit discussed the SALP Report (I&E Report 83-26) issued for STP for the period from December 1, 1982 through November 30, 1983, and points out that the NRC Staff had noted improvements relating to matters covered in the SALP Report at the meeting with HL&P on May 10, 1984. (Staff Affidavit at ¶¶ 22-24). The HL&P Affidavit supplements that information by

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1/ As the Board has already been informed, Mr. George W. Oprea, Jr., Executive Vice President-Nuclear, retired from HL&P effective February 1, 1985, and Mr. J.H. Goldberg was promoted to the position of Group Vice President-Nuclear as of that date. See letter to the members of the Appeal Board from Mr. Axelrad dated December 10, 1984.

referring to HL&P's corrective actions not reflected in the SALP Report and by discussing additional improvements made by HL&P. (HL&P Affidavit at ¶¶ 13-15).

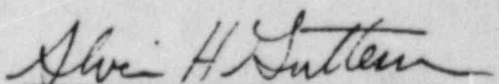
(4) The Staff Affidavit identifies violations which have been documented in NRC inspection reports at STP since mid-1982, and points out that they were all categorized as Severity Level IV or V. (Staff Affidavit at ¶ 18). The Staff concludes that: "[t]he licensee has acted promptly on each of these and the responses appear to be adequate with regard to corrective actions and recurrence controls." (Staff Affidavit at ¶ 19). The HL&P Affidavit completes the record with respect to notices of violation issued since the close of the Phase I proceeding by discussing two violations dealing with activities prior to mid-1982 (82-01-01 - Severity Level V; 82-02-01 - Severity Level IV). (HL&P Affidavit at ¶¶ 16). As shown in the HL&P Affidavit, HL&P also acted promptly in response to these violations and both have been closed by the Staff.

(5) The Staff Affidavit mentions that 13 allegations involving activities at STP have been received by Region IV since mid-1982 and indicates that some were investigated by HL&P. (Staff Affidavit at ¶ 21). The HL&P Affidavit discusses the current investigations of allegations referred to HL&P, and supplements information provided by the Staff as to investigations that have been closed. (HL&P Affidavit at ¶ 17). It also briefly describes the program developed and implemented by HL&P to encourage workers at STP to identify any quality or safety-related concerns and to investigate and resolve such concerns promptly, as well as HL&P management's involvement in the implementation of that program. (HL&P Affidavit at ¶¶ 18-20).

(6) In Phase I of the proceeding, the Board reviewed Revision 3 of the Quality Assurance Program Description (QAPD) (Applicants' Exhibit 55). The Staff Affidavit notes that the QAPD has been periodically revised and that Revision 9 is the current issue. (Staff Affidavit at ¶ 26.) The HL&P Affidavit identifies each of the Revisions, all of which have been previously served on the Board and the parties, and points out that none of such Revisions have reduced any of the QA commitments in Revision 3. (HL&P Affidavit at ¶ 21.)

We conclude that, in light of the Staff Affidavit, as supplemented by the HL&P Affidavit, no issue has been identified that would warrant an evidentiary hearing before the Board.

Very truly yours,

  
Newman & Holtzinger, P.C.