



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV

611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-8064

OCT - 2 1996

William T. Cottle, Group Vice
President, Nuclear
Houston Lighting & Power Company
P.O. Box 289
Wadsworth, Texas 77483

SUBJECT: NRC INSPECTION REPORT 50-498/96-06; 50-499/96-06 AND
NOTICE OF VIOLATION

Dear Mr. Cottle:

On September 7, 1996, the NRC completed an inspection at your South Texas Project, Units 1 and 2 facilities. The enclosed report presents the scope and results of that inspection.

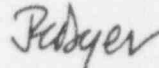
During the 6-week period covered by this inspection, your conduct of activities at South Texas Project was generally characterized by safety-conscious operations and maintenance activities, with strong support by the engineering organization. We are concerned, however, about a violation of NRC requirements that was identified. The violation involved a failure to establish procedures for the calibration of plant process computer-driven alarm devices which alert licensed operators to degrading conditions in the reactor core. The violation is being cited because corrective actions to a previous noncited violation should have prevented this occurrence. In addition, NRC inspectors identified that several of the documents associated with the Technical Specification required functions of the plant process computer were not being maintained as quality records.

We are also concerned that you have rescinded previously described controls intended to compensate for the incomplete status of the spent fuel pool cask connecting channel. As stated in the enclosed report, we intend to follow up on several questions which pertain to your handling of this issue.

The violation is cited in the enclosed Notice of Violation, and the circumstances surrounding the violation are described in detail in the enclosed report. Please note that you are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response will be placed in the NRC Public Document Room (PDR).

Sincerely,



J. E. Dyer, Director
Division of Reactor Projects

Docket Nos.: 50-498
50-499
License Nos.: NPF-76
NPF-80

Enclosures:

1. Notice of Violation
2. NRC Inspection Report
50-498/96-06; 50-499/96-06

cc w/enclosures:

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Nuclear Assurance & Licensing
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Electric Utility Department
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Mr. K. J. Fiedler/Mr. M. T. Hardt
City Public Service Board
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San Antonio, Texas 78296

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Wadsworth, Texas 77483

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Atlanta, Georgia 30339-5957

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Monte Sereno, California 95030

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44 Nichols Road
Cohasset, MA 02025-1166

OCT - 2 1996

E-Mail report to D. Nelson (DJN)
E-Mail report to NRR Event Tracking System (IPAS)

bcc to DMB (IE01)

bcc distrib. by RIV:

L. J. Callan

DRP Director

Branch Chief (DRP/A)

Project Engineer (DRP/A)

Branch Chief (DRP/TSS)

Leah Tremper (OC/LFDCB, MS: TWFN 9E10)

Resident Inspector

DRS-PSB

MIS System

RIV File

R. Bachmann, OGC (MS: 15-B-18)

DOCUMENT NAME: R:_STP\ST606RP.DPL

To receive copy of document, indicate in box: "C" = Copy without enclosures "E" = Copy with enclosures "N" = No copy

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DPLoveless	<i>[Signature]</i>	JITapia	<i>[Signature]</i>	JEDyer	<i>[Signature]</i>			
9/3/96		9/3/96		10/2/96				

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