

MAR 15 1988

In Reply Refer To:

Dockets: 50-498/88-05
50-499/88-05

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. G. A. Pick of this office during the period January 19-22, 1988, of activities authorized by NRC Operating License NPF-71 and Construction Permit CPPR-129 for the South Texas Project Electric Generating Station, Units 1 and 2, and to the discussion of our findings with members of your staff at the conclusion of the inspection.

The area examined during the inspection was implementation of Generic Letter 81-21, "Natural Circulation Verification." Within this area, the inspection consisted of selective examination of procedures and representative records, interviews with personnel, and observations by the NRC inspector. The inspection findings are documented in the enclosed inspection report.

During this inspection, it was found that certain of your activities appeared to deviate from commitments made to the NRC. This item and reference to the commitments are identified in the enclosed Notice of Deviation. You are requested to respond to this deviation in writing. Your response should be based on the specifics contained in the Notice of Deviation enclosed with this letter.

One unresolved item is identified in paragraph 2 of the enclosed inspection report.

The response requested by this letter and the accompanying Notice is not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

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

Sincerely,

Original Signed By
L. J. Callan

L. J. Callan, Director
Division of Reactor Projects

Enclosures: (see next page)

*RIV:RI
GAPick:df
3/11/88

*C:OPS
JEGagliardo
3/11/88

*D:DRS
JLMilhoan
3/11/88

C:PSD
GLConstable
3/11/88

D:DRP
LJCallan
3/14/88

Reconciled
JEGagliardo
3/16/88

*previously concurred

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PDR ADCK 05000498
Q DCD

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Houston Lighting & Power Company - 2 -

Enclosures:

1. Appendix A - Notice of Deviation
2. Appendix B - NRC Inspection Report
50-498/88-05
50-499/88-05

cc w/enclosures:

Houston Lighting & Power Company
ATTN: M. A. McBurnett, Manager
Operations Support Licensing
P.O. Box 289
Wadsworth, Texas 77483

Houston Lighting & Power Company
ATTN: Gerald E. Vaughn, Vice President
Nuclear Operations
P.O. Box 1700
Houston, Texas 77001

Houston Lighting & Power Company
ATTN: S. L. Rosen
P.O. Box 289
Wadsworth, Texas 77483

Central Power & Light Company
ATTN: R. L. Range/R. P. Verret
P.O. Box 2121
Corpus Christi, Texas 78403

City Public Service Board
ATTN: R. J. Costello/M. T. Hardt
P.O. Box 1771
San Antonio, Texas 78296

City of Austin Electric Utility
ATTN: R. J. Miner, Chief Operating
Officer
721 Barton Springs Road
Austin, Texas 78704

Texas Radiation Control Program Director

bcc to DMB (IE01)

bcc distrib. by RIV:

*DRP

R. D. Martin, RA

*Section Chief (DRP/D)

*MIS System

Lisa Shea, RM/ALF

R. Bachmann, OGC

*P. Kadambi, NRR Project Manager

*TSS

*G. Pick

*RRI-OPS

*DRS

*RPSB-DRSS

*RIV File

*RSTS Operator

*D. Hunnicutt

*R. Hall

D. Powers

*w/766