



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-8064

JAN 21 2000

William T. Cottle, President and
Chief Executive Officer
STP Nuclear Operating Company
P.O. Box 289
Wadsworth, Texas 77483

SUBJECT: NRC INSPECTION REPORT NO. 50-498/99-20; 50-499/99-20

Dear Mr. Cottle:

This refers to the inspection conducted on November 7 through December 25, 1999, at the South Texas Project Electric Generating Station, Units 1 and 2, facility. The enclosed report presents the results of this inspection.

During this inspection period, lack of a procedure and several unidentified steam plant material condition deficiencies contributed to your Unit 2 operators initiating a transient that required a prompt reduction in power during a routine tagout. Operator inexperience and weak procedures caused delays in recognizing the need to start the power reduction. This resulted in a power reduction which was more urgently needed once started. Inappropriate reactivity controls also made the transient more severe than it should have been. Although you are treating these issues with the appropriate level of attention, they represent additional examples of recent plant transients caused or complicated by balance of plant material condition issues and inappropriate reactivity controls during an event.

Based on the results of this inspection, the NRC has determined that three Severity Level IV violations of NRC requirements occurred. These violations are being treated as noncited violations (NCVs), consistent with Section VII.B.1.a of the Enforcement Policy. These NCVs are described in the subject inspection report. If you contest the violation or severity level of these NCVs, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001, with copies to the Regional Administrator, U.S. Nuclear Regulatory Commission, Region IV, 611 Ryan Plaza Drive, Suite 400, Arlington, Texas 76011; the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; and the NRC Resident Inspector at the South Texas Project Electric Generating Station, Units 1 and 2, facility.

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

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

Sincerely,



Joseph I. Tapia, Chief
Project Branch A
Division of Reactor Projects

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

Enclosure:
NRC Inspection Report No.
50-498/99-20; 50-499/99-20

cc w/enclosure:
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Austin, Texas 78711-3189

STP Nuclear Operating Company

-4-

Judge, Matagorda County
Matagorda County Courthouse
1700 Seventh Street
Bay City, Texas 77414

- E-Mail report to D. Lange (DJL)
- E-Mail report to NRR Event Tracking System (IPAS)
- E-Mail report to Document Control Desk (DOCDESK)
- E-Mail report to J. D. Wilcox (JDW)
- E-Mail report to Frank Talbot (FXT)

E-Mail notification of report issuance to the STP SRI and Site Secretary (NFO, LAR).

E-Mail notification of issuance of all documents to Nancy Holbrook (NBH).

bcc to DCD (IE01)

bcc distrib. by RIV:

- Regional Administrator
- DRP Director
- DRS Director
- Branch Chief (DRP/A)
- Project Engineer (DRP/A)
- Branch Chief (DRP/TSS)

- Resident Inspector
- RIV File
- RITS Coordinator
- R. Bachmann, OGC (MS: 15-B-18)

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