

No. 91-89
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FOR IMMEDIATE RELEASE
(Friday, July 26, 1991)

NRC STAFF PROPOSES \$75,000 FINE FOR VIOLATIONS AT SOUTH TEXAS PROJECT

The Nuclear Regulatory Commission staff has informed Houston Lighting & Power Company (HL&P) that it proposes to fine the company \$75,000 for what it considers violations of NRC requirements at the South Texas Project (STP) near Bay City, Texas.

HL&P has 30 days to pay the civil penalty or to protest it. If a protest is denied, the company may ask for a hearing.

This enforcement action involves a system which NRC requires pressurized water reactor plants like STP to have. If a problem developed which would ordinarily cause an automatic reactor shutdown -- and the main automatic shutdown devices failed to respond -- this system would provide an extra margin of heat removal from the reactor core until operators could shut down the plant. Both NRC regulations and the plant safety analysis report require that the system be highly reliable and be available whenever the plant operates above 40 percent power.

During an inspection May 16 to June 3, NRC inspectors found that, in STP Unit 1, the system had been out of service about 36 percent of the time since October 1989 while the plant was above 40 percent power. On Unit 2, they found that it had been out of service about 15 percent of the time the plant was above the 40-percent power level since the start of commercial operation. Furthermore, the inspectors also discovered that on May 16 of this year, the Unit 2 system would not have automatically initiated because some circuits were inactivated.

In his letter informing HL&P of the civil penalty, Robert D. Martin, NRC regional administrator in Arlington, Texas, said NRC has "significant regulatory concerns" that the utility failed to assure the proper functioning and reliability of this system, and failed to remain cognizant of the regulation requiring it.

He said the utility has taken some immediate actions and-made long-term plans to improve the system's reliability. Without credit for these corrective actions, Mr. Martin said, the civil penalty would have been higher

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