



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

February 28, 2001

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

**SUBJECT: REQUEST TO RESCHEDULE THE SOUTH TEXAS PROJECT OPERATIONAL
SAFEGUARDS RESPONSE EVALUATION**

Dear Mr. Cottle:

Region IV received your letters dated January 31 and February 8, 2001, requesting that we reschedule the Operational Safeguards Response Evaluation (OSRE) at the South Texas Project Electric Generating Station (STP). Currently, the OSRE is scheduled during the week of April 16, 2001.

According to Agency guidance, plants are selected for OSRE inspections on the basis of the following considerations:

- Length of time since the last OSRE
- Past performance
- Significant changes to the security program or the approved plan

STP was selected using this criteria.

On November 20, 2000, at the request of your staff, a meeting was conducted to discuss an action plan which addressed the time needed to complete the following actions:

- Assess the current and proposed defensive strategy
- Modify the site defensive strategy and develop a comprehensive strategy that meets the long-term strategic physical security program requirements
- Review and revise, if necessary, target sets on the basis of input from operations and (probabilistic risk assessment) input
- Develop and maintain an objective, overall safeguards performance assessment program, and obtain final management approval for the program
- Validate and implement a revised defensive strategy
- Train security force on the modified defensive strategy and provide realistic tactical drills and exercises

- Conduct continuous and focused self assessments, utilizing industry peers

Your January 31, 2001, letter stated that you could “successfully pass” an OSRE using the current defensive strategy; however, the changes in defensive strategy represented a “significant set of enhancements” that are major changes to the security program (target sets, fighting positions, weapons mix, training, etc.). In addition, the January 31, 2001, letter stated that conducting the OSRE in April 2001 would delay the implementation of the revised defensive strategy. Your February 8, 2001, letter stated that the changes to the defensive strategy will be completed by September 4, 2001.

Region IV has reviewed the aforementioned documents and concluded that postponing the April 2001 OSRE would be a more efficient and effective use of both NRC and licensee resources, since this postponement provides the Agency the opportunity to simultaneously assess your revised defensive strategy and complete the previously scheduled OSRE. In addition, Region IV may have recommended scheduling another OSRE after you completed the extensive changes to your defensive strategy in accordance with the selection criteria. Accordingly, your request to postpone the OSRE has been approved. The OSRE has been rescheduled for the week of November 5, 2001.

Should you have any questions concerning this inspection, please contact me at (817) 860-8215.

Sincerely,

/RA/

Gail M. Good, Chief
Plant Support Branch
Division of Reactor Safety

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50-499
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PSB File

DRS Action Item File (2001-G-0038)

DOCUMENT NAME: R:_STP\2001\OSRE DELAY-DWS-AI 2001-G-038.WPD

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*Previously concurred.