SAFEGUARDS INFORMATION

February 25, 2002

William T. Cottle
President and Chief Executive Officer
South Texas Project, Units 1 & 2
STP Nuclear Operating Company
Electric Generating Station
8 Miles West of Wadsworth, on FM 521
Wadsworth, TX 77483

SUBJECT: ISSUANCE OF ORDER FOR INTERIM SAFEGUARDS AND SECURITY

COMPENSATORY MEASURES FOR - SOUTH TEXAS PROJECT, UNITS 1 & 2

Dear Mr. Cottle:

The U.S. Nuclear Regulatory Commission (NRC) has issued the enclosed Order that modifies the current operating license for your facility to require compliance with the specified interim safeguards and security compensatory measures. The Order applies to all Addressees listed in Attachment 1 to the enclosed Order. These interim compensatory measures are listed in Attachment 2 (contains Safeguards Information) to the enclosed Order. The Commission recognizes that you have voluntarily and responsibly implemented additional security measures following the events of September 11, 2001, but, in light of the continuing generalized high-level threat environment, the Commission concludes that the security measures should be embodied in an Order, consistent with the established regulatory framework. The Commission has determined that the generalized high-level threat environment requires that the enclosed Order be effective immediately.

These actions are interim and the basis for the Order is the need to take prudent actions to address security requirements in the present generalized high-level threat environment. This Order does not obviate the need for licensees to continue to meet the objectives of Security Level III described in NRC Information Notice 98-35, and maintain the effectiveness of existing security measures taken in response to the events of September 11, 2001. The requirements will remain in effect pending notification from the Commission that a significant change in the threat environment has occurred, or until the Commission determines that other changes are needed following a more comprehensive re-evaluation of current safeguards and security programs.

The enclosed Order calls for responses and actions within specified time frames. Please contact your Licensing Project Manager to facilitate resolution of any issues related to compliance with the requirements in the enclosed Order, or if you have any other questions.

<u>NOTICE</u>: Attachment 2 to the Order (Interim Compensatory Measures) contains "Safeguards Information." Upon separation of Attachment 2 to the Order, this letter, the enclosed Order, and Attachment 1 to the Order (Address List) are "DECONTROLLED."

SAFEGUARDS INFORMATION

W. Cottle -2-

The enclosed Order has been forwarded to the Office of the Federal Register for publication.

Sincerely,

/RA/

Samuel J. Collins, Director Office of Nuclear Reactor Regulation

Docket Nos. 50-498 and 50-499

Enclosures: 1. Order

2. Order Attachment 1 - Address List

3. Order Attachment 2 - Interim Compensatory Measures for High Threat Environment (Safeguards Information)

cc w/enclosures 1 and 2 only: See next page

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Sincerely,

/RA/

Samuel J. Collins, Director Office of Nuclear Reactor Regulation

Docket Nos. 50-498 and 50-499

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cc w/enclosures 1 and 2 only: See next page

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Accession No. ML020490025 (Package) Accession No. ML020 (Cover Letter) Accession No. ML020510635 (Order)

Accession No. ML020520654 (Order Attachment 1 - Address List)

OFFICE	DLPM/PM	DLPM//LA	DLPM/SC	DIPM/D
NAME	REnnis	BClayton	JClifford	BBoger
DATE	2/21/02	2/21/02	2/21/02	2/22/02
OFFICE	OGC	DLPM/D	NRR/ADPT	NRR/D
OFFICE NAME	OGC LChandler	DLPM/D JZwolinski	NRR/ADPT BSheron N/A	NRR/D SCollins

OFFICIAL RECORD COPY

The enclosed Order has been forwarded to the Office of the Federal Register for publication.

Sincerely,

/RA/

Samuel J. Collins, Director Office of Nuclear Reactor Regulation

Docket No(s).

Enclosures:

- 1. Order
- 2. Order Attachment 1 Address List
- 3. Order Attachment 2 Interim Compensatory Measures for High Threat Environment (Safeguards Information)

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Project Director

Section Chief

Project Manager

Licensing Assistant

Region Contact

Accession No. ML020520754 (Package) Accession No. ML020510637 (Cover Letter) Accession No. ML020510635 (Order)

Accession No. ML020520654 (Order Attachment 1 - Address List)

OFFICE	DLPM/PM	DLPM//LA	DLPM/SC	DIPM/D
NAME	REnnis	BClayton	JClifford	BBoger
DATE	2/21/02	2/21/02	2/21/02	2/22/02
OFFICE	OGC	DLPM/D	NRR/ADPT	NRR/D
OFFICE NAME	OGC LChandler	DLPM/D JZwolinski	NRR/ADPT BSheron N/A	NRR/D SCollins

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CC:

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