



South Texas Project Electric Generating Station P.O. Box 289 Wadsworth, Texas 77483

## SAFEGUARDS INFORMATION

May 25, 2005  
NOC-AE-05001889

U. S. Nuclear Regulatory Commission  
Director, Office of Nuclear Reactor Regulation  
One White Flint North  
11555 Rockville Pike  
Rockville, MD 20852

ATTACHMENT 1 CONTAINS  
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South Texas Project  
Units 1 and 2  
Docket No. STN 50-498 and STN 50-499  
Response to NRC Guidance Regarding Mitigation Strategies

The NRC issued Orders for Interim Safeguards and Security Compensatory Measures ("Order EA-02-026" or "ICM Order") dated February 25, 2002, for the South Texas Project (STP).

Order EA-02-026 imposed requirements on nuclear power plants licensed pursuant to the Atomic Energy Act of 1954 and Title 10 of the Code of Federal Regulations. Section III.A of the Order required licensees to implement certain changes in physical security plans and safeguards contingency plans on an interim basis until final requirements were established. Among other requirements, STP Nuclear Operating Company (STPNOC) was required to complete implementation of the requirements of Section II.B.5.b. of Order EA-02-026 by August 31, 2002.

Subsequently, the NRC issued Orders, dated April 29, 2003, Requiring Compliance with Revised Design Basis Threat for Operating Power Reactors ("Order EA-03-086" or "DBT Order") and other security related Orders (collectively "Orders") for the STP. In many ways, Order EA-03-086 complemented or superseded requirements the interim measures imposed by Order EA-02-026.

As required by Order EA-03-086, the plans for STP have been implemented. Subsequently, STPNOC was requested to respond to your letter dated February 25, 2005, NRC Staff Guidance for Use in Achieving Satisfactory Compliance with February 25, 2002, Order Section B.5.b, ("NRC B.5.b. Guidance") by May 31, 2005, and to implement appropriate enhancement to current mitigation strategies by August 31, 2005. Specifically, nuclear power plant licensees were requested by Enclosure 2, Developing Mitigating Strategies/ Guidance for Nuclear Power Plants to Respond to Loss of Large Areas of the Plant in Accordance with B.5.b of the February 25, 2002, Order (dated February 24, 2005) ("NRC B.5.b. Guidance"), to the February 25, 2005, letter to review the Areas of Consideration delineated in Attachment A to that Enclosure and evaluate additional considerations for potential inclusion in the licensees' mitigating strategies that licensees deemed appropriate in accordance with Attachment B to that Enclosure.

Subsequently, the Nuclear Energy Institute ("NEI"), in conjunction with the NEI Security Working Group, developed and issued guidance for licensee use ("NEI Guidance") to assist licensees in responding to the February 25, 2005, letter.

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STI: 31886091

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As requested in the February 25, 2005, letter, STPNOC has reviewed the information in Attachments A and B in accordance with the NEI Guidance and is hereby submitting, as a Safeguards Information attachment to this letter (Attachment 1), STPNOC's evaluation of the information the NRC provided. Attachment 1 reflects the results of a comprehensive and thorough review of the guidance and describes the considerations that STPNOC either has already or intends to implement at STP by August 31, 2005.

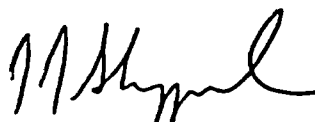
The primary guiding principles used in the conduct of this evaluation were (1) whether or not equipment and resources are "readily available," and (2) if equipment is readily available, can it be effectively utilized in a licensee's mitigating strategy.

In accordance with these principles, mitigative strategies are being implemented to address the NRC B.5.b. Guidance. Attachment 2 contains the actions and implementation schedule resulting from the evaluations documented in Attachment 1.

The commitments in this letter are described in Attachment 3 and will be managed in accordance with STPNOC's commitment management system.

Attachment 1 to this letter contains Safeguards Information and should be withheld from public disclosure in accordance with 10 CFR 73.21.

If there are any questions regarding this letter, please contact Robyn Savage at (361) 972-7438 or me at (361) 972-8757.



J. J. Sheppard  
President & Chief Executive Officer

- Attachments: 1). STPNOC's Evaluation of NRC B.5.b. Guidance (Safeguards Information)  
2). Schedule  
3). Commitments

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cc: without attachments except as noted with \*\*  
(paper copy)

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