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UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
612 EAST LAMAR BLVD, SUITE 400
ARLINGTON, TEXAS 76011-4125

August 18, 2009

Mr. Edward D. Halpin
Executive Vice President
Chief Nuclear Officer
STP Nuclear Operating Company
South Texas Project
P.O. Box 289
Wadsworth, TX 77483

SUBJECT: SOUTH TEXAS PROJECT ELECTRIC GENERATING STATION,
UNITS 1 AND 2 - NRC SECURITY INSPECTION REPORT 05000498/2009402
AND 05000499/2009402

Dear Mr. Halpin:

On June 26, 2009, the U.S. Nuclear Regulatory Commission (NRC) completed a security baseline inspection at your South Texas Project Electric Generating Station, Units 1 and 2. The inspection covered one or more of the key attributes of the security cornerstone of the NRC's Reactor Oversight Process. The enclosed inspection report documents the inspection results, which were discussed on June 26, 2009, with Mr. T. Bowman, General Manager, Oversight, and other members of your staff. On July 16, 2009, the final inspection results were telephonically presented to Mr. T. Frawley, Manager, Plant Protection, and members of your staff.

The inspection examined activities conducted under your license as they relate to security and compliance with the Commission's rules and regulations and with the conditions of your license. The inspectors reviewed selected procedures and records, observed activities, and interviewed personnel.

Based on the results of this inspection, no findings of significance were identified. However, a licensee-identified violation which was determined to be of very low security significance is listed in this report. Because of the very low security significance and because it is entered into your corrective action program, the NRC is treating this violation as a non-cited violation (NCV) consistent with Section VI.A.1 of the NRC Enforcement Policy. If you contest this non-cited violation, you should provide a response within 30 days of the date of this inspection

“Enclosure transmitted herewith contains SUNSI. When separated from enclosure, this transmittal document is decontrolled.”

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report, with the basis for your denial, to the Nuclear Regulatory Commission, ATTN.: Document Control Desk, Washington D.C. 20555-0001; with copies to the Regional Administrator Region IV; the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001; and the NRC Resident Inspector at South Texas Project Electric Generating Station, Units 1 and 2.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of the NRC's document system, ADAMS. ADAMS is accessible from the NRC Website at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room). However, because of the security-related concerns contained in the enclosure, and in accordance with 10 CFR 2.390, a copy of this letter's enclosure will not be available for public inspection.

In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response, if any. This practice will ensure that your response will not be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system, ADAMS. If Safeguards Information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21. Otherwise, mark your entire response "Security-Related Information-Withhold Under 10 CFR 2.390" and follow the instructions for withholding in 10 CFR 2.390(b)(1).

Sincerely,

/RA/

Michael P. Shannon, Chief
Plant Support Branch-1
Division of Reactor Safety

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

Nonpublic Enclosure:
NRC Inspection Report 05000498/2009402 and 05000499/2009402
w/Attachment: Supplemental Information

cc w/enclosure:
M. C. Reddix
Manager, Security
STP Nuclear Operating Company
P. O. Box 289

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ROPreports

Security-Related Complete Report - OUO:

SUNSI Review Completed: Y ADAMS: Yes Initials: KSB
 Non-Publicly Available Sensitive

Letter Only:

SUNSI Review Completed: Y ADAMS: Yes Initials: KSB
 Publicly Available Non-Sensitive

SPSI/PSB-1	PSI/PSB-1	PSI/PSB-1	C:PSB-1	C:PBE	C:PSB-1
KBrooks	JBuchanan	MBrooks	MPShannon	JClark	MPShannon
<u>/RA/</u>	<u>/RA/</u>	<u>/RA/</u>	<u>/RA/</u>	<u>/RA/</u>	<u>/RA/</u>
8/06/09	8/12/09	8/12/09	8/12/09	8/18/09	8/18/09

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