

~~OFFICIAL USE ONLY - SECURITY-RELATED INFORMATION~~



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

April 7, 2011

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

Subject: SOUTH TEXAS PROJECT ELECTRIC GENERATING STATION -
NRC MATERIAL CONTROL AND ACCOUNTING PROGRAM
INSPECTION REPORT 05000498/2011404 AND 05000499/2011404

Dear Mr. Halpin:

On March 11, 2011, the U.S. Nuclear Regulatory Commission (NRC) completed an onsite security baseline inspection at your South Texas Project Electric Generating Station, Units 1 and 2, facility. The inspection covered a key attribute of the Security Cornerstone of the NRC's Reactor Oversight Process, Material Control and Accounting of Special Nuclear Material. The enclosed inspection report documents the inspection results, which were discussed on March 11, 2011, with Mr. D. Rencurrel, Senior Vice President, Units 1 and 2, and other 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 were identified.

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 component of NRC's document system, (ADAMS). ADAMS is accessible from the NRC Web site 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 transmitted herewith contains SUNSI. When separated from enclosure, this transmittal document is decontrolled.”

~~OFFICIAL USE ONLY - SECURITY-RELATED INFORMATION~~

~~OFFICIAL USE ONLY - SECURITY-RELATED INFORMATION~~

STP Nuclear Operating Company

- 1 -

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/

Gregory E. Werner, Chief
Plant Support Branch 2
Division of Reactor Safety

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

Nonpublic Enclosure:
NRC Inspection Report 05000498/2011404; 05000499/2011404
w/Attachment:
Supplemental Information

cc w/o enclosure:
Kevin Richards, Senior Vice President and
Assistant to CEO
STP Nuclear Operating Company
South Texas Project
P.O. Box 289
Wadsworth, TX 77483

David W. Rencurrel
Senior Vice President Units 1 and 2
STP Nuclear Operating Company
South Texas Project
P.O. Box 289
Wadsworth, TX 77483

~~OFFICIAL USE ONLY - SECURITY-RELATED INFORMATION~~

~~OFFICIAL USE ONLY - SECURITY-RELATED INFORMATION~~

STP Nuclear Operating Company

- 2 -

Louis Peter, Plant General Manager
STP Nuclear Operating Company
South Texas Project
P.O. Box 289
Wadsworth, TX 77483

Tim Powell, Vice President, Engineering
STP Nuclear Operating Company
South Texas Project
P.O. Box 289
Wadsworth, TX 77483

A. W. Harrison, Manager, Licensing
STP Nuclear Operating Company
South Texas Project
P.O. Box 289
Wadsworth, TX 77483

Charles T. Bowman, General Manager, Oversight
STP Nuclear Operating Company
South Texas Project
P.O. Box 289
Wadsworth, TX 77483

Marilyn Kistler
Senior Staff Specialist, Licensing
STP Nuclear Operating Company
South Texas Project
P.O. Box 289
Wadsworth, TX 77483

cc w/enclosure:

M. C. Reddix
Manager, Security
STP Nuclear Operating Company
P. O. Box 289
Wadsworth, Texas 77483

~~OFFICIAL USE ONLY - SECURITY-RELATED INFORMATION~~

~~OFFICIAL USE ONLY - SECURITY-RELATED INFORMATION~~

STP Nuclear Operating Company

- 3 -

Distribution w/enclosure:

Ronald Albert (Ronald.Albert@nrc.gov), Chief, Reactor Security Oversight Branch
Shyrl Coker, (Shyrl.Coker@nrc.gov) NSIR/DSO/DDSO, TWFN Mail Stop: T-3A5M
Senior Resident Inspector (John.Dixon@nrc.gov)

Electronic distribution by RIV:

Regional Administrator (Elmo.Collins@nrc.gov)
Deputy Regional Administrator (Art.Howell@nrc.gov)
DRP Director (Kriss.Kennedy@nrc.gov)
DRP Deputy Director (Troy.Pruett@nrc.gov)
DRS Director (Anton.Vegel@nrc.gov)
Resident Inspector (Binesh.Tharakan@nrc.gov)
Branch Chief, DRP/A (Wayne.Walker@nrc.gov)
Senior Project Engineer, DRP/A (David.Proulx@nrc.gov)
STP Administrative Assistant (Lynn.Wright@nrc.gov)
Project Engineer, DRP/A (Laura.Micewski@nrc.gov)
Public Affairs Officer (Victor.Dricks@nrc.gov)
Public Affairs Officer (Lara.Uselding@nrc.gov)
Project Manager (Mohan.Thadani@nrc.gov)
Branch Chief, DRS/TSB (Michael.Hay@nrc.gov)
RITS Coordinator (Marisa.Herrera@nrc.gov)
Regional Counsel (Karla.Fuller@nrc.gov)
Congressional Affairs Officer (Jenny.Weil@nrc.gov)
OEMail Resource
OEDO RIV Coordinator (Nathan.Sanfilippo@nrc.gov)
DRS/TSB STA (Dale.Powers@nrc.gov)

Report:

SUNSI Review Completed: DCG ADAMS: Yes No Initials: DCG
 Publicly Available Non-Sensitive Non-Publicly Available Sensitive

Letter Only:

SUNSI Review Completed: DCG ADAMS: Yes No Initials: DCG
 Publicly Available Non-Sensitive Non-Publicly Available Sensitive

PSB2	PSB2	C:PSB2	A:DRP/	C:PSB2	
LCCarsonII	DCGraves	GEWerner	WCWalker	GEWerner	
/RA/	/RA/	/RA/	/RA/	/RA/	
3/28/11	3/28/11	4/7/11	4/7/11	4/7/11	

~~OFFICIAL USE ONLY - SECURITY-RELATED INFORMATION~~