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

April 8, 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,
UNITS 1 AND 2 - NRC SECURITY INSPECTION REPORT 05000498/2011403
AND 05000499/2011403

Dear Mr. Halpin:

On March 24, 2011, 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 March 24, 2011, with Mr. M. Meier, Vice President and Assistant to the Chief Executive Officer, 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.

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 (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.

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

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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 05000498/2011403 and
05000499/2011403
w/Attachment: Supplemental Information

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cc w/enclosure:

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cc w/o enclosure:

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Security-Related Complete Report - OUO:

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

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

ML

PSI/PSB-1	SPSI/PSB-1	C:PSB-1	C:PBE	C:PSB-1
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4/5/2011	3/31/11	4/5/11	4/8/11	4/8/11

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