SAFEGUARDS INFORMATION

October 19, 2012

Mr. Kevin D. Richards, President and Chief Executive Officer STP Nuclear Operating Company South Texas Project, Units 1 and 2 Post Office Box 289 Wadsworth, TX 77483

SUBJECT: SOUTH TEXAS PROJECT, UNITS 1 AND 2 - NRC SECURITY

INSPECTION REPORT 05000498/2012202 AND 05000499/2012202

Dear Mr. Richards:

On September 6, 2012, the U.S. Nuclear Regulatory Commission (NRC) completed an inspection at your South Texas Project, 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 September 6, 2012, with Mr. David W. Rencurrel 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 during this inspection.

In accordance with Title 10 of the *Code of Federal Regulations* (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 Agencywide Documents Access and Management 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, the material enclosed herewith contains Safeguards Information as defined by 10 CFR 73.21 and its disclosure to unauthorized individuals is prohibited by Section 147 of the Atomic Energy Act of 1954, as amended. Therefore, the material in the enclosure will <u>not</u> be made available electronically for public inspection in the NRC Public Document Room or from the PARS component of NRC's ADAMS. If you choose to provide a response and Safeguards Information is necessary to provide an acceptable response, please provide the level of

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SAFEGUARDS INFORMATION

K. Richards

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protection described in 10 CFR 73.21. Otherwise, if security-related information is necessary to provide an acceptable response, please mark your entire response "Security-Related Information – Withhold from public disclosure under 10 CFR 2.390" in accordance with 10 CFR 2.390(d)(1) and follow the instructions for withholding in 10 CFR 2.390(b)(1). In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response.

Sincerely,

/RA/

Robert C. Johnson, Chief Security Performance Evaluation Branch Division of Security Operations Office of Nuclear Security and Incident Response

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

Nonpublic Enclosure: Inspection Report 05000498/2012202 and 05000499/2012202

w/Attachment: Supplemental Information

cc w/encl: Mr. Steven Sovizral

Manager, Security

STP Nuclear Operating Company

P.O. Box 289

Wadsworth, TX 77483

K. Richards

-2-

protection described in 10 CFR 73.21. Otherwise, if security-related information is necessary to provide an acceptable response, please mark your entire response "Security-Related Information – Withhold from public disclosure under 10 CFR 2.390" in accordance with 10 CFR 2.390(d)(1) and follow the instructions for withholding in 10 CFR 2.390(b)(1). In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response.

Sincerely,

/RA/

Robert C. Johnson, Chief Security Performance Evaluation Branch Division of Security Operations Office of Nuclear Security and Incident Response

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cc w/encl: Mr. Steven Sovizral

Manager, Security

STP Nuclear Operating Company

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