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UNITED STATES NUCLEAR REGULATORY COMMISSION REGION IV 1600 EAST LAMAR BOULEVARD ARLINGTON, TEXAS 76011-4511

May 24, 2021

EA-20-122

Mr. G. T. Powell, President and CEO STP Nuclear Operating Company P.O. Box 289 Wadsworth, TX 77483

# SUBJECT: SOUTH TEXAS PROJECT ELECTRIC GENERATING STATION, UNITS 1 AND 2 – NOTICE OF VIOLATION; NRC INSPECTION REPORT 05000498/2021090 AND 05000499/2021090

Dear Mr. Powell:

This letter refers to the inspection conducted by the U.S. Nuclear Regulatory Commission (NRC) at the South Texas Project Electric Generating Station, Units 1 and 2, from September 14 through December 15, 2020. The purpose of the inspection was to ensure compliance of your security programs as required by Title 10 of the *Code of Federal Regulations* (10 CFR) Part 37 when storing and using radioactive material on site. On December 15, 2020, the inspectors conducted a final telephonic exit meeting with you and other members of your staff. Details of the inspection and the apparent violations were provided to you in NRC inspection report 05000498/2020401 and 05000499/2020401, dated January 7, 2021, NRC's Agencywide Documents Access and Management System (ADAMS) Accession No. ML21007A349.

In the letter transmitting the inspection report, we provided you with the opportunity to address the apparent violations by either requesting alternative dispute resolution, attending a predecisional enforcement conference, or by providing a written response before we made our final enforcement decision. In a letter dated March 31, 2021 (ADAMS Accession No. ML21090A333), you provided a response to the apparent violations.

Based on the information developed during the inspection and the information that you provided in your March 31, 2021 response to the inspection report, the NRC has determined that violations of NRC requirements occurred. These violations are cited in non-public Enclosure 1, "Notice of Violation" (Notice), and the circumstances surrounding them are described in detail in the January 7, 2021, inspection report. These violations have been categorized in accordance with the NRC Enforcement Policy as escalated enforcement. Enclosure 2 (non-public) provides the basis for the NRC's conclusion. The NRC Enforcement Policy is available on the NRC's website at <a href="http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html">http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html</a>.

The enclosures transmitted herewith contains Sensitive Unclassified Non-Safeguards Information (SUNSI). When separated from the enclosures, this transmittal document is decontrolled.

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In accordance with the NRC Enforcement Policy, a base civil penalty in the amount of \$150,000 is considered for each Severity Level III violation.

Although your facility received an escalated enforcement action in a letter dated February 23, 2021 (ADAMS Accession No. ML21055A071), your staff identified the condition that was the subject of that escalated enforcement action and initiated corrective actions back in April 2017. As such, for the civil penalty assessment process associated with the escalated action which is the subject of this letter, the NRC considered April 2017 as the start date of the 2-year period of previous escalated enforcement, consistent with Section 2.3.4 of the NRC Enforcement Policy. The issues documented in this letter's enclosure were identified in September 2020, outside the 2-year period that began in April 2017. Therefore, because your facility has not been the subject of escalated enforcement actions within the last 2 years, the NRC considered whether credit was warranted for *Corrective Action* in accordance the NRC Enforcement Policy. The NRC has determined that *Corrective Action* credit is warranted for each violation for your prompt and comprehensive corrective actions, which included a root cause assessment, procedural revisions, and other corrective actions as documented in your March 31, 2021, letter.

Therefore, to encourage prompt and comprehensive correction of the violations, and in recognition of the absence of previous escalated enforcement action in the previous two years, I have been authorized, after consultation with the Director, Office of Enforcement, not to propose a civil penalty in this case. However, significant violations in the future could result in a civil penalty.

The NRC has concluded that information regarding: (1) the reasons for the violations; (2) the corrective actions that have been taken and the results achieved; and (3) the date when full compliance was achieved is already adequately addressed on the docket in your March 31, 2021, letter and in our January 7, 2021, inspection report. Therefore, you are not required to respond to this letter unless the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

In addition, based on the current and previous escalated enforcement actions involving traditional enforcement violations, we evaluated the applicability of Inspection Procedure 92722, "Follow-Up Inspection for Any Severity Level I or II Traditional Enforcement Violation or for Two or More Severity Level III Traditional Enforcement Violations in a 12-Month Period." We determined that your facility will not be subject to additional inspection as described in Inspection Procedure 92722, because the current escalated enforcement actions were not in the areas of willfulness, impeding the regulatory process, or actual consequences; rather, the current escalated enforcement actions involved potential consequences. However, your corrective actions will be subject to further review during future inspections.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice and Procedure," a copy of this letter will be made available electronically for public inspection in the NRC Public Document Room or in the NRC's ADAMS, accessible from the NRC website at <a href="http://www.nrc.gov/reading-rm/adams.html">http://www.nrc.gov/reading-rm/adams.html</a>. However, the material enclosed herewith contains Security-Related Information in accordance with 10 CFR 2.390(d)(1), and its disclosure to unauthorized individuals could present a security vulnerability. Therefore, the material in the enclosures will not be made available electronically for public inspection in the NRC Public Document Room or in the NRC's ADAMS.

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If you have any questions concerning this matter, please contact Dr. Natasha Greene, Acting Chief, Reactor Inspection Branch, at 817-200-1154.

Sincerely,

Scott A. Morris Date: 2021.05.24 18:31:25 -05'00'

Scott A. Morris Regional Administrator

Docket No. 05000498 and 05000499 License No. NPF-76 and NPF-80

Nonpublic Enclosures:

- 1. Notice of Violation
- 2. Enforcement Basis

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SOUTH TEXAS PROJECT ELECTRIC GENERATING STATION, UNITS 1 AND 2 – NOTICE OF VIOLATION; NRC INSPECTION REPORT 05000498/2021090 AND 05000499/2021090 - DATED MAY 24, 2021

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DATE	05/12/21	05/13/21	05/13/2021	05/13/2021	05/13/21	05/17/21
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DATE	05/17/21	05/18/21	05/21/21	05/24/21		

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