

October 1, 2001

Mr. William T. Cottle  
President and Chief Executive Officer  
STP Nuclear Operating Company  
South Texas Project Electric  
Generating Station  
P. O. Box 289  
Wadsworth, TX 77483

SUBJECT: REQUEST FOR WITHHOLDING INFORMATION FROM PUBLIC DISCLOSURE  
FOR SOUTH TEXAS PROJECT ELECTRIC GENERATING STATION, UNITS 1  
AND 2 (TAC NOS. MB2140 AND MB2141)

Dear Mr. Cottle:

By application dated May 31, 2001, and affidavit dated May 25, 2001, executed by David G. Tees of Houston Lighting & Power Company (HL&P), South Texas Project Nuclear Operating Company submitted an "Application for Order and Conforming Administrative Amendments for Transfers of Licenses," and requested that Attachment 11A, "Projected Income Statement and Projected Opening Balance Sheet of Texas Genco's Anticipated Assets, Liabilities and Capital Structure at Closing," be withheld from public disclosure pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR) Section 2.790. A nonproprietary copy of this document has been placed in the Nuclear Regulatory Commission's (NRC's) Public Document Room and added to the Agencywide Documents Access and Management Systems Publicly Available Records System (ADAMS PARS) Library.

The affidavit stated that the submitted information should be considered exempt from mandatory public disclosure for the following reasons:

- i. This information is and has been held in confidence by HL&P.
- ii. This information is of a type that is customarily held in confidence by HL&P, and there is a rational basis for doing so because the information contains sensitive financial information concerning projected revenues and operating expenses of HL&P and its successors and affiliates.
- iii. This information is being transmitted to the NRC in confidence.
- iv. This information is not available in public sources and could not be gathered readily from other publicly available information.
- v. Public disclosure of this information would create substantial harm to the competitive position of HL&P and its successors and affiliates by disclosing their internal financial projections.

By application dated June 28, 2001, and affidavit dated June 26, 2001, executed by Henry W. Fayne of Central Power and Light Company (CPL), South Texas Project Nuclear Operating

Company submitted an "Application for Order and Conforming Administrative Amendments for Transfer of Licenses," and requested that Attachment 6A, "Projected Income Statement and Projected Opening Balance Sheet for CPL Genco LP," be withheld from public disclosure pursuant to 10 CFR 2.790. A nonproprietary copy of this document has been placed in the NRC's Public Document Room and added to the ADAMS PARS Library.

The affidavit stated that the submitted information should be considered exempt from mandatory public disclosure for the following reasons:

- i. This information is and has been held in confidence by CPL.
- ii. This information is of a type that is customarily held in confidence by CPL, and there is a rational basis for doing so because the information contains sensitive financial information concerning projected revenues and operating expenses of CPL and its successors and affiliates.
- iii. This information is being transmitted to the NRC in confidence.
- iv. This information is not available in public sources and could not be gathered readily from other publicly available information.
- v. Public disclosure of this information would create substantial harm to the competitive position of CPL and its successors and affiliates by disclosing their internal financial projections.

By letter dated August 13, 2001, and affidavit dated August 9, 2001, executed by David G. Tees of Houston Lighting & Power and Reliant Energy, Inc. (Reliant Energy), South Texas Project Nuclear Operating Company submitted "Supplemental Information Regarding Application for Order and Conforming Administrative Amendments for Transfers of Licenses," and requested that Enclosure 2A, "Projected Income Statement for Reliant STP," be withheld from public disclosure pursuant to 10 CFR 2.790. A nonproprietary copy of this document has been placed in the NRC's Public Document Room and added to the ADAMS PARS Library.

The affidavit stated that the submitted information should be considered exempt from mandatory public disclosure for the following reasons:

- i. This information is and has been held in confidence by Reliant Energy.
- ii. This information is of a type that is customarily held in confidence by Reliant Energy, and there is a rational basis for doing so because the information contains sensitive financial information concerning projected revenues and operating expenses of Reliant Energy and its successors and affiliates.
- iii. This information is being transmitted to the NRC in confidence.
- iv. This information is not available in public sources and could not be gathered readily from other publicly available information.

- v. Public disclosure of this information would create substantial harm to the competitive position of Reliant Energy and its successors and affiliates by disclosing their internal financial projections.

We have reviewed your applications and the material in accordance with the requirements of 10 CFR 2.790 and, on the basis of your statements, have determined that the submitted information sought to be withheld contains proprietary commercial information and should be withheld from public disclosure.

Therefore, the versions of the submitted information marked as proprietary will be withheld from public disclosure pursuant to 10 CFR 2.790(b)(5) and Section 103(b) of the Atomic Energy Act of 1954, as amended.

Withholding from public inspection shall not affect the right, if any, of persons properly and directly concerned to inspect the documents. If the need arises, we may send copies of this information to our consultants working in this area. We will, of course, ensure that the consultants have signed the appropriate agreements for handling proprietary information.

If the basis for withholding this information from public inspection should change in the future such that the information could then be made available for public inspection, you should promptly notify the NRC. You also should understand that the NRC may have cause to review this determination in the future, for example, if the scope of a Freedom of Information Act request includes your information. In all review situations, if the NRC makes a determination adverse to the above, you will be notified in advance of any public disclosure.

If you have any questions regarding this matter, I may be reached at 301-415-1924.

Sincerely,

**/RA/**

David J. Wrona, Project Manager, Section 1  
Project Directorate IV  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

Docket Nos. 50-498 and 50-499

cc: See next page

- v. Public disclosure of this information would create substantial harm to the competitive position of Reliant Energy and its successors and affiliates by disclosing their internal financial projections.

We have reviewed your applications and the material in accordance with the requirements of 10 CFR 2.790 and, on the basis of your statements, have determined that the submitted information sought to be withheld contains proprietary commercial information and should be withheld from public disclosure.

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If you have any questions regarding this matter, I may be reached at 301-415-1924.

Sincerely,

**/RA/**

David J. Wrona, Project Manager, Section 1  
 Project Directorate IV  
 Division of Licensing Project Management  
 Office of Nuclear Reactor Regulation

Docket Nos. 50-498 and 50-499

cc: See next page

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June 2001