



South Texas Project Electric Generating Station P.O. Box 289 Wadsworth, Texas 77483

July 17, 2006
NOC-AE-06002043

U. S. Nuclear Regulatory Commission
Attention: Document Control Desk
One White Flint North
11555 Rockville Pike
Rockville, MD 20852-2738

South Texas Project
Units 3 and 4
Response to Regulatory Issue Summary 2006-06

On June 19, 2006, NRG Energy, Inc., an indirect owner of 44% of the South Texas Project, informed the NRC of its intent to submit an application for a Combined Operating License (COL) for two nuclear units to be located on the current South Texas Project site. This response to NRC Regulatory Issue Summary 2006-06, "New Reactor Standardization Needed to Support the Design-Centered Licensing Review Approach," is based on the current plans to use General Electric's (GE) Advanced Boiling Water Reactor (ABWR) technology for those two units.

STP Nuclear Operating Company is in the process of establishing a detailed licensing schedule and initiating development of a Combined Operating License Application (COLA). Our intent is to submit the COLA for NRC review in the latter part of 2007. While no other ABWR projects have been announced publicly, we are communicating with Amarillo Power, which we understand from them, has notified you of their intent to utilize two ABWRs at a site in the Amarillo, Texas area. We intend to form a design-centered working group when the Amarillo Power project is announced and to cooperate with GE and any other ABWR applicants to support a design-centered review approach (DCRA) for standardized ABWR COL applications. South Texas Project Units 3 and 4 will be designated as the reference COL (R-COL) and other ABWR applicants designated as subsequent COLs (S-COL).

We intend to meet NRC expectations for responding to requests for additional information and for early submittal of topical reports. In the coming weeks and months, we plan to identify topics or issues that are amenable to standardization (including COLA chapters, sections, and subsections) as well as those that are site-specific. We will work with NRC to facilitate the use of the DCRA for the ABWR, and we will keep the NRC informed as we finalize the schedule and licensing plan. We request that NRC plan for resources to apply the DCRA to ABWR COLs during the pre-application phase over the next year or more, as well as review of the ABWR R-COL beginning in the second half of calendar year 2007 and one or more follow-on ABWR S-COL thereafter.

There are no commitments in this letter. If there are any questions regarding this response, please contact John Conly at (361) 972-7336 or me at (361) 972-7206.

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