

August 14, 2007

Mr. Thad Hill
NRG Energy, Inc.
211 Carnegie Center
Princeton, NJ 08540

SUBJECT: NRG SOUTH TEXAS LP - REQUEST FOR WITHHOLDING INFORMATION FROM PUBLIC DISCLOSURE FOR SOUTH TEXAS PROJECT, UNITS 1 AND 2 (TAC NOS. MD5656 AND MD5657)

Dear Mr. Hill:

By letter dated May 3, 2007, as supplemented by letter dated July 23, 2007, STP Nuclear Operating Company (STPNOC), acting on behalf of NRG South Texas LP and its corporate parent, NRG Energy Inc. (NRG Energy), submitted two affidavits dated April 26, 2007, and July 20, 2007, respectively, executed by Thad Hill, in which it requested that the information contained in the following documents be withheld from public disclosure pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR), Part 2, Section 2.390:

Attachment 2A, "Projected Income Statement of NRG South Texas LP (Proprietary)", to the May 3, 2007, Application for Order Approving Indirect Transfer of Control of Licenses.

Attachment 2A (revised), "Projected Income Statement of NRG South Texas LP (Proprietary)", to the July 23, 2007, supplement to the Application for Order Approving Indirect Transfer of Control of Licenses.

A nonproprietary copy of these documents have been placed in the Nuclear Regulatory Commission's (NRC's) Public Document Room and added to the Agencywide Documents Access and Management System Public Electronic Reading Room.

The affidavits 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 NRG South Texas LP and its affiliates.
- ii. This information is of a type that is customarily held in confidence by NRG South Texas LP and its affiliates, and there is a rational basis for doing so because the information contains sensitive financial information concerning projected revenues and operating expenses of NRG South Texas LP.
- iii. This information is being transmitted to the NRC voluntarily and 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 NRG South Texas LP and its affiliates by disclosing its internal financial projections.

We have reviewed your application, supplemental letter, and the material in accordance with the requirements of 10 CFR 2.390 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 version of the submitted information marked as proprietary will be withheld from public disclosure pursuant to 10 CFR 2.390(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 301-415-1476.

Sincerely,

/RA/

Mohan C. Thadani, Senior Project Manager
Plant Licensing Branch IV
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-498 and 50-499

cc: See next page

- 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 NRG South Texas LP and its affiliates by disclosing its internal financial projections.

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If you have any questions regarding this matter, I may be reached at 301-415-1476.

Sincerely,

/RA/
 Mohan C. Thadani, Senior Project Manager
 Plant Licensing Branch IV
 Division of Operating Reactor Licensing
 Office of Nuclear Reactor Regulation

Docket Nos. 50-498 and 50-499

cc: See next page

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| NAME | AHoffman:sp | MThadani | JBurkhardt | THiltz |
| DATE | 8/10/07 | 8/13/07 | 8/10/07 | 8/14/07 |

OFFICIAL RECORD COPY

South Texas Project, Units 1 & 2

cc:

Senior Resident Inspector
U.S. Nuclear Regulatory Commission
P.O. Box 289
Wadsworth, TX 77483

C. M. Canady
City of Austin
Electric Utility Department
721 Barton Springs Road
Austin, TX 78704

J. J. Nesrsta/R. K. Temple
E. Alercon/Kevin Pollo
City Public Service Board
P.O. Box 1771
San Antonio, TX 78296

INPO
Records Center
700 Galleria Parkway
Atlanta, GA 30339-3064

Regional Administrator, Region IV
U.S. Nuclear Regulatory Commission
611 Ryan Plaza Drive, Suite 400
Arlington, TX 76011

Steve Winn/Christie Jacobs
Eddy Daniels/Marty Ryan
NRC Energy, Inc.
211 Carnegie Center
Princeton, NJ 08540

Judge, Matagorda County
Matagorda County Courthouse
1700 Seventh Street
Bay City, TX 77414

A. H. Gutterman, Esq.
Morgan, Lewis & Bockius
1111 Pennsylvania Avenue, NW
Washington, DC 20004

E. D. Halpin
Site Vice President
STP Nuclear Operating Company
South Texas Project Electric
Generating Station
P.O. Box 289
Wadsworth, TX 77483

S. M. Head, Manager, Licensing
STP Nuclear Operating Company
P.O. Box 289, Mail Code: N5014
Wadsworth, TX 77483

C. T. Bowman
General Manager, Oversight
STP Nuclear Operating Company
P.O. Box 389
Wadsworth, TX 77483

Marilyn Kistler
Sr. Staff Specialist, Licensing
STP Nuclear Operating Company
P.O. Box 289, Mail Code 5014
Wadsworth, TX 77483

Environmental and Natural Resources
Policy Director
P.O. Box 12428
Austin, TX 78711-3189

Jon C. Wood
Cox, Smith, & Matthews
112 East Pecan, Suite 1800
San Antonio, TX 78205

Director
Division of Compliance & Inspection
Bureau of Radiation Control
Texas Department of State Health Services
1100 West 49th Street
Austin, TX 78756

March 2007

South Texas Project, Units 1 & 2

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cc:

Mr. Ted Enos
4200 South Hulen
Suite 422
Ft. Worth, TX 76109

Brian Almon
Public Utility Commission
William B. Travis Building
P.O. Box 13326
1701 North Congress Avenue
Austin, TX 78701-3326

Susan M. Jablonski
Office of Permitting, Remediation
and Registration
Texas Commission on
Environmental Quality
MC-122
P.O. Box 13087
Austin, TX 78711-3087

Ken Coates
Plant General Manager
STP Nuclear Operating Company
South Texas Project Electric
Generating Station
P.O. Box 289
Wadsworth, TX 77483

Mr. Terry Parks, Chief Inspector
Texas Department of Licensing
and Regulation
Boiler Division
P.O. Box 12157
Austin, TX 78711

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

March 2007