



South Texas Project Electric Generating Station 4000 Avenue F - Suite A Bay City, Texas 77414

January 31, 2008
ABR-AE-08000024
10 CFR 52

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
Docket No. 52-012 and 52-013
Submittal of Combined License Application Revision 1

STP Nuclear Operating Company submits Revision 1 to the South Texas Project Units 3 & 4 (STP 3 & 4) Combined License Application (References 1 through 5) as an enclosure to this letter. The STP 3 & 4 Security/Training Qualification/Safeguards Plan contains security safeguards material and is submitted under a separate cover.

Revision 1 includes the following changes to the Application:

- Editorial changes throughout the document
- A change in commitment from IEEE 279 to IEEE 603 in various locations throughout to resolve acceptance review comments
- A correction to the ground water monitoring program in Part 3 Section 6.3 to make it consistent with the program described in the Final Safety Analysis Report
- A change to the Composite Security Plan to include a listing of Vital Areas for Units 3 and 4 and a new plant layout showing the 4 Unit Protected Area
- A new State of Texas cross reference to NUREG 0654 for the state emergency response plan
- A clarification to the site hazards review for highway accident effects.

This letter contains the following:

- Attachment 1 provides the affidavits in support of the requests for withholding proprietary information on behalf of NRG and GEH. These affidavits request that proprietary information be withheld from public disclosure in accordance with 10 CFR 2.390.
- Attachment 2 provides a request for exemption from 10 CFR Part 52. STPNOC is requesting an exemption from Appendix A.IV.A.2.a to 10 CFR Part 52, which requires that the plant-specific DCD contain the same organization and numbering as the generic ABWR DCD. The generic ABWR DCD included a Question and Response Guide in Tier 2 Chapter 20. We do not believe there is value in incorporating and updating this historical information as part of this application. This exemption request is described in more detail and justified in Attachment 2 to this letter.

D079
NRO

- Attachment 3 is a summary of the preflight evaluation performed for each PDF file submitted in COLA Parts 1 through 9.
- Two DVDs which contain the electronic application:
 - The first DVD, "Public Version," contains a complete non-proprietary non-security-sensitive version of the STP 3 & 4 COLA suitable for public disclosure. The non-proprietary (public) version of the ABWR DCD was previously submitted and is docketed on ADAMS.
 - The second DVD, "Proprietary Version," contains a complete STP 3 & 4 COLA with proprietary and security-sensitive information included. Please note that COLA Part 8 is the Physical Security Plan, the Training and Qualification Plan, and the Safeguards Contingency Plain. These Safeguards Information documents are being submitted under separate cover.
 - Both DVDs have been prepared in compliance with the Guidance for Electronic Submissions to the NRC (June 6, 2007). The DVDs contain the COLA in PDF format. All preflight checks have been successfully performed on the PDF files for COLA Parts 1 through 9 and the evaluations are summarized in Attachment 3. Each DVD contains a packing slip explaining the contents.

There are no new commitments in this letter.

If there are any questions regarding the submittal of Revision 1 to the Combined License Application, please contact Mr. Greg Gibson at (361) 972-4626 or me at (361) 972-7206.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 1-31-08


Mark McBurnett
Vice President,
Oversight & Regulatory Affairs

Attachments: As stated

References:

1. Letter, M. A. McBurnett to NRC, "Combined License Application," dated September 20, 2007 (ABR-AE-07000004)
2. Letter, G. T. Gibson to Document Control Desk, "Supplement to Combined License Application," dated October 15, 2007 (ABR-AE-07000007)
3. Letter, G. T. Gibson to Document Control Desk, "Supplement to Combined License Application," dated October 18, 2007 (ABR-AE-07000008)
4. Letter, M. A. McBurnett to Document Control Desk, "Supplement to Combined License Application," dated November 13, 2007 (ABR-AE-07000011)
5. Letter, M. A. McBurnett to Document Control Desk, "Supplement to Combined License Application," dated November 21, 2007 (ABR-AE-07000013)

cc: w/o attachment except *

(paper copy)

Director, Office of New Reactors
U. S. Nuclear Regulatory Commission
One White Flint North
11555 Rockville Pike
Rockville, MD 20852-2738

Regional Administrator, Region IV
U. S. Nuclear Regulatory Commission
611 Ryan Plaza Drive, Suite 400
Arlington, Texas 76011-8064

Richard A. Ratliff
Bureau of Radiation Control
Texas Department of State Health Services
1100 West 49th Street
Austin, TX 78756-3189

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

*Steven P. Frantz, Esquire
Morgan, Lewis & Bockius LLP
1111 Pennsylvania Ave. NW
Washington, DC 20004

*George F. Wunder
Two White Flint North
11455 Rockville Pike Mail Stop 7 F31
Rockville, MD 20852-2738

(electronic copy)

A. H. Gutterman, Esquire
Morgan, Lewis & Bockius LLP

Loren R. Plisco
U. S. Nuclear Regulatory Commission

Thad Hill
Marty Ryan
Robert Bailey
Steve Winn
Eddy Daniels
NRG South Texas 3/4 LLC

Jon C. Wood, Esquire
Cox Smith Matthews

C. Kirksey
City of Austin

J. J. Nesrsta
R. K. Temple
Kevin Pollo
L. D. Blaylock
CPS Energy

ATTACHMENT 1

**AFFIDAVITS FOR WITHHOLDING PROPRIETARY INFORMATION
UNDER 10 CFR 2.390**

UNITED STATES OF AMERICA

NUCLEAR REGULATORY COMMISSION

In the Matter of)
)
 STP Nuclear Operating Company) Docket Nos. PROJ0749
)
 South Texas Project Units 3 and 4)


AFFIDAVIT

I, Steven Winn, Vice President of Texas Genco GP, LLC (the General Partner of NRG South Texas LP), and Executive Vice President of NRG Energy, Inc. hereby affirm and state:

1. I am authorized to execute this affidavit on behalf of NRG South Texas LP and NRG Energy, Inc.
2. NRG South Texas LP is providing information to support its application for a Combined License for STP Units 3 & 4. The information being provided is located in Part 1 of the application and contains financial projections related to its ownership of the South Texas Project Electric Generating Station. It also contains proprietary commercial and financial information that should be held in confidence by the NRC pursuant to the policy reflected in 10 CFR2.390(a)(4), because:
 - i. This information is and has been withheld 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.
3. The proprietary information in the COLA is marked with the beginning designation "COLA Part 1 #" and the ending designation "COLA Part 1 #". The # is a number between 1 and 7

corresponding to the NRC's guidance on categories of proprietary information defined in 10 CFR 2.390 and clarified by RIS-2004-11.

4. Accordingly, NRG South Texas LP requests that the designated portions of the COLA be withheld from public disclosure pursuant to 10 CFR 2.390(a) (4).

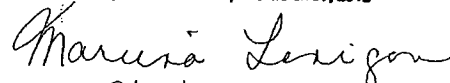


Steven Winn
EVP, NRG Energy, Inc.
VP, Texas Genco GP, LLC

STATE OF NEW JERSEY)
)
COUNTY OF MERCER)

Subscribed and sworn to me, a Notary Public, in and for the state of New Jersey, this 14th day of September, 2007.

Marcina Lanigan
Notary Public of New Jersey
My Commission Expires March 23, 2012



9/14/07

UNITED STATES OF AMERICA

NUCLEAR REGULATORY COMMISSION

In the Matter of)
)
 STP Nuclear Operating Company) Docket Nos. PROJ0749
)
 South Texas Project Units 3 and 4)

AFFIDAVIT

I, Joseph Savage, state as follows:

1. I am Manager, ABWR Regulatory Services, GE-Hitachi Nuclear Energy Americas LLC ("GEH") and have been delegated the function of reviewing the information described in paragraph (2) which is sought to be withheld, and have been authorized to apply for its withholding.
2. The information sought to be withheld is contained in various sections of Part 2 of the Combined License Application (COLA), Revision 0, for South Texas Project Units 3 and 4. The proprietary information in the COLA is marked with the beginning designation [s#] and the ending designation [e#]. The # is a number between 1 and 7 corresponding to the NRC's guidance on categories of proprietary information defined in 10 CFR 2.390 and clarified by RIS-2004-11.
3. In making this application for withholding of proprietary information of which it is the owner, GEH relies upon the exemption from disclosure set forth in the Freedom of Information Act ("FOIA"), 5 USC Sec. 552(b) (4), and the Trade Secrets Act, 18 USC Sec. 1905, and NRC regulations 10 CFR 9.17(a)(4), and 2.390(a)(4) for "trade secrets" (Exemption 4). The material for which exemption from disclosure is here sought also qualify under the narrower definition of "trade secret", within the meanings assigned to those terms for purposes of FOIA Exemption 4 in, respectively, Critical Mass Energy Project v. Nuclear Regulatory Commission, 975F2d871 (DC Cir. 1992), and Public Citizen Health Research Group v. FDA, 704F2d1280 (DC Cir. 1983).
4. Some examples of categories of information which fit into the definition of proprietary information are:
 - a. Information that discloses a process, method, or apparatus, including supporting data and analyses, where prevention of its use by GEH's competitors without license from GEH constitutes a competitive economic advantage over other companies;
 - b. Information which, if used by a competitor, would reduce his expenditure of resources or improve his competitive position in the design, manufacture, shipment, installation, assurance of quality, or licensing of a similar product;

- c. Information which reveals aspects of past, present, or future GEH customer-funded development plans and programs, resulting in potential products to GEH;
- d. Information which discloses patentable subject matter for which it may be desirable to obtain patent protection.

The information sought to be withheld is considered to be proprietary for the reasons set forth in paragraphs (4) a., and (4) b, above.

- 5. To address 10 CFR 2.390 (b) (4), the information sought to be withheld is being submitted to NRC in confidence. The information is of a sort customarily held in confidence by GEH, and is in fact so held. The information sought to be withheld has, to the best of my knowledge and belief, consistently been held in confidence by GEH, no public disclosure has been made, and it is not available in public sources. All disclosures to third parties including any required transmittals to NRC, have been made, or must be made, pursuant to regulatory provisions or proprietary agreements which provide for maintenance of the information in confidence. Its initial designation as proprietary information, and the subsequent steps taken to prevent its unauthorized disclosure, are as set forth in paragraphs (6) and (7) following.
- 6. Initial approval of proprietary treatment of a document is made by the manager of the originating component, the person most likely to be acquainted with the value and sensitivity of the information in relation to industry knowledge, or subject to the terms under which it was licensed to GEH. Access to such documents within GEH is limited on a "need to know" basis.
- 7. The procedure for approval of external release of such a document typically requires review by the staff manager, project manager, principal scientist or other equivalent authority, for technical content, competitive effect, and determination of the accuracy of the proprietary designation. Disclosures outside GEH are limited to regulatory bodies, customers, and potential customers, and their agents, suppliers, and licensees, and others with a legitimate need for the information, and then only in accordance with appropriate regulatory provisions or proprietary agreements.
- 8. The information identified in paragraph (2), above, is classified as proprietary because it contains detailed information about the results of analytical models, methods and processes, including computer codes, which GEH has developed, obtained NRC approval of, and applied to perform evaluations of loss-of-coolant accident events in the GEH Boiling Water Reactor ("BWR").

The development and approval of the BWR loss-of-coolant accident analysis computer codes was achieved at a significant cost to GEH, on the order of several million dollars.

The development of the evaluation process along with the interpretation and application of the analytical results is derived from the extensive experience database that constitutes a major GEH asset.

- 9. Public disclosure of the information sought to be withheld is likely to cause substantial harm to GEH's competitive position and foreclose or reduce the availability of profit-making opportunities. The information is part of GEH's comprehensive BWR safety and technology base, and its commercial value extends beyond the original development cost. The value of the technology base goes beyond the extensive physical database and analytical methodology

and includes development of the expertise to determine and apply the appropriate evaluation process. In addition, the technology base includes the value derived from providing analyses done with NRC-approved methods.

The research, development, engineering, analytical and NRC review costs comprise a substantial investment of time and money by GEH.

The precise value of the expertise to devise an evaluation process and apply the correct analytical methodology is difficult to quantify, but it clearly is substantial.

GEH's competitive advantage will be lost if its competitors are able to use the results of the GEH experience to normalize or verify their own process or if they are able to claim an equivalent understanding by demonstrating that they can arrive at the same or similar conclusions.

The value of this information to GEH would be lost if the information were disclosed to the public. Making such information available to competitors without their having been required to undertake a similar expenditure of resources would unfairly provide competitors with a windfall, and deprive GEH of the opportunity to exercise its competitive advantage to seek an adequate return on its large investment in developing these very valuable analytical tools.

I declare under penalty of perjury that the foregoing affidavit and the matters stated therein are true and correct to the best of my knowledge, information, and belief.

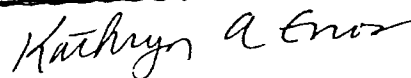
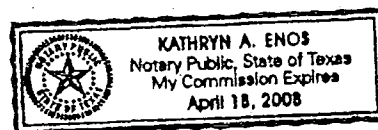
Executed on this 15th day of September 2007.



Joe Savage
GE-Hitachi Nuclear Energy
Project Manager, ABWR Licensing

T 910 602 1885
M 910 398 4690
F 910 362 2981
E joseph.savage@ge.com

3901 Castle Hayne Road, M/C J-70
Wilmington, NC, 28402



ATTACHMENT 2

JUSTIFICATION FOR EXEMPTION FROM 10 CFR 52

JUSTIFICATION FOR EXEMPTION FROM 10 CFR 52

10 CFR 52 Appendix A. IV.A.2.a requires that the plant-specific DCD follow the same organization and numbering system as was used in the U.S. ABWR DCD.

STPNOC is requesting an exemption from the 10 CFR 52 Appendix A.IV.A.2.a requirement to follow the U. S. ABWR DCD organization and numbering system. Tier 2 of the U.S. ABWR DCD includes Chapter 20 titled "Question and Response Guide." This chapter contains the NRC questions and General Electric responses that were developed during the ABWR certification. STPNOC has not included this chapter as part of the STP 3 & 4 COLA.

Chapter 20 was not required by the Standard Review Plan. Furthermore, this chapter contains historical information which is no longer relevant to the COLA. The Chapter 20 Questions and Responses were asked and answered during the certification process for the ABWR design. These questions and responses have been reviewed to identify any design-related information that is not contained in the other sections of the DCD. In two cases there are Tier 2* commitments made in the Question and Response Guide. The following table identifies the provisions in Chapter 20 that have been relocated to other parts of the FSAR.

Chapter 20 Provision	Relocated to FSAR
Section 20.3.8 – Response 420.69	Subsection 7.2.1.1.4
Section 20.3.8 – Response 420.92	Subsection 7.8.3

In accordance with 10 CFR 52.7 and 50.12 (a), an exemption is justified because:

- The exemption is authorized by law. The Atomic Energy Act does not specify whether the FSAR must use the same organization and numbering as the generic DCD.
- The exemption does not present an undue risk to the public. These changes to the generic DCD format do not present an undue risk to the public, since the information is not a required part of the COLA, it represents historical information, or it is addressed in other sections of the FSAR or DCD.
- The exemption is consistent with the common defense and security. The information in question does not pertain to security. Furthermore, the exemption pertains to a formatting issue and does not delete any substantive design information not included in other sections of the FSAR or DCD.
- Special circumstances are present in accordance with 10 CFR 50.12(a)(2)(ii). Specifically, application of the regulation in these particular instances would not serve the underlying purpose of the rule. The underlying purpose of the rule is to ensure that the information in the generic DCD is included in the plant-specific DCD. STPNOC has reviewed the information in Chapter 20 and has moved information from this section to other sections of the FSAR as necessary to ensure that the FSAR completely addresses the design-related information in Chapter 20.

ATTACHMENT 3

SUMMARY OF PREFLIGHT EVALUATIONS

SUMMARY OF PREFLIGHT EVALUATIONS

All submittal PDF files were prepared with Adobe Acrobat Version 8 using the current Job Options file provided by the NRC on its web site. All files passed the preflight check (using the latest NRC preflight profile provided on its web site) except a few files that contained scanned pages that were processed by the Acrobat Optical Character Recognition (OCR) process. In these cases, an error is generated for lack of embedded fonts in the files. This is due to the known and documented inability of Acrobat to embed the fonts in a scanned and OCR processed file.