

Wesignated Original

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

August 20, 2008 NOC-AE-08002344 File No.: G25 10 CFR 50.82

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

South Texas Project
Units 1 and 2
Docket Nos. STN 50-498 and STN 50-499
Withdrawal of Request for Exemption from 10 CFR 50.82(a)(8) (TAC No. MD6869/MD6870)

Reference: Letter from J. J. Sheppard to NRC Document Control Desk, "Request for Exemption from 10 CFR 50.82(a)(8)," dated September 19, 2007 (ML072750459)

As referenced above, pursuant to 10 CFR 50.12, STP Nuclear Operating Company (STPNOC), acting on behalf of NRG South Texas LP (NRG South Texas), the City Public Service Board of San Antonio (CPS) and the City of Austin, Texas (Austin Energy), requested an exemption from Nuclear Regulatory Commission (NRC) regulations to apply funds from the South Texas Project Electric Generating Station decommissioning trust funds (NDTs) to current activities relating to decommissioning. The purpose of the exemption request was to permit use of NDT funds for prompt disposal of Unit 1 and Unit 2 reactor pressure vessel heads and steam generators. STPNOC has decided to no longer pursue approval of this request, and hereby withdraws it from further NRC review.

This letter contains no commitments.

If there are any questions regarding this request, please contact Mr. Wayne Harrison at (361) 972-7298.

Scott M. Head Manager, Licensing

PLW

STI: 32352042

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