



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

January 21, 2010
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U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
One White Flint North
11555 Rockville Pike
Rockville, MD 20852

South Texas Project
Units 1 and 2
Docket Nos. STN 50-498 and STN 50-499
Supplement to Notice Regarding Withdrawal of Funds from
Nuclear Decommissioning Trust Subaccounts (TAC# ME0938/ME0939)

Reference: Letter from George R. Harrison to NRC Document Control Desk, "Notice Regarding Withdrawal of Funds from Nuclear Decommissioning Trust Subaccounts," dated December 30, 2009 (NOC-AE-09002499)

By means of the referenced correspondence, STP Nuclear Operating Company (STPNOC), acting on behalf of NRG South Texas LP (NRG South Texas), provided Notice of planned withdrawals from NRG South Texas's large component disposal subaccounts in its nuclear decommissioning trust funds (NDTs). The following supplemental information addresses the source of funds applied to the disposal subaccounts.

This confirms that NRG South Texas created large component disposal subaccounts, as described in the December 30, 2009 letter, pursuant to the terms of an Order issued by the Public Utility Commission of Texas (PUCT) on July 13, 2009. NRG South Texas requested that the subaccounts be created to "allow NRG South Texas to accumulate segregated funds that can be used to pay for pre-shutdown disposal of [large] components." (PUCT Order, page 3) As noted in the Order, "NRG South Texas's estimated share of the large component costs is \$8,217,033 for STP Unit 1 and \$7,977,524 for STP Unit 2," and NRG South Texas requested that the subaccounts be funded from ratepayer collections "on a priority basis, until the subaccounts are fully funded." (PUCT Order, page 3) The PUCT Order approved NRG South Texas's request, and NRG South Texas began funding the subaccounts with funds received from ratepayers beginning July 2009. Priority funding of these segregated subaccounts from funds collected from ratepayers will continue until the authorized amounts have accumulated to fully fund these subaccounts.

This letter contains no new commitments.

If additional information is needed concerning this request, please contact Philip L. Walker at 361-972-8392, or me at 361-972-8074.

George R. Harrison
General Manager
Finance and Accounting

PLW
STI: 32600860

A001
NRA

cc:
(paper copy)

(electronic copy)

Regional Administrator, Region IV
U.S. Nuclear Regulatory Commission
612 East Lamar Blvd., Suite 400
Arlington, TX 76011-425

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

Mohan C. Thadani
U. S. Nuclear Regulatory Commission

Mohan C. Thadani
Senior Project Manager
U.S. Nuclear Regulatory Commission
One White Flint North (MS 8B1A)
11555 Rockville Pike
Rockville, MD 20852

K.T. Howell
C. Callaway, Esq.
J. von Suskil
NRG South Texas LP

Senior Resident Inspector
U.S. Nuclear Regulatory Commission
P.O. Box 289, Mail Code: MN116
Wadsworth, TX 77483

E. Alarcon
J.J. Nesrsta
K. Pollo
C.E. Shellman, Esq.
City Public Service Board

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

J. C. Wood, Esq.
Cox, Smith Matthews

C. Mele
City of Austin

Richard A. Ratliff
Texas Department of State Health Services

Alice Rogers
Texas Department of State Health Services