



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

December 16, 2010
NOC-AE-10002629
File No.: G25
STI 32800048
10 CFR 50.75(h)

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
Notice Regarding Withdrawal of Funds from Nuclear Decommissioning Trust Subaccounts

STP Nuclear Operating Company ("STPNOC"), acting on behalf of NRG South Texas LP ("NRG South Texas"), hereby provides Notice of planned withdrawals during 2011 from NRG South Texas's large component disposal subaccounts in its nuclear decommissioning trust funds (NDTs).

In accordance with conditions imposed by prior Order of the U.S. Nuclear Regulatory Commission ("NRC"), Section 2.04 of the trust agreements governing the NRG South Texas NDTs requires that Notice be provided to the NRC at least thirty days prior to any disbursement from the NDTs, other than disbursements to pay administrative costs. NRG South Texas created the large component disposal subaccounts pursuant to the terms of an Order issued by the Public Utility Commission of Texas on July 13, 2009. Since that time, funds have been accumulated in the subaccounts, and NRG South Texas made withdrawals from the subaccounts during the second half of 2010. On December 30, 2009, STPNOC submitted Notice regarding the planned withdrawals for 2010, and following a review, the NRC staff issued a letter dated July 6, 2010 stating that it had no objection to such withdrawals for the year 2010.

Provided that the NRC staff continues to have no objection to withdrawals in 2011, no further action by the NRC is required. Under the terms of the trust agreements, NRG South Texas will

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be authorized to make such withdrawals unless the NRC staff makes a written objection to the Trustee within 30 days after this Notice or prior to any actual disbursement in 2011.

This letter contains no new commitments.

If NRC requires additional information concerning this request, please contact Philip L. Walker at (361) 972-8392 or me at (361) 972-8074.

Dan Clark for GRH

George R. Harrison
General Manager, Finance and
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cc:
(paper copy)

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