



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

October 3, 2012
NOC-AE-12002905
10 CFR 50.80
STI: 33603195

U. S. Nuclear Regulatory Commission
Attention: Document Control Desk
Washington, DC 20555-0001

South Texas Project
Units 1 and 2
Docket Nos. STN 50-498, STN 50-499
Response to Request for Additional Information Regarding Threshold
Determination Under 10 CFR 50.80 (TAC Nos. ME9166 AND ME9167)

- Reference:
- (1) Letter from M.P. Murray to NRC Document Control Desk, "Request for Threshold Determination Under 10 CFR 50.80," dated August 1, 2012 (NOC-AE-12002895) (ML12228A380)
 - (2) Letter from M.P. Murray to NRC Document Control Desk, "Supplemental Information Regarding Request for Threshold Determination Under 10 CFR 50.80," dated August 28, 2012 (NOC-AE-12002899) (ML12261A334)
 - (3) Letter from B.K. Singal to K.D. Richards, "Request for Additional Information Regarding Threshold Determination Under 10 CFR 50.80," dated September 28, 2012 (ML12258A128)

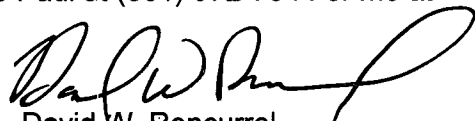
In Reference 1, the STP Nuclear Operating Company ("STPNOC"), acting on behalf of NRG South Texas LP ("NRG South Texas"), provided notice regarding a proposed merger involving NRG South Texas's ultimate parent company, NRG Energy, Inc. ("NRG Energy"). NRG South Texas is an owner licensee for 44% of South Texas Project, Units 1 and 2 ("STP 1&2"). STPNOC is the licensed operator of STP 1&2. STPNOC requested that the NRC staff review the proposed transaction described in Reference 1 and make a threshold determination that it does not involve any direct or indirect transfer of control of NRG South Texas LP or its licenses for STP 1&2 that would require approval pursuant to 10 CFR 50.80.

In Reference 2, STPNOC provided supplemental information regarding foreign ownership.

In Reference 3, the NRC staff has requested additional information regarding the Request for Threshold Determination Under 10 CFR 50.80. Attached is a Response to the NRC Request for Additional Information. The attachment also includes updated information. NRG Energy and GenOn Energy have now identified four individuals from the GenOn Energy Board of Directors who will join the existing NRG Energy Board of Directors.

This letter contains no NRC commitments.

If there are any questions, please contact either Mr. Jamie Paul at (361) 972-7344 or me at (361) 972-7867.


David W. Rencurrel
Chief Nuclear Officer

Enclosure: Response to Request for Additional Information

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LWR

cc:

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Response to Request for Additional Information (RAI)

NRC RAI:

- 1. Please provide information on the State Street Corporation foreign domiciled subsidiary that holds an undisclosed number of voting common stock of NRG Energy.***

NRG Response:

NRG Energy, Inc. ("NRG Energy") and GenOn Energy, Inc. ("GenOn Energy") are both Delaware corporations that are publicly traded companies. Their securities are traded on the New York Stock Exchange and are widely held. In response to the Commission's Request for Information ("RFI"), NRG has identified information regarding potential foreign shareholders of the combined company, based upon various filings with the Securities and Exchange Commission ("SEC").

The RAI requests additional information about State Street Corporation ("State Street"). State Street is incorporated in Massachusetts. According to State Street's August 3, 2012 10-Q filing with the SEC, "State Street Corporation . . . is a financial holding company headquartered in Boston, Massachusetts. . . . Our principal banking subsidiary is State Street Bank and Trust Company, or State Street Bank. At June 30, 2012, we had total assets of \$200.78 billion, total deposits of \$143.77 billion, total shareholders' equity of \$19.90 billion and 29,665 employees."

State Street's SEC Schedule 13G and Form 13F, both filed with the SEC on February 9, 2012, and its SEC Form 13F dated August 13, 2012 (filed August 14, 2012), report the holdings of State Street and its subsidiaries as of December 31, 2011 and June 30, 2012, respectively. Based upon these filings, NRG Energy can provide the following summary of ownership of the combined company:

<i>Entity</i>	<i>SEC Filing Date</i>	<i>NRG Ownership %</i>	<i>GenOn Ownership %</i>	<i>Pro Forma Post-Merger Ownership %</i>
State Street	As of December 31, 2011	5.3% ¹	1.3% ²	NA
State Street	As of June 30, 2012	5.1% ³	2.2% ⁴	4.3%

Item 7 of the State Street Schedule 13G dated February 9, 2012 indicates that the reported amount of shares held by State Street include several subsidiaries identified on

¹ SEC Schedule 13G dated February 9, 2012.

² SEC Form 13F dated February 9, 2012.

³ SEC Form 13F dated August 13, 2012.

⁴ SEC Form 13F dated August 13, 2012.

Exhibit 1 of the filing. The State Street subsidiary companies named in Exhibit 1 are as follows:

State Street Bank and Trust Company
SSgA Funds Management, Inc.
State Street Global Advisors Limited
State Street Global Advisors Ltd.
State Street Global Advisors, Australia Limited
State Street Global Advisors Japan Co., Ltd.
State Street Global Advisors, Asia Limited
State Street Global Advisors France S.A.

The SEC does not require State Street to report how many shares each of these subsidiaries might hold. In any event, the foreign domiciled entities are subsidiaries of State Street, and each is presumably owned and controlled by State Street, which is a U.S. company. Thus, the shares would be under U.S. control.

State Street has no right to appoint any manager or director of NRG Energy, and it has no special voting rights beyond those held by all other voting shareholders of NRG Energy. Moreover, the SEC Schedule 13G filing specifically certifies that State Street did not acquire its shares for the purpose of or with the effect of changing or influencing the control of NRG Energy.

Additional Information Regarding NRG Directors:

In addition to the above information, NRG Energy and GenOn Energy have now identified four individuals from the GenOn Energy Board of Directors who will join the existing NRG Energy Board of Directors. The Board of Directors of the combined company will be:

1. David Crane, Pres & CEO
2. Howard Cosgrove, Chairman
3. Kirbyjon Caldwell
4. John Chlebowski
5. Larry Coben
6. Bill Hantke
7. Paul Hobby
8. Gerald Luterman
9. Kathleen McGinty
10. Anne Schaumburg
11. Tom Weidemeyer
12. Walter Young
13. Evan J. Silverstein - GenOn
14. Edward R. Muller – GenOn (will be Vice Chair)
15. Terry G. Dallas - GenOn
16. Edward Spencer Abraham – GenOn

All of the Directors are U.S. citizens.