

February 24, 2025 NOC-AE-25004087 10 CFR 50.75(h) STI: 35706532

ATTN: Director, Office of Nuclear Material Safety and Safeguards U.S. Nuclear Regulatory Commission Washington, DC 20555-0001

South Texas Project Units 1 and 2 Docket Nos. STN 50-498 and STN 50-499 <u>Notice Regarding Withdrawal of Funds from Nuclear Decommissioning Trust Subaccounts</u>

- References: 1. Letter; G.R. Harrison (STP) to Document Control Desk (NRC), "Supplement 2 to Notice Regarding Withdrawal of Funds from Nuclear Decommissioning Trust Subaccounts (TAC# ME0938/ME0939)," dated February 11, 2010 (NOC-AE-10002519) (ML100501159)
 - Letter; J.G. Giitter (NRC) to E.D. Halpin (STP), "South Texas Project, Units 1 and 2 - Notice of Planned Withdrawal of Funds from NRG South Texas Nuclear Decommissioning Trust Fund Subaccounts (TAC Nos. ME3296 and ME3297)," dated July 6, 2010 (AE-NOC-10002012) (ML101580250)
 - Letter; D.J. Galvin (NRC) to G.T. Powell (STP), "South Texas Project, Units 1 and 2 and the Associated Independent Spent Fuel Storage Installation – Issuance of Amendment Nos. 226 and 211 Related to Order Approving Indirect Transfer of Licenses and Conforming License Amendments (EPID L-2023-LLM-0004)," dated November 1, 2023 (AE-NOC-23003390) (ML23298A000)

STP Nuclear Operating Company (STPNOC), acting on behalf of Constellation South Texas, LLC (Constellation South Texas), hereby provides Notice of planned withdrawals of up to \$9.6 million from Constellation South Texas spent fuel management subaccounts in its nuclear decommissioning trust funds (NDTs) to pay for the Constellation South Texas share of spent fuel management expenses incurred through December 31, 2025.

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 Constellation 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 LP created the spent fuel management subaccounts pursuant to the terms of an Order issued by the Public Utility Commission of Texas on October 10, 2008. Further details regarding the spent fuel management subaccounts were provided in Reference 1. These subaccounts were evaluated by the NRC staff in Reference 2 in connection with a prior notice of planned withdrawals from NRG South Texas large component disposal subaccounts. NRG South Texas licenses were transferred to Constellation South Texas in Reference 3.

Constellation South Texas plans to withdraw funds to pay for spent fuel management expenses. Notice is hereby given that monthly or quarterly withdrawals are planned to fund the spent fuel management expenses incurred through the calendar year of 2025. Constellation South Texas currently expects to make withdrawals on a quarterly basis, and therefore, its first withdrawal is expected to be made in April 2025, with subsequent withdrawals to follow in July 2025, October 2025, and January 2026.

STPNOC plans to make further annual Notices to the NRC regarding planned withdrawals for spent fuel management expenses incurred in 2026 and other future years. The proposed amounts of withdrawals will likely vary from year to year due to a variety of factors such as annual fluctuations in expenses, the expected recoveries of certain costs from the U.S. Department of Energy (DOE), and the timing of payments made by the DOE, which are expected to provide a further source of funding for ongoing spent fuel management activities.

Provided that the NRC staff has no objection to the planned withdrawals, no further action by the NRC is required. Under the terms of the trust agreements, Constellation South Texas will 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.

There are no commitments in this letter.

If there are any questions regarding this matter, please contact Stephanie Rodgers at (361) 972-4527 or me at (361) 972-4335.

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Savannah Cornelius Vice President, Strategic Resources

CC:

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

Regional Administrator, Region IV U.S. Nuclear Regulatory Commission 1600 E. Lamar Boulevard Arlington, TX 76011-4511