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UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

August 1, 2025

Joann Harthcock, Deputy Director  
Radiation Section,  
Texas Department of State  
Health Services  
Mail Code 1986,  
P.O. Box 149347  
Austin, TX 78714-9347

SUBJECT: REVIEW OF THE DRAFT ENVIRONMENTAL ASSESSMENT AND FINDING OF NO SIGNIFICANT IMPACT FOR SOUTH TEXAS PROJECT ELECTRIC GENERATING STATION UNIT 1 AND 2 INDEPENDENT SPENT FUEL STORAGE INSTALLATION INITIAL AND UPDATED DECOMMISSIONING FUNDING PLANS

Dear Joann Harthcock:

By letters dated September 26, 2018 (Agencywide Documents Access and Management System [ADAMS] Accession No. ML18269A258), September 27, 2021 (ML21270A142), and September 25, 2024 (ML24270A273), South Texas Project (STP) Nuclear Operating Company (STPNOC) submitted initial and updated decommissioning funding plans (DFPs), respectively, for the independent spent fuel storage installation (ISFSI) at STP Unit 1 and 2, located in Bay City, Texas for the U.S. Nuclear Regulatory Commission (NRC) staff review and approval. The NRC staff is currently reviewing these initial and updated DFPS submitted by STPNOC.

The NRC regulations at Title 10 of the *Code of Federal Regulations* (10 CFR) Part 72, "Licensing Requirements for the Independent Storage of Spent Nuclear Fuel, High-Level Radioactive Waste, and Reactor-Related Greater than Class C Waste," govern the storage of spent nuclear fuel (spent fuel) generated at commercial nuclear power reactors licensed by the NRC. Spent fuel that has been removed from the reactor's spent fuel pool is typically stored at a nuclear power plant's ISFSI.

The NRC requires its licensees to plan for the eventual decommissioning of their licensed facilities prior to license termination. On June 17, 2011, the NRC published a final rule amending its decommissioning planning regulations (76 *Federal Register* 35512). The final rule amended the NRC regulation, 10 CFR Section 72.30, which concerns financial assurance and decommissioning for ISFSIs. This regulation now requires each holder of, or applicant for, a license under 10 CFR Part 72 to submit, for NRC review and approval, a DFP.

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The purpose of the DFP is to demonstrate the licensee's financial assurance (i.e., that funds will be available to decommission the ISFSI). The NRC staff is reviewing the information submitted by STPNOC. Specifically, the NRC must determine whether STP DFPs contain the information required by 10 CFR 72.30(b) (for the initial DFP) and 10 CFR 72.30(c) (for the updated DFPs), and whether STPNOC has provided reasonable assurance that funds will be available to decommission the STP Unit 1 and 2 ISFSI.

In accordance with 10 CFR Part 51, which contains the NRC regulations that implement the National Environmental Policy Act of 1969, as amended, the agency has prepared a separate draft environmental assessment (EA) for the STP Unit 1 and 2 ISFSI for the proposed action (enclosed). We are providing your office with the opportunity to review the draft EA and comment on environmental issues prior to the public issuance and publication of the EA. We request that distribution and use of the enclosed draft EA be limited only to those staff involved in the review and comment process.

Please submit any comments within 30 days from the date of this letter to the NRC, Document Control Desk, ATTN: Yoira Diaz-Sanabria, Mail Stop: TWFN 4B34, U.S. Nuclear Regulatory Commission, Washington, DC 20555. If you have any questions, please contact Daneira Meléndez-Colón of my staff by telephone at 301-415-7295, or by email at [Daneira.Melendez-Colon@nrc.gov](mailto:Daneira.Melendez-Colon@nrc.gov). The NRC staff will consider your timely comments and will revise the EA, as appropriate, before its final issuance and publication. Thank you for your assistance.

Sincerely,



Signed by Diaz-Sanabria, Yoira  
on 08/01/25

Yoira Diaz-Sanabria, Chief  
Storage and Transportation Licensing Branch  
Division of Fuel Management  
Office of Nuclear Material Safety  
and Safeguards

Docket No.: 72-1041  
EPID No.: L-2025-FPR-0000

Enclosure:  
Draft EA for STP ISFSI

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DOCUMENT DATE: August 1, 2025

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