

November 19, 1999

Mr. William T. Cottle
President and Chief Executive Officer
STP Nuclear Operating Company
South Texas Project Electric
Generating Station
P. O. Box 289
Wadsworth, TX 77483

SUBJECT: SOUTH TEXAS PROJECT, UNITS 1 AND 2 - REVIEW OF PROPOSED
EXEMPTION TO EXCLUDE CERTAIN COMPONENTS FROM THE SCOPE OF
SPECIAL TREATMENT REQUIREMENTS (TAC NOS. MA6057 AND MA6058)

Dear Mr. Cottle:

This letter is to inform you that the July 13, 1999, application referenced above has been accepted as part of the pilot program where plant-specific exemptions will be used to assist the NRC staff in the development of changes to 10 CFR Part 50 with the intent of reducing unnecessary regulatory burden while maintaining safety. The pilot program reviews will assist in the development of a well-structured risk-informed regulatory regime that will provide increased effectiveness of regulated activities and reduce future review costs for the industry overall.

Based on your participation in the pilot plant program, NRC has granted an exemption from the 10 CFR Part 170 fee requirement for the review of the July 13, 1999, submittal in accordance with 10 CFR 170.11(b)(1), per the enclosed October 8, 1999, memorandum from the NRC's Chief Financial Officer, Jesse L. Funches, to Samuel J. Collins, Director of the Office of Nuclear Reactor Regulation.

Sincerely,

ORIGINAL SIGNED BY

Robert A. Gramm, Chief, Section 1
Project Directorate IV & Decommissioning
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-498 and 50-499

Enclosure: As stated

cc w/encl: See next page

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South Texas, Units 1 & 2

cc:

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