



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

*Resubmitted Original*

May 25, 2006  
NOC-AE-06002023

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 No. STN 50-498 and STN 50-499  
Completion of NRG Energy, Inc. Corporate Restructuring  
Affecting NRG South Texas LP and Effectiveness of Support Agreement

This letter provides notice that NRG Energy, Inc. has completed the restructuring described in our letter dated April 13, 2006 (ML061110194). In that letter, STP Nuclear Operating Company (STPNOC) also requested NRC consent to the modification of an existing \$120 million financial "Support Agreement" dated April 13, 2005 between NRG Texas LLC (formerly "Texas Genco LLC") and NRG South Texas LP (April 2005 Agreement). In addition, STPNOC submitted a copy of a supplemental "Support Agreement" executed by NRG Energy, Inc. that is substantially similar to the existing April 2005 Agreement, but which also provides NRG South Texas LP with the right to \$120 million in financial support directly from NRG Energy, Inc. effective upon completion of the restructuring (2006 Agreement).

NRG Energy, Inc. completed the restructuring as described in the April 13, 2006 letter, except that 80.23% of the non-voting stock of Texas Genco Holdings, Inc. (TGN) is being held by a wholly-owned subsidiary of NRG Energy, rather than 100% as previously contemplated. This entity which was previously identified as "NRG Texas Generation Holdings, Inc." will instead be known as "NRG Generation Holdings Inc." NRG Energy, Inc. holds the remaining 19.77% of the non-voting stock, as well as 100% of the voting stock of TGN. A simplified organizational chart showing the post-restructuring ownership of NRG South Texas LP and both voting and non-voting classes of TGN common stock is provided as Attachment 1.

With the restructuring having been completed, the 2006 Agreement between NRG Energy, Inc. and NRG South Texas LP is now fully effective. STPNOC renews its request for NRC's written consent to the proposed amendments to the April 2005 Agreement and further requests that NRC confirm its agreement that the restructuring described in the April 13, 2006 letter and this letter does not involve any direct or indirect transfer of control that would have required NRC's prior written consent in accordance with 10 CFR 50.80.

There are no commitments in this letter.

STI: 32009631

*Accol*

If there are any questions regarding this letter, please contact John Conly at (361) 972-7336 or me at (361) 972-7074.



John W. Crenshaw  
General Manager, Oversight

jtc

Attachment 1 -- Simplified Organization Chart for NRG South Texas LP

cc:

(paper copy)

Regional Administrator, Region IV  
U. S. Nuclear Regulatory Commission  
611 Ryan Plaza Drive, Suite 400  
Arlington, Texas 76011-8064

Richard A. Ratliff  
Bureau of Radiation Control  
Texas Department of State Health Services  
1100 West 49th Street  
Austin, TX 78756-3189

Senior Resident Inspector  
U. S. Nuclear Regulatory Commission  
P. O. Box 289, Mail Code: MN116  
Wadsworth, TX 77483

C. M. Canady  
City of Austin  
Electric Utility Department  
721 Barton Springs Road  
Austin, TX 78704

(electronic copy)

A. H. Gutterman, Esquire  
Morgan, Lewis & Bockius LLP

Mohan C. Thadani  
Susan Uttal  
Steve Hom  
U. S. Nuclear Regulatory Commission

Steve Winn  
Christine Jacobs  
Michael A. Reed  
NRG South Texas LP

J. J. Nesrsta  
R. K. Temple  
E. Alarcon  
City Public Service

Jon C. Wood  
Cox Smith Matthews

C. Kirksey  
City of Austin

## Simplified Organization Chart for NRG South Texas LP

