

Mr. William T. Cottle
Executive Vice-President &
General Manager, Nuclear
Houston Lighting & Power Company
South Texas Project Electric
Generating Station
P. O. Box 289
Wadsworth, TX 77483

April 8, 1997

SUBJECT: ORDER APPROVING THE FORMATION OF A NEW OPERATING COMPANY - SOUTH TEXAS PROJECT, UNITS 1 AND 2 (STP) (TAC NOS. M96411 AND M96412)

Dear Mr. Cottle:

The enclosed Order is in partial response to an application dated August 23, 1996, as supplemented by letters dated October 1 and 15, 1996, and January 28, 1997, from Houston Lighting & Power Company (HL&P) requesting approval of the transfer of operating authority under the licenses to a new operating company and issuance of conforming amendments pursuant to Sections 50.80 and 50.90 of Title 10 of the Code of Federal Regulations. The enclosed Order provides consent to the proposed transfer, subject to the conditions described therein. Conforming amendments to the license will be issued at the time the transfer is completed.

The Order has been forwarded to the Office of the Federal Register for publication.

Sincerely,

ORIGINAL SIGNED BY:

Thomas W. Alexion, Project Manager
Project Directorate IV-1
Division of Reactor Projects III/IV
Office of Nuclear Reactor Regulation

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*See previous concurrence

Docket Nos. 50-498
and 50-499

Enclosures: 1. Order
2. Safety Evaluation

cc w/encls: See next page

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DOCUMENT NAME: STP96411.ORD

OFC	PM/PDIV-1	LA/PDIV-1	PGE*	D/DRCH	TECH ED*
NAME	TAlexion/cf	CHawes CMH	DMatthews	BBoger	BCalure
DATE	2/24/97	2/24/97	02/20/97	2/25/97	02/28/97
COPY	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO

OFC	OGC	PD/PDIV-1	D/DRPW	ADPR/NRR	D/NRR
NAME	SHom	WBeckner	JRoe	RZimmerman	SCollins
DATE	3/13/97	3/17/97	4/1/97	4/1/97	4/8/97
COPY	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO

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UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

April 8, 1997

Mr. William T. Cottle
Executive Vice-President &
General Manager, Nuclear
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TEXAS PROJECT, UNITS 1 AND 2 (STP) (TAC NOS. M96411 AND M96412)

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Sincerely,

A handwritten signature in cursive script that reads "Thomas W. Alexion".

Thomas W. Alexion, Project Manager
Project Directorate IV-1
Division of Reactor Projects III/IV
Office of Nuclear Reactor Regulation

Docket Nos. 50-498
and 50-499

Enclosures: 1. Order
2. Safety Evaluation

cc w/encls: See next page

Mr. William T. Cottle
Houston Lighting & Power Company

South Texas, Units 1 & 2

cc:

Mr. David P. Loveless
Senior Resident Inspector
U.S. Nuclear Regulatory Commission
P. O. Box 910
Bay City, TX 77414

Jack R. Newman, Esq.
Morgan, Lewis & Bockius
1800 M Street, N.W.
Washington, DC 20036-5869

Mr. J. C. Lanier/M. B. Lee
City of Austin
Electric Utility Department
721 Barton Springs Road
Austin, TX 78704

Mr. Lawrence E. Martin
General Manager, Nuclear Assurance Licensing
Houston Lighting and Power Company
P. O. Box 289
Wadsworth, TX 77483

Mr. M. T. Hardt
Mr. W. C. Gunst
City Public Service Board
P. O. Box 1771
San Antonio, TX 78296

Rufus S. Scott
Associate General Counsel
Houston Lighting and Power Company
P. O. Box 61867
Houston, TX 77208

Mr. G. E. Vaughn/C. A. Johnson
Central Power and Light Company
P. O. Box 289
Mail Code: N5012
Wadsworth, TX 74483

Joseph R. Egan, Esq.
Egan & Associates, P.C.
2300 N Street, N.W.
Washington, DC 20037

INPO
Records Center
700 Galleria Parkway
Atlanta, GA 30339-3064

Office of the Governor
ATTN: Andy Barrett, Director
Environmental Policy
P. O. Box 12428
Austin, TX 78711

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

Arthur C. Tate, Director
Division of Compliance & Inspection
Bureau of Radiation Control
Texas Department of Health
1100 West 49th Street
Austin, TX 78756

Dr. Bertram Wolfe
15453 Via Vaquero
Monte Sereno, CA 95030

J. W. Beck
Little Harbor Consultants, Inc.
44 Nichols Road
Cohasset, MA 02025-1166

Judge, Matagorda County
Matagorda County Courthouse
1700 Seventh Street
Bay City, TX 77414