



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

February 22, 2022
NOC-AE-22003869
10 CFR 50.75(h)
STI: 35285086

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

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

- References: 1. Letter from G.R. Harrison to NRC Document Control Desk, "Supplement 2 to Notice Regarding Withdrawal of Funds from Nuclear Decommissioning Trust Subaccounts (TAC# ME0938/ME0939)," dated February 11, 2010 (NOC-AE-10002519) (ML100501159)
2. Letter from J.G. Giitter to E.D. Halpin, "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)

STP Nuclear Operating Company (STPNOC), acting on behalf of NRG South Texas LP (NRG South Texas), hereby provides Notice of planned withdrawals of up to \$8.5 million from NRG South Texas spent fuel management subaccounts in its nuclear decommissioning trust funds (NDTs) in order to pay for NRG South Texas share of spent fuel management expenses incurred through December 31, 2022.

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 NRG 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 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 now desires to withdraw funds to pay for spent fuel management expenses. Notice is hereby given that monthly or quarterly withdrawals are planned in order to fund the spent fuel management expenses incurred through the calendar year of 2022. NRG South Texas currently expects to make withdrawals on a quarterly basis, and therefore, its first withdrawal is expected to be made in April 2022, with subsequent withdrawals to follow in July 2022, October 2022, and January 2023.

STPNOC plans to make further annual Notices to NRC regarding planned withdrawals for spent fuel management expenses incurred in 2023 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 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, NRG 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.

This letter contains no new commitments.

If there are any questions regarding this matter, please contact Tim Hammons at (361) 972-7347 or myself at (361) 972-4335.



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cc:

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