



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

January 19, 2011
U7-C-STP-NRC-110014

U. S. Nuclear Regulatory Commission
Attention: Document Control Desk
One White Flint North
11555 Rockville Pike
Rockville, MD 20852-2738

South Texas Project
Units 3 and 4
Docket Nos. 52-012 and 52-013
Update to Change in Lead Applicant for STP 3 & 4

Reference: Letter from Mark McBurnett to Document Control Desk, "Change in Lead Applicant for STP 3 & 4," U7-C-STP-NRC-100263 dated December 10, 2010 (ML103490483)

As an update to the referenced letter, STP Nuclear Operating Company (STPNOC) informs the Nuclear Regulatory Commission (NRC) that on January 24, 2011, Nuclear Innovation North America LLC (NINA) will become the lead applicant for South Texas Project (STP), Units 3 & 4 while retaining STPNOC as the operator. NINA, the parent company of the NINA Texas 3 LLC and NINA Texas 4 LLC, owns 92.375% of STP 3 and STP 4. As described below, NINA will be the applicant seeking licenses to authorize NINA to design and construct STP 3 & 4. As such, NINA will assume responsibility for design, construction, and licensing prior to operation for STP 3 & 4, and STPNOC will retain responsibility for operation of these units. As the lead applicant, NINA will act on behalf of all of the applicants for STP 3 & 4.

NINA intends to submit a revision to the combined license application (COLA) for STP 3 & 4 by January 31, 2011. This revision will modify COLA Part 1 and Chapters 1, 13, and 17 of the Final Safety Analysis Report to reflect this organizational arrangement and to reflect the division of responsibility between NINA and STPNOC, and the future transition of these responsibilities. To facilitate the transition, NINA is adopting the quality assurance program, policies, procedures, and processes developed by STPNOC for the project and has retained the STPNOC project staff. As the applicant with primary responsibility, NINA will assume full responsibility under the application and the licenses for responsibilities associated with all previously performed activities. In this regard, NINA will adopt all past statements and take responsibility for all past actions by STPNOC during the licensing of STP 3 & 4. However, this does not include the application to amend the design certification rule for the U.S. Advanced Boiling Water Reactor that is being reviewed under Docket No. 52-001. STPNOC will continue to be the applicant for this design certification amendment.

Pursuant to the license for each facility, NINA will be responsible for meeting all of the requirements of the license, including compliance with the regulations and maintenance of all of the programs required by each license (such as quality assurance program, security program, records management, etc.) until responsibility under each license is transitioned to STPNOC

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upon issuance of the NRC finding contemplated by 10 CFR 52.103(g) or the 52.103(c) determination allowing interim operation, which will occur prior to initial fuel load for each of STP 3 & 4. To the extent that STPNOC engages in activities prior to such finding or determination in preparation for operations, it will do so pursuant to the licenses and NINA's programs, processes, and procedures. NINA will be responsible for such activities conducted by STPNOC.

Responsibility under each license, including compliance with the regulations and maintenance of all of the programs required by each license, will be completely transitioned to STPNOC upon issuance of the NRC finding contemplated by 10 CFR 52.103(g) or a 52.103(c) determination allowing interim operation, which will occur prior to initial fuel load for each of STP 3 & 4. To the extent that NINA conducts construction activities relating to a facility after responsibility for the license has been transitioned to STPNOC, STPNOC will be the responsible licensee, and NINA will conduct such activities pursuant to STPNOC's programs, processes, and procedures.

As a result of the change in the lead applicant, starting on January 24, 2011, correspondence on the docket should be addressed to NINA and the standard distribution list for South Texas Project, Units 3 & 4 correspondence should be modified as follows:

ADD

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Mr. Steve Winn
President and CEO
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There are no commitments in this letter.

If you have any questions, please contact Scott Head at (361) 972-7136 or Bill Mookhoek at (361) 972-7274.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 1/19/2011



Mark McBurnett
Vice-President, Oversight and Regulatory Affairs
South Texas Project Units 3 & 4

lee

cc:

(paper copy)

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