



NUCLEAR REGULATORY COMMISSION

[Docket Nos. 50-498, 50-499, and 72-1041; NRC-2023-0128]

In the Matter of STP Nuclear Operating Company and NRG South Texas LP;

South Texas Project, Units 1 and 2

and the Associated Independent Spent Fuel Storage Installation

AGENCY: Nuclear Regulatory Commission.

ACTION: Indirect transfer of licenses; order.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is issuing an order approving the application filed by STP Nuclear Operating Company, acting on behalf of Constellation Energy Generation, LLC (CEG) and NRG South Texas LP (NRG South Texas) and its parent companies, on June 12, 2023, as supplemented by letters dated August 31, 2023, and October 5, 2023. Specifically, the order approves the indirect transfer of possession-only non-operating interests in Renewed Facility Operating License Nos. NPF-76 and NPF-80 for South Texas Project (STP), Units 1 and 2, respectively, and its generally licensed independent spent fuel storage installation from NRG South Texas to CEG and the issuance of conforming amendments to the operating licenses.

DATES: The order was issued on October 30, 2023, and is effective for 1 year.

ADDRESSES: Please refer to Docket ID **NRC-2023-0128** when contacting the NRC about the availability of information regarding this document. You may obtain publicly available information related to this document using any of the following methods:

- **Federal Rulemaking Website:** Go to <https://www.regulations.gov> and search for Docket ID **NRC-2023-0128**. Address questions about Docket IDs in Regulations.gov to Stacy Schumann; telephone: 301-415-0624; email: Stacy.Schumann@nrc.gov. For technical questions, contact the individual listed in the “For Further Information Contact” section of this document.

- **NRC's Agencywide Documents Access and Management System**

(ADAMS): You may obtain publicly available documents online in the ADAMS Public Documents collection at <https://www.nrc.gov/reading-rm/adams.html>. To begin the search, select "Begin Web-based ADAMS Search." For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1-800-397-4209, at 301-415-4737, or by email to PDR.Resource@nrc.gov. The order, the NRC staff safety evaluation supporting the order, and the draft conforming license amendments are available at ADAMS Package Accession No. ML23279A022.

- **NRC's PDR:** The PDR, where you may examine and order copies of publicly available documents, is open by appointment. To make an appointment to visit the PDR, please send an email to PDR.Resource@nrc.gov or call 1-800-397-4209 or 301-415-4737, between 8 a.m. and 4 p.m. eastern time (ET), Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Dennis Galvin, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, telephone: 301-415-6256; email: Dennis.Galvin@nrc.gov.

SUPPLEMENTARY INFORMATION: The text of the order is attached.

Dated: October 30, 2023.

For the Nuclear Regulatory Commission.

Dennis J. Galvin,
*Project Manager, Plant Licensing Branch IV,
Division of Operator Reactor Licensing,
Office of Nuclear Reactor Regulation.*

Attachment – Order Approving Indirect Transfer of Licenses and Conforming License Amendments

UNITED STATES OF AMERICA

NUCLEAR REGULATORY COMMISSION

In the Matter of)	
)	
)	
STP NUCLEAR OPERATING COMPANY)	
AND NRG SOUTH TEXAS LP)	
)	
(South Texas Project, Units 1 and 2 and)	Docket Nos. 50-498, 50-499, and
72-1041)	
the Associated Independent Spent Fuel)	
Storage Installation))	Renewed License Nos. NPF-76 and
)	NPF-80

ORDER APPROVING INDIRECT TRANSFER OF LICENSES AND
CONFORMING LICENSE AMENDMENTS

I.

STP Nuclear Operating Company (STPNOC) is the licensed operator for the U.S. Nuclear Regulatory Commission (NRC, the Commission) Renewed Facility Operating License Nos. NPF-76 and NPF-80 and the general license for the independent spent fuel storage installation (ISFSI), which authorize the possession, use, and operation of South Texas Project (STP), Units 1 and 2 and the STP ISFSI, respectively (collectively, the Facility). The Facility is located in Matagorda County, Texas.

II.

Pursuant to title 10 of the *Code of Federal Regulations* (10 CFR) section 50.80, “Transfer of licenses,” 10 CFR 50.90, “Application for amendment of license, construction permit, or early site permit,” and 10 CFR 72.50, “Transfer of license,” and by application dated June 12, 2023 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML23163A176), as supplement by letters dated August 31, 2023, and October 5, 2023 (ML23243B056 and ML23279A138, respectively),

STPNOC, acting on behalf of Constellation Energy Generation, LLC (CEG) and NRG South Texas LP (NRG South Texas) and its parent companies, requested that the NRC consent to the indirect transfer of the possession-only non-operating interests in the NRC licenses for the Facility from NRG South Texas to CEG and conforming administrative amendments to the licenses to reflect the proposed license transfer. NRG South Texas is one of three licensed owners of the Facility, owning a 44 percent share of the Facility and holding possession-only rights in the NRC licenses.

On July 19, 2023, the NRC published a notice of consideration of approval of the application in the *Federal Register* (88 FR 46192). This notice provided an opportunity to comment, request a hearing, and petition for leave to intervene on the application. The NRC did not receive any written comments in response to the notice. On July 31, 2023 (ML23212B247), the City of San Antonio, Texas acting by and through the City Public Service Board of San Antonio (CPS Energy), a Texas municipally-owned utility, and the City of Austin, Texas (Austin), the other two licensed owners of the Facility, submitted a motion to dismiss the license transfer application, a motion to stay the proceedings and suspend NRC review of the application, and a petition to intervene and request for hearing. CPS Energy owns a 40 percent share and Austin owns a 16 percent share of the Facility. CEG, NRG South Texas, and STPNOC filed answers in opposition to the motions and CEG and NRG South Texas filed answers in opposition to the hearing request; CPS Energy and Austin supplemented their hearing request and filed replies. These filings remain pending before the Commission. The NRC staff reviewed and considered these filings as part of its evaluation of the application.

Pursuant to 10 CFR 50.80, no license for a utilization facility, or any right thereunder, shall be transferred, either voluntarily or involuntarily, directly or indirectly, through transfer of control of the license to any person, unless the Commission gives its consent in writing. Pursuant to 10 CFR 72.50, no license or any part included in a license issued under 10 CFR part 72 for an ISFSI shall be transferred, either voluntarily or involuntarily, directly or indirectly, through transfer of control of the license to any

person, unless the Commission gives its consent in writing. Upon review of the information in the application, as supplemented, and other information before the Commission, and relying upon the representations contained in the application, the NRC staff has determined that CEG is qualified to indirectly hold the licenses, to the extent described in the application, and that the transfer of the licenses is otherwise consistent with applicable provisions of law, regulations, and orders issued by the Commission pursuant thereto, subject to the condition set forth below. The NRC also consents to NRG South Texas voiding and canceling the existing April 11, 2006, and November 2, 2006, Support Agreements upon closing of the proposed transaction and the transfer of control to CEG.

Upon review of the information in the application, as supplemented, for conforming administrative amendments to the operating licenses to reflect the transfer, the NRC staff has determined that: (1) the application for amendments complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (AEA), and the Commission's rules and regulations set forth in 10 CFR Chapter I; (2) the Facility will operate in conformity with the application, the provisions of the AEA, and the rules and regulations of the Commission; (3) there is reasonable assurance that the activities authorized by the amendments can be conducted without endangering the health and safety of the public and that such activities will be conducted in compliance with the Commission's regulations; (4) the issuance of the amendments will not be inimical to the common defense and security or to the health and safety of the public; and (5) the issuance of the amendments will be in accordance with 10 CFR part 51, "Environmental Protection Regulations for Domestic Licensing and Related Regulatory Functions," of the Commission's regulations and all applicable requirements have been satisfied.

The findings set forth above are supported by an NRC staff safety evaluation dated the same date as this order, which is available at ADAMS Accession No. ML23279A048 (non-proprietary).

III.

Accordingly, pursuant to Sections 161b, 161i, and 184 of the AEA, 42 U.S.C. §§ 2201(b), 2201(i), and 2234; and 10 CFR 50.80, 10 CFR 72.50, and 10 CFR 50.90, IT IS HEREBY ORDERED that the license transfer application, as described herein, is approved, subject to the following condition: The NRC staff's approval of the license transfer is subject to the Commission's authority to rescind, modify, or condition the approved transfer based on the outcome of any post-effectiveness hearing or motions on the license transfer application.

IT IS FURTHER ORDERED that after receipt of all required regulatory approvals of the proposed transaction, the applicants shall inform the Director of the Office of Nuclear Reactor Regulation in writing of such receipt no later than 2 business days prior to the date of the closing of the proposed transaction. Should the proposed transaction not be completed within 1 year of the date of this order, this order shall become null and void, provided, however, that upon written application and for good cause shown, such date may be extended by order. The condition of this order may be amended upon application by the applicants and approval by the NRC.

IT IS FURTHER ORDERED that consistent with 10 CFR 2.1315(b), the license amendments that make changes, as indicated in Enclosure 2 to the letter forwarding this order, to reflect the subject indirect license transfer are approved. The amendments shall be issued and made effective when the proposed indirect license transfer actions are completed.

This order is effective upon issuance.

For further details with respect to this order, see the application dated June 12, 2023, as supplemented by letters dated August 31, 2023, and October 5, 2023, and the associated NRC staff safety evaluation dated the same date as this order. Publicly available documents created or received at the NRC are accessible electronically through ADAMS in the NRC Library at <https://www.nrc.gov/reading-rm/adams.html>. Persons who do not have access to ADAMS or who encounter problems in accessing

the documents located in ADAMS should contact the NRC Public Document Room reference staff by telephone at 1-800-397-4209 or 301-415-4737 or by email to pdr.resource@nrc.gov.

Dated at Rockville, Maryland, this 30th day of October, 2023

FOR THE NUCLEAR REGULATORY
COMMISSION.

/RA/

Bo M. Pham, Director,
Division of Operating Reactor Licensing,
Office of Nuclear Reactor Regulation.

[FR Doc. 2023-24247 Filed: 11/1/2023 8:45 am; Publication Date: 11/2/2023]