



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

August 28, 2012
NOC-AE-12002899
10 CFR 50.80
STI: 33588699

U. S. Nuclear Regulatory Commission
Attention: Document Control Desk
Washington, DC 20555-0001

South Texas Project
Units 1 and 2
Docket Nos. STN 50-498, STN 50-499
Supplemental Information Regarding Request for Threshold Determination Under 10 CFR 50.80
(TAC Nos. ME9166 AND ME9177)

Reference: Letter from M.P. Murray NRC Document Control Desk, "Request for Threshold Determination Under 10 CFR 50.80, dated August 1, 2012 (NOC-AE-12002895) ML12228A380

STP Nuclear Operating Company (STPNOC), acting on behalf of NRG South Texas LP (NRG South Texas), provided notice regarding a proposed merger involving NRG South Texas's ultimate parent company, NRG Energy, Inc. (NRG Energy). NRG South Texas is an owner licensee for 44% of South Texas Project, Units 1 and 2 (STP 1 & 2). STPNOC is the licensed operator of STP 1 & 2. STPNOC requested that the NRC staff review the proposed transaction described in the Reference above and make a threshold determination that it does not involve any direct or indirect transfer of control of NRG South Texas LP or its licenses for STP 1 & 2 that would require approval pursuant to 10 CFR 50.80.

Attached is supplemental information regarding foreign ownership that may be helpful in reviewing the Request for Threshold Determination in the above Reference.

This letter contains no NRC commitments.

If there are any questions, please contact either Mr. Jamie Paul at (361) 972-7344 or me at (361) 972-8164.

Michael P. Murray
Manager, Regulatory Affairs

Enclosure:

Supplemental Information Regarding Foreign Ownership

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NRC

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Supplemental Information Regarding Foreign Ownership

NRG Energy, Inc. ("NRG Energy") and GenOn Energy, Inc. ("GenOn Energy") are both Delaware corporations that are publicly traded companies. Their securities are traded on the New York Stock Exchange and are widely held.

The following is a list of the Directors of GenOn Energy, all of whom are U.S. citizens (none have any dual citizenship):

Edward R. Muller, Chairman	Steven L. Miller
Spencer Abraham	Robert C. Murray
Terry G. Dallas	Laree E. Perez
Thomas H. Johnson	Evan J. Silverstein
Elizabeth A. "Betsy" Moler	William L. Thacker

Four of these existing GenOn Energy directors, including the Chairman of the GenOn Energy Board of Directors, Edward R. Muller, are expected to join the Board of Directors of NRG Energy in connection with the merger.

In addition, NRG Energy has reviewed public records to identify any potential foreign shareholders. Section 13(d) of the Securities Exchange Act of 1934, as amended, 15 U.S.C. 78m(d), requires that a person or entity that owns or controls more than 5% of the securities of a company must file notice with the Securities and Exchange Commission ("SEC"). Based upon these filings with the SEC, NRG Energy is aware of one alien, foreign corporation, or foreign government that held or may have held more than 5% of the securities of NRG Energy as of December 31, 2011 or that owns more than 5% of GenOn Energy.

Orbis Investment Management (U.S.), LLC ("OIMUS"), a Delaware limited liability company, has reported shares held by OIMUS and two Bermuda based affiliated companies, Orbis Investment Management Ltd ("OIML") and Orbis Asset Management Ltd ("OAML") (together, "Orbis"). The following Table summarizes the Orbis holdings, based upon the available public records:

Entity	SEC Filing Date	NRG Ownership %	GenOn Ownership %	Pro Forma Post-Merger Ownership %
Orbis	As of December 31, 2011	5.3% ¹	8.7% ²	NA
Orbis	As of June 30, 2012	3.9% ³	7.8% ⁴	5.0%

¹ Amended SEC Schedule 13G filing dated April 4, 2012.

² SEC Schedule 13G filed by OIML on February 13, 2012,

³ SEC Form 13F filing dated August 14, 2012.

⁴ SEC Form 13F filing dated August 14, 2012.

Assuming that Orbis retained all of the shares of GenOn Energy and NRG Energy that it held on June 30, 2012 through the date of the proposed merger, Orbis likely would own approximately 5.0% of the voting common stock of NRG Energy following the proposed merger. However, Orbis does not have, and after the merger Orbis will not have, any rights to appoint any manager or director of NRG Energy. It does not have and will not have any special voting rights beyond those held by all other voting shareholders of NRG Energy. Moreover, the Schedule 13G filings specifically certify that Orbis did not acquire its shares for the purpose of or with the effect of changing or influencing the control of NRG Energy or GeOn Energy. See 17 CFR 240.13d-1(c)(1) (requirements for Schedule 13G filings).

In addition, NRG Energy has identified that in an amended SEC Schedule 13G filing dated February 13, 2012, Blackrock, Inc., a Delaware corporation, reported that it owned 10.2% of the voting common stock of NRG Energy on December 31, 2011 and that an undisclosed number of these shares are held by one or more foreign domiciled subsidiary. Based upon more recent August 13, 2012 Form 13F filings with the SEC, NRG Energy believes that the Blackrock, Inc. and others of its affiliated group owned approximately 8.3% of the outstanding shares of NRG Energy on June 30, 2012. Of these shares, the 13F Filings indicate that approximately 1.6% of the voting shares of NRG Energy are held by two foreign Blackrock entities: (1) Blackrock Group Limited of the United Kingdom (~1.2%), and (2) Blackrock Japan Co, Ltd. of Japan (~0.4%).

Also, State Street Corporation, a Massachusetts corporation, has reported in a Schedule 13G dated February 9, 2012 that as of December 31, 2011, it owned 5.3% of the voting common stock of NRG Energy and that an undisclosed number of these shares are held by one or more foreign domiciled subsidiary.

Blackrock, Inc. and State Street Corporation are U.S. companies, and they have no right to appoint any manager or director of NRG Energy and have no special voting rights beyond those held by all other voting shareholders of NRG Energy. Moreover, their SEC filings specifically certify that they did not acquire their respective shares for the purpose of or with the effect of changing or influencing the control of NRG Energy.