



Entergy Nuclear Operations, Inc.
440 Hamilton Avenue
White Plains, NY
10601

John F. McCann
Director
Nuclear Safety and Licensing

March 30, 2009
ENOC-09-00007

U. S. Nuclear Regulatory Commission
ATTN: Document Control Desk
11555 Rockville Pike
Rockville, MD 20852-2738
(301) 415-7000

SUBJECT: Entergy Nuclear Operations, Inc.
Indian Point Nuclear Generating Stations 1, 2 and 3
Docket Nos. 50-3, 50-247 and 50-286
Vermont Yankee Nuclear Power Station
Docket No. 50-271
Pilgrim Nuclear Power Station
Docket No. 50-293
James A. FitzPatrick Nuclear Power Plant
Docket No. 50-333
Palisades Nuclear Plant
Docket No. 50-255
Big Rock Point
Docket 50-155
**Status of Decommissioning Funding for
Plants Operated by Entergy Nuclear Operations, Inc.
For Year Ending December 31, 2008 – 10 CFR 50.75(f)(1)**

- References:
1. NUREG-1307, "Report on Waste Burial Charges," Revision 13, dated November 2008.
 2. NRC Regulatory Issue Summary 2001-07, "10 CFR 50.75(f)(1) Reports on the Status of Decommissioning Funds (Due March 31, 2001)."

Dear Sir or Madam:

10 CFR 50.75(f)(1) requires each power reactor licensee to report to the NRC by March 31, 1999, and every two years thereafter, on the status of its decommissioning funding for each reactor, or share of a reactor, that it owns. On behalf of Entergy Nuclear Indian Point 2 LLC, Entergy Nuclear Indian Point 3 LLC, Entergy Nuclear Vermont Yankee LLC, Entergy Nuclear Generation Company (Pilgrim Station), Entergy Nuclear FitzPatrick LLC, and Entergy Nuclear Palisades LLC (Palisades and Big Rock Point), Entergy Nuclear Operations, Inc. hereby submits the information requested for power reactors operated by Entergy Nuclear Operations, Inc. The reports, provided in Attachments 1 thru 8 for the six listed plants, were prepared in accordance with NUREG-1307 (Reference 1) and NRC Regulatory Issue Summary 2001-07 (Reference 2).

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There are no new commitments made in this letter. If you have any questions, please contact Ms. Charlene Faison at 914-272-3378.

Sincerely,

A handwritten signature in black ink, appearing to be 'JFM', written over a horizontal line.

JFM/CDF/AYE

Attachments: As described above

cc: Next page.

cc: all w/attachments

USNRC Regional Administrator, Region I
USNRC Regional Administrator, Region III
USNRC Project Manager, Indian Point 1
USNRC Project Manager, Indian Point 2
USNRC Project Manager, Indian Point 3
USNRC Project Manager, FitzPatrick
USNRC Project Manager, Vermont Yankee
USNRC Project Manager, Pilgrim
USNRC Project Manager, Palisades
USNRC Project Manager, Big Rock Point
USNRC Resident Inspector, Indian Point 2
USNRC Resident Inspector, Indian Point 3
USNRC Resident Inspector, FitzPatrick
USNRC Resident Inspector, Vermont Yankee
USNRC Resident Inspector, Pilgrim
USNRC Resident Inspector, Palisades
Michigan Department of Environmental Quality
Michigan Public Service Commission

Mr. David O'Brien, Commissioner
Department of Public Service
120 State Street – Drawer 20
Montpelier, VT 05602

Mr. Paul Eddy
NYS Department of Public Service
3 Empire State Plaza
Albany, NY 12223

Ms. Victoria J. Brown, Esq.
Primmer Piper Eggleston & Cramer PC
150 S. Champlain Street
P.O. Box 1489
Burlington, VT 05402

Entergy Nuclear Operations, Inc.
Status of Decommissioning Funding – Indian Point 1
For Year Ending December 31, 2008 – 10 CFR 50.75(f)(1)

Plant Name: **Indian Point Nuclear Generating Unit No. 1**

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|----|---|--|
| 1. | Amount of decommissioning funds estimated to be required pursuant to 10 CFR 50.75 (b) and (c). | \$ 337.53 million ^[Note] |
| 2. | Amount accumulated to the end of the calendar year preceding the date of the report (December 31, 2008). | \$ 235.35 million |
| | Fund balance with 2.0% annual growth to the midpoint of decommissioning (December 2016) based on current Indian Point 2 operating license. | \$ 275.75 million |
| | Fund balance with 2.0% annual growth to the midpoint of decommissioning (December 2036) with 20 year Indian Point 2 operating license renewal. | \$ 409.75 million |
| 3. | A schedule of the annual amounts remaining to be collected. | None. |
| 4. | Assumptions used in determining rates of escalation in decommissioning costs, rates of earnings on decommissioning funds, and rates of other factors used in funding projections. | 2% annual real rate of return on funds per 10 CFR 50.75(e)(1)(i) |
| 5. | Any contracts upon which the licensee is relying pursuant to 10 CFR 50.75(e)(1)(v). | None. |
| 6. | Modifications occurring to a licensee's current method of providing financial assurance since the last submitted report. | None. |
| 7. | Any material changes to trust agreements. | None. |

Note: In accordance with 10 CFR 50.75(c)(1)(i) PWR reactors below 1200 MWt are to use this minimum value. Indian Point 1 had a thermal power level of 615 MWt. (Refer to Attachment 3, pg. 15, of June 8, 2001 letter, M. R. Kansler to USNRC regarding "Response to June 5, 2001 Letter, Indian Point Nuclear Generating Unit Nos. 1 and 2, Transfer of Facility Operating License (TAC Nos. MB0743 and MB0744).")

Entergy Nuclear Operations, Inc.
Status of Decommissioning Funding – Indian Point 2
For Year Ending December 31, 2008 – 10 CFR 50.75(f)(1)

Plant Name: **Indian Point Nuclear Generating Unit No. 2**

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|----|---|--|
| 1. | Amount of decommissioning funds estimated to be required pursuant to 10 CFR 50.75 (b) and (c). | \$ 407.52 million |
| 2. | Amount accumulated to the end of the calendar year preceding the date of the report (December 31, 2008). | \$ 312.39 million ^[Note] |
| | Fund balance with 2.0% annual growth to the midpoint of decommissioning (December 2016) based on current operating license. | \$ 366.02 million |
| | Fund balance with 2.0% annual growth to the midpoint of decommissioning (December 2036) based on 20 year license renewal. | \$ 543.88 million |
| 3. | A schedule of the annual amounts remaining to be collected. | None. |
| 4. | Assumptions used in determining rates of escalation in decommissioning costs, rates of earnings on decommissioning funds, and rates of other factors used in funding projections. | 2% annual real rate of return on funds per 10 CFR 50.75(e)(1)(i) |
| 5. | Any contracts upon which the licensee is relying pursuant to 10 CFR 50.75(e)(1)(v). | None. |
| 6. | Modifications occurring to a licensee's current method of providing financial assurance since the last submitted report. | None. |
| 7. | Any material changes to trust agreements. | None. |

Note: Includes provisional fund balance of \$29.39 million.

Entergy Nuclear Operations, Inc.
Status of Decommissioning Funding – Indian Point 3
For Year Ending December 31, 2008 – 10 CFR 50.75(f)(1)

Plant Name: **Indian Point Nuclear Generating Unit No. 3**

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|----|---|--|
| 1. | Amount of decommissioning funds estimated to be required pursuant to 10 CFR 50.75 (b) and (c). | \$ 407.52 million |
| 2. | Amount accumulated to the end of the calendar year preceding the date of the report (December 31, 2008). | \$ 388.22 million |
| | Fund balance with 2.0% annual growth to the midpoint of decommissioning (December 2018) based on current operating license. | \$ 473.24 million |
| | Fund balance with 2.0% annual growth to the midpoint of decommissioning (December 2038) based on 20 year license renewal. | \$ 703.21 million |
| 3. | A schedule of the annual amounts remaining to be collected. | None. |
| 4. | Assumptions used in determining rates of escalation in decommissioning costs, rates of earnings on decommissioning funds, and rates of other factors used in funding projections. | 2% annual real rate of return on funds per 10 CFR 50.75(e)(1)(i) |
| 5. | Any contracts upon which the licensee is relying pursuant to 10 CFR 50.75(e)(1)(v). | None. |
| 6. | Modifications occurring to a licensee's current method of providing financial assurance since the last submitted report. | None. |
| 7. | Any material changes to trust agreements. | None. |

Entergy Nuclear Operations, Inc.
Status of Decommissioning Funding – Vermont Yankee
For Year Ending December 31, 2008 – 10 CFR 50.75(f)(1)

Plant Name: **Vermont Yankee Nuclear Power Station**

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|----|---|--|
| 1. | Amount of decommissioning funds estimated to be required pursuant to 10 CFR 50.75 (b) and (c). | \$ 513.80 million |
| 2. | Amount accumulated to the end of the calendar year preceding the date of the report (December 31, 2008). | \$ 372.01 million |
| | Fund balance with 2.0% annual growth to the midpoint of decommissioning (December 2015) based on current operating license. | \$ 427.32 million |
| | Fund balance with 2.0% annual growth to the midpoint of decommissioning (December 2035) based on 20 year license renewal. | \$ 634.98 million |
| 3. | A schedule of the annual amounts remaining to be collected. | None. |
| 4. | Assumptions used in determining rates of escalation in decommissioning costs, rates of earnings on decommissioning funds, and rates of other factors used in funding projections. | 2% annual real rate of return on funds per 10 CFR 50.75(e)(1)(i) |
| 5. | Any contracts upon which the licensee is relying pursuant to 10 CFR 50.75(e)(1)(v). | None. |
| 6. | Modifications occurring to a licensee's current method of providing financial assurance since the last submitted report. | None. |
| 7. | Any material changes to trust agreements. | None. |

Entergy Nuclear Operations, Inc.
Status of Decommissioning Funding – Pilgrim
For Year Ending December 31, 2008 – 10 CFR 50.75(f)(1)

Plant Name: **Pilgrim Nuclear Power Station**

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|----|---|--|
| 1. | Amount of decommissioning funds estimated to be required pursuant to 10 CFR 50.75 (b) and (c). | \$ 518.23 million |
| 2. | Amount accumulated to the end of the calendar year preceding the date of the report (December 31, 2008). | \$ 550.29 million |
| | Fund balance with 2.0% annual growth to the midpoint of decommissioning (December 2015) based on current operating license. | \$ 632.11 million |
| | Fund balance with 2.0% annual growth to the midpoint of decommissioning (December 2035) based on 20 year license renewal. | \$ 939.29 million |
| 3. | A schedule of the annual amounts remaining to be collected. | None. |
| 4. | Assumptions used in determining rates of escalation in decommissioning costs, rates of earnings on decommissioning funds, and rates of other factors used in funding projections. | 2% annual real rate of return on funds per 10 CFR 50.75(e)(1)(i) |
| 5. | Any contracts upon which the licensee is relying pursuant to 10 CFR 50.75(e)(1)(v). | None. |
| 6. | Modifications occurring to a licensee's current method of providing financial assurance since the last submitted report. | None. |
| 7. | Any material changes to trust agreements. | None. |

Entergy Nuclear Operations, Inc.
Status of Decommissioning Funding – James A. Fitzpatrick
For Year Ending December 31, 2008 – 10 CFR 50.75(f)(1)

Plant Name: **James A. Fitzpatrick Nuclear Power Plant**

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|----|---|--|
| 1. | Amount of decommissioning funds estimated to be required pursuant to 10 CFR 50.75 (b) and (c). | \$ 537.61 million |
| 2. | Amount accumulated to the end of the calendar year preceding the date of the report (December 31, 2008). | \$ 423.62 million |
| | Fund balance with 2.0% annual growth to the midpoint of decommissioning (December 2037). | \$ 752.28 million |
| 3. | A schedule of the annual amounts remaining to be collected. | None. |
| 4. | Assumptions used in determining rates of escalation in decommissioning costs, rates of earnings on decommissioning funds, and rates of other factors used in funding projections. | 2% annual real rate of return on funds per 10 CFR 50.75(e)(1)(i) |
| 5. | Any contracts upon which the licensee is relying pursuant to 10 CFR 50.75(e)(1)(v). | None. |
| 6. | Modifications occurring to a licensee's current method of providing financial assurance since the last submitted report. | None. |
| 7. | Any material changes to trust agreements. | None. |

Entergy Nuclear Operations, Inc.
Status of Decommissioning Funding – Palisades
For Year Ending December 31, 2008 – 10 CFR 50.75(f)(1)

Plant Name: **Palisades Nuclear Plant**

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|----|---|--|
| 1. | Amount of decommissioning funds estimated to be required pursuant to 10 CFR 50.75 (b) and (c). | \$ 376.92 million |
| 2. | Amount accumulated to the end of the calendar year preceding the date of the report (December 31, 2008). | \$ 218.80 million |
| | Fund balance with 2.0% annual growth to the midpoint of decommissioning (December 2034). | \$ 366.15 million |
| 3. | A schedule of the annual amounts remaining to be collected. | None. |
| 4. | Assumptions used in determining rates of escalation in decommissioning costs, rates of earnings on decommissioning funds, and rates of other factors used in funding projections. | 2% annual real rate of return on funds per 10 CFR 50.75(e)(1)(i) |
| 5. | Any contracts upon which the licensee is relying pursuant to 10 CFR 50.75(e)(1)(v). | None. |
| 6. | Modifications occurring to a licensee's current method of providing financial assurance since the last submitted report. | None. |
| 7. | Any material changes to trust agreements. | None. |

Entergy Nuclear Operations, Inc.
Status of Decommissioning Funding – Big Rock Point
For Year Ending December 31, 2008 – 10 CFR 50.75(f)(1)

Plant Name: **Big Rock Point ISFSI**

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|----|---|--|
| 1. | Amount of decommissioning funds required from most recent estimate (2003 dollars). | \$ 2.74 million |
| | Decommissioning cost estimate escalated at 3% per year to 2008 dollars. | \$ 3.18 million |
| 2. | Decommissioning Funding Assurance Method. | Parent Guarantee (\$5 million) |
| 3. | A schedule of the annual amounts remaining to be collected. | None. |
| 4. | Assumptions used in determining rates of escalation in decommissioning costs, rates of earnings on decommissioning funds, and rates of other factors used in funding projections. | Escalation rate: 3.0%
Rate of earnings: n/a |
| 5. | Any contracts upon which the licensee is relying pursuant to 10 CFR 50.75(e)(1)(v). | None. |
| 6. | Modifications occurring to a licensee's current method of providing financial assurance since the last submitted report. | None. |
| 7. | Any material changes to trust agreements. | None. |