

From: [Peterson, Alyse L \(NYSERDA\)](#)
To: [Guzman, Richard](#)
Cc: [Tifft, Doug](#)
Subject: [External_Sender] RE: RE: RE:: Planned Issuance of License Amendment regarding Indian Point Unit Nos. 1 and 2 - Deletion of Facility Operating License Conditions Related to Decommissioning Trust Provisions [EPID: L-2018-LLA-0180]
Date: Tuesday, March 5, 2019 7:40:33 AM

Thank you!

Alyse Peterson, P.E.

State Liaison Officer Designee

Nuclear Coordination and Radioactive Waste Policy

NYSERDA

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From: Guzman, Richard <Richard.Guzman@nrc.gov>
Sent: Monday, March 04, 2019 7:59 PM
To: Peterson, Alyse L (NYSERDA) <Alyse.Peterson@nyserda.ny.gov>
Cc: Tifft, Doug <Doug.Tifft@nrc.gov>
Subject: RE: RE: RE:: Planned Issuance of License Amendment regarding Indian Point Unit Nos. 1 and 2 - Deletion of Facility Operating License Conditions Related to Decommissioning Trust Provisions [EPID: L-2018-LLA-0180]

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Alyse,

The March 1, 2001, NRC RAI and June 8, 2001, licensee response, is available in ADAMS at ML010160298 and ML011630057, respectively; both are attached for your convenience.

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Rich Guzman  
Sr. PM, Division Operator Reactor Licensing  
Office of Nuclear Reactor Regulation  
U.S. Nuclear Regulatory Commission  
Office: O-9C7 | Phone: (301) 415-1030  
[Richard.Guzman@nrc.gov](mailto:Richard.Guzman@nrc.gov)

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**From:** Peterson, Alyse L (NYSERDA) <[Alyse.Peterson@nyserda.ny.gov](mailto:Alyse.Peterson@nyserda.ny.gov)>  
**Sent:** Monday, March 4, 2019 9:30 AM  
**To:** Guzman, Richard <[Richard.Guzman@nrc.gov](mailto:Richard.Guzman@nrc.gov)>  
**Cc:** Tifft, Doug <[Doug.Tifft@nrc.gov](mailto:Doug.Tifft@nrc.gov)>  
**Subject:** [External\_Sender] RE: RE:: Planned Issuance of License Amendment regarding Indian Point

Unit Nos. 1 and 2 - Deletion of Facility Operating License Conditions Related to Decommissioning Trust Provisions [EPID: L-2018-LLA-0180]

Rich and Doug. We're still reviewing this.

So, we understand that after the \$430 million transfer from ConEd, to Entergy was established in the asset purchase and sale agreement, the NRC questioned whether that amount was sufficient predicated on having sufficient funds for decommissioning (per the rule) at the projected shutdown of IP2 in 2013 and Entergy agreed to add a supplemental \$25 million guarantee, which could have been via either a trust or a surety. We are having trouble finding a public version of the RAIs where Entergy agreed to the increased \$25 million. We've found reference that Entergy discussed the \$25 million provisional trust in a response to a March 1, 2001 NRC RAI supplemented by the NRC on May 4, 2001. We can't find the actual response (or it's exact date) Could you help us locate the RAI and Entergy's response re: the \$25M, please?

Thank you,  
Alyse

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**From:** Guzman, Richard <[Richard.Guzman@nrc.gov](mailto:Richard.Guzman@nrc.gov)>

**Sent:** Friday, March 01, 2019 1:40 PM

**To:** Peterson, Alyse L (NYSERDA) <[Alyse.Peterson@nyserda.ny.gov](mailto:Alyse.Peterson@nyserda.ny.gov)>

**Cc:** Tifft, Doug <[Doug.Tifft@nrc.gov](mailto:Doug.Tifft@nrc.gov)>

**Subject:** RE:: Planned Issuance of License Amendment regarding Indian Point Unit Nos. 1 and 2 - Deletion of Facility Operating License Conditions Related to Decommissioning Trust Provisions [EPID: L-2018-LLA-0180]

*ATTENTION: This email came from an external source. Do not open attachments or click on links from unknown senders or unexpected emails.*

Alyse,

Please see attached copy of the provisional decommissioning trust agreement which was signed on August 30, 2001, by and between Entergy Nuclear Indian Point 2, LLC (ENIP2) owner of the Units 1 and 2, and Mellon Bank (the "Trustee"), a national bank having trust powers. It was signed at the time the license for IP1 and IP2 was transferred to ENIP2 and ENO. Establishing and maintaining this provisional trust fund is a License Condition required as part of IP2 Amendment 220 (License transfer from Con Edison to Entergy, also see attached amendment issued September 6, 2001). The NRC staff considers the proposed changes in this license amendment request as an administrative change to the IP1 and IP2 OLs relating to the terms and conditions of the decommissioning trust agreements, consistent with the NRC's regulations at 10 CFR 50.75(h). In response to your questions, see below. Let me know if you have any additional question/concerns.

We're unfamiliar with this trust. What is its purpose?

Per the provisional decommissioning trust agreement, the purpose of this Provisional Trust is to accumulate and hold funds for the

“contemplated” decommissioning of the units and to use such funds, if necessary, for expenses related to the Decommissioning of the units as defined by the NRC in its regulations.

How is it different than the DTF?

Per 10 CFR 50.75(e)(1), Decommissioning Financial assurance may be provided by various methods – for example, prepayments and or external sinking funds in the form of a trust, escrow account, government fund, etc. Other methods include letter of credit, line of credits or surety bonds. Per the operating license (License Condition No. 6 and No. 3 of IP1 and IP2, respectively) the total decommissioning funding assurance provided for IP1 and IP2 can be from a combination of the master decommissioning trust and the provisional trust or surety bonds.

What is the impact on the provisional trust if the DTF language is deleted?

No impact, the NRC license conditions associated with the provisional trust are not being changed as part of this license amendment.

#### Additional Background

In 2002, NRC amended its regulations relating to the decommissioning trust provision for nuclear power plants (10 CFR 50.75(h)). The NRC addressed several comments regarding potential conflicts or inconsistencies between the provisions of 10 CFR 50.75(h) and a licensee’s existing decommissioning trust-related license conditions.

Per the rulemaking federal register notice, the NRC stated that “licensees will have the option of maintaining their existing license conditions or submitting conditions to the new requirements” and “will be able to decide for themselves whether they prefer to keep or eliminate their specific license conditions. To support the option to amend and eliminate these license conditions, the NRC made a generic determination in 10 CFR 50.75(h)(4) that a license amendment which does no more than delete specific license conditions relating to the terms and conditions of decommissioning trust agreements involves “no significant hazards consideration.”

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Rich Guzman
Sr. PM, Division Operator Reactor Licensing
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U.S. Nuclear Regulatory Commission

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From: Guzman, Richard
Sent: Wednesday, February 27, 2019 9:01 AM
To: Peterson, Alyse L (NYSERDA) <Alyse.Peterson@nyserda.ny.gov>
Cc: Tifft, Doug <Doug.Tifft@nrc.gov>
Subject: Re: RE: Planned Issuance of License Amendment regarding Indian Point Unit Nos. 1 and 2 - Deletion of Facility Operating License Conditions Related to Decommissioning Trust Provisions [EPID: L-2018-LLA-0180]

Hi Alyse,

I'll get an answer back to you this week. The provisional decommissioning trust agreement between Entergy Nuclear IP2, LLC (owner of IP1 and IP2) and the trustee, Mellon Bank should also have some good information in it to address some of your questions - I'll provide you an electronic copy shortly.

Rich Guzman
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Richard.Guzman@nrc.gov

From: Peterson, Alyse L (NYSERDA) <Alyse.Peterson@nyserda.ny.gov>
Sent: Tuesday, February 26, 2019 9:38:11 AM
To: Guzman, Richard
Cc: Tifft, Doug
Subject: [External_Sender] RE: Planned Issuance of License Amendment regarding Indian Point Unit Nos. 1 and 2 - Deletion of Facility Operating License Conditions Related to Decommissioning Trust Provisions [EPID: L-2018-LLA-0180]

Hi Rich,

We have a quick question about the "provisional trust" that is discussed in the license amendment document. We're unfamiliar with this trust. What is its purpose? How is it different than the DTF? What is the impact on the provisional trust if the DTF language is deleted?

Thanks,
Alyse

Alyse Peterson, P.E.
State Liaison Officer Designee
Nuclear Coordination and Radioactive Waste Policy

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From: Guzman, Richard <Richard.Guzman@nrc.gov>

Sent: Friday, February 22, 2019 3:46 PM

To: Peterson, Alyse L (NYSERDA) <Alyse.Peterson@nyserda.ny.gov>

Cc: Tift, Doug <Doug.Tift@nrc.gov>

Subject: Planned Issuance of License Amendment regarding Indian Point Unit Nos. 1 and 2 - Deletion of Facility Operating License Conditions Related to Decommissioning Trust Provisions [EPID: L-2018-LLA-0180]

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Alyse,

The NRC staff is preparing to issue the subject license amendment related to Indian Point Nuclear Generating Unit Nos. 1 and 2. A brief description of the license amendment request (LAR) is provided below. Additional information can be found in the licensee's submittal which is also referenced below by ADAMS Accession number.

Please let me know if you have any comments or questions regarding this licensing action by March 8. My current projection for issuance of the amendments is no later than March 28.

Indian Point Unit Nos. 1 and 2, License Amendment Request - Deletion of Facility Operating License Conditions Related to Decommissioning Trust Provisions [EPID: L-2018-LLA-0180]

Application date:

June 20, 2018 (ADAMS Accession No. ML18179A173)

Brief Description of LAR:

The license amendment would delete specific license conditions from the Indian Point Unit Nos. 1 and 2 (IP1 and IP2) facility operating licenses related to the terms and conditions of the decommissioning trust fund agreement on the basis that Entergy Nuclear Operations, Inc. (Entergy) has elected to subject its decommissioning trust agreement to the regulatory requirements for decommissioning trust funds that are specified in 10 CFR 50.75(h). Specifically, the amendment would allow the provisions of 10 CFR 50.75(h), which specify the regulatory requirements for decommissioning trust funds, to apply to Entergy. Pursuant to the terms of 10 CFR 50.75(h)(5), IP1 and IP2 are currently exempt from the requirements in 10 CFR 50.75(h)(1) through (h)(3). Therefore, by deleting the specific license conditions as contemplated by the

generic finding of no significant hazards consideration in 10 CFR 50.75(h)(4), the new terms and conditions of the decommissioning trust agreement will conform with and be subject to the NRC's regulations in 10 CFR 50.75(h)(1) through (h)(3). A similar LAR to delete the decommissioning trust license conditions so as to apply the requirements of 10 CFR 50.75(h)(1) through (h)(3) has been previously approved by the NRC for Indian Point Unit No. 3 on January 30, 2017 (ADAMS Accession No. ML17025A288).

FR Publish Date:

The LAR was published in the Federal Register (FR) on September 11, 2018 (83 FR 45984) <https://www.govinfo.gov/content/pkg/FR-2018-09-11/pdf/FR-2018-09-11.pdf>. To date, no comments have been received.

Thanks,
Rich

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