



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

December 28, 2009

Vice President, Operations
Entergy Nuclear Operations, Inc.
Indian Point Energy Center
450 Broadway, GSB
P.O. Box 249
Buchanan, NY 10511-0249

SUBJECT: INDIAN POINT NUCLEAR GENERATING UNIT NO. 2 - DECOMMISSIONING
FUNDING STATUS REPORT (TAC NO. ME0528)

Dear Sir or Madam:

By letter dated March 30, 2009, Agencywide Documents Access and Management System (ADAMS) Accession No. ML090920576, Entergy Nuclear Operations, Inc. (Entergy), submitted the Biennial Decommissioning Funding Report required by Title 10 of the *Code of Federal Regulations* (10 CFR) Section 50.75, "Reporting and recordkeeping for decommissioning planning" for the nuclear power plants operated by Entergy. Based on the Nuclear Regulatory Commission (NRC) staff's analysis of the report, the NRC staff estimated a projected shortfall in decommissioning funding assurance of \$38.6 million for Indian Point Nuclear Generating Unit No. 2 (IP2). See ADAMS Accession No. ML091940387 for details on that calculation. By letter dated June 18, 2009, ADAMS Accession No. ML091630533, the NRC informed Entergy that there may be a shortfall in the decommissioning trust fund (DTF) for IP2 and asked Entergy to provide more information on the DTF. On June 29, 2009, NRC staff held a conference call with Entergy to discuss the DTF. See ADAMS Accession No. ML091890807 for a summary of the call. On July 22, 2009, NRC staff held a second conference call with Entergy. See ADAMS Accession No. ML092100643 for a summary of that call.

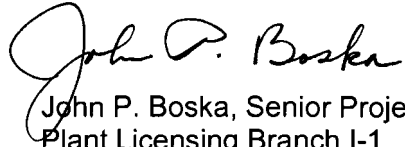
By letter dated August 13, 2009, ADAMS Accession No. ML092260736, Entergy provided additional information on the decommissioning funding. The NRC staff has reviewed the submittal, which outlines Entergy's plan of action to cover shortfalls in providing decommissioning funding assurance and/or decommissioning funding realized in the report for IP2 that was submitted on March 30, 2009.

Based on the information provided by Entergy on August 13, 2009, the NRC staff finds that IP2, as of July 31, 2009, has a DTF balance of \$326.9 million. Entergy proposes the use of safe storage (SAFSTOR) from IP2's license termination in 2013 through 2063, with 10 additional years through to 2073 dedicated towards decommissioning activities. This allows the DTF to increase during the SAFSTOR years. The NRC staff has reviewed the licensee's plan and determined that the licensee, as of August 13, 2009, provides reasonable assurance of adequate decommissioning funding at the time of permanent termination of operations with the proposed use of SAFSTOR. Accordingly, the NRC staff concludes that no further action is required at this time to demonstrate adequate decommissioning funding assurance, according to NRC standards, for IP2.

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Please contact me at (301) 415-2901 if you have any questions on this issue.

Sincerely,

A handwritten signature in black ink that reads "John P. Boska". The signature is written in a cursive style with a large, looping initial "J".

John P. Boska, Senior Project Manager
Plant Licensing Branch I-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket No. 50-247

cc w/encl: Distribution via Listserv

Please contact me at (301) 415-2901 if you have any questions on this issue.

Sincerely,
/RA/

John P. Boska, Senior Project Manager
Plant Licensing Branch I-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket No. 50-247

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