



November 3, 2000
IPN-00-077
JPN-00-042

U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001
ATTN: Document Control Desk

Subject: James A. FitzPatrick Nuclear Power Plant
Docket No. 50-333
Indian Point 3 Nuclear Power Plant
Docket No. 50-286
**Additional Information Regarding License
Transfer Application and Proposed License
Amendment for FitzPatrick and Indian Point 3**

References: NYPA letter, J. Knubel to USNRC (IPN-00-070/JPN-00-037)
dated September 21, 2000 regarding the same subject.

Dear Sir:

The purpose of this letter is to address questions that have been raised in connection with implementing the commitments set forth in my letter dated September 21, 2000 (Reference), in the above captioned matters. As has been discussed with the NRC Staff, it has not been possible to explicitly identify the NRC as a third party beneficiary to the Master Trust Agreement, as originally contemplated by that letter. Based on our discussions with the Trustee under the Master Trust Agreement, the concept of a third party beneficiary, while applicable to contract law, is not consistent with a trust arrangement, which is premised upon there being a defined beneficiary for the purposes of the trust. The introduction of a third party beneficiary in the Master Trust Agreement framework would therefore create ambiguity and, according to the Trustee, would place the Trustee in an untenable position in carrying out its duties.

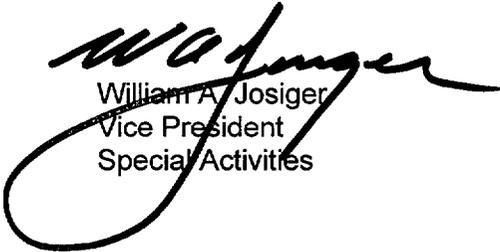
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In place of an explicit third party beneficiary designation, we will include in a new section 10.11 of the Master Trust Agreement the following language which we believe addresses the concerns of the NRC on this issue.

"The provisions or purpose of this Master Trust Agreement may be enforced by the NRC against the Authority and the Trustee with respect to the disbursement of the Funds to the extent necessary to ensure compliance with or satisfaction of the NRC's decommissioning requirements, provided, however, that in no event shall the NRC be a beneficiary of the Master Trust created hereby or of any of the Funds."

If you have any questions, please contact Ms. Charlene Faison at (914) 681-6306.

Very truly yours,



William A. Josiger
Vice President
Special Activities

Attachments:

1. Oath of Mr. William A. Josiger

cc: Next page.

cc:

Regional Administrator
U.S. Nuclear Regulatory Commission
475 Allendale Road
King of Prussia, PA 19406

Office of the Resident Inspector
James A. FitzPatrick Nuclear Power Plant
U.S. Nuclear Regulatory Commission
P.O. Box 136
Lycoming, NY 13093

Office of the Resident Inspector
U.S. Nuclear Regulatory Commission
Indian Point 3 Nuclear Power Plant
P. O. Box 337
Buchanan, NY 10511

Mr. George F. Wunder, Project Manager
Project Directorate I
Division of Licensing, Project Management
U. S. Nuclear Regulatory Commission
Mail Stop 8C4
Washington, DC 20555

Mr. Guy Vissing, Project Manager
Project Directorate I
Division of Licensing Project Management
U.S. Nuclear Regulatory Commission
Mail Stop 8 C2
Washington, DC 20555

Power Authority of the State of New York

For the Power Authority of the State of New York:

William A. Josiger
William A. Josiger

Nov 3, 2000
Date

State of New York)
County of Westchester)

[Signature]

Then personally appeared before me, William A. Josiger, who being duly sworn, did state that he is Vice President, Special Activities of the Power Authority of the State of New York, and that he is duly authorized to execute and file the submittal contained herein in the name and on behalf of the Power Authority of the State of New York and that the statements attributable to the Power Authority of the State of New York are true to the best of his knowledge and belief.

My commission expires:

January 27, 2002 *Geraldine Strand*
Date NOTARY PUBLIC

GERALDINE STRAND
Notary Public, State of New York
No. 4991272
Qualified in Westchester County
Commission Expires Jan. 27, 2002