

September 6, 2001

Mr. A. Alan Blind
Vice President, Nuclear Power
Consolidated Edison Company
of New York, Inc.
Broadway and Bleakley Avenue
Buchanan, NY 10511

Mr. Michael Kansler
Vice President and
Chief Operating Officer
Entergy Nuclear Operations, Inc.
440 Hamilton Avenue
White Plains, NY 10601

SUBJECT: INDIAN POINT NUCLEAR GENERATING UNIT NOS. 1 AND 2 - ISSUANCE OF
CONFORMING AMENDMENTS (TAC NOS. MB0743 AND MB0744)

Dear Messrs. Blind and Kansler:

By Order dated August 27, 2001, the U.S. Nuclear Regulatory Commission (NRC) approved the transfer of the licenses for Indian Point Nuclear Generating Unit Nos. 1 and 2 (IP1 and IP2) held by Consolidated Edison Company of New York, Inc. (Con Edison) to Entergy Nuclear Indian Point 2, LLC (Entergy Nuclear IP2), as the proposed owner of IP1 and IP2, and to Entergy Nuclear Operations, Inc. (ENO), as the proposed entity to maintain IP1 and operate IP2. The NRC also approved the conforming amendments pursuant to Sections 50.80 and 50.90 of Title 10 of the *Code of Federal Regulations*.

In a letter dated August 27, 2001, Con Edison informed the NRC that the closing of the license transfers is scheduled to occur on September 6, 2001. In a letter dated September 4, 2001, Con Edison notified the NRC that it was in receipt of all regulatory approvals required for license transfer. By letter dated August 31, 2001, Entergy Nuclear IP2 and ENO submitted the original certificates of nuclear energy liability insurance issued by the American Nuclear Insurers documenting that Entergy Nuclear IP2 and ENO had obtained the appropriate amount of insurance required of licensees under 10 CFR Part 140 of the Commission's regulations.

Accordingly, the Commission has issued the enclosed Amendment No. 50 to Facility Operating License No. DPR-5 for IP1 and Amendment No. 220 to Facility Operating License No. DPR-26 for IP2. The safety evaluation supporting the conforming amendments was enclosed with the Order issued on August 27, 2001.

A. Blind and M. Kansler

- 2 -

Enclosure 3 contains five copies of Indemnity Agreement No. B-19 for IP1 and IP2, which are required in connection with the transfer of the license. Please keep four copies for your records and sign and return the other copy.

Sincerely,

/RA/

Patrick D. Milano, Senior Project Manager, Section 1
Project Directorate I
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-003 and 50-247

Enclosures: 1. Amendment No. 50 to
License No. DPR-5
2. Amendment No. 220 to
License No. DPR-26
3. Indemnity Agreements

cc w/encls: See next page

Enclosure 3 contains five copies of Indemnity Agreement No. B-19 for IP1 and IP2, which are required in connection with the transfer of the license. Please keep four copies for your records and sign and return the other copy.

Sincerely,

/RA/

Patrick D. Milano, Senior Project Manager, Section 1
Project Directorate I
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-003 and 50-247

- Enclosures: 1. Amendment No. 50 to License No. DPR-5
- 2. Amendment No. 220 to License No. DPR-26
- 3. Indemnity Agreements

cc w/encls: See next page

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OFFICIAL RECORD COPY

Indian Point Nuclear Generating Station
Units 1 & 2

Mayor, Village of Buchanan
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Buchanan, NY 10511

Mr. William M. Flynn, President
New York State Energy, Research,
and Development Authority
Corporate Plaza West
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Mr. John McCann
Manager of Nuclear Safety and
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Senior Resident Inspector
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The Energy Project
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Assistant Attorney General
New York Department of Law
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New York, NY 10271

Ms. Charlene D. Faison, Director
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Power Authority of the State
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White Plains, NY 10601

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Mr. Thomas Rose
Secretary - NFSC
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Buchanan, NY 10511

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2300 N Street, N.W.
Washington, DC 20037

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

DOCKET NO. 50-003

INDIAN POINT NUCLEAR GENERATING STATION, UNIT 1

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 50
License No. DPR-5

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by Consolidated Edison Company of New York, Inc. (the licensee) submitted under cover letter dated December 12, 2000, as supplemented by letters dated April 12 from the licensee and dated April 16, May 24, June 6, and June 8, 2001, from Entergy Nuclear Indian Point 2, LLC, and Entergy Nuclear Operations, Inc., complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act) and the Commission's rules and regulations set forth in 10 CFR Chapter I;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this amendment can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
 - D. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations, and all applicable requirements have been satisfied.

2. Accordingly, License No. DPR-5 is hereby amended as indicated in the attachment to this license amendment.
3. The license amendment is effective as of its date of issuance and shall be implemented within 30 days from the date of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA J.Johnson for/

Samuel J. Collins, Director
Office of Nuclear Reactor Regulation

Attachment: Amended Operating License Pages 1 through 8
and Amended Technical Specifications

Date of Issuance: September 6, 2001

ATTACHMENT TO LICENSE AMENDMENT NO. 50

TO FACILITY OPERATING LICENSE NO. DPR-5

DOCKET NO. 50-003

Replace the following pages of the License with the attached revised pages. The revised pages are identified by amendment number and contain marginal lines indicating the areas of change.

Remove Pages

1 through 6

Insert Pages

1 through 8

Replace the following pages of the Appendix A Technical Specifications with the attached revised pages. The revised pages are identified by amendment number and contain marginal lines indicating the areas of change.

Remove Pages

Cover page
Page 1
Page 2
Page 3
Page 11
Page 13

Insert Pages

Cover page
Page 1
Page 2
Page 3
Page 11
Page 13

Replace the following pages of the Appendix B Environmental Technical Specifications with the attached revised pages. The revised pages are identified by amendment number and contain marginal lines indicating the areas of change.

Remove Pages

Cover page

Insert Pages

Cover page

ENERGY NUCLEAR INDIAN POINT 2, LLC
AND ENERGY NUCLEAR OPERATIONS, INC.
DOCKET NO. 50-3
INDIAN POINT NUCLEAR GENERATING UNIT NO. 1
AMENDED PROVISIONAL OPERATING LICENSE

License No. DPR-5
Amendment No. 50

The Atomic Energy/Nuclear Regulatory Commission (the Commission) having found that:

- a. The application for amendment by the Consolidated Edison Company of New York, Inc. (Con Edison) and Entergy Nuclear Indian Point 2, LLC (ENIP2) and Entergy Nuclear Operations, Inc. (ENO) submitted under cover letter dated December 12, 2000, as supplemented by letters dated April 12, 2001, from Con Edison and dated April 16, May 24, June 6, and June 8, 2001, from ENIP2 and ENO complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations as set forth in 10 CFR Chapter I;
- b. There is reasonable assurance (i) that the facility can be operated at power levels not in excess of 615 Mw(t) in accordance with this license, as amended, without endangering the health and safety of the public and (ii) that such activities will be conducted in compliance with the rules and regulations of the Commission;
- c. ENO is technically and financially qualified and ENIP2 is financially qualified to engage in the activities authorized by this license, as amended, in accordance with the rules and regulations of the Commission;
- d. ENIP2 and ENO have furnished proof of financial protection to satisfy the requirements of 10 CFR, Part 140;
- e. The issuance of this amended license will not be inimical to the common defense and security or to the health and safety of the public;

Provisional Operating License No. DPR-5 is hereby amended in its entirety to read as follows:

1. This license applies to the utilization facility consisting of a pressurized water reactor (hereinafter referred to as 'the reactor'), and associated components and equipment hereinafter specified, which is owned by ENIP2, located in Westchester County, New York, and described in the amended and Substituted Application for Licenses dated November 30, 1960, as amended; in the Application for License amendment dated April 6, 1965, as

Amendment No. 50

supplemented May 6, 1965; and in the Application for License amendment dated December 3, 1965 (hereinafter referred to as 'the application'), and which is a part of the electric generating plant which has been designated by ENIP2 as the Indian Point Station Unit No. 1.

2. Subject to the conditions and requirements incorporated herein, the U.S. Nuclear Regulatory Commission (hereinafter referred to as "the Commission") hereby licenses: :
 - A. ENIP2 and ENO, pursuant to Section 104b. of the Act and Title 10 CFR Part 50, "Licensing of Production and Utilization Facilities," to possess but not operate the facility at the designated location in Westchester County, New York, in accordance with the procedures and limitations described in the application and this license; Amdt. 45
1-31-96
 - B. ENO, pursuant to the Act and 10 CFR Part 70, to receive and possess up to 1918 kilograms of contained uranium-235 previously received for reactor operation;
 - C. ENO, pursuant to the Act and Title 10, CFR, Chapter 1, Part 70, "Special Nuclear Material," to receive, possess and use six (6) grams of uranium-235 in fission counters;
 - D. ENO, pursuant to the Act and Title 10, CFR, Chapter 1, Part 30, "Licensing of Byproduct Material," to receive, possess and use six hundred (600) curies of Plutonium-210 encapsulated as Po-Be neutron star-up sources;
 - E. ENO, pursuant to the Act and 10 CFR Parts 30 and 70, to receive and possess, but not to separate, such byproduct and special materials as were produced by the prior operation of the facility; Amdt. 45
1-31-96
 - F. ENO, pursuant to the Act and Title 10, CFR, Parts 30 and 70, to possess and store the 1140.46 kilograms of special nuclear material and the byproduct materials contained in Core A.

3. This license shall be deemed to contain and is subject to the conditions specified in Sections 50.54 and 50.59 of Part 50, Section 70.32 of Part 70, Section 40.41 of Part 40, and Section 30.32 of Part 30 of the Commission's regulations; is subject to all applicable provisions of the Act and rules, regulations and orders of the Commission now and hereafter in effect; and is subject to the additional conditions specified below:
 - A. Maximum Power Level Amdt. 45
1-31-96
ENO is prohibited from taking the reactor to criticality, and the facility shall not be operated at any power level.

B. Technical Specifications

Amdt. 45
1-31-96

The Technical Specifications contained in Appendices A and B, as revised through Amendment No. 50, are hereby incorporated in the license. ENO shall maintain the facility in accordance with the Technical Specifications.

C. Records

In addition to those otherwise required under this license and applicable regulations, ENO shall keep the following records:

- (1) Reactor operating records, including power levels and period of operation at each power level.
- (2) Records showing the radioactivity released or discharged into the air or water beyond the effective control of ENO as measured at or prior to the point of such release or discharge.
- (3) Records of scrams, including reasons therefor.
- (4) Records of principal maintenance operations involving substitution or replacement of facility equipment or components and the reasons therefor.
- (5) Records of radioactivity measurements at on-site and off-site monitoring stations.
- (6) Records of facility tests and measurements performed pursuant to the requirements of the Technical Specifications.

- D. ENO shall fully implement and maintain in effect all provisions of the physical security, guard training and qualification, and safeguards contingency plans previously approved by the Commission and all amendments and revisions to such plans made pursuant to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The plans, which contain Safeguards Information protected under 10 CFR 73.21, are entitled: "Indian Point Station, Units 1 and 2 Physical Security Plan," with revisions submitted through July 25, 1989; "Indian Point Station, Units 1 and 2, Security Guard Training and Qualification Plan," with revisions submitted through December 8, 1986; and "Indian Point Station, Units 1 and 2, Safeguards Contingency Plan," with revisions submitted through November 7, 1986.

Amdt. 41
1-2-90

Paragraphs 3.E and 3.F are hereby deleted.

Amdt. 39
7-6-88

4. Deleted by Amendment No. 7, dated 11-14-74.
5. Definitions - As used in this license the term "facility means the following systems and components as described in the application:
 - A. The site as designated in Exhibit H-14 (Rev. 2) to the application, excluding: oil and coal storage facilities; the railroad spur; road systems and dock facility; and , to the extent not otherwise covered in this derfinition, the electrical tranmissions lines and the Buchanan substation.
 - B. The reactor, including the reactor core, reactor vessel, support structure, instrumentation, and controls.
 - C. A primary coolant loop system, including piping, coolant pumps, nuclear boilers, pressurizer, auxiliary systems, instrumentation and controls.
 - D. A containment vessel to house the reactor and the primary loop system.
 - E. A cooling system for the containment vessel, including a system of pumps, piping, spray nozzles and heat exchangers.
 - F. A concrete radiation shield completely enclosing the containment vessel.
 - G. A system comprised of isolation valves and necessary operating controls to close penetrations of the containment vessel.
 - H. A ventilating system for the containment vessel, nuclear service building, chemical systems building, and fuel handling building.
 - I. A boron addition system, including mixing tanks, pumps, and piping.
 - J. Biological shielding, including water and concrete shields at the reactor vessel.
 - K. A decay heat cooling system, including heat interchangers, pumps and piping.
 - L. A closed, fresh-water coolant system, including heat interchangers, pumps and piping to provide cooling for the nuclear facility through heat interchangers where the heat in the fresh water is transferred to river water.
 - M. A chemical processing system, including ion exchangers, evaporators, heat interchangers, pumps, piping, and tanks to remove and dispose of gaseous, liquid and solid radioactive products from the primary coolant and waste liquids.
 - N. A fuel handling and storage system, including canals, transfer tube, stop valves, and fuel handling devices.

- O. An instrument system, including detectors, transmitters, amplifiers, receivers and controllers, panel boards and necessary circuitry to control the reactor and associated systems.
 - P. A radiation monitoring system, including detectors and measuring devices.
 - Q. Secondary coolant system.
 - R. Auxiliary steam system.
 - S. Condensate and make-up water storage facilities.
 - T. Circulating system.
 - U. Component drain system.
 - V. Sampling system.
 - W. Electrical system, excluding transmission lines and the Buchanan substation to the extent that they are not covered in the Technical Specifications.
6. On the closing date of the transfer of the license, Con Edison shall transfer to ENIP2 all of the accumulated decommissioning trust funds for Indian Point Nuclear Generating Unit No. 1 (IP1) and such additional funds to be deposited in the decommissioning trusts for IP1 such that the total amount transferred for IP1 and Indian Point Nuclear Generating Unit No. 2 (IP2) is no less than \$430,000,000. Furthermore, ENIP2 shall either (a) establish a provisional trust for decommissioning funding assurance for IP1 and IP2 in an amount no less than \$25,000,000 (to be updated as required under applicable NRC regulations, unless otherwise approved by the NRC) or (b) obtain a surety bond for an amount no less than \$25,000,000 (to be updated as required under applicable NRC regulations, unless otherwise approved by the NRC). The total decommissioning funding assurance provided for IP1 by the combination of the decommissioning trust and the provisional trust or surety bond at the time of transfer of the licenses shall be at a level no less than the amounts calculated pursuant to, and required under, 10 CFR 50.75. The decommissioning trust, provisional trust, and surety bond shall be subject to or be consistent with the following requirements, as applicable:
- (a) Decommissioning Trust
 - (i) The decommissioning trust agreement must be in a form acceptable to the NRC.
 - (ii) With respect to the decommissioning trust funds, investments in the securities or other obligations of Entergy Corporation, or its affiliates, subsidiaries, successors, or assigns are and shall be prohibited. Except for investments tied to market indexes or other non-nuclear-sector mutual

funds, investments in any entity owning one or more nuclear power plants are and shall be prohibited.

- (iii) No contribution to the funds that consists of property other than liquid assets shall be permitted.
 - (iv) The decommissioning trust agreement must provide that no disbursements or payments from the trusts, other than for ordinary administrative expenses, shall be made by the trustee unless the trustee has first given the Director of the Office of Nuclear Reactor Regulation 30 days prior written notice of payment. The decommissioning trust agreement shall further contain a provision that no disbursements or payments from the trusts shall be made if the trustee receives prior written notice of objection from the NRC.
 - (v) The decommissioning trust agreement must provide that the agreement cannot be amended in any material respect without 30 days prior written notification to the Director of the Office of Nuclear Reactor Regulation.
 - (vi) The appropriate section of the decommissioning trust agreement shall state that the trustee, investment advisor, or anyone else directing the investments made in the trusts shall adhere to a "prudent investor" standard, as specified in 18 CFR 35.32(a)(3) of the Federal Energy Regulatory Commission's regulations.
- (b) Provisional Trust:
- (i) The provisional trust agreement must be in a form acceptable to the NRC.
 - (ii) Investments in the securities or other obligations of Entergy Corporation or its affiliates, subsidiaries, successors, or assigns are and shall be prohibited. Except for investments tied to market indexes or other non-nuclear-sector mutual funds, investments in any entity owning one or more nuclear power plants are and shall be prohibited.
 - (iii) The provisional trust agreement must provide that no disbursements or payments from the trust, other than for ordinary administrative expenses, shall be made by the trustee unless the trustee has first given the Director of the Office of Nuclear Reactor Regulation 30 days prior written notice of payment. The provisional trust agreement shall further contain a provision that no disbursements or payments from the trust shall be made if the trustee receives prior written notice of objection from the NRC.
 - (iv) The provisional trust agreement must provide that the agreement cannot be amended in any material respect, or terminated, without 30 days prior written notification to the Director of the Office of Nuclear Reactor Regulation.

- (v) The appropriate section of the provisional trust agreement shall state that the trustee, investment advisor, or anyone else directing the investments made in the trust shall adhere to a “prudent investor” standard, as specified in 18 CFR 35.32(a)(3) of the Federal Energy Regulatory Commission’s regulations.
 - (vi) Use of assets in the provisional trust, in the first instance, shall be limited to the expenses related to decommissioning IP1 or IP2 as defined by the NRC in its regulations and issuances, and as provided in this license and any amendments thereto.
- (c) Surety Bond
- (i) The surety bond agreement must be in a form acceptable to the NRC and be in accordance with all applicable NRC regulations.
 - (ii) The surety company providing any surety bond obtained to comply with the requirements of the Order approving the transfer shall be one of those listed by the U.S. Department of the Treasury in the most recent edition of Circular 570 and shall have a coverage limit sufficient to cover the amount of the surety bond.
 - (iii) ENIP2 shall establish a standby trust to receive funds from the surety bond, if a surety bond is obtained, in the event that ENIP2 defaults on its funding obligations for the decommissioning of IP1. The standby trust agreement must be in a form acceptable to the NRC, and shall conform with all conditions otherwise applicable to the decommissioning trust agreement, and with all conditions that would be applicable to the provisional trust above, if established.
 - (iv) The surety agreement must provide that the agreement cannot be amended in any material respect, or terminated, without 30 days prior written notification to the Director of the Office of Nuclear Reactor Regulation.
7. ENIP2 shall take all necessary steps to ensure that the decommissioning trusts are maintained in accordance with the application for approval of the transfer of the IP1 and IP2 licenses to ENIP2 and ENO and the requirements of the Order approving the transfer, and consistent with the safety evaluation supporting that Order.
8. ENIP2 and ENO shall take no action to cause Entergy Global Investments, Inc., or Entergy International Ltd. LLC or their parent companies to void, cancel, or modify the \$55 million contingency commitment to provide funding for the IP1 and IP2 plants as represented in the application without the prior written consent of the Director of the Office of Nuclear Reactor Regulation.

9. This amended license is effective as of the date of issuance, shall be implemented within 30 days, and shall expire at midnight, October 14, 2006. Amdt. 45
1-31-96

FOR THE ATOMIC ENERGY COMMISSION

Original signed by
E. G. Case

R. L. Doan, Director
Division of Reactor Licensing

Date of Issuance: October 29, 1965

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

DOCKET NO. 50-247

INDIAN POINT NUCLEAR GENERATING UNIT NO. 2

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 220
License No. DPR-26

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by Consolidated Edison Company of New York, Inc. (the licensee) submitted under cover letter dated December 12, 2000, as supplemented by letters dated April 12 from the licensee and dated April 16, May 24, June 6, and June 8, 2001, from Entergy Nuclear Indian Point 2, LLC, and Entergy Nuclear Operations, Inc., complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act) and the Commission's rules and regulations set forth in 10 CFR Chapter I;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this amendment can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
 - D. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.

2. Accordingly, the license is hereby amended as indicated in the attachment to this license amendment.
3. This license amendment is effective as of the date of its issuance and shall be implemented within 30 days.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA J.Johnson for/

Samuel J. Collins, Director
Office of Nuclear Reactor Regulation

Attachment: Amended Operating License Pages 1 through 8
and Amended Technical Specifications

Date of Issuance: September 6, 2001

ATTACHMENT TO LICENSE AMENDMENT NO. 220

FACILITY OPERATING LICENSE NO. DPR-26

DOCKET NO. 50-247

Replace the following pages of the License with the attached revised pages. The revised pages are identified by amendment number and contain marginal lines indicating the areas of change.

Remove Pages

1 through 6b

Insert Pages

1 through 8

Replace the following pages of the Appendix A Technical Specifications with the attached revised pages. The revised pages are identified by amendment number and contain marginal lines indicating the areas of change.

Remove Pages

Cover page
1-7
Figure 5.1-1A
Figure 5.1-1B

Insert Pages

Cover page
1-7
Figure 5.1-1A
Figure 5.1-1B

Replace the following pages of the Appendix B Environmental Technical Specifications with the attached revised pages. The revised pages are identified by amendment number and contain marginal lines indicating the areas of change.

Remove Pages

Cover page

Insert Pages

Cover page

ENTERGY NUCLEAR INDIAN POINT 2, LLC
AND ENTERGY NUCLEAR OPERATIONS, INC.
DOCKET NO. 50-247
INDIAN POINT NUCLEAR GENERATING UNIT NO. 2
AMENDED FACILITY OPERATING LICENSE

License No. DPR-26
Amendment No. 220

1. The Nuclear Regulatory Commission (the Commission) having found that:

- A. The application for amendment by the Consolidated Edison Company of New York, Inc. (Con Edison), Entergy Nuclear Indian Point 2, LLC (ENIP2), and Entergy Nuclear Operations, Inc. (ENO) submitted under cover letter dated December 12, 2000, as supplemented by letters dated April 12, 2001, from Con Edison and dated April 16, May 24, June 6, and June 8, 2001, from ENIP2 and ENO complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations as set forth in 10 CFR Chapter I;
- B. Construction of the Indian Point Nuclear Generating Unit No. 2 (IP2 or facility) has been substantially completed in conformity with provisional Construction Permit No. CPPR-21, as amended, and the application, as amended, the provisions of the Act and the rules and regulations of the Commission;
- C. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission;
- D. There is reasonable assurance: (i) that the activities authorized by this operating license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the rules and regulations of the Commission;
- E. ENO is technically and financially qualified and ENIP2 is financially qualified to engage in the activities authorized by this amended license in accordance with the rules and regulations of the Commission;
- F. ENIP2 and ENO have satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;

- G. The issuance of this amended license will not be inimical to the common defense and security or to the health and safety of the public;
 - H. After weighing the environmental, economic, technical, and other benefits of the facility against environmental costs and considering available alternatives, the issuance of this amendment to Facility Operating License No. DPR-26, subject to the conditions for the protection of the environment set forth herein, is in accordance with 10 CFR Part 50, Appendix D, of the Commission's regulations and all applicable requirements of said Appendix D have been satisfied; and
 - I. The receipt, possession, and use of source, byproduct and special nuclear material as authorized by this amended license will be in accordance with the Commission's regulations in 10 CFR Part 30, 40 and 70, including 10 CFR Section 30.33, 40.32, 70.23, and 70.31.
2. Facility Operating License No. DPR-26, as amended, (previously issued to Con Edison) issued to ENIP2 and ENO, is hereby amended in its entirety to read as follows:
- A. This amended license applies to the Indian Point Nuclear Generating Unit No. 2, a pressurized water nuclear reactor and associated equipment (the facility), which is owned by ENIP2 and operated by ENO. The facility is located in Westchester County, New York, and is described in the "Final Facility Description and Safety Analysis Report", as supplemented and amended.
 - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:
 - (1) Pursuant to Section 104b of the Act and 10 CFR Part 50, "Licensing of Production and Utilization Facilities", (a) ENIP2 to possess and use, and (b) ENO to possess, use and operate, the facility at the designated location in Westchester County, New York, in accordance with the procedures and limitations set forth in this amended license;
 - (2) ENO pursuant to the Act and 10 CFR Part 70, to receive, possess, and use, at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, as described in the Final Facility Description and Safety Analysis Report, as supplemented and amended and as described in the Commission's authorization through Amendment No. 75 to this license. Amdt. 75
1-11-82
 - (3) ENO pursuant to the Act and 10 CFR Parts 30, 40, and 70, to receive, possess and use, at any time any byproduct, source and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor Amdt. 42
10-17-78

instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;

- (4) ENO pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess, and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components; Amdt. 42
10-17-78
- (5) ENO pursuant to the Act and 10 CFR Parts 30 and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility.

C. This amended license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations in 10 CFR Chapter I: Part 20, Section 30.34 of Part 30, Section 40.41 of Part 40, Sections 50.54 and 50.59 of Part 50, and Section 70.32 of Part 70; is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

(1) Maximum Power Level

ENO is authorized to operate the facility an steady state reactor core power levels not in excess of 3071.4 megawatts thermal. Amdt. 148
3-7-90

(2) Technical Specifications

The Technical Specifications contained in Appendices A and B, as revised through Amendment No. 220, are hereby incorporated in the license. ENO shall operate the facility in accordance with the Technical Specifications.

D. (1) Deleted per Amdt. 82, 12-11-82.

(2) Secondary Water Chemistry Monitoring Amdt. 60
1-28-80

ENO shall implement a secondary water chemistry monitoring program to inhibit steam generator tube degradation. The program shall include:

- (a) Identification of a sampling schedule for the critical parameters and control points for these parameters;

- (b) Identification of the procedures used to quantify parameters that are critical to control points;
 - (c) Identification of process sampling points;
 - (d) Procedure for the recording and management of data;
 - (e) Procedures defining corrective actions for off control point chemistry conditions; and
 - (f) A procedure identifying the authority responsible for the interpretation of the data, and the sequence and timing of administrative events required to initiate corrective action.
- E. Deleted per Amdt. 71, dated 8-5-81, effective 5-14-81.
- F. This amended license is also subject to appropriate conditions by the New York State Department of Environmental Conservation in its letter of September 24, 1973, to Consolidated Edison Company of New York, Inc., granting a Section 401 certification under the Federal Water Pollution Control Act amendments of 1972.
- G. Pursuant to Section 50.60 of 10 CFR Part 50, paragraph 4 of Provisional Construction Permit No. CPPR-21 allocating quantities of special nuclear material, together with the related estimated schedules contained in Appendix A attached to said provisional construction permit, shall remain in effect.
- H. ENO shall fully implement and maintain in effect all provisions of the physical security, guard training and qualification, and safeguards contingency plans previously approved by the Commission and all amendments and revisions to such plans made pursuant to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The plans, which contain Safeguards Information protected under 10 CFR 73.21, are entitled: "Indian Point Station, Units 1 and 2 Physical Security Plan," with revisions submitted through July 25, 1989; "Indian Point Station, Units 1 and 2, Security Guard Training and Qualification Plan," with revisions submitted through December 8, 1986; and "Indian Point Station, Units 1 and 2, Safeguards Contingency Plan," with revisions submitted through November 7, 1986. Amdt. 145 | 1-2-90
- I. Deleted per Amdt. 133, 7-6-88.
- J. Deleted per Amdt. 133, 7-6-88.

- K. ENO shall implement and maintain in effect all provisions of the NRC-approved fire protection program as described in the Updated Final Safety Analysis Report for the facility and as approved in Safety Evaluations Reports dated November 30, 1977, February 3, 1978, January 31, 1979, October 31, 1980, August 22, 1983, March 30, 1984, October 16, 1984, September 16, 1985, November 13, 1985, March 4, 1987, January 12, 1989, and March 26, 1996. ENO may make changes to the NRC-approved fire protection program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire.

- L. ENO shall implement a program to reduce leakage from systems outside containment that would or could contain highly radioactive fluids during a serious transient or accident to as low as practical levels. This program shall include the following.
 - 1. Provisions establishing preventive maintenance and periodic visual inspection requirements, and
 - 2. Integrated leak test requirements for each system at a frequency not to exceed refueling cycle intervals. (R##)

- M. ENO shall implement a program which will ensure the capability to accurately determine the airborne iodine concentration in vital areas under accident conditions. This program shall include the following:
 - 1. Training of personnel.
 - 2. Procedure for monitoring, and
 - 3. Provisions for maintenance of sampling and analysis equipment.

- 3. On the closing date of the transfer of the license, Con Edison shall transfer to ENIP2 all of the accumulated decommissioning trust funds for IP2 and such additional funds to be deposited in the decommissioning trust for IP2 such that the total amount transferred for Indian Point Nuclear Generating Unit No. 1 (IP1) and IP2 is no less than \$430,000,000. Furthermore, ENIP2 shall either (a) establish a provisional trust for decommissioning funding assurance for IP1 and IP2 in an amount no less than \$25,000,000 (to be updated as required under applicable NRC regulations, unless otherwise approved by the NRC) or (b) obtain a surety bond for an amount no less than \$25,000,000 (to be updated as required under applicable NRC regulations, unless otherwise approved by the NRC). The total decommissioning funding assurance provided for IP2 by the combination of the decommissioning trust and the provisional trust or surety bond at the time of transfer of the licenses shall be at a level no less than the amounts calculated pursuant to, and required under, 10 CFR 50.75. The decommissioning trust, provisional trust, and surety bond shall be subject to or be consistent with the following requirements, as applicable:

(a) Decommissioning Trust

- (i) The decommissioning trust agreement must be in a form acceptable to the NRC.
- (ii) With respect to the decommissioning trust funds, investments in the securities or other obligations of Entergy Corporation, or its affiliates, subsidiaries, successors, or assigns are and shall be prohibited. Except for investments tied to market indexes or other non-nuclear-sector mutual funds, investments in any entity owning one or more nuclear power plants are and shall be prohibited.
- (iii) No contribution to the funds that consists of property other than liquid assets shall be permitted.
- (iv) The decommissioning trust agreement must provide that no disbursements or payments from the trusts, other than for ordinary administrative expenses, shall be made by the trustee unless the trustee has first given the Director of the Office of Nuclear Reactor Regulation 30 days prior written notice of payment. The decommissioning trust agreement shall further contain a provision that no disbursements or payments from the trusts shall be made if the trustee receives prior written notice of objection from the NRC.
- (v) The decommissioning trust agreement must provide that the agreement cannot be amended in any material respect without 30 days prior written notification to the Director of the Office of Nuclear Reactor Regulation.
- (vi) The appropriate section of the decommissioning trust agreement shall state that the trustee, investment advisor, or anyone else directing the investments made in the trusts shall adhere to a "prudent investor" standard, as specified in 18 CFR 35.32(a)(3) of the Federal Energy Regulatory Commission's regulations.

(b) Provisional Trust:

- (i) The provisional trust agreement must be in a form acceptable to the NRC.
- (ii) Investments in the securities or other obligations of Entergy Corporation or its affiliates, subsidiaries, successors, or assigns are and shall be prohibited. Except for investments tied to market indexes or other non-nuclear-sector mutual funds, investments in any entity owning one or more nuclear power plants are and shall be prohibited.
- (iii) The provisional trust agreement must provide that no disbursements or payments from the trust, other than for ordinary administrative expenses, shall be made by the trustee unless the trustee has first given the Director of the Office of Nuclear Reactor Regulation 30 days prior written notice of payment. The provisional trust agreement shall further contain a provision that no disbursements or payments from the trust shall be made if the trustee receives prior written notice of objection from the NRC.

- (iv) The provisional trust agreement must provide that the agreement cannot be amended in any material respect, or terminated, without 30 days prior written notification to the Director of the Office of Nuclear Reactor Regulation.
 - (v) The appropriate section of the provisional trust agreement shall state that the trustee, investment advisor, or anyone else directing the investments made in the trust shall adhere to a “prudent investor” standard, as specified in 18 CFR 35.32(a)(3) of the Federal Energy Regulatory Commission’s regulations.
 - (vi) Use of assets in the provisional trust, in the first instance, shall be limited to the expenses related to decommissioning IP2 or IP1 as defined by the NRC in its regulations and issuances, and as provided in this license and any amendments thereto.
- (c) Surety Bond
- (i) The surety bond agreement must be in a form acceptable to the NRC and be in accordance with all applicable NRC regulations.
 - (ii) The surety company providing any surety bond obtained to comply with the requirements of the Order approving the transfer shall be one of those listed by the U.S. Department of the Treasury in the most recent edition of Circular 570 and shall have a coverage limit sufficient to cover the amount of the surety bond.
 - (iii) ENIP2 shall establish a standby trust to receive funds from the surety bond, if a surety bond is obtained, in the event that ENIP2 defaults on its funding obligations for the decommissioning of IP2. The standby trust agreement must be in a form acceptable to the NRC, and shall conform with all conditions otherwise applicable to the decommissioning trust agreement, and with all conditions that would be applicable to the provisional trust above, if established.
 - (iv) The surety agreement must provide that the agreement cannot be amended in any material respect, or terminated, without 30 days prior written notification to the Director of the Office of Nuclear Reactor Regulation.
4. ENIP2 shall take all necessary steps to ensure that the decommissioning trust is maintained in accordance with the application for approval of the transfer of the IP1 and IP2 licenses to ENIP2 and ENO and the requirements of the Order approving the transfer, and consistent with the safety evaluation supporting that Order.
5. ENIP2 and ENO shall take no action to cause Entergy Global Investments, Inc., or Entergy International Ltd. LLC or their parent companies to void, cancel, or modify the \$55 million contingency commitment to provide funding for the IP1 and IP2 plants as represented in the application without the prior written consent of the Director of the Office of Nuclear Reactor Regulation.

6. This amended license is effective as of the date of issuance, and shall expire at midnight September 28, 2013. Amdt. 118
4-21-87

FOR THE ATOMIC ENERGY COMMISSION

Original signed by
Roger S. Boyd

A. Giambusso, Deputy Director
for Reactor Projects
Directorate of Licensing

Date of Issuance: September 28, 1973