



Entergy Nuclear Generation Co.  
Pilgrim Nuclear Power Station  
600 Rocky Hill Road  
Plymouth, MA 02360

Mike Bellamy  
Site Vice President

February 15, 2002

U.S. Nuclear Regulatory Commission  
Attention: Document Control Desk  
Washington, DC 20555-0001

SUBJECT: Entergy Nuclear Generation Company  
Pilgrim Nuclear Power Station  
Docket No. 50-293                      Docket No. 030-34378  
License No. DPR-35                      License No. 20-07626-04

Response to Request for Additional Information Concerning Transfer of Facility  
Operating License

- REFERENCES:
1. ENG C letter to NRC, Request for Transfer of Operating Authority of Pilgrim Nuclear Power Station Facility Operating License and NRC Materials License, dated August 24, 2001.
  2. ENG C letter to NRC, Transfer of Certain Entergy Nuclear Generation Company Employees to Entergy Nuclear Operations, Inc., dated November 15, 2001.
  3. ENG C letter to NRC, Supplement to Request for Transfer of Operating Authority of Pilgrim Station Facility Operating License and NRC Materials License, dated December 20, 2001.

LETTER NUMBER: 2.02.008

Dear Sir or Madam:

This letter is submitted as requested by NRC Headquarters staff personnel. Enclosure 1 provides information to the NRC Headquarters staff in support of the application to transfer the Pilgrim Station Facility Operating License. The Enclosure 1 information supplements the information previously submitted to the NRC by addressing Headquarters staff questions that are also contained in Enclosure 1. The Enclosure 1 information does not materially change the information previously submitted in support of the requested transfer of Pilgrim Station Facility Operating License and NRC Materials License.

Enclosure 1 Attachment A.1 of this letter contains information requested to be withheld from public disclosure pursuant to 10 CFR 2.790(a)(4) and 10 CFR 9.17(a)(4). The Affidavit in support of this request is attached as Attachment A.2. Therefore, there are non-redacted and redacted versions of Enclosure 1 Attachment A.1 of this letter. The shaded portions of Attachment A.1 signify the information requested to be withheld from public disclosure and the information that has been redacted. Enclosure 1 Attachment A.2 provides the Affidavit in support of the request for withholding the information from public disclosure.

APol.

Reference 1, Enclosure 1 (Information Provided in Support of the Application) that included Environmental Review and No Significant Hazards Consideration, and Enclosure 3 (Proposed Operating Agreement) are unchanged by this supplement.

Please feel free to contact Mr. Bryan Ford, (508) 830-8403, if you have any questions or require additional information regarding this subject.

Sincerely,



R.M. Bellamy

DWE/jbb

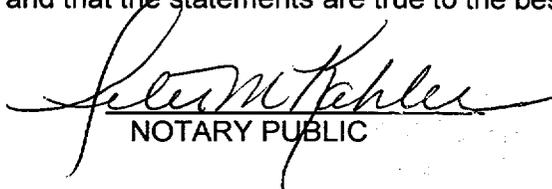
Enclosures (as stated)

cc: see next page

Commonwealth of Massachusetts)  
County of Plymouth )

Then personally appeared before me, Robert M. Bellamy, who being duly sworn, did state that he is duly authorized to execute and file the submittal contained and that the statements are true to the best of his knowledge and belief.

My commission expires: September 20, 2002  
Date



NOTARY PUBLIC

Copies: with Enclosures (as stated)

Mr. Douglas Starkey, Project Manager  
Project Directorate I-3  
Office of Nuclear Reactor Regulation  
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Mr. Hubert J. Miller  
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Senior Resident Inspector  
Pilgrim Nuclear Power Station

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Mr. Robert Hallisey  
Radiation Control Program  
Mass. Dept. of Public Health  
174 Portland Street 5th Floor  
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Mr. Peter LaPorte, Director  
Mass. Energy Management Agency  
400 Worcester Road  
P.O. Box 1496  
Framingham, MA 01701-0313

ENCLOSURE 1

Response to NRC Request for Additional Information

## ENCLOSURE 1

### Response to NRC Request for Additional Information

The following information is provided in response to verbal questions conveyed by the NRC Headquarters staff. For convenience, the questions are numbered in the order asked.

1. Please submit cost and revenue estimates for ENGC for each of the first five years of operation of the facility (from the date of Operating License transfer) as required by 10 CFR 50.33(f)(2).

Response:

Enclosure 1 Attachment A.1 provides the requested cost and revenue estimates for ENGC for each of the first five years of operation of Pilgrim Station (from the date of Operating License transfer). The shaded portion of the spreadsheet is the information being requested to be withheld from public disclosure pursuant to 10 CFR 2.790(a)(4) and 10 CFR 9.17(a)(4). Therefore, there are non-redacted and redacted versions of this spreadsheet. Attachment A.2 provides the Affidavit in support of the request.

2. The submittal, dated November 15, 2001, contained a Service Agreement between ENO and ENGC, dated December 18, 2000, which stated that ENGC will retain ultimate decision-making authority in several areas of plant operations. Please clarify that this Service Agreement is currently in effect or is being implemented, and will be in effect only until the Operating License is transferred to ENO at which time ENO will assume the ultimate responsibility and authority for plant operations and the above Service Agreement will be terminated.

Response:

As stated in the original Application cover letter: "ENGC will remain the owner of Pilgrim Station and will enter into an Operating Agreement with ENO. ENO will assume exclusive responsibility for the operation and maintenance of Pilgrim Station. An Operating Agreement will establish that ENO has the sole authority, as operator of Pilgrim Station, to make all decisions regarding public health and safety. Enclosure 3 provides a copy of the proposed Operating Agreement."

The Service Agreement is in effect and is being implemented. The Operating Agreement will be implemented and will be the controlling agreement at the time of license transfer. The Service Agreement will be terminated when the Operating Agreement is implemented.

3. Please update the application, as necessary, by indicating which, if any, ENGC employees have already been transferred to ENO, and which ENGC employees will be transferred upon the transfer of the Operating License.

Response:

As discussed in the Reference 2, certain ENGC employees who perform non-supervisory functions were expected to be transferred from ENGC to ENO in late December 2001. Those employees were, in fact, transferred in late December 2001, after the letter was submitted. The employees that were transferred are members of the collective bargaining agreement and non-supervisory employees who are not members of the collective bargaining agreement. The ENGC employees who function in a supervisory or managerial capacity were not transferred to ENO and will be transferred to ENO upon the transfer of the Operating License.

4. Please provide an organization chart of the proposed ENO organization after the license transfer, showing lines of communication and authority, such that it is evident how Pilgrim will obtain necessary technical support.

Response:

An upper level organization chart provided. See Enclosure 1 Attachment B.

5. In addition to the above (question 4), the following reporting relationships were described in the submittal:

"The corporate reporting relationship of the Pilgrim Station Site Vice President will also be unaffected by the transfer. The Site Vice President, who is an officer of both ENGC and ENO, currently reports to the Chief Operating Officer (COO) of ENGC, Michael R. Kansler. Mr. Kansler also serves as the COO of ENO. After the transfer, the Site Vice President will continue to report to Mr. Kansler in his capacity as COO of ENO.

Similarly, Mr. Kansler reports to the President and Chief Executive Officer (CEO) of ENGC, Jerry W. Yelverton. Mr. Yelverton is the Chief Nuclear Officer of all nuclear power plants owned or operated by Entergy. Mr. Yelverton is also President and CEO of ENO, and Mr. Kansler, as COO of ENO, reports to Mr. Yelverton. These reporting relationships are not being changed as a result of the transfer."

Please provide a representation in the application that personnel providing technical support have sufficient technical experience and that the qualifications of personnel meet or exceed the qualifications endorsed by Regulatory Guide 1.8.

Response:

As discussed in the Application "The technical qualifications of ENO to carry out its responsibilities under the Pilgrim Station operating license will be equivalent to the present technical qualifications of ENGC. Concurrent with transfer of operating authority to ENO, all ENGC personnel will become ENO employees. The technical qualifications of the proposed organization, therefore, will be equivalent to those of the existing organization, and personnel qualification requirements defined in the Pilgrim Station Technical Specifications will continue to be met."

The Pilgrim Station Technical Specifications, in Section 5.3.1, provides the Staff Qualifications for Pilgrim Station (i.e., ANSI N18.1-1971 for the staff and RG 1.8 – 9/75 for the Radiation Protection Manager). As discussed in the Application, Pilgrim meets and will continue to meet the license requirements for applicable personnel including technical support personnel.

6. Please insert the following changes to the FACILITY OPERATING LICENSE and submit the affected revised pages:
  - a. Page 1, paragraph d.: The Entergy Nuclear Generation Company (Entergy Nuclear) is financially qualified and Entergy Nuclear Operations, Inc. (ENO) is technically and financially qualified to engage in the activities authorized by this operating license, in accordance with the rules and regulations of the Commission; and

- b. APPENDIX B, page 1: Entergy Nuclear Operations, Inc., shall comply with the following conditions on the schedules noted below:

Response:

The proposed Facility Operating License and Appendix B, page 1, has been changed to reflect the requested change. For completeness, the entire proposed Facility Operating License, Appendix A and Appendix B is provided. See Attachment C.1 for the marked-up pages of the Facility Operating License, Appendix A, and Appendix B. See Attachment C.2 for the clean pages of the Facility Operating License, Appendix A, and Appendix B. Attachments C.1 and C.2 replace, in their entirety, the marked-up and clean pages of the Facility Operating License, Appendix A, and Appendix B, most recently submitted in Reference 3.

ENCLOSURE 1  
ATTACHMENT A.2  
AFFIDAVIT

ENCLOSURE 1 ATTACHMENT A.2

AFFIDAVIT

I, Robert M. Bellamy, Pilgrim Station Site Vice President of Entergy Nuclear Generation Company (Entergy Nuclear), do hereby affirm and state:

1. Entergy Nuclear is providing information in support of the proposed license transfer and conforming amendments (Pilgrim Docket 50-293). The shaded information provided in Enclosure 1 Attachment A.1 (Spreadsheet of 5 Year Projection) contains Entergy Nuclear's financial projections related to the operation of Pilgrim Station. The shaded information contained in the spreadsheet constitutes proprietary commercial and financial information that should be held in confidence by the NRC pursuant to 10 CFR 9.17(a)(4) and the policy reflected in 10 CFR 2.790, because:
  - i. This information is and has been held in confidence by Entergy Nuclear.
  - ii. This information is of a type that is held in confidence by Entergy Nuclear, and there is a rational basis for doing so because the information contains sensitive financial information concerning Entergy Nuclear's projected revenues and operating expenses.
  - iii. This information is being transmitted to the NRC in confidence.
  - iv. This information is not available in public sources and could not be gathered readily from other publicly available information.
  - v. Public disclosure of this information would create substantial harm to the competitive position of Entergy Nuclear by disclosing Entergy Nuclear's internal financial projections and the commercial terms of a unique transaction to other parties whose commercial interests may be adverse to those of Entergy Nuclear.
2. Accordingly, Entergy Nuclear requests that the designated documents be withheld from public disclosure pursuant to 10 CFR 2.790(a)(4) and 10 CFR 9.17(a)(4).

  
 Robert M. Bellamy

Commonwealth of Massachusetts)  
 County of Plymouth )

Then personally appeared before me, Robert M. Bellamy, who being duly sworn, did state that he is duly authorized to execute and file the submittal contained and that the statements are true to the best of his knowledge and belief.

My commission expires: September 20, 2002  
 Date

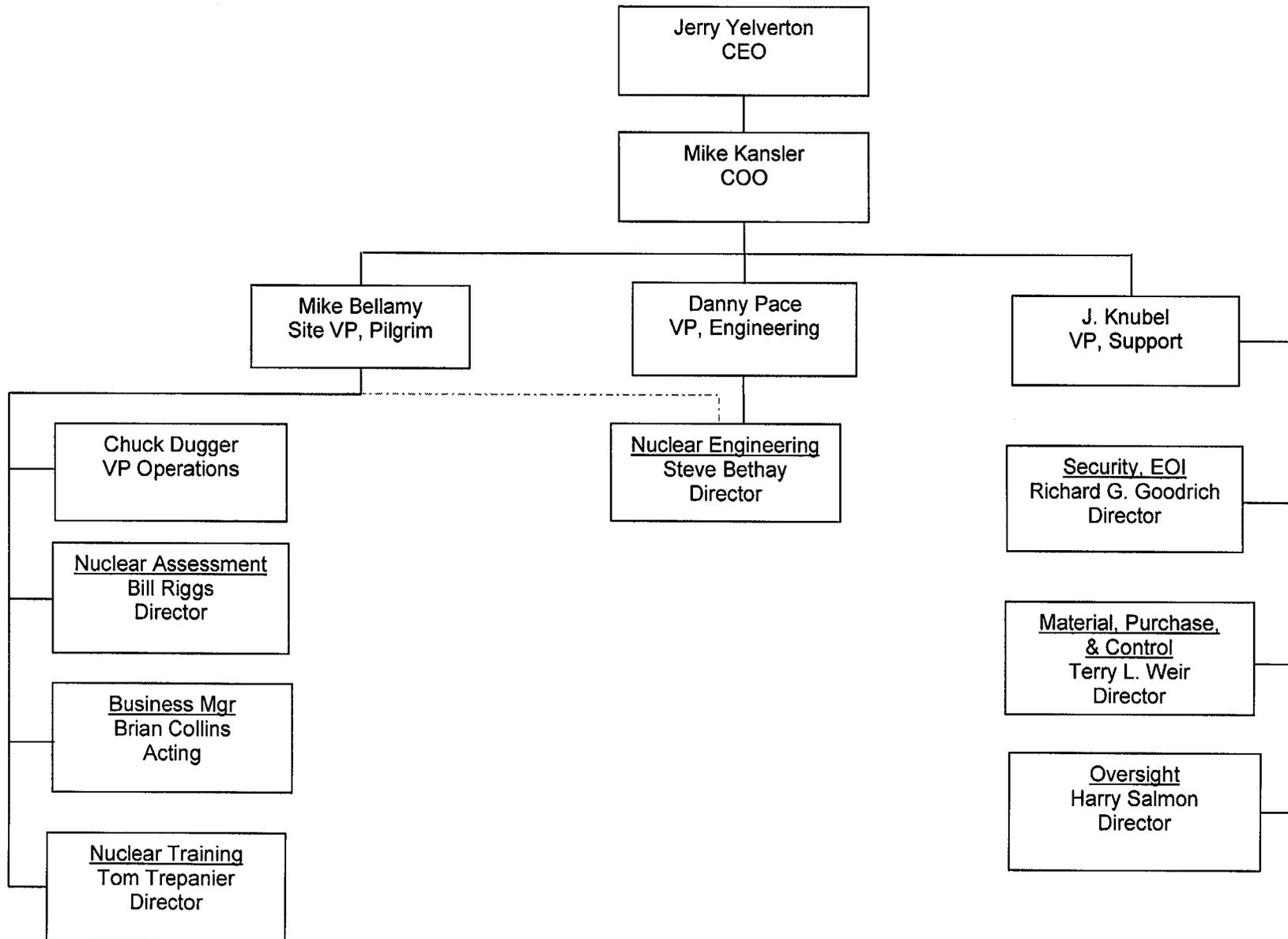
  
 NOTARY PUBLIC

ENCLOSURE 1

ATTACHMENT B

UPPER LEVEL ORGANIZATION CHART

**ENCLOSURE 1 ATTACHMENT B**  
**UPPER LEVEL ORGANIZATION CHART**



**ENCLOSURE 1**

**ATTACHMENT C.1**

**Marked-up Pages of Facility Operating License and  
Facility Operating License Attachment A and  
Attachment B**

and ENERGY NUCLEAR OPERATIONS, INCORPORATED

UNITED STATES

ATOMIC ENERGY COMMISSION

WASHINGTON, DC 20545

ENERGY NUCLEAR GENERATION COMPANY\*

(PILGRIM NUCLEAR POWER STATION)

DOCKET NO. 50-293

FACILITY OPERATING LICENSE

License No. DPR-35

The Atomic Energy Commission (the Commission) having found that:

- a. Except as stated in condition 5, construction of the Pilgrim Nuclear Power Station (the facility) has been substantially completed in conformity with the application, as amended, the Provisional Construction Permit No. CPPR-49, the provisions of the Atomic Energy Act of 1954, as amended (the Act), and the rules and regulations of the Commission as set forth in Title 10, Chapter 1, CFR; and
- b. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission; and
- c. There is reasonable assurance (i) that the activities authorized by the 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; and
- d. The Energy Nuclear Generation Company (Entergy Nuclear) is technically and financially qualified to engage in the activities authorized by this operating license, in accordance with the rules and regulations of the Commission; and  
*and Entergy Nuclear Operations, Inc. (ENO) is technically and financially qualified*
- e. Entergy Nuclear ~~has~~ *and ENO have* satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements" of the Commission's regulations; and
- f. The issuance of this license will not be inimical to the common defense and security or to the health and safety of the public; and
- g. In accordance with the requirements of Appendix D to 10 CFR Part 50, the operating license should be issued subject to conditions for protection of the environment set forth herein.

Facility Operating License No. DPR-35, dated June 8, 1972, issued to the Boston Edison Company (Boston Edison) is hereby amended in its entirety, pursuant to an Initial Decision dated September 13, 1972, by the Atomic Safety and Licensing Board, to read as follows:

\*The Nuclear Regulatory Commission approved the transfer of the license from Boston Edison Company to Entergy Nuclear Generation Company on April 29, 1999.

owned by Entergy Nuclear and operated by ENO.

1. This license applies to the Pilgrim Nuclear Power Station, a single cycle, forced circulation, boiling water nuclear reactor and associated electric generating equipment (the facility) ←  
The facility is located on the western shore of Cape Cod Bay in the town of Plymouth on the Entergy Nuclear site in Plymouth County, Massachusetts, and is described in the "Final Safety Analysis Report," as supplemented and amended.

2. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses Entergy Nuclear:

a) Entergy Nuclear to possess and use and b) ENO

A. Pursuant to the Section 104b of the Atomic Energy Act of 1954, as amended (the Act) and 10 CFR Part 50, "Licensing of Production and Utilization Facilities," to possess, use, and operate the facility as a utilization facility at the designated location on the Pilgrim site;

~~F~~ ENO, B. Pursuant to the Act and 10 CFR 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 Safety Analysis Report, as supplemented and amended;

~~F~~ ENO, C. Pursuant to the Act and 10 CFR Parts 30, 40 and 70 to receive, possess and use at any time any byproduct, source or special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;

~~F~~ ENO, D. 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; and

~~F~~ ENO, E. 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.

3. This license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations; 10 CFR Part 20, Section 30.34 of 10 CFR Part 30, Section 40.41 of 10 CFR Part 40, Sections 50.54 and 50.59 of 10 CFR Part 50 and Section 70.32 of 10 CFR Part 70; and 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 below:

A. Maximum Power Level

~~F~~ ENO Entergy Nuclear is authorized to operate the facility at steady state power levels not to exceed 1998 megawatts thermal.

B. Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. 191, are hereby incorporated in the license. The licensee shall operate the facility in accordance with the Technical Specifications.

C. Records

↓ ENO

~~Energy Nuclear~~ shall keep facility operating records in accordance with the requirements of the Technical Specifications.

D. Equalizer Valve Restriction - DELETED

E. Recirculation Loop Inoperable

The reactor shall not be operated with one recirculation loop out of service for more than 24 hours. With the reactor operating, if one recirculation loop is out of service, the plant shall be placed in a hot shutdown condition within 24 hours unless the loop is sooner returned to service.

F. Fire Protection

↓ ENO

~~Energy Nuclear~~ shall implement and maintain in effect all provisions of the approved fire protection program as described in the Final Safety Analysis Report for the facility and as approved in the SER dated December 21, 1978 as supplemented subject to the following provision:

↓ ENG

~~Energy Nuclear~~ may make changes to the 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.

G. Physical Protection

The licensee shall fully implement and maintain in effect all provisions of the Commission-approved physical security, guard training and qualification, and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10CFR73.55 (51FR27817 and 27822) and to the authority of 10CFR50.90 and 10CFR50.54(p). The plans, which contain Safeguards Information protected under 10CFR73.21, are entitled: "Pilgrim Nuclear Power Station Physical Security Plan," with revisions submitted through September 18, 1987; "Pilgrim Nuclear Power Station Guard Training and Qualification Plan," with revisions submitted through September 24, 1984; and "Pilgrim Nuclear Power Station Safeguards Contingency Plan," with revisions submitted through February 15, 1984. Changes made in accordance with 10CFR73.55 shall be implemented in accordance with the schedule set forth therein.

I. Post-Accident Sampling System, NUREG-0737, Item II.B.3, and Containment Atmospheric Monitoring System, NUREG-0737, Item II.F.1(6)

The licensee shall complete the installation of a post-accident sampling system and a containment atmospheric monitoring system as soon as practicable, but no later than June 30, 1985.

J. Additional Conditions

The Additional Conditions contained in Appendix B, as revised through Amendment No. 177, are hereby incorporated into this license. ~~Entergy Nuclear~~ shall operate the facility in accordance with the Additional Conditions. ZENO

K. Conditions Related to the Sale and Transfer

- (1) For purposes of ensuring public health and safety, Entergy Nuclear shall provide decommissioning funding assurance of no less than \$396 million, after payment of any taxes, in the decommissioning trust fund for Pilgrim upon the transfer of the Pilgrim licenses to Entergy Nuclear.
- (2) Entergy Nuclear shall maintain the decommissioning trust funds in accordance with the Order, the related Safety Evaluation dated April 29, 1999, and the related application for approval of the transfer.
- (3) Entergy Nuclear shall provide a Provisional Trust fund in the amount of \$70 million, after payment of any taxes, in the Provisional Trust for Pilgrim upon the transfer of the Pilgrim licenses to Entergy Nuclear. The Provisional Trust shall be established and maintained in conformance with the representations made in the application for approval of the transfer.

APPENDIX A  
TO  
FACILITY OPERATING LICENSE DPR-35  
TECHNICAL SPECIFICATION AND BASES  
FOR  
PILGRIM NUCLEAR POWER STATION  
PLYMOUTH, MASSACHUSETTS

ENTERGY NUCLEAR

DOCKET NO. 50-293

and ENERGENCY NUCLEAR OPERATIONS, INCORPORATED

Appendix B

ADDITIONAL CONDITIONS

OPERATING LICENSE NO. DPR-35

*J. Operations, Inc.*

Entergy Nuclear shall comply with the following conditions on the schedules noted below:

<u>Amendment Number</u>	<u>Additional Conditions</u>	<u>Implementation Date</u>
177	The licensee is authorized to relocate certain Technical Specifications requirements to licensee-controlled documents. Implementation of this amendment shall include relocation of various sections of the technical specifications to the appropriate documents as described in the licensee's application dated September 19, 1997, and in the staff's safety evaluation attached to this amendment.	The amendment shall be implemented within 30 days from July 31, 1998, except that the licensee shall have until the next scheduled Updated Final Safety Analysis Report (UFSAR) update to incorporate the UFSAR relocations.

**ENCLOSURE 1**

**ATTACHMENT C.2**

**Clean Pages of Facility Operating License and  
Facility Operating License Attachment A and  
Attachment B**

**UNITED STATES**  
**ATOMIC ENERGY COMMISSION**  
**WASHINGTON, DC 20545**  
**ENTERGY NUCLEAR GENERATION COMPANY\***  
**And ENTERGY NUCLEAR OPERATIONS, INCORPORATED**  
**(PILGRIM NUCLEAR POWER STATION)**  
**DOCKET NO. 50-293**  
**FACILITY OPERATING LICENSE**

License No. DPR-35

The Atomic Energy Commission (the Commission) having found that:

- a. Except as stated in condition 5, construction of the Pilgrim Nuclear Power Station (the facility) has been substantially completed in conformity with the application, as amended, the Provisional Construction Permit No. CPPR-49, the provisions of the Atomic Energy Act of 1954, as amended (the Act), and the rules and regulations of the Commission as set forth in Title 10, Chapter 1, CFR; and
- b. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission; and
- c. There is reasonable assurance (i) that the activities authorized by the 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; and
- d. The Entergy Nuclear Generation Company (Entergy Nuclear) is financially qualified and Entergy Nuclear Operations, Inc. (ENO) is technically and financially qualified to engage in the activities authorized by this operating license, in accordance with the rules and regulations of the Commission; and
- e. Entergy Nuclear and ENO have satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements" of the Commission's regulations; and
- f. The issuance of this license will not be inimical to the common defense and security or to the health and safety of the public; and
- g. In accordance with the requirements of Appendix D to 10 CFR Part 50, the operating license should be issued subject to conditions for protection of the environment set forth herein.

Facility Operating License No. DPR-35, dated June 8, 1972, issued to the Boston Edison Company (Boston Edison) is hereby amended in its entirety, pursuant to an Initial Decision dated September 13, 1972, by the Atomic Safety and Licensing Board, to read as follows:

\*The Nuclear Regulatory Commission approved the transfer of the license from Boston Edison Company to Entergy Nuclear Generation Company on April 29, 1999.

1. This license applies to the Pilgrim Nuclear Power Station, a single cycle, forced circulation, boiling water nuclear reactor and associated electric generating equipment (the facility), owned by Entergy Nuclear and operated by ENO. The facility is located on the western shore of Cape Cod Bay in the town of Plymouth on the Entergy Nuclear site in Plymouth County, Massachusetts, and is described in the "Final Safety Analysis Report," as supplemented and amended.
2. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses Entergy Nuclear:
  - A. Pursuant to the Section 104b of the Atomic Energy Act of 1954, as amended (the Act) and 10 CFR Part 50, "Licensing of Production and Utilization Facilities," a) Entergy Nuclear to possess and use and b) ENO to possess, use, and operate the facility as a utilization facility at the designated location on the Pilgrim site;
  - B. ENO, pursuant to the Act and 10 CFR 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 Safety Analysis Report, as supplemented and amended;
  - C. ENO, pursuant to the Act and 10 CFR Parts 30, 40 and 70 to receive, possess and use at any time any byproduct, source or special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;
  - D. 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; and
  - E. 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.
3. This license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations; 10 CFR Part 20, Section 30.34 of 10 CFR Part 30, Section 40.41 of 10 CFR Part 40, Sections 50.54 and 50.59 of 10 CFR Part 50 and Section 70.32 of 10 CFR Part 70; and 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 below:
  - A. Maximum Power Level

ENO is authorized to operate the facility at steady state power levels not to exceed 1998 megawatts thermal.

B. Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. , are hereby incorporated in the license. The licensee shall operate the facility in accordance with the Technical Specifications.

C. Records

ENO shall keep facility operating records in accordance with the requirements of the Technical Specifications.

D. Equalizer Valve Restriction - DELETED

E. Recirculation Loop Inoperable

The reactor shall not be operated with one recirculation loop out of service for more than 24 hours. With the reactor operating, if one recirculation loop is out of service, the plant shall be placed in a hot shutdown condition within 24 hours unless the loop is sooner returned to service.

F. Fire Protection

ENO shall implement and maintain in effect all provisions of the approved fire protection program as described in the Final Safety Analysis Report for the facility and as approved in the SER dated December 21, 1978 as supplemented subject to the following provision:

ENO may make changes to the 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.

G. Physical Protection

The licensee shall fully implement and maintain in effect all provisions of the Commission-approved physical security, guard training and qualification, and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10CFR73.55 (51FR27817 and 27822) and to the authority of 10CFR50.90 and 10CFR50.54(p). The plans, which contain Safeguards Information protected under 10CFR73.21, are entitled: "Pilgrim Nuclear Power Station Physical Security Plan," with revisions submitted through September 18, 1987; "Pilgrim Nuclear Power Station Guard Training and Qualification Plan," with revisions submitted through September 24, 1984; and "Pilgrim Nuclear Power Station Safeguards Contingency Plan," with revisions submitted through February 15, 1984. Changes made in accordance with 10CFR73.55 shall be implemented in accordance with the schedule set forth therein.

I. Post-Accident Sampling System, NUREG-0737, Item II.B.3, and Containment Atmospheric Monitoring System, NUREG-0737, Item II.F.1(6)

The licensee shall complete the installation of a post-accident sampling system and a containment atmospheric monitoring system as soon as practicable, but no later than June 30, 1985.

J. Additional Conditions

The Additional Conditions contained in Appendix B, as revised through Amendment No. 177, are hereby incorporated into this license. ENO shall operate the facility in accordance with the Additional Conditions.

K. Conditions Related to the Sale and Transfer

(1) For purposes of ensuring public health and safety, Entergy Nuclear shall provide decommissioning funding assurance of no less than \$396 million, after payment of any taxes, in the decommissioning trust fund for Pilgrim upon the transfer of the Pilgrim licenses to Entergy Nuclear.

(2) Entergy Nuclear shall maintain the decommissioning trust funds in accordance with the Order, the related Safety Evaluation dated April 29, 1999, and the related application for approval of the transfer.

(3) Entergy Nuclear shall provide a Provisional Trust fund in the amount of \$70 million, after payment of any taxes, in the Provisional Trust for Pilgrim upon the transfer of the Pilgrim licenses to Entergy Nuclear. The Provisional Trust shall be established and maintained in conformance with the representations made in the application for approval of the transfer.

**APPENDIX A**  
**TO**  
**FACILITY OPERATING LICENSE DPR-35**  
**TECHNICAL SPECIFICATION AND BASES**  
**FOR**  
**PILGRIM NUCLEAR POWER STATION**  
**PLYMOUTH, MASSACHUSETTS**  
**ENTERGY NUCLEAR and ENTERGY NUCLEAR OPERATIONS, INCORPORATED**

APPENDIX B

ADDITIONAL CONDITIONS

OPERATING LICENSE NO. DPR-35

Entergy Nuclear Operations, Inc. shall comply with the following conditions on the schedules noted below:

<u>Amendment Number</u>	<u>Additional Conditions</u>	<u>Implementation Date</u>
177	The licensee is authorized to relocate certain Technical Specifications requirements to licensee-controlled documents. Implementation of this amendment shall include relocation of various sections of the technical specifications to the appropriate documents as described in the licensee's application dated September 19, 1997, and in the staff's safety evaluation attached to this amendment.	The amendment shall be implemented within 30 days from July 31, 1998, except that the licensee shall have until the next scheduled Updated Final Safety Analysis Report (UFSAR) update to incorporate the UFSAR relocations.

ENCLOSURE 1  
ATTACHMENT A.1  
SPREADSHEET (5 Year Projection)

**ENCLOSURE 1 ATTACHMENT A.1**

**SPREADSHEET (5 Year Projection)**

The portion of the spreadsheet containing information requested to be withheld from public disclosure pursuant to 10 CFR 2.790(a)(4) and 10 CFR 9.17(a)(4) are shaded. Therefore, there are non-redacted and redacted versions of this spreadsheet.

<b>Pilgrim Nuclear Station</b>		<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>(\$000)</b>							
	Contract Power Sales						
	Market Power Sales						
	Contract Capacity Sales						
	Total Revenue						
	Fuel						
	Non-Fuel O&M						
	Depreciation						
	Admin & Other						
	Total Operating Expenses						
	Operating Profit						
	Interest Exp./ Other Inc. & Deductions						
	Income Taxes						
	Net Income/ (Loss)						