

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. Amdt. 220
09-06-01

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 3114.4 megawatts thermal. Amdt. 237
5-22-03

(2) Technical Specifications

The Technical Specifications contained in Appendices A and B, as revised through Amendment No. 238, are hereby incorporated in the license. ENO shall operate the facility in accordance with the Technical Specifications.

(3) The following conditions relate to the amendment approving the conversion to Improved Standard Technical Specifications:

- 1. This amendment authorizes the relocation of certain Technical Specification requirements and detailed information to licensee-controlled documents as described in Table R, "Relocated Technical Specifications from the CTS," and Table LA, "Removed Details and Less Restrictive Administrative Changes to the CTS" attached to the NRC staff's Safety Evaluation enclosed with this amendment. The relocation of requirements and detailed information shall be completed on or before the implementation of this amendment.

2. The following is a schedule for implementing surveillance requirements (SRs):

For SRs that are new in this amendment, the first performance is due at the end of the first surveillance interval that begins on the date of implementation of this amendment.

For SRs that existed prior to this amendment whose intervals of performance are being reduced, the first reduced surveillance interval begins upon completion of the first surveillance performed after the date of implementation of this amendment.

For SRs that existed prior to this amendment that have modified acceptance criteria, the first performance is due at the end of the first surveillance interval that began on the date the surveillance was last performed prior to the date of implementation of this amendment.

For SRs that existed prior to this amendment whose intervals of performance are being extended, the first extended surveillance interval begins upon completion of the last surveillance performed prior to the date of implementation of this amendment.

- D. (1) Deleted per Amdt. 82, 12-11-82.
- (2) Deleted per Amendment 238.
- 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
- Amdt. 145
1-2-90

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.

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. Deleted per Amendment 238

M. Deleted per Amendment 238

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