



Entergy Operations, Inc.
1340 Echelon Parkway
Jackson, Mississippi 39213-8298
Tel 601-368-5758

F. G. Burford
Acting Director
Nuclear Safety & Licensing

CNRO-2006-00005

January 30, 2006

U.S. Nuclear Regulatory Commission
Director, Office of Nuclear Reactor Regulations
Washington, DC 20555-0001

SUBJECT: Waterford Steam Electric Station, Unit 3 – Transfer of Facility Operating License and Materials License No. NPF-38 from Entergy Louisiana, Inc. to Entergy Louisiana, LLC

- REFERENCES:**
1. Letter to Mr. Gary Taylor from the NRC dated December 2, 2005, Waterford Steam Electric Station Unit 3 – Order Approving the Transfer of the Facility Operating License and Materials License No. NPF-38 from Entergy Louisiana, Inc. to Entergy Louisiana, LLC (TAC No. MC7974)
 2. Letter to Mr. James E. Dyer from Entergy dated December 8, 2005, Waterford Steam Electric Station Unit 3 – Order Approving the Transfer of the Facility Operating License and Materials License No. NPF-38 from Entergy Louisiana, Inc. to Entergy Louisiana, LLC (TAC No. MC7974)

Dear Mr. Dyer:

On December 2, 2005 Entergy Operations, Inc. (Entergy) received an Order from the U. S. Nuclear Regulatory Commission (NRC) approving the proposed transfer of the Waterford Steam Electric Station Unit 3 facility operating license from Entergy Louisiana, Inc. to Entergy Louisiana, LLC (Reference 1). On December 8, 2005, Entergy provided a response to the conditions that were included in the Order (Reference 2).

Entergy had contacted the NRC Staff and provided verbal notification that the transfer of ownership was successfully completed on December 31, 2005. Please find in the attachment to this letter an amendment to the decommissioning trust fund agreement that reflects Entergy Louisiana, LLC as the owner of all decommissioning trust funds.

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If you have any questions or require additional information, please contact Jerry Burford at 601-368-5755.

Sincerely,



FGB/DM/bal

Attachment 1 - Fifth Amendment to Nuclear Decommissioning Trust Fund Agreement (For Information Only)

cc: Dr. Bruce S. Mallett
U. S. Nuclear Regulatory Commission
Region IV
611 Ryan Plaza Drive, Suite 400
Arlington, TX 76011

NRC Senior Resident Inspector
Waterford 3
P.O. Box 822
Killona, LA 70066-0751

U.S. Nuclear Regulatory Commission
Attn: Mr. Mel B. Fields
MS O-7E1
Washington, DC 20555-0001

Wise, Carter, Child & Caraway
Attn: D. Leavenway
P.O. Box 651
Jackson, MS 39205

Winston & Strawn
Attn: N.S. Reynolds
1700 K Street, NW
Washington, DC 20006-3817

Louisiana Department of Environmental Quality
Office of Environmental Compliance
Surveillance Division
P. O. Box 4312
Baton Rouge, LA 70821-4312

American Nuclear Insurers
Attn: Library
95 Glastonbury Blvd.
Suite 300
Glastonbury, CT 06033-4443

Attachment 1 to
CNRO-2006-00005

**FIFTH AMENDMENT TO NUCLEAR
DECOMMISSIONING TRUST FUND AGREEMENT**

This Fifth Amendment to Nuclear Decommissioning Trust Agreement ("Fifth Amendment") is made effective as of the 31st day of December, 2005, by and between ENTERGY LOUISIANA, LLC, a Texas limited liability company ("Entergy Louisiana"), and MELLON BANK, N.A. (the "Successor Trustee") (Entergy Louisiana and the Successor Trustee being referred to herein collectively as the "Parties").

WHEREAS, on March 14, 1989, the Louisiana Power and Light Company (the "Company") and First National Bank of Commerce (the "Trustee") entered into a Nuclear Decommissioning Trust Fund Agreement (the "Trust Agreement"), which provided for the establishment and maintenance of a nuclear decommissioning reserve fund (the "Trust Fund") to hold and invest revenues collected by the Company for the decommissioning of Unit No. 3 of the Waterford Steam Electric Generating Station (the "Waterford 3 Plant");

WHEREAS, as of September 28, 1990, in connection with the Company's sale and leaseback of portions of its ownership interest in the Waterford 3 Plant on September 28, 1989, the Company and Trustee entered into the First Amendment to Nuclear Decommissioning Trust Agreement (the "First Amendment"), which amended the Trust Agreement to continue to provide for the administration and further accumulation of monies in the Trust Fund;

WHEREAS, as of January 1, 1993, the Company and Mellon Bank, N.A. entered into the Second Amendment to Nuclear Decommissioning Trust Agreement to provide for the removal of the Trustee and to appoint Mellon Bank, N.A. as Successor Trustee to the Trust Agreement (the "Second Amendment");

WHEREAS, effective as of February 1, 1996, the Company and the Successor Trustee entered into the Third Amendment to Nuclear Decommissioning Trust Fund Agreement ("Third Amendment"), to allow the Successor Trustee to invest trust funds in the Mellon Bank Nuclear Decommissioning Trust Stock Index Fund (the "Stock Index Fund") and to comply with the final Treasury Regulations issued pursuant to Section 468A of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, effective April 22, 1996, Company changed its name to Entergy Louisiana, Inc. ("ELP") and remained a Louisiana corporation;

WHEREAS, effective as of December 17, 2003, the Company and the Successor Trustee entered into the Fourth Amendment to Nuclear Decommissioning Trust Fund Agreement ("Fourth Amendment"), to amend the Trust Agreement in order to comply with certain changes in applicable regulations of the Nuclear Regulatory Commission ("NRC");

WHEREAS, on December 31, 2005, ELI, converted from a Louisiana corporation into a Texas corporation and underwent a merger by division under which ELI created two Texas limited liability companies, one of which is named Entergy Louisiana, LLC (“Entergy Louisiana”), and substantially all of ELI’s assets, liabilities, and operations were allocated to Entergy Louisiana;

WHEREAS, with respect to the decommissioning of the Waterford 3 Plant, Entergy Louisiana has a beneficial interest in the Trust Agreement, as amended, a copy of which is attached hereto as Exhibit “A”;

WHEREAS, the Parties desire to amend the Trust Agreement to reflect the foregoing;

WHEREAS, Section 9.10 of the Trust Agreement provides that the Trust Agreement may be amended or modified at any time upon request of the Company; and

WHEREAS, Section 9.10 of the Trust Agreement provides any amendment of the Trust Agreement must be in writing;

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. The Trust Agreement is amended, as follows:

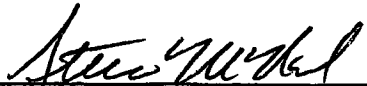
Wherever the words “Louisiana Power and Light Company, a Louisiana corporation” appear, the same shall be deleted and replaced with the words “Entergy Louisiana, LLC, a Texas limited liability company”.
2. This Fifth Amendment shall bind and shall inure to the benefit of the respective Parties and their assigns, transferees and successors.
3. This Fifth Amendment may be executed in one or more counterparts, each of which shall be deemed an original by all of which together will constitute one and the same instrument.
4. Each Party hereby represents and warrants to the other that it has full authority to enter into this Fifth Amendment upon the terms and conditions hereof and that the individual executing the Fifth Amendment on its behalf has the requisite authority to bind such Party.

(Remainder of Page Intentionally Left Blank.)

IN WITNESS WHEREOF, the Parties have executed this instrument under seal as of the date first above written.

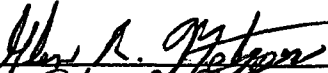
Authorized Signer of:

**ENTERGY LOUISIANA, LLC,
a Texas limited liability company**

By: 
Steven C. McNeal
Vice President and Treasurer
Date: December 31, 2005

Authorized Officer of:

**MELLON BANK, N.A.,
as SUCCESSOR TRUSTEE**

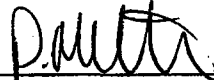
By: 
Name: Glen R. Wagner
Title: A.V.P.
Date: 12/31/05

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF HARRIS

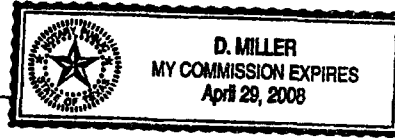
On this 31st day of December, 2005, before me, the undersigned notary public, duly commissioned and qualified in and for the aforesaid jurisdiction, personally came and appeared Steven C. McNeal, who being first duly sworn, deposed and said that appearer is the Vice President and Treasurer of Entergy Louisiana, LLC, a Texas limited liability company, that appearer executed and delivered the above and foregoing Fifth Amendment to the Nuclear Decommissioning Trust Agreement as the true act and deed of said corporation, and that appearer was duly authorized to do so by the board of directors of the company.



Dawn M. Miller

My commission expires:

4-29-2008



ACKNOWLEDGMENT

STATE OF PENNSYLVANIA

COUNTY OF Allegheny

On this 31st day of December, 2005, before me, the undersigned notary public, duly commissioned and qualified in and for the aforesaid jurisdiction, personally came and appeared Glen R. Metzger, who being first duly sworn, deposed and said that appearer is the Assistant Vice President of Mellon Bank, N.A., a national banking association, that appearer executed and delivered the above and foregoing Fifth Amendment to the Nuclear Decommissioning Trust Agreement as the true act and deed of said corporation, and that appearer was duly authorized to do so by the board of directors of said national banking association.

Sandie Hnatow

Notary Public

My commission expires:

