

February 6, 2007

Mr. C. Randy Hutchinson
Senior Vice President-Development
Entergy Nuclear Operations, Inc.
P.O. Box 32000
Jackson, MS 39286

SUBJECT: PALISADES NUCLEAR PLANT, REQUEST FOR WITHHOLDING
INFORMATION FROM PUBLIC DISCLOSURE FROM APPLICATION FOR
ORDER AND CONFORMING LICENSE AMENDMENT FOR LICENSE
TRANSFER (TAC NO. MD2954)

Dear Mr. Hutchinson:

On August 31, 2006, Consumers Energy Company and Nuclear Management Company, LLC (NMC), filed an application, pursuant to Section 50.80 of Title 10 of the *Code of Federal Regulations* (10 CFR 50.80), to transfer the Palisades Nuclear Plant (Palisades) Facility Operating License to Entergy Nuclear Palisades, LLC, to possess and own, and Entergy Nuclear Operations, Inc. (ENO), to possess, use and operate Palisades.

By your application dated August 31, 2006, and affidavits dated August 31, 2006, executed by you and Terence A. Burke (Entergy Nuclear Palisades), you requested that the information contained in the following document be withheld from public disclosure pursuant to 10 CFR Part 2, Section 2.390:

Enclosures 1, 3, and 7 to "Application for Order and Conforming License Amendment for License Transfer," dated August 31, 2006

A nonproprietary copy of this document has been placed in the Nuclear Regulatory Commission's (NRC's) Public Document Room and added to the Agencywide Documents Access and Management System Public Electronic Reading Room.

The affidavit stated that the submitted information should be considered exempt from mandatory public disclosure for the following reasons:

- i. This information is and has been held in confidence by Entergy Nuclear Palisades and ENO.
- ii. This information is of a type that is held in confidence by Entergy Nuclear Palisades and ENO and there is a rational basis for doing so because the information contains sensitive financial, corporate, and commercial information concerning Energy Nuclear Palisades and ENO's projected revenues and operating expenses as well as confidential financial and organization information concerning affiliated companies.
- iii. This information is not available in public sources and could not be gathered readily from other publicly available information.

- iv. Public disclosure of this information would create substantial harm to the competitive position of Entergy Nuclear Palisades and ENO by disclosing Entergy Nuclear Palisades and ENO's internal financial projections, confidential financial and corporate information of affiliated companies, and the commercial terms of a unique transaction to other parties whose commercial interests may be adverse to those of Entergy Nuclear Palisades and ENO.

We have reviewed your application and the material in accordance with the requirements of 10 CFR 2.390 and, on the basis of your statements, have determined that the submitted information sought to be withheld contains proprietary commercial information and should be withheld from public disclosure.

Therefore, the version(s) of the submitted information marked as proprietary will be withheld from public disclosure pursuant to 10 CFR 2.390(b)(5) and Section 103(b) of the Atomic Energy Act of 1954, as amended.

Withholding from public inspection shall not affect the right, if any, of persons properly and directly concerned to inspect the documents. If the need arises, we may send copies of this information to our consultants working in this area. We will, of course, ensure that the consultants have signed the appropriate agreements for handling proprietary information.

If the basis for withholding this information from public inspection should change in the future such that the information could then be made available for public inspection, you should promptly notify the NRC. You also should understand that the NRC may have cause to review this determination in the future, for example, if the scope of a Freedom of Information Act request includes your information. In all review situations, if the NRC makes a determination adverse to the above, you will be notified in advance of any public disclosure.

If you have any questions regarding this matter, I may be reached at 301-415-8371.

Sincerely,

/RA/

Mahesh L. Chawla, Project Manager
Plant Licensing Branch III-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket No. 50-255

cc: See next page

- iv. Public disclosure of this information would create substantial harm to the competitive position of Entergy Nuclear Palisades and ENO by disclosing Entergy Nuclear Palisades and ENO's internal financial projections, confidential financial and corporate information of affiliated companies, and the commercial terms of a unique transaction to other parties whose commercial interests may be adverse to those of Entergy Nuclear Palisades and ENO.

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/RA/

Mahesh L. Chawla, Project Manager
 Plant Licensing Branch III-1
 Division of Operating Reactor Licensing
 Office of Nuclear Reactor Regulation

Docket No. 50-255

cc: See next page

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Palisades Plant

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