



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

F. G. Burford
Acting Director
Nuclear Safety & Licensing

CNRO-2007-00018

March 29, 2007

U.S. Nuclear Regulatory Commission
Attn: Document Control Desk
11555 Rockville Pike
Rockville, MD 20852-2738
(301) 415-7000

SUBJECT: Status of Decommissioning Funding for
Plants Operated by Entergy Operations, Inc.
For Year Ending December 31, 2006 – 10 CFR 50.75(f)(1)

River Bend Station Unit 1
Docket No. 50-458
License No. NPF-47

Grand Gulf Nuclear Station
Docket No. 50-416
License No. NPF-29

Arkansas Nuclear One
Units 1 & 2
Docket Nos. 50-313 & 50-368
License Nos. DPR-51 & NPF-6

Waterford 3 Steam Electric
Station
Docket No. 50-382
License No. NPF-38

Dear Sir or Madam:

10 CFR 50.75(f)(1) requires each power reactor licensee to report to the NRC by March 31, 1999, and every two years thereafter, on the status of its decommissioning funding for each reactor, or share of a reactor, that it owns. On behalf of Entergy Arkansas, Inc. for Arkansas Nuclear One (ANO), System Entergy Resources, Inc. (SERI) and South Mississippi Electric Power Association (SMEPA) for Grand Gulf Nuclear Station (GGNS), Entergy Gulf States, Inc. for River Bend Station (RBS) and Entergy Louisiana, LLC for Waterford 3 Steam Electric Station (WF3), Entergy Operations, Inc. hereby submits the information requested for power reactors operated by Entergy Operations, Inc.

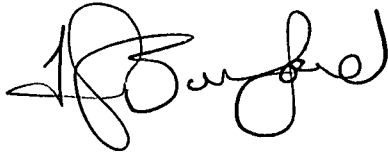
The estimated minimum decommissioning fund values were determined using the NRC's methodology in NUREG-1307 Rev 12 dated February 2007.

The information provided in Attachment 1 is based on NRC Regulatory Issue Summary 2001-07.

A001

This submittal contains no new commitments. Please address any comments or questions regarding this matter to Mr. L. A. England at 601-368-5766.

Sincerely,



FGB/LAE/baa

Attachments:

1. Entergy Arkansas, Inc. – ANO 1 Status Report
- 1-A Entergy Arkansas, Inc. – ANO 2 Status Report
2. SERI & SMEPA - GGNS Status Report
- 2-A. Schedule of Remaining Principle Payments – GGNS
- 2-B Amendment 3 to Nuclear Decommissioning Trust Fund
3. Entergy Gulf States, Inc. - RBS Status Report – 70% Regulated
- 3-A Entergy Gulf States, Inc. RBS Status Report – 30% Non-Regulated
4. Entergy Louisiana, LLC – WF3 Status Report
- 4-A Schedule of Remaining Principle Payments – WF3
- 4-B Fifth Amendment to Nuclear Decommissioning Trust Fund Agreement

cc: (All Below with Attachments)
Mr. T. A. Burke (ECH)
Mr. W. R. Brian (GGNS)
Mr. W. R. Campbell (ECH)
Mr. J. S. Forbes (ECH)
Mr. J. R. McCann (WPO)
Mr. T. G. Mitchell (ANO)
Mr. L. Jager Smith (Wise, Carter)
Mr. J. E. Venable (RBS)
Mr. K. T. Walsh (W-3)

Mr. M. B. Fields, Project Manager, W-3
Dr. B. S. Mallett, Regional Administrator, Region IV
Ms. F. E. Saba, Project Manager, ANO
Mr. B. K. Vaidya, Project Manager, GGNS, RBS

ENTERGY ARKANSAS, INC.
 Status of Decommissioning Funding
 For Year Ending December 31, 2006 - Pursuant to 10 CFR 50.75(f)(1)

Date: March 31, 2007

Reactor Name: Arkansas Nuclear One Unit 1 (ANO 1)

- | | |
|---|------------------------------|
| 1. Minimum Financial Assurance (MFA)
Estimated per 10 CFR 50.75(b) and (c) (2006\$): | \$648.4 million ¹ |
| 2. Decommissioning Trust Fund Total
As of 12/31/06: | \$240.5 million |
| 3. Annual amounts remaining to be collected: | \$0 ² |
| 4. Assumptions used: | |
| Rate of Escalation of Decommissioning Costs: | Approx. 2.45% ³ |
| Rate of Earnings on Decommissioning Funds: | Approx. 5.88% ³ |
| Authority for use of Real Earnings Over 2%: | APSC Order ⁴ |
| 5. Contracts upon which licensee is relying
For Decommissioning Funding: | None |
| 6. Modifications to Method of Financial
Assurance since Last Report: | None |
| 7. Material Changes to Trust Agreements: | None |

¹ Without waste vendor disposal factor. This figure is \$340.3 million when the waste vendor disposal factor is used.

² Decommissioning funding has been suspended pursuant to order of the Arkansas Public Service Commission in Docket No. 87-166-TF. The NRC has granted life extension to 5/2034.

³ Approved in APSC Docket No. 87-166-TF, Order No. 45.

⁴ APSC Docket No. 87-166-TF, Order Nos. 27, 32, and 41.

ENTERGY ARKANSAS, INC.
 Status of Decommissioning Funding
 For Year Ending December 31, 2006 - Pursuant to 10 CFR 50.75(f)(1)

Date: March 31, 2007

Reactor Name: Arkansas Nuclear One Unit 2 (ANO 2)

1. Minimum Financial Assurance (MFA)
 Estimated per 10 CFR 50.75(b) and (c) (2006\$): \$675.2 million¹
2. Decommissioning Fund Total
 As of 12/31/06: \$198.9 million
3. Annual amounts remaining to be collected: \$0²
4. Assumptions used:
 - Rate of Escalation of Decommissioning Costs: Approx. 2.45%³
 - Rate of Earnings on Decommissioning Funds: Approx. 6.14%³
 - Authority for use of Real Earnings Over 2%: APSC Order⁴
5. Contracts upon which licensee is relying
 For Decommissioning Funding: None
6. Modifications to Method of Financial
 Assurance since Last Report: None
7. Material Changes to Trust Agreements: None

¹ Without waste vendor disposal factor. This figure is \$354.4 million when the waste vendor disposal factor is used.

² Decommissioning funding has been suspended pursuant to order of the Arkansas Public Service Commission in Docket No. 87-166-TF. The NRC has granted life extension to 7/2038.

³ Approved in APSC Docket No. 87-166-TF, Order No. 45.

⁴ APSC Docket No. 87-166-TF, Order Nos. 27, 32 and 41.

SYSTEM ENERGY RESOURCES, INC. and
SOUTH MISSISSIPPI ELECTRIC POWER ASSOCIATION
Status of Decommissioning Funding
For Year Ending December 31, 2006 - Pursuant to 10 CFR 50.75(f)(1)

Date: March 31, 2007

Reactor Name: Grand Gulf Nuclear Station (Owned & leased 90% by System Energy Resources, Inc (SERI) and 10% by South Mississippi Electric Power Association (SMEPA))

1. Minimum Financial Assurance (MFA)
Estimated per 10 CFR 50.75(b) and (c) (2006\$):
SERI (90% ownership share) \$748.5 million¹
SMEPA (10% ownership share) \$83.2 million²
2. Decommissioning Fund Total as of 12/31/06:
SERI \$279.8 million
SMEPA \$33.8 million
3. Annual amounts remaining to be collected: See Attachment 2-A
4. Assumptions used:
Rate of Escalation of Decommissioning Costs:
SERI 5.5%
SMEPA 4.0%

Rate of Earnings on Decommissioning Funds:
SERI Approx. 6.7%
SMEPA Approx. 10%

Authority for use of Real Earnings Over 2%:
SERI N/A
SMEPA SMEPA Board
5. Contracts upon which licensee is relying
For Decommissioning Funding: None
6. Modifications to Method of Financial
Assurance since Last Report: None
7. Material Changes to Trust Agreements: See Attachment 2-B

¹ Without waste vendor disposal factor. This figure is \$465.0 million when the waste vendor disposal factor is used.

² Without waste vendor disposal factor. This figure is \$51.7 million when the waste vendor disposal factor is used.

Schedule of Remaining Principal Payments into
Grand Gulf Nuclear Station Decommissioning Fund
(\$ Thousands)

	<u>SERI Share</u>	<u>SMEPA Share</u>	<u>Total</u>
2006	\$19,550	\$14,512	\$34,062
2007	\$19,550	\$ 7,505	\$27,055
2008	\$19,550	\$ 0 Thereafter	\$19,550
2009	\$19,550		\$19,550
2010	\$19,550		\$19,550
2011	\$23,785		\$23,785
2012	\$23,785		\$23,785
2013	\$23,785		\$23,785
2014	\$23,785		\$23,785
2015	\$22,285		\$22,285
2016	\$24,550		\$24,550
2017	\$24,550		\$24,550
2018	\$24,550		\$24,550
2019	\$24,550		\$24,550
2020	\$24,550		\$24,550
2021	\$29,878		\$29,878
2022	\$17,429		\$17,429
2023	\$0 Thereafter		\$ 0
2024			
2025			

**AMENDMENT NUMBER 3 TO THE NUCLEAR DECOMMISSIONING TRUST FUND
AGREEMENT BETWEEN THE SOUTH MISSISSIPPI ELECTRIC POWER
ASSOCIATION AND TRUSTMARK NATIONAL BANK**

WHEREAS, by agreement dated the twentieth (20th) of June 1990 (the "Agreement"), the South Mississippi Electric Power Association (the "Grantor"), a Mississippi Corporation, did establish a Nuclear Decommissioning Trust Fund (the "Trust") and provide for its management by Trustmark National Bank (the "Trustee"), a national banking association authorized to exercise corporate trust powers under the laws of the State of Mississippi; and

WHEREAS, under the terms of said Agreement, the Grantor did reserve unto itself the right to alter or amend certain terms of the Agreement, in whole or in part; and

WHEREAS, the Grantor has twice modified the original Agreement by amendments that took effect June 1, 1990, and February 17, 2000, respectively; and

WHEREAS, The Trust Agreement, dated the twentieth (20th) of June 1990, remains in full force and effect, as amended; and

WHEREAS, the Grantor desires to further modify the Agreement, and the Trustee agrees to accept and implement those modifications;

NOW THEREFORE, by this Amendment Number 3 to the Nuclear Decommissioning Trust Fund Agreement, the Grantor and the Trustee, intending to be legally bound, mutually agree that the Trust Agreement is presently amended, as follows:

1. Article IV, A. (4) is modified to read in its entirety: Equity Investments selected from non-speculative stocks which comprise major market indices commonly used in the investment industry, to-wit no more than 30% of the current market value of the total portfolio shall be invested in stocks that make up each of the following: the S&P 500 Large Cap Index; the S&P 400 Mid Cap Index; the Russell 2000 Small Cap Index; the MSCI EAFE International Index; and the MSCI Emerging Market Index. The total equity component of the portfolio shall not exceed 80% of the current market value of the total portfolio. No minimum percentage will be required in any stock category, and sufficient diversification shall be maintained so as to avoid undue concentration in any single industry or company.

All other provisions of the Trust Agreement as originally executed and subsequently amended but not expressly modified herein, will continue in full force and effect.

IN WITNESS WHEREOF this Amendment Number 3 is signed on this the 19th
day of May 2006.

SOUTH MISSISSIPPI ELECTRIC
POWER ASSOCIATION

By: [Signature]
James Compton, General Manager

TRUSTMARK NATIONAL BANK

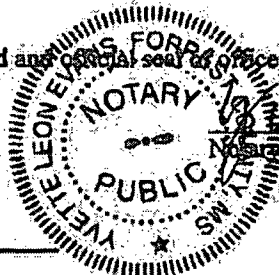
By: [Signature]
Paul Laughlin, First Vice-President and
Trust Officer

STATE OF MISSISSIPPI

COUNTY OF FORREST

PERSONALLY came and appeared before me, the undersigned authority, in and for said
County and State, James Compton, who acknowledged to me that he is General Manager of South
Mississippi Electric Power Association, and that he signed and delivered the foregoing instrument on
the day and year therein mentioned as the act and deed of said corporation, having first been duly
authorized so to do.

Given under my hand and official seal of office on this the 19th day of May 2006.



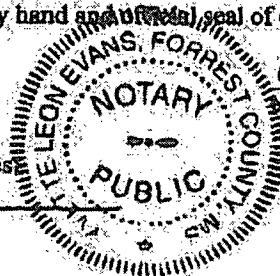
My Commission Expires:
7/31/08

STATE OF MISSISSIPPI

COUNTY OF FORREST

PERSONALLY came and appeared before me, the undersigned authority, in and for said
County and State, Paul Laughlin, who acknowledged to me that he is First Vice- President and Trust
Officer of Trustmark National Bank, and that he signed and delivered the foregoing instrument on
the day and year therein mentioned as the act and deed of said corporation, having first been duly
authorized so to do.

Given under my hand and official seal of office on this the 19th day of May 2006.



My Commission Expires:
7/31/08

ENTERGY GULF STATES, INC.
Status of Decommissioning Funding
For Year Ending December 31, 2006 - Pursuant to 10 CFR 50.75(f)(1)

Date: March 31, 2007

Reactor Name: River Bend Station (70% Regulated Interest)

1. Minimum Financial Assurance (MFA)
Estimated per 10 CFR 50.75(b) and (c) (2006\$): \$568.5 million¹
2. Decommissioning Fund Total
As of 12/31/06: \$148.7 million
3. Annual amounts remaining to be collected: PUCT - \$3,665,000 per year through 2024, plus \$2,443,000 in 2025; none thereafter²
4. Assumptions used:

Rate of Escalation of Decommissioning Costs:	Approx. 4% ³
Rate of Earnings on Decommissioning Funds:	Approx. 6.4% ⁴
Authority for use of Real Earnings Over 2%:	LPSC, PUCT and FERC Orders ⁵
5. Contracts upon which licensee is relying
For Decommissioning Funding: None
6. Modifications to Method of Financial
Assurance since Last Report: None
7. Material Changes to Trust Agreements: None

¹ Without waste vendor disposal factor. This figure is \$353.2 million when the waste vendor disposal factor is used.

² Decommissioning funding for the Louisiana jurisdictional share has been suspended pursuant to order of the Louisiana Public Service Commission (LPSC) in Docket Nos. U-22491, U-23358, U-24182, U-24993 and U-25687 dated 12/18/2002. Funding shown is by the Texas jurisdiction.

³ For this factor, the LPSC has approved approximately 2.5%; the Public Utility Commission of Texas (PUCT) has approved approximately 4.8%, and the FERC has approved approximately 4%. The cited rate is a weighted average based on each jurisdiction's current share of the decommissioning trust funds as of 12/31/06 (33%, 64% and 3%, respectively).

⁴ For this factor, the LPSC has approved approximately 5.7%; the PUCT has approved approximately 6.6%; and the FERC has approved 9%. The cited rate is a weighted average based on each jurisdiction's current share of the decommissioning trust funds as of 12/31/06 (33%, 64% and 3%, respectively).

⁵ LPSC Consolidated Dockets Nos. U-22491, U-23358, U-24182, U-24993 and U-25687 dated 12/18/2002; PUCT Order in Docket No. 20150; FERC Order in Docket Nos. ER86-558-002, ER86-558-011 and ER86-558-013.

ENTERGY GULF STATES, INC.
 Status of Decommissioning Funding
 For Year Ending December 31, 2006 - Pursuant to 10 CFR 50.75(f)(1)

Date: March 31, 2007

Reactor Name: River Bend Station (30% Non-Regulated Interest)

- | | |
|---|---|
| 1. Minimum Financial Assurance (MFA)
Estimated per 10 CFR 50.75(b) and (c) (2006\$): | \$243.6 million ¹ |
| 2. Decommissioning Fund Total
As of 12/31/06: | \$195.9 million |
| 3. Annual amounts remaining to be collected: | \$0 |
| 4. Assumptions used: | |
| Rate of Escalation of Decommissioning Costs: | See next item |
| Rate of Earnings on Decommissioning Funds: | Use allowed 2% real rate of return
per 10 CFR 50.75(e)(1)(i) |
| Authority for use of Real Earnings Over 2%: | N/A |
| 5. Contracts upon which licensee is relying
For Decommissioning Funding: | None |
| 6. Modifications to Method of Financial
Assurance since Last Report: | None |
| 7. Material Changes to Trust Agreements: | None |

¹ Without waste vendor disposal factor. This figure is \$151.4 million when the waste vendor disposal factor is used.

ENTERGY LOUISIANA, LLC
 Status of Decommissioning Funding
 For Year Ending December 31, 2006 - Pursuant to 10 CFR 50.75(f)(1)

Date: March 31, 2007

Reactor Name: Waterford 3 Steam Electric Station

1. Minimum Financial Assurance (MFA)
 Estimated per 10 CFR 50.75(b) and (c) (2006\$): \$697.6 million¹
2. Decommissioning Fund Total
 As of 12/31/06: \$208.3 million
3. Annual amounts remaining to be collected: See Attachment 4-A
4. Assumptions used:
 - Rate of Escalation of Decommissioning Costs: Approx. 4.08%²
 - Rate of Earnings on Decommissioning Funds: Approx. 6.2%²
 - Authority for use of Real Earnings Over 2%: N/A
5. Contracts upon which licensee is relying
 For Decommissioning Funding: None
6. Modifications to Method of Financial
 Assurance since Last Report: None
7. Material Changes to Trust Agreements: See Attachment 4-B

¹ Without waste vendor disposal factor. This figure is \$366.1 million when the waste vendor disposal factor is used.

² Rates of Escalation and Earnings were approved in LPSC Docket No. U-20925 RRF 2004.

Schedule of Remaining Principal Payments into
Waterford 3 Decommissioning Fund
(\$ Thousands)

2007	\$2,282
2008	\$2,282
2009	\$2,282
2010	\$2,625
2011	\$2,625
2012	\$2,625
2013	\$2,625
2014	\$2,625
2015	\$2,929
2016	\$2,929
2017	\$2,929
2018	\$2,929
2019	\$2,929
2020	\$3,268
2021	\$3,268
2022	\$3,268
2023	\$3,268
2024	\$3,268
2025	\$3,645
2026	\$3,645
2027	\$3,645
2028	\$3,645
2029	\$3,645
2030	\$4,066
2031	\$4,066
2032	\$4,066
2033	\$4,066
2034	\$4,066
2035	\$4,536
2036	\$4,536
2037	\$4,536
2038	\$4,536
2039	\$4,536
2040	\$5,060
2041	\$5,060
2042	\$5,060
2043	\$5,060
2044	\$5,060
2045	\$0 Thereafter

Note: Approved in LPSC Docket No. U-20925 RRF 2004, includes life extension.

**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. ("ELI") 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.

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

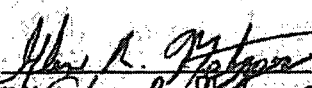
Authorized Signer of:

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. Hargers
Title: A.V.P.
Date: 12/31/05

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF HARRIS

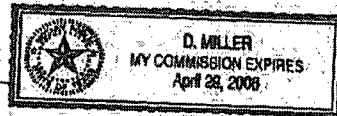
On this 31st day of December, 2005, before me, the undersigned notary public, duly commissioned and qualified in and for the aforesaid jurisdiction, personally came and appeared Steven C. McNeal, who being first duly sworn, deposed and said that appearer is the Vice President and Treasurer of Entergy 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.

Sandra Hnatow
Notary Public

My commission expires:

