

RULES AND DIRECTIVES
BRANCH
USNRC

2008 FEB -1 PM 1:07

9 Twin Orchard Drive
Oswego, NY 13126
January 21, 2008

Secretary **RECEIVED**
Attn: Rulemakings and Adjudications Staff
Federal Register, Jan 16, 2008, page number 2953
US Nuclear Regulatory Commission
Washington, DC 20555-0001

1/16/08
73 FR 2944
(2)

Dear Secretary:

I read both the 82 page ML072220219 ADAMS document and the 69 page ML073440039 ADAMS document on the Entergy request to remove their nuclear plants which have to competitively sell their power, (merchant plants), from their other Entergy nuclear plants, (regulated plants). I have some observations in no particular order.

1. Since I understand, (but don't accept), that the intention is to have the merchant plants more or less stand on their own, borrowing money to pay for themselves, and repaying this money from their earnings, it seems inappropriate to make them also pay for plants that don't earn money any more. Consequently, I am dismayed to see that Big Rock Point and Indian Point Unit 1 have not been separated from this new organization, fully funded, and decommissioning started NOW. (These are not, and, I believe, have not been, merchant plants.) (And wouldn't it be interesting to find out if financial arrangements to take care of them had already been made when Entergy acquired them?)
2. I don't notice any nuclear safety advantage to the newly proposed merchant plant organization. Do you?
3. As I understand it, Entergy will have two separate groups of nuclear plants and, apparently, two, (or more), different nuclear operating groups. How does this make nuclear operations better?
4. Where is the financial backing? Read the "No Guarantee" section on page 78 of the 82 page document and tell me who is responsible for payment of obligations of any kind or character whatsoever of the Subsidiary Licensees.
5. Who pays the bills when a Facility permanently ceases commercial operations and nuclear fuel is permanently removed from the reactor, if, for instance, the plant is NOT financially successful? (Or even if it is.) Is there a guarantee from somebody that this business venture will not fail? (Ref.: Page 78 of the 82 page document.)

SONSI Review Complete
Template = ADM-013

E-RIDS = ADM-03
Call = S. Little (SLL)
D. Pickett (dvp1)

6. How can a statement be made that the Parent organization will not guarantee payment of any liability, yet expect the NRC to find sufficient financial qualifications for each Subsidiary Licensee? (Ref.: Page 78 of the 82 page document.)
7. How is accountability increased with 3, 4, or even 5 management groups in the chain of command? What do all these UNLICENSED groups do that needs to be done? (Ref.: Fig. 3 on page 6 of 69).
8. Does separating IP2 from IP3 help in common site ventures like, for example, trying to install a backup power siren system, or does it just complicate matters?
9. I don't understand the limited financial assistance promises. For instance, on page 38 of 69 there are words that say something like: "if the financial assurance line is below \$35 M at the point.." Does this mean available financial resources can fall to low levels without immediate action being taken?
10. I also don't understand how projected merchant plant (redacted) financial numbers can be given to the NRC for review WITHOUT also providing similar numbers for the regulated plants, and also for the case of merchant plants under the condition that they are not in the newly proposed organization: that they simply remain where they are.
11. What time limits apply? As I think about it, doesn't all this rest on the assumption that the existing plants continue to get license extension after license extension? In other words, it only works if they are all running and continue to run for a long time. Just suppose the State of Vermont does not support relicensing of Vermont Yankee and the NRC actually shuts down the entire Indian Point site upon continued management failure to demonstrate the ability to successfully complete the backup power siren project. What happens then?

Yours truly,

Tom Gurdziel