



Entergy Operations, Inc.  
Entergy Nuclear Operations, Inc.  
1340 Echelon Parkway  
Jackson, MS 39213-1995  
601-368-5692

Michael R. Kansler  
President, Chief Executive Officer  
& Chief Nuclear Officer

10 CFR 50.80

ENOC-08-00003

January 24, 2008

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

Subject: Entergy Nuclear Operations, Inc.  
Pilgrim Nuclear Power Station  
Docket No. 50-293  
Indian Point Nuclear Generating Unit No. 1  
Docket No. 50-003  
Indian Point Nuclear Generating Unit No. 2  
Docket No. 50-247  
Indian Point Nuclear Generating Unit No. 3  
Docket No. 50-286  
James A. FitzPatrick Nuclear Power Plant  
Docket Nos. 50-333 & 72-12  
Vermont Yankee Nuclear Power Station  
Docket Nos. 50-271  
Palisades Nuclear Plant  
Docket No. 50-255 & 72-7  
Big Rock Point  
Docket Nos. 50-155 & 72-43

Supplemental Information #3 in Support of Application for Order Approving  
Indirect Transfer of Control of Licenses

By letter dated July 30, 2007, and as supplemented on October 31, 2007 and December 5, 2007, Entergy Nuclear Operations, Inc. (ENO), acting on behalf of itself and Entergy Nuclear Generation Company, Entergy Nuclear FitzPatrick, LLC, Entergy Nuclear Vermont Yankee, LLC, Entergy Nuclear Indian Point 2, LLC, Entergy Nuclear Indian Point 3, LLC, and Entergy Nuclear Palisades, LLC, (together, Applicants), requested that the Nuclear Regulatory

Rec'd 3/6/08  
DCD

SUNSI Review  
Completed per  
Doug Pickett - Public  
Available  
A001

Commission (NRC) consent to the indirect transfer of control of the above-captioned licenses pursuant to Section 184 of the Atomic Energy Act, as amended (the Act), and 10 CFR 50.80.

The indirect transfer of control results from certain planned restructuring transactions that would involve the creation of new intermediary holding companies and/or changes in the intermediary holding companies for the ownership structure for the corporate entities that hold the NRC licenses for Pilgrim, Indian Point 1, 2, and 3, FitzPatrick, Vermont Yankee, Palisades and Big Rock Point (together, the Facilities), including both the six corporate entities (named among the Applicants above) licensed for their ownership of the Facilities and ENO, which is the entity licensed to operate or maintain the Facilities. Simplified organization charts reflecting the current and planned post-reorganization ownership structure were provided in the December 5, 2007 submittal as Figures 1 and 3.

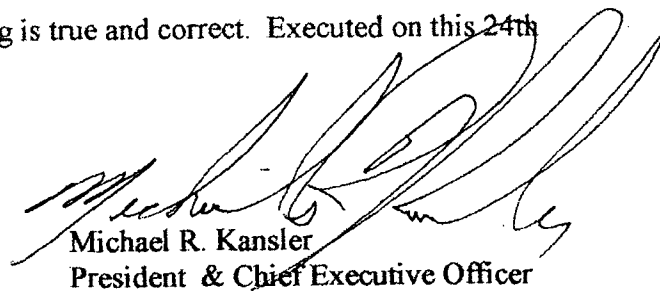
As discussed in the December 5, 2007 submittal, ENO had identified that, depending upon the ability to obtain favorable tax rulings, it might be possible to eliminate certain of the planned intermediary holding companies. Based upon initial discussions with the Internal Revenue Service (IRS), ENO proposes to eliminate Entergy Nuclear New York Investment Company 1 as an intermediate holding company owning Entergy FitzPatrick, LLC and Entergy Indian Point, LLC. The revised post-reorganization structure is reflected in the attached Figure 4. (Figure 1 is also provided for ease of reference.)

ENO's revised plans with respect to the change in one of the planned intermediary holding companies do not have any material effect upon the information, including financial information, previously provided in support of the requested approval. Moreover, these changes are not inconsistent with the description of the proposed transaction provided in NRC's notices regarding the pending application. 73 FR 2948, 2950, 2951, 2953, 2955, & 2956 (January 16, 2008).

Finally, ENO's response to NRC's recent Request for Additional Information #3 is provided as Attachment 1.

If NRC requires additional information concerning this license transfer request, please contact John McCann, Director, Nuclear Safety and Licensing, at (914) 272-3370 or [jmccan1@entergy.com](mailto:jmccan1@entergy.com). Service on ENO of comments, hearing requests or intervention petitions, or other pleadings, if applicable, should be made to counsel for ENO, Mr. John E. Matthews at Morgan, Lewis & Bockius, LLP, 1111 Pennsylvania Avenue, NW, Washington, DC 20004 (tel: 202-739-5524; fax: 202-739-3001; e-mail: [jmatthews@morganlewis.com](mailto:jmatthews@morganlewis.com)).

I declare under penalty of perjury that the foregoing is true and correct. Executed on this 24th day of January, 2008.



Michael R. Kansler  
President & Chief Executive Officer

Enclosures: Figures 1 & 4  
Attachment 1

ENOC-08-00003

c:

<p>Regional Administrator, Region I U.S. Nuclear Regulatory Commission 475 Allendale Road King of Prussia, PA 19406-1415</p>	<p>Mr. David O'Brien, Commissioner VT Department of Public Service 112 State Street – Drawer 20 Montpelier, VT 05620-2601</p>
<p>Regional Administrator, Region III U.S. Nuclear Regulatory Commission 2443 Warrenville Road, Suite 210 Lisle, IL 60532-4352</p>	<p>Mr. Paul D. Tonko, President New York State Energy, Research, and Development Authority 17 Columbia Circle Albany, NY 12203-6399</p>
<p>U.S. Nuclear Regulatory Commission Attention: Document Control Desk One White Flint North 11555 Rockville Pike Rockville, MD 20852</p>	<p>Mr. Paul Eddy New York State Department of Public Service 3 Empire State Plaza Albany, NY 12223</p>
<p>Steven R. Hom U.S. Nuclear Regulatory Commission One White Flint North 11555 Rockville Pike Rockville, MD 20852 Mail Stop OWFN/12-D3</p>	<p>Mr. Charles Donaldson, Esq. Assistant Attorney General New York Department of Law 120 Broadway New York, NY 10271</p>
<p>Mr. James S. Kim, Project Manager Division of Licensing Project Management Office of Nuclear Reactor Regulation Mail Stop 0-8-C2 Washington, DC 20555</p>	<p>Mayor, Village of Buchanan 236 Tate Avenue Buchanan, NY 10511</p>
<p>Mr. John Boska, Project Manager Plant Licensing Branch I-I Division of Operating Reactor Licensing Office of Nuclear Reactor Regulation U.S. Nuclear Regulatory Commission Mail Stop O-8-C2 Washington, DC 20555</p>	<p>Michigan Department of Attorney General Special Litigation Division 525 West Ottawa Street Sixth Floor, G. Mennen Williams Building Lansing, MI 48913</p>
<p>Mahesh L. Chawla, Project Manager Project Directorate III Division of Licensing Project Management Office of Nuclear Reactor Regulation Mail Stop 8H 4A Washington, DC 20555</p>	<p>Mr. Raymond L. Albanese Four County Coordinator 200 Bradhurst Avenue Unit 4 Westchester County Hawthorne, NY 10532</p>

<p>USNRC Resident Inspector          Entergy Nuclear Vermont Yankee          P.O. Box 157          Vernon, VT 05354</p>	<p>Mr. Robert Walker, Director          Massachusetts Department of Public Health          Schrafft Center Suite 1 M2A          Radiation Control Program          529 Main Street          Charlestown, MA 02129</p>
<p>Resident Inspector's Office          U.S. Nuclear Regulatory Commission          James A. FitzPatrick Nuclear Power Plant          P.O. Box 136          Lycoming, NY 13093</p>	<p>Ms. Cristine McCombs, Director          Mass. Emergency Management Agency          400 Worcester Road          Framingham, MA 01702</p>
<p>U.S. Nuclear Regulatory Commission          Resident Inspector's Office          Palisades Plant          27782 Blue Star Memorial Highway          Covert, MI 49043</p>	<p>Supervisor          Covert Township          P.O. Box 35          Covert, MI 49043</p>
<p>Senior Resident Inspector's Office          Indian Point 2          U.S. Nuclear Regulatory Commission          P.O. Box 59          Buchanan, NY 10511</p>	<p>Office of the Governor          P.O. Box 30013          Lansing, MI 48909</p>
<p>Senior Resident Inspector          Pilgrim Nuclear Power Station          600 Rocky Hill Road          Mail Stop 66          Plymouth, MA 02360</p>	
<p>Mr. Ted Smith, Project Manager          Division of Waste Management and          Environmental Protection          Office of Federal and State Materials and          Environmental Management Programs          U.S. Nuclear Regulatory Commission          Mail Stop T-7-E18          Washington, DC 20555</p>	<p>Michigan Department of Environmental          Quality          Waste and Hazardous Materials Division          Hazardous Waste and Radiological Protection          Section          Nuclear Facilities Unit          Constitution Hall, Lower-Level North          525 West Allegan Street, P.O. Box 30241          Lansing, MI 48909-7741</p>

Figure 1: SIMPLIFIED ORGANIZATION CHART – CURRENT

NOTE: NRC Licenses held by E N entities are referenced in parentheses and italics, e.g., (IP1 & IP2).

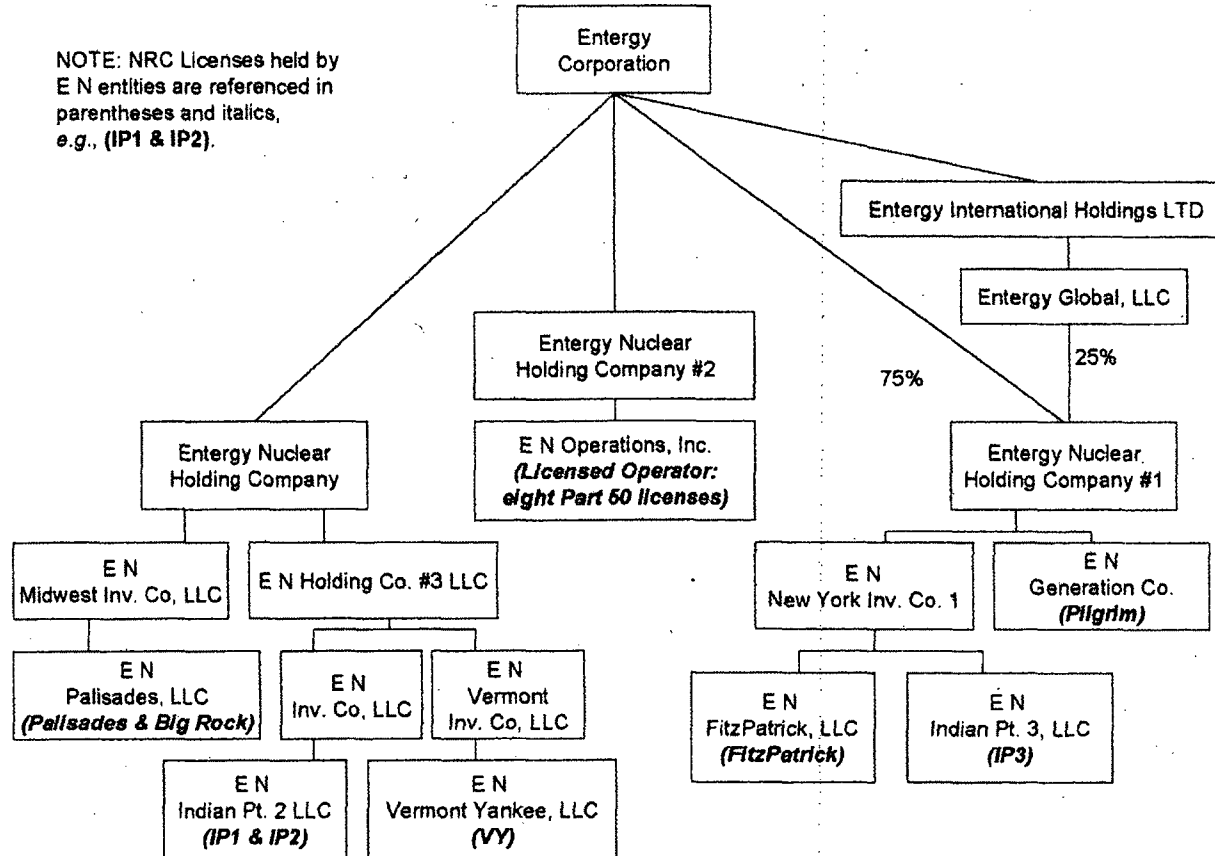
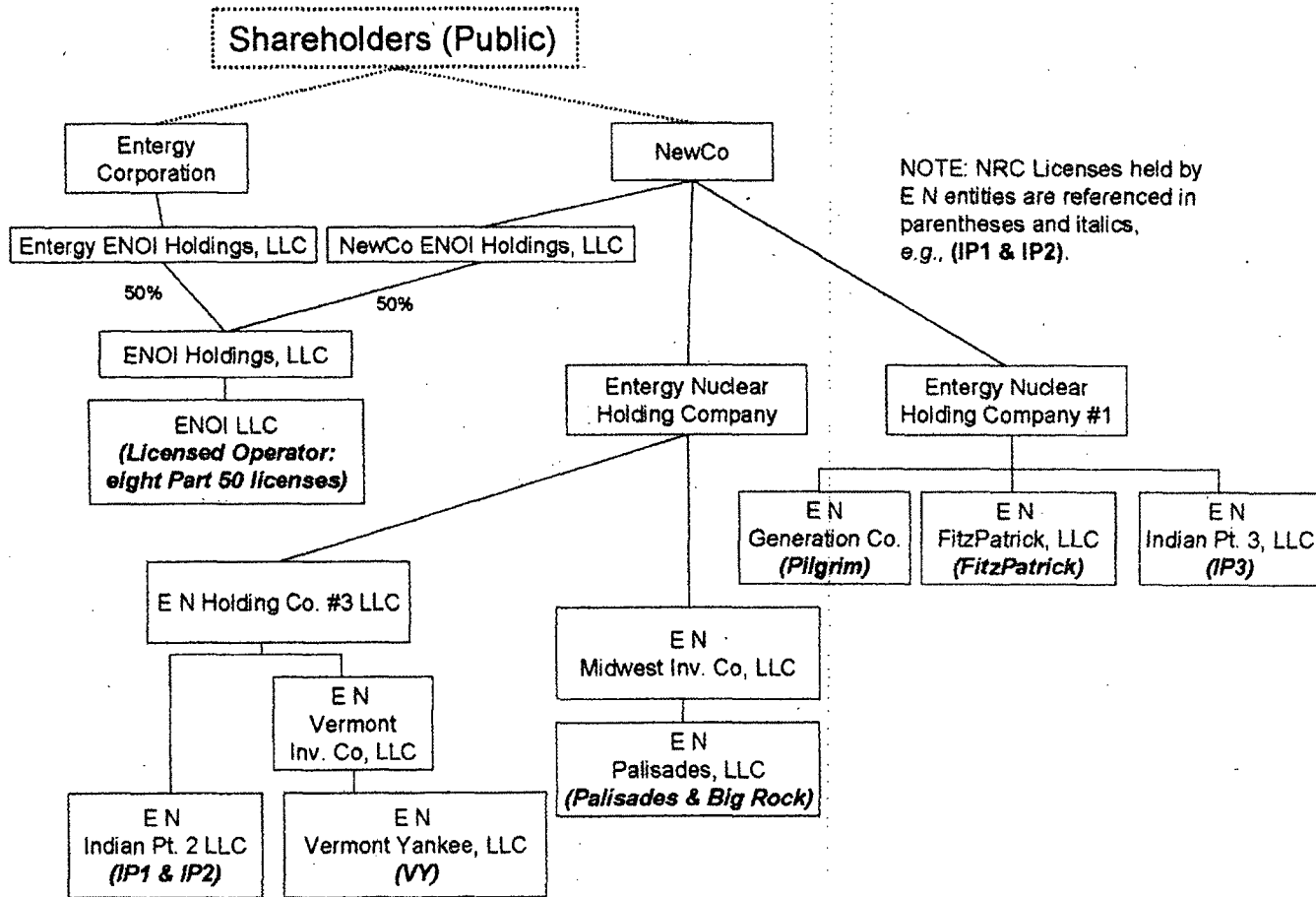


Figure 4: SIMPLIFIED ORGANIZATION CHART – POST REORGANIZATION



**NRC Request for Additional Information #3:**

*In the December 5th, 2007 application, as well as in the original July 0th, 2007 application, Attachment 5 is a copy of the [Form of] Support Agreement. Please explain the meaning of item #2 "No Guarantee." Does this mean that the only way that a third party seeking payment from a licensee, can receive payment funded by the support agreement only through the licensee?*

**Answer:**

The "Form of" Support Agreement language is substantially the same as or similar to support agreements that have been provided and approved by the NRC in other license transfer proceedings. *See, e.g.,* Letter from J.A. Stall of FPL Energy Point Beach, LLC to Director, Office of Nuclear Reactor Regulation, ML072830045 (October 5, 2007). The language provided in the "No Guarantee" paragraph makes clear that this is not a Guarantee upon which a third party creditor, such as a lender or vendor, might rely and seek payment. If this language were not included, such a third party might make a legal claim that it relied upon the Support Agreement in extending credit or performing services, and the third party could attempt to divert funds that would otherwise remain available only to the owner licensees. By including this language, the terms of the agreement protect against this risk. Only the owner licensees themselves may call upon the financial support provided when they need to do so in order to maintain the plant safely and protect the public health and safety, and NRC is the only third party that can rely upon the Support Agreement.