

Entergy Nuclear Operations, Inc. Pilgrim Nuclear Power Station 600 Rocky Hill Road Plymouth, MA 02360

Kevin H. Bronson Site Vice President

February 28, 2008

U.S. Nuclear Regulatory Commission Attn: Document Control Desk Washington, D.C. 20555-0001

SUBJECT: Entergy Nuclear Operations, Inc. Pilgrim Nuclear Power Station Docket No. 50-293 License No. DPR-35

Request for Exemption from the Schedule Requirements of 10 CFR 50.75(f)(3).

LETTER NUMBER: 2.08.014

Dear Sir or Madam:

Pursuant to 10 CFR 50.12, Entergy Nuclear Operations Inc. (Entergy) hereby requests an exemption to the schedule requirement of 10 CFR 50.75(f)(3) that a preliminary decommissioning cost estimate be submitted to the NRC at or about five years prior to the projected end of operations, including an up-to-date assessment of major factors that have the potential to impact the cost to decommission. Specifically, Entergy requests an exemption to allow for the completion and submittal of this document by August 1, 2008, which is approximately 4 years from the expiration date of the current operating license.

The attachment to this letter provides the rationale and justification for the exemption request. The current expiration date of Pilgrim operating license is June 8, 2012. However, it should be noted that Entergy is in the process of seeking NRC approval for a 20-year extension to this license.

This letter contains no regulatory commitments.

If you have any questions or require additional information, please contact Joseph R. Lynch at (508) 830-8403.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on the 28th of February 2008.

Sincerely,

1 for KHB **Kevin Bronson**

Kevin Bronsc JRL/dal

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Attachments: 1.

Entergy Application for Exemption from the Schedule Requirement of 10 CFR 50.75(f)(3). (3 pages)

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cc: Mr. James S. Kim, Project Manager Plant Licensing Branch I-1 Division of Operator Reactor Licensing Office of Nuclear Reactor Regulation U.S. Nuclear Regulatory Commission One White Flint North 4D9A 11555 Rockville Pike Rockville, MD 20852

> Regional Administrator, Region 1 U.S. Nuclear Regulator Commission 475 Allendale Road King of Prussia, PA 19406

Senior Resident Inspector Pilgrim Nuclear Power Station Mr. Robert Walker, Director Massachusetts Department of Public Health Schrafft Center Suite 1M2A Radiation Control Program 529 Main Street Charlestown, MA 02129

Mr. John Giarusso Jr. Nuclear Preparedness Manager Mass. Emergency Management Agency 400 Worcester Road Framingham, MA 01702

ATTACHMENT 1

Entergy Application for Exemption from the Schedule Requirement of 10 CFR 50.75(f)(3).

(3 Pages)

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Entergy Application for Exemption from the Schedule Requirement of 10 CFR 50.75(f)(3).

Specific Exemption Requested

Entergy Nuclear Operations, Inc. (Entergy) owns and operates Pilgrim Nuclear Power Station (Pilgrim) in Plymouth, Massachusetts. The current Operating License for Pilgrim expires on June 8, 2012.

Pursuant to10 CFR 50.12, Entergy hereby requests an exemption to the schedule requirement of 10 CFR 50.75(f)(3) that a preliminary decommissioning cost estimate be submitted to the NRC "at or about five years prior to the projected end of operations," including an up-to-date assessment of the major factors that have the potential to impact the cost of decommissioning. Specifically, Entergy requests an exemption to allow for the preparation, review, and submittal of this cost estimate document by August 1, 2008, which is approximately 4 years from the expiration date of the current operating license. This request only applies to the timing requirements for submittal of these documents and does not seek exemption from any of the material requirements of the regulations.

Circumstances Necessitating the Exemption Request

Entergy submitted a license renewal application (LRA) for Pilgrim in a letter dated January 25, 2006, approximately 6.5 years prior to the expiration date for Pilgrim Station. The NRC staff issued the final supplemental environmental impact statement (SEIS) on July 27, 2007 and final safety evaluation report (SER) on June 28, 2007. Entergy anticipates that the NRC will render a final decision on the Pilgrim LRA on or about August 1, 2008, 30 months from submittal of the application. August 2008 is approximately 4 years prior to expiration of the current operating license.

In the proposed rulemaking for nuclear power plant license renewal published in the Federal Register [55 FR 29043 Jul 17, 1990], the NRC indicated that "the Commission does not believe that licensees who file their license renewal applications should also be required to proceed as if their facility will be decommissioned at the expiration of the current operating license." The NRC further indicated that the development and submittal of the information required by 10 CFR 50.75(f)(3) (at that time, the specific regulation was 10 CFR 50.75(f)(2)) would require substantial resources that would be wasted if the LRA is approved. The NRC also indicated that "the Commission does not believe that any change to 10 CFR 50.75(f) is necessary, since the current wording may be interpreted to exclude licensees who have filed an LRA from the requirements for submission of the interim funding reports."

Entergy concurs with the Commissions belief put forth in the proposed rulemaking that complying with the requirements of 10 CFR 50.75(f)(3) would require significant resources on the part of both Entergy and the NRC at a time when significant resources in both organizations are being expended on the review of the Pilgrim LRA. Further, the preliminary decommissioning cost estimate would be essentially outdated upon approval of the LRA.

In the final rule for nuclear power plant license renewal published in the Federal Register [56 FR 64943, 64968 Dec 13, 1991], the Commission determined that a waiver of the spent fuel management plan and the preliminary decommissioning plan will not *automatically* be provided for plants seeking license renewal. The Commission believes that prudent planning for decommissioning is appropriate and that the waiver of the requirements for preliminary

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decommissioning, absent a clear indication that the license will be renewed, would appear to predetermine the outcome of the LRA. The Commission determined that some planning for the possibility that a plant would have to decommission (i.e., the application is denied) is still appropriate. However, the final rule also discusses that the exemption process provided by 10 CFR 54.15 is available to a renewal applicant who would like to seek relief from the need to submit both license renewal and decommissioning information. This exemption request complies with the provisions of 10 CFR 54.15.

The NRC review of the Pilgrim LRA has been underway for over two years and the NRC staff issued the final supplemental environmental impact statement (SEIS) and final safety evaluation report (SER) in mid-2007. Entergy recognizes that the SEIS and SER do not guarantee LRA approval but Entergy believes the level of review accomplished to date, and the achievement of these significant milestones, represent a clear indication that the Pilgrim LRA would be ultimately approved. Entergy also believes that at this time planning for decommissioning is not necessarily appropriate or timely because there is no clear indication present that the LRA would be denied.

Entergy hereby applies for an exemption to the schedule requirements in 10 CFR 50.75(f)(3) to refocus resources and allow Entergy to delay submitting the documents required by these regulations to allow the proper time to prepare, review and submit the cost estimate. On this basis, Pilgrim would submit to the NRC the documents as required by 10 CFR 50.75(f)(3) no later than August 1, 2008, which is approximately four years prior to the expiration date of the current operating license and Entergy believes is in within interpretation of the regulation.

Satisfaction of Specific Exemption Criteria

Pursuant to 10 CFR 50.12, an exemption will be granted if it is authorized by law; will not present an undue risk to the public health an safety; is consistent with the common defense and security; and is supported by one or more of the special circumstances identified in 10 CFR 50.12(a)(2). The requested exemption is authorized by law because the underlying requirement is established by an NRC rule for which an exemption may be granted as presented in 10 CFR 54.15. Furthermore, the requested exemption will not present an undue risk to public health and safety and is not inconsistent with the common defense and security because it seeks exemption from the timing for submittal of certain information with no material change to the information that will be submitted. The special circumstance identified in 10 CFR 50.12(a)(2)(ii) is applicable, as described below.

Special circumstance 10 CFR 50.12(a)(2)(ii) states that application of the regulation in the particular circumstances would not serve the underlying purpose of the rule or is not necessary to achieve the underlying purpose of the rule.

By comparison to review time for a sufficient LRA, the final rule for nuclear power plant license renewal published in the Federal Register [56 FR 64943, 64962 Dec 13, 1991] estimated that two years is an adequate amount of time for the NRC to technically review a sufficient LRA. Any necessary hearings could likely add a year or so such that the NRC could reasonably render a decision on a sufficient LRA within approximately three years from the date the LRA was submitted. However, for consistency with the schedule requirements of other regulations related to decommissioning, the NRC in the final rule changed the timing provision for submittal of a sufficient LRA to no less than five years prior to expiration of the existing operating license. The requirement to submit a sufficient LRA five or more years prior to expiration date of the

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existing operating license does not reflect the actual time to complete a final determination on a sufficient LRA.

The NRC has demonstrated that their estimate of three years to review an LRA and issue a renewed license is a sufficient period of time. Renewed operating licenses have been issued for Calvert Cliffs Nuclear Power Plant Units 1 and 2, Oconee Nuclear Station Units 1, 2 and 3, Arkansas Nuclear One Unit 1, and Edwin I. Hatch Nuclear Plants Units 1 and 2 all within three years from submittal of their LRAs.

Given the size and complexity of a LRA and the associated review and hearing processes, Entergy believes that by comparison it is reasonable that the information submitted pursuant to 10 CFR 50.75(f)(3) could be reviewed and approved by the NRC at a time consistent with the LRA approval which Pilgrim is projecting to be August 1, 2008.

Entergy believes that allowing Pilgrim a delay in the schedule for submitting the information required by 10 CFR 50.75(f)(3) is appropriate based on the current status of the Pilgrim LRA, and consistent with the latitude provided in the definition of the regulation. Therefore, submittal of the information required by 10 CFR 50.75(f)(3) five or more years prior to the expiration date of the existing operating license is not necessary to achieve the underlying purpose of those rules.