



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

June 18, 2009

Vice President, Operations
Entergy Nuclear Operations, Inc.
Palisades Nuclear Plant
27780 Blue Star Memorial Highway
Covert, MI 49043-9530

SUBJECT: ENTERGY NUCLEAR OPERATIONS, INC'S STATUS OF DECOMMISSIONING
FUNDING ASSURANCE FOR PALISADES NUCLEAR PLANT
(TAC NO. ME0548)

Dear Sir or Madam:

On March 30, 2009, the Nuclear Regulatory Commission (NRC) received Entergy Nuclear Operations, Inc. (ENO) biennial decommissioning funding report (Agencywide Documents Access and Management System Accession No. ML090920576) for Palisades Nuclear Plant (Palisades).

Based on our internal review, the NRC staff believes that there is a decommissioning funding assurance shortfall for Palisades Nuclear Plant. Although a shortfall in decommissioning funding assurance does not affect safe operations, adequate decommissioning funding assurance is important to ensure a plant will eventually be decommissioned safely.

The NRC staff will conduct a telephone conference with ENO within ten working days of the date of this letter to discuss the staff's calculations and methodology. The intent of the call will be to establish a mutual understanding and framework such that you will be able to develop a plan to resolve any decommissioning funding assurance shortfall.

If ENO is determined to have a shortfall, it will need to submit a plan by a date to be established at the close of the telephone conference. The plan would describe how and when the licensee intends to make adjustments to its trust fund balances and/or make other adjustments or changes with respect to financial assurance mechanisms, such that it will meet the minimum amount of financial assurance consistent with NRC's regulations.

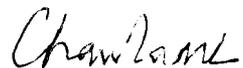
Paperwork Reduction Act Statement

This Letter does not contain any new or amended information collection requirements subject to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.). Existing collection requirements under 10 CFR Part 50 were approved by the Office of Management and Budget (OMB), control number 3150-0011, which expires June 30, 2010.

Public Protection Notification

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Sincerely,

A handwritten signature in cursive script, appearing to read "Chawla".

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: Distribution via ListServ

Public Protection Notification

The NRC may not conduct or sponsor, and a person is not required to respond to, an information collection unless the requesting document displays a currently valid OMB control number.

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

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