



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

December 16, 2009

Mr. Christopher Schwarz
Site Vice President
Entergy Nuclear Operation, Inc
Palisades Nuclear Plant
27780 Blue Star Memorial Highway
Covert, MI 49043

SUBJECT: PALISADES NUCLEAR PLANT – DECOMMISSIONING FUNDING CLOSEOUT
LETTER (TAC NO. ME0548)

Dear Mr. Schwarz:

The Nuclear Regulatory Commission (NRC) staff has reviewed the submittal, dated August 13, 2009 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML092260720), outlining Entergy's plan of action to cover shortfalls in providing decommissioning funding assurance and/or decommissioning funding realized in the Palisades Nuclear Plant Biennial Decommissioning Funding Report that was submitted on or about March 31, 2009. Based on the NRC staff's analysis of the March 30, 2009, Biennial Decommissioning Funding Report (ADAMS Accession No. ML090920576), the NRC staff estimated a projected shortfall in decommissioning funding assurance of \$11.5 million.

Based on the information provided by Entergy on August 13, 2009, the NRC staff finds that Palisades Nuclear Plant as of July 31, 2009, has a Decommissioning Trust Fund Balance of \$230.8 million. NRC staff has projected this balance to increase such that it will meet the NRC Minimum Decommissioning Funding Formula amount, at the time of permanent cessation of operations in 2031. The NRC staff has reviewed the licensee's plan and determined that the licensee, as of August 13, 2009, provides reasonable assurance of adequate decommissioning funding at the time permanent termination of operations with the proposed use of SAFSTOR. Accordingly, the NRC staff concludes that no further action is required at this time to demonstrate adequate decommissioning funding assurance, according to NRC standards, for Palisades Nuclear Plant.

If you have any questions regarding the Decommissioning Funding Report review, please contact me at 301-415-8371 or Mahesh.chawla@nrc.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Chawla" with a stylized flourish.

Mahesh Chawla, Project Manager
Plant Licensing Branch LPL3-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket No. 50-255

cc: Distribution via Listserv

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Site Vice President
Entergy Nuclear Operation, Inc
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Sincerely,

/RA/

Mahesh Chawla, Project Manager
Plant Licensing Branch LPL3-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket No. 50-255

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