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J.E. Pollock
Site Vice President

NL-11-127

November 28, 2011

U. S. Nuclear Regulatory Commission
ATIN: Document Control Desk
Washington, DC 20555

SUBJECT: 10 CFR 50.75(f)(1) 2011 Decommissioning Funding Status Report,
Request For Additional Information
Indian Point Nuclear Generating Unit No. 1
Docket No.50-003
License No. DPR-5

REFERENCES

1. ENOC-11-0005, 'Status of Decommissioning Funding for Plants Operated by Entergy Nuclear Operations, Inc.' dated March 31, 2011
2. NRC letter 'Indian Point Nuclear Generating Unit 1 - Request For Additional Information', dated October 26, 2011, ADAMS Accession No. ML112920303

Dear Sir or Madam:

Entergy Nuclear Operations, Inc. (Entergy) submitted, Reference 1, Status of Decommissioning Funding for Plants Operated by Entergy Nuclear Operations, Inc in accordance with 10 CFR 50.75(f)(1). The NRC requested additional information in Reference 2. This letter provides a response to the NRC request in Attachment 1.

Should you have any questions concerning this report, please contact Mr. Robert W. Walpole, Licensing Manager, at (914) 254-6710.

Sincerely,

A handwritten signature in black ink, appearing to read "J.E. Pollock".

JEP/mb

ADDI
MIR

**Attachment: 1. Response to NRC Request for Information Regarding IP1
Decommissioning Fund**

cc: Mr. Stephen J. Giebel, , Project Manager, NRC, FSMEMP, DWMEP, DURLD
Mr. William M. Dean, Regional Administrator, NRC Region I
NRC Resident Inspector's Office Indian Point
Mr. Paul Eddy, New York State Department of Public Service
Mr. Francis J. Murray Jr., President and CEO NYSERDA
Smith, Jager, P.E., Legal Counsel, Wise Carter

ATTACHMENT 1 TO NL-11-127

Response to NRC Request for Information Regarding IP1 Decommissioning Fund

ENTERGY NUCLEAR OPERATIONS, INC
INDIAN POINT NUCLEAR GENERATING UNIT 1
DOCKET NO. 50-003

RESPONSE TO REQUEST FOR ADDITIONAL INFORMATION
RE 2011 DECOMMISSIONING FUNDING STATUS REPORT
FOR ENTERGY NUCLEAR OPERATIONS, INC.

By letter dated March 31, 2011 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML110940051), Entergy Nuclear Operations, Inc. (Entergy) submitted the 2011 Decommissioning Funding Status (DFS) Report for Indian Point Nuclear Generating Stations 1, 2, and 3, Vermont Yankee Nuclear Power Station, Pilgrim Nuclear Power Station, James A. FitzPatrick Nuclear Power Plant, and Palisades Nuclear Plant, as required under Title 10 of the *Code of Federal Regulations* (10 CFR) Section 50.75(f)(1).

The Nuclear Regulatory Commission staff, in reviewing the submittal, had the following questions transmitted by letter dated October 26, 2011, ADAMS Accession No. ML112920303:

RAI #1: Decommissioning Expenses

Provide the amount spent on decommissioning, both cumulative and over the previous calendar year, for IP1.

On March 31, 2011, Entergy did not explicitly reference expense amounts, either cumulative or over the previous calendar year, for IP1.

Per 10 CFR 50.75(e)(2), the NRC reserves the right to take the following steps in order to ensure a licensee's adequate accumulation of decommissioning funds: review, as needed, the rate of accumulation of decommissioning funds.

Response:

As noted by Entergy in its 2011 DFS Report, in Attachment 14 pertaining to Indian Point 1 (IP1), the costs to date for decommissioning associated with IP1 have been funded by operations. To date, Entergy has not withdrawn any funds for decommissioning IP1 from IP1's decommissioning trust funds.

IP1 currently receives an allocation of costs reflecting a portion of the site security force and the executive management for the entire operating Indian Point site. Additionally, certain costs for engineering, operations, chemistry, I&C, site craft, and business services are charged to IP1. IP1 has a dedicated director and superintendent whose costs are also charged to IP1. The total of the costs charged to IP1 for 2010 were \$6.26 million. Prior to the acquisition of IP1 by Entergy Nuclear Indian Point 2, LLC (ENIP) in September 2001, IP1 was owned by Consolidated Edison Company. Entergy understands that Consolidated Edison Company did not attempt separately to track any costs attributable to IP1, and Entergy does not possess records that would permit determination of charges to IP1 prior to September 2001. Consequently, Entergy does

not have a complete record of accumulated costs for IP1 since it ceased operation. Subsequent to the acquisition by ENIP, Entergy began an effort to assign certain costs to IP1 as a separate facility. Using costs Entergy has allocated to IP1 for the period September 2001 through 2010, however, Entergy's records indicate a total of \$108.5 million charged to IP1 during that period, including the cost of discrete projects such as spent fuel pool repair and related remediation projects (prior to fuel being placed in dry storage in 2008). The foregoing figures are the costs charged in 2010 and the total costs that have been assigned to IP1 since 2001, but Entergy has not fully determined what portion of those costs would be considered "decommissioning" costs as that term is defined in 10 CFR §50.2.