



Entergy Nuclear Operations, Inc  
440 Hamilton Avenue  
White Plains, NY 10601  
Tel 914 272 3370

John F. McCann  
Vice President – Regulatory Assurance

ENOC-15-00006  
March 27, 2015

ATTN: Document Control Desk  
U.S. Nuclear Regulatory Commission  
Washington, DC 20555-0001

SUBJECT: **Financial Test for Decommissioning Funding Parent  
Guarantees for the year ending December 31, 2014 per  
10 CFR Part 30 App. A**

Big Rock Point ISFSI  
Docket 50-155 / 72-043  
License No. DPR-6

Vermont Yankee Nuclear Power Station  
Docket 50-271 / 72-059  
License No. DPR-28

REFERENCE: 1. Entergy letter BVY-10-008, "Decommissioning Funding Assurance  
Documentation" dated January 28, 2010 (ML100470701).

Dear Sir or Madam:

This letter provides the documents to support the continued use of a parent company guarantee to provide financial assurance of decommissioning funds for the Vermont Yankee Nuclear Power Station and the Big Rock Point Independent Spent Fuel Storage Installation (ISFSI), pursuant to 10 CFR 50.75(e)(1)(iii)(B).

Use of the parent company guarantee for Vermont Yankee was initially established by Reference 1 for 2009 based upon financial data for the year ending December 31, 2008. Recital 8 of the Vermont Yankee parent company guarantee requires the guarantor to submit certain financial documents to the NRC annually within 90 days of the close of the parent guarantor's fiscal year. The updated information for fiscal year ending December 31, 2014 is provided herein. Entergy Nuclear Operations notes that the \$40 million guarantee for Vermont Yankee is not required as of December 31, 2014 to meet current financial assurance requirements under 10 CFR 50.75(c) based on calculations under 10 CFR 50.75(c), which are being provided separately in the March 2015 10 CFR 50.75(f) report for Vermont Yankee. Because the \$40 million guarantee is no longer needed for financial assurance, by letter dated December 19, 2014, Entergy Corporation gave notice that it was canceling the \$40 million guarantee effective 120 days after receipt of the notice by the NRC and Entergy Nuclear Vermont Yankee, LLC (Accession No. ML14358A252).

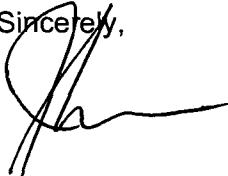
The licensees requested that Entergy Corporation's independent certified public accountant, Deloitte & Touche, LLP, evaluate the company's off-balance sheet transactions and provide an opinion on whether those transactions could materially adversely affect the company's ability to pay for decommissioning costs, as required by 10 CFR 30 Appendix A. Deloitte & Touche, LLP

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stated that it does not provide opinions of that nature. Nevertheless, Entergy Corporation's management has concluded that the amount of decommissioning-related parent guarantees at issue is very small as compared to the balance sheet amounts, and in its opinion, off-balance sheet transactions would not be expected to affect the company's ability to pay for decommissioning costs. The company's off-balance sheet transactions are described in its Securities and Exchange Commission filings, in particular, its 10-Q and 10-K filings.

There are no new commitments made in this letter. If you have any questions, please contact Mr. Guy Davant, Manager, Fleet Licensing Programs at 601-368-5756.

Sincerely,



JFM / ghd / LJS

Attachments: 1. Entergy Corporation Parent Guarantee for Fiscal Year Ending 12/31/2014  
2. Independent Accountant's Report on Applying Agreed-Upon Procedures

cc:

Mr. J. A. Aluise (ENT)  
Mr. T. Ngau (ECH)  
Mr. J.S. Forbes (ECH)  
Mr. B. E. Green (TMBR)  
Mr. J. Ventosa (ECH)  
Mr. D. J. Mannai (WPO)  
Mr. G. H. Davant (ECH)  
Mr. T. G. Mitchell (ECH)  
Mr. L. Jager Smith (ECH)

Mr. A. J. Vitale (PAL)  
Mr. C. J. Wamser (VTY)

USNRC Regional Administrator, Region I  
USNRC Regional Administrator, Region III

USNRC Project Manager, Palisades  
USNRC Project Manager, Big Rock Point  
USNRC Project Manager, Vermont Yankee  
USNRC Resident Inspector, Vermont Yankee

Michigan Department of Environmental Quality  
Michigan Public Service Commission

Mr. Christopher Recchia, Commissioner  
Vermont Department of Public Service  
112 State Street – Drawer 20  
Montpelier, VT 05620-2601

ENOC-15-00006  
ATTACHMENT 1

Entergy Corporation Parent Guarantee for Fiscal Year Ending 12/31/2014

(3 pages)



Entergy Services, Inc.  
 P.O. Box 61000  
 New Orleans, LA 70151 1000  
 Tel 504 576 4000

March 25, 2015

ATTN: Document Control Desk  
 U.S. Nuclear Regulatory Commission  
 Washington DC 20555-0001

Subject: Entergy Corporation Parent – Guarantee of Funds for Decommissioning: Letter from Chief Financial Officer to Demonstrate Financial Assurance

I am the chief financial officer of Entergy Corporation, 639 Loyola Avenue, New Orleans, LA 70113, a corporation. This letter is in support of this firm’s use of the financial test to demonstrate financial assurance, as specified in Title 10, Part 50, of the *Code of Federal Regulations* (10 CFR Part 50).

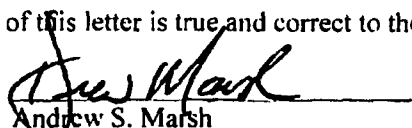
This firm guarantees, through the parent company guarantee submitted to demonstrate compliance under 10 CFR Part 50, the decommissioning of the following facilities owned or operated by subsidiaries of this firm. The current cost estimates or certified amounts for decommissioning, and the amounts being guaranteed, are shown for each facility:

<u>Name of Facility</u>	<u>Location of Facility</u>	<u>Current Cost Estimates</u>	<u>Amount Being Guaranteed</u>
Vermont Yankee Nuclear Power Station License No. DPR-28	Vernon, VT	\$817,219,461 <sup>1</sup>	\$40,000,000
Big Rock Point Independent Spent Fuel Storage Installation License Nos. DPR-06, SFGL-16	Charlevoix, MI	\$ 1,628,547 <sup>2</sup>	\$ 5,000,000

Entergy Corporation is required to file a Form 10-K with the U.S. Securities and Exchange Commission for the latest fiscal year.

The fiscal year of Entergy Corporation ends on December 31<sup>st</sup>. The figures for the following items (Financial Test II) marked with an asterisk are derived from Entergy Corporation's independently audited, year-end financial statements and footnotes for the latest completed fiscal year, ended December 31, 2014.

I hereby certify that the content of this letter is true and correct to the best of my knowledge.

  
 Andrew S. Marsh  
 Executive Vice President and Chief Financial Officer

<sup>1</sup> Per Status of Decommissioning Funding for Plants Operated by Entergy Nuclear Operations, Inc. for the year ending December 31, 2014 - 10 CFR 50.75(f)(1).

<sup>2</sup> See Accession No. ML12352A126 escalated to 2014\$



March 25, 2015

**FINANCIAL TEST: ALTERNATIVE II**  
**(10 CFR Part 30 App. A. Section II A.2.)**  
**Entergy Corporation Parent Guarantee of Funds For Decommissioning**  
**Dollars in thousands**

- |     |  |                      |
|-----|--|----------------------|
| 1.  | Guaranteed amount for Vermont Yankee Nuclear Power Station, License No. DPR-28 and Big Rock Point Independent Spent Fuel Storage Installation, Licenses Nos. DPR-06, SFGL-16 (total cost of all cost estimates should be stated in paragraphs above) | \$45,000             |
| 2.  | Current rating of most recent bond issuance of this firm   |                      |
|     | Rating <u>Baa3 corporate credit rating as of December 10, 2014</u>   |                      |
|     | Name of rating service <u>Moody's</u>  |                      |
| 3.  | Date of issuance of bond <u>See NOTE/below</u>   |                      |
| 4.  | Date of maturity of bond <u>See NOTE/below</u>   |                      |
| *5. | Tangible net worth** (if any portion of estimates for decommissioning is included in total liabilities on your firm's financial statements, you may add the amount of that portion to this line)   | \$9,921,838          |
| *6. | Total assets in United States (required only if less than 90 percent of firm's assets are located in the United States)  | N/A                  |
|     |  | <u>Yes</u> <u>No</u> |
| 7.  | Is line 5 at least \$21,000?   | X                    |
| 8.  | Is line 5 at least 6 times line 1?   | X                    |
| 9.  | Are at least 90 percent of firm's assets located in the United States? If not, complete line 10.   | X                    |
| 10. | Is line 6 at least 6 times line 1?   | N/A                  |
| 11. | Is the rating specified on line 2 "BBB" (including adjustments of + and -) or better (if issued by Standard & Poor's) or "Baa"(including adjustments of 1, 2 or 3) or better (if issued by Moody's)?   | X                    |

NOTE/Entergy Corporation's most recent bond issuance was in 2012. Ratings supplied above are the current credit ratings from the indicated rating agency. Entergy Corporation's last bond issuance had a rating of BBB-.

\* Denotes figures derived from financial statements.

\*\* Tangible net worth is defined as net worth minus goodwill, patents, trademarks, and copyrights.

**RECONCILING SCHEDULE  
ENTERGY CORPORATION  
YEAR ENDED DECEMBER 31, 2014  
Dollars in thousands**

<u>Line Number in CFO's Letter</u>	<u>Per Financial Statements</u>	<u>Recon- ciling Items</u>	<u>Per CFO's Letter</u>
Total Assets	\$46,527,854		
Less: Total Current Liabilities	(3,848,891)		
Less: Total Non-Current Liabilities	(32,366,478)		
Less: Goodwill	(377,172)		
Less: Net Book Value of Vermont Yankee Nuclear Power Station and Big Rock Point	<u>(13,475)</u>		
Tangible Net Worth	\$ 9,921,838		\$ 9,921,838

ENOC-15-00006  
ATTACHMENT 2

Independent Accountant's Report on Applying Agreed-Upon Procedures

(5 pages)



Deloitte & Touche LLP  
Suite 4200  
701 Poydras Street  
New Orleans, LA 70139-4200  
USA

Tel: +1 504 581 2727  
Fax: +1 504 561 7293  
www.deloitte.com

## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors  
Entergy Corporation  
New Orleans, Louisiana

We have performed the procedures enumerated below, which were agreed to by Entergy Corporation (the "Company"), solely to assist the Company in connection with the Company's and the U.S. Nuclear Regulatory Commission's ("NRC") evaluation of the Company's compliance with the requirements specified in Appendix A, Section II A.2 to Part 30 of 10 CFR, the Financial Test: Alternative II (the "Financial Test") as of December 31, 2014, included in the accompanying letter from the Chief Financial Officer of the Company dated March 25, 2015 to the NRC. The Company's management is responsible for compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

It should be understood that (1) we make no representations regarding the Company's determination and presentation of non-GAAP measures (such as tangible net worth), and (2) the non-GAAP measures presented may not be comparable to similarly titled measures reported by other companies. However, the following procedures were applied to the attached Schedules on pages 2 and 3 of Appendix A as indicated with respect to the symbols explained below.

- A. We compared these amounts to the Company's audited consolidated financial statements for the year ended December 31, 2014 and found such amounts to be in agreement.
- B. We compared the "Tangible Net Worth" amount as shown in the column "Per CFO's Letter" included in the Reconciling Schedule on page 3 of Appendix A to the "Tangible net worth" amount presented on line 5 of the Financial Test on page 2 of Appendix A and found such amounts to be in agreement.
- C. We proved the arithmetic accuracy and noted no exception after giving effect to rounding.
- D. We compared the "Net Book Value of Vermont Yankee Nuclear Power Station and Big Rock Point" as shown in the column "Per Financial Statements" included in the Reconciling Schedule on page 3 of Appendix A to internal accounting records prepared by employees of the Company. We make no comment with respect to the assumptions used in the preparation of the internal accounting records or schedules.
- E. We compared the "Current rating of most recent bond issuance of this firm" on line 2 of the Financial Test on page 2 of Appendix A to the Moody's Investors Service Report for Entergy



Corporation dated December 10, 2014 provided to us by employees of the Company and noted no differences.

We inquired of the Chief Accounting Officer and Chief Financial Officer of the Company as to whether any off-balance sheet transactions exist that could materially adversely affect the ability of the Company to pay decommissioning costs. These Officers responded that they had no knowledge of any off-balance sheet transactions that could materially adversely affect the Company's ability to pay decommissioning costs other than those that may be disclosed in Entergy's 1934 Act SEC filings.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the board of directors and management of the Company and the NRC, and is not intended to be and should not be used by anyone other than these specified parties.

*Deloitte & Touche LLP*

March 25, 2015



Entergy Services, Inc.  
 P.O. Box 61000  
 New Orleans, LA 70161 1000  
 Tel 504 576 4000

APPENDIX A

March 25, 2015

ATTN: Document Control Desk  
 U.S. Nuclear Regulatory Commission  
 Washington DC 20555-0001

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I hereby certify that the content of this letter is true and correct to the best of my knowledge.

  
 Andrew S. Marsh  
 Executive Vice President and Chief Financial Officer

<sup>1</sup> Per Status of Decommissioning Funding for Plants Operated by Entergy Nuclear Operations, Inc. for the year ending December 31, 2014 – 10 CFR 50.75(f)(1).

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March 25, 2015

**FINANCIAL TEST: ALTERNATIVE II  
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Entergy Corporation Parent Guarantee of Funds For Decommissioning  
Dollars in thousands**

1. Guaranteed amount for Vermont Yankee Nuclear Power Station, License No. DPR-28 and Big Rock Point Independent Spent Fuel Storage Installation, Licenses Nos. DPR-06, SFGL-16 (total cost of all cost estimates should be stated in paragraphs above) \$45,000
  
  2. Current rating of most recent bond issuance of this firm  
  
Rating Baa3 corporate credit rating as of December 10, 2014 E  
  
Name of rating service Moody's
  
  3. Date of issuance of bond See NOTE/below
  
  4. Date of maturity of bond See NOTE/below
  
  - \*5. Tangible net worth\*\* (if any portion of estimates for decommissioning is included in total liabilities on your firm's financial statements, you may add the amount of that portion to this line) \$9,921,838 B
  
  - \*6. Total assets in United States (required only if less than 90 percent of firm's assets are located in the United States) N/A
- |  | <u>Yes</u> | <u>No</u> |
|--|------------|-----------|
| 7. Is line 5 at least \$21,000?  | X          | C         |
| 8. Is line 5 at least 6 times line 1?  | X          | C         |
| 9. Are at least 90 percent of firm's assets located in the United States? If not, complete line 10.  | X          |           |
| 10. Is line 6 at least 6 times line 1?   |            | N/A       |
| 11. Is the rating specified on line 2 "BBB" (including adjustments of + and -) or better (if issued by Standard & Poor's) or "Baa"(including adjustments of 1, 2 or 3) or better (if issued by Moody's)? | X          |           |

NOTE/Entergy Corporation's most recent bond issuance was in 2012. Ratings supplied above are the current credit ratings from the indicated rating agency. Entergy Corporation's last bond issuance had a rating of BBB-.

\* Denotes figures derived from financial statements.

\*\* Tangible net worth is defined as net worth minus goodwill, patents, trademarks, and copyrights.

**RECONCILING SCHEDULE  
ENERGY CORPORATION  
YEAR ENDED DECEMBER 31, 2014  
Dollars in thousands**

<u>Line Number in CFO's Letter</u>	<u>Per Financial Statements</u>	<u>Recon- ciling Items</u>	<u>Per CFO's Letter</u>
Total Assets	\$46,527,854	A	
Less: Total Current Liabilities	(3,848,891)	A	
Less: Total Non-Current Liabilities	(32,366,478)	A	
Less: Goodwill	(377,172)	A	
Less: Net Book Value of Vermont Yankee Nuclear Power Station and Big Rock Point	<u>(13,475)</u>	D	
Tangible Net Worth	\$ 9,921,838	C	\$ 9,921,838 B