



Entergy Nuclear Operations, Inc  
1340 Echeclon Parkway  
Jackson, MS 39213  
Tel 601-368-5667

**John F. McCann**  
Vice President – Regulatory Assurance

ENOC-16-00007  
March 30, 2016

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, 2015 per  
10 CFR Part 30 App. A**

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

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 Big Rock Point Independent Spent Fuel Storage Installation (ISFSI), pursuant to 10 CFR 50.75(e)(1)(iii)(B).

The licensee 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 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.

Entergy Corporation previously had provided a \$40 million guarantee in support of Vermont Yankee decommissioning financial assurance. Because the \$40 million guarantee for Entergy Nuclear Vermont Yankee, LLC, 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). In a letter from the NRC to Entergy Nuclear Operations, Inc, and Vermont Yankee Nuclear Power Station dated April 21, 2015, the NRC determined that Entergy Corporation had complied with the general requirements of 10 CFR 30 Appendix A (III)(A) and granted Entergy Corporation the right to cancel the \$40 million

parent company guarantee for Vermont Yankee (Accession No. ML15107A074). The Vermont Yankee parent company guarantee has been cancelled.

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

Sincerely,

A handwritten signature in black ink, appearing to be 'JFM', written over a horizontal line.

JFM / ghd / ljs

Attachments: 1. Entergy Corporation Parent Guarantee for Fiscal Year Ending 12/31/2015  
2. Independent Accountant's Report on Applying Agreed-Upon Procedures

cc:

Mr. J. A. Aluise (ENT)  
Mr. C. Bakken (ECH)  
Mr. B. E. Green (TMBR)  
Mr. D. J. Mannai (WPO)  
Mr. T. G. Mitchell (ECH)  
Mr. L. Jager Smith (ECH)  
Mr. C. J. Wamser (VTY)  
Mr. A. J. Vitale (PAL)  
Mr. J. A. Ventosa (ECH)  
Mr. T. Ngau (ECH)

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

Vermont Department of Public Service  
Downs Rachlin Martin PLLC / St. Johnsbury, VT

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**Attachment 1**

**Entergy Corporation Parent Guarantee for Fiscal Year Ending 12/31/2015**

March 14, 2016

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 facility owned or operated by subsidiaries of this firm. The current cost estimate or certified amount for decommissioning, and the amount being guaranteed, is shown for the facility:

<u>Name of Facility</u>	<u>Location of Facility</u>	<u>Current Cost Estimate</u>	<u>Amount Being Guaranteed</u>
Big Rock Point Independent Spent Fuel Storage Installation License Nos. DPR-06, SFGL-16	Charlevoix, MI	\$ 2,430,000 <sup>1</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, 2015.

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

\_\_\_\_\_  
Date

<sup>1</sup> See 10 CFR §72.30 filing for Big Rock Point, dated December 17, 2015, Accession No. ML15351A524

**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 Big Rock Point Independent Spent Fuel Storage Installation, License Nos. DPR-06, SFGL-16 (total cost of all cost estimates should be stated in paragraphs above)                 | \$5,000              |
| 2.  | Current rating of most recent bond issuance of this firm<br><br>Rating <u>Baa3 corporate credit rating as of October 9, 2015</u><br><br>Name of rating service <u>Moody's</u>                          |                      |
| 3.  | Date of issuance of bond <u>July 1, 2015</u>   |                      |
| 4.  | Date of maturity of bond <u>July 22, 2022</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)       | \$9,186,191          |
| *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                    |

\* 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, 2015  
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	\$44,647,681		
Less: Total Current Liabilities	(3,089,958)		
Less: Total Non-Current Liabilities	(31,982,747)		
Less: Goodwill	(377,172)		
Less: Net Book Value of Big Rock Point	<u>(11,613)</u>		
Tangible Net Worth	\$ 9,186,191		\$ 9,186,191

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**Attachment 2**

**Independent Accountant's Report on Applying Agreed-Upon Procedures**