

**SYSTEM ENERGY  
RESOURCES, INC.**

A Middle South Utilities Company

WILLIAM T. COTLE  
Vice President  
Nuclear Operations

August 21, 1989

U.S. Nuclear Regulatory Commission  
Mail Station P1-137  
Washington, D.C. 20555

Attention: Document Control Desk

Gentlemen:

SUBJECT: Grand Gulf Nuclear Station  
Unit 2  
Docket No. 50-417  
Construction Permit No. CPPR-119  
EOI Amendment Application  
AECM-89/2-0004

On August 15, 1989, System Energy Resources, Inc. (System Energy), Arkansas Power and Light Company (AP&L), and Louisiana Power and Light Company (LP&L) submitted to the Nuclear Regulatory Commission proposed license amendments to designate Entergy Operations, Inc. (EOI) as the licensed operator for Grand Gulf Nuclear Station (Grand Gulf) Unit 1, Arkansas Nuclear One (ANO) Units 1 and 2, and Waterford Steam Electric Station, Unit 3 (Waterford 3), respectively. The proposed amendments are intended to establish a new company, to be called EOI, as the system-wide nuclear operating company. In order to complete the proposed consolidation, System Energy herein submits a similar proposed amendment to the construction permit for Grand Gulf Unit 2 to designate EOI as the entity licensed to possess and construct Unit 2.

AP&L, LP&L, and System Energy are, and EOI will be, wholly-owned subsidiaries of Entergy Corporation (Entergy), formerly known as Middle South Utilities, Inc. In a letter dated July 1, 1988, System Energy notified the NRC of Entergy's plan for System Energy to assume management and operating responsibility for all of Entergy's nuclear power plants, including Grand Gulf Unit 1 and Unit 2. Entergy now plans for EOI, rather than System Energy as originally proposed, to become responsible for managing Grand Gulf Unit 2. System Energy and South Mississippi Electric Power Association (SMEPA) will retain their present ownership of the unit, and System Energy and Mississippi Power & Light Company (MP&L) will remain subject to the antitrust conditions imposed by the construction permit.

As with its activities with respect to the operating units in the Middle South Electric System, EOI's authorities and responsibilities for Grand Gulf Unit 2 will be established by an Operating Agreement between System Energy and EOI. System Energy will execute the Operating Agreement for itself and as agent for SMEPA. Drafts of the proposed Operating Agreement are scheduled to be submitted to the Securities and Exchange Commission (SEC) in September 1989 as part of the application of System Energy, AP&L, and LP&L for approval of the

8908290242 890821  
PDR ADOCK 05000417  
A PDC

NLSAECM89081701 - 1

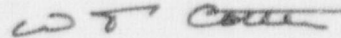
GRAND GULF NUCLEAR STATION  
PORT GIBSON, MISSISSIPPI 39150 (601) 437-6809  
A Middle South Utilities Company

Boal  
/

proposed consolidation. A copy of the formal submittal to the SEC will be submitted to the NRC for review contemporaneously with the SEC filing.

In accordance with the provisions of 10CFR50.4, the signed original of the amendment application is enclosed and the appropriate copies will be distributed. The application provides the background and technical justification to support the requested construction permit amendment.

Yours truly,



WTC:tkm

Attachments: 1. Affirmation per 10CFR50.30  
2. GGNS Unit 2 Construction Permit Amendment

cc: (See Next Page)

cc: Mr. D. C. Hintz (w/a)  
Mr. T. H. Cloninger (w/a)  
Mr. J. G. Cesare (w/o)  
Mr. R. B. McGehee (w/a)  
Mr. N. S. Reynolds (w/a)  
Mr. H. L. Thomas (w/a)  
Mr. H. O. Christensen (w/a)

Mr. Stewart D. Ebnetter (w/a)  
Regional Administrator  
U.S. Nuclear Regulatory Commission  
Region II  
101 Marietta St., N.W., Suite 2900  
Atlanta, Georgia 30323

Mr. L. L. Kintner, Project Manager (w/a)  
Office of Nuclear Reactor Regulation  
U.S. Nuclear Regulatory Commission  
Mail Stop 14B20  
Washington, D.C. 20555

Mr. Dennis M. Crutchfield  
Associate Director for Special Projects  
Office of Nuclear Reactor Regulation  
U.S. Nuclear Regulatory Commission  
Mail Stop 7D24  
Washington, D.C. 20555

Mr. David L. Wigginton, Project Manager  
Project Directorate - IV  
Division of Reactor Projects - III, IV, V,  
and Special Projects  
Office of Nuclear Reactor Regulation  
U.S. Nuclear Regulatory Commission  
Mail Stop 13D18  
Washington, D.C. 20555

Dr. Alton B. Cobb (w/a)  
State Health Officer  
State Board of Health  
P.O. Box 1700  
Jackson, Mississippi 39205

BEFORE THE  
UNITED STATES NUCLEAR REGULATORY COMMISSION

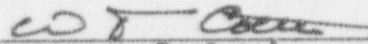
\_\_\_\_\_  
CPPR-119

\_\_\_\_\_  
DOCKET NO. 50-417

\_\_\_\_\_  
IN THE MATTER OF  
MISSISSIPPI POWER & LIGHT COMPANY  
and  
SYSTEM ENERGY RESOURCES, INC.  
and  
SOUTH MISSISSIPPI ELECTRIC POWER ASSOCIATION

\_\_\_\_\_  
AFFIRMATION


I, W. T. Cottle, being duly sworn, state that I am Vice President, Nuclear Operations of System Energy Resources, Inc.; that on behalf of System Energy Resources, Inc., and South Mississippi Electric Power Association I am authorized by System Energy Resources, Inc. to sign and file with the Nuclear Regulatory Commission, this application for amendment of the Construction Permit for Unit 2 of the Grand Gulf Nuclear Station; that I signed this application as Vice President, Nuclear Operations of System Energy Resources, Inc.; and that the statements made and the matters set forth therein are true and correct to the best of my knowledge, information and belief.

  
\_\_\_\_\_  
W. T. Cottle

STATE OF MISSISSIPPI  
COUNTY OF CLAIBORNE

SUBSCRIBED AND SWORN TO before me, a Notary Public, in and for the County and State above named, this 21 day of August, 1989.

(SEAL)

  
\_\_\_\_\_  
Notary Public

My commission expires:  
~~My Commission Expires July 1, 1992~~