

REQUEST FOR ADDITIONAL INFORMATION

TRANSFER OF LICENSEES

ENTERGY OPERATIONS, INC.

By letter dated September 27, 2012 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML12275a013), Entergy Operations, Inc (Entergy, the licensee) submitted Entergy Letter CNRO-12-00005, "Application for Order Approving Transfers of Licenses and Conforming License and ESP Amendments." In this letter, Entergy submitted a request the US Nuclear Regulatory Commission (NRC) issue an Order approving the transfers of control of the Facility Operating Licenses for Arkansas Nuclear One, Units 1 and 2, Grand Gulf Nuclear Station, river Bend Station Unit 1, and Waterford 3 Steam Electric Station.

The NRC staff under 10 CFR 50.33(f)(4)(iii):

Any other information considered necessary by the Commission to enable it to determine the applicant's financial qualification

and 10 CFR 50.33(f)(5):

The Commission may request an established entity or newly-formed entity to submit additional or more detailed information respecting its financial arrangements and status of funds if the Commission considers this information appropriate. This may include information regarding a licensee's ability to continue the conduct of the activities authorized by the license and to decommission the facility

has determined that the following information is needed to complete our review of your request:

1. Please provide information that states why other NRC licenses held by Entergy corporation or its subsidiaries are not included in the Entergy Application [for Order Approving Transfers of Licenses and Conforming License and ESP Amendments (September 27, 2012)]. This should be in the form of a simplified organization chart (similar to figure 1 and figure 2 of the application) showing current and post-transfer status. In addition, a declarative statement confirming that the other NRC incenses are not involved, and the reason why.
2. Starting with the fiscal year 2013, please provide a 5 year forecast of revenue and expenses for the 30% non-regulated portion of River Bend Station Unit 1, as required for a non-electric utility licensee under 10 CFR 50.33(f) and (f)(2). In association with this RAI, two scenario forecasts of revenue and expenses showing (1) the results of a 10% reduction in the price of electricity sold, and (2) a 10% reduction in capacity generation.
3. Foreign ownership, control, or domination:

According to the application dated September 27, 2012, Entergy stated the following:

Blackrock, Inc., a Delaware corporation, reports that as of December 31, 2011, it owned 7.83% of the voting common stock of Entergy and that an undisclosed number of these shares are held by one or more foreign-domiciled subsidiaries. In addition, State Street Corporation, a Massachusetts corporation, reports that as of December 31, 2011, it owned 5.2% of the voting common stock of Entergy and that an undisclosed number of these shares are held by one or more foreign-domiciled subsidiaries, and Franklin Resources, Inc., a Delaware corporation, reports that as of December 31, 2011, it owned 5.3% of the voting common stock of Entergy and that an undisclosed number of these shares are held by one or more foreign-domiciled subsidiaries.

Section 103d of the Atomic Energy Act prohibits the NRC from issuing a license to:

[a]n alien or any corporation or other entity if the Commission knows or has reason to believe it is owned, controlled, or dominated by an alien, a foreign corporation or a foreign government.

The Commission's regulations under Title 10 of the Code of Federal Regulations (10 CFR) Section 50.38 state:

Any person who is a citizen, national, or agent of a foreign country, or any corporation, or other entity which the Commission knows or has reason to believe is owned, controlled, or dominated by an alien, a foreign corporation, or a foreign government, shall be ineligible to apply for and obtain a license.

To complete its review, the NRC staff requires the following additional information:

- a) State what rights Blackrock, Inc., State Street Corporation, and Franklin Resources, Inc. will have to participate in matters affecting the management or operation of the Entergy, including, but not limited to, the right to vote on or nominate any Director(s) to EOI's Board of Directors.
- b) Provide a description of the procedures in place to assure that Blackrock, Inc., State Street Corporation, and Franklin Resources, Inc. shareholder rights in EOI do not result in their participation in decisions concerning nuclear safety or security; obtaining responsibility for special nuclear material; or gaining access to restricted data in order for the NRC staff to determine if the aforementioned statute and regulatory requirements have been met.
- c) State whether there are any unanimous consent requirements for decisions made by the Board of Directors and whether Blackrock, Inc., State Street Corporation, and Franklin Resources, Inc. will have any right to participate in unanimous decisions. If applicable, provide a list of their rights.
- d) Describe the legal, contractual or financial arrangements, if any, between EOI, and Blackrock, Inc., State Street Corporation, and Franklin Resources, Inc, or any foreign entity or any entity that is owned, controlled, or dominated,

directly or indirectly, by a foreign entity.

4. Decommissioning Financial Assurance

In its filings with the Texas Public Utility Commission, docket 40346, Entergy indicated that it intends to withdraw from the Entergy Systems Agreement (ESA) and has agreed to give notice by October 31, 2013, to exit the ESA. State how the exit from the ESA will affect the terms under the MSS-4 contract for River Bend Station and/or how the withdraw from the ESA will impact decommissioning funding assurance for River Bend, including but not limited to whether this will constitute a change to the method of providing decommissioning funding assurance.