

<p>What is decommissioning?</p>	<p>— Decommissioning a nuclear power plant is the process after operations is permanently ceased, including all steps needed to remove the plant safely from service and reduce residual radioactivity to a level that permits release of the property and termination of the NRC license. After decommissioning has been completed for Vermont Yankee, additional site restoration will be done to return the site to a designated future use.</p>
<p>On what date will you actually cease operations?</p>	<p>— We will not operate past Dec. 31. An exact date on which the plant will be in cold shutdown is being used for internal operational planning purposes but will not be disclosed publicly as forward market information is considered business proprietary.</p> <p>— Vermont Yankee began planned gradual reduction of energy generation in September as part of a coastdown period. Reactor power level and associated electrical generation will continually and gradually drop during this period due to the depletion of the fuel in the reactor. Coastdown will culminate with the plant shutdown targeted for late December.</p>
<p>What is the purpose of the site assessment study?</p>	<p>— The site assessment study was done to gather the latest information on the present condition of the plant site. The study will help ensure adequate resources will be available to decommission the plant in compliance with applicable federal regulations.</p>
<p>Can I see the new study? Is it public?</p>	<p>— Entergy is releasing the site assessment study (which includes the decommissioning cost estimate) with the media release. To obtain an electronic copy go to <a href="http://www.vydecommissioning.com">www.vydecommissioning.com</a>.</p>
<p>What are the next steps now that you have delivered this study to the state of Vermont?</p>	<p>— We are providing the site assessment study to Vermont at same time we are making the media release.</p> <p>— Per the settlement agreement, we will submit the PSDAR to the NRC no sooner than 60 days after submitting the site assessment study to the State. We have committed to consider, but not necessarily incorporate, any comments the State of Vermont may provide on the PSDAR. Filing the PSDAR and decommissioning cost study is the sole responsibility of ENVY and it is expected to be filed with the NRC by the end of the year.</p> <p>— After the PSDAR is filed, there is a 90-day public comment period, and the NRC will hold a public meeting to discuss the PSDAR.</p> <p>— Annual financial assurance report and the spent fuel management plan are due to the NRC by 3/31/15.</p>
<p>What is a post shutdown decommissioning activities report?</p>	<p>— The PSDAR is a description of planned decommissioning activities, a schedule for accomplishing them and an estimate of expected costs. The report is due to the NRC within two years after a permanent shutdown of the plant and is made available for public review.</p>
<p>When are you filing the PSDAR?</p>	<p>— We expect to file the PSDAR with the NRC by the end of 2014.</p>
<p>Do you need Vermont approval/agreement on this study before you can file the</p>	<p>— Decommissioning and spent fuel management are covered by federal law under the oversight of the NRC.</p> <p>— But as part of settlement agreement, we agreed to share the site assessment study</p>

<p>PSDAR?</p>	<p>with Vermont before filing the PSDAR with the NRC.</p> <ul style="list-style-type: none"> <li>— We are committed to work in good faith with the state to determine overall site restoration standards.</li> <li>— Vermont is kept informed of all activities at the plant site and has assigned a fulltime nuclear engineer to the site to facilitate communications on technical issues between VY and the state.</li> </ul>
<p>What is SAFSTOR?</p>	<ul style="list-style-type: none"> <li>— SAFSTOR is a federally approved decommissioning process in which complete plant dismantling is deferred and the nuclear facility maintained and monitored in a condition that allows the radioactivity to decay; afterwards, the plant is dismantled and the property decontaminated. The NRC requires that the decommissioning be completed within 60 years of a plant ceasing operations.</li> <li>— A longer decommissioning schedule allows both decommissioning fund growth and the natural reduction of radioactivity in plant systems.</li> </ul>
<p>What is the role of the NRC in decommissioning?</p>	<ul style="list-style-type: none"> <li>— The Nuclear Regulatory Commission oversees the public safety and radiological aspects of the decommissioning work itself and oversees accumulation of funds necessary to complete decommissioning. NRC oversight ends when the site's residual radioactivity reaches a level that permits release of the property and termination of the operating license.</li> <li>— See <a href="http://www.nrc.gov/reading-rm/doc-collections/fact-sheets/decommissioning.html">http://www.nrc.gov/reading-rm/doc-collections/fact-sheets/decommissioning.html</a></li> </ul>
<p>What is the role of Vermont in decommissioning?</p>	<ul style="list-style-type: none"> <li>— The state of Vermont is kept informed of all activities at the plant site. The state has assigned a full time nuclear engineer to the Vermont Yankee site to facilitate communications between Vermont Yankee and the State Department of Public Service on all technical issues of interest.</li> </ul>
<p>When you bought the plant, didn't you promise to return it to greenfield condition as soon as possible after it stopped operating?</p>	<ul style="list-style-type: none"> <li>— [AUGUST 2013] When the plant was acquired, Entergy made a commitment to restore the site after the radiological decommissioning is completed and the site is no longer used for industrial, commercial or other similar uses. At that time, Entergy expects to remove structures that were not removed during the decommissioning and will, if appropriate, re-grade and reseed the land.</li> <li>— IF PRESSED: When the plant was purchased, the MOU executed at the time of the acquisition and the Vermont Public Service Board's order approving the acquisition of Vermont Yankee both specifically acknowledge SAFSTOR as an option to manage the decommissioning process at Vermont Yankee.</li> </ul>
<p>How will you honor your commitment to start the decommissioning process as soon as possible in the wake of the site assessment report?</p>	<ul style="list-style-type: none"> <li>— The site assessment does not change the commitment to the state on starting the decommissioning as soon as NDT funds are adequate to complete decommissioning and remaining spent fuel management activities. Starting the physical decommissioning process at that time remains in everyone's best interest.</li> </ul>

<p>Since SAFSTOR can last up to 60 years, is that how long you anticipate it will take to complete decommissioning?</p>	<ul style="list-style-type: none"> <li>— ENVY is committed to seek authority from the NRC to commence major decommissioning activities within 120 days after it has made a reasonable determination that the funds in the NDT are adequate to complete decommissioning and remaining spent nuclear fuel management activities.</li> <li>— Many factors can affect the SAFSTOR duration, and we cannot say with any certainty at this time how long SAFSTOR may last. It will depend on the growth of the decommissioning fund and the timing of the DOE's removal of spent fuel from the site. Under the terms of the settlement agreement, ENVY agreed to seek NRC approval to initiate the actual decontamination and dismantlement process when it was determined that there were adequate funds in the NDT. Cost analyses that include expected recoveries from the federal government for its failure to remove VYNPS' spent nuclear fuel suggest that potentially as early as the 2040s, it is possible for dismantling and decontamination activities to commence.</li> </ul>
<p>Is SAFSTOR just a stall tactic by Entergy?</p>	<ul style="list-style-type: none"> <li>— No. SAFSTOR is an option authorized by the federal regulators and acknowledged as an option by state regulators. It allows time for radiological decay for a safer decommissioning process.</li> </ul>
<p>Haven't other plants been decommissioned faster than 60 years? (Maine Yankee decommissioned within 8 years? Yankee Rowe took about 14 years?)</p>	<ul style="list-style-type: none"> <li>— Each situation is unique. We believe the SAFSTOR method is the appropriate choice for this situation. SAFSTOR maintains the facility in a condition that allows it to be safely stored until the removal of radioactive materials and components, eventually permitting unrestricted use of the area. (Decommissioning of Maine Yankee and Yankee Rowe continued to collect funds from ratepayers of the utilities that were joint owners of the plants during decommissioning. When Maine Yankee made the decision to shut down and decommission in 1997, it obtained FERC's approval to increase its decommissioning collections from ratepayers from \$14.9 M per year to \$33.6 M per year.</li> </ul>
<p>Is the state/governor aware of the site assessment study? Are they in agreement with its findings?</p>	<ul style="list-style-type: none"> <li>— We have provided this information to the state.</li> <li>— We cannot speak on behalf of others. Contact state officials for comment.</li> </ul>
<p>What was the MOU with Vermont?</p>	<ul style="list-style-type: none"> <li>— There have been several agreements between Vermont Yankee and the State of Vermont Department of Public Service related to interactions between the two organizations as well as agreements on public benefit to be provided by Vermont Yankee in exchange for DPS support of several VY initiatives brought before the Vermont Public Service Board for approval</li> </ul>
<p><b>Decommissioning Financials</b></p>	
<p>What is the nuclear decommissioning trust?</p>	<ul style="list-style-type: none"> <li>— The nuclear decommissioning trust contains funds set aside for spending after the plant ceases operation and including the work to transition the plant to SAFSTOR as well as the eventual dismantling and decontamination of the site.</li> </ul>
<p>How is the nuclear decommissioning trust funded?</p>	<ul style="list-style-type: none"> <li>— The plant owner maintains the nuclear decommissioning trust in order to finance decommissioning costs and other post-shutdown costs.</li> <li>— The NDT was funded by ratepayer contributions before Entergy purchased the plant. Entergy was not required to contribute additional funds to the NDT by the NRC or Vermont when purchased the plant in 2002.</li> </ul>

<p>How is money in the fund managed by Entergy?</p>	<ul style="list-style-type: none"> <li>— The trust equity holdings are managed by a trustee and invested in stock index fund under specific controlling guidelines. Since January 31, 2010, the market value of the trust fund accounts has grown to \$642.6 million (as of September 30, 2014) from \$427.6 million.</li> <li>— Under the December 2013 settlement with Vermont, Entergy agreed to fund a separate trust for site restoration. Entergy made an initial \$10 million deposit with an additional \$15 million to be added over the period 2015-2017. The value of this trust was \$10.4 million (as of September 30, 2014).</li> </ul>
<p>What is a decommissioning cost estimate?</p>	<ul style="list-style-type: none"> <li>— A decommissioning cost estimate is a study done to estimate costs to decommission a nuclear plant including labor, fuel, disposal fees, etc.</li> </ul>
<p>What is the current cost of decommissioning?</p>	<ul style="list-style-type: none"> <li>— The case that ENVY expects to file with the NRC is a SAFSTOR case with a total cost of \$1,242 million over the period 2014 to 2076.</li> <li>— In this case, the specific cost components are License Termination \$817 million, Spent Fuel Management \$368 million and Site Restoration \$57 million.</li> <li>— In this case, the spending for preparations (to get into dormancy) is \$419 million over the period 2014 to 2020.</li> <li>— Consistent with the Settlement Agreement with Vermont, ENVY will also provide estimates of prompt decommissioning which range from \$1.3 to \$1.6 billion. (There is less waste to dispose of in the SAFSTOR scenario because the radioactivity decays over time.)</li> </ul>
<p>How did Entergy arrive at the estimates in the site assessment study?</p>	<ul style="list-style-type: none"> <li>— A comprehensive review of plant structures, components and conditions on the plant site and industry experience in decommissioning projects were considered.</li> <li>— The best cost estimator in the business is TLG Engineering. (Entergy recognized that and bought the company back in 2000.) With their combined experience, the TLG team has performed work for roughly 85 percent of the commercial nuclear plants in the United States, all nuclear plants in Canada and some facilities overseas.</li> </ul>
<p>How much is in the current decommissioning fund?</p>	<ul style="list-style-type: none"> <li>— As of September 30, 2014, market value of the Vermont Yankee Nuclear Power Station's Nuclear Decommissioning Trust accounts was \$642.6 million. That represents a doubling of the fund value since Entergy purchased the plant in 2002.</li> <li>— It is recognized that there will be fluctuations in the fund value over time, but we watch it closely to ensure the fund remains sufficient to meet federal regulations.</li> </ul>
<p>Has the decommissioning cost estimate changed over the years?</p>	<ul style="list-style-type: none"> <li>— Estimates are a combination of expected labor rates, disposal fees, timetables of decommissioning work, changes in regulation, and assumptions on USDOE performance in nuclear fuel removal. The possibility that the plant would be placed in SAFSTOR to allow fund growth has been acknowledged by state regulators since approving the sale to Entergy in 2002. We are confident that the fund will grow to cover decommissioning expense and we will ensure that the fund remains in compliance with federal regulations in the meantime.</li> </ul>
<p>How do you account for the difference in the most recent decommissioning cost estimate and what the site assessment projects will be required? Are there any new expenditures in the site assessment study that weren't originally accounted for? If so, what are the expenditures?</p>	<ul style="list-style-type: none"> <li>— The last Vermont Yankee decommissioning cost estimate was done in 2011 and was approximately \$1.1 billion in 2014\$, so the difference between the 2011 estimate and the current estimate in 2014\$ terms is an increase of \$142 million or approximately 13%.</li> <li>— Over 70% of the cost increase is in the preparation for dormancy period (2014-2020), where ENVY has developed a detailed budget in the same way it would for continued operations.</li> <li>— Other large drivers of the cost increase are increased estimates for security requirements, increased estimates for the cost of managing Spent Nuclear Fuel in the preparation for dormancy period and increased estimates for the eventual Decontamination and Dismantlement.</li> </ul>

<p>How will the cost difference be reconciled?</p>	<p>— Entergy will always ensure that the fund remains consistent with federal regulations. The SAFSTOR period will benefit the fund through the fund growth over time. It will also allow for radiation to decay and for the DOE to develop a mechanism to remove spent fuel from the site, reducing the decommissioning costs.</p>
<p>How will you fund the NDT shortfall? Do you think you can use credit facilities or parent guarantees, or will you need to contribute cash to the NDT?</p>	<p>— We do not expect that we will be required to put any additional funds into the NDT.                  — We expect to finance a portion of the spent fuel management costs with repayment of the financing from spent fuel litigation recoveries from the federal government.</p>
<p>Does the nuclear decommissioning trust cover all site restoration costs?</p>	<p>— If NDT funds are not sufficient to cover site restoration costs, under the December 2013 settlement with Vermont, Entergy agreed to fund a separate trust for site restoration. Entergy made an initial \$10 million deposit with an additional \$15 million to be added over the period 2015-2017. The value of this trust was \$10.4 million (as of September 30, 2014).</p>
<p>As the decommissioning process advances, can we expect to continue to see the gap widen in the fund, and how will this impact the decommissioning process?</p>	<p>— The fund will certainly fluctuate over the short term as it has in the past. But, we expect to see the fund grow in value over the longer term. Cost analyses that include expected recoveries from the federal government for its failure to remove VYNPS' spent nuclear fuel suggest that potentially as early as the 2040s, it is possible for dismantling and decontamination activities to commence.</p>
<p>Isn't it true you are using SAFSTOR because you don't have enough money in the decommissioning fund to do the job faster than 60 years?</p>	<p>— The Vermont Public Service Board found: "In Docket No. 6545 [ its order approving Entergy's acquisition of Vermont Yankee], the Board determined that if the decommissioning trust funds that Entergy maintains were insufficient to complete immediate decommissioning upon plant closure, Vermont Yankee could be placed in SAFSTOR to allow the funds to increase in value until sufficient funds exist and that such an approach would not expose the state to any unnecessary risk, because SAFSTOR is a safe alternative to immediate decommissioning."</p>
<p>Spent Fuel Management</p>	
<p>What is the spent fuel pool?</p>	<p>— The spent fuel pool is a deep pool of water containing storage racks for storing fuel assemblies in the reactor building. The water provides shielding and cooling of the radioactive fuel assemblies after they are removed from the reactor.</p>
<p>What are dry casks?</p>	<p>— Dry cask storage is a technology that places used fuel in upright containers fabricated of stainless steel and concrete and requiring only natural air circulation and little maintenance. The 13 casks presently in place on a concrete pad at Vermont Yankee each hold 68 used fuel assemblies.</p>
<p>How does the safety of a spent fuel pool compare with dry casks?</p>	<p>— Storing fuel safely within the spent fuel pool and in dry cask storage have been extensively reviewed by the NRC, most recently in its Continued Storage Rule issued last month, and we are confident that both methods provide safe storage until such time as the federal government removes the spent fuel.                  — Before transferring used fuel assemblies from wet to dry storage, general industry practice is to keep the spent fuel assemblies in the spent fuel pool for several years to allow them to cool before they are transferred to dry cask storage.</p>

<p>Why are casks stored on site?</p>	<ul style="list-style-type: none"> <li>— The casks must be stored on the plant site until the U.S. Department of Energy removes them as the Nuclear Waste Policy Act and the Department's contract with Vermont Yankee requires.</li> <li>— The casks are stored on the site because there is no facility licensed by the NRC to receive possession of or to possess SNF from Vermont Yankee, and Vermont Yankee has not been licensed by the NRC to transfer SNF to another location. Within the Vermont Yankee site, the casks will be stored on an ISFSI located to take advantage of the plant security perimeter and from the proximity of the reactor building to the storage pad.</li> </ul>
<p>How long will spent fuel be kept in pools in the plant?</p>	<ul style="list-style-type: none"> <li>— We expect the transition of fuel from wet to dry storage will be complete by 2021, assuming that we receive all required approvals to construct a new dry spent fuel storage pad in a timely manner.</li> </ul>
<p>When will dry casks be moved from the site?</p>	<ul style="list-style-type: none"> <li>— The fuel will be moved from the Vermont Yankee site as soon as the U.S. Department of Energy establishes a schedule and mechanism for receiving it from the nuclear utilities. The establishment of a permanent repository has been delayed, but the agency has the authority to develop an interim central storage capability as a temporary alternative.</li> </ul>
<p>Does cost of spent fuel management come from the decommissioning trust?</p>	<ul style="list-style-type: none"> <li>— Entergy expects to cover spent fuel costs in the first instance with funds from a credit facility and from the decommissioning trust. Recoveries from the U.S. Department of Energy will be used to repay the financing and, under the settlement with Vermont, recoveries of any funds used for spent fuel management activities withdrawn from the trust will be retained by Vermont Yankee to meet its decommissioning and other liabilities. (A trial court decision on ENVY's first spent-fuel-damages claims awarded Vermont Yankee \$40.7 million. ENVY's second claim was filed in April 2014.)</li> </ul>
<p>What is the status of approvals for an additional dry cask storage pad?</p>	<ul style="list-style-type: none"> <li>— As it committed to do, on June 30, 2014, Entergy filed an application with the Vermont Public Service Board for a certificate of public good to construct a second dry cask storage pad after providing the required prior notice to the Town of Vernon Planning Board and the Windham Regional Planning Commission. With a reasonable period for regulatory review and public input, it is likely that the transfer of all VY spent fuel from wet storage to dry completed by 2021.</li> </ul>
<p>What happens to the CPG process? And what about permission to store fuel at the site over the long-term?</p>	<ul style="list-style-type: none"> <li>— On March 28, 2014, the Vermont Public Service Board amended ENVY's certificate of public good to authorize Vermont Yankee's operation through December 31, 2014 and the plant's decommissioning thereafter. The Board's order issuing the CPG also eliminated the provisions in a previous CPG and order that had limited the cumulative total amount of spent fuel stored at the site to the amount derived from the plant's operation up to March 21, 2012.</li> </ul>
<p><b>Employee / Community Impact</b></p>	
<p>How many jobs remain at VY?</p>	<ul style="list-style-type: none"> <li>— Current staffing is about 560 and will remain at that level through normal operations.</li> <li>— That number will be reduced by half in early 2015 as we transition to our post-operations organization.</li> <li>— Additional staffing reductions will occur at key milestones during transition to SAFSTOR based on safe, secure and regulatory compliant post-shutdown operations.</li> </ul>
<p>Will there always be employees at the plant through SAFSTOR?</p>	<ul style="list-style-type: none"> <li>— Eventually a small staff will be maintained on site for dry fuel storage oversight. The order of magnitude of personnel at that point, post-2020, is in the dozens.</li> </ul>

<p>How many employees not in the decommissioning organization have found jobs elsewhere at Entergy?</p>	<ul style="list-style-type: none"> <li>— Efforts were taken to identify opportunities for the VY Employees. These efforts are still ongoing.</li> <li>— 62 employees have been selected for positions at other Entergy locations. We are looking to place an additional 55 VY employees who have indicated that they wish to stay with the company.</li> </ul>
<p>What is the status of those who haven't found jobs at Entergy?</p>	<ul style="list-style-type: none"> <li>— Over 112 employees at VY have indicated that they are not interested in staying with Entergy. We are having a regional job fair on October 23 for employees who have decided not to stay with the company.</li> <li>— The 55 employees interested in remaining with Entergy but not yet selected for news positions are also being encouraged to attend the job fair.</li> <li>— Over 120 employees have signed up for the job fair. We are also holding seminars dealing with resume writing, interviewing techniques, job fair etiquette and social security information.</li> </ul>
<p>Will Entergy continue to support non-profits and other community organizations?</p>	<ul style="list-style-type: none"> <li>— Entergy donated more than \$175,000 to qualified community partners in 2014, including significant funding to the Brattleboro Memorial Hospital and Brattleboro Area Drop-In Center.</li> <li>— Entergy will continue with charitable contributions in 2015 but at reduced levels. Our exact budget for 2015 contributions is still being determined.</li> </ul>
<p><b>Decommissioning Other Entergy Sites</b></p>	
<p>What impact does the decision to decommission VY have on other Entergy nuclear plants?</p>	<ul style="list-style-type: none"> <li>— None. Each plant has its own set of conditions that affect its economics, including size of the generating facility and cost of generating electricity, market structure and conditions that affect revenues and financial instruments in place for funding decommissioning.</li> </ul>
<p>Does this mean decommissioning cost estimates are too low for all of your plants? What are the implications from this study to the other nuclear plants?</p>	<ul style="list-style-type: none"> <li>— Not necessarily. This study was specific to VY and its circumstances. Cost drivers common to other plants will be considered in future studies for other plants</li> <li>— We won't know if adjustments are required until studies are complete.</li> <li>— Our decommissioning liability estimates are all recorded in accordance with GAAP requirements.</li> <li>— We currently meet all NRC financial assurance requirements for all of our plants.</li> </ul>
<p>What is the current nuclear decommissioning trust amount at the other Entergy plants?</p>	<ul style="list-style-type: none"> <li>— Entergy files a biennial fund update with the NRC, during odd years. Plant decommissioning funds (and license expiration dates) are: <ul style="list-style-type: none"> <li>o James A FitzPatrick – \$618.91 M (10/17/34) as of Dec. 31, 2012</li> <li>o Indian Point 3 – \$621.54 M as of Dec. 31, 2013</li> <li>o For other plants (ANO Unit 1, ANO Unit 2, Grand Gulf, River Bend, Waterford 3, Indian Point 2, Palisades, and Pilgrim, go to pages 50 and 54 of the Entergy investor guide at <a href="http://www.entergy.com/investor_relations/2013_publications.aspx">http://www.entergy.com/investor_relations/2013_publications.aspx</a></li> </ul> </li> </ul>
<p>When are you due to update decommissioning cost studies at other plants?</p>	<ul style="list-style-type: none"> <li>— Varies by site. Generally, various regulators require site specific cost studies for rate-regulated plants – usually every 5 years.</li> <li>— We periodically have new studies done for prudence, to monitor expected cost vs. funding, and to support the liability on our books.</li> </ul>

IPEC hasn't been relicensed, is there any chance Entergy would consider shutting down the plant? If so, are there cost estimates to decommission IPEC? Would the cost be more or less than VY estimates?

- Each plant has its own set of site conditions that affect its economics, including size of the generating facility and cost of generating electricity, market structure and conditions that affect revenues and financial instruments in place for funding decommissioning.
- Contact for more information about IPEC-related questions: Jerry Nappi [jnappi@entergy.com](mailto:jnappi@entergy.com), 914-271-7132.

Will Entergy respond to calls to shut down Pilgrim due to absence of a satisfactory emergency evacuation plan and operational issues?

- Entergy works with federal, state and local emergency managers to ensure our emergency plans are continually improved upon and capable of protecting public safety from any unintended impacts from nuclear operations.
- Contact for more information about Pilgrim-related questions: Lauren Burm [lburm@entergy.com](mailto:lburm@entergy.com), 508-830-8280.