

March 9, 2001

Ms. Debra Katz
Executive Director
Citizens Awareness Network
PO Box 83
Shelburne Falls, MA 01370

Dear Ms. Katz:

Your Petition dated December 4, 2000, submitted on behalf of yourself and Marilyn Elie, Tim Judson, Kyle Rabin, Mark Jacobs, Paul Gunter, and Jim Riccio (petitioners), and addressed to Mr. William Travers, Executive Director of Operations, has been referred to me pursuant to Section 2.206 of Title 10 of the *Code of Federal Regulations* (10 CFR 2.206).

You requested that the Nuclear Regulatory Commission (NRC) take the following six actions: (1) suspend the license for the Indian Point 2 (IP2) reactor because of the licensee's "persistent and pervasive, negligent management of the reactor," (2) investigate whether the potential misrepresentation of material fact by the utility regarding "significantly insufficient" engineering calculations was due to a lack of rigor and thoroughness or was deliberate, (3) revoke the IP2 operating license if it is found that the licensee deliberately provided insufficient and false information, (4) if the license is not revoked, maintain IP2 on the "list of agency's focus reactors" until management demonstrates it can fulfill its regulatory requirements and commitments, (5) not approve the transfer of the IP2 license until management can demonstrate that the Updated Final Safety Analysis Report (UFSAR), the condition report backlog, and the maintenance requirements are up-to-date and workers have been retrained, and (6) not allow the IP2 reactor to restart until the fundamental breakdown in management is analyzed and corrected.

As a basis for your request, you stated that the NRC inspections and other plant performance measurement processes have uncovered serious weaknesses and inaccuracies in the UFSAR, the Technical Specifications, the design and licensing bases, communications, maintenance, procedures, and worker training which, in the aggregate, point to a systemic mismanagement problem. You further stated that without solid evidence that the licensee has addressed the root causes of systemic mismanagement, brought the reactor within compliance with its licensing and design bases, and established that the material condition of safety-significant reactor components is within safe limits, the licensee is no more prepared to operate IP2 than it was before the two recent operating events.

In light of the licensee's plans to restart the IP2 reactor, the Petition Review Board (PRB) met on December 20, 2000, to consider Requested Action 6 of your Petition. After reviewing the information in your Petition, the PRB recommended and I concurred that your request for immediate action (Requested Action 6) be denied. The information you provided in support of this request action had already been the subject of NRC staff review and evaluation. The bases for your requested action, given in the Background and Addendum sections of your Petition, were issues taken from NRC Inspection Reports, Licensee Event Reports, Plant Issue Matrix items, various assessment letters, and other correspondence between the NRC and the licensee. The NRC staff has evaluated these issues for regulatory and safety significance. In

addition, these findings and issues were previously evaluated collectively as part of NRC's ongoing assessment processes, and did not warrant prohibiting the restart of IP2. In a May 23, 2000, letter to Consolidated Edison, the NRC senior managers designated IP2 as an "agency focus" plant. In accordance with the NRC Action Matrix, IP2 is presently classified as a plant with multiple degraded cornerstones, a result of emergency preparedness concerns and performance issues related to the August 1999 and February 2000 events. As a result, in addition to baseline inspections, the NRC continues to perform detailed oversight inspections and will take the appropriate regulatory action based on the findings of these inspections. You were informed on December 20, 2000, that NRC would not prevent the restart of the IP2 reactor.

Subsequently, you met with the PRB in a transcribed public meeting on January 24, 2001, to discuss your Petition. During this public meeting, you gave the staff new information which supplemented your original Petition. Based on the new information provided at this meeting, the PRB determined that the remaining requested actions (Requested Actions 1 through 5) meet the criteria for review under 10 CFR 2.206. The results of our discussions with you on January 24, 2001, and the additional information presented to the staff during the meeting, have been considered in the PRB's determination regarding the schedule for the review of your Petition.

I sincerely appreciate your effort in bringing these matters to the attention of the NRC. In accordance with Section 2.206, we will take action on your request within a reasonable time. I have assigned Mr. Christopher Gratton to be the petition manager for your Petition. Mr. Gratton can be reached at 301-415-1055. Your Petition is being reviewed by the Division of Licensing Project Management and by staff from the Region I office. At the January 24, 2001, public meeting, issues were raised regarding staff performance, thus I have also referred your Petition to the Office of the Inspector General for their review. I have enclosed for your information a copy of the notice that is being filed with the Office of the *Federal Register* for publication. You can find additional information about the public petition process on the Internet in Management Directive 8.11, "Review Process for 10 CFR 2.206 Petitions" (<http://www.nrc.gov/NRC/public.html>), and in NRC brochure NUREG/BR-0200, Revision 4, "Public Petition Process," prepared by the NRC Office of Public Affairs, available through ADAMS (<http://www.nrc.gov/NRC/reference.html>) at accession no. ML010600343.

Sincerely,

/RA/

Samuel J. Collins, Director
Office of Nuclear Reactor Regulation

Enclosure: *Federal Register* Notice

cc w/encl: Indian Point 2 (w/copy of incoming 2.206 Petition and supplement)
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Sincerely,

/RA/

Samuel J. Collins, Director
Office of Nuclear Reactor Regulation

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