

October 11, 2007

The Honorable Linda D. Puglisi
Supervisor of the Town of Cortlandt
Town Hall
1 Heady Street
Cortlandt Manor, NY 10567-1251

SUBJECT: RESPONSE TO YOUR LETTER DATED AUGUST 28, 2007

Dear Supervisor Puglisi:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of August 28, 2007, forwarding your recommendations regarding the license renewal application for Indian Point Energy Center (IPEC) Units 2 and 3. You listed seven points that you requested the NRC review. We have addressed each of these points as follows:

1. You recommended that NRC not decide on or continue with review of Entergy's re-licensing request for IPEC Units 2 and 3 until all of the environmental issues and problems have been adequately addressed, studied, and corrected (e.g., groundwater contamination).

License renewal involves two parallel reviews: the safety review and the environmental review. These two reviews evaluate two separate aspects of the license renewal application. The safety review focuses on the aging of components and structures that the NRC deems important to plant safety. The staff's main objective in this review is to determine that the effects of aging will be adequately managed by the applicant. For the environmental review, the staff considers, evaluates, and discloses the environmental impacts of continued plant operation for an additional 20 years. The environmental review will include an analysis of the radiological impacts of a plant's extended operation, as well as the radiological impacts of any alternatives to license renewal, including decommissioning at the end of a plant's existing license.

As you are aware, the NRC is actively inspecting the Indian Point site groundwater contamination investigation as part of its on-going oversight program. Entergy is required to meet the NRC's safety limits on radiation dose to plant workers and members of the public for the duration of its operation and during decommissioning. The NRC regularly inspects the licensee's program for monitoring and controlling radiological releases to the environment, and continues to conduct independent analysis of selected environmental samples to confirm the integrity of Entergy's public dose assessment. Based on the current information, the groundwater conditions at Indian Point have not resulted in any public health and safety consequences, and radiological effluent releases have conformed to NRC's regulatory limits. We are continuing to monitor and inspect Entergy's efforts to characterize the groundwater conditions, assess radiological consequence, and establish means to resolve the condition. NRC evaluates the licensee's performance in this and other operational matters on a continual basis, as part of its on-going oversight program, versus in the license renewal process.

2. You requested an extension of the sixty day period for filing written requests for a hearing or petitions for leave to intervene in the IPEC license renewal proceeding. This period would have expired on October 1, 2007.

The NRC extended the period for the filing of hearing requests and petitions for leave to intervene by an additional sixty days. The period now expires on November 30, 2007. A copy of the Federal Register Notice (72 FR 55834) announcing this extension is provided as Attachment 1.

3. You requested that NRC consider a shorter license renewal term than twenty years, if the agency approves Entergy's request to re-license IPEC Units 2 and 3.

The NRC's regulations (10 CFR 54.31) allow for the renewal of operating reactor licenses for up to an additional twenty years, depending on the outcome of an assessment to determine whether the nuclear facility can continue to operate safely, and whether protection of the environment can be assured during the period of extended operation. In the license renewal application, a licensee specifies the requested renewal term (up to twenty years) for the NRC to consider. Entergy requested a twenty year renewal term in its application. If the NRC approves Entergy's request to re-license IPEC Units 2 and 3, the plants will be issued new licenses to operate for the time remaining on their current license, plus the renewal time requested in its application (not to exceed twenty years). The Atomic Energy Act of 1954 originally specified that initial operating licenses for nuclear facilities be granted for a period not to exceed forty years. This term was based on economic and anti-trust considerations, rather on technical limitations of nuclear facilities. There are no specific limitations in the Atomic Energy Act restricting license renewal, provided the licensee can operate the facility safely and without unacceptable environmental impact. NRC will continue to provide continual oversight of the licensee's operation for any extended period of operation.

4. You requested that consideration be given to the impacts of not approving Entergy's request to re-license IPEC Units 2 and 3. You requested that NRC address the economic impact to plant workers and the local economy, as well as the safety and security of any spent nuclear fuel remaining at the site, if the agency denies Entergy's request to re-license IPEC Units 2 and 3.

While much of your request involves factors that are outside of the NRC's purview, the NRC does consider the impact of denying a license renewal request during the course of its review. The National Environmental Policy Act of 1969 (NEPA) established a national policy for considering the impact of Federal decision-making on the human environment. Under NEPA, the NRC must consider alternatives in its environmental assessment of a license renewal request. NEPA also requires consideration of the alternative of "no action" which, in this case, would result in a plant operating until the current license expires, without license renewal. The NEPA approach includes, among other things, an evaluation of the environmental and socio-economic impacts of that action. In this manner, the NRC does consider the economic impacts of both approving and denying Entergy's request to re-license IPEC Units 2 and 3.

If NRC denies Entergy's request to re-license IPEC Units 2 and 3, the licensee will have to evaluate decommissioning options for the facility when the current licenses expire. The NRC has strict rules governing nuclear power plant decommissioning that protect workers and the public during the entire decommissioning process and continue to protect the public after the license is terminated. The NRC's regulations require the eventual cleanup of radioactively contaminated plant systems, structures, and components, and removal and storage of spent nuclear fuel. On-site storage of spent fuel is licensed and regulated by the NRC to ensure such storage systems protect public health and safety and the environment.

5. You requested that a no-fly zone be designated for the airspace surrounding the IPEC.

Although the NRC does not have the authority to designate no-fly zones, the agency has comprehensively studied the effect of a possible airborne attack on a nuclear power plant. The NRC, in conjunction with national experts from the Department of Energy, conducted experiments and structural and fire analyses of postulated attacks. These classified studies confirm that there is low probability that an airplane attack of a nuclear power plant would affect public health and safety, due to the robust designs of these structures. Since the attacks of 9/11, NRC has required power plants to incorporate many additional security measures to further minimize damage from any type of security event.

Actions taken by Federal aviation safety and security agencies have reduced the likelihood that large commercial aircraft could be used to attack critical infrastructure, including a nuclear facility. Other actions, such as improved communication between military surveillance authorities, NRC, and its licensees, would allow plant operators to prepare the plant for safe shutdown should it be necessary. These actions, coupled with those taken by the NRC and the nuclear industry, are an integral part of the government's overall strategy for protecting the nation's critical infrastructure.

6. You informed us that the Town of Cortlandt hired a consultant to provide recommendations for local emergency planning. You stated that a resulting report will be made publicly-available, and that it will enhance the existing Evacuation Plan.

We look forward to reading this publicly-available report, and recommend that you also provide a copy to the New York State Emergency Management Office and to the Federal Emergency Management Agency.

7. You requested the formation of a State or Federal-level task force to evaluate Entergy's request to re-license IPEC Units 2 and 3, and to provide for ongoing, orderly, and objective dialogue.

Under the Atomic Energy Act of 1954, the NRC is the licensing authority for commercial nuclear power plants, and only the NRC may approve or deny a reactor license application. However, the NRC coordinates with other Federal, State, and Local offices for input during its analysis of any license renewal application. These include agencies dealing with environmental protection and natural, cultural, and health and human resources. The NRC recognizes the valuable insight and expertise that such organizations provide, and communicates regularly with these authorities throughout the

review process. These agencies are also provided the opportunity to review and comment on the NRC staff's assessment of the environmental impacts associated with the requested license renewal. The NRC staff similarly coordinates with its State, Federal, and Local partners on other issues involving IPEC. The staff communicates regularly with these entities on matters related to groundwater contamination, the siren system replacement project, and general plant operation and oversight. The NRC believes in the importance of transparency in its communications, as well as early and meaningful public involvement in the regulatory process. The agency is committed to keeping all stakeholders informed.

Thank you for your continued interest and involvement with us on matters related to Indian Point. Please contact Marjorie McLaughlin (State Liaison Officer) of my staff, at 610-337-5240, if you have further questions on this matter.

Sincerely,

/RA/

Samuel J. Collins
Regional Administrator

Attachments:

1. Federal Register Notice (72 FR 55834), dated October 1, 2007

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Samuel J. Collins
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B. Pham, NRR

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