



SECRETARY

UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

February 28, 2020

Sandra R. Galef
New York State Assembly
Legislative Office Building
Room 641
Albany, NY 12248

Dear Assemblywoman Galef:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of February 12, 2020, addressed to the Commission regarding the Indian Point Decommissioning Project. Your letter expresses concern about the pending license transfer application of Indian Point from Entergy to Holtec.

Because the NRC has received requests for hearing on the matter, your letter bears on what is now a contested proceeding before the Commission and it would be inappropriate for the Commission to comment on the matter at this time. This is because the Commission must remain impartial during the pendency of the proceeding.

A copy of your letter and this response will be served on the participants in the Indian Point license transfer proceeding.

Sincerely,

A handwritten signature in blue ink, reading "Annette Vietti-Cook", is written over a horizontal line.

Annette L. Vietti-Cook



SANDRA R. GALEF
Assemblywoman 95th District

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February 12, 2020

U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001
ATTN: Rulemakings and Adjudications Staff

To Whom it May Concern,

As the Assemblywoman representing Indian Point Energy Center and the surrounding community, I have serious concerns about Holtec's decommissioning plan, and ask that you deny their application for transfer of ownership of Indian Point Energy Center. At this point there are too many unresolved questions surrounding Holtec as a company that I cannot in good faith support this license transfer. I ask that in keeping our shared interest of protecting the safety of residents living in close proximity to Indian Point in mind, you deny Holtec's application for transfer of ownership.

Secondly, I am requesting that the NRC hold a public meeting to answer some of the lingering technical, fiscal, and ethical concerns surrounding Indian Point decommissioning and Holtec.

At San Onofre in California, where Holtec has been retained to manage spent fuel, a contractor reported an apparent near accident involving a dry cask filled with spent assemblies. The contractor also alleged the site was understaffed and its supervisors often replaced with less experienced managers. This does not generate confidence that Holtec is capable of safely executing major decommissioning work.

Despite the fact that Holtec has never decommissioned a large nuclear power plant, it now proposes to perform several such decommissioning operations simultaneously, including, not only Indian Point, but also Pilgrim in Massachusetts, Oyster Creek in New Jersey, and Palisades in Michigan. The potential risks in decommissioning are too great to rely on other than successful performance in an initial project before authorizing additional endeavors.

It is far from clear that Holtec employs sufficient qualified senior staff to supervise such simultaneous efforts, much less the large number of specially trained technical workers whose services will be required. The nature of the work is such that it can only safely be performed by such skilled and experienced specialists. And the work will be more complicated than that at other reactors because of the absence of a rail spur at Indian Point.

There are serious questions regarding Holtec's business ethics. When looking into their history you will find a proven track record of dishonesty and corruption, whether it be bribery at the Tennessee Valley Authority, failed promises at its Orrville facility in Ohio, or misrepresentations in its application for tax benefits in New Jersey.

I also have grave financial concerns. Holtec has estimated the total cost of decommissioning at \$2.3 billion. However, in essentially every nuclear plant decommissioning, unanticipated

circumstances increase the cost above the initial estimate. We therefore cannot accurately know what the ultimate cost of this project will be.

The fund established for decommissioning Indian Point contains about \$2.1 billion and Holtec claims that earnings achieved through investing the fund will make up the difference. But there is no guarantee that such earnings will be adequate to complete the operation.

To perform the decommissioning, Holtec has formed Comprehensive Decommissioning International (CDI), a joint venture with SNC-Lavalin. Through the CDI, the parent companies are insulated from financial responsibility for the project. Thus, should funds prove inadequate and CDI file for bankruptcy, the decommissioning will lie unfinished and the taxpayers of New York will be forced to pay for the balance.

Thus, if NRC does approve the transfer of Indian Point to Holtec, the parent company should not be absolved of financial responsibility and Holtec should be compelled to provide any additional monies beyond those in the decommissioning fund needed to complete the work, independent of the status of CDI.

The intended financial arrangements also offer precisely the wrong incentives. As proposed, Holtec's profits will be enhanced by any money remaining in the decommissioning fund when the work is completed. Thus, there is every incentive for Holtec to cut corners, employ less-qualified staff, and rush through various phases of the work in order to complete it before the decommissioning fund is completely depleted.

Holtec has requested permission to use decommissioning funds for spent fuel management. This should be denied regardless of what other rulings are made by NRC.

The NRC must take seriously its obligation to keep our community safe through the decommissioning process. If the NRC grants this license transfer to Holtec I fear there will be grave consequences for residents living along the lower Hudson Valley, and the greater New York metropolitan area. For these reasons I ask that you deny Holtec's application for the transfer and to hold a public hearing on next steps for Indian Point decommissioning.

Sincerely,

A handwritten signature in cursive script, appearing to read "Sandy Galef".

Assemblywoman Sandy Galef
95th Assembly District

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of)	
)	
ENTERGY NUCLEAR OPERATIONS, INC.)	Docket Nos. 50-003-LT-3
)	50-247-LT-3
)	50-286-LT-3
(Indian Point Nuclear Generating Station,)	72-51-LT-2
Units 1, 2 and 3 and ISFSI))	

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing **Letter from NRC Secretary to Assemblywoman Galef** have been served upon the following persons by Electronic Information Exchange.

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Indian Point Nuclear Generating Station
Docket Nos. 50-003-LT-3, 50-247-LT-3, 50-286-LT-3 and 72-51-LT-2
Letter from NRC Secretary to Assemblywoman Galef

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Dated at Rockville, Maryland
this 28th day of February, 2020.

[Original signed by Clara Sola _____]
Office of the Secretary of the Commission