

January 25, 2008

The Honorable Hillary Rodham Clinton
United States Senate
Washington, D.C. 20510

Dear Senator Clinton:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of December 21, 2007 concerning the installation of a new siren system at the Indian Point Energy Center and Entergy's movement of spent fuel rods to dry cask storage.

First, I want to assure you that the continued safety and security of Indian Point are of the utmost importance to the NRC. The NRC has taken and continues to take significant actions to ensure the ongoing safety and security of the site, including increasing the day-to-day inspections of the operation of the facility. Throughout 2007, the NRC devoted substantial staff and management resources to monitoring Entergy's installation of the new siren system, including field observations of testing. When delays occurred, the NRC has taken action to help ensure that the causes of the delays are addressed and corrected. The NRC has been participating in meetings between Entergy and the Federal Emergency Management Agency (FEMA) to assist in finalizing the schedule to complete installation and acceptance testing of the new siren system as soon as possible. This effort has resulted in the enclosed January 9, 2008 letter from Entergy to FEMA transmitting a final schedule. The NRC has taken additional enforcement action for the continuing violations, and also plans to issue an order confirming the schedule (see the enclosed press release). We have devoted substantial resources to the issue and will continue to evaluate the need for additional enforcement to help bring about a final resolution. We will also continue to periodically brief your staff on Entergy's progress in this matter. Once the new siren system's technical issues are resolved and the system is approved by FEMA, the NRC will promptly inform your staff, New York State Congressional representatives, State and local authorities, and the public.

With regard to the on-site storage of spent fuel, the NRC has committed significant resources to ensure that Entergy's implementation of an on-site dry cask spent fuel storage system is conducted adequately to assure the protection of public health and safety and the environment. NRC inspectors and management observed multiple portions of Entergy's "dry-run" activities in preparation for cask loading. As a result of these observations, Entergy implemented additional measures as described in the enclosed January 2, 2008 letter to the NRC. The transfer of spent fuel from Unit 2 to the first dry cask began on December 31, 2007, and was closely observed by an NRC specialist inspector. The transfer of spent fuel, from both units, to dry cask storage is expected to continue throughout 2008.

NRC shares your concern with the delay in the implementation of the new siren system at Indian Point and will continue to use its enforcement authority with Entergy to achieve final resolution of the issue. In the interim, FEMA has acknowledged that the existing siren system is adequate.

If you need additional information in this matter, please do not hesitate to call me.

Sincerely,

/RA/

Dale E. Klein

Enclosures:

1. January 9, 2008 letter from Entergy to FEMA providing the New Indian Point Energy Center Alert Notification System Installation, Testing, and Implementation Schedule
2. January 2, 2008 letter from Entergy to the NRC providing Notification of the Commencement of the Dry Cask Storage Campaign
3. January 24, 2008 Press Release, "NRC Proposes \$650,000 Fine for Entergy's Failure to Fully Implement a New Alert System at the Indian Point Nuclear Power Plant"



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Michael A. Balduzzi
Senior Vice President and
Chief Operating Officer

January 9, 2008

Ms. Rebecca Thomson
RAC Chair 7 Branch Chief, REP Program
FEMA Region 2
26 Federal Plaza 13th floor
New York NY 10278

Subject: New Indian Point Energy Center Alert Notification System Installation, Testing and Implementation Schedule

Dear Ms. Thomson:

We very much appreciate the cooperation and assistance FEMA has provided in helping Entergy Nuclear Operations, Inc. ("ENOI") develop a proposed milestone schedule for the new Alert Notification System for the Indian Point Energy Center in Buchanan, New York. The attached schedule sets forth our suggested project milestones and completion dates, including FEMA review and approval activities based on the input that FEMA provided during both the December 10, 2007 stakeholder call and in your agency's December 21, 2007 letter to the New York State Emergency Management Office (SEMO). The schedule also satisfies our commitment to provide a schedule within ten business days of our receipt of FEMA's letter to SEMO.

As you can see from the attached milestone schedule the estimated number of days for the completion dates of certain activities, such as the installation of sirens at new locations, is subject to the approval of applicable governmental authorities. Therefore certain dates are estimates and subject to modifications as actual approvals are received.

If the proposed milestone schedule is not consistent with your understanding, please contact me with any questions, comments or additional information you wish to be incorporated.

We believe this joint ENOI and FEMA milestone schedule will facilitate coordination between us and be a helpful tool in communicating progress towards project completion to stakeholders.

Very truly yours,

A handwritten signature in cursive script that reads "Michael A. Balduzzi".

Michael Balduzzi
SVP and COO, Northeast Region

MAB:sf
Attachment (1)

**Indian Point Energy Center
Siren Project Milestone Schedule**

	Milestone	Responsible Party	Activities Description	Estimated Number of Days for Completion (if applicable)	Estimated Completion Date¹
1	Submittal of report to FEMA for resolution of technical issues	ENOI	Completion and submission of technical report on siren signal steadiness, repeatability, and reproducibility		February 1, 2008
2	Review and approval of technical issues by FEMA	FEMA	Review and approval of technical report on siren signal steadiness, repeatability, and reproducibility	35 calendar days after completion of Milestone #1	March 7, 2008
3	Submission of final design report to FEMA	ENOI			² May 8, 2008
4	FEMA review and approval of design report	FEMA	FEMA technical review and management review	84 calendar days after completion of Milestone #3	July 30, 2008
5	Installation of new sirens not requiring permits	ENOI	Place poles and install sirens at sites with existing poles as one for one replacement		March 14, 2008
6	Inspections of installed sirens per commitment	ENOI	Inspection scope covers preventative and material condition of existing (155) siren poles, control boxes and siren heads		April 30, 2008

¹ Completion dates are estimated dates which are dependent upon completion of ENOI's and FEMA's respective milestone activities

² This completion date assumes that FEMA will not require any subsequent analyses or responses in connection with Milestone #2

**Indian Point Energy Center
Siren Project Milestone Schedule**

7	Permitting of new sirens	ENOI	Permits need to be issued by applicable governmental authorities		³ April 30, 2008
8	Installation of new sirens requiring permits	ENOI		35 days after the completion of Milestone #7 Note: the estimated amount of days for completion of installation of all new sirens is 35 days after the receipt of the applicable permit for the last siren required to be installed.	June 5, 2008
9	Far field measurements	ENOI	Field measurements at selected locations taken when all sirens are activated simultaneously	14 days after completion of Milestone #8	June 19, 2008
10	Prepare and submit field data report	ENOI	Report of far field measurement results	14 days after completion of Milestone #9	July 10, 2008
11	ENOI review far field measurements with FEMA	ENOI FEMA	FEMA technical review of far field measurement data supplied by ENOI	7 days after completion of Milestone #10	July 17, 2008

³ Completion of this activity is dependent upon ENOI obtaining third party government permits and approvals. The estimated amount days for completion are a rough estimate of 120 days based on ENOI's prior experience but are subject to change. The timing of obtaining permits is highly variable based on the applicable jurisdiction and other factors determined by the relevant issuing governmental authority.

**Indian Point Energy Center
Siren Project Milestone Schedule**

12	FEMA and ENOI review In Service decision with stakeholders	FEMA ENOI	Meeting with stakeholders to review in service decision	7 days after completion of Milestone #11	⁴ July 24, 2008
13	Public outreach and notification	ENOI	Public outreach to inform the public that siren system will be placed in service	5 days after completion of Milestone #12	July 29, 2008
14	FEMA approval for placing system in service	FEMA		7 days after completion of Milestone #4 and #11	August 6, 2008
15	System placed into service	ENOI		8 days after completion of Milestone #14	August 14, 2008

⁴ This completion date assumes that FEMA will not require any subsequent analysis or responses in connection with Milestone # 9



Entergy

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J.E. Pollock
Site Vice President
Administration

January 2, 2008

Re: Indian Point Unit No.2
Docket No. 50-247

NL-08-001

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555-0001

SUBJECT: Notification of Commencement of Dry Cask Storage Campaign

Dear Sir or Madam:

The purpose of this letter is to formally document a discussion that Entergy Nuclear Operations, Inc, (Entergy) had with the NRC Staff on December 27, 2007, regarding dry cask storage and to inform the NRC that Entergy has completed all necessary pre-requisites, and has begun the dry cask storage campaign for Indian Point Nuclear Generating Unit No. 2.

To ensure success during the first cask loading, Entergy has taken the following actions. These actions include the normal oversight requirements associated with all activities at Indian Point: 1) Command and control is being provided by a supervisor who in turn reports to a superintendent assigned to dry cask storage; 2) Indian Point management is performing observations of the work in progress.

In addition to the above performance standards for all work at Indian Point, for this first cask loading, additional actions taken include: 1) Command and control is provided by a dedicated supervisor (meaning this supervisor has no other concurrent duties) responsible for the dry cask storage project for each shift; 2) A dedicated superintendent (meaning this superintendent has no other concurrent duties) is assigned to this project for each shift to provide oversight of the project; 3) The task is controlled as an Infrequently Performed Test or Evolution (IPTE) and, as required by procedure, has an IPTE manager assigned for each shift; 4) Entergy is providing enhanced oversight by requiring that observations be performed of the task, at least once per shift, by either the shift manager or field support supervisor and by the Entergy Nuclear Oversight department; 5) All individuals assigned to the dry cask storage project have been briefed on the items raised during the dry run, and the expected actions; 6) The former Arkansas Nuclear One supervisor for dry cask storage who has successfully performed cask campaigns (now a supplemental worker) has been assigned to the team to provide additional guidance and oversight to the team as needed; 7) An employee of Holtec International who has performed numerous cask loading campaigns is on staff for this cask loading and will also provide guidance and oversight to the team.

Entergy understands the significance of this project and is committed to making sure that the project is performed safely, in accordance with our procedures. The actions that we discussed above will be under constant review and will be enhanced or modified as the campaign progresses. In addition, at the end of the first cask loading, Entergy plans on performing a critique of our performance for future enhancements to our processes. Problems that are identified will continue to be entered into the Entergy corrective action program for evaluation and resolution.

There are no new commitments contained within this letter. If you should have any questions on the above, please contact Mr. Robert Walpole, Manager, Licensing at (914) 734-6710.

Sincerely,



J. E. Pollock
Site Vice President
Indian Point Energy Center

cc: Mr. Samuel Collins, Regional Administrator, NRC Region I
Mr. John Boska, Senior Project Manager, NRC NRR DORL
NRC Resident Inspector Unit 2
Mr. Paul D. Tonko, President, NYSERDA
Mr. Paul Eddy, New York State Department of Public Service