March 1, 2002

Mr. Robert J. Barrett Vice President, Operations Entergy Nuclear Operations, Inc. Indian Point Nuclear Generating Unit 3 295 Broadway, Suite 3 Post Office Box 308 Buchanan, NY 10511-0308

SUBJECT: ANNUAL ASSESSMENT LETTER - INDIAN POINT 3 NUCLEAR POWER PLANT (REPORT 50-286/02-01)

Dear Mr. Barrett:

On January 31, 2002, the NRC staff completed its end-of-cycle plant performance assessment of Indian Point 3. The end-of-cycle review for Indian Point 3 involved the participation of all technical divisions in evaluating performance indicators (PIs) for the most recent quarter and inspection results for the period from April 1 through December 31, 2001. The purpose of this letter is to inform you of our assessment of your safety performance during this period and our plans for future inspections at your facility so that you will have an opportunity to prepare for these inspections and to inform us of any planned inspections which may conflict with your plant activities.

As discussed in our previous annual assessment letter dated May 30, 2001, this inspection and assessment cycle consisted of three quarters (i.e., the second, third, and fourth calender quarters of calender year 2001) instead of the usual four quarters. This change was implemented in order to align the inspection and assessment cycle with the calender year beginning on January 1, 2002.

Overall, Indian Point 3 operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance for the most recent quarter, as well as for the first two quarters of the assessment cycle, was within the Licensee Response Column of the NRC's Action Matrix. This categorization was based on all inspection findings being classified as having very low safety significance (Green) and all PIs indicating performance at a level requiring no additional NRC oversight (Green). Therefore, we plan to conduct only baseline inspections at your facility through March 31, 2003.

The enclosed inspection plan details the inspections scheduled through March 31, 2003, and is provided to minimize the resource impact on your staff and to allow for scheduling conflicts and personnel availability to be resolved in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The last six months of the inspection plan is tentative and may be revised at the Mid-Cycle Review meeting.

Robert J. Barrett

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Immediately following the terrorist attacks on the World Trade Center and the Pentagon, the NRC issued safeguards advisories recommending that nuclear power plant licensees go to the highest level of security, and all promptly did so. With continued uncertainty about the possibility of additional terrorist activities, the Nation's nuclear power plants, including Indian Point 3, remain at a high level of security. On February 25, 2002, the NRC issued an Order to all nuclear power plant licensees, requiring them to take certain additional interim compensatory measures to address the generalized high-level threat environment. These additional compensatory requirements will provide the NRC with reasonable assurance that public health and safety and the common defense and security continue to be adequately protected in the current generalized high-level threat environment will remain in effect pending notification from the Commission that a significant change in the threat environment occurs, or until the Commission determines that other changes are needed following a more comprehensive re-evaluation of current safeguards and security programs. To date, we have monitored Indian Point 3 actions in response to the terrorist attacks through a series of audits. With the issuance of the Order, we will evaluate Entergy's compliance with these interim requirements.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at http://www.nrc.gov/NRC/ADAMS/index.html (the Public Electronic Reading Room).

If circumstances arise which cause us to change this inspection plan, we will contact you to discuss the change as soon as possible. Please contact me at 610-337-5234, with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Peter W, Eselgroth, Chief Projects Branch 2 Division of Reactor Projects

Docket No. 50-286 License No. DPR-64

Enclosure: Indian Point 3 Inspection/Activity Plan

- cc w/encl:
- J. Yelverton, Chief Executive Officer
 - M. Kansler, Senior Vice President and CEO
 - J. DeRoy, General Manager Operations
 - D. Pace, Vice President Engineering
 - J. Knubel, Vice President Operations Support
 - F. Dacimo, Vice President Operations
 - J. Kelly, Director Licensing
 - C. D. Faison, Manager Licensing
 - H. P. Salmon, Jr., Director of Oversight
 - J. Comiotes, Director, Nuclear Safety Assurance
 - J. Donnelly, Licensing Manager
 - A. Donahue, Mayor, Village of Buchanan
 - J. McCann, Manager Nuclear Safety and Licensing IP2
 - J. M. Fulton, Assistant General Counsel
 - W. Flynn, President, New York State Energy Research and Development Authority
 - J. Spath, Program Director, New York State Energy Research and Development Authority
 - P. D. Eddy, Electric Division, New York State Department of Public Service
 - C. Donaldson, Esquire, Assistant Attorney General, New York Department of Law
 - R. Schwartz, SRC Consultant
 - R. Toole, SRC Consultant
 - C. Hehl, SRC Consultant
 - R. Albanese, Executive Chair, Four County Nuclear Safety Committee
 - S. Lousteau, Treasury Department, Entergy Services, Inc.
 - Chairman, Standing Committee on Energy, NYS Assembly

Chairman, Standing Committee on Environmental Conservation, NYS Assembly Chairman, Committee on Corporations, Authorities, and Commissions

Assemblywoman Sandra Galef, NYS Assembly

C. Terry, Niagara Mohawk Power Corporation

County Clerk, Westchester County Legislature

- A. Spano, Westchester County Executive
- R. Bondi, Putnam County Executive
- C. Vanderhoef, Rockland County Executive
- J. Rampe, Orange County Executive
- M. Elie, Citizens Awareness Network
- J. Riccio, Greenpeace

Robert .	J. Barrett
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OFFICE	RI/DRP	RI/DRP		RI/DRP	
NAME	SBarber/SB	PEselgroth/PWE		ABlough/AB	
DATE	02/27/02	03/01/02		03/01/02	

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Indian Point 3 Inspection / Activity Plan 12/30/2001 - 03/31/2003

Unit			No. of Staff	Planned Dates		Inspection
Number	Inspection Activity	Title	on Site	Start	End	Туре
	7111105T - FIRE I	PROTECTION	4			
3	IP 7111105T	Fire Protection		02/04/2002	02/08/2002	Baseline Inspections
3	IP 7111105T	Fire Protection		02/18/2002	02/22/2002	Baseline Inspections
	71121 - OCC F	RAD SAFETY	1			
3	IP 7112101	Access Control to Radiologically Significant Areas		01/14/2002	01/18/2002	Baseline Inspections
3	IP 7112102	ALARA Planning and Controls		01/14/2002	01/18/2002	Baseline Inspections
3	IP 7112103	Radiation Monitoring Instrumentation		01/14/2002	01/18/2002	Baseline Inspections
3	IP 71151	Performance Indicator Verification		01/14/2002	01/18/2002	Baseline Inspections
	71121 - OCC F	RAD SAFETY	1			
3	IP 7112101	Access Control to Radiologically Significant Areas		04/08/2002	04/12/2002	Baseline Inspections
3	IP 7112102	ALARA Planning and Controls		04/08/2002	04/12/2002	Baseline Inspections
3	IP 7112103	Radiation Monitoring Instrumentation		04/08/2002	04/12/2002	Baseline Inspections
3	IP 71151	Performance Indicator Verification		04/08/2002	04/12/2002	Baseline Inspections
	71130 - SECU	RITY	1			
3	IP 7113001	Access Authorization Program (Behavior Observation Only)		04/22/2002	04/26/2002	Baseline Inspections
3	IP 7113002	Access Control (Search of Personnel, Packages, and Vehicles: Identification and Authorization		04/22/2002	04/26/2002	Baseline Inspections
	71114 - EP PR	GM REVIEW & PI	1			
3	IP 7111402	Alert and Notification System Testing		06/24/2002	06/28/2002	Baseline Inspections
3	IP 7111403	Emergency Response Organization Augmentation Testing		06/24/2002	06/28/2002	Baseline Inspections
3	IP 7111404	Emergency Action Level and Emergency Plan Changes		06/24/2002	06/28/2002	Baseline Inspections
3	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		06/24/2002	06/28/2002	Baseline Inspections
3	IP 71151	Performance Indicator Verification		06/24/2002	06/28/2002	Baseline Inspections
	71121 - OCC F	RAD SAFETY	1			
3	IP 7112101	Access Control to Radiologically Significant Areas		06/24/2002	06/28/2002	Baseline Inspections
3	IP 7112102	ALARA Planning and Controls		06/24/2002	06/28/2002	Baseline Inspections
3	IP 7112103	Radiation Monitoring Instrumentation		06/24/2002	06/28/2002	Baseline Inspections
3	IP 71151	Performance Indicator Verification		06/24/2002	06/28/2002	Baseline Inspections
	71152B - PROB	LEM IDENTIFICATION AND RESOLUTION	4			
3	IP 71152B	Identification and Resolution of Problems		07/15/2002	07/19/2002	Baseline Inspections
3	IP 71152B	Identification and Resolution of Problems		07/29/2002	08/02/2002	Baseline Inspections
	7112203 - PUB F	RAD SAFETY - REMP	1			
3	IP 7112203	Radiological Environmental Monitoring Program		07/08/2002	07/12/2002	Baseline Inspections
	71121 - OCC F	RAD SAFETY	1			
3	IP 7112101	Access Control to Radiologically Significant Areas		09/09/2002	09/13/2002	Baseline Inspections

This report does not include INPO and OUTAGE activities. This report shows only on-site and announced inspection procedures. Page 2 of 2

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Indian Point 3 Inspection / Activity Plan 12/30/2001 - 03/31/2003

Unit			No. of Staff		d Dates	Inspection
Number	Inspection Activity	Title	on Site	Start	End	Туре
3	IP 7112102	ALARA Planning and Controls		09/09/2002	09/13/2002	Baseline Inspections
3	IP 7112103	Radiation Monitoring Instrumentation		09/09/2002	09/13/2002	Baseline Inspections
3	IP 71151	Performance Indicator Verification		09/09/2002	09/13/2002	Baseline Inspections
	711111B - U3 L.C	D.REQUALIFICATION PROGRAM	2			
3	IP 7111111B	Licensed Operator Requalification		09/16/2002	09/20/2002	Baseline Inspections
	7111117B - MODS	s & 50.59	3			
3	IP 7111102	Evaluation of Changes, Tests, or Experiments		10/21/2002	10/25/2002	Baseline Inspections
3	IP 7111117B	Permanent Plant Modifications		10/21/2002	10/25/2002	Baseline Inspections
	71151 - PUB R	AD SAFETY PI VERIFICATION	1			
3	IP 71151	Performance Indicator Verification		11/04/2002	11/08/2002	Baseline Inspections
	7111401 - EXERO	CISE EVALUATION	2			
3	IP 7111401	Exercise Evaluation		12/02/2002	12/06/2002	Baseline Inspections
	71121 - OCC R	RAD SAFETY	1			
3	IP 7112101	Access Control to Radiologically Significant Areas		01/13/2003	01/17/2003	Baseline Inspections
3	IP 7112102	ALARA Planning and Controls		01/13/2003	01/17/2003	Baseline Inspections
3	IP 7112103	Radiation Monitoring Instrumentation		01/13/2003	01/17/2003	Baseline Inspections
3	IP 71151	Performance Indicator Verification		01/13/2003	01/17/2003	Baseline Inspections
	7112201 - PUB R	AD SAFETY - RETS	1			
3	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		02/03/2003	02/07/2003	Baseline Inspections
	3/10+EXM - U3 OP	ERATOR LICENSING INITIAL EXAMS	3			
3	U01504	INDIAN POINT 3 INITIAL EXAM (3/10/03)		02/09/2003	02/13/2003	Not Applicable
3	U01504	INDIAN POINT 3 INITIAL EXAM (3/10/03)		03/10/2003	03/21/2003	Not Applicable