

EA-05-102

August 1, 2005

Mr. Fred Dacimo
Site Vice President
Entergy Nuclear Operations, Inc.
Indian Point Nuclear Generating Station
295 Broadway, Suite 1
Post Office Box 249
Buchanan, NY 10511-0249

SUBJECT: FINAL SIGNIFICANCE DETERMINATION FOR A WHITE FINDING
(NRC Engineering Team Inspection Report 05000247/2005006)
Indian Point Nuclear Generating Unit 2

Dear Mr. Dacimo:

This letter provides the final results of our significance determination for the preliminary White finding identified at Indian Point 2 during an engineering team inspection completed on April 27, 2005. The results of the inspection were discussed with Mr. C. Schwarz and other members of your staff via telephone during an exit meeting on May 18, 2005. The inspection finding was assessed using the significance determination process and was preliminarily characterized as White, a finding with low to moderate importance to safety that may require additional NRC inspections. The basis for this preliminary White finding was explained in our letter dated June 17, 2005, which transmitted the subject inspection report.

This preliminary White finding involved inadequate evaluation and corrective actions for a degraded condition that existed in the safety injection system. The degraded condition involved water from a safety injection accumulator leaking past several closed valves, allowing water containing absorbed nitrogen to reach other portions of the emergency core cooling system, including the common suction supply piping for the safety injection pumps and the #23 safety injection pump casing. As the water moved from a higher to lower system pressure, the nitrogen gas was released from the water, thereby challenging the performance of the safety injection pumps. As a result, the NRC concluded that the #23 safety injection pump was not functional because the pump casing was filled with gas, and the capability of the #21 and #22 safety injection pumps was challenged because the common suction header contained a significant accumulation of gas.

Although Entergy entered the degraded accumulator condition issue into its corrective action system on November 21, 2004, prioritization, evaluation and correction of this condition adverse to quality was inadequate. In particular, Entergy did not recognize the potential for gas intrusion into the safety injection system and the resultant potential challenge to safety injection pump operation. In addition, Entergy did not adequately assess industry Operating Experience in accordance with its procedures in that such operating experience (e.g. - NRC Information Notice 97-40) related to safety injection accumulator backleakage, was not assimilated and acted upon in a timely manner.

In our letter dated June 17, 2005, the NRC provided you an opportunity to either request a Regulatory Conference to discuss this finding, or to explain your position in a written response. On June 23, 2005, Mr. J. Comiotes of your staff informed Mr. B. McDermott of my staff, that

Entergy declined the offer to have a Regulatory Conference. However, you did provide a written response dated July 12, 2005, in which you stated Entergy's belief that the #21 and #22 safety injection pumps remained operable. However, you noted that there are uncertainties involved with predicting the performance of the safety injection pumps with nitrogen gas in the system, and did not want to expend resources to prove past pump operability. Therefore, after noting that this issue did not represent a significant increase in risk, you stated that Entergy accepts the results of the inspection finding as presently characterized.

After considering the information developed during the inspection, and the information presented in your response, the NRC has concluded that the inspection finding is appropriately characterized as White, an issue with low to moderate increased importance to safety that may require additional inspections. You have 30 calendar days from the date of this letter to appeal the staff's determination of significance for the identified White finding. Such appeals will be considered to have merit only if they meet the criteria given in NRC Inspection Manual Chapter 0609, Attachment 2.

The NRC has also determined that this finding is a violation of 10 CFR Part 50, Appendix B, Criterion XVI (Corrective Action). The circumstances surrounding the violation are described in detail in the enclosed Notice of Violation as well as the subject inspection report. In accordance with the NRC Enforcement Policy, this Notice of Violation is considered escalated enforcement action because it is associated with a White finding.

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence, and the date when full compliance was achieved is already adequately addressed on the docket as summarized in the NRC Engineering Team inspection report dated June 17, 2005. Therefore, you are not required to respond to this letter unless the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

Because plant performance for this issue has been determined to be in the regulatory response band, we will use the NRC Action Matrix to determine the most appropriate NRC response for this event. We will notify you, by separate correspondence, of that determination.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of the NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

Sincerely,

/RA/

Samuel J. Collins
Regional Administrator

Docket No. 50-247
License No. DPR-26

Enclosure: Notice of Violation

cc w/encl:

G. J. Taylor, Chief Executive Officer, Entergy Operations, Inc.
M. R. Kansler, President - Entergy Nuclear Operations, Inc.
J. T. Herron, Senior Vice President and Chief Operating Officer
P. Rubin, General Manager - Plant Operations
O. Limpas, Vice President, Engineering
C. Schwarz, Vice President, Operations Support
J. McCann, Director, Licensing
C. D. Faison, Manager, Licensing, Entergy Nuclear Operations, Inc.
P. Conroy, Manager, Licensing, Entergy Nuclear Operations, Inc.
M. Colomb, Director of Oversight, Entergy Nuclear Operations, Inc.
J. Comiotes, Director, Nuclear Safety Assurance
J. M. Fulton, Assistant General Counsel, Entergy Nuclear Operations, Inc.
P. R. Smith, President, New York State Energy, Research and Development Authority
J. Spath, Program Director, New York State Energy Research and Development Authority
P. Eddy, Electric Division, New York State Department of Public Service
C. Donaldson, Esquire, Assistant Attorney General, New York Department of Law
D. O'Neill, Mayor, Village of Buchanan
J. G. Testa, Mayor, City of Peekskill
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
M. Slobodien, Director, Emergency Planning
B. Brandenburg, Assistant General Counsel
P. Rubin, Manager of Planning, Scheduling & Outage Services
Assemblywoman Sandra Galef, NYS Assembly
County Clerk, Westchester County Legislature
A. Spano, Westchester County Executive
R. Bondi, Putnam County Executive
C. Vanderhoef, Rockland County Executive
E. A. Diana, Orange County Executive
T. Judson, Central NY Citizens Awareness Network
M. Elie, Citizens Awareness Network
D. Lochbaum, Nuclear Safety Engineer, Union of Concerned Scientists
Public Citizen's Critical Mass Energy Project
M. Mariotte, Nuclear Information & Resources Service
F. Zalzman, Pace Law School, Energy Project
L. Puglisi, Supervisor, Town of Cortlandt
Congresswoman Sue W. Kelly
Congresswoman Nita Lowey
Senator Hillary Rodham Clinton
Senator Charles Schumer
J. Riccio, Greenpeace

Mr. Fred Dacimo

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cc w/encl continued:

A. Matthiessen, Executive Director, Riverkeeper, Inc.
M. Kapolwitz, Chairman of County Environment & Health Committee
A. Reynolds, Environmental Advocates
M. Jacobs, Director, Longview School
D. Katz, Executive Director, Citizens Awareness Network
P. Gunter, Nuclear Information & Resource Service
P. Leventhal, The Nuclear Control Institute
K. Coplan, Pace Environmental Litigation Clinic
W. DiProfio, PWR SRC Consultant
D. C. Poole, PWR SRC Consultant
W. Russell, PWR SRC Consultant
W. Little, Associate Attorney, NYSDEC
R. Christman, Supt. Operations Training
L. Cortopassi, Manager Training and Development
S. Glenn, INPO

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SISP Review Complete: LTD (Reviewer's Initials)

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**per A. Hayes e-mail Luehman for Johnson OFFICIAL RECORD COPY *per A. Hayes e-mail

NOTICE OF VIOLATION

Entergy Nuclear Operations, Inc.
Indian Point Unit 2

Docket No. 50-247
License No. DPR-26
EA-05-102

During an NRC inspection completed April 27, 2005, for which an exit meeting was held on May 18, 2005, a violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

10 CFR Part 50, Appendix B, Criterion XVI, "Corrective Action," requires, in part, that conditions adverse to quality be promptly identified and corrected.

Entergy's corrective action system procedure ENN-LI-102, "Corrective Action Process," requires, in part, the identification, evaluation and correction of a broad range of problems, and documentation of both previous site (in-house) and industry Operating Experience Reviews, when appropriate (commensurate with issue significance).

Contrary to the above, between November 21, 2004 and January 27, 2005, Entergy did not promptly identify and correct a condition adverse to quality regarding the potential for gas intrusion into the safety injection system discharge and suction piping from known leakage from the #24 safety injection accumulator. Although Entergy entered the degraded accumulator condition issue into its corrective action system on November 21, 2004, prioritization, evaluation and correction of this condition adverse to quality was inadequate since Entergy did not:

1. recognize the potential for gas intrusion into the safety injection system and the resultant potential challenge to safety injection pump operation; and
2. adequately assess industry Operating Experience in accordance with ENN-LI-102 in that such operating experience (e.g. - NRC Information Notice 97-40) related to safety injection accumulator backleakage, was not assimilated and acted upon in a timely manner.

As a result, a significant amount of gas accumulated within the safety injection discharge piping, the #23 safety injection pump casing, and the common safety injection pump suction header. This resulted in the #23 safety injection pump not being functional, and the capability of the #21 and #22 safety injection pumps being challenged.

This violation is associated with a WHITE significance determination process finding.

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence, and the date when full compliance was achieved is already adequately addressed on the docket as summarized in NRC Engineering Team Inspection Report 05000247/2005006 dated June 17, 2005. However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of

Violation; EA-05-102," and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555 with a copy to the Regional Administrator, Region I, and a copy to the NRC Resident Inspector at the facility that is the subject of this Notice, within 30 days of the date of the letter transmitting this Notice of Violation (Notice).

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

Because your response, if provided, 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), to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction. ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room). If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days.

Dated this 1st day of August 2005