



Entergy Nuclear Northeast  
Entergy Nuclear Operations, Inc.  
P.O. Box 5029  
White Plains, NY 10601-5029  
Tel 914 272 3200 Fax 914 272 3205

Michael R. Kansler  
Senior Vice President &  
Chief Operating Officer

April 11, 2001

Mr. George Pavlou,  
Director, Division of Environmental Planning & Protection  
Region II  
U.S. Environmental Protection Agency  
290 Broadway  
New York, New York 10007-1866

RE: Renewal of Hazardous and Solid Waste Amendments of 1984 Permit for EPA  
Facility ID # NYD-85503746

Mr. Pavlou:

Entergy Nuclear Northeast's (formerly New York Power Authority's) Indian Point 3 nuclear power plant currently has a HSWA permit for the storage of mixed waste, which expires on October 17, 2001. We would like to continue to use our existing HSWA permit in conjunction with our New York State Department of Environmental Conservation (NYDEC) issued RCRA permit (which expires in September 9, 2006). For your information, copies of these two permits are attached.

In accordance with the provisions in both 40 CFR 124.5 and 40 CFR 270.41, we are seeking the reissuance of our existing permit. As stated above, we would like to request that this letter (along with our attached existing HSWA and RCRA permits) comprise our renewal application, and that we be permitted to continue to use these permits. Our rationale for seeking this is based on a number of factors, in addition to the reduction in resources required to generate, review, revise, author and issue applications and permits this proposal would provide. First, the US Environmental Protection Agency's proposed new regulations regarding mixed waste management are not finalized. Once they are final, it is likely that we will be exempt from EPA regulations. Also, our facility has a valid NRC license to operate until 2015. This license and associated NRC regulations also govern the management of our mixed wastes.

Since our initial permit application was submitted in November 1994, our facility and processes have remained essentially similar. There have been no changes in any mixed waste producing processes and no additional wastes have been handled or removed since then.

COOL

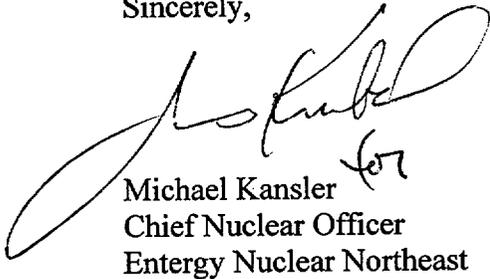
April 11, 2001

The changes which have occurred at our facility have been primarily administrative; Entergy Nuclear is now the facility owner and operator. There have also been some changes in the titles of various personnel or groups. However, in terms of mixed waste management, none of these changes have been substantive.

Please note that in addition to our permits, a new closure financial assurance package is provided. Since our site permit was transferred on November 20, 2000, this new information package was required to be submitted no later than May 20, 2001. However, this new financial surety information was deemed relevant to this application for HSWA permit renewal.

If you have any questions or concerns regarding this request or the information provided herein, please contact Dara Gray of Indian Point 3 at (914) 736-8414.

Sincerely,



Michael Kansler  
Chief Nuclear Officer  
Entergy Nuclear Northeast

cc: U.S. Nuclear Regulatory Commission

James Reidy, RCRA Program Branch  
Jean R. Jean, RCRA Program Branch  
Raymond Basso, RCRA Program Branch

**PROPOSED  
FINANCIAL ASSURANCE PACKAGE**

**MEYERS-REYNOLDS & ASSOCIATES, INC.**

1230 N. Robinson  
Oklahoma City, Oklahoma 73103-4820  
(405) 235-6633 FAX (405) 235-6634

April 12, 2001

Ms. Elise Zoli, Esq.  
Goodwin Procter LLP  
Exchange Place  
Boston, MA 02109

RE: Entergy Nuclear Indian Point 3, LLC  
Entergy Nuclear FitzPatrick, LLC

Dear Elise,

Please find enclosed the following items:

1. The proposal letters from Jeff Hubbard, AIG Pollution Underwriter, outlining the closure insurance for both Indian Point 3 and FitzPatrick.
2. The proposal letter from Jeff providing the Pollution Legal Liability insurance for both locations.
3. A specimen policy for the Pollution Legal Liability Insurance.
4. A specimen policy for the Closure Insurance.

The underwriter's confirmation letter will be arriving in a separate overnight package, as he was unable to get it to me in time to put it in this package.

Thank you for your patience and I will be out of the office on Friday, but will be checking my voice messages and can be reached via my cell phone at 405-641-0307. You may feel free to call me and should you have to leave a message I will get back with you as soon as I can.

Sincerely,



Jean Brill  
Vice President

cc: Dan Craven





**AIG Environmental**  
A Division of American International Companies\*

Wednesday, April 04, 2001

8144 Walnut Hill Lane  
Dallas, TX 75231

Ms. Jean Brill  
Meyers-Reynolds & Associates, Inc.  
1230 N. Robinson  
Oklahoma City, OK 73103

Dear Jean:

We are respectfully submitting this premium indication for insurance coverage for the Treatment, Storage, Disposal Facility owned by Entergy Corporation 639 Loyola Avenue, New Orleans, LA 70113-3125. Terms, conditions and premium pricing are stated below. The Insurer will be American International Specialty Lines Insurance Co.

**Section I - The following Coverage Sections will apply:**

- Financial Assurance Limit \$292,247.00
- Policy Aggregate: \$292,247.00
- Policy Term One (1) Years
- Commission: 10%
- Premium: \$23,380.00

*(Excludes Surplus Lines Taxes & Fees)*

- Covered Locations :  
Entergy-Fitzpatrick TSD Facility Lake Rd. Scriba, NY

**Section II**

1. Section VI, Item A will be amended to read as follows:  
**Assignment** - This Policy may not be assigned without the prior written consent of the Company. Assignment of interest under this Policy shall not bind the Company until its consent is endorsed thereon. Assignment of this policy will not be unreasonably withheld subject to review of the new insured.
3. The following must first be submitted to AIG for review, prior to submission to the State or USEPA:  
Any Proposed Groundwater Monitoring and / or Remediation Action Plan  
Any Modified RAWs and / or RAPs  
Any Voluntary Cleanup Plans  
Any Modification to the Facility Closure Plan
4. We have developed the attached indications based upon an estimated post closure costs of approximately \$292,247.00 in current dollars.
5. Coverage B of the Closure/Post-Closure form will be deleted by endorsement;

**Section III**

The above quote is subject to the following conditions

1. AIG must receive written confirmation that Entergy has no plans to close this facility within the next year after thirty (30) days binding coverage for this site.
2. Receipt and acceptability of a satisfactory engineering risk assessment to be arranged at binding. This assessment is the responsibility of AIG Environmental and will be arranged upon binding;
3. This indication may be bound subject to receipt of NYDEC's approval of the closure policy.

If bound, the premium must be remitted to the American International Surplus Lines Agency, Inc. within thirty (30) days of the effective date of the policy or within fifteen (15) days from the date of billing,

whichever is later. It is your responsibility to follow the surplus lines laws for the applicable state and, in particular, to see that the appropriate premium tax is collected and paid.

This indication will remain valid for fourteen days

We thank you for the opportunity to quote this business and look forward to the working with you on this endeavor, and appreciate the excellent work you have done on your clients behalf.

Respectfully Yours,

A handwritten signature in black ink, appearing to read "Jeffrey Hubbard", with a long horizontal flourish extending to the right.

Jeffrey Hubbard  
Assistant Vice President, National Accounts



**AIG Environmental**  
A Division of American International Companies\*

Wednesday, April 04, 2001

8144 Walnut Hill Lane  
Dallas, TX 75231

Ms. Jean Brill  
Meyers-Reynolds & Associates, Inc.  
1230 N. Robinson  
Oklahoma City, OK 73103

Dear Jean:

We are respectfully submitting this premium indication for insurance coverage for the Treatment, Storage, Disposal Facility owned Entergy Corporation 639 Loyola Avenue, New Orleans, LA 70113-3125. Terms, conditions and premium pricing are stated below. The Insurer will be American International Specialty Lines Insurance Co.

**Section I - The following Coverage Sections will apply:**

- Financial Assurance Limit \$1,036,288.00
- Policy Aggregate: \$1,036,288.00
- Policy Term One (1) Years
- Commission: 10%
- Premium: \$82,903.00

*(Excludes Surplus Lines Taxes & Fees)*

- Covered Locations :  
Entergy-Indian Power #3    Broadway & Bleakley Ave    Buchanan, NY                    10601

**Section II**

1. Section VI, Item A will be amended to read as follows:  
**Assignment** - This Policy may not be assigned without the prior written consent of the Company.  
 Assignment of interest under this Policy shall not bind the Company until its consent is endorsed thereon.  
 Assignment of this policy will not be unreasonably withheld subject to review of the new insured.
3. The following must first be submitted to AIG for review, prior to submission to the State or USEPA:  
 Any Proposed Groundwater Monitoring and / or Remediation Action Plan  
 Any Modified RAWs and / or RAPs  
 Any Voluntary Cleanup Plans  
 Any Modification to the Facility Closure Plan
4. We have developed the attached indications based upon an estimated post closure costs of approximately \$1,036,288 in current dollars.
5. Coverage B of the Closure/Post-Closure form will be deleted by endorsement;

**Section III**

The above quote is subject to the following conditions

1. AIG must receive written confirmation that Entergy has no plans to close this facility within the next year within thirty (30) days binding coverage for this site.
2. Receipt and acceptability of a satisfactory engineering risk assessment to be arranged at binding. This assessment is the responsibility of AIG Environmental and will be arranged upon binding;
3. This indication may be bound subject to receipt of NYDEC's approval of the closure policy.

If bound, the premium must be remitted to the American International Surplus Lines Agency, Inc. within thirty (30) days of the effective date of the policy or within fifteen (15) days from the date of billing, whichever is later. It is your responsibility to follow the surplus lines laws for the applicable state and, in particular, to see that the appropriate premium tax is collected and paid.

This indication will remain valid for fourteen days

We thank you for the opportunity to quote this business and look forward to the working with you on this endeavor, and appreciate the excellent work you have done on your clients behalf.

Respectfully Yours,

A handwritten signature in cursive script, appearing to read "Jeffrey Hubbard", with a long horizontal flourish extending to the right.

Jeffrey Hubbard  
Assistant Vice President, National Accounts

**AIG Environmental**  
8144 WALNUT HILL LANE  
WALNUT GLEN TOWER  
DALLAS, TEXAS 75231

April 9, 2001

JEAN BRILL  
MEYERS REYNOLDS & ASSOC INC  
1230 N. ROBINSON  
OKLAHOMA CITY, OK 731034820

Phone: 405-235-6633  
Fax: 405-235-6634  
Email: jean@m rains.com

**RE: ENTERGY CORPORATION**  
**Pollution Legal Liability Select<sup>SM</sup>**  
**PREMIUM INDICATION REVISED**

Dear Jean::

We are pleased to offer the following Pollution Legal Liability Select<sup>SM</sup> premium indication for the above-captioned account, for the location(s) listed in Section III. Coverage is offered using the AMERICAN INTERNATIONAL SPECIALTY LINES INS. CO., Form #76391 (07/00). Coverage will only be offered for those coverage sections listed in Section II.

**SECTION I - Coverages and Limits:**

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1. The following Coverage Sections can be offered:

- Coverage A- ON-SITE CLEAN-UP OF PRE-EXISTING CONDITIONS
- Coverage B- ON-SITE CLEAN-UP OF NEW CONDITIONS
- Coverage C- THIRD-PARTY CLAIMS FOR ON-SITE BODILY INJURY AND PROPERTY DAMAGE
- Coverage D- THIRD-PARTY CLAIMS FOR OFF-SITE CLEAN-UP RESULTING FROM PRE-EXISTING CONDITIONS
- Coverage E- THIRD-PARTY CLAIMS FOR OFF-SITE CLEAN-UP RESULTING FROM NEW CONDITIONS
- Coverage F- THIRD-PARTY CLAIMS FOR OFF-SITE BODILY INJURY AND PROPERTY DAMAGE
- Coverage G- THIRD-PARTY CLAIMS FOR ON-SITE BODILY INJURY, PROPERTY DAMAGE OR CLEAN-UP COSTS - NON-OWNED LOCATIONS
- Coverage H- THIRD-PARTY CLAIMS FOR OFF-SITE BODILY INJURY, PROPERTY DAMAGE OR CLEAN-UP COSTS - NON-OWNED LOCATIONS
- Coverage I- POLLUTION CONDITIONS RESULTING FROM TRANSPORTED CARGO
- Coverage J- BUSINESS INTERRUPTION COVERAGE - ACTUAL LOSS OR RENTAL VALUE

**SECTION II - Premium Information:**

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Policy Period: From: TBD To: TBD  
Commission %: 10.00%  
Retroactive Date: Policy Inception  
Continuity Date: Policy Inception

Option	Coverages	Each Incident Limit	Policy Aggregate Limit	Deductible	Term Yrs	Policy Premium
1	D F	\$4,000,000	\$8,000,000	\$100,000	01	\$34,427

Coverage J:	Business Interruption (Days)	N/A
	Business Interruption Limit (\$)	N/A

Additional Premium Information:

**SECTION III - Insured Property(s):**

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TSDF's @ Entergy Nuclear Indian Point 3, LLC - Broadway & Bleakley, Buchanan, NY 10511 (NYD085503746)

TSDF's @ Entergy Nuclear Fitzpatrick LLC - Lake Road, Scriba, NY (NYD000765073)

**SECTION IV - Policy Form Modifications:**

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The AMERICAN INTERNATIONAL SPECIALTY LINES INS. CO., Form #76391 (07/00) Form will be modified as follows:

- AISLIC PLS Dec, Form#75321 (07/00)
- Notice of Loss/Notice of Claim, Form#CI114 (09/00)
- Sched of Ins Prop, Cov, & Cov Sect Limits & Deduct, Form#72336 (07/00)
- Defense Costs Sep Limit Endorse, Form#72331 (07/00)
- NY - Cancellation/Renewal, Form#69898 (03/98)
- New York Changes - Calculation of Premium, Form#ILO18 (10/95)

**SECTION V - Services:**

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AIG is the largest U.S. - based international insurance organization and has successfully serviced clients in the pollution legal liability marketplace for a longer, continuous period than any other insurance company.

This experience along with our financial reserves for claims has earned us the highest marks awarded by the major rating agencies: A + + from A.M. Best Company, AAA from Standard & Poor's and AAA from Moody's.

AIG Environmental provides the following:

Engineering Services - AIG engineers may be available at no charge to help the insured establish and improve loss control procedures and safety programs.

Claims Services - AIG has a centralized and dedicated claims unit focused on containing and controlling claims.

**SECTION VI - Subject To:**

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The above indication is subject to the receipt and satisfactory review and acceptance of the following, within 30 days of binding:

Receipt and acceptability of a signed, original application within thirty days of binding.

The policy will be issued by AMERICAN INTERNATIONAL SPECIALTY LINES INS. CO., which is a member company of American International Group, Inc. If coverage is bound, the premium must be remitted to AMERICAN INTERNATIONAL SPECIALTY LINES INS. CO. within 30 days of the effective date of the policy, or within 15 days of billing, whichever is later.

Please provide a copy of your surplus lines license. It is your responsibility to follow applicable state surplus lines laws and, in particular, to see that the appropriate premium tax (and stamping office fee, if applicable) is collected and paid.

This premium indication is valid until April 30, 2001. Please notice that these conditions are not necessarily in compliance with conditions requested in your submission. We will not be obligated to provide coverage not addressed in this indication even though they may have been requested in your submission.

Sincerely,



JEFFREY HUBBARD  
ASSISTANT VICE PRESIDENT, NATIONAL ACCOUNTS  
Phone: 214-932-2159  
Fax: 214-932-2277  
Email: JEFF.HUBBARD@AIG.COM

# AMERICAN INTERNATIONAL SPECIALTY LINES INSURANCE COMPANY

## POLLUTION LEGAL LIABILITY SELECT® POLICY

MANY OF THE COVERAGES CONTAIN CLAIMS-MADE-AND-REPORTED REQUIREMENTS. PLEASE READ CAREFULLY. ADDITIONALLY, THIS POLICY HAS CERTAIN PROVISIONS AND REQUIREMENTS UNIQUE TO IT AND MAY BE DIFFERENT FROM OTHER POLICIES THE INSURED MAY HAVE PURCHASED. DEFINED TERMS, OTHER THAN HEADINGS, APPEAR IN BOLD FACE TYPE.

NOTICE: THE DESCRIPTIONS IN ANY HEADINGS OR SUB-HEADINGS OF THIS POLICY ARE INSERTED SOLELY FOR CONVENIENCE AND DO NOT CONSTITUTE ANY PART OF THE TERMS OR CONDITIONS HEREOF.

In consideration of the payment of the premium, in reliance upon the statements in the Declarations and the Application annexed hereto and made a part hereof, and pursuant to all of the terms of this Policy, the Company agrees with the **Named Insured** as follows:

### I. INSURING AGREEMENTS

#### 1. COVERAGES:

THE FOLLOWING COVERAGES ARE IN EFFECT ONLY IF SCHEDULED IN THE DECLARATIONS.

#### COVERAGE A - ON-SITE CLEAN-UP OF PRE-EXISTING CONDITIONS

1. To pay on behalf of the **Insured**, **Clean-Up Costs** resulting from **Pollution Conditions** on or under the **Insured Property** that commenced prior to the **Continuity Date**, if such **Pollution Conditions** are discovered by the **Insured** during the **Policy Period**, provided:
  - (a) The discovery of such **Pollution Conditions** is reported to the Company in writing as soon as possible after discovery by the **Insured** and in any event during the **Policy Period** in accordance with Section III. of the Policy.  
  
Discovery of **Pollution Conditions** happens when a **Responsible Insured** becomes aware of **Pollution Conditions**.
  - (b) Where required, such **Pollution Conditions** have been reported to the appropriate governmental agency in substantial compliance with applicable **Environmental Laws** in effect as of the date of discovery.
2. To pay on behalf of the **Insured**, **Loss** that the **Insured** is legally obligated to pay as a result of **Claims** for **Clean-Up Costs** resulting from **Pollution Conditions** on or under the **Insured Property** that commenced prior to the **Continuity Date**, provided such **Claims** are first made against the **Insured** and reported to the Company in writing during the **Policy Period**, or during the **Extended Reporting Period** if applicable.

#### COVERAGE B - ON-SITE CLEAN-UP OF NEW CONDITIONS

1. To pay on behalf of the **Insured**, **Clean-Up Costs** resulting from **Pollution Conditions** on or under the **Insured Property** that commenced on or after the **Continuity Date**, if such **Pollution Conditions** are discovered by the **Insured** during the **Policy Period**, provided:
  - (a) The discovery of such **Pollution Conditions** is reported to the Company in writing as soon as possible after discovery by the **Insured** and in any event during the **Policy Period** in accordance with Section III. of the Policy.  
  
Discovery of **Pollution Conditions** happens when a **Responsible Insured** becomes aware of **Pollution Conditions**.
  - (b) Where required, such **Pollution Conditions** have been reported to the appropriate governmental agency in substantial compliance with applicable **Environmental Laws** in effect as of the date of discovery.
2. To pay on behalf of the **Insured**, **Loss** that the **Insured** is legally obligated to pay as a result of **Claims** for **Clean-Up Costs** resulting from **Pollution Conditions** on or under the **Insured Property** that commenced on or after the **Continuity Date**, provided such **Claims** are first made against the **Insured** and reported to the Company in writing during the **Policy Period**, or during the **Extended Reporting Period** if applicable.

### **COVERAGE C – THIRD - PARTY CLAIMS FOR ON-SITE BODILY INJURY AND PROPERTY DAMAGE**

To pay on behalf of the Insured, Loss that the Insured becomes legally obligated to pay as a result of Claims for Bodily Injury or Property Damage resulting from Pollution Conditions on or under the Insured Property, if such Bodily Injury or Property Damage takes place while the person injured or property damaged is on the Insured Property, provided such Claims are first made against the Insured and reported to the Company in writing during the Policy Period, or during the Extended Reporting Period if applicable.

### **COVERAGE D – THIRD - PARTY CLAIMS FOR OFF-SITE CLEAN-UP RESULTING FROM PRE-EXISTING CONDITIONS**

To pay on behalf of the Insured, Loss that the Insured becomes legally obligated to pay as a result of Claims for Clean-Up Costs resulting from Pollution Conditions, beyond the boundaries of the Insured Property, that commenced prior to the Continuity Date, and migrated from the Insured Property, provided such Claims are first made against the Insured and reported to the Company in writing during the Policy Period, or during the Extended Reporting Period if applicable.

### **COVERAGE E – THIRD - PARTY CLAIMS FOR OFF-SITE CLEAN-UP RESULTING FROM NEW CONDITIONS**

To pay on behalf of the Insured, Loss that the Insured becomes legally obligated to pay as a result of Claims for Clean-Up Costs resulting from Pollution Conditions, beyond the boundaries of the Insured Property, that commenced on or after the Continuity Date, and migrated from the Insured Property, provided such Claims are first made against the Insured and reported to the Company in writing during the Policy Period, or during the Extended Reporting Period if applicable.

### **COVERAGE F – THIRD - PARTY CLAIMS FOR OFF-SITE BODILY INJURY AND PROPERTY DAMAGE**

To pay on behalf of the Insured, Loss that the Insured becomes legally obligated to pay as a result of Claims for Bodily Injury or Property Damage resulting from Pollution Conditions, beyond the boundaries of the Insured Property, that migrated from the Insured Property, provided such Claims are first made against the Insured and reported to the Company in writing during the Policy Period, or during the Extended Reporting Period if applicable.

### **COVERAGE G – THIRD - PARTY CLAIMS FOR ON-SITE BODILY INJURY, PROPERTY DAMAGE OR CLEAN-UP COSTS - NON-OWNED LOCATIONS**

To pay on behalf of the Insured, Loss that the Insured becomes legally obligated to pay as a result of Claims for Bodily Injury or Property Damage of parties other than the owners, operators or contractors of the Non-Owned Location, or their employees, or Clean-Up Costs resulting from Pollution Conditions on or under the Non-Owned Location, provided such Claims are first made against the Insured and reported to the Company in writing during the Policy Period, or during the Extended Reporting Period if applicable.

### **COVERAGE H – THIRD - PARTY CLAIMS FOR OFF-SITE BODILY INJURY, PROPERTY DAMAGE OR CLEAN-UP COSTS - NON-OWNED LOCATIONS**

To pay on behalf of the Insured, Loss that the Insured becomes legally obligated to pay as a result of Claims for Bodily Injury, Property Damage or Clean-Up Costs resulting from Pollution Conditions, beyond the boundaries of the Non-Owned Location, that migrated from the Non-Owned Location, provided such Claims are first made against the Insured and reported to the Company in writing during the Policy Period, or during the Extended Reporting Period if applicable.

### **COVERAGE I - POLLUTION CONDITIONS RESULTING FROM TRANSPORTED CARGO**

To pay on behalf of the Insured, Loss that the Insured becomes legally obligated to pay as a result of Claims for Bodily Injury, Property Damage or Clean-Up Costs resulting from Pollution Conditions caused by Transported Cargo, provided such Claims are first made against the Insured and reported to the Company in writing during the Policy Period, or during the Extended Reporting Period if applicable. This coverage shall not be utilized to evidence financial responsibility of any Insured under any federal, state, provincial or local law.

### **COVERAGE J - BUSINESS INTERRUPTION COVERAGE - ACTUAL LOSS OR RENTAL VALUE (ONLY AVAILABLE IF COVERAGE A, COVERAGE B OR BOTH COVERAGES A AND B ARE PURCHASED)**

To pay the Insured's Actual Loss or loss of Rental Value, and Extra Expense to the extent it reduces Actual Loss or loss of Rental Value otherwise payable under this coverage section, resulting from an Interruption caused directly by

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CI0866

**Pollution Conditions** on or under the **Insured Property**. If the **Interruption** is caused by such **Pollution Conditions** and any other cause, the Company shall pay only for that portion of **Actual Loss** or loss of **Rental Value**, and **Extra Expense** resulting from an **Interruption** caused solely and directly by such **Pollution Conditions**.

1. Such **Pollution Conditions** must:

- (a) (i) commence prior to the **Continuity Date**, if the **Named Insured** has purchased Coverage A, under this Policy; or
- (ii) commence on or after the **Continuity Date**, if the **Named Insured** has purchased Coverage B, under this Policy; and
- (b) be first discovered by the **Insured** during the **Policy Period**. Discovery of **Pollution Conditions** happens when a **Responsible Insured** becomes aware of **Pollution Conditions**.

2. An **Interruption** must be reported to the Company, no later than thirty (30) days after its commencement. The **Insured** shall, as soon as practicable, resume normal operation of the business and dispense with **Extra Expense**.

3. In determining **Actual Loss** or loss of **Rental Value**, the Report/Worksheet annexed to this Policy and made a part of it shall be utilized. If the **Insured** could reduce the **Actual Loss** or loss of **Rental Value**, or **Extra Expense** resulting from an **Interruption**:

- (a) by complete or partial resumption of operations; or
- (b) by making use of other property at the **Insured Property**, or elsewhere,

such reductions shall be taken into account in arriving at **Actual Loss** or loss of **Rental Value** or **Extra Expense**.

2. **LEGAL EXPENSE AND DEFENSE**

The Company shall have the right and the duty to defend any **Claims** covered under Coverages A through I provided the **Named Insured** has purchased such Coverage. The Company's duty to defend or continue defending any such **Claim**, and to pay any **Loss**, shall cease once the applicable limit of liability, as described in Section V. **LIMITS OF COVERAGE**, **DEDUCTIBLE** has been exhausted. Defense costs, charges and expenses are included in **Loss** and reduce the applicable limit of liability, as described in Section V., and are included within the **Deductible** amount for the Coverage Section that applies and is shown in Item 3 of the Declarations.

The Company will present any settlement offers to the **Insured**, and if the **Insured** refuses to consent to any settlement within the limits of liability of this Policy recommended by the Company and acceptable to the claimant, the Company's duty to defend the **Insured** shall then cease and the **Insured** shall thereafter negotiate or defend such **Claim** independently of the Company and the Company's liability shall not exceed the amount, less the **Deductible** or any outstanding **Deductible** balance, for which the **Claim** could have been settled if such recommendation was consented to.

3. **INDEPENDENT COUNSEL**

In the event the **Insured** is entitled by law to select independent counsel to defend the **Insured** at the Company's expense, the attorney fees and all other litigation expenses the Company must pay to that counsel are limited to the rates the Company would actually pay to counsel that the Company retains in the ordinary course of business in the defense of similar **Claims** in the community where the **Claim** arose or is being defended.

Additionally, the Company may exercise the right to require that such counsel have certain minimum qualifications with respect to their competency, including experience in defending **Claims** similar to the one pending against the **Insured**, and to require such counsel to have errors and omissions insurance coverage. As respects any such counsel, the **Insured** agrees that counsel will timely respond to the Company's request for information regarding the **Claim**. The **Insured** may at any time, by its signed consent, freely and fully waive its right to select independent counsel.

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## II. EXCLUSIONS

### 1. COMMON EXCLUSIONS - APPLICABLE TO ALL COVERAGES

This Policy does not apply to **Clean-Up Costs, Claims, Loss, Actual Loss, Extra Expense, or loss of Rental Value:**

#### A. CRIMINAL FINES, PENALTIES, AND ASSESSMENTS:

Due to any criminal fines, penalties or assessments.

#### B. CONTRACTUAL LIABILITY:

Arising from liability of others assumed by the **Insured** under any contract or agreement, unless the liability of the **Insured** would have attached in the absence of such contract or agreement or the contract or agreement is an **Insured Contract**.

#### C. TRANSPORTATION:

Except with respect to Coverage I, arising out of **Pollution Conditions** that result from the maintenance, use, operation, loading or unloading of any conveyance beyond the boundaries of the **Insured Property**.

#### D. INTENTIONAL NONCOMPLIANCE:

Arising from **Pollution Conditions** based upon or attributable to any **Responsible Insured's** intentional, willful or deliberate noncompliance with any statute, regulation, ordinance, administrative complaint, notice of violation, notice letter, executive order, or instruction of any governmental agency or body.

#### E. INTERNAL EXPENSES:

For costs, charges or expenses incurred by the **Insured** for goods supplied or services performed by the staff or salaried employees of the **Insured**, or its parent, subsidiary or affiliate, except if in response to an emergency or pursuant to **Environmental Laws** that require immediate remediation of **Pollution Conditions**, or unless such costs, charges or expenses are incurred with the prior written approval of the Company in its sole discretion.

#### F. INSURED vs. INSURED:

By any **Insured** against any other person or entity who is also an **Insured** under this Policy. This exclusion does not apply to **Claims** initiated by third parties or **Claims** that arise out of an indemnification given by one **Named Insured** to another **Named Insured** in an **Insured Contract**.

#### G. ASBESTOS AND LEAD:

Solely with respect to Coverages A, B, D, E, G, H and J, arising from asbestos or any asbestos-containing materials or lead-based paint installed or applied in, on or to any building or other structure. This exclusion does not apply to **Clean-Up Costs** for the remediation of soil and groundwater.

#### H. EMPLOYER LIABILITY:

Arising from **Bodily Injury** to an **Insured** or its parent, subsidiary or affiliate arising out of and in the course of employment by the **Insured** or its parent, subsidiary or affiliate. This exclusion applies whether the **Insured** may be liable as an employer or in any other capacity and to any obligation to share damages with or repay third parties who must pay damages because of the injury.

#### I. PRIOR KNOWLEDGE/NON-DISCLOSURE:

Arising from **Pollution Conditions** existing prior to the **Inception Date** and known by a **Responsible Insured** and not disclosed in the application for this Policy, or any previous policy for which this Policy is a renewal thereof.

#### J. IDENTIFIED UNDERGROUND STORAGE TANK:

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Arising from **Pollution Conditions** resulting from an **Underground Storage Tank** whose existence is known by a **Responsible Insured** as of the **Inception Date** and which is located on the **Insured Property** unless such **Underground Storage Tank** is scheduled on the Policy by endorsement.

## 2. COVERAGE I EXCLUSIONS

The following exclusions apply to Coverage I.

This Policy does not apply to Loss:

### A. PROPERTY DAMAGE TO CONVEYANCES:

For **Property Damage** to any conveyance utilized during the **Transportation of Transported Cargo**. This exclusion does not apply to **Claims** made by third-party carriers of the **Insured** for such **Property Damage** arising from the **Insured's** negligence.

### B. POLLUTION CONDITIONS PRIOR OR SUBSEQUENT TO TRANSPORTATION OF CARGO:

Arising from **Pollution Conditions**:

1. That commence prior to the **Transportation of Transported Cargo**; or
2. That commence after **Transported Cargo** reaches its final destination, or while **Transported Cargo** is in storage off-loaded from the conveyance that was transporting it.

### C. THIRD-PARTY CARRIER CLAIMS:

Made by a third-party carrier, its agents or employees, for **Bodily Injury, Property Damage or Clean-Up Costs**, whether or not the **Bodily Injury, Property Damage or Clean-Up Costs** were directly incurred by such third-party carrier. This exclusion does not apply to **Claims** arising from the **Insured's** negligence.

## III. NOTICE REQUIREMENTS AND CLAIM PROVISIONS

The **Insured** shall provide the Company with notice of **Pollution Conditions, Claims** or an **Interruption** as follows:

### A. NOTICE OF POLLUTION CONDITIONS, CLAIMS AND AN INTERRUPTION

1. In the event of **Pollution Conditions** or **Claims** under Coverages A through I, or an **Interruption** under Coverage J, the **Insured** shall give written notice to:

Manager, Pollution Insurance Products Unit  
AIG Technical Services, Inc.  
Environmental Claims Department  
80 Pine Street, Sixth Floor  
New York, New York 10005  
Fax: (212) 344-2761

or other address(es) as substituted by the Company in writing.

2. The **Insured** shall give written notice of **Pollution Conditions** as soon as possible. Notice under all coverages shall include, at a minimum, information sufficient to identify the **Named Insured, the Insured Property**, the names of persons with knowledge of the **Pollution Conditions** and all known and reasonably obtainable information regarding the time, place, cause, nature of and other circumstances of the **Pollution Conditions**.
3. The **Insured** shall give notice of **Claims** as soon as possible, but in any event during the **Policy Period** or during the **Extended Reporting Period**, if applicable. The **Insured** shall furnish information at the request of the Company. When a **Claim** has been made, the **Insured** shall forward the following to the Company as soon as possible:
  - (a) All reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the claimant(s) and available witnesses.

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- (b) All demands, summonses, notices or other process or papers filed with a court of law, administrative agency or an investigative body.
- (c) Other information in the possession of the Insured or its hired experts which the Company reasonably deems necessary.

**B. NOTICE OF POSSIBLE CLAIM**

1. If during the **Policy Period**, the **Insured** first becomes aware of a **Possible Claim**, the **Insured** may provide written notice to the Company during the **Policy Period** containing all the information required under Paragraph 2. below. Any **Possible Claim** which subsequently becomes a **Claim** made against the **Insured** and reported to the Company within five (5) years after the end of the **Policy Period** of this Policy or any continuous, uninterrupted renewal thereof, shall be deemed to have been first made and reported during the **Policy Period** of this Policy. Such **Claim** shall be subject to the terms, conditions and limits of coverage of the policy under which the **Possible Claim** was reported.
2. It is a condition precedent to the coverage afforded by this Section III.B that written notice under Paragraph 1. above contain all of the following information: (a) the cause of the **Pollution Conditions**; (b) the **Insured Property** or other location where the **Pollution Conditions** took place; (c) the **Bodily Injury, Property Damage or Clean-Up Costs** which has resulted or may result from such **Pollution Conditions**; (d) the **Insured(s)** which may be subject to the **Claim** and any potential claimant(s); (e) all engineering information available on the **Pollution Conditions** and any other information that the Company deems reasonably necessary; and (f) the circumstances by which and the date the **Insured** first became aware of the **Possible Claim**.

**IV. RIGHTS OF THE COMPANY AND DUTIES OF THE INSURED IN THE EVENT OF POLLUTION CONDITIONS**

**A. The Company's Rights**

The Company shall have the right but not the duty to clean up or mitigate **Pollution Conditions** upon receiving notice as provided in Section III of this Policy. Any sums expended in taking such action by the Company will be deemed insured or expended by the **Insured** and shall be applied against the limits of coverage and deductible under this Policy.

**B. Duties of the Insured**

The **Named Insured** shall have the duty to clean up **Pollution Conditions** to the extent required by **Environmental Laws**, by retaining competent professional(s) or contractor(s) mutually acceptable to the Company and the **Named Insured**. The Company shall have the right but not the duty to review and approve all aspects of any such clean-up. The **Named Insured** shall notify the Company of actions and measures taken pursuant to this paragraph.

**V. LIMITS OF COVERAGE; DEDUCTIBLE**

Regardless of the number of **Claims**, claimants, **Pollution Conditions** or **Insureds** under this Policy, the following limits of liability apply:

**A. Policy Aggregate Limit**

The Company's total liability for all **Loss**, under Coverages A through I, and all **Actual Loss**, loss of **Rental Value** and **Extra Expense** under Coverage J, shall not exceed the "Policy Aggregate" stated in Item 4 of the Declarations. The Company's internal expenses do not erode the limit of liability available for any **Loss**.

**B. Each Incident Limit - Coverages A Through I**

1. Subject to Paragraph V.A. above, the most the Company will pay for all **Loss** under each Coverage in Coverages A through I arising from the same, related or continuous **Pollution Conditions** is the "Each Incident" limit of coverage for that particular coverage stated in Item 3 of the Declarations.
2. If the **Insured** first discovers **Pollution Conditions** during the **Policy Period** and reports them to the Company in accordance with Section III., all continuous or related **Pollution Conditions** reported to

the Company under a subsequent Pollution Legal Liability Policy issued by the Company or its affiliate providing substantially the same coverage as this Policy shall be deemed to have been first discovered and reported during the **Policy Period**.

3. If a **Claim for Bodily Injury, Property Damage, or Clean-Up Costs** is first made against the **Insured** and reported to the Company during the **Policy Period**, all **Claims for Bodily Injury, Property Damage or Clean-Up Costs**, arising from the same, continuous or related **Pollution Conditions** that are first made against the **Insured** and reported under a subsequent Pollution Legal Liability Policy issued by the Company or its affiliate providing substantially the same coverage as this Policy, shall be deemed to have been first made and reported during the **Policy Period**. Coverage under this Policy for such **Claims** shall not apply, however, unless at the time such **Claims** are first made and reported, the **Insured** has maintained with the Company or its affiliate Pollution Legal Liability coverage substantially the same as this coverage on a continuous, uninterrupted basis since the first such **Claim** was made against the **Insured** and reported to the Company.

#### C. Coverage Section Aggregate Limit

Subject to Paragraph V. A. above, the Company's total liability for all **Loss** under each Coverage in Coverages A through I, shall not exceed the "Coverage Section Aggregate" limit of coverage for that particular coverage stated in Item 3 of the Declarations.

#### D. Maximum for All Business Interruption

Subject to Paragraph V. A. above, the maximum amount for which the Company is liable for all **Actual Loss** or loss of **Rental Value**, and **Extra Expense** under Coverage J is 80% of the lesser of:

1. The **Actual Loss** and **Extra Expense**, or loss of **Rental Value** and **Extra Expense**, whichever is applicable, incurred during the number of days of interruption of business stated in Item 3 of the Declarations; and
2. The amount stated in Item 3 of the Declarations.

It is a condition of Coverage J that the remaining 20% of such amount be borne by the **Insured** at its own risk and remain uninsured.

#### E. Multiple Coverages

Subject to Paragraph V. A. above, if the same, related or continuous **Pollution Conditions** result in coverage under more than one Coverage under Coverages A through J, every applicable "Each Incident," "Coverage Section Aggregate," and "Maximum for All Business Interruption" limit of coverage among such coverage sections shall apply to the **Clean-Up Costs, Loss, Actual Loss** and **Extra Expense**, or loss of **Rental Value** and **Extra Expense**, whichever is applicable, resulting from such **Pollution Conditions**.

#### F. Deductible

1. Coverages A through I

Subject to Paragraphs V. A. through V.E. above, this Policy is to pay covered **Loss** in excess of the Deductible amount stated in Item 3 of the Declarations for the applicable coverage, up to but not exceeding the applicable "Each Incident" limit of coverage.

If the same, related or continuous **Pollution Conditions** result in coverage under more than one coverage section in Coverages A through I, only the highest Deductible amount stated in Item 3 of the Declarations among all the coverage sections applicable to the **Loss** will apply.

The **Insured** shall promptly reimburse the Company for advancing any element of **Loss** falling within the Deductible.

2. Coverage J

Subject to Paragraphs V.A. through V.E. above, this Policy is to pay the **Actual Loss** or loss of **Rental Value**, and **Extra Expense** under Coverage J in excess of the **Actual Loss** or loss of **Rental Value**, and **Extra Expense** sustained during the first seven (7) days of an **Interruption** during the **Period of Restoration**. The seven (7) day period applies to all **Actual Loss**, or loss of **Rental Value**, and **Extra**

Expense arising from the same, related or continuous **Pollution Conditions**.

## VI. CONDITIONS

- A. **Assignment** - This Policy may be assigned with the prior written consent of the Company, which consent shall not be unreasonably withheld or delayed. Assignment of interest under this Policy shall not bind the Company until its consent is endorsed thereon.
- B. **Subrogation** - In the event of any payment under this Policy, the Company shall be subrogated to all the **Insured's** rights of recovery therefor against any person or organization and the **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights including without limitation, assignment of the **Insured's** rights against any person or organization who caused **Pollution Conditions** on account of which the Company made any payment under this Policy. The **Insured** shall do nothing to prejudice the Company's rights under this paragraph subsequent to **Loss**. Any recovery as a result of subrogation proceedings arising out of the payment of **Loss** covered under this Policy shall accrue first to the **Insured** to the extent of any payments in excess of the limit of coverage; then to the Company to the extent of its payment under the Policy; and then to the **Insured** to the extent of its Deductible. Expenses incurred in such subrogation proceedings shall be apportioned among the interested parties in the recovery in the proportion that each interested party's share in the recovery bears to the total recovery.
- C. **Cooperation** - The **Insured** shall cooperate with the Company and offer all reasonable assistance in the investigation and defense of **Claims** under the applicable Coverages purchased. The Company may require that the **Insured** submit to examination under oath, and attend hearings, depositions and trials. In the course of investigation or defense, the Company may require written statements or the **Insured's** attendance at meetings with the Company. The **Insured** must assist the Company in effecting settlement, securing and providing evidence and obtaining the attendance of witnesses.
- D. **Changes** - Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this Policy or estop the Company from asserting any rights under the terms of this Policy; nor shall the terms of this Policy be waived or changed, except by endorsement issued to form a part of this Policy.
- E. **Voluntary Payments** - No **Insured** shall voluntarily enter into any settlement, or make any payment or assume any obligation unless in response to an emergency or pursuant to **Environmental Laws** that require immediate remediation of **Pollution Conditions**, without the Company's consent which shall not be unreasonably withheld, except at the **Insured's** own cost.
- F. **Concealment or Fraud** - This entire Policy shall be void if, whether before or after **Clean-Up Costs** are incurred or a **Claim** is first made, the **Named Insured** has willfully concealed or misrepresented any fact or circumstance material to the granting of coverage under this Policy, the description of the **Insured Property**, or the interest of the **Insured** therein.
- G. **Cancellation** - This Policy may be cancelled by the **Named Insured** by surrender thereof to the Company or any of its authorized agents or by mailing to the Company written notice stating when thereafter the cancellation shall be effective. This Policy may be cancelled by the Company only for the reasons stated below by mailing to the **Named Insured** at the address shown in the Policy, written notice stating when not less than 60 days (10 days for nonpayment of premium) thereafter such cancellation shall be effective. Proof of mailing of such notice shall be sufficient proof of notice.
1. Material misrepresentation by the **Insured**;
  2. The **Insured's** failure to comply with the material terms, conditions or contractual obligations under this Policy, including failure to pay any premium or Deductible when due;
  3. A change in operations at an **Insured Property** during the **Policy Period** that materially increases a risk covered under this Policy.

The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the **Policy Period**. Delivery of such written notice either by the **Named Insured** or by the Company shall be equivalent to mailing. If the **Named Insured** cancels, earned premium shall be computed in accordance with the customary short rate table and procedure. If the Company cancels, earned premium shall be computed pro-rata. Premium adjustment may be either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not

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a condition of cancellation.

- H. Other Insurance** - Where other insurance may be available for **Loss, Actual Loss** or loss of **Rental Value**, and **Extra Expense** covered under this Policy, the **Insured** shall promptly upon request of the Company provide the Company with copies of all such policies. If other valid and collectible insurance is available to the **Insured** for **Loss Actual Loss** or loss of **Rental Value**, and **Extra Expense** covered by this Policy, the Company's obligations are limited as follows:
1. This insurance is primary, and the Company's obligations are not affected unless any of the other insurance is also primary. In that case, the Company will share with all such other insurance by the method described in Paragraph 2. below.
  2. If all of the other insurance permits contribution by equal shares, the Company will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first. If any of the other insurance does not permit contribution by equal shares, the Company will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.
- I. Right of Access and Inspection** - To the extent the **Insured** has such rights, any of the Company's authorized representatives shall have the right and opportunity but not the obligation to interview persons employed by the **Insured** and to inspect at any reasonable time, during the **Policy Period** or thereafter, the **Insured Property**. Neither the Company nor its representatives shall assume any responsibility or duty to the **Insured** or to any other party, person or entity, by reason of such right of inspection. Neither the Company's right to make inspections, sample and monitor, nor the actual undertaking thereof nor any report thereon shall constitute an undertaking on behalf of the **Insured** or others, to determine or warrant that property or operations are safe, healthful or conform to acceptable engineering practices or are in compliance with any law, rule or regulation. The **Named Insured** agrees to provide appropriate personnel to assist the Company's representatives during any inspection.
- J. Access to Information** - The **Named Insured** agrees to provide the Company with access to any information developed or discovered by the **Insured** concerning **Loss** covered under this Policy, whether or not deemed by the **Insured** to be relevant to such **Loss** and to provide the Company access to interview any **Insured** and review any documents of the **Insured**.
- K. Representations** - By acceptance of this Policy, the **Named Insured** agrees that the statements in the Declarations, the Application and the Report/Worksheet are their agreements and representations, that this Policy is issued in reliance upon the truth of such representations and that this Policy embodies all agreements existing between the **Insured** and the Company or any of its agents relating to this insurance.
- L. Action Against Company** - No third-party action shall lie against the Company, unless as a condition precedent thereto there shall have been full compliance with all of the terms of this Policy, nor until the amount of the **Insured's** obligation to pay shall have been finally determined either by judgment against the **Insured** after actual trial or by written agreement of the **Insured**, the claimant and the Company.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this Policy to the extent of the insurance afforded by the Policy. No person or organization shall have any right under this Policy to join the Company as a party to any action against the **Insured** to determine the **Insured's** liability, nor shall the Company be impleaded by the **Insured** or his legal representative. Bankruptcy or insolvency of the **Insured** or of the **Insured's** estate shall not relieve the Company of any of its obligations hereunder.

- M. Arbitration** - It is hereby understood and agreed that all disputes or differences that may arise under or in connection with this Policy, whether arising before or after termination of this Policy, including any determination of the amount of **Loss**, may be submitted to the American Arbitration Association under and in accordance with its then prevailing commercial arbitration rules. The arbitrators shall be chosen in the manner and within the time frames provided by such rules. If permitted under such rules, the arbitrators shall be three disinterested individuals having knowledge of the legal, corporate management, or insurance issues relevant to the matters in dispute.

Any party may commence such arbitration proceeding and the arbitration shall be conducted in the **Insured's** state of domicile. The arbitrators shall give due consideration to the general principles of the law of the **Insured's** state of domicile in the construction and interpretation of the provisions of this

Policy; provided, however, that the terms, conditions, provisions and exclusions of this Policy are to be construed in an evenhanded fashion as between the parties. Where the language of this Policy is alleged to be ambiguous or otherwise unclear, the issue shall be resolved in the manner most consistent with the relevant terms, conditions, provisions or exclusions of the Policy (without regard to the authorship of the language, the doctrine of reasonable expectation of the parties and without any presumption or arbitrary interpretation or construction in favor of either party or parties, and in accordance with the intent of the parties).

The written decision of the arbitrators shall set forth its reasoning, shall be provided simultaneously to both parties and shall be binding on them. The arbitrators' award shall not include attorney fees or other costs. Judgment on the award may be entered in any court of competent jurisdiction. Each party shall bear equally the expenses of the arbitration.

**N. Service Of Suit** - Subject to Paragraph M. above, it is agreed that in the event of failure of the Company to pay any amount claimed to be due hereunder, the Company, at the request of the Insured, will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this condition constitutes or should be understood to constitute a waiver of the Company's rights to commence an action in any court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another court as permitted by the laws of the United States or of any state in the United States. It is further agreed that service of process in such suit may be made upon Counsel, Legal Department, American International Specialty Lines Insurance Company, 70 Pine Street, New York, New York 10270, or his or her representative, and that in any suit instituted against the Company upon this contract, the Company will abide by the final decision of such court or of any appellate court in the event of any appeal.

Further, pursuant to any statute of any state, territory, or district of the United States which makes provision therefor, the Company hereby designates the Superintendent, Commissioner, Director of Insurance, or other officer specified for that purpose in the statute, or his or her successor or successors in office as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Insured or any beneficiary hereunder arising out of this contract of insurance, and hereby designates the above named Counsel as the person to whom the said officer is authorized to mail such process or a true copy thereof.

**O. Acknowledgment of Shared Limits** - By acceptance of this Policy, the Named Insureds understand, agree and acknowledge that the Policy contains a Policy Aggregate Limit that is applicable to, and will be shared by, all Named Insureds and all other Insureds who are or may become insured hereunder. In view of the operation and nature of this shared Policy Aggregate Limit, the Named Insureds and all other Insureds understand and agree that prior to filing a Claim under the Policy, the Policy Aggregate Limit may be exhausted or reduced by prior payments for other Claims under the Policy.

**P. Separation of Insureds** - It is hereby agreed that except with respect to the Limit of Liability, Section II. F. (Insured vs. Insured exclusion) and any rights and duties specifically assigned to the first Named Insured, this insurance applies: 1. As if each Named Insured were the only Named Insured; and 2. Separately to each Named Insured against who a Claim is made. Misrepresentation, concealment, breach of a term or condition, or violation of any duty under this Policy by one Named Insured shall not prejudice the interest of coverage for another Named Insured under this Policy. Provided, however, that this Condition shall not apply to any Named Insured who is a parent, subsidiary or affiliate of the first Named Insured.

## VII. EXTENDED REPORTING PERIOD FOR CLAIMS - COVERAGES A THROUGH I

The Named Insured shall be entitled to an Automatic Extended Reporting Period, and (with certain exceptions as described in Paragraph B. of this Section) be entitled to purchase an Optional Extended Reporting Period for Coverages A through I collectively, upon termination of coverage as defined in Paragraph B.3. of this Section. Neither the Automatic nor the Optional Extended Reporting Period shall reinstate or increase any of the limits of liability of this Policy.

### A. Automatic Extended Reporting Period

Provided that the Named Insured has not purchased any other insurance to replace this insurance and which applies to a Claim otherwise covered hereunder, the Named Insured shall have the right to the following: a period of sixty (60) days following the effective date of such termination of coverage in which to provide written notice to the Company of Claims first made and reported within the Automatic Extended Reporting Period.

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A **Claim** first made and reported within the **Automatic Extended Reporting Period** will be deemed to have been made on the last day of the **Policy Period**, provided that the **Claim** arises from **Pollution Conditions** that commenced before the end of the **Policy Period** and is otherwise covered by this Policy. No part of the **Automatic Extended Reporting Period** shall apply if the **Optional Extended Reporting Period** is purchased.

#### B. **Optional Extended Reporting Period**

The **Named Insured** shall be entitled to purchase an **Optional Extended Reporting Period** upon termination of coverage as defined herein (except in the event of nonpayment of premium), as follows:

1. A **Claim** first made and reported within the **Optional Extended Reporting Period**, if purchased in accordance with the provisions contained in Paragraph 2. below, will be deemed to have been made on the last day of the **Policy Period**, provided that the **Claim** arises from **Pollution Conditions** that commenced before the end of the **Policy Period** and is otherwise covered by this Policy.
2. The Company shall issue an endorsement providing an **Optional Extended Reporting Period** of up to forty (40) months from termination of coverage hereunder for all **Insured Properties** and **Non-Owned Locations**, if applicable, or any specific **Insured Property** or **Non-Owned Location**, provided that the **Named Insured**:
  - (a) makes a written request for such endorsement which the Company receives within thirty (30) days after termination of coverage as defined herein; and
  - (b) pays the additional premium when due. If that additional premium is paid when due, the **Extended Reporting Period** may not be cancelled, provided that all other terms and conditions of the Policy are met.
3. Termination of coverage occurs at the time of cancellation or nonrenewal of this Policy by the **Named Insured** or by the Company, or at the time of the Company's deletion of a location which previously was an **Insured Property** or **Non-Owned Location**.
4. The **Optional Extended Reporting Period** is available to the **Named Insured** for not more than 200% of the full Policy premium stated in the Declarations.

#### VIII. **DEFINITIONS**

##### A. **Actual Loss** means the:

1. Net income (net profit or loss before income taxes) the **Insured** would have earned or incurred had there been no **Interruption**; and
2. Continuing normal operating expenses incurred, including **Ordinary Payroll Expense**.

##### B. **Bodily Injury** means physical injury, or sickness, disease, mental anguish or emotional distress, sustained by any person, including death resulting therefrom.

##### C. **Claim** means a written demand received by the **Insured** seeking a remedy or alleging liability or responsibility on the part of the **Insured** for **Loss** under Coverages A through I. For purposes of this Policy, a **Claim** does not include a **Possible Claim** that was reported under a prior policy but which has become a **Claim** during the **Policy Period** of this Policy as described in Section III. B.

##### D. **Clean-Up Costs** means reasonable and necessary expenses, including legal expenses incurred with the Company's written consent which consent shall not be unreasonably withheld or delayed, for the investigation, removal, remediation including associated monitoring, or disposal of soil, surfacewater, groundwater or other contamination:

1. To the extent required by **Environmental Laws**; or
2. That have been actually incurred by the government or any political subdivision of the United States of America or any state thereof or Canada or any province thereof, or by third parties.

**Clean-Up Costs** also include **Restoration Costs**.

- E. Continuity Date** means the date stated in Item 8 of the Declarations.
- F. Environmental Laws** means any federal, state, provincial or local laws (including, but not limited to, statutes, rules, regulations, ordinances, guidance documents, and governmental, judicial or administrative orders and directives) that are applicable to **Pollution Conditions**.
- G. Extended Reporting Period** means either the automatic additional period of time or the optional additional period of time, whichever is applicable, in which to report **Claims** following termination of coverage, as described in Section VII. of this Policy.
- H. Extra Expense** means necessary expenses the **Insured** incurs during the **Period of Restoration**:
1. That would not have been incurred if there had not been an **Interruption**; and
  2. That avoid or minimize an **Interruption**,
- but only to the extent such expenses reduce **Actual Loss** or loss of **Rental Value**, whichever is applicable, otherwise covered under this Policy.
- Extra Expense** will be reduced by any salvage value of property obtained for temporary use during the **Period of Restoration** that remains after the resumption of normal operations.
- I. Inception Date** means the first date set forth in Item 2 of the Declarations.
- J. Insured** means the **Named Insured**, and any past or present director, officer, partner or employee thereof, including a temporary or leased employee, while acting within the scope of his or her duties as such.
- K. Insured Contract** means a contract or agreement submitted to and approved by the Company, and listed on an Endorsement to this Policy.
- L. Insured Property** means each of the locations identified in Item 5 of the Declarations.
- M. Interruption** means the necessary suspension of the **Insured's** business operations at an **Insured Property** during the **Period of Restoration**.
- N. Loss** means, under the applicable Coverages:
1. Monetary awards or settlements of compensatory damages; where allowable by law, punitive, exemplary, or multiple damages; and civil fines, penalties, or assessments for **Bodily Injury** or **Property Damage**;
  2. Costs, charges and expenses incurred in the defense, investigation or adjustment of **Claims** for such compensatory damages or punitive, exemplary or multiple damages, and civil fines, penalties or assessments, or for **Clean-Up Costs**; or
  3. **Clean-Up Costs**.
- O. Named Insured** means the person or entity named in Item 1 of the Declarations acting on behalf of all other **Insureds**, if any, for the payment or return of any premium, payment of any deductible, receipt and acceptance of any endorsement issued to form a part of this Policy, giving and receiving notice of cancellation or nonrenewal, and the exercise of the rights provided in the **Extended Reporting Period** clause.
- P. Natural Resource Damage** means physical injury to or destruction of, including the resulting loss of value of, land, fish, wildlife, biota, air, water, groundwater, drinking water supplies, and other such resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States (including the resources of the fishery conservation zone established by the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.)), any state or local government, any foreign government, any Indian tribe, or, if such resources are subject to a trust restriction on alienation, any member of an Indian tribe.

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- Q. Non-Owned Location** means a site that is not owned or operated by the **Named Insured**, and that is identified in a Non-Owned Covered Locations Schedule attached to and made a part of this Policy by endorsement.
- R. Ordinary Payroll Expense** means the entire payroll expense for all employees of the **Insured**, except officers, executives, department managers and employees under contract.
- S. Period of Restoration** means the length of time as would be required with the exercise of due diligence and dispatch to restore the **Insured Property** to a condition that allows the resumption of normal business operations, commencing with the date operations are interrupted by **Pollution Conditions** and not limited by the date of expiration of the **Policy Period**. The **Period of Restoration** does not include any time caused by the interference by employees or other persons with restoring the property, or with the resumption or continuation of operations.
- T. Policy Period** means the period set forth in Item 2 of the Declarations, or any shorter period arising as a result of:
1. Cancellation of this Policy; or
  2. With respect to particular **Insured Property(s)** or **Non-Owned Location(s)** designated in the Declarations, the deletion of such location(s) from this Policy by the Company at the **Named Insured's** written request, but solely with respect to that **Insured Property** or **Non-Owned Location**.
- U. Pollution Conditions** means the discharge, dispersal, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including, but not limited to, smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, medical waste and waste materials into or upon land, or any structure on land, the atmosphere or any watercourse or body of water, including groundwater, provided such conditions are not naturally present in the environment in the amounts or concentrations discovered.
- V. Possible Claim** means **Pollution Conditions** that commenced on or after the **Inception Date** that the **Insured** reasonably expects may result in a **Claim**.
- W. Property Damage** means:
1. Except with respect to Coverage C, physical injury to or destruction of tangible property of parties other than the **Insured**, including the resulting loss of use and diminution in value thereof;
  2. Loss of use, but not diminution in value, of tangible property of parties other than the **Insured** that has not been physically injured or destroyed;
  3. Solely with respect to Coverage C, physical injury to or destruction of tangible property of parties other than the **Insured**, including the resulting loss of use thereof; and
  4. **Natural Resource Damage**.

**Property Damage** does not include **Clean-Up Costs**.

- X. Rental Value** means the:
1. Total anticipated rental income from tenant occupancy of the **Insured Property** as furnished and equipped by the **Insured**;
  2. Amount of all charges that are the legal obligation of the tenant(s) pursuant to a lease and that would otherwise be the **Insured's** obligations; and
  3. Fair rental value of any portion of the **Insured Property** that is occupied by the **Insured** during the **Period of Restoration**, less any rental income the **Insured** could earn:
    - (a) by complete or partial rental of the **Insured Property**, or
    - (b) by making use of other property on the **Insured Property** or elsewhere.

Y. **Responsible Insured** means the manager or supervisor of the **Named Insured** responsible for environmental affairs, control or compliance, or any manager of the **Insured Property**, or any officer, director or partner of the **Named Insured**.

Z. **Restoration Costs** means reasonable and necessary costs incurred by the **Insured** with the Company's written consent, which consent shall not be unreasonably withheld or delayed, to repair, replace or restore real or personal property to substantially the same condition it was in prior to being damaged during work performed in the course of incurring **Clean-Up Costs**. However, such **Restoration Costs** shall not exceed the net present value of such property prior to incurring **Clean-Up Costs**. **Restoration Costs** do not include costs associated with improvements or betterments.

AA. **Transportation** means the movement of **Transported Cargo** by a conveyance, from the place where it is accepted by a carrier until it is moved:

1. To the place where the carrier finally delivers it; or
2. In the case of waste, to a waste disposal facility to which the carrier delivers it.

**Transportation** includes the carrier's loading or unloading of **Transported Cargo** onto or from a conveyance provided that the loading or unloading is performed by or on behalf of the **Named Insured**.

BB. **Transported Cargo** means goods, products, or waste transported for delivery by a carrier properly licensed to transport such goods, products, or waste.

CC. **Underground Storage Tank** means any tank that has at least ten (10) percent of its volume below ground in existence at the **Inception Date**, or installed thereafter, including associated underground piping connected to the tank.

IN WITNESS WHEREOF, the Company has caused this Policy to be signed by its president and secretary and signed on the Declarations page by a duly authorized representative or countersigned in states where applicable.

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President

**ENDORSEMENT NO.**

**This endorsement, effective 12:01 AM,**

**Forms a part of Policy No:**

**Issued to:**

**By:**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**DEFENSE COSTS SEPARATE LIMIT ENDORSEMENT**

It is hereby agreed that:

1. Section I. **INSURING AGREEMENTS**, Paragraph 2. **LEGAL EXPENSE AND DEFENSE** is deleted in its entirety and replaced with the following:

**2. LEGAL EXPENSE AND DEFENSE**

The Company shall have the right and the duty to defend any **Claims** covered under Coverages A through I provided the **Named Insured** has purchased such Coverage. The Company's duty to defend or continue defending any such **Claim**, and to pay any **Loss**, shall cease once the applicable limit of liability, as described in Section V. (Limits Of Coverage; Deductible) has been exhausted. Defense costs, charges and expenses are included within the Deductible amount for the coverage section that applies and is shown in Item 3 of the Declarations.

The Company will present any settlement offers to the **Insured**, and if the **Insured** refuses to consent to any settlement within the limits of liability of this Policy recommended by the Company and acceptable to the claimant, the Company's duty to defend the **Insured** shall then cease and the **Insured** shall thereafter negotiate or defend such **Claim** independently of the Company and the Company's liability shall not exceed the amount, less the Deductible or any outstanding Deductible balance, for which the **Claim** could have been settled if such recommendation was consented to.

2. The following is added to Section V. **LIMITS OF COVERAGE; DEDUCTIBLE:**

**G. Defense Costs**

In addition to the applicable limit of liability, the Company shall pay on behalf of the **Insured** costs, charges and expenses incurred in the defense, investigation or adjustment of **Claims** covered hereunder. The total liability of the Company for such costs, charges and expenses associated with all **Loss(s)** shall not exceed \_\_\_\_\_ percent ( \_%) of the highest Coverage Section Aggregate Limit for Coverages A through I set forth in Item 3 of the Declarations, to the extent such Coverages are scheduled in the Declarations. Costs, charges, and expenses incurred in the defense, investigation or adjustment of **Claims** shall be included in the Deductible.

3. Section VIII. **DEFINITIONS**, Paragraph N. **Loss**, Subsection 2. is deleted in its entirety.

All other terms, conditions, and exclusions shall remain the same.

\_\_\_\_\_  
**AUTHORIZED REPRESENTATIVE**  
or countersignature (in states where applicable)

**ENDORSEMENT NO.**

This endorsement, effective 12:01 AM,

Forms a part of Policy No:

Issued to:

By:

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**SCHEDULE OF INSURED PROPERTIES, COVERAGES, AND  
COVERAGE SECTION LIMITS AND DEDUCTIBLES ENDORSEMENT**

It is hereby agreed that the following location(s) is (are) included in Item 5 of the Declarations as **INSURED PROPERTY(S)**, subject to all of the terms and conditions of the Policy, and that the corresponding Coverages, deductibles, and limits of liability shown for each such **INSURED PROPERTY** are included in Item 3 of the Declarations:

**Item 5: INSURED PROPERTY(S):**

With respect to the above-listed Insured Property(s), Item 3 of the Declarations shall provide as follows:

**Item 3: Coverages and Coverage Section Limits and Deductibles**

This Policy includes only those Coverages as stated in Section I. of the Policy for which deductibles and limits of liability appear below.

Coverage	Deductible-Each Incident	Each Incident Limit	Coverage Section Aggregate Limit
A			
B			
C			
D			
E			
F			

Coverage	Business Interruption (Days) Limit	Business Interruption (\$) Limit
J		

All other terms, conditions, and exclusions shall remain the same.

\_\_\_\_\_  
**AUTHORIZED REPRESENTATIVE**  
or countersignature (in states where applicable)

**AMERICAN INTERNATIONAL SPECIALTY LINES INSURANCE COMPANY**  
(A Capital Stock Company, herein called the Company)  
175 Water Street, Twelfth Floor  
New York, New York 10038

**SOLID WASTE - CLOSURE/POST-CLOSURE POLICY**

**THIS IS A CLAIMS MADE AND REPORTED POLICY. THIS POLICY HAS CERTAIN PROVISIONS AND REQUIREMENTS UNIQUE TO IT AND MAY BE DIFFERENT FROM OTHER POLICIES THE INSURED MAY HAVE PURCHASED. DEFINED TERMS APPEAR IN BOLD FACE TYPE.**

In consideration of the payment of the premium, in reliance upon the statements in the Declarations and Application made a part hereof and subject to all the terms of this Policy, the Company agrees with the **Named Insured** as follows:

**SECTION I. COVERAGES**

**CLOSURE AND POST-CLOSURE INSURANCE**

**1. Insuring Agreement.**

Part A (Closure). The Company agrees to indemnify the **Insured**, or the **Regulatory Body**, subject to the limits of liability of this Policy, for such **Closure Costs** that the **Regulatory Body** instructs the Company to indemnify in writing. The **Insured** must be legally obligated to pay such **Closure Costs** by reason of the **Partial Closure** or **Final Closure** of a **Solid Waste Facility** designated in Item 4 of the Declarations. **Claims** by the **Insured**, or the **Regulatory Body**, for such **Closure Costs** must be first reported in writing to the Company during the **Policy Period**. This coverage applies only to **Closure Costs** which arise from the **Partial Closure** or **Final Closure** of a **Solid Waste Facility** that first takes place on or after the Retroactive Date shown in Item 6 of the Declarations.

Part B (Post-Closure). The Company agrees to indemnify the **Insured**, or the **Regulatory Body**, subject to the limits of liability of this Policy, for such **Post-Closure Costs** that the **Regulatory Body** instructs the Company to indemnify in writing. The **Insured** must be legally obligated to pay such **Post-Closure Costs** by reason of the **Partial Closure** or **Final Closure** of a **Solid Waste Facility** designated in Item 4 of the Declarations. **Claims** by the **Insured**, or the **Regulatory Body**, for such **Post-Closure Costs** must be first reported in writing to the Company during the **Policy Period**. This coverage applies only to **Post-Closure Costs** which arise from the **Partial Closure** or **Final Closure** of a **Solid Waste Facility** that first takes place on or after the Retroactive Date shown in Item 6 of the Declarations.

**2. Exclusions.**

This insurance does not apply to expenses, losses, liabilities of, or damages of any kind incurred by, accruing to, or alleged to be liabilities of the **Insured**, by reason of:

- A. Any criminal or civil penalties imposed by reason of the violation of any law or regulation.

- B. (1) Any third-party claims for **Bodily Injury** or **Property Damage** or claims for damages of any nature.
- C. Any expenses, charges or costs resulting from the defense and/or investigation of any liability or obligation for **Closure Costs** or **Post-Closure Costs** hereunder.

## SECTION II. CLAIMS PROVISIONS

It is a condition precedent to coverage that:

- A. In the event that the **Insured** receives information to the effect that **Partial Closure** or **Final Closure** of a **Solid Waste Facility** is under consideration by the **Regulatory Body**, the **Insured** shall immediately forward to the Company any demand or notice from the **Regulatory Body** regarding the **Partial Closure** or **Final Closure** received by the **Insured** or his or her representative.
- B. The **Insured** shall cooperate with the Company and, upon the Company's request, assist in obtaining information relative to any **Claim** made. The **Insured** shall not, except at his own cost, voluntarily make or approve any payments, assume any obligations or incur any expense relating to **Closure Costs** or **Post-Closure Costs** which are not in accordance with the **Closure Plan** or **Post-Closure Plan** without the Company's or the **Regulatory Body's** written permission.
- C. Any notices required by these conditions shall be sent to:

Manager, Pollution Insurance Products Unit  
AIG Technical Services, Inc.  
Environmental Claims Department  
80 Pine Street, Sixth Floor  
New York, New York 10005

and

Division Attorney – Pollution Legal Liability  
American International Specialty Lines Insurance Company  
175 Water Street, Twelfth Floor  
New York, New York 10038

or other address(es) as substituted by the Company in writing.

## SECTION III. DEFINITIONS

- A. **Bodily Injury** means: bodily injury, sickness, disease, fear of sickness or disease, mental anguish and mental injury, emotional distress, psychic injury, or disability including care, loss of services or death resulting from any of the foregoing.
- B. **Claim** means: A request by the **Insured** or the **Regulatory Body** for payment of a statement or bill of expenditures made for **Closure Costs** or **Post-Closure Costs** by reason of a **Partial Closure** or **Final Closure** of a **Solid Waste Facility** in accordance with its **Closure Plan** or **Post-Closure Plan**, provided that such request:

(a) is first submitted in writing to the **Regulatory Body** for approval during the **Policy Period**; and

(b) is first reported in writing to the Company during the **Policy Period**.

C. **Closure Costs** means all expenses specifically identified in the **Closure Plan** and approved by the **Regulatory Body**.

D. **Closure Plan** means the written closure plan attached to the Policy as Appendix A and made a part hereof, prepared in order to comply with federal regulations promulgated under the New York State Code, Rules and Regulations, Title 6, Part 373 or other applicable federal, state or local regulations regarding closure of Solid waste facilities and provided that such Plan shall first have been approved by the **Regulatory Body**.

E. **Final Closure** means the closure of all **Solid Waste Management Units** at a **Solid Waste Facility** pursuant to the **Closure Plan**.

F. **Solid Waste Facility** (or **Facility**) means the entire facility designated by legal description in Item 4 of the Declarations which has received authorization from the **Regulatory Body** to engage in the treatment, storage or disposal of Solid waste and which includes one or more **Solid Waste Management Unit(s)** on, within or under such facility.

G. **Solid Waste Management Unit** means a surface impoundment, waste pile, land treatment area, landfill cell, incinerator, tank and its associated piping and underlying containment system, and container storage area, or other contiguous area of land on or in which Solid waste is placed, or the largest area in which there is significant likelihood of mixing Solid waste constituents in the same area. Such unit must be located on, within or under a **Solid Waste Facility**. A container alone does not constitute a unit; the unit includes containers and the land or pad upon which they are placed.

H. **Insured** means the **Named Insured**, and any director, officer, partner or employee thereof while acting within the scope of his/her duties as such, and any person or entity designated as an additional insured by an endorsement issued to form a part of this Policy.

I. **Most Recent Published Investment Rate** means the last published investment rate prior and closest in time to the date upon which the Company becomes obligated to make payment for **Post-Closure Costs**.

J. **Named Insured** means the person or entity designated as such in Item 1 of the Declarations.

K. **Partial Closure** means the closure pursuant to the **Closure Plan** of one or more **Solid Waste Management Units** at a **Solid Waste Facility** which contains other **Solid Waste Management Units** which remain active.

L. **Policy Period** means the period set forth in Item 2 of the Declarations, or any shorter period arising as a result of cancellation of this Policy.

M. **Post-Closure Costs** means all expenses specifically identified in the **Post-Closure Plan** approved by the **Regulatory Body**.

N. **Post-Closure Plan** means the written post-closure plan attached to this Policy as Appendix B and made a part hereof, and prepared in order to comply with federal regulations promulgated under New York State Code, Rules and Regulations, Title 6, Part 373 or other applicable federal, state or local regulations regarding post-closure of Solid waste facilities, and provided that such plan shall first have been approved by the **Regulatory Body**.

O. **Property Damage** means: (a) Physical injury to, or destruction of tangible property, including loss of use, profits or investments or diminution in value of; (b) the loss of use of tangible property or rights of any nature, whether related to tangible property or not.

P. **Regulatory Body** means the New York State Department of Environmental Conservation, Division of Solid and Hazardous Waste.

#### SECTION IV. LIMIT OF LIABILITY AND DEDUCTIBLE

A. With respect to each **Solid Waste Facility** shown in the Declarations, the Company's total liability for all **Closure Costs** under Section I Coverages Closure and Post-Closure Insurance, Part A (Closure) of the Insuring Agreement from all **Claims** shall not exceed the limit of liability shown in Item 3 of the Declarations as applicable to the "Total for all **Closure Costs**."

B. With respect to each **Solid Waste Facility** shown in the Declarations, the Company's total liability for all **Post Closure Costs** under Section I Coverages Closure and Post-Closure Insurance, Part B (Post-Closure) of the Insuring Agreement from all **Claims** shall not exceed the limit of liability shown in Item 3 of the Declarations as applicable to the "Total for all **Post-Closure Costs**."

C. The limits of liability shown in the Declarations for Part A (Closure) and Part B (Post-Closure) of Section I Coverages Closure and Post-Closure Insurance with respect to each **Solid Waste Facility** are separate limits of liability which are in addition to each other.

D. Provided that the premium as determined by the Company has been paid in full within thirty (30) calendar days of when due, the limit of liability for each **Solid Waste Facility**, with respect to Section I Coverages Closure and Post-Closure Insurance, Part B (Post-Closure) under the Insuring Agreement, shall increase annually, as follows: Beginning from the date the Company becomes obligated under this Policy to indemnify **Post-Closure Costs**, the increase in the Part B (Post-Closure) limit of liability for such **Solid Waste Facility** shall be equivalent to the existing limit of liability, less any payments made under this Part B limit, multiplied by an amount equivalent to 85 percent (85%) of the **Most Recent Published Investment Rate** for newly issued 26-week Treasury securities.

#### SECTION V. TERRITORY

This Policy only applies to a **Claim** arising from **Closure Costs** or **Post-Closure Costs** incurred at **Solid Waste Facilities** located in the United States, its territories or possessions, or Canada, and only if such **Claim** are made or brought in the United States, its territories or possessions, or Canada.

#### SECTION VI. CONDITIONS

A. **Inspection and Audit** - The Company shall be permitted but not obligated to inspect, sample and monitor on a continuing basis the **Insured's** property or operations, at any time. Neither the Company's right to make inspections, sample and monitor, nor the actual undertaking thereof nor any report thereon, shall constitute an undertaking, on behalf of the **Insured** or others, to determine or warrant that property or operations are safe, healthful or conform to acceptable engineering practice or are in compliance with any law, rule or regulation. The Company or its designee may examine and audit the **Insured's** books and records at any time during the **Policy Period** and extensions thereof, as far as they relate to the subject matter of this insurance, and within any periods of **Final Closure**, **Partial Closure** or post-closure for which coverage is provided whether Insurance of this Policy has expired.

B. **Cancellation** - The Company shall not cancel, terminate or fail to renew the coverages provided herein except for failure to pay the full premium in accordance with the schedule shown in Item 5 in the Declarations. The Company shall notify the **Insured** and the

**Regulatory Body** of its intent to cancel, terminate or not to renew by sending, by certified mail, to the **Insured** at the address shown in this policy and to the **Regulatory Body**, written notice stating the date not less than 120 days thereafter allowing time for receipt of notice on which such cancellation, termination or failure to renew shall be effective.

This policy may be canceled by the **Named Insured** pursuant to applicable statute by surrender thereof to the Company or any of its authorized agents or by mailing to the Company written notice stating the date thereafter the cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the **Policy Period**.

In the event of (i) cancellation or nonrenewal by the **Insured** or (ii) cancellation by the Company for nonpayment of premium, the full Insurance Premium shown in Item 5 of the Declarations shall be deemed earned and the unpaid portion thereof shall be immediately due and payable. Upon the effective date of cancellation by the **Insured**, all indemnity obligations on the part of the Company hereunder shall automatically cease and the **Insured** shall have no further recourse against the Company with respect to unpaid losses.

C. **Representations** - By acceptance of this Policy, the **Insured** agrees that the statements in the Declarations and Application(s) are their agreements and representations, that this Policy is issued in reliance upon the truth of such representations and that this Policy embodies all agreements existing between the **Insured** and the Company or any of its agents relating to this insurance.

D. **Action Against Company** - No action shall lie against the Company, unless as a condition precedent thereto, there shall have been full compliance with all of the terms of this Policy, nor until the amount of the **Insured's** obligation to pay shall have been finally determined either by judgment against the **Insured** after actual trial or by written agreement of the **Insured**, the claimant or regulatory body and the Company.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this Policy to the extent of the insurance afforded by this Policy. No person or organization shall have any right under this Policy to join the Company as a party to any action against the **Insured** to determine the **Insured's** liability, nor shall the Company be impleaded by the **Insured** or his legal representative. Bankruptcy or insolvency of the **Insured** or of the **Insured's** estate shall not relieve the Company of any of its obligations hereunder.

E. **Assignment** - This Policy may be assigned to a successor owner or operator of a **Solid Waste Facility** designated in Item 4 of the Declarations, provided that the Company consents to the assignment, which consent shall not be unreasonably withheld.

F. **Subrogation:** In the event of any payment of this Policy, the Company shall be subrogated to all the **Insured's** rights of recovery therefor against any person or organization and the **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** shall do nothing after a **Claim** to prejudice such rights.

G. **Changes** - Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this Policy or estop the Company from asserting any right under the terms of this Policy; nor shall the terms of this Policy be waived or changed, except by endorsement issued to form a part of this Policy.

H. **Sole Agent** - The **Named Insured** first listed in Item 1 of the Declarations shall act on behalf of all other **Insureds**, if any, for the payment or return of premium, receipt and acceptance

of any endorsement issued to form a part of this Policy, giving and receiving notice of cancellation or nonrenewal.

I. **Other Insurance** - Where other insurance is available to the **Named Insured** for **Closure Costs**, or **Post-Closure Costs** covered under the terms and conditions of the Policy, the Company's obligation to the **Insured** shall be as follows:

(1) The insurance provided shall apply as excess insurance over any other valid insurance, whether collectible or not, be it primary or excess. This excess insurance shall in no way be increased or expanded as a result of the receivership, insolvency, or inability to pay of any insurer with respect to both the duty to indemnify and the duty to defend. This also applies to the **Insured** while acting as a self-insured for any coverage.

(2) Where this insurance is excess insurance, the Company will pay only its share of the amount of **Closure Costs**, or **Post-Closure Costs**, if any, that exceeds the total amount of all such valid insurance.

The **Insured** shall promptly upon request of the Company provide the Company with copies of all policies potentially applicable against the liability covered by this Policy.

J. **Premium** - The full policy premium for coverage hereunder shall be payable in accordance with the schedule set forth in Item 5 of the Declarations. It is an absolute condition that the full amount of each premium installment be actually received by the Company in accordance with said schedule to be or continue to be effective.

K. **Regulatory Provisions** - Any term or condition of this policy to which any federal or state administrative or regulatory provisions apply shall be governed only by those regulations or provisions in effect at the inception date of this policy.

L. **Renewal of Coverage** - Coverage may be renewed with a subsequent policy which provides limits of liability no less than those contained in this Policy, and which is issued by the Company at the expiration of the **Policy Period** stated in the Declarations of this Policy, subject to the cancellation provisions set forth in this Section.

## SECTION VII. SERVICE OF SUIT

M. **Service of Suit** - It is agreed that in the event of failure of the Company to pay any amount claimed to be due hereunder, the Company, at the request of the **Insured**, will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this condition constitutes or should be understood to constitute a waiver of the Company's rights to commence an action in any court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another court as permitted by the laws of the United States or of any state in the United States. It is further agreed that service of process in such suit may be made upon Counsel, Legal Department, American International Specialty Lines Insurance Company, 70 Pine Street, New York, New York 10270, or his or her representative, and that in any suit instituted against the Company upon this contract, the Company will abide by the final decision of such court or of any appellate court in the event of any appeal.

Further, pursuant to any statute of any state, territory, or district of the United States which makes provision therefor, the Company hereby designates the Superintendent, Commissioner, or Director of Insurance, other officer specified for that purpose in the statute, or his or her

successor or successors in office as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the **Insured** or any beneficiary hereunder arising out of this contract of insurance, and hereby designates the above named counsel as the person to whom the said officer is authorized to mail such process or a true copy thereof.

IN WITNESS WHEREOF, the Company has caused this Policy to be signed by its president and secretary and signed on the Declarations page by a duly authorized representative or countersigned in states where applicable.

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President



**AIG Environmental**  
A Division of American International Companies

8144 Walnut Hill Lane  
Dallas, TX 75231

April 12, 2001

Ms. Elise Zoli, Esq.  
Goodwin Procter LLP  
Exchange Place  
Boston, Massachusetts 02109

RE: Entergy Nuclear Indian Point 3, LLC  
Entergy Nuclear FitzPatrick, LLC

Dear Ms. Zoli

This letter is to confirm that the American International Group has agreed to modify both the Closure Insurance and the Pollution Legal Liability insurance to conform to the regulations as set forth by the State of New York.

I apologize for not being able to get this letter to Jean Brill of Meyers-Reynolds & Associates in time to be placed in the Federal Express package, therefore; I am sending it to you electronically.

I appreciated the time you spent with us during our phone conference and I look forward to working with you on the placement of this insurance to the satisfaction of all parties.

Sincerely,

Jeffrey Hubbard  
Assistant Vice President, National Accounts

**U.S. ENVIRONMENTAL PROTECTION AGENCY  
HSWA PERMIT**



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY - REGION II

290 BROADWAY

NEW YORK, NEW YORK 10007-1866

HAZARDOUS AND SOLID WASTE AMENDMENTS OF 1984  
PERMIT

Permittee:

New York Power Authority  
Indian Point No. 3 Nuclear Power Plant  
EPA I.D. No.: NYD085503746  
Effective Date: October 17, 1996  
Expiration Date: October 17, 2001

Operator  
New York Power Authority  
Indian Point No. 3 Nuclear Power Plant  
Broadway and Bleakly Avenue  
Buchanan, New York 10511

Owner  
New York Power Authority  
123 Main Street  
White Plains, New York 10601

This Permit is issued by the United States Environmental Protection Agency ("EPA" or "Agency") under authority of the Resource Conservation and Recovery Act ("RCRA") of 1976, Subtitle C, 42 U.S.C. Sections 6921-6931, the Hazardous and Solid Waste Amendments ("HSWA") of 1984, and EPA regulations promulgated pursuant thereto, to the New York Power Authority (hereinafter referenced as the "Permittee"), to operate a hazardous waste storage facility located at Broadway and Bleakly Avenue, Buchanan, New York.

In accordance with HSWA, this Permit requires the Permittee to:

1. Submit a Hazardous Waste Reduction Plan (HWRP) that describes the technical and administrative procedures and programs designed to minimize hazardous waste generation;
2. Comply with applicable land disposal restrictions;
3. Comply with all federal regulations which pertain to the management of Toxicity Characteristic (TC) wastes in containers;
4. Comply with organic air emissions requirements; and
5. Comply with any other applicable statutory or regulatory requirements imposed pursuant to RCRA and HSWA.

This Permit, in conjunction with the 6 NYCRR Part 373 Permit issued by the State of New York, constitutes the RCRA permit for this facility.

The Permittee must comply with all terms and conditions of this Permit. This Permit consists of the conditions contained herein Module I pages I-1 to I-12, Module II page II-1, Module III page III-1, Module IV pages IV-1 to IV-2, Module V pages V-1 to V-2, Module VI page VI-1, Module VII page VII-1, Module VIII pages VIII-1 to VIII-4, and the applicable regulations contained in 40 C.F.R. Parts 124, 260 through 264, 266, 268, and 270 as specified in this Permit. Applicable regulations are those which are in effect on the date of issuance of this Permit, except as provided in 40 C.F.R. § 124.86(c) for RCRA permits being processed under Subpart E or F of Part 124 (see 40 C.F.R. § 270.32(c)). A permit may be modified, however, to incorporate new regulations pursuant to 40 C.F.R. § 270.41(a)(3) and 40 C.F.R. § 270.32(c).

This Permit is based on the assumption that the information provided in the Permittee's Part B application, submitted in September 1993, as modified by subsequent amendments through December 23, 1994, are accurate. Further, this Permit is based, in part, on the provisions of Sections 206, 212, and 224 of HSWA, which modify Sections 3002, 3004 and 3005 of RCRA. The Permittee's failure in the application or during the permit issuance process to disclose fully all relevant facts, or the Permittee's misrepresentation of any relevant facts at any time may be grounds for the termination, revocation and reissuance, or modification of this Permit (see 40 C.F.R. §§ 270.41, 270.42 and 270.43) and potential enforcement action. The Permittee must inform EPA of any deviation from or changes in the information in the application which would affect the Permittee's ability to comply with the applicable regulations or permit conditions.

This Permit is effective as of October 17, 1996, and shall remain in effect until October 17, 2001 unless revoked and reissued, modified or terminated in accordance with 40 C.F.R. §§ 270.41, 270.42 or 270.43, or continued in accordance with 40 C.F.R. § 270.51(a).

  
Kathleen Callahan  
Director  
Division of Environmental Planning  
and Protection  
United States Environmental  
Protection Agency  
Region 2

Date 9/26/96

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## MODULE I - STANDARD CONDITIONS

- A. EFFECT OF PERMIT. This Permit authorizes only the management of hazardous waste expressly described in this Permit and does not authorize any other activities. Compliance with the terms of this Permit constitutes compliance, for purposes of enforcement with Subtitle C ("Hazardous Waste Management") of RCRA. Issuance of this Permit does not convey any property rights of any sort, or any exclusive privilege; nor does it authorize any injury to persons or property or invasion of other private rights, or any infringement of State or local laws or regulations. Compliance with the terms of this Permit does not constitute a defense to any action brought under Sections 3013, 3008(a) or (h) or 7003 of RCRA (42 U.S.C. Sections 6934, 6928(a) or (h), 6973), Sections 106(a), 104, 107 and/or 122 of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA") of 1980 (42 U.S.C. Section 9601 et. seq.), as amended, or any other law and corresponding regulations governing protection of public health and the environment. (See 40 C.F.R. § 270.4).
- B. PERMIT ACTIONS. This Permit may be modified, revoked and reissued, or terminated for cause as specified in 40 C.F.R. §§ 270.41, 270.42 and 270.43. The filing of a request for a permit modification, revocation and reissuance, termination the notification of planned changes or anticipated noncompliance on the part of the Permittee does not stay the applicability or enforceability of any condition of this Permit. Review of any application for a permit renewal shall consider improvements in the state of control and measurement technology, as well as changes in applicable regulations.
- C. PERMIT CONDITIONS. Pursuant to Section 3005(c)(3) of RCRA, 42 U.S.C. Section 6925(c)(3), (Section 212 of HSWA), promulgated as regulation 40 C.F.R. § 270.32(b), this Permit contains those terms and conditions the Division Director determines necessary to protect human health and the environment. If not otherwise specified or referenced in this Permit, all the requirements of 40 C.F.R. §§ 270.31, 270.32 and 270.33 are hereby incorporated into this Permit by reference.
- D. PERMIT SUBMITTALS.
1. Effect of Permit. All plans, reports and schedules required by the terms of this Permit are, upon approval by EPA, except as otherwise noted in this Permit where approval is not required, incorporated by reference into this Permit. Upon incorporation, the provisions of

each such document shall be binding upon Permittee and have the same legal force and effect as the requirements of this Permit.

2. Submittal Modifications. Permittee shall submit plans and reports required by this Permit to EPA for review and comment. Unless otherwise specified, EPA shall review any plan, report, specification or schedule submitted pursuant to, or required by this Permit, and provide its written approval/disapproval, comments and/or modifications to the Permittee. Unless otherwise specified by EPA, the Permittee shall submit a revised proposal within thirty (30) calendar days of its receipt of EPA's written comments and/or modifications. Any such revised proposal submitted by the Permittee shall incorporate EPA's comments and/or modifications. EPA will then approve the revised proposal or modify the proposal and approve it with any such modifications. The revised proposal, as approved by EPA, shall become final. All final approvals shall be given to the Permittee in writing.

E. SEVERABILITY. The provisions of this Permit are severable, and if any provision of this Permit or the application of any provision of this Permit to any circumstance is stayed or held invalid, the application of such provision to other circumstances and the remainder of this Permit shall not be affected thereby (40 C.F.R. § 124.16(a)).

F. DUTIES AND REQUIREMENTS.

1. Duty to Comply. The Permittee shall comply with all conditions of this Permit, except that the Permittee need not comply with the conditions of this Permit to the extent and for the duration such noncompliance is authorized in an emergency permit (see 40 C.F.R. § 270.61). Any noncompliance with this Permit, except under the terms of an emergency permit, constitutes a violation and is grounds for: 1) an enforcement action; 2) permit termination, revocation and reissuance, modification; and/or 3) denial of a permit renewal application.
2. Duty to Reapply. If the Permittee wishes to continue an activity regulated by this Permit after the expiration date of this Permit, the Permittee shall submit a complete application for a new permit at least one hundred and eighty (180) days before this Permit expires, unless the Division Director grants permission for a later date which is not later than the expiration date of the existing permit. (See 40 C.F.R. § 270.10(h))

3. Permit Expiration and Continuation. This Permit will be in effect for the time period stated above, which must not exceed ten (10) years. Each permit for a land disposal facility shall be reviewed by the Division Director five (5) years after the date of permit issuance or reissuance and shall be modified as necessary, as provided in 40 C.F.R. §§ 270.41 and 270.50. However, as set forth in 40 C.F.R. § 270.51, as long as EPA is the permit issuing authority, this Permit and all conditions herein will remain in effect beyond this Permit's expiration date if the Permittee has submitted a timely, complete application (40 C.F.R. §§ 270.13 through 270.23 and 270.10) and through no fault of the Permittee, the Division Director has not issued a new permit as set forth in 40 C.F.R. § 124.15.

If the State, at the time of permit renewal, has received permitting authority under 40 C.F.R. Part 271 for all or some of those provisions contained in this Permit, and if the Permittee has submitted a timely and complete application under State law and regulations, the terms and conditions of this Permit continue in force beyond the expiration date of the Permit, but only until the effective date of the State's issuance or denial of a State permit which includes those authorized measures. 40 C.F.R. § 270.51(d).

4. Need to Halt or Reduce Activity Not a Defense. It shall not be a defense for the Permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this Permit.
5. Duty to Mitigate. In the event of noncompliance with this Permit, the Permittee shall take all reasonable steps to minimize releases to the environment, and shall carry out such measures as are reasonable to prevent significant adverse impacts on human health or the environment.
6. Proper Operation and Maintenance. The Permittee shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the Permittee to achieve compliance with the conditions of this Permit. Proper operation and maintenance includes effective performance, adequate funding, adequate operator staffing and training, and adequate laboratory and process controls, including appropriate quality assurance procedures. This provision requires the operation of back-up or auxiliary facilities or

similar systems only when necessary to achieve compliance with the conditions of this Permit.

7. Duty to Provide Information. The Permittee shall furnish to the Division Director, within a reasonable time, any relevant information which the Division Director may request to determine whether cause exists for modifying, revoking and reissuing, or terminating this Permit, or to determine compliance with this Permit. The Permittee shall also furnish to the Division Director, upon request, copies of records required to be kept by this Permit. (See 40 C.F.R. § 264.74(a)).
8. Inspection and Entry. The Permittee shall allow the Division Director, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to:
  - (a) Enter at reasonable times upon the Permittee's premises where a regulated facility or activity is located or conducted, or where records must be kept under the conditions of this Permit;
  - (b) Have access to and copy, at reasonable times, any records that must be kept under the conditions of this Permit;
  - (c) Inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this Permit; and
  - (d) Sample or monitor, at reasonable times, for the purposes of assuring compliance with this Permit or as otherwise authorized, any substances or parameters at any location. (See 42 U.S.C. § 3007(a) and 40 C.F.R. § 264.74(a)).
9. Monitoring and Records.
  - (a) Representativeness of Samples and Measurements. Samples and measurements taken for the purpose of monitoring all media shall be representative of the monitored activity. The method used to obtain a representative sample of the waste or environmental media to be analyzed must be the appropriate method from Appendix I of 40 C.F.R. Part 261 or an equivalent method approved by the Division Director (40 C.F.R. § 261.20(c)).

The laboratory methods to analyze the samples must be those specified in Test Methods for Evaluating Solid Waste: Physical/Chemical Methods (EPA Publication SW-846, as amended), or an equivalent method approved by the Division Director. (See 40 C.F.R. § 270.6.)

- (b) Quality Assurance Program. The Permittee shall conduct a quality assurance program to ensure that the monitoring data are technically accurate and statistically valid. The quality assurance program shall be in accordance with Test Methods for Evaluating Solid Waste: Physical/Chemical Methods (EPA Publication SW-846, as amended) or other methods approved by the Division Director and other requirements specified in this Permit and approved by EPA. (See 40 C.F.R. § 270.6)
- (c) Minimum QA/QC Submittals. The minimum Quality Assurance/Quality Control data and information shall be delivered with all sample analyses.
- (d) Retention of Records. The Permittee shall retain, for the effective term of this Permit, all records and data used to complete the application for this Permit.

The Permittee shall also retain records from all groundwater monitoring wells and associated groundwater surface elevations, for the active life of the facility, and for land disposal facilities, for the post-closure care period as well.

In addition the Permittee shall also retain records of all other media monitoring, if required, including calibration and maintenance records and all original strip chart recordings for continuous air monitoring instrumentation, copies of all reports and records required by this Permit, and the certification required by 40 C.F.R. § 264.73(b)(9), for the life of the facility and/or post-closure care period.

Furthermore, the retention period for all records required under this Condition, I.F.9.(d), is extended automatically during the course of any unresolved enforcement action regarding the facility or as requested by the Division Director (40 C.F.R. § 264.74(b)).

(e) Contents of Monitoring Records. Records for monitoring information shall include:

- (i) The date, exact place, and time of sampling or measurements;
- (ii) The individual(s) who performed the sampling or measurements;
- (iii) The date(s) analyses were performed;
- (iv) The sampling techniques or methods used;
- (v) The analytical techniques or methods used; and
- (vi) The results of such analyses.

(f) Monitoring Reports. Monitoring results must be reported at the intervals specified elsewhere in this Permit.

10. Reporting Planned Changes. The Permittee shall give written notice to the Division Director as soon as possible of any planned physical alterations or additions to the permitted facility.
11. Anticipated Noncompliance. The Permittee shall give advance written notice to the Division Director of any planned changes in the permitted facility or activity which may result in noncompliance with this Permit's requirements. This notice must include a description of all incidents of noncompliance reasonably expected to result from the proposed changes.
12. Transfer of Permit. This Permit is not transferable to any person unless written notice has been given to the Division Director and this Permit has been modified, or revoked and reissued, or a minor modification made to identify the new permittee and to incorporate such other requirements as may be necessary. (See 40 C.F.R. § 270.40).
13. Compliance Schedules. Reports of compliance or noncompliance with interim and/or final requirements contained in any compliance schedule of this Permit shall be submitted no later than fourteen (14) calendar days following each schedule date. 40 C.F.R. § 270.33.

14. Immediate Reporting of Releases.

- (a) Whenever there is an imminent or actual emergency situation, the emergency coordinator as designated in the contingency plan (or a designee when the emergency coordinator is on call) must immediately:
- (i) Activate internal facility alarms or communication systems, where applicable, to notify all facility personnel; and
  - (ii) Notify appropriate State or local agencies with designated response roles if their help is needed (40 C.F.R. § 264.56(a)(1) and (2)).
- (b) If the emergency coordinator determines that the facility has had a release, fire, or explosion which could threaten human health or the environment outside the facility, the coordinator must report the findings as follows:
- (i) If the coordinator's assessment (or the designee's) indicates that evacuation of local areas may be advisable, s/he must immediately notify appropriate local authorities. They must be available to help appropriate officials decide whether local areas should be evacuated; and
  - (ii) The coordinator (or the designee) must immediately notify either the government official designated as the on-scene coordinator for that geographical area in the applicable regional contingency plan or the National Response Center (using their 24-hour toll free number 800/424-8802). The report must include:
    - (1) Name and telephone number of reporter;
    - (2) Name and address of facility;
    - (3) Time and type of incident (e.g., release, fire);
    - (4) Name and quantity of material(s) involved, to the extent known;
    - (5) The extent of injuries, if any; and

- (6) The possible hazards to human health, or the environment, outside the facility (40 C.F.R. § 264.56(d)).

15. Twenty-four Hour Reporting.

- (a) The Permittee shall orally report to the Division Director any noncompliance with this Permit which may endanger health or the environment within 24 hours from the time the Permittee becomes aware of the circumstances, including:
- (i) Information concerning the release of any hazardous waste or hazardous constituent, that may cause an endangerment to public drinking water supply sources;
  - (ii) Any information of a release or discharge of hazardous waste or hazardous constituent, or a fire or explosion at the facility, which could threaten the environment or human health outside the facility. The description of the occurrence and its cause shall include:
    - (1) Name, address, and telephone number of the owner or operator;
    - (2) Name, address, and telephone number of the facility;
    - (3) Date, time, and type of incident;
    - (4) Name and quantity of material(s) involved;
    - (5) The extent of injuries, if any;
    - (6) An assessment of actual or potential hazards to the environment and human health outside the facility, where this is applicable; and
    - (7) Estimated quantity and disposition of recovered material that resulted from the incident.
- (b) A written submission shall also be provided to the Division Director within five (5) calendar days of the time the Permittee becomes aware of the

circumstances. The written submission shall contain a description of the noncompliance and its cause; the period of noncompliance including exact dates and times; and if the noncompliance has not been corrected, the anticipated time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent reoccurrence of the noncompliance. The Permittee need not comply with the 5-day written notice requirement if the Division Director waives that requirement in favor of a written report within fifteen (15) calendar days of the time the Permittee becomes aware of the circumstances.

16. Additional Noncompliance Reporting. The Permittee shall report all instances of noncompliance not required to be reported under Module I, Conditions F.13 or F.15. Such additional noncompliance shall be reported in writing, at the time monitoring and noncompliance reports are submitted. The reports shall contain the information listed in Module I, Condition F.15, and all other relevant information.

17. Other Information. Whenever the Permittee becomes aware that it failed to submit any relevant facts in the permit application, or submitted incorrect information in a permit application or in any report to the Regional Administrator, the Permittee shall promptly submit such new or correct facts or information to the Division Director.

G. DOCUMENTS TO BE MAINTAINED AT THE FACILITY. The Permittee shall maintain at the facility, in one central location, all documents required by this Permit, and amendments, revisions and modifications to these documents.

H. REPORTS, NOTIFICATIONS AND SUBMISSIONS TO THE DIVISION DIRECTOR. All reports, notifications or other submittals required by this Permit are to be submitted to the Division Director unless otherwise directed in this Permit and sent certified mail or given to:

United States Environmental Protection Agency  
Division of Environmental Planning and Protection  
RCRA Programs Branch  
Region 2  
290 Broadway  
New York, New York 10007-1866

Copies shall also be sent to the following addresses:

One (1) copy:

United States Environmental Protection Agency  
Region 2  
RCRA Records Department  
15th Floor  
290 Broadway  
New York, New York 10007-1866

Two (2) copies:

New York State Department of Environmental Conservation  
Division of Solid and Hazardous Materials  
Director, Bureau of Material Storage, Combustion  
and Regulation  
50 Wolf Road  
Albany, New York 12233-7251

One (1) copy:

New York State Department of Environmental Conservation  
Division of Hazardous Substances Regulation  
Region 3  
21 South Putt Corners Road  
New Paltz, New York 12561

- I. SIGNATORY REQUIREMENTS. All reports, or information submitted to the Division Director shall be signed and certified in accordance with 40 C.F.R. § 270.11.
- J. CONFIDENTIAL INFORMATION. The Permittee may claim confidential any information required to be submitted by this Permit in accordance with 40 C.F.R. § 270.12 and 40 C.F.R. Part 2, Subpart B.
- K. PERMIT MODIFICATION. This Permit may be modified as allowed under 40 C.F.R. §§ 270.41 and 270.42. Modifications to this Permit may be made by the Division Director for cause in accordance with 40 C.F.R. 270.41. Modifications to this Permit shall also be requested by the Permittee as required by 40 C.F.R. § 270.42.
- L. DEFINITIONS. For the purpose of this Permit, terms used herein shall have the same meaning as those set forth in 40 C.F.R. Parts 260 through 270, unless this Permit specifically states otherwise; where terms are not otherwise defined, the meaning associated with such terms shall be defined by a standard dictionary reference or the generally accepted scientific or industrial meaning of the term.

1. Division Director. The Director of the Division of Environmental Planning and Protection, United States Environmental Protection Agency Region 2, her designee or authorized representative.
2. EPA. The United States Environmental Protection Agency and, for the purposes of the RCRA permit, the New York State Department of Environmental Conservation ("NYSDEC") in those instances where New York is or will be authorized by EPA to act in lieu of EPA.
3. Facility. For the purposes of implementing this permit, "Facility" means all contiguous property under the control of the owner or operator seeking a permit under Subtitle C of RCRA. A facility may consist of several treatment, storage, or disposal operational units (e.g., one or more landfills, surface impoundments or combination of them).
4. Hazardous Constituents. Those constituents identified in Appendix VIII of 40 C.F.R. Part 261, or any constituent identified in Appendix IX of 40 C.F.R. Part 264.
5. Hazardous Waste. Hazardous waste means a solid waste, or combination of solid wastes, which because of its quantity, concentration, or physical, chemical, or infectious characteristics may cause, or significantly contribute to, an increase in mortality or an increase in serious irreversible, or incapacitating reversible illness; or pose a substantial present or potential hazard to human health or the environment when improperly treated, stored, transported, or disposed of, or otherwise managed. The term hazardous waste includes hazardous constituents as defined above and hazardous waste listed and identified in 40 C.F.R. § 261.3.
6. Release. For purposes of this Permit release includes, but is not limited to, any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment of any hazardous waste, or hazardous constituent, unless expressly authorized under the terms of this Permit.

M. DISPUTE RESOLUTION.

- (1) The Permittee shall use its best efforts in good faith to resolve informally all disputes or differences of opinion, which may arise in connection with this Permit. Such informal

dispute resolution may include meeting with EPA staff, written submissions of information or relevant arguments and other oral or written exchange of views between Permittee and EPA staff.

- (2) If dispute(s) arise which cannot be resolved informally as described in (1), immediately above, the procedures set forth in this subparagraph shall be followed by the Permittee in formally obtaining resolution. The Permittee shall notify the Director, Division of Environmental Planning and Protection EPA Region 2 ("Director") in writing of any such dispute(s). Within thirty (30) calendar days of such notification, the Permittee shall have the right to submit a written statement to the Director, which shall set forth the Permittee's specific points of contention, the Permittee's argument and evidence, and any additional material that the Permittee considers necessary or relevant for a proper determination of the matter. Efforts to resolve the dispute(s) informally may continue between the Permittee and EPA staff subsequent to the Permittee's written submission to the Director.

If the dispute(s) cannot be resolved informally within sixty (60) calendar days of the receipt of Permittee's written submission to the Director, the Director will provide Permittee a final decision in writing on the dispute(s), which decision shall set forth the Director's reasons for the decision. The Director's decision shall be the resolution of the dispute(s), shall be incorporated into the Permit and shall be implemented by the Permittee.

- (3) For purposes of this subsection, (Module I. M.) the term "Director, Division of Environmental Planning and Protection EPA Region 2," shall mean only the Director of the Division or anyone formally acting in the Director's absence.
- (4) EPA will extend the schedule for performing any elements of work materially affected by the good faith invocation of the dispute resolution process pursuant to this subsection (Module I. M.).

## MODULE II - FACILITY DESCRIPTION

The New York Power Authority-Indian Point No. 3 Nuclear Power Plant (IP-3) is a nuclear power plant which produces electricity. IP-3 was constructed in the mid-1970's and is located in the Village of Buchanan, Westchester County, New York. The facility's property encompasses approximately 75 acres on the eastern shore of the Hudson River. IP-3 is an electrical generating plant which uses a pressurized water reactor to heat water to produce steam. The steam powers a turbine, which in turn drives a generator to make electricity.

The wastes generated at IP-3, primarily from producing electricity, are both hazardous and mixed waste (i.e., mixed waste containing both radioactive and hazardous constituents). IP-3 will operate three separate mixed waste container storage areas. The Mixed Waste Storage Building will have a maximum mixed waste container storage capacity of 7,000 gallons. The Mixed Waste Storage Shed No. 1 and No. 2 will each have a maximum mixed waste container storage capacity of 770 gallons. These mixed waste container storage areas may store spent solvents, ignitable wastes, corrosive wastes, and Toxicity Characteristic wastes. The HSWA permit specifically authorizes the container storage of Toxicity Characteristic wastes.

The HSWA permit, in conjunction with the 6 NYCRR Part 373 Permit issued by the New York State Department of Environmental Conservation (NYSDEC), constitutes the RCRA permit for this facility. The HSWA Permit requires the Permittee to comply with the federal requirements for waste minimization, land disposal restrictions, air emission standards, and the management of Toxicity Characteristic wastes in containers. This Permit does not authorize IP-3 to treat or dispose of any hazardous or mixed waste on-site.

## MODULE III - BOILERS AND INDUSTRIAL FURNACES

### A. BACKGROUND.

Under the authority of Section 3004 of the 1984 Hazardous and Solid Waste Amendments (HSWA) to the Resource Conservation and Recovery Act (RCRA), on February 21, 1991, EPA promulgated controls on hazardous waste combustion to regulate air emissions from the burning of hazardous waste in boilers and industrial furnaces. These standards became effective August 21, 1991.

### B. COMPLIANCE REQUIREMENTS.

As of the effective date of this permit, the facility does not operate a boiler or industrial furnace that is subject to EPA requirements. The EPA requirements for such boilers and industrial furnaces are set forth in 40 C.F.R. Part 266; additional EPA regulations that apply to such boilers and industrial furnaces are found in 40 C.F.R. Parts 260, 261, 264, 265, 270, and 271. A summary and discussion of the final rule relating to boilers and industrial furnaces is contained in 56 Federal Register 35, p. 7134, February 21, 1991.

### C. ADDITION OF BOILER(S) AND INDUSTRIAL FURNACE(S).

If the Permittee seeks to add a boiler(s) or industrial furnace(s) to the facility, the Permittee must comply with the permit modification procedures as set forth in 40 C.F.R. § 270.42(g) and the substantive permitting requirements of 40 C.F.R. § 270.66. The Permittee shall be permitted to continue to manage wastes otherwise authorized by this permit if it submits a permit modification request to EPA for such boiler(s) and industrial furnace(s) pursuant to 40 C.F.R. § 270.42(g) on or before such unit(s) become subject to EPA regulation.

## MODULE IV - WASTE MINIMIZATION

### A. SUBMITTAL REQUIREMENTS.

The Permittee shall submit to the Division Director a Hazardous Waste Reduction Plan (HWRP) that describes the technical and administrative procedures addressed below.

### B. HAZARDOUS WASTE REDUCTION PLAN.

The Permittee shall submit a HWRP and all accompanying documentation by July 1 of each year after the effective date of the Permit. The HWRP shall be updated at least biennially to reflect changes in the HWRP, and submitted by July 1 of that year. The HWRP shall include at a minimum, the following information:

- (1) Identify amounts and types of all acute hazardous waste generated by waste stream.
- (2) Identify amounts and types of non-acute hazardous waste by waste stream for streams greater than five (5) tons and,
- (3) Identify at least 90% of all non-acute hazardous waste generated at the facility.
- (4) Describe source of generation and waste management method for each acute and non-acute waste stream.
- (5) Provide a list of technically feasible and economically practicable waste reduction measures, and,
- (6) Provide a program plan and schedule for implementing technically feasible and economically practicable waste reduction over time.

The following guidance documents should be used in developing the HWRP:

Waste Minimization Opportunity Assessment Manual,  
EPA/625/7-88/003, July 1988. Available through: EPA,  
Office of Research and Development, Cincinnati, Ohio  
45268, tel. (513) 569-7562 or NTIS, 5285 Port Royal  
Road, Springfield, VA 22161, tel. (703) 487-4600.

Region 2 HWRP Requirements.  
Available through EPA Region 2, RCRA Programs Branch,  
Raymond Basso, tel. (212) 637-4109.

The following waste reduction guidances, the New York State Waste Reduction Guidance Manual, March 1989, and the New York State Waste Reduction Guidance Manual Supplement, January 1992, are available through the New York State Department of Environmental Conservation, Bureau of Pollution Prevention, 50 Wolf Road, Albany, New York 12233-8010, telephone (518) 457-7267.

C. RELATIONSHIP TO NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION REQUIREMENTS.

Submittal to EPA of a complete HWRP, as required by Article 27, Title 9, Section 27-0908 of the New York State Environmental Conservation Law, shall be considered as compliance with conditions A and B above.

D. IMPLEMENTATION OF WASTE REDUCTION TECHNIQUES.

The Permittee shall implement the feasible waste reduction techniques in accordance with the schedule in the HWRP.

## MODULE V - LAND DISPOSAL RESTRICTIONS

### A. BACKGROUND.

HSWA prohibits the continued land disposal of untreated hazardous wastes beyond specified dates, "unless the Administrator determines that the prohibition ... is not required in order to protect human health and the environment for as long as the wastes remain hazardous..." (RCRA Sections 3004(d)(1), (e)(1), (g)(5), 42 U.S.C. § 6924(d)(1), (e)(1), (g)(5)).

Pursuant to 40 C.F.R. § 264.13(a)(1), before an owner or operator treats, stores, or disposes of any hazardous waste, he must obtain a detailed chemical and physical analysis of a representative sample of the waste. At a minimum, this analysis must contain all the information which must be known to treat, store or dispose of the waste in accordance with the requirements of 40 C.F.R. Parts 264 and 268 or with the conditions of a permit issued under 40 C.F.R. Parts 270 and 124.

The Permittee shall comply with the waste analysis, notification, certification, and recordkeeping requirements of 40 C.F.R. § 268.7 whenever generating, treating, or managing a restricted waste.

### B. STORAGE OF RESTRICTED WASTES.

The Permittee may store such wastes to which the land disposal prohibition applies for up to one year unless the Agency can demonstrate that such storage was not solely for the purpose of accumulation of such quantities of hazardous waste as are necessary to facilitate proper recovery, treatment, or disposal. (40 C.F.R. § 268.50(b))

The Permittee may store wastes to which the land disposal prohibition applies beyond one year; however, the Permittee bears the burden of proving that such storage was solely for the purpose of accumulation of such quantities of hazardous waste as are necessary to facilitate proper recovery, treatment, or disposal. (40 C.F.R. § 268.50(c))

### C. LAND DISPOSAL OF RESTRICTED WASTES.

The land disposal of restricted waste is prohibited unless the applicable treatment standard is met, or the waste is exempt under 40 C.F.R. § 268.1(c).

D. RESTRICTION DATES.

The above-cited regulations are effective for any hazardous wastes subject to Land Disposal Restrictions (LDR) for which the New York State Department of Environmental Conservation (NYSDEC) was not authorized as of May 22, 1992.

The Permittee is required to comply with the restrictions and applicable dates which are specified in 40 C.F.R. Part 268 for all hazardous waste regulated under this Permit and the NYSDEC 6 NYCRR 373 Permit.

## MODULE VI - MINIMUM TECHNOLOGY STANDARDS

### A. BACKGROUND.

In accordance with Sections 1003, 3005(c)(3), 3005(j)(1), and 3015 of RCRA, as amended by HSWA, all land disposal units must comply with the Minimum Technology Standards of RCRA for adequately designed liners, leachate collection systems, and cover systems.

### B. COMPLIANCE REQUIREMENTS.

At present, the Permittee is not authorized to manage hazardous waste in a land disposal unit. EPA requirements for such units are set forth in 40 C.F.R. Part 264, Subpart K (Surface Impoundments), Subpart L (Waste Piles), and Subpart N (Landfills), as applicable. Certain of these and other applicable regulations impose requirements for which the New York State Department of Environmental Conservation (NYSDEC) was not authorized as of May 22, 1992.

### C. ADDITION OF LAND DISPOSAL UNITS AND FUTURE REQUIREMENTS.

If the Permittee seeks to add a land disposal unit or units to the facility, the Permittee must comply with the permit modification procedures set forth at 40 C.F.R. § 270.42. The Permittee shall comply with all applicable, presently-existing requirements, as well as any future such requirements, for which NYSDEC is not authorized.

## MODULE VII - ORGANIC AIR EMISSION STANDARDS

### A. ORGANIC AIR EMISSION STANDARDS FOR PROCESS VENTS AND EQUIPMENT LEAKS (40 C.F.R. Part 264, SUBPARTS AA AND BB)

**Background:** Under the authority of Section 3004(n) of the 1984 Hazardous and Solid Waste Amendments (HSWA) to the Resource Conservation and Recovery Act (RCRA), on June 21, 1990, EPA promulgated standards for the monitoring and control of organic air emissions from hazardous waste treatment, storage and disposal facilities requiring a permit under Subtitle C of RCRA. These standards became effective on December 21, 1990. A summary and discussion of the final rule relating to the Organic Air Emission Standards for Process Vents and Equipment Leaks is contained in 55 Fed. Reg. 25454 (June 21, 1990).

**Compliance:** In the event that the Permittee's regulated storage activities change to include the storage of organic hazardous wastes, the Permittee shall seek modification of this permit to include approval of such storage in accordance with 40 C.F.R. § 270.42. Any such request for modification shall demonstrate compliance with 40 C.F.R. Part 264, Subpart AA (Air Emission Standards for Process Vents) and Subpart BB (Air Emission Standards for Equipment Leaks), as applicable to the Permittee's activities.

### B. NOTIFICATION OF REGULATED ACTIVITY.

The Permittee shall notify the Division Director of any waste management units which will become subject to the requirements of 40 C.F.R. Part 264, Subpart AA, Subpart BB, and 40 C.F.R. Part 265, Subpart CC no less than sixty (60) days prior to the commencement of the regulated activity.

### C. DUTY TO COMPLY WITH FUTURE REQUIREMENTS.

The Permittee shall comply with all self-implementing provisions of any future air regulations promulgated under the provisions of Section 3004(n) of RCRA, as amended by HSWA, and shall submit supporting documentation to the Division Director demonstrating compliance with such regulations within thirty (30) days of the effective date of such regulations, as applicable.

**MODULE VIII - STORAGE OF TOXICITY CHARACTERISTIC MIXED WASTE  
IN CONTAINERS**

**A. DEFINITIONS:**

1. Mixed Wastes. Mixed wastes are wastes that contain both a hazardous waste component regulated under Subtitle C of RCRA (either listed as a hazardous waste in Subpart D of 40 C.F.R. Part 261 or exhibits any of the hazardous waste characteristics identified in Subpart C of 40 C.F.R. Part 261), and a radioactive component consisting of a source, special nuclear, or byproduct material regulated under the Atomic Energy Act ("AEA"). 42 U.S.C. § 6903(41); see also 60 Fed. Reg. 40,204 (August 7, 1995), 53 Fed. Reg. 37,045 (Sept. 23, 1988), and 51 Fed. Reg. 24,504 (July 3, 1986).
2. Toxicity Characteristic (TC) wastes. TC wastes are solid wastes which exhibit the characteristic of toxicity as identified through the Toxicity Characteristic Leaching Procedure ("TCLP") specified in 40 C.F.R. § 261.24 (revised as of July 1, 1995).

**B. AUTHORIZED STORAGE AREA, WASTE TYPES AND STORAGE VOLUME.**

1. The Permittee may store the following on-site generated Toxicity Characteristic mixed waste in containers at the facility, subject to the terms of this Permit:

STORAGE AREA	CAPACITY (GAL)	EPA HAZARDOUS WASTE CODES <sup>1</sup>
Mixed Waste Storage Building	7,000 <sup>2</sup>	D004 to D043.
Mixed Waste Storage Shed No. 1	770 <sup>3</sup>	D004 to D043.
Mixed Waste Storage Shed No. 2	770 <sup>4</sup>	D004 to D043.

<sup>1</sup> The Mixed Waste Storage Building, the Mixed Waste Storage Shed No. 1, and the Mixed Waste Storage Shed No. 2 are also permitted to store the waste stipulated in Module VI of the 6 NYCRR Part 373 Permit.

<sup>2</sup> The total amount of waste in the Mixed Waste Storage Building shall not exceed 7,000 gallons for the combined waste streams stipulated in this Module and Module VI of the 6 NYCRR Part 373 Permit.

- 3 The total amount of waste in the Mixed Waste Storage Shed No. 1 shall not exceed 770 gallons for the combined waste streams stipulated in this Module and Module VI of the 6 NYCRR Part 373 Permit.
  - 4 The total amount of waste in the Mixed Waste Storage Shed No. 2 shall not exceed 770 gallons for the combined waste streams stipulated in this Module and Module VI of the 6 NYCRR Part 373 Permit.
2. The Permittee is not authorized to add additional hazardous waste to the container storage areas or to store hazardous wastes that are not identified herein, without a permit modification.
  3. The Permittee is not authorized to exceed the hazardous waste storage limits for the container storage areas set forth above without a permit modification. The Permittee is not authorized to dispose or treat any hazardous waste on-site.
  4. The Permittee shall comply with all applicable hazardous waste regulations governing the storage of TC mixed waste in containers unless the regulatory requirement and/or permit condition is perceived by the Permittee as inconsistent or conflicting with the requirements of the AEA. The Permittee shall notify EPA, in writing, within twenty (20) days of discovery of any such perceived inconsistency or conflict. The Permittee's failure to comply with a regulatory requirement or permit condition as the result of an erroneous perception of inconsistency or conflict may form the basis of an EPA enforcement action.

C. CONTAINMENT.

The Permittee shall maintain the containment systems in accordance with the requirements of 40 C.F.R. § 264.175 and as specified in Section D (Process Information) of the 6 NYCRR Part 373 Permit.

D. CONDITION OF CONTAINERS.

If a container holding TC mixed waste is in poor condition (e.g., severe rusting, apparent structural defects, deterioration of liner) or if it begins to leak, the Permittee shall transfer the TC mixed waste from such container to a container that is in good condition or otherwise manage the waste in compliance with the conditions of this Permit, and as required by 40 C.F.R. § 264.171. Each such occurrence shall be recorded in the inspection log and maintained as part of the operating record. If any

leaking container threatens human health or the environment, it must be reported as specified in Module I, Condition F.14 and/or F.15, as appropriate.

E. COMPATIBILITY OF WASTE WITH CONTAINERS.

The Permittee shall assure that the ability of the container to contain or store the waste is not impaired, as required by 40 C.F.R. § 264.172 and in accordance with Section C (Waste Analysis Plan) and Section D (Process Information) of the 6 NYCRR Part 373 Permit.

F. MANAGEMENT OF CONTAINERS.

The Permittee shall manage containers as required by 40 C.F.R. § 264.173.

G. SPECIAL REQUIREMENTS FOR IGNITABLE OR REACTIVE WASTE.

The Permittee shall locate containers holding ignitable (D001) or reactive (D003) TC mixed waste at least 15 meters (50 feet) from the facility's property line as required by 40 C.F.R. § 264.176.

H. SPECIAL REQUIREMENTS FOR INCOMPATIBLE WASTE.

1. The Permittee shall not place incompatible wastes or materials in the same container.
2. The Permittee shall not place TC mixed waste in an unwashed container that previously held an incompatible waste or material.
3. The Permittee shall separate containers of incompatible wastes as indicated in the attached plans of the 6 NYCRR Part 373 Permit, Section C (Waste Analysis Plan) and Section D (Process Information), and as required by 40 C.F.R. § 264.177.
4. The Permittee shall separate TC mixed waste from any incompatible wastes or other materials stored nearby in container(s), pile(s), open tank(s) or surface impoundments(s), or shall protect the TC mixed waste from contact with such materials by means of a dike, berm, wall, or other such device, as required by 40 C.F.R. § 264.177.

I. INSPECTIONS.

The Permittee shall, at least weekly, inspect areas where containers are stored, looking for leaking containers and for deterioration of containers and the containment system caused by corrosion or other factors, as required by 40 C.F.R. § 264.174 and Section F (Procedures to Prevent Hazards) of the 6 NYCRR Part 373 Permit.

J. CLOSURE.

The Permittee, at closure, shall remove all TC mixed waste and TC mixed waste residues from the containment system. Remaining containers, liners, bases, and soil containing or contaminated with TC mixed waste or TC mixed waste residues must be decontaminated or removed, as required by 40 C.F.R. § 264.178 and Section I (Closure Plan, Post-Closure Plan and Financial Requirements) of the 6 NYCRR Part 373 Permit.

**NYS DEPARTMENT OF ENVIRONMENTAL CONSERVATION  
RCRA PERMIT**

DEC PERMIT NUMBER 3-5522-00105/8
FACILITY/PROGRAM NUMBER(-) EPA# NYDO85503746



**PERMIT**  
Under the Environmental Conservation Law (ECL)

EFFECTIVE DATE September 9, 1996
EXPIRATION DATE September 9, 2006

## TYPE OF PERMIT (Check All Applicable Boxes)

New     Renewal     Modification     Permit to Construct     Permit to Operate

<input type="checkbox"/> Article 15, Title 5: Protection of Water	<input type="checkbox"/> Article 17, Titles 7, 8: SPDES	<input checked="" type="checkbox"/> Article 27, Title 9; 6NYCRR 373: Hazardous Waste Management
<input type="checkbox"/> Article 15, Title 15: Water Supply	<input type="checkbox"/> Article 19: Air Pollution Control	<input type="checkbox"/> Article 34: Coastal Erosion Management
<input type="checkbox"/> Article 15, Title 15: Water Transport	<input type="checkbox"/> Article 23, Title 27: Mined Land Reclamation	<input type="checkbox"/> Article 36: Floodplain Management
<input type="checkbox"/> Article 15, Title 15: Long Island Wells	<input type="checkbox"/> Article 24: Freshwater Wetlands	<input type="checkbox"/> Articles 1, 3, 17, 19, 27, 37: 6NYCRR 380: Radiation Control
<input type="checkbox"/> Article 15, Title 27: Wild, Scenic & Recreational Rivers	<input type="checkbox"/> Article 25: Tidal Wetlands	<input type="checkbox"/> Other _____
<input type="checkbox"/> 6NYCRR 608: Water Quality Certification	<input type="checkbox"/> Article 27, Title 7; 6NYCRR 360: Solid Waste Management	

PERMIT ISSUED TO New York Power Authority		TELEPHONE NUMBER (914) 681-6200
ADDRESS OF PERMITTEE 123 Main Street White Plains NY 10601		
CONTACT PERSON FOR PERMITTED WORK Dennis Quinn		TELEPHONE NUMBER (914) 736-8401
NAME AND ADDRESS OF PROJECT/FACILITY Indian Point 3 Nuclear Power Plant Broadway & Bleakley Avenue Buchanan NY 10511		
LOCATION OF PROJECT/FACILITY Buchanan NY		
COUNTY Westchester	TOWN Buchanan	WATERCOURSE/WETLAND NO. NYTM COORDINATES E:    N: 4
DESCRIPTION OF AUTHORIZED ACTIVITY Permit to operate a hazardous waste storage facility which includes; two (2) prefabricated storage buildings with a maximum capacity of 770 gallons in each and one (1) indoor hazardous waste storage area with a maximum capacity of 7,000 gallons of drummed waste and 3 - 133 ft. <sup>3</sup> overpack drums. Module VI of this permit lists the types of spent solvents authorized for storage.		

By acceptance of this permit, the permittee agrees that the permit is contingent upon strict compliance with the ECL, all applicable regulations, the General Conditions specified and any Special Conditions included as part of this permit.

DEPUTY PERMIT ADMINISTRATOR Michael D. Merriman	ADDRESS 21 South Putt Corners Rd., New Paltz NY 12561	MDM
AUTHORIZED SIGNATURE <i>Michael D. Merriman</i>	Date September 9, 1996	Page 1 of 3

**NEW YORK STATE ENVIRONMENTAL CONSERVATION  
GENERAL CONDITIONS**

**Inspections**

1. The permitted site or facility, including relevant records, is subject to inspection at reasonable hours and intervals by an authorized representative of the Department of Environmental Conservation (the Department) to determine whether the permittee is complying with this permit and the ECL. Such representative may order the work suspended pursuant to ECL 71-0301 and SAPA 401(3). A copy of this permit, including all referenced maps, drawings and special conditions, must be available for inspection by the Department at all times at the project site. Failure to produce a copy of the permit upon request by a Department representative is in violation of this permit.

**Permit Changes and Renewals**

2. The Department reserves the right to modify, suspend or revoke this permit when:
  - a) the scope of the permitted activity is exceeded or a violation of any condition of the permit or provisions of the ECL and pertinent regulations is found;
  - b) the permit was obtained by misrepresentation or failure to disclose relevant facts;
  - c) new material information is discovered; or
  - d) environmental conditions, relevant technology, or applicable law or regulation have materially changed since the permit was issued.
3. The permittee must submit a separate written application to the Department for renewal, modification or transfer to this permit. Such application must include any forms, fees or supplemental information the Department requires. Any renewal, modification or transfer granted by the Department must be in writing.
4. The permittee must submit a renewal application at least:
  - a) 180 days before expiration of permits for State Pollutant Discharge Elimination System (SPDES), Hazardous Waste Management Facilities (HWMF), major Air Pollution Control (APC) and Solid Waste Management Facilities (SWMF); and
  - b) 30 days before expiration of all other permit types.
5. Unless expressly provided for by the Department, issuance of this permit does not modify, supersede or rescind any order or determination previously issued by the Department or any of the terms, conditions or requirements contained in such order or determination.

**Other Legal Obligations of Permittee**

6. The permittee has accepted expressly, by the execution of the application, the full legal responsibility for all damages, direct or indirect, of whatever nature and by whomever suffered, arising out of the project described in this permit and has agreed to indemnify and save harmless the State from suits, actions, damages and costs of every name and description resulting from this project.
7. This permit does not convey to the permittee any right to trespass upon the lands or interfere with the riparian rights of others in order to perform the permitted work nor does it authorize the impairment of any rights, title, or interest in real or personal property held or vested in a person not a party to the permit.
8. The permittee is responsible for obtaining any other permits, approvals, lands, easements and rights-of-way that may be required for this project.

**STATE ENVIRONMENTAL QUALITY REVIEW**

Under the State Environmental Quality Review Act (SEQR), this project has been determined to be a Type II Action and therefore is not subject to further procedures under this law.

ADDITIONAL GENERAL CONDITIONS FOR ARTICLE 27 ( Title 9, 6 NYCRR Part 373 Haz. Waste Management Permit )

9. All activities authorized by this permit must be in strict conformance with the approved plans submitted by the applicant or his agent as part of the permit application.  
Such approved plans were prepared by New York Power Authority on see below

#### SPECIAL CONDITIONS

- 10) This permit is based on the information submitted by New York Power Authority in their Permit Application dated November 1993 and as modified by subsequent amendments through November 16, 1995. The facility will be operated as specified in the approved Permit Application. Any inaccuracies or incompleteness found in the information may be grounds for the termination or modification of this Permit and potential enforcement action.
- 11) The Permittee must comply with all terms and conditions of this Permit. This Permit consists of the conditions contained herein (including those in any attachments) and the applicable regulations contained in 6NYCRR (parts 370 through 373-2, 376, 621 and 624). The Permittee must inform the Commissioner of any deviation from or changes in the information contained in the Permit Application which would affect the Permittee's ability to comply with the regulations or Permit conditions.
- 12) The Permittee is responsible to verify that the Quality Control/Assurance Program (QA/QC) used by laboratories contracted by the Permittee to carry out analysis of the waste streams conform to the QA/QC procedures approved in this Permit and thus ensure the validity of the analytical data provided by these contract laboratories.
- 13) The Permittee is not authorized to receive any off-site generated wastes unless a proper waste analysis plan is submitted to and approved by the Commissioner.
- 15) The Permittee must operate the facility in strict accordance with the approved Permit Application and the modules below:

Module I	Standard Conditions
Module II	General Facility Conditions
Module III	Corrective Action Requirements
Module IV	Waste Reduction Requirements
Module V	Land Disposal Restrictions
Module VI	Storage in Containers

DEC PERMIT NUMBER  
3-5522-00105/8

PROGRAM/FACILITY NUMBER  
EPA #NYD085503740

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## MODULE I - STANDARD CONDITIONS

### New York Power Authority INDIAN POINT UNIT No. 3 NUCLEAR POWER PLANT

#### A. EFFECT OF PERMIT

The Permittee must comply with all terms and conditions of this permit. This permit consists of the conditions contained herein (including those in any attachments) and the applicable regulations contained in 6 NYCRR Parts 370 through 374, 376, 621 and 624. Applicable regulations are those which are in effect on the date of issuance of this permit.

The Permittee is allowed to store hazardous waste in accordance with the conditions of this permit. Any storage, treatment, or disposal of hazardous waste not authorized in this permit is prohibited unless exempt from 6 NYCRR Part 373. Issuance of this permit does not convey property rights of any sort or any exclusive privilege; nor does it authorize any injury to persons or property, any invasion of other private rights, or any infringement of Federal, State or local laws or regulations. Compliance with the terms of this permit does not constitute a defense to any other law providing for protection of public health or the environment.

#### B. PERMIT ACTIONS

This permit may be modified, revoked, or suspended for cause as specified in 6 NYCRR 621.14. The filing of a request for a permit modification, revocation and reissuance, or suspension; or the notification of planned changes or anticipated noncompliance on the part of the Permittee does not stay the applicability or enforceability of any permit condition.

C. SEVERABILITY

If any provision of this permit or its application to any person or circumstances is held invalid, the remainder of the permit, and the application of such provisions to persons or circumstances, other than those to which is held invalid, will not be affected.

D. DUTIES AND REQUIREMENTS

- (1) Duty to Comply. The Permittee must comply with all conditions of this permit. Any permit noncompliance constitutes a violation of the ECL Article 27, Title 9 and is grounds for enforcement action; permit termination, revocation and reissuance, or modification; or for denial of a permit renewal application.
- (2) Duty to Reapply. If the Permittee wishes to continue an activity regulated by this permit after the expiration date of this Permit, the permittee must apply for and obtain a new permit.
- (3) Need to Halt or Reduce Activity Not a Defense. It will not be a defense for the Permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.
- (4) Duty to Mitigate. In the event of noncompliance with the permit, the Permittee must take all reasonable steps to minimize releases to the environment and must carry out such measurements as are reasonable to prevent significant adverse impacts on human health and the environment.
- (5) Proper Operation and Maintenance. The Permittee must at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the

Permittee to achieve compliance with the conditions of this permit. Proper operation and maintenance includes, effective performance, adequate funding, adequate operator staffing and training, and adequate process and laboratory controls, including appropriate quality assurance procedures. This provision requires the operation of back-up or auxiliary facilities or similar systems only when necessary to achieve compliance with the conditions of this permit.

- (6) Inspection and Entry. The Permittee must allow the Commissioner, or an authorized representative, upon the presentation of identification to:
- (a) Enter at reasonable times upon the Permittee's premises where a regulated facility or activity is located or conducted, or areas subject to corrective action pursuant to Module III of this permit, or where records must be kept under the conditions of this permit;
  - (b) Have access to and copy, at reasonable times, any records that must be kept under the conditions of this permit;
  - (c) Inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this permit; and
  - (d) Sample or monitor, at reasonable times, for the purposes of assuring permit compliance or as otherwise authorized by the ECL, any substances or parameters at any location.
- (7) Duty to Provide Information. The Permittee must furnish to the Commissioner, within a reasonable time, any relevant information which the Commissioner may request to determine whether cause exists for modifying,

suspending, or revoking this permit, or to determine compliance with this permit. The Permittee must also furnish to the Commissioner, upon request, copies of records required to be kept by this permit.

- (8) Twenty-four Hour Reporting. The Permittee must orally report any non-compliance which may endanger human health or the environment within 24 hours from the time the Permittee becomes aware of the circumstances, including:
- (a) Information concerning the release of any hazardous waste or constituent which may cause endangerment to public drinking water supplies.
  - (b) Any information of a release or discharge of hazardous waste or of a fire or explosion at the facility, which could threaten the environment or human health outside the facility.
  - (c) The description of the occurrence and its cause must include:
    - (i) Name, address, and telephone number of the operator;
    - (ii) Name, address, and telephone number of the facility;
    - (iii) Date, time, and type of incident;
    - (iv) Name (chemical and common) and quantity of materials involved;
    - (v) The extent of injuries, if any;
    - (vi) An assessment of actual or potential hazards to the environment and human health outside the facility, where this is applicable; and

- (vii) Estimated quantity and disposition of recovered material that resulted from the incident.

A written submission must also be provided to the Commissioner within 5 days of the time the Permittee becomes aware of the circumstances. The written submission must contain a description of the noncompliance and its cause; the periods of noncompliance (including exact dates and times); whether the noncompliance has been corrected; and if not, the anticipated time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent recurrence of the noncompliance (See Permit Condition D(4) of Module I). The Permittee need not comply with the five day written notice requirement if the Commissioner waives the requirement and the permittee submits a written report within 15 days of the time the permittee becomes aware of the circumstances.

The oral reports required above may be made by contacting the National Response Center 24-hour toll free number at (800) 424-8802 and the New York State 24-hour oil and hazardous material spill notification number, (800) 457-7362, or any designated telephone number which may subsequently replace the ones listed above.

- (9) Unmanifested Waste Report. The facility must comply with the requirements for unmanifested waste specified in 6 NYCRR 373-2.5(b)(2) and (3).
- (10) Manifest Discrepancy Report. If a significant discrepancy (as defined by 6 NYCRR Part 373-2.5(b)(1)(i)(a)) in a manifest is discovered, the Permittee must attempt to reconcile the discrepancy. If not resolved within 15 days, the owner or operator must submit a letter to the generator state and the disposer state describing the discrepancy and attempts to

reconcile it, together with the manifest document number, as required by 6 NYCRR 373-2.5(b)(v).

(11) Additional Noncompliance Reporting. The Permittee must report all instances of noncompliance (including release of hazardous waste, fire or explosion) not required to be reported under Module I, Condition D.(8) or (17). Such noncompliance shall be reported at the time monitoring reports are submitted. The reports shall contain the information listed in Module I, Condition D.(8)(c)(i-vii).

(12) Anticipated Noncompliance. The Permittee must give advance notice to the Commissioner of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements. Compliance with Permit Condition D(3) of Module I is still effective in this situation.

(13) Other Information. Whenever the Permittee becomes aware that any relevant facts were omitted in the permit application, or submitted incorrect information in a permit application or in any report to the Commissioner, the Permittee must promptly submit the correct facts or information.

(14) Compliance Schedules.  
"Not Applicable"

(15) Annual Report. The Permittee must submit an annual report covering facility activities during the calendar year in accordance with the requirements of 6 NYCRR 373-2.5(e).

(16) Monitoring and Records.

(a) Samples and measurements taken for the purpose of monitoring shall be representative of the monitored activity. The methods used to obtain a

representative sample of the waste to be analyzed must be the appropriate method from Appendix 19 and Appendix 35 of 6 NYCRR Part 371 and 376 respectively or an equivalent method approved by the Commissioner. Laboratory Methods must be those specified in Test Methods for Evaluating Solid Waste: Physical & Chemical Methods, EPA Publication SW-846, Third Edition, First Update 1990 or later approved revisions, or an equivalent method, as specified in the Waste Analysis Plan (Section C of the Permit Application).

(b) The Permittee must retain records of all monitoring information, including all calibration and maintenance records and all original chart recordings for continuous monitoring instrumentation, copies of all reports and records required by this permit, certification required by 6 NYCRR Part 373-2.5(c)(2)(ix), and records of all data used to complete the application for this permit, for a period of at least 3 years from the date of the sample, measurement, report or application. This period may be extended by request of the Commissioner at anytime. The permittee must maintain records of all groundwater quality and groundwater surface elevations, for the active life of the facility, and for the post-closure period as well.

(c) Records of monitoring information must include:

(i) The dates, exact place, and times of sampling or measurements;

(ii) The name(s) of individual(s) who performed the sampling or measurements;

(iii) The date(s) analyses were performed;

Post-it® Fax Note 7671		Date	5-22	# of pages	2
To	J. LYONS		From	D. GRAY	
Co./Dept.	NYPA		Co.		
Phone #	711-6135	Phone #	714-8414		
Fax #	711-6206	Fax #			

(iv) The name and address of the analyst

(v) The name and address of the contractor

(vi) The analytical techniques or methods used; and

(vii) The results of such analyses.

(d) The Permittee shall conduct a quality assurance program to ensure that the monitoring data are technically accurate and statistically valid. The quality assurance program shall be in accordance with Chapter One and applicable subsections of Test Methods for Evaluating Solid Waste: Physical/Chemical Methods, EPA Publication SW-846, Third Edition, First Update, 1990 or later approved revisions, or equivalent methods approved by the Department.

(17) Monitoring Reports. Monitoring results must be reported at the intervals specified elsewhere in this permit.

(18) Reporting Planned Changes. The Permittee shall give notice to the Commissioner as soon as possible of any planned physical alterations or additions to the permitted facility. See Module I Condition I.

(19) Certification of Construction or Modification.  
"Not Applicable"

(20) Transfer of Permits. This permit may be transferred to a new owner or operator only if it has been modified under 6 NYCRR 373-1.6(a)(12)(iii) and 6 NYCRR 373-1.7(a). Before transferring ownership or operation of the facility during its operating life, the Permittee shall notify the new owner or operator in writing of the requirements of 6 NYCRR Part 373.

E. SIGNATORY REQUIREMENT

All reports or other information requested by the Commissioner shall be signed and certified as required by 6 NYCRR 373-1.4(a)(5).

F. CONFIDENTIAL INFORMATION

The permittee may claim confidential any information required to be submitted by this permit in accordance with 6 NYCRR 370.1(b). All documentation which the Permittee believes justifies its claim of confidentiality must be submitted in accordance with 6 NYCRR Part 616 with any such claim of confidentiality.

G. DOCUMENTS TO BE SUBMITTED PRIOR TO OPERATION

"Not Applicable"

H. DOCUMENTS TO BE MAINTAINED AT THE FACILITY

The Permittee shall maintain at the facility, until closure is completed and certified by an independent registered professional engineer, a copy of this permit and the following documents, amendments, revisions and modifications to these documents:

- (1) Waste Analysis Plan as required by 6 NYCRR 373-2.2(e);
- (2) Personnel training documents and records as required by 6 NYCRR 373-2.2(h)(4);
- (3) Contingency plan as required by 6 NYCRR 373-2.4(d);
- (4) Closure plan as required by 6 NYCRR 373-2.7(c);
- (5) Annually adjusted cost estimate for facility closure, as required by 6 NYCRR 373-2.8(c);

- (6) Operating record as required by 6 NYCRR 373-2.5(c);
- (7) Inspection schedules as required by 6 NYCRR 373-2.2(g)(2);
- (8) Design plans and specifications as required by 6 NYCRR 373-2.9 for the container storage units.

I. PERMIT MODIFICATIONS

The permit may be modified for cause as allowed under 6 NYCRR 373-1.7 and 621.14. Modifications shall be requested in writing as required by 6 NYCRR 621.13 and 621.14. Requests for modifications shall be submitted to the Regional Permit Administrator for approval and permit modification.

J. ALL REPORTS AND SUBMITTALS

- (1) (a) All reports and submittals required by Module III, Corrective Action Requirements to be submitted to the Commissioner shall be sent to the following addressees:

- New York State Dept. of Environmental Conservation  
Bureau of Hazardous Compliance & Land Management  
Division of Solid & Hazardous Materials  
50 Wolf Road  
Albany, New York 12233

and

- Regional Hazardous Substances Engineer  
New York State Dept. of Environmental Conservation  
Region 3 Office  
21 South Putt Corners Road  
New Paltz, NY 12561

- (b) All reports and submittals required by Module V, Waste Minimization Requirements to be submitted to the Commissioner shall be sent to the following addressee:

Three (3) copies to:

- New York State Dept. of Environmental Conservation  
Bureau of Waste Reduction & Recycling  
Division of Pollution Prevention & Waste Reduction  
50 Wolf Road  
Albany, New York 12233

and

One (1) copy to:

- Regional Hazardous Substances Engineer  
New York State Dept. of Environmental Conservation  
Region 3 Office  
21 South Putt Corners Road  
New Paltz, NY 12561

(c) All other reports and submittals required by the permit to be submitted to the Commissioner shall be sent to the following addressees:

- New York State Dept. of Environmental Conservation  
Bureau of Material Storage, Combustion & Regulation  
Division of Solid & Hazardous Materials  
50 Wolf Road  
Albany, New York 12233

and

- Regional Hazardous Substances Engineer  
New York State Dept. of Environmental Conservation  
Region 3 Office  
21 South Putt Corners Road  
New Paltz, NY 12561

(2) All plans, reports, and schedules required by the terms of this Permit are, upon approval by the Department, incorporated by reference into this Permit. Upon incorporation, the provisions of each such document shall be binding upon Permittee and have the same legal

force and effect as the requirements of this Permit.

- (3) Permittee shall submit plans and reports required by this Permit to the Department for review and comment. If the Department determines that any plan or report required by this Permit is deficient (in whole or in part), Permittee shall either promptly respond to the comments or make revisions to the submission consistent with the Department's comments. Within a reasonable time frame specified by the Department, a final plan or report shall be submitted to the Department for approval. Approvals of plans, reports and schedules will not be granted by the Department until all significant modifications and/or revisions are made and all Department comments have been appropriately addressed. Extensions of the due date for submittals may be granted by the Department based on the Permittee's documentation that sufficient justification for the extensions exists.

#### K. DEFINITIONS

For the purpose of this permit, terms used herein shall have the same meaning as those in 6 NYCRR 370 through 374 and 376, unless this permit specifically states otherwise. Where terms are not otherwise defined, the meaning associated with such terms shall be as defined by a standard dictionary reference or the generally accepted scientific or industrial meaning of the term.

- (1) Action Levels. For purposes of this Permit action levels are hazardous constituent concentrations that are protective of human health or the environment. Where available, action levels are based on appropriate promulgated standards established for a specific environmental medium. When such promulgated standards are not available, action levels are media specific, hazardous constituent concentrations derived from non-promulgated human health-based levels or environmental health-based levels. The latter levels being protective of aquatic life or wildlife. An action level may be set at the background level for a hazardous constituent for which data are inadequate to set a human health or

environmental health-based level.

- (2) Areas of Concern (AOC). Pursuant to the authority granted by 6 NYCRR 373-1.6(c)(2), an area of concern has been defined for purposes of this Permit to mean an area at the facility, or an off-site area, which is not at this time known to be a solid waste management unit (SWMU), where hazardous waste and/or hazardous constituents are present, or are suspected to be present as a result of a release from the facility. The term shall include areas of potential or suspected contamination as well as actual contamination. Such area(s) may require study and a determination of what, if any, Corrective Action may be necessary. All permit references to and conditions for SWMUs shall apply to areas of concern.
- (3) Commissioner. For purposes of this Permit "Commissioner" shall mean the Commissioner of the New York State Department of Environmental Conservation (Department), his designee or authorized representative.
- (4) Environment. Pursuant to ECL Article 27, Title 9, Section 27.0901, environment means any water, water vapor, any land including land surface or subsurface, air, fish, wildlife, biota and all the natural resources.
- (5) Facility. All contiguous land, structures, other appurtenances, and improvements on the land used for treating, storing, or disposing of hazardous waste. A facility may consist of several treatment, storage, or disposal operation units (e.g., one or more landfills, surface impoundments or combination of them). For the purpose of implementing corrective action, "facility" means all contiguous property under the control of the owner or operator seeking a 6 NYCRR Part 373 permit.
- (6) Hazardous Constituents. Those constituents listed in Appendix 23 to 6 NYCRR 371 or any constituent listed in Appendix 33 to 6 NYCRR 373-2.

- (7) Hazardous Waste. Pursuant to ECL Article 27, Title 9, Section 27.0901, hazardous waste means a solid waste, or combination of solid wastes, which because of its quantity, concentration, or physical, chemical, or infectious characteristics may: cause, or significantly contribute to, an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness; or pose a substantial present or potential hazard to human health or the environment when improperly treated, stored, transported, or disposed of, or otherwise managed. For the purposes of this permit, the term hazardous waste includes hazardous wastes listed and identified in 6 NYCRR Part 371.
- (8) Release. For purposes of this Permit release includes, but is not limited to, any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing into the environment of any hazardous waste, including hazardous constituents, unless expressly authorized under the terms of this Permit or otherwise permitted under law (e.g., SPDES permitted discharges).
- (9) Solid Waste Management Unit (SWMU). For purposes of this permit includes any discernible waste management unit at which solid wastes have been placed at any time, irrespective of whether the unit was intended for the management of hazardous or solid wastes as those terms are defined in 6 NYCRR Part 371 and 6 NYCRR Part 373-2. These units include, but are not limited to: landfills, surface impoundments, waste piles, land treatment units, tanks, elementary neutralization units, transfer stations, container storage areas, incinerators, injection wells, recycling units, and closed and abandoned units. Certain areas associated with production processes which have become contaminated as a result of routine and systematic releases of wastes or hazardous constituents from wastes, are also considered SWMU's.

## MODULE II - GENERAL FACILITY CONDITIONS

New York Power Authority  
INDIAN POINT UNIT No. 3 NUCLEAR POWER PLANT

### A. DESIGN AND OPERATION OF FACILITY

The Permittee shall maintain and operate the facility to minimize the possibility of a fire, explosion, or any unplanned sudden or non-sudden release of hazardous waste or hazardous waste constituents to air, soil, or surface water.

The Permittee is authorized to store only the hazardous wastes identified in Module VI, Condition A, which are generated at the facility. Acceptance of hazardous waste generated off-site is prohibited without prior approval from the Commissioner in the form of a permit which authorizes such activity.

### B. REQUIRED NOTICES

"Not Applicable"

### C. GENERAL WASTE ANALYSIS

Except as specifically provided otherwise in Module III of this permit, the Permittee shall comply with 373-2.2(e), follow the procedures described in the Waste Analysis Plan in Section C of the Permit Application, and conduct a quality assurance program as specified in Module I, Condition D.(16)(d).

The Permittee shall verify its waste analysis as part of the quality assurance program. The quality assurance program will be in accordance with current EPA practices, Test Methods for Evaluating Solid Waste: Physical/Chemical Methods SW-846, Third Edition, First Update 1990 or later approved revisions, or equivalent methods approved by the Department, and ensure that the Permittee maintains proper functional instruments, uses approved sampling and analytical methods, as specified in 6NYCRR Part 371, Appendices 19, 20 and 21, and 6 NYCRR Part 376 Appendix 35, assures the validity of sampling and analytical procedures and performs correct calculations. As required by ECL Article 3-0119, any

laboratory (permittee or contract laboratory) used by the Permittee to perform analysis pursuant to this permit must be certified by the New York State Department of Health Environmental Laboratory Approval Program (ELAP) in the appropriate categories of analysis, if ELAP issues certifications in such categories. If the Permittee uses a contract laboratory to perform analysis required by this permit, then the Permittee shall inform the laboratory in writing that it must operate under the waste analysis conditions set forth in this permit.

D. SECURITY

The Permittee must comply with the security provisions of 6NYCRR 373-2.2(f).

E. GENERAL INSPECTION REQUIREMENTS

The Permittee must comply with 373-2.2(g) and follow the inspection schedule in Section F-2 of the Permit Application. The Permittee must remedy any deterioration or malfunction discovered by an inspection as required by 6NYCRR 373-2.2(g)(3). Records of inspections must be kept as required by 6NYCRR 373-2.2(g)(4).

F. PERSONNEL TRAINING

The Permittee must conduct personnel training as required by 6NYCRR 373-2.2(h)(1), (2), and (3). The Permittee must maintain training documents and records as required by 6NYCRR 373-2.2(h)(4) and (5).

G. GENERAL REQUIREMENTS FOR IGNITABLE, REACTIVE, OR INCOMPATIBLE WASTE

The Permittee must take precautions to prevent accidental ignition or reaction of ignitable or reactive waste as required by 6NYCRR 373-2.2(i) and as described in Section D-1c of the Permit Application.

H. LOCATION STANDARDS

"Not Applicable"

## I. PREPAREDNESS AND PREVENTION

- (1) Required Equipment. At a minimum, the Permittee must equip the facility with the equipment required by 6NYCRR 373-2.3(c).
- (2) Testing and Maintenance of Equipment. The Permittee must test and maintain the equipment specified in the above permit condition as necessary to assure its proper operation in time of emergency and as required by 6NYCRR 373-2.3(d).
- (3) Access to Communications or Alarm System. The Permittee must maintain access to the communications or alarm system as required by 6NYCRR 373-2.3(e).
- (4) Required Aisle Space. At a minimum, the Permittee shall maintain aisle space in the container storage areas to allow the unobstructed movement of personnel, fire protection equipment, spill control equipment, and decontamination equipment to any area of the facility in an emergency as required by 6NYCRR 373-2.3(f) and to provide access for inspections as required by 6NYCRR 373-2.9(e).
- (5) Arrangements with Local Authorities. The Permittee must attempt to make arrangements with State and local authorities as required by 6NYCRR 373-2.3(g). If State or local officials refuse to enter into preparedness and prevention arrangements with the Permittee, the Permittee must document this refusal in the operating record, and a copy of all correspondence sent to State and local authorities while attempting to meet this requirement should be included in the operating record.

## J. CONTINGENCY PLAN

- (1) Implementation of Plan. The Permittee must comply with 6NYCRR 373-2.4 and follow the Contingency Plan in Section G of the Permit Application. The Permittee must immediately carry out the provisions of the contingency plan and follow the emergency procedures described by 6NYCRR 373-2.4(g) whenever there is a fire, explosion,

or release of hazardous waste or constituents.

- (2) After any event requiring implementation of the contingency plan, the Permittee must not resume hazardous waste management in the affected area until all equipment used during the contingency has been cleaned, recharged or replaced, as appropriate.
- (3) Copies of Plan. The Permittee must comply with the requirements of 6NYCRR 373-2.4(d).
- (4) Amendments to Plan. The Permittee must review and immediately amend, if necessary, the contingency plan as required by 6NYCRR 373-2.4(e).
- (5) Emergency Coordinator. The Permittee must comply with the requirements of 6NYCRR 373-2.4(f) concerning the emergency coordinator.

#### K. MANIFEST SYSTEM

The Permittee must comply with the manifest requirements of 6NYCRR Part 372.

#### L. RECORDKEEPING AND REPORTING

- (1) Operating Record. The Permittee must maintain a written operating record at the facility in accordance with the applicable portions of 6NYCRR 373-2.5(c).
- (2) Availability, Retention, and Disposition of Records. All records, including plans, must be made available to the Department in accordance with 6NYCRR 373-2.5(d)(1). The retention period for all records is extended automatically during any unresolved enforcement action regarding the facility or as requested by the Commissioner. A copy of records of waste disposal locations and quantities under 6NYCRR 373-2.5(c)(2) must be submitted to the Commissioner and local land authority upon closure of the facility as required by 6NYCRR 373-2.5(d)(3). See Module I, Condition D.16(b).

- (3) Annual Report. See Permit Condition D(15) of Module I.

M. CLOSURE

- (1) Performance Standard. The Permittee must close the facility as required by 6NYCRR 373-2.7(b) and in accordance with the approved Closure Plan in Section I of the Permit Application.
- (2) Amendment to Closure Plan. The Permittee must amend the closure plan whenever necessary in accordance with 6NYCRR 373-2.7(c) (3).
- (3) Notification of Closure and Partial Closure. The Permittee must notify the Commissioner at least 60 days prior to the date he expects to begin closure or partial closure of any hazardous waste management unit or facility, as required by 6NYCRR 373-2.7(c) (4) (i).
- (4) Time Allowed for Closure. Within 90 days after receiving the final volume of hazardous waste, the Permittee must treat or remove from the site all hazardous waste and must complete closure activities in accordance with 6NYCRR 373-2.7(d) and the schedule specified in the Closure Plan.
- (5) Disposal or Decontamination of Equipment, Structures and Soils. During the partial and final closure periods, all contaminated equipment, structures, and soils must be properly disposed of or decontaminated unless otherwise specified in 6NYCRR 373-2.10(h), 2.11(f), 373-2.12(h), 373-2.13(h), or 373-2.14(g). By removing any hazardous waste or hazardous constituents during partial and final closure, the Permittee may become a generator of hazardous waste and must handle that waste in accordance with all applicable requirements of 6NYCRR Part 372.
- (6) Certification of Closure and Partial Closure. Within 60 days of completion of final closure of the facility or within 60 days of partial closure of any hazardous waste management unit, the Permittee must submit to the Commissioner certifications by the Permittee and by an independent New York State registered Professional

Engineer that the facility (or the hazardous waste management unit) has been closed in accordance with the specifications in the approved Closure Plan as required by 6NYCRR 373-2.7(f).

N. GENERAL POST-CLOSURE REQUIREMENTS

"Not Applicable"

O. COST ESTIMATE FOR FACILITY CLOSURE

The Permittee's most recent closure cost estimate, prepared in accordance with 6NYCRR 373-2.8(c)(1) is specified in the permit application.

- (1) The Permittee must adjust the closure cost estimate for inflation within 30 days after the closure of the firm's fiscal year and before submission of updated information to the Commissioner, as specified in 6NYCRR 373-2.8(d)(5).
- (2) The Permittee must revise the closure cost estimate whenever there is a change in the facility's closure plans as required by 6NYCRR 373-2.8(c)(3).
- (3) The Permittee must keep at the facility the latest closure cost estimate as required by 6NYCRR 373-2.8(c)(4).

P. FINANCIAL ASSURANCE FOR FACILITY CLOSURE

The Permittee must demonstrate continuous compliance with 6NYCRR 373-2.8(d) by providing documentation of financial assurance to the Commissioner, in accordance with the wording in 6NYCRR 373-2.8(j), in at least the amount of the cost estimates required by Module II, Condition O. Changes in financial assurance mechanisms must be approved by the Commissioner pursuant to 6NYCRR 373-2.8(d).

Q. LIABILITY REQUIREMENTS

The Permittee must demonstrate continuous compliance with the requirements of 6NYCRR 373-2.8(h) and the documentation requirements of 6NYCRR 373-2.8(j), including requirements to

have and maintain liability coverage for sudden and accidental occurrences in the amount of at least \$1 million per occurrence with an annual aggregate of at least \$2 million, exclusive of legal defense costs, by providing documentation of the liability mechanisms to the Commissioner.

R. INCAPACITY OF OWNERS OR OPERATORS, GUARANTORS, OR FINANCIAL INSTITUTIONS

The Permittee must comply with 6NYCRR 373-2.8(i) whenever necessary.

MODULE III - CORRECTIVE ACTION REQUIREMENTS  
FOR SOLID WASTE MANAGEMENT UNITS AND  
AREAS OF CONCERN

New York Power Authority  
INDIAN POINT UNIT No. 3 NUCLEAR POWER PLANT

A. APPLICABILITY

1. Statute and Regulations. Article 27, Title 9, Section 27-0913, and 6NYCRR 373-2.6(1) requires corrective action, including Corrective Action beyond the facility boundary where necessary to protect human health and the environment, for all releases of hazardous wastes, including hazardous constituents, from any solid waste management unit ("SWMU") at a storage, treatment or disposal facility seeking a 6NYCRR Part 373 permit, regardless of the time at which waste was placed in such unit. Pursuant to 6NYCRR 373-1.6(c)(2) the Commissioner may impose permit conditions as the Commissioner determines necessary to protect human health and the environment (i.e., Areas of Concern (AOC(s))).
2. Summary of Corrective Action Process. Corrective action implementation authorized by 6NYCRR 373-2.6 includes: (a) the RCRA Facility Assessment ("RFA"); (b) the RCRA Facility Investigation ("RFI"); and (c) Corrective Measures ("CM"). The RFA is a three phase process that includes: a Preliminary Review ("PR"); a Visual Site Inspection ("VSI"); and a Sampling Visit ("SV"). The PR is a review of all available information on the individual SWMU(s) and AOC(s). During the PR, and in subsequent phases of the RFA, all of the media (i.e., soil, groundwater, surface water/sediment, air and subsurface gas) that could potentially be impacted by release(s) of hazardous waste, including hazardous constituents, are evaluated. Based on this evaluation, the SWMU(s)/AOC(s) will be characterized as to release potentials.

Following the PR, a VSI is conducted during which all of the SWMU(s)/AOC(s) either previously or newly discovered, are observed. While performing this

reconnaissance, any signs of spills or leakage, stained soil, stressed vegetation, unit deterioration, or any other conditions that may be indicative of a release are assessed. By means of these observations and the findings of the PR, the Commissioner may require the facility to conduct a Sampling Visit (SV) at the unit(s)/area(s) where the release(s) would be suspected.

The SV can involve any or all of the previously described media at any given SWMU and or Area of Concern (AOC). For those units/areas where releases are clearly demonstrated in the PR and/or VSI, the SV can be avoided leaving the unit(s)/area(s) to be addressed in the RFI.

The RFA includes preparing the RFA report. This report includes the findings of the various RFA activities and recommendations for further action at those units and areas with demonstrated releases of hazardous wastes, including hazardous constituents. In some cases, where an immediate threat to human health or the environment exists, interim corrective measures may be required.

If the RFA concludes that there is a need for further investigative work the Permittee shall be required to pursue phase two of corrective action, an RFI. The purpose of the RFI is to determine the nature, extent, direction and rate of migration of hazardous wastes, including hazardous constituents, in soils, groundwater, surface water/sediment, subsurface gas and/or air. From these multimedia analyses, the types and concentrations of contaminants present, the boundaries of any contamination (e.g., plumes), and the rate and direction of contaminant movement should be determined in each of the impacted media. Sufficient data shall be generated during the RFI to allow proper assessment of corrective measure alternatives. This may require bench and/or pilot studies to be implemented as part of the RFI. Once all analyses are reviewed, a RFI report is prepared that provides a summation of the data and recommendations for any needed corrective measures.

The culmination of the Corrective Action Program is Corrective Measures ("CM"). The initial stage of the corrective measures phase is the preparation of a

Corrective Measures Study ("CMS"). A CMS may be required if concentrations of hazardous constituents in an aquifer, in surface water/sediment, in soils, or in air exceed their corresponding action levels. Such a study may also be required if individual concentrations of hazardous constituents are at or below their action levels, but they still may pose a threat to human health or the environment due to site-specific exposure conditions. The CMS will address alternative corrective measure strategies that are technologically feasible and reliable and which effectively mitigate and minimize damage to, and provides adequate protection of human health and the environment. The Permittee will develop the site-specific CMS using target clean-up levels chosen by the Commissioner to be protective of human health and the environment. Where available, they may be promulgated standards. Where promulgated standards are not available, the Commissioner may use health-based levels, based on Risk-Specific Doses ("RSD") for carcinogens and Reference Doses ("RFD") for systemic toxicants, or concentration levels protective of the environment, that have undergone scientific review. The CMS report should discuss the alternative corrective measure strategies studied, addressing technical, institutional, public health, and environmental issues, and develop the conceptual engineering for the alternative action proposed by the facility. The CMS may not require extensive evaluation of a number of remedial alternatives where a solution is straight forward or only few solutions exist. Such situations could require the Permittee to submit a highly focused CMS.

Following completion of the CMS, the Commissioner will select the corrective measure(s) from the corrective measure alternatives evaluated in the CMS. The Commissioner will then initiate a permit modification for the selected corrective measure(s). Subsequent to the permit modification, the owner or operator of the facility will be required to demonstrate financial assurance for completing the approved corrective measure(s).

Permit modification for the approved corrective measure(s) will initiate the final stage of corrective measures, Corrective Measures Implementation ("CMI"). The CMI will address the final design, construction, operation, maintenance, and monitoring of the corrective measure or measures selected.

3. Solid Waste Management Units and Areas of Concern. The conditions of this Module apply to:

- (a) All the SWMUs and AOCs listed in this Module individually or in combinations;
- (b) Any additional SWMU(s) and AOCs identified during the course of groundwater monitoring, field investigations, environmental audits or other means as described in Module Condition C. below; and
- (c) The following known SWMUs and AOCs located on-site and/or off-site:

SWMUs:

#	SWMU	Description
1	S01	Hazardous Waste Storage Facility.
2	S02	Former Hazardous Waste Storage Facility.
3	MW1	New Mixed Waste Storage Facility - separate unit.
4	MW2	New Mixed Waste Storage Facility - separate unit.
5	MW3	New Mixed Waste Storage Facility - part of IRWSF.

B. STANDARD CONDITIONS FOR CORRECTIVE ACTION

1. Work Plans. All work plans submitted pursuant to this Module shall include:
  - (a) Quality Assurance/Quality Control protocols to ensure that data generated is valid and supported by documented procedures;
  - (b) Other plans, specifications and protocols, as applicable;
  - (c) A schedule for starting specific tasks, completing the work and submitting progress and final reports; and
  - (d) Plans for the treatment, storage, discharge or disposal of wastes to be generated by activities described therein.
  
2. Quality Assurance/Quality Control
  - (a) Any laboratory to be used pursuant to such work plans required by this Module must be approved by the Commissioner prior to work plan implementation. Certification by the New York State Department of Health Environmental Laboratory Approval Program in the relevant analytical services is required.
  - (b) The minimum Quality Assurance/Quality Control data and information, shall be delivered with all sample analyses required by this Module.
  
3. Health/Safety Plans. The Permittee shall develop, according to applicable Federal, State and local requirements, and submit to the Commissioner, health and safety plans that will be implemented to ensure that the health and safety of project personnel, plant personnel and the general public are protected. These plans are not subject to approval by the Commissioner.
  
4. Guidance Documents. When preparing the submissions described in this Permit Module, the Permittee shall take account of applicable guidance documents issued by

the U.S. Environmental protection Agency and the New York State Department of Environmental Conservation in a manner reflecting reasonable technical considerations.

5. Prior Submittals. The Permittee may have already submitted portions of information, plans, or reports required by this Permit Module and its Appendices to the Commissioner pursuant to the terms of previous applications, consent orders, or plans. For those items the Permittee contends were submitted to the Commissioner, the Permittee may cite the specific document(s) and page(s) it believes adequately addresses each of the individual items requested by this Permit Module and its Appendices. The references, by document(s) and page(s), shall be placed in the appropriate sections of the submittals that require the referenced information and data. If the Commissioner, after a file search, determines that it does not possess any of the referenced information, plans, or reports that the Permittee claims were previously submitted, the Commissioner will notify the Permittee and the Permittee shall submit the referenced documents within the time frame specified within the notification.

6. Compliance Schedule For Interim Corrective Measures.

(a) If at any time it is determined by the Commissioner that a release or, based on site-specific circumstances, a threatened release of hazardous wastes, including hazardous constituents from a SWMU, a combination of SWMUs, or an AOC poses a threat to human health or the environment, or that such condition jeopardizes the Permittee's ability to comply with any governmental permit, a draft interim corrective measures study shall be submitted to the Commissioner for approval within thirty (30) calendar days of notice of such a determination. This study shall consider, among other relevant factors, the character, the extent, direction, the rate of release, the proximity to population, the exposure pathways, the effects of delayed action, and the evaluations of appropriate interim corrective measures. Upon approval of the study by the Commissioner, the Permittee shall

implement the required interim corrective measures as specified by the Commissioner. Nothing herein shall preclude the Permittee from taking immediate action to address the conditions described herein and promptly notifying the Commissioner.

(b) In the event the Permittee discovers, a release or, based on site-specific circumstances, a threatened release of hazardous waste, including hazardous constituents, from a SWMU, or a combination of SWMUs, that poses a threat to human health or the environment, the Permittee shall identify interim corrective measures to mitigate this threat. The Permittee shall immediately summarize the nature and magnitude of the actual or potential threat and nature of the interim measures being considered and notify the Commissioner. Within thirty (30) calendar days of notifying the Commissioner, the Permittee shall submit to the Commissioner, for approval, an interim corrective measures work plan for the interim measures. The Permittee shall implement the measures specified by the Commissioner. Nothing herein shall preclude the Permittee from taking immediate action to address the conditions described herein and promptly notifying the Commissioner.

(c) The following factors may be considered by the Commissioner or the Permittee in determining the need for interim corrective measures:

- (i) Time required to develop and implement a final corrective measure;
- (ii) Actual and potential exposure of human and environmental receptors;
- (iii) Actual and potential contamination of drinking water supplies and sensitive ecosystems;
- (iv) The potential for further degradation of any impacted medium;

- (v) Presence of hazardous waste, including hazardous constituents, in containers that may pose a threat of release;
- (vi) Presence and concentration of hazardous waste, including hazardous constituents, in soils that have the potential to migrate to groundwater or surface water;
- (vii) Weather conditions that may affect the current levels of contamination;
- (viii) Risks of fire, explosion, or potential for exposure to hazardous wastes, including hazardous constituents, as a result of an accident or failure of container or handling system; and
- (ix) Other situations that may pose threats to human health and the environment.

7. Determination of No Further Action.

- (a) Based on the results of an RFI for a particular SWMU, or combination of SWMUs, and/or AOC, and other relevant information, the Permittee may submit an application to the Commissioner for a permit modification under 6NYCRR 373-1.7(b) and 621.13 to terminate the subsequent corrective action requirements of this Module. This permit modification application must contain information demonstrating no release(s) of hazardous wastes, including hazardous constituents, from the SWMU(s) and/or AOC(s) that pose a threat to human health or the environment, as well as information required in 6NYCRR 373-1 and 621.4(n), which incorporates by reference 6NYCRR 373-1 and 373-2.

If, based upon review of the Permittee's request for a permit modification, the results of the RFI, and other information, including comments received during the forty-five (45) calendar day public comment period required for permit modifications, the Commissioner determines that the release(s) or

the suspected release(s) investigated either are non-existent or do not pose a threat to human health or the environment, the Commissioner may grant the requested modification.

(b) A determination of no further action shall not preclude the Commissioner from implementing the following actions:

(i) Modifying this Permit at a later date to require the Permittee to perform such investigations as necessary to comply with the requirements of this Permit Module and its Appendices if new information or subsequent analysis indicates that there are, or are likely to be, releases from SWMUs/AOCs that may pose a threat to human health or the environment; and

(ii) Requiring continual or periodic monitoring of air, soil, groundwater, or surface water/sediment or subsurface gas, if necessary, to protect human health and the environment, when site-specific circumstances indicate the release(s) of hazardous waste, including hazardous constituents, are likely to occur from any SWMU(s) and/or AOC(s).

#### 8. Compliance Schedule For Reporting.

(a) The Permittee shall submit, to the Commissioner, signed progress reports, as specified in approved work plans pursuant to this Permit, of all activities (i.e., SWMU Assessment, Interim Measures, RCRA Facility Investigation, Corrective Measures Study) conducted pursuant to the provisions of the Corrective Action Compliance Schedules of this Permit Module, beginning no later than thirty (30) calendar days after the Permittee is first required to begin implementation of any requirement herein. These reports shall contain:

- (i) A description of the work completed during the reporting periods
  - (ii) Summaries of all findings made during the reporting period, including summaries of laboratory data;
  - (iii) Summaries of all changes made during the reporting period;
  - (iv) Summaries of all contacts made with representatives of the local community and public interest groups during the reporting period;
  - (v) Summaries of all problems or potential problems encountered during the reporting period and actions taken to rectify problems;
  - (vi) Changes in personnel conducting or managing the corrective action activities during the reporting period;
  - (vii) Projected work for the next reporting period; and
  - (viii) Copies of daily reports, inspection reports, laboratory/monitoring data, etc., generated during the reporting period.
- (b) Upon request, copies of other relevant reports and data not identified in Module Condition B.8.(a) shall be made available to the Commissioner.
- (c) The Commissioner may require the Permittee to conduct new or more extensive assessments, investigations, or studies, based upon information provided in the progress reports referred to in Module Condition B.8(a) above, or upon other supporting information.
- (d) All plans and schedules required by the conditions of this Permit Module are upon approval of the

Commissioner, incorporated into this Permit by reference and become an enforceable part of this Permit. Any noncompliance with such approved plans and schedules shall constitute noncompliance with this Permit. Extensions of the due dates for submittals may be granted by the Commissioner in accordance with the permit modification processes stipulated in Module Condition E.14. of this Permit Module.

9. Compliance with Governmental Requirements. During investigative activities, interim corrective measures, and final corrective measures, (including, but not limited to, equipment decommissioning, excavation and unit demolition) required under this Module, the Permittee shall ensure that the transportation, treatment, storage, discharge, and disposal of all contaminated materials generated as a result of such activities (including, but not limited to, soils, sediments, liquids, tanks, pipes, pumps, rubble, debris, and structural materials) are performed in an environmentally sound manner pursuant to all applicable Federal, State and local requirements and that is protective of public health and the environment. Nothing in this Module shall be construed to require the Permittee to proceed in a manner which is in violation of any such requirements.

10. Notifications.

(a) Notification of groundwater contamination. If at any time the Permittee discovers that hazardous constituents in groundwater that may have been released from a solid waste management unit or area of concern at the facility have migrated beyond the facility boundary in concentrations that exceed action levels, the Permittee shall, within fifteen (15) calendar days of discovery, provide written notice to the Commissioner and any person who owns or resides on the land which overlies the contaminated groundwater.

(b) Notification of air contamination. If at any time the Permittee discovers that hazardous constituents

in air that may have been released from a solid waste management unit or area of concern at the facility have or are migrating to areas beyond the facility boundary in concentrations that exceed action levels, and that residences or other places at which continuous, long-term exposure to such constituents might occur are located within such areas, the Permittee shall, within fifteen (15) calendar days of such discovery;

- (i) Provide written notification to the Commissioner, and
  - (ii) Initiate any actions that may be necessary to provide notice to all individuals who have or may have been subject to such exposure.
- (c) Notification of residual contamination. If hazardous wastes or hazardous constituents in solid waste management units or areas of concern, or which have been released from solid waste management units or areas of concern, will remain in or on the land, including groundwater, after the term of the permit has expired, the Commissioner may require the Permittee to record, in accordance with State law, a notation in the deed to the facility property or in some other instrument which is normally examined during title search that will, in perpetuity, notify any potential purchaser of the property of the types, concentrations, and locations of such hazardous wastes or hazardous constituents. The Commissioner may require such notice as part of the corrective measures selection process.

C. COMPLIANCE SCHEDULE FOR ASSESSMENT OF NEWLY IDENTIFIED SWMUS AND AOCs.

1. Notification of Assessment. The Permittee shall notify the Commissioner, in writing, of any additional SWMU(s) and/or AOC(s) not listed in this Module, which are identified during the course of groundwater monitoring,

field investigations, environmental audits, or other means within fifteen (15) calendar days after discovery.

2. SWMU/AOC Assessment Report. Within thirty (30) calendar days after notifying the Commissioner, the Permittee shall submit a SWMU/AOC Assessment Report. This Report must provide, at a minimum, the following information for each newly identified SWMU/AOC:

- (a) Type of unit/area;
- (b) Location of each unit/area on a topographic map of appropriate scale;
- (c) Dimensions, capacities, and structural descriptions of the unit/area (supply available engineering drawings);
- (d) Function of unit/area;
- (e) Dates that the unit/area was operated;
- (f) Description of the wastes that were placed or spilled at the unit/area;
- (g) Description of any known releases from the unit/area (to include groundwater data, soil analyses, air monitoring data, and/or surface water/sediment data);
- (h) The results of any sampling and analysis required for the purpose of determining whether releases of hazardous wastes, including hazardous constituents, have occurred, are occurring, or are likely to occur from the unit/area; and
- (i) Whether this unit/areas, individually or in combination with other units/areas described in Module Condition A.3. is a significant source of contaminant release.

3. SWMU/AOC Sampling and Analysis Plan. Within thirty (30) calendar days after submittal of the SWMU/AOC Assessment Report required in Module Condition C.2., the Permittee

shall submit to the Commissioner for approval a Plan in accordance with the most recent version of the NYS RCRA Quality Assurance Project Plan Guidance, for any sampling and analysis of groundwater, land surface and subsurface strata, surface water/sediment or air, as necessary to determine whether a release of hazardous waste, including hazardous constituents, from such unit(s) and/or area(s) has occurred, is likely to have occurred, or is likely to occur. The SWMU/AOC Sampling and Analysis Plan must demonstrate that the sampling and analyses program, if applicable, is capable of yielding representative samples and must include parameters sufficient to identify migration of hazardous waste, including hazardous constituents, from the newly-discovered SWMU(s) and/or AOC(s) to the environment.

4. Subsequent Assessment Actions. Following submission of the SWMU/AOC Assessment Sampling and Analysis Plan set forth in Module Condition C.3., subsequent activities for the Plan shall proceed in accordance with the following schedule:

- (a) Meeting between the Permittee and the New York State Department of Environmental Conservation (Department) to discuss Plan comments, as appropriate; and
- (b) Submission of a revised Plan to the Commissioner for approval within thirty (30) calendar days of the above-described meeting. (If the above referenced meeting is determined not to be necessary, the Permittee shall submit a revised Plan to the Commissioner, according to a schedule specified by the Department, not to exceed forty-five (45) calendar days after Permittee's receipt of Plan comments from the Commissioner); and
- (c) Begin implementation of the SWMU/AOC Sampling and Analysis Plan within thirty (30) calendar days following written approval from the Commissioner for the Plan.

5. SWMU/AOC Sampling and Analysis Report. Within thirty (30) calendar days of receipt by the Permittee of

validated analytical data generated under the approved SWMU/AOC Sampling and Analysis Plan, the Permittee shall follow reporting requirements in the approved Plan and submit a SWMU/AOC Sampling and Analysis Report to the Commissioner. The Report shall describe all results obtained from the implementation of the approved Plan.

6. Assessment Conclusions. Based on the results of the SWMU/AOC Sampling and Analysis Report, the Commissioner shall determine the need for further investigations at the specific unit(s) covered in the SWMU/AOC Assessment Report. If the Commissioner determines that such investigations are needed, the Commissioner shall, by written notification, require the Permittee to prepare and submit for approval a RCRA Facility Investigation Work Plan in accordance with Module Condition E.5. et. seq..

D. **COMPLIANCE SCHEDULE AND NOTIFICATION REQUIREMENTS FOR NEWLY-DISCOVERED RELEASES AT SWMUS AND AOCS.**

The Permittee shall notify the Commissioner, in writing, of any release(s) of hazardous wastes, including hazardous constituents, discovered during the course of groundwater monitoring, field investigation, environmental auditing, or other activities no later than fifteen (15) calendar days after discovery. Such newly-discovered release(s) may be from the newly-identified unit(s)/area(s), from the unit(s)/area(s) for which, based on the findings of the RFA, the Commissioner had previously determined that no further investigation was necessary, or from the unit(s)/area(s) investigated as part of an RFI. Based on the information provided in the notification, the Commissioner shall determine the need for further investigation of the release(s). If the Commissioner determines that such investigations are needed, the Commissioner shall, by written notification, require the Permittee to prepare a RCRA Facility Investigation Work Plan in accordance with Module Condition E.5. et. seq..

E. CORRECTIVE ACTION REQUIREMENTS.

1. No Action Requirement.

- (a) On the basis of the RCRA Facility Assessment Report dated June 14, 1995, the Commissioner has determined that there is no evidence at this time of releases of hazardous wastes and/or constituents that threaten human health or the environment from the following SWMU(s) and/or AOC(s) identified in Module Condition A.3:

#	SWMU	Description
1	S01	Hazardous Waste Storage Facility.
2	S02	Former Hazardous Waste Storage Facility.
3	MW1	New Mixed Waste Storage Facility - separate unit.
4	MW2	New Mixed Waste Storage Facility - separate unit.
5	MW3	New Mixed Waste Storage Facility - part of IRWSF.

- (b) The Permittee need not undertake corrective action at any aforementioned SWMU(s) and/or AOC(s) identified in Module Condition E.1.(a) as long as there is no evidence of the release(s) of hazardous waste(s) or constituent(s) from the SWMU(s) and/or AOC(s) threatening human health or the environment. This permit condition does not apply to any other stipulation specified in other Modules or Conditions of this Permit.
- (c) A determination of no further action shall not preclude the Commissioner from modifying this Permit at a later date to require further investigations, studies, monitoring, or corrective measures, if new information or subsequent analysis

indicates the release(s) or likelihood of release(s) from SWMU(s) and/or AOC(s) identified in Module Condition E.1.(a) that could pose a threat to human health or the environment.

MODULE IV - WASTE REDUCTION REQUIREMENTS

New York Power Authority  
INDIAN POINT UNIT No. 3 NUCLEAR POWER PLANT

The Permittee shall comply with the requirements of Article 27, Title 9, Section 27-0908 of the New York State Environmental Conservation Law.

All reports and submittals required by Section 27-0908 to be submitted to the Commissioner shall be sent to the following addresses:

Three (3) copies to:

Director  
Bureau of Waste Reduction & Recycling  
Division of Pollution Prevention & Waste Reduction  
New York State Department of Environmental Conservation  
50 Wolf Road  
Albany, NY 12233-7252

and

One (1) copy to:

Regional Hazardous Substances Engineer  
Region 3 Office  
New York State Department of Environmental Conservation  
21 South Putt Corners Road  
New Paltz, NY 12561

MODULE V - LAND DISPOSAL RESTRICTIONS

New York Power Authority  
INDIAN POINT UNIT No. 3 NUCLEAR POWER PLANT

- A. BACKGROUND: 6 NYCRR Part 376 (Land Disposal Restrictions) prohibits the continued land disposal of untreated hazardous wastes beyond specified dates, unless the Commissioner authorizes an exemption from or extension to an effective date of an applicable restriction established under section 376.3 of this part, under the provisions of 6 NYCRR Parts 376.1(a)(4), 376.1(a)(5), 376.1(e) or 376.1(f).

The Permittee shall comply with the waste analysis, notification, certification and record keeping requirements of 6 NYCRR Part 376.1(g) whenever generating, treating or managing a restricted waste.

- B. STORAGE OF RESTRICTED WASTES: The Permittee may store such wastes to which the land disposal prohibition applies for up to one year unless the Department can demonstrate that such storage was not solely for the purpose of a accumulation of such quantities of hazardous waste as are necessary to facilitate proper recovery, treatment or disposal 6NYCRR Part 376.5(a)2, or when a variance from this condition has been granted by the Department.

The Permittee may store wastes to which the land disposal prohibition applies beyond one year; however, the Permittee bears the burden of proving that such storage was solely for the purpose of accumulation of such quantities of hazardous waste as are necessary to facilitate proper recovery, treatment or disposal, 6NYCRR Part 376.5(a)(3).

- C. LAND DISPOSAL OF RESTRICTED WASTES: The land disposal of restricted waste is prohibited unless the applicable treatment standard is met, or the waste is exempt under 6 NYCRR Part 376.1(a)(3).

D. THE RESTRICTION DATES: The above restrictions become effective only from as specified under 6 NYCRR Part 376.3.

The Permittee is required to comply with the restrictions and applicable dates which are specified in 6 NYCRR Part 376 for all hazardous waste managed by the Permittee.

MODULE VI - STORAGE IN CONTAINERS

New York Power Authority  
 INDIAN POINT UNIT No. 3 NUCLEAR POWER PLANT

A. AUTHORIZED STORAGE AREA, WASTE TYPES AND STORAGE VOLUME.

The Permittee may store the following wastes in containers at the facility, subject to the terms of this permit:

AREA	WASTE TYPE	MAXIMUM CAPACITY
MIXED WASTE STORAGE BUILDING (a designated area within the interim radwaste storage facility)	<u>Mixed Waste:</u> Spent Solvents (F001, F002, F003, F005) Ignitable (D001) Corrosive (D002) Toxic (D004-D043)	7,000 Gallons  (70-55 gallon drums  and  3-133 ft <sup>3</sup> overpacks)
MIXED WASTE STORAGE SHED No.1	<u>Mixed Waste:</u> Spent Solvents (F001, F002, F003, F005) Ignitable (D001) Corrosive (D002) Toxic (D004-D043)	770 gallons
MIXED WASTE STORAGE SHED No.2	<u>Mixed Waste:</u> Spent Solvents (F001, F002, F003, F005) Ignitable (D001) Corrosive (D002) Toxic (D004-D043)	770 gallons

B. CONTAINMENT

The Permittee shall maintain the containment systems in accordance with the requirements of 6NYCRR 373-2.9(f) and as specified in the plans and specifications submitted in the permit application and its revisions and approval by the Commissioner and this Permit Module. These approved plans and specifications shall remain available at the facility pursuant to Module I, Condition H. Any modifications to the approved design must be submitted to the Commissioner for review and approval pursuant to Module I, Condition I.

C. CONDITION OF CONTAINERS

If a container holding hazardous waste is not in good condition (e.g., severe rusting, apparent structural defects, deterioration of liner) or if it begins to leak, the Permittee shall transfer the hazardous waste from such container to a container that is in good condition or otherwise manage the waste in compliance with the conditions of this permit. Each such occurrence shall be recorded in the inspection log and maintained as part of the operating record as described in Module I, Condition H.(6). If any leaking container threatens human health or the environment, it must be reported as specified in Module I, Condition D.(8), (i.e., 24-hour reporting).

D. COMPATIBILITY OF WASTE WITH CONTAINERS

The Permittee shall assure that the ability of the container to contain or store the waste is not impaired as required by 6NYCRR 373-2.9(c).

E. MANAGEMENT OF CONTAINERS

The Permittee shall manage containers as required by 6NYCRR 373-2.9(d).

F. SPECIAL REQUIREMENTS FOR IGNITABLE OR REACTIVE WASTE

The Permittee shall not locate containers holding ignitable or reactive waste within 15 meters (50 feet) of the facility's property line.

G. SPECIAL REQUIREMENTS FOR INCOMPATIBLE WASTE

- (1) The Permittee shall not place incompatible wastes or incompatible wastes and materials in the same container.
- (2) The Permittee shall not place hazardous waste in an unwashed container that previously held an incompatible waste or material.
- (3) The Permittee shall separate containers of incompatible wastes as indicated in Section D of the Permit Application and as required by 6NYCRR 373-2.9(h)(3).