Entergy

Entergy Nuclear Indian Point 2, LLC
440 Hamilton Avenue
White Plains, NY 10601-5029

June 6, 2001

Re: Indian Point Unit No. 1 & 2
Docket Nos. 50-003 and 50-247

Document Control Desk
US Nuclear Regulatory Commission
Mail Station P1-137
Washington, DC 20555-0001

Subject: Response to Supplement to Request for Additional Information Pursuant to May 18, 2001 Teleconference - License Transfer Application - Indian Point Nuclear Generating Unit Nos. 1 and 2 (TAC Nos. MB0743 and MB0744)

The response of Entergy Nuclear Indian Point 2, LLC (Entergy Nuclear IP2) and Entergy Nuclear Operations, Inc. (ENO) to the Supplement to Request for Additional Information pursuant to a May 18, 2001 teleconference with the NRC staff is attached. Should you or your staff have any concerns regarding this matter, please contact Ms. Connie Wells, Manager, Business Development at Entergy Nuclear (914) 272-3206.

Very truly yours,

Michael R. Kansler
Senior Vice President
and Chief Operating Officer

Attachments:
Oath of Michael R. Kansler
Response to Supplement to Request for Additional Information Pursuant to May 18, 2001 Teleconference

A001

C. Mr. Hubert J. Miller
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For Entergy Nuclear Indian Point 2 and Entergy Nuclear Operations, Inc:

Michael R. Kansler Date 6/6/01

State of New York)
County of Westchester)

Then personally appeared before me, Michael R. Kansler, who being duly sworn, did state that he is Senior Vice President and Chief Operating Officer of Entergy Nuclear Indian Point 2 (Entergy Nuclear IP2) and Entergy Nuclear Operations, Inc. (ENO) and that he is duly authorized to execute and file the submittal contained herein in the name and on behalf of ENIP2 and ENO and that the statements attributable to Entergy Nuclear IP2 or ENO are true to the best of his knowledge and belief.

NOTARY PUBLIC

My Commission Expires:
January 21, 2002

EILEEN E. O'CONNOR
Notary Public, State of New York
No. 4991062
Qualified in Westchester County
Commission Expires January 21, 2002

RESPONSE TO SUPPLEMENT TO REQUEST FOR ADDITIONAL INFORMATION
PURSUANT TO MAY 18, 2001 TELECONFERENCE

The following is the response filed by Entergy Nuclear Indian Point 2, LLC (Entergy Nuclear IP2) and Entergy Nuclear Operations, Inc. (ENO) (collectively "applicants") to the Request for Additional Information submitted by the NRC Staff pursuant to a May 18, 2001 telephone conference. In that conference, the following question was submitted for response:

On page 8 of the summary of the Consolidated Edison 2001-2005

Business Plan submitted to the NRC, the following statement is made:

> "At present, Indian Point is licensed to operate until 2013. However, the plant's spent fuel pool can hold assemblies only until 2002. This issue has been exacerbated by the degradation of the spent fuel storage rack liner boron (Boraflex). Therefore, additional fuel storage is needed earlier than anticipated last year. Even premature shutdown of the plant would entail the continued operation of the Spent Fuel Pool at a cost of approximately xx million or more per year until the pool is emptied. All utilities operating a nuclear plant have paid fees to the Department of Energy (DOE) for the development of a spent fuel storage facility. Unfortunately, for a variety of reasons, the DOE will not be able to receive spent fuel until 2010, at the earliest.
>
> In addition, the unique nature of the Unit 1 spent fuel requires that a special cask be designed to store this fuel. Since 1994, a consortium of nuclear utilities, including Con Edison, has been working on the development of a centralized independent Spent Fuel Storage Installation to be located on Indian lands in the Western United States. The facility is expected to be built on the Skull Valley Indian Reservation. However, the facility could run into a number of political obstacles. Therefore, a secondary plan is being evaluated.
>
> Con Edison has begun an engineering and licensing campaign to enable it to build an on-site Independent Spent Fuel Storage Installation, possibly within Unit 1. This plan, if approved, will negate the need for an off-site spent fuel storage facility until operation of the DOE facility."

The NRC requests that you address: (1) how Entergy Nuclear IP2 and ENO intend to respond to this issue in the context of the continued operation of the plant and the effect, if any, on the financial projections of Entergy Nuclear IP2 and ENO; and (2) whether the anticipated costs associated with resolving this issue have been included in your financial projections.

Response: The Indian Point 2 spent fuel pool has the physical capacity to safely hold the present assemblies which it is storing and additional assemblies from refueling outages through the 2004 refueling outage and still retain full core off-load capability until just before the 2006 refueling outage. However, without a successful resolution of the Boraflex issue, there would be no capability for accepting a full core off-load after the addition of spent fuel assemblies from the 2002 refueling outage.

Consolidated Edison has already initiated actions to address the loss of storage spaces due to Boraflex degradation. A comprehensive analysis of the Boraflex issue has been initiated to consider alternative solutions, including taking credit for such features as boron in the water and the predischarge burn-up of fuel in the pool. It is anticipated that the results of these analyses will indicate that full core off-load capability is achievable until just before the 2006 refueling outage. As stated in the 2001-2005 Business Plan, Consolidated Edison is pursuing a long-term solution through efforts to obtain on-site dry cask storage. An off-site private spent fuel storage facility also continues to be an option via Private Fuel Storage L.L.C., which is pursuing the licensing of a 40,000 MTU independent spent fuel storage facility in Skull Valley, Utah. Consolidated Edison notified the NRC of anticipated future licensing actions regarding Boraflex degradation and dry cask storage in its May18, 2001 letter to the NRC (Letter NL-01-066).

Entergy Nuclear IP2 and ENO are aware of the Boraflex degradation in the Indian Point 2 spent fuel pool and the overall status of spent fuel storage at Indian Point 2. At this time, Consolidated Edison is planning to take actions which should regain enough storage locations to allow full off-load capability until just before the 2006 refueling outage. Requests to take credit for boron in the water have been successful at other facilities that have encountered Boraflex degradation. Entergy Nuclear IP2 and ENO will continue to monitor Consolidated Edison's efforts. After the closing, Entergy Nuclear IP2 and ENO will implement appropriate actions to regain the storage spaces affected by Boraflex degradation and will pursue both on-site and off-site storage options. The costs of dry cask storage have been included in the financial projections that have been supplied to the NRC by the applicants. Entergy Nuclear IP2 and ENO believe that the solutions planned for this issue will allow for the normal operation of IP2 and should have no additional impact on the financial projections of Entergy Nuclear IP2 and ENO.

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