February 11, 2002

Mr. Michael Kansler Senior Vice President and Chief Operating Officer Entergy Nuclear Operations, Inc. 440 Hamilton Avenue White Plains, NY 10601

SUBJECT: INDIAN POINT NUCLEAR GENERATING UNIT NO. 2 - ENVIRONMENTAL

ASSESSMENT AND FINDING OF NO SIGNIFICANT IMPACT FOR A

PROPOSED EXEMPTION FROM THE REQUIREMENTS OF 10 CFR 50.60(a)

(TAC NO. MB2420)

Dear Mr. Kansler:

Enclosed is a copy of the Environmental Assessment and Finding of No Significant Impact related to an application by the Consolidated Edison Company of New York, Inc. (Con Edison), the former licensee of Indian Point Nuclear Generating Unit No. 2, for an exemption dated July 16, 2001. On September 6, 2001, Con Edison's interests in the license was transferred to Entergy Nuclear Operations, Inc. (ENO). By letter dated September 20, 2001, ENO requested that the U.S. Nuclear Regulatory Commission (NRC) continue to review and act on all requests before the Commission which had been submitted before the transfer. Accordingly, the NRC staff has acted upon the request. The exemption request of July 16, 2001, was supplemented by ENO on January 11, 2002. The proposed exemption would provide an exemption from the requirements of 10 CFR 50.60(a). The exemption would permit the use of the American Society of Mechanical Engineers Boiler and Pressure Vessel Code (ASME Code), Section XI Code Case N-640, "Alternative Requirement Fracture Toughness for Development of P-T [Pressure and Temperature] Limit Curves for ASME Section XI Division I," and ASME Code Section XI, Code Case N-588, "Alternative to Reference Flaw Orientation of Appendix G for Circumferential Welds in Reactor Vessels, Section XI, Division I," in lieu of 10 CFR Part 50 Appendix G, paragraph I.

The assessment is being forwarded to the Office of the Federal Register for publication.

Sincerely,

/RA/

Patrick D. Milano, Sr. Project Manager, Section 1
Project Directorate I
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-247

Enclosure: Environmental Assessment

cc w/encl: See next page

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UNITED STATES NUCLEAR REGULATORY COMMISSION ENTERGY NUCLEAR OPERATIONS, INC.

DOCKET NO. 50-247

INDIAN POINT NUCLEAR GENERATING UNIT NO. 2

ENVIRONMENTAL ASSESSMENT AND FINDING OF

NO SIGNIFICANT IMPACT

The U.S. Nuclear Regulatory Commission (NRC) is considering issuance of an exemption from Title 10 of the *Code of Federal Regulations* (10 CFR) Part 50.60(a) for Facility Operating License No. DPR-26, issued to Entergy Nuclear Operations, Inc., (ENO or the licensee), for operation of the Indian Point Nuclear Generating Unit No. 2 (IP2), located in Westchester County, New York. Therefore, as required by 10 CFR 51.21, the NRC is issuing this environmental assessment and finding of no significant impact.

ENVIRONMENTAL ASSESSMENT

<u>Identification of the Proposed Action:</u>

The proposed action would provide an exemption from the requirements of 10 CFR 50.60(a). The exemption would permit the use of the American Society of Mechanical Engineers Boiler and Pressure Vessel Code (ASME Code), Section XI, Code Case N-640, "Alternative Requirement Fracture Toughness for Development of P-T [Pressure and Temperature] Limit Curves for ASME Section XI Division I," and ASME Code Section XI Code Case N-588, "Alternative to Reference Flaw Orientation of Appendix G for Circumferential Welds in Reactor Vessels, Section XI, Division I," in lieu of 10 CFR Part 50, Appendix G, paragraph I.

The proposed action is in accordance with the Consolidated Edison Company of New York, Inc. (Con Edison), the former licensee of IP2, request for an exemption dated

July 16, 2001. On September 6, 2001, Con Edison's interests in the license was transferred to Entergy Nuclear Operations, Inc. (ENO). By letter dated September 20, 2001, ENO requested that the NRC continue to review and act on all requests before the Commission which had been submitted before the transfer. Accordingly, the NRC staff has acted upon Con Edison's application dated July 16, 2001, as supplemented by an ENO letter dated January 11, 2002. The Need for the Proposed Action:

The proposed action provides relief from unnecessary restriction of the P-T operating window defined by the P-T operating and test curves developed in accordance with ASME Code, Section XI, Appendix G procedure. ASME Code, Section XI, Appendix G procedure was conservatively developed based on the level of knowledge existing in 1974 concerning reactor pressure vessel materials and the estimated effects of operation. Since 1974, the level of knowledge about these topics has been greatly expanded. This increased knowledge permits relaxation of the ASME Code, Section XI, Appendix G, requirements via application of ASME Code Case N-640 while maintaining the underlying purpose of the ASME Code, Section XI, Appendix G procedure. The restriction of the P-T operating and test curves developed in accordance with ASME Code, Section XI, Appendix G procedure would challenge the operations staff when operating at lower temperatures.

Continued operation with P-T curves developed in accordance with the ASME Code, Section XI without relief would unnecessarily restrict the P-T operating window for IP2. This would constitute an unnecessary burden that can be alleviated by the application of ASME Code Case N-588 in the development of the proposed P-T curves. Implementation of the proposed P-T curves as allowed by ASME Code Case N-588 would not reduce the margin of safety originally contemplated by either the NRC or ASME.

Environmental Impacts of the Proposed Action:

The NRC has completed its evaluation of the proposed action and concludes as set forth below, there are no significant environmental impacts associated with the use of the alternative analysis methods to support the revision of the P-T curves.

The proposed action will not significantly increase the probability or consequences of accidents, no changes are being made in the types of effluents that may be released off site, and there is no significant increase in occupational or public radiation exposure. Therefore, there are no significant radiological environmental impacts associated with the proposed action.

With regard to potential nonradiological impacts, the proposed action does not have a potential to affect any historic sites. It does not affect nonradiological plant effluents and has no other environmental impact. Therefore, there are no significant nonradiological environmental impacts associated with the proposed action.

Accordingly, the NRC concludes that there are no significant environmental impacts associated with the proposed action.

Environmental Impacts of the Alternatives to the Proposed Action:

As an alternative to the proposed action, the staff considered denial of the proposed action (i.e., the "no-action" alternative). Denial of the application would result in no change in current environmental impacts. The environmental impacts of the proposed action and the alternative action are similar.

Alternative Use of Resources:

The action does not involve the use of any different resource than those previously considered in the Final Environmental Statement for the Indian Point Nuclear Generating Unit No. 3, dated September 1972.

Agencies and Persons Consulted:

On January 31, 2002, the staff consulted with the New York State official, Ms. Alyse Peterson of the New York State Research and Development Authority, regarding the environmental impact of the proposed action. The State official had no comments.

FINDING OF NO SIGNIFICANT IMPACT

On the basis of the environmental assessment, the NRC concludes that the proposed action will not have a significant effect on the quality of the human environment. Accordingly, the NRC has determined not to prepare an environmental impact statement for the proposed action.

For further details with respect to the proposed action, see the licensee's letter dated July 16, 2001, as supplemented by letter dated January 11, 2002. Documents may be examined, and/or copied for a fee, at the NRC's Public Document Room (PDR), located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available records will be accessible electronically from the Agencywide Documents Access and Management System (ADAMS) Public Electronic Reading Room on the internet at the NRC Web site, http://www.nrc.gov/reading-rm.html. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS, should contact the NRC PDR Reference staff by telephone at 1-800-397-4209 or 301-415-4737, or by e-mail to pdr@nrc.gov.

Dated at Rockville, Maryland, this 11th day of February 2002.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Joel T. Munday, Acting Chief, Section 1 Project Directorate 1 Division of Licensing Project Management Office of Nuclear Reactor Regulation