

September 13, 2004

Ms. Ann Leber
Town Clerk
Town of North Castle
15 Bedford Road
Armonk, NY 10504

Dear Ms. Leber:

On behalf of the Nuclear Regulatory Commission (NRC), I am responding to a resolution that you forwarded from the Town Board of the Town of North Castle dated June 10, 2004, regarding the possible renewal of the operating license of the Indian Point Nuclear Generating Unit Nos. 2 and 3 (IP2 and 3). In its resolution, the Board expressed its concerns about the potential of a terrorist attack, the age of the plants, the potential outcome of equipment failure or human error during operation, and siting standards for nuclear facilities.

As you are aware, the current facility operating licenses for IP2 and 3 expire in 2013 and 2015, respectively. Entergy Nuclear Operations, Inc. has not announced its intention to seek renewal of the operating licenses for an additional 20 years. If Entergy decides to submit an application to renew the licenses, the NRC staff will review both the safety issues (10 CFR Part 54) and environmental issues (10 CFR Part 51). The licensee must provide the NRC with an evaluation that addresses the technical aspects of plant aging and must describe how the aging will be managed. In addition, the licensee must prepare an evaluation of the potential impact on the environment to support plant operation for the additional 20 years. The NRC will review the application, document its evaluations in a safety evaluation report and supplemental environmental impact statement, and perform verification inspections at the licensee's facility. Some licensee programs, such as security and emergency planning, have periodic update requirements throughout the current operating term that would continue during the period of extended operation. These programs are assessed by the NRC on an ongoing basis. Therefore, the review of their adequacy is not necessary for license renewal. Additional information about license renewal can be found on the NRC web site at <http://www.nrc.gov/reactors/operating/licensing/renewal.html>.

As with any licensing activity, the public will have an opportunity to participate in NRC's decision-making process with regard to license renewal. The public, in general, is encouraged to participate in the process through public meetings and public comment periods on the application. In addition, members of the public have an opportunity to request a formal adjudicatory hearing if they would be adversely affected by the proposed license renewal.

The NRC is committed to its mission to ensure adequate protection of public health and safety. In this regard, the NRC closely monitors nuclear power plants to ensure that they are maintained and operated in accordance with NRC regulations. As we detailed in our letter to the licensee dated August 30, 2004 (Agencywide Documents Access and Management

A. Leber

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System (ADAMS) Accession No. ML042440084), regarding our recent assessment of IP2 and 3, the NRC considers Indian Point to be operated safely and the current security posture to be strong. The NRC continues to actively monitor the situation at Indian Point, and all of our Nation's nuclear power plants, and is prepared to take measures to ensure the continued safety of those nuclear facilities.

I trust this information is responsive to your concerns. Please contact me if you need additional information.

Sincerely,

/RA/

Cornelius F. Holden, Jr., Director
Project Directorate I
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

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