~~SAFEGUARDS INFORMATION~~

February 1, 2007

**Enclosure Contains Safeguards Information. When Separated from enclosure, this letter is not Safeguards Information.**

Mr. Fred Dacimo
Site Vice President
Entergy Nuclear Operations, Inc.
Indian Point Energy Center
295 Broadway, Suite 1
P.O. Box 249
Buchanan, NY 10511-0249

SUBJECT: INDIAN POINT NUCLEAR GENERATING UNITS 2 AND 3 - NRC SPECIAL INSPECTION REPORT NOS. 05000247/2006401 AND 05000286/2006401

Dear Mr. Dacimo:

On January 11, 2007, the U.S. Nuclear Regulatory Commission (NRC) completed a special inspection at your Indian Point Energy Center (IPEC). The special team inspection was initiated in accordance with on criteria listed in NRC Management Directive 8.3, "NRC Incident Investigation Program." Specifically, the condition involved safeguards concerns that were sufficiently complex to warrant additional inspection effort beyond the baseline inspection program to understand the scope and significance of the issues.

The enclosed inspection report documents the inspection results, which were discussed at the exit meeting on January 11, 2007, with Mr. J. Comiotes, Director of Nuclear Safety Assurance and other members of your staff. The determination that the inspection would be conducted was made by the NRC on November 9, 2006, and the inspection started on November 13, 2006.

The inspection examined activities conducted under your licenses as they relate to safety and compliance with the Commission's rules and regulations and with the conditions of your licenses. The inspectors reviewed selected procedures and records, observed activities, and interviewed personnel.

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|---|---|
| **Warning: Violation of section 147 of the Atomic Energy Act, "Safeguards Information" is subject to civil and criminal penalties** | **SAFEGUARDS INFORMATION DETERMINATION MADE BY:**<br>**NAME/TITLE: James M. Trapp, Chief**<br>**ORGANIZATION: RI/DRS/PSB1**<br>**BASIS - DG-SG-1 (300) Physical Protection Program**<br>**SIGNATURE___/RA/_____/ DATE: 02/01/07** |

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The NRC insured that the deficiencies were promptly corrected or compensated for, and the plant was in compliance with applicable physical protection and security requirements within the scope of this inspection upon discovery by the inspectors and before the inspectors left the site. We have completed our review and this report documents two NRC-identified findings of very low safety significance (i.e., Green as determined by the Physical Protection Significance Determination Process).

NRC is treating these violations as non-cited violations (NCVs) consistent with Section VI.A.1 of the NRC Enforcement Policy because of the very low security significance of the violations and because they are entered into your corrective action program. If you contest these non-cited violations, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the Nuclear Regulatory Commission, ATTN.: Document Control Desk, Washington DC 20555-0001; with copies to the Regional Administrator Region I; the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001; and the NRC Resident Inspector at IPEC.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system, ADAMS. ADAMS is accessible from the NRC Website at http://www.nrc.gov/reading-rm/adams.html (the Public Electronic Reading Room). However, because of the security-related concerns contained in the enclosure, and in accordance with 10 CFR 2.390, a copy of this letter's enclosure will not be available for public inspection.

In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response, if any. This practice will ensure that your response will not be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system, ADAMS. If Safeguards Information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21. Otherwise, mark your entire response "Security-Related Information-Withhold Under 10 CFR 2.390" and follow the instructions for withholding in 10 CFR 2.390(b)(1).

Sincerely,

***/RA/***

James M. Trapp, Chief
Plant Support Branch 1
Division of Reactor Safety

Docket Nos. 50-247, 50-286
License Nos. DPR-26, DPR-64

Enclosure: NRC Inspection Report Nos. 05000247/2006401, 05000286/2006401
w/Attachments
**(CONTAINS SAFEGUARDS INFORMATION (SGI) AND OFFICIAL USE ONLY-SECURITY-RELATED INFORMATION)**

cc w/encl w/SGI
T. Barry, Manager of Security
P. Smith, New York State Energy Research and Development Authority
F. Tabert, Assistant Director, New York State Department of Homeland Security

cc w/o encl w/o SGI:
G. J. Taylor, Chief Executive Officer, Entergy Operations
M. R. Kansler, President, Entergy Nuclear Operations Inc. (ENO)
J. T. Herron, Senior Vice President and Chief Operations Officer (ENO)
C. Schwarz, Vice President, Operations Support (ENO)
K. Polson, General Manager Operations (ENO)
O. Limpias, Vice President, Engineering (ENO)
J. McCann, Director, Licensing (ENO)
C. D. Faison, Manager, Licensing (ENO)
M. J. Colomb, Director of Oversight (ENO)
J. Comiotes, Director, Nuclear Safety Assurance (ENO)
P. Conroy, Manager, Licensing (ENO)
T. C. McCullough, Assistant General Counsel, Entergy Nuclear Operations, Inc.
Assistant General Counsel, Entergy Nuclear Operations, Inc.
P. Eddy, Electric Division, New York State Department of Public Service
C. Donaldson, Esquire, Assistant Attorney General, New York Department of Law
D. O'Neill, Mayor, Village of Buchanan
J. G. Testa, Mayor, City of Peekskill
R. Albanese, Four County Coordinator
S. Lousteau, Treasury Department, Entergy Services, Inc.
Chairman, Standing Committee on Energy, NYS Assembly
Chairman, Standing Committee on Environmental Conservation, NYS Assembly
Chairman, Committee on Corporations, Authorities, and Commissions
M. Slobodien, Director, Emergency Planning
B. Brandenburg, Assistant General Counsel
Assemblywoman Sandra Galef, NYS Assembly
County Clerk, Westchester County Legislature
A. Spano, Westchester County Executive
R. Bondi, Putnam County Executive
C. Vanderhoef, Rockland County Executive
E. A. Diana, Orange County Executive
T. Judson, Central NY Citizens Awareness Network
M. Elie, Citizens Awareness Network
D. Lochbaum, Nuclear Safety Engineer, Union of Concerned Scientists
Public Citizen's Critical Mass Energy Project

M. Mariotte, Nuclear Information & Resources Service
F. Zalcman, Pace Law School, Energy Project
L. Puglisi, Supervisor, Town of Cortlandt
Congressman John Hall
Congresswoman Nita Lowey
Senator Hillary Rodham Clinton
G. Shapiro, Senator Clinton's Staff
Senator Charles Schumer
J. Riccio, Greenpeace
A. Matthiessen, Executive Director, Riverkeeper, Inc.
M. Kaplowitz, Chairman of County Environment & Health Committee
A. Reynolds, Environmental Advocates
M. Jacobs, Director, Longview School
D. Katz, Executive Director, Citizens Awareness Network
P. Leventhal, The Nuclear Control Institute
K. Coplan, Pace Environmental Litigation Clinic
D. C. Poole, PWR SRC Consultant
W. Russell, PWR SRC Consultant
W. Little, Associate Attorney, NYSDEC
R. Christman, Manager Training and Development

Distribution w/o encl w/o SGI:
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A. Blough, DRS
M. Gamberoni, DRS
J. Trapp, DRS
T. Sicola, DRS
Region I Docket Room (w/concurrences)
ROPreports@nrc.gov

Distribution w/encl w/SGI:
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|---|---|---|---|---|---|---|---|---|---|---|
| NAME | ADimitriadis * | | TSicola * | | JWillis * (via phone) | | JTrapp | | WSchmidt * | |
| DATE | 01/24/07 | | 01/24/07 | | 01/24/07 | | 02/01/07 | | 01/31/07 | |

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