



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PA 19406-1415

March 3, 2008

Mr. Joseph E. Pollock
Site Vice President
Entergy Nuclear Operations, Inc.
Indian Point Energy Center
450 Broadway, GSB
Buchanan, NY 10511-0249

SUBJECT: ANNUAL ASSESSMENT LETTER - INDIAN POINT NUCLEAR GENERATING
UNITS 2 AND 3 (REPORTS 05000247/2008001 & 05000286/2008001)

Dear Mr. Pollock:

On February 13, 2008, the NRC staff completed its performance reviews of Indian Point Nuclear Generating Units 2 and 3. Our technical staff reviewed performance indicators for the most recent quarter and inspection results from January 1 through December 31, 2007. The purpose of this letter is to inform you of our assessment of your safety performance during this period and our plans for future inspections at your facility.

This performance review and enclosed inspection plan do not include security information. A separate letter designated and marked as "Official Use Only – Security Information" will include the security cornerstone review and resultant inspection plan.

Overall, Indian Point Nuclear Generating Units 2 and 3 operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance at Unit 2 for the most recent quarter, as well as for the first three quarters of the assessment cycle, was within the Licensee Response column of the NRC's Action Matrix based on all inspection findings being classified as having very low safety significance (Green) and all performance indicators indicating performance at a level requiring no additional NRC oversight (Green). Plant performance for the most recent quarter at Unit 3 was within the Licensee Response column of the NRC's Action Matrix based on all inspection findings being classified as having very low safety significance (Green) and all performance indicators indicating performance at a level requiring no additional NRC oversight (Green). While plant performance for the most recent quarter was within the Licensee Response column of the Action Matrix, there was one performance indicator of low to moderate safety significance (White) in the Initiating Events cornerstone affecting the second quarter of the assessment cycle. Specifically, the Unit 3 Unplanned Scrams per 7000 Critical Hours performance indicator exceeded the Green/White threshold of greater than three scrams per 7000 critical hours.

On September 4, 2007, the NRC began supplemental inspection 95001 on Unit 3 for the White performance indicator. However, on September 7, 2007, you requested [ADAMS Ref. ML072540159] that we cease the supplemental inspection because your staff needed additional time to complete and document causal evaluations and corrective actions. On September 12, 2007, the NRC acknowledged the request [ADAMS Ref. ML072550571] and informed you that the inspection would be rescheduled when your actions were complete and

suitable for NRC review. On February 25, 2008, you informed the NRC of your readiness for the supplemental inspection [ADAMS Ref. ML080570458]; therefore, in addition to the baseline inspection program, we plan to conduct supplemental inspection 95001 on Unit 3 beginning on April 14, 2008.

In our annual assessment letter dated March 2, 2007 [ADAMS Ref. ML070610603], we advised you of a substantive cross-cutting issue in the area of human performance related to procedure adequacy (H.2(c)) at Unit 2. In our mid-cycle performance review letter dated August 31, 2007 [ADAMS Ref. ML072430942], we informed you that we had concluded that you did not satisfy the criteria for clearing the cross-cutting issue, as delineated in the March 2, 2007, annual assessment letter. Specifically, you had not effectively implemented your corrective action plan for upgrading operating procedures; and, you had not achieved a notable reduction in the number of findings with cross-cutting aspects in procedural adequacy.

During this assessment period, there continued to be inspection findings attributable to procedure adequacy at Unit 2. In addition, there were four inspection findings on Unit 3 associated with multiple cornerstones that were attributable to procedure adequacy. These inspection findings involved inadequate operations, maintenance, plant modification, and surveillance test procedures. We understand that Entergy has recognized the site-wide cross-cutting theme in procedure adequacy and has developed action plans to upgrade operations, instrumentation and controls, and maintenance procedures. However, we are concerned that at the time of our inspection of this area in late 2007, you had not effectively implemented your action plan for operations procedures. We are also concerned that the screening process in your action plan for instrumentation and controls procedures is not robust and commensurate with the extended timeline for upgrading these procedures. As a result, we have concluded that you have not met the criteria for clearing the substantive cross-cutting issue. Additionally, we have determined that the substantive cross-cutting issue applies to both Units 2 and 3.

The NRC has also identified a substantive cross-cutting issue in the area of problem identification and resolution at Unit 2. During this assessment period, there were four inspection findings associated with multiple reactor safety cornerstones that were attributable to implementation of corrective actions (P.1(d)). These inspection findings involved failure to effectively implement corrective actions for degraded containment fan cooler units, adverse station battery resistances, adverse reliability of an onsite gas turbine-generator, and inadequate monitoring of service water intake bay level. In addition, Entergy has not implemented effective corrective actions to ensure that the new siren system was installed in accordance with NRC orders and has not effectively implemented corrective actions for the long-standing substantive cross-cutting issue in procedure adequacy. Consequently, we are concerned with Entergy's scope of efforts and progress in addressing the cross-cutting theme because Entergy has not demonstrated recognition that the cross-cutting theme affects other areas and has not initiated appropriate action to address it.

We will monitor your progress in the areas of corrective action implementation and procedure adequacy through the baseline inspection program, including a review of your actions during the biennial problem identification and resolution inspection scheduled for the second quarter of 2008. The NRC will clear these substantive cross-cutting issues when Entergy has demonstrated sustainable performance improvement as evidenced by effective implementation of an appropriate corrective action plan that results in no safety significant inspection findings and a notable reduction in the overall number of inspection findings with the same causal factor.

Because this is the third consecutive assessment letter identifying a substantive cross-cutting issue associated with procedural adequacy, the NRC requests that you conduct an assessment of the safety culture at Indian Point Energy Center. This assessment should be conducted by individuals who are independent from the corporate and site organizations being assessed. We also request that you respond in writing, within 30 days of the issuance of this letter, to provide a detailed description of your plans for the conduct of this assessment including, as a minimum: the assessment scope and methodology; the assessment team composition and qualifications; and a detailed schedule with milestone dates. Following our evaluation of your plan, we will inform you of the schedule for our inspection activities to evaluate your assessment and corrective actions.

In addition to the baseline inspection program, we plan to conduct license renewal and independent spent fuel storage installation inspections at both units. The NRC will also continue enhanced oversight of Entergy's actions to address issues associated with on-site groundwater contamination characterization and mitigation, and the performance of the alert and notification system (ANS), including implementation and initial testing of the replacement ANS that you are installing in response to the Energy Policy Act of 2005. We expect to continue enhanced oversight until you have completed actions associated with on-site groundwater contamination and installation of the replacement ANS as described in the renewed ROP Deviation Memorandum, approved on December 19, 2007 [ADAMS Ref. ML073480290].

The enclosed inspection plan details the baseline and deviation memorandum inspections, less those related to physical protection, scheduled through June 30, 2009. The inspection plan is provided to allow for the resolution of any scheduling conflicts and personnel availability issues well in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last six months of the inspection plan are tentative and may be revised at the mid-cycle safety performance review.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made 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 Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

If circumstances arise which cause us to change this inspection plan, we will contact you to discuss the change as soon as possible. Please contact Eugene Cobey at 610-337-5171 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Samuel J. Collins
Regional Administrator
Region I

Docket Nos. 50-247 and 50-286
License No. DPR-26 and DPR-64

Enclosures: Indian Point Nuclear Generating Unit 2 and Unit 3 Inspection/Activity Plans

cc w/encl:

Senior Vice President, Entergy Nuclear Operations
Vice President, Operations, Entergy Nuclear Operations
Vice President, Oversight, Entergy Nuclear Operations
Senior Manager, Nuclear Safety and Licensing, Entergy Nuclear Operations
Senior Vice President and CCO, Entergy Nuclear Operations
Assistant General Counsel, Entergy Nuclear Operations
Manager, Licensing, Entergy Nuclear Operations
P. Tonko, President and CEO, New York State Energy Research and Development Authority
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
P. Eddy, NYS Department of Public Service
Assemblywoman Sandra Galef, NYS Assembly
T. Seckerson, County Clerk, Westchester County Board of Legislators
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. Zalzman, Pace Law School, Energy Project
L. Puglisi, Supervisor, Town of Cortlandt
Congressman John Hall
Congresswoman Nita Lowey
Senator Hillary Rodham Clinton
Senator Charles Schumer
G. Shapiro, Senator Clinton's Staff
J. Riccio, Greenpeace
P. Musegaas, Riverkeeper, Inc.
M. Kaplowitz, Chairman of County Environment & Health Committee
A. Reynolds, Environmental Advocates
D. Katz, Executive Director, Citizens Awareness Network
S. Tanzer, The Nuclear Control Institute
K. Coplan, Pace Environmental Litigation Clinic

cc w/encl:

M. Jacobs, IPSEC

W. Little, Associate Attorney, NYSDEC

M. J. Greene, Clearwater, Inc.

R. Christman, Manager Training and Development

J. Spath, New York State Energy Research, SLO Designee

A. J. Kremer, New York Affordable Reliable Electricity Alliance (NY AREA)
Institute of Nuclear Power Operations (INPO)

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- M. Jacobs, IPSEC
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- J. Spath, New York State Energy Research, SLO Designee
- A. J. Kremer, New York Affordable Reliable Electricity Alliance (NY AREA)
Institute of Nuclear Power Operations (INPO)

Distribution w/encl:

- S. Collins, RA
- M. Dapas, DRA
- G. West, RI OEDO (Acting)
- J. Lubinski, NRR
- M. Kowal, NRR
- J. Boska, PM, NRR
- J. Hughey, NRR
- E. Cobey, DRP
- D. Jackson, DRP
- C. Hott, DRP, Senior Resident Inspector -
Indian Point 2 (Acting)
- A. Patel, Resident Inspector - Indian Point 2
(Acting)
- Region I Docket Room (w/concurrences)
ROPreports@nrc.gov

RidsNrrDirslpab@nrc.gov

- J. Trapp, DRS
- J. Rogge, DRS
- S. Hansell, DRS
- J. White, DRS
- L. Doerflein, DRS
- R. Conte, DRS
- L. Scholl, DRS
- P. Frechette, DRS
- D. Silk, DRS
- D. Screnci, PAO
- N. Sheehan, PAO
- R. Barkley, ORA
- D. Holody, ORA
- J. Anderson, NRR
- J. Thompson, NRR (JWT1@nrc.gov)

SUNSI Review Complete: DEJ (Reviewer's Initials)

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OFFICE	RI/DRP	RI/DRP	RI/DRP	ORA	
NAME	DJackson/DEJ	ECobey/EWC	DLew/DCL	SCollins/SJC	
DATE	02/27/08	02/27/08	02/27/08	02/29/08	

Indian Point
Inspection / Activity Plan
01/01/2008 - 06/30/2009

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	1/7 EXM - U2 INITIAL OPERATOR LICENSING EXAM		5			
2	U01683	FY08 - INDIAN POINT 2 INITIAL EXAM		01/07/2008	01/11/2008	Not Applicable
	71002 - LICENSE RENEWAL INSPECTION		8			
2	IP 71002	License Renewal Inspection		01/28/2008	02/01/2008	License Renewal Inspe
2	IP 71002	License Renewal Inspection		02/11/2008	02/15/2008	License Renewal Inspe
	ISFSI - ISFSI INSPECTIONS		1			
2	IP 60854.1	Preoperational Testing of Independent Spent Fuel Storage Facility Installation at Operating Plants		01/28/2008	10/31/2008	Other Routine
2	IP 60855.1	Operation of an Independent Spent Fuel Storage Installation at Operating Plants		01/28/2008	10/31/2008	Other Routine
	TI-172 - TI-172 RCS DISSIMILIAR METAL WELDS		1			
2	IP 2515/172	Reactor Coolant System Dissimilar Metal Butt Welds		03/31/2008	04/04/2008	Generic Safety Inspecti
	7111108P - U2 INSERVICE INSPECTION		1			
2	IP 7111108P	Inservice Inspection Activities - PWR		03/31/2008	04/11/2008	Baseline Inspections
	71121 - OCC RAD SAFETY		1			
2	IP 7112101	Access Control to Radiologically Significant Areas		04/07/2008	04/11/2008	Baseline Inspections
2	IP 7112102	ALARA Planning and Controls		04/07/2008	04/11/2008	Baseline Inspections
	TI-166 - CONTAINMENT SUMP MODIFICATIONS		1			
2	IP 2515/166	Pressurized Water Reactor Containment Sump Blockage [NRC GENERIC LETTER 2004-02]		04/21/2008	04/25/2008	Safety Issues
	7111117B - SBO EDG MOD		2			
2	IP 7111117B	Evaluations of Changes, Tests, or Experiments & Permanent Plant Modifications		06/02/2008	06/06/2008	Baseline Inspections
	71152B - PI&R		5			
2	IP 71152B	Identification and Resolution of Problems		05/19/2008	05/23/2008	Baseline Inspections
2	IP 71152B	Identification and Resolution of Problems		06/02/2008	06/06/2008	Baseline Inspections
	7112201 - PUB RAD SAFETY - RETS		1			
2	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		07/07/2008	07/11/2008	Baseline Inspections
	7111111B - REQUAL INSPECTION +P/F REVIEW		3			
2	IP 7111111B	Licensed Operator Requalification Program		09/22/2008	09/26/2008	Baseline Inspections
	MODS - PERMANENT PLANT MODIFICATIONS		4			
2	IP 7111117B	Evaluations of Changes, Tests, or Experiments & Permanent Plant Modifications		07/28/2008	08/01/2008	Baseline Inspections
2	IP 7111117B	Evaluations of Changes, Tests, or Experiments & Permanent Plant Modifications		08/11/2008	08/15/2008	Baseline Inspections
	7112203 - PUB RAD SAFETY - REMP		1			
2	IP 7112203	Radiological Environmental Monitoring Program (REMP) And Radioactive Material Control Program		08/04/2008	08/08/2008	Baseline Inspections
	71121 - OCC RAD SAFETY		1			
2	IP 7112101	Access Control to Radiologically Significant Areas		08/18/2008	08/22/2008	Baseline Inspections
2	IP 7112102	ALARA Planning and Controls		08/18/2008	08/22/2008	Baseline Inspections

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This report shows only on-site and announced inspection procedures.

Indian Point
Inspection / Activity Plan
01/01/2008 - 06/30/2009

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	TI 171 - TI 171		3			
2	IP 2515/171	Verification of Site Specific Implementation Of B.5.b Phase 2 & 3 Mitigating Strategies		09/29/2008	10/03/2008	Generic Safety Inspectio
	71122.02 - PUB RAD SAFETY - RADWASTE		1			
2	IP 7112202	Radioactive Material Processing and Transportation		11/17/2008	11/21/2008	Baseline Inspections
	EP - EP EXERCISE EVALUATION		1			
2	IP 7111401	Exercise Evaluation		12/01/2008	12/05/2008	EP Baseline Inspection
2	IP 7111404	Emergency Action Level and Emergency Plan Changes		12/01/2008	12/05/2008	EP Baseline Inspection
2	IP 71151-EP01	Drill/Exercise Performance		12/01/2008	12/05/2008	Baseline Inspections
2	IP 71151-EP02	ERO Drill Participation		12/01/2008	12/05/2008	Baseline Inspections
2	IP 71151-EP03	Alert & Notification System		12/01/2008	12/05/2008	Baseline Inspections
	71121 - OCC RAD SAFETY		1			
2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		12/15/2008	12/19/2008	Baseline Inspections
2	IP 71151-OR01	Occupational Exposure Control Effectiveness		12/15/2008	12/19/2008	Baseline Inspections
2	IP 71151-PR01	RETS/ODCM Radiological Effluent		12/15/2008	12/19/2008	Baseline Inspections
	71121 - OCC RAD SAFETY		1			
2	IP 7112101	Access Control to Radiologically Significant Areas		03/23/2009	03/27/2009	Baseline Inspections
2	IP 7112102	ALARA Planning and Controls		03/23/2009	03/27/2009	Baseline Inspections
	7111107B - HEAT SINK INSP		1			
2	IP 7111107B	Heat Sink Performance		05/11/2009	05/15/2009	Baseline Inspections

Indian Point 3
Inspection / Activity Plan
01/01/2008 - 06/30/2009

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	71002	- LICENSE RENEWAL INSPECTION	8			
3	IP 71002	License Renewal Inspection		01/28/2008	02/01/2008	License Renewal Inspe
3	IP 71002	License Renewal Inspection		02/11/2008	02/15/2008	License Renewal Inspe
	TRI FIRE	- TRIENNIAL FIRE PROTECTION INSPECTION	4			
3	IP 7111105T	Fire Protection [Triennial]		01/21/2008	01/25/2008	Baseline Inspections
3	IP 7111105T	Fire Protection [Triennial]		02/04/2008	02/08/2008	Baseline Inspections
	71121	- OCC RAD SAFETY	1			
3	IP 7112101	Access Control to Radiologically Significant Areas		04/07/2008	04/11/2008	Baseline Inspections
3	IP 7112102	ALARA Planning and Controls		04/07/2008	04/11/2008	Baseline Inspections
	7112201	- PUB RAD SAFETY - RETS	1			
3	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		07/07/2008	07/11/2008	Baseline Inspections
	7112203	- PUB RAD SAFETY - REMP	1			
3	IP 7112203	Radiological Environmental Monitoring Program (REMP) And Radioactive Material Control Program		08/04/2008	08/08/2008	Baseline Inspections
	71121	- OCC RAD SAFETY	1			
3	IP 7112101	Access Control to Radiologically Significant Areas		08/18/2008	08/22/2008	Baseline Inspections
3	IP 7112102	ALARA Planning and Controls		08/18/2008	08/22/2008	Baseline Inspections
	TI 171	- TI 171	3			
3	IP 2515/171	Verification of Site Specific Implementation Of B.5.b Phase 2 & 3 Mitigating Strategies		09/29/2008	10/03/2008	Generic Safety Inspecti
	71122.02	- PUB RAD SAFETY - RADWASTE	1			
3	IP 7112202	Radioactive Material Processing and Transportation		11/17/2008	11/21/2008	Baseline Inspections
	EP	- EP EXERCISE EVALUATION	1			
3	IP 7111401	Exercise Evaluation		12/01/2008	12/05/2008	EP Baseline Inspection
3	IP 7111404	Emergency Action Level and Emergency Plan Changes		12/01/2008	12/05/2008	EP Baseline Inspection
3	IP 71151-EP01	Drill/Exercise Performance		12/01/2008	12/05/2008	Baseline Inspections
3	IP 71151-EP02	ERO Drill Participation		12/01/2008	12/05/2008	Baseline Inspections
3	IP 71151-EP03	Alert & Notification System		12/01/2008	12/05/2008	Baseline Inspections
	71121	- OCC RAD SAFETY	1			
3	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		12/15/2008	12/19/2008	Baseline Inspections
3	IP 71151-OR01	Occupational Exposure Control Effectiveness		12/15/2008	12/19/2008	Baseline Inspections
3	IP 71151-PR01	RETS/ODCM Radiological Effluent		12/15/2008	12/19/2008	Baseline Inspections
	TI-172	- TI-172 RCS DISSIMILIAR METAL WELDS	1			
3	IP 2515/172	Reactor Coolant System Dissimilar Metal Butt Welds		03/16/2009	03/20/2009	Generic Safety Inspecti
	7111108P	- U3 INSERVICE INSPECTION	1			
3	IP 7111108P	Inservice Inspection Activities - PWR		03/16/2009	03/27/2009	Baseline Inspections

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Indian Point 3
Inspection / Activity Plan
01/01/2008 - 06/30/2009

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	71121	- OCC RAD SAFETY	1			
3	IP 7112101	Access Control to Radiologically Significant Areas		03/23/2009	03/27/2009	Baseline Inspections
3	IP 7112102	ALARA Planning and Controls		03/23/2009	03/27/2009	Baseline Inspections
	7111107B	- HEAT SINK INSP	1			
3	IP 7111107B	Heat Sink Performance		05/11/2009	05/15/2009	Baseline Inspections
	71152B	- PI&R BIENNIAL TEAM	4			
3	IP 71152B	Identification and Resolution of Problems		05/18/2009	05/22/2009	Baseline Inspections
3	IP 71152B	Identification and Resolution of Problems		06/01/2009	06/05/2009	Baseline Inspections

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