

March 7, 2008

C. Scott Vanderhoef, County Executive  
County of Rockland, New York  
Allison- Parris County Office Building  
New City, New York 10956

Dear Mr. Vanderhoef:

I am responding to your letter to me dated February 7, 2008, regarding your request that the funds from the civil penalty recently issued to Entergy by the Nuclear Regulatory Commission be directed to the four counties bordering Indian Point to help reimburse the cost of the government infrastructure necessary to support emergency planning for Indian Point. The NRC imposed civil penalties of \$130,000 and \$650,000, in April 2007 and January 2008, respectively, due to Entergy's failure to fully meet these orders, which were imposed to ensure that the backup power requirements mandated by the Energy Policy Act of 2005 were implemented in a timely manner.

Since April 2007, the NRC has received several requests from elected officials, including county and local officials near the Indian Point Energy Center, to redirect funds from civil penalties issued against Entergy for failing to fully comply with the provisions of NRC orders governing the installation of backup power to the emergency notification (siren) system surrounding Indian Point. Due to past similar requests, the NRC Office of General Counsel requested a ruling in such matters from the Comptroller General of the United States; a copy of that determination is attached and is published in the matter of: Nuclear Regulatory Commission's Authority to Mitigate Civil Penalties, 70 Comp. Gen 17, B-238419 (October 9, 1990). That Comptroller General determination concluded that the NRC has no authority to mitigate civil penalties by redirecting funds as you requested, or allowing contributions from a licensee in lieu of paying civil penalties directly to the U.S. Treasury.

Under the provisions of the Atomic Energy Act of 1954 and the Energy Reorganization Act of 1974, the NRC is authorized to impose civil penalties on its licensees; such civil penalties are paid directly to the U.S. Treasury. The NRC has carefully reviewed such requests for the redirection of civil penalties in the past to programs not appropriated by Congress. However, the NRC lacks the statutory authority to redirect civil penalties to local communities that host NRC licensees or counties within a nuclear plant's emergency planning zone. Such statutory authority can only be granted by Congress.

C. Scott Vanderhoef

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We will continue to closely monitor Entergy's progress to comply with the new siren system requirements and take appropriate action as deemed necessary.

Sincerely,

*/RA/*

Samuel J. Collins,  
Regional Administrator

Enclosure: As stated

C. Scott Vanderhoef

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We will continue to closely monitor Entergy's progress to comply with the new siren system requirements and take appropriate action as deemed necessary.

Sincerely,

**/RA/**

Samuel J. Collins,  
Regional Administrator

Enclosure: As stated

**SUNSI Review Complete: rsb1 (Reviewer's Initials)**

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