

United States Nuclear Regulatory Commission Official Hearing Exhibit	
In the Matter of:	Entergy Nuclear Operations, Inc. (Indian Point Nuclear Generating Units 2 and 3)
	ASLBP #: 07-858-03-LR-BD01
	Docket #: 05000247 05000286
	Exhibit #: NYS000047-00-BD01
	Admitted: 10/15/2012
	Rejected:
Other:	Identified: 10/15/2012 Withdrawn: Stricken:

NYS000047
Submitted: December 14, 2011

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UNITED STATES

NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

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In re: Docket Nos. 50-247-LR; 50-286-LR

License Renewal Application Submitted by ASLBP No. 07-858-03-LR-BD01

Entergy Nuclear Indian Point 2, LLC, DPR-26, DPR-64

Entergy Nuclear Indian Point 3, LLC, and

Entergy Nuclear Operations, Inc. December 13, 2011

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PRE-FILED WRITTEN TESTIMONY OF

PETER J. LANZALOTTA

REGARDING CONTENTION NYS-9-33-37

On behalf of the State of New York ("NYS" or "the State"), the Office of the Attorney General hereby submits the following testimony by Peter J. Lanzalotta regarding Contention NYS-9-33-37 (consolidated as "NYS-37").

Q. Please state your full name.

A. Peter J. Lanzalotta.

Q. By whom are you employed and what is your position?

A. I am a Principal with Lanzalotta & Associates LLC.

Q. Please summarize your educational and professional qualifications.

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1 A. I have worked for more than 30 years as an electric
2 utility employee and as a consultant on electric system planning
3 and operating matters, as well as various other electric-
4 utility-related areas. I have a BS in Electric Power
5 Engineering from Rensselaer Polytechnic Institute and an MBA in
6 Finance from Loyola College. I am a registered as a
7 professional engineer in Connecticut and Maryland. I have
8 appeared as an expert witness on electric utility reliability,
9 planning, operation, and rate matters in more than 100
10 proceedings in 22 states, the District of Columbia, the
11 Provinces of Alberta and Ontario, and before the Federal Energy
12 Regulatory Commission and U. S District Court. A copy of my
13 Curriculum Vitae (CV) has been previously submitted in these
14 proceedings in support of New York State's contention, NYS-37
15 (ML110680290) and is provided again, herewith, as Exh.NYS000097:
16 "Lanzalotta CV."

17 Q. I show you what has been marked as Exhibit NYS000098.
18 Do you recognize that document?

19 A. Yes. It is a copy of my expert declaration, dated
20 February 1, 2011 ("2011 Lanzalotta Decl.") (ML110680290),
21 submitted in support of New York State's contention, NYS-37,
22 setting forth my analysis of the FSEIS's consideration of New
23 York State's transmission grid, reliability issues, and

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1 purchased electrical power. The declaration accurately reflects
2 my analysis and opinions.

3 Q. What is the purpose of your testimony?

4 A. The purpose of this testimony is to address aspects of
5 the Final Supplemental Environmental Impact Statement ("final
6 SEIS" or "FSEIS") for Indian Points Units 2 and 3 (NUREG 1437,
7 Supplement 38) dated December 2010 and address the issues,
8 comments, and assumptions related to electric transmission
9 system planning and electric system reliability contained
10 therein.

11 The FSEIS looks at the consequences of the "no-action"
12 alternative to relicensing by relying, in part, on the findings
13 and conclusions in the discussion of alternatives in the FSEIS
14 at FSEIS § 8.3. See FSEIS § 8.2, p. 8-22. I have also reviewed
15 and analyzed that section of the FSEIS and identified the
16 deficiencies in the consideration of purchased electrical power,
17 transmission constraints, and the need for power as these relate
18 to the no-action alternative.

19 Q. Have you reviewed materials in preparation for your
20 testimony?

21 A. Yes. In addition to the FSEIS, I have also reviewed
22 Exh.NYS000056, the *Indian Point Retirement Options, Replacement*
23 *Generation, Decommissioning/Spent Fuel Issues, and Local*

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1 *Economic/Rate Impacts*, report prepared for the County of
2 Westchester and the County of Westchester Public Utility Service
3 Agency, by Levitan & Associates, Inc. (June 2005) ("2005 Levitan
4 Report"), Exh.NYS000055, the National Research Council of the
5 National Academy of the Sciences Committee on "*Alternatives to
6 the Indian Point Energy Center for Meeting New York Electric
7 Power Needs*" (June, 2006) ("2006 National Research Council"),
8 the primary study Staff rely on in the FSEIS with respect to
9 energy alternatives, as well as a number of New York Independent
10 System Operator ("NYISO") and New York State Reliability Council
11 ("NYSRC") documents that address electric system reliability
12 planning and electric system reliability needs in New York. I
13 have also reviewed my prior declaration, and the studies and
14 data referenced therein.

15 Q. Mr. Lanzalotta I show you Exhibits NYS000055-56,
16 NYS000058, NYS000072, NYS000075, NYS000099 through NYS000103 and
17 NYS000111. Do you recognize these documents?

18 A. Yes. These are true and correct copies of the
19 documents that I referred to, used, and/or relied upon in
20 preparing my prior declaration in this proceeding and this
21 testimony. In some cases where the document was extremely long
22 and only a small portion is relevant to my testimony, an excerpt

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1 of the document is provided. If it is only an excerpt that is
2 noted on the first page of the Exhibit.

3 Q. What is the source of those materials?

4 A. Many are documents prepared by government agencies,
5 peer reviewed articles, or documents prepared by Entergy or the
6 utility industry.

7 Q. How do these documents relate to the work that you do
8 as an expert in forming opinions such as those contained in this
9 testimony?

10 A. These documents represent the type of information that
11 persons within my field of expertise reasonably rely upon in
12 forming opinions of the type offered in this testimony.

13 Q. Please summarize your testimony.

14 A. The FSEIS provides little or no useful information on
15 whether or to what extent the capabilities of New York State's
16 existing electric transmission system and related facilities
17 will support or limit the various alternatives discussed in
18 Section 8 of the FSEIS and thus what will occur if Indian Point
19 is not relicensed. The FSEIS uses outdated assumptions
20 regarding the availability of transmission system capacity
21 additions from new transmission projects that exaggerate the
22 difficulties of siting, getting approvals, and constructing such
23 new transmission projects, and wholly ignores significant

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1 developments in New York State's electricity markets, energy
2 policies, and transmission grid since 2006. These result in the
3 FSEIS referring to the potential transmission capacity from a
4 project that has been halted, such as the New York Regional
5 Interconnect ("NYRI"), with large presumptive environmental
6 impacts, and ignoring other potential sources of transmission
7 capacity, potentially with fewer environmental impacts, that are
8 successfully progressing, such as the Hudson Transmission
9 Partners ("HTP") transmission line into NYC. The FSEIS raises
10 the possibility of transmission capacity limitations, which
11 could constrain the transmission system's ability to move
12 replacement power into the NYC area if Indian Point is not
13 relicensed, but then assumes, with no meaningful analysis of New
14 York State's current electricity transmission grid system, that
15 any such limitations will be relieved by the construction of
16 large infrastructure projects or by locating the alternatives
17 near to downstate loads. Thus, the FSEIS's discussion of the
18 alleged "problems" that would arise if Indian Point were not
19 relicensed is not supported by a current, site-specific, factual
20 analysis of the ability of the transmission grid to support any
21 or all of the measures that have occurred or are likely to occur
22 if Indian Point is not relicensed.

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1 Q. You state that the FSEIS uses outdated assumptions
2 regarding the availability of transmission system capacity
3 additions from new transmission projects that wholly ignore
4 significant developments in New York State's electricity
5 markets, energy policies, and transmission grid in recent years.
6 Please discuss.

7 A. The FSEIS refers to various transmission projects to
8 add electric transmission capacity into the NYC area, some of
9 which are not proceeding and are, therefore, not relevant to
10 Indian Point at all, and it fails to address other projects that
11 will add transmission capacity into NYC. For example, the FSEIS
12 incorrectly asserts that NYRI is still seeking approval to build
13 a 190 mile transmission line from upstate New York to the lower
14 Hudson Valley as "illustrative of the potential for new
15 transmission in congested areas of New York State," FSEIS §
16 8.3.2. p.8-40, lines 24-25, even though NYRI formally withdrew
17 its application in 2009. See Exh.NYS000075: April 2009 NYS PSC
18 Case Correspondence.

19 The FSEIS appears to ignore the approval of the Hudson
20 Transmission Partner Line. Exh.NYS000072: Sept. 15, 2010 NYS
21 PSC Order. This 345 kV line will connect Pennsylvania, New
22 Jersey, Maryland grid ("PJM") to midtown Manhattan, running
23 between the Bergen Substation in Ridgefield, New Jersey and

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1 terminating at Consolidated Edison substations. It is expected
2 to initially provide 320 MW of firm capacity from PJM to New
3 York City, with the potential to provide 660 MW of firm capacity
4 if necessary investments are made to upgrade PJM facilities. In
5 the Order approving this line, the New York State Public Service
6 Commission ("NY PSC") stated that

7 System reliability is enhanced by the HTP facility . . .

8 Examined systematically, there are two real possibilities
9 in the future that warrant our careful consideration in
10 rendering a decision to certificate the HTP facility.

11 [One] serious possibility involves the Indian Point nuclear
12 power facilities located in Westchester. A segment of the
13 State's population remains deeply concerned about the
14 safety of having a nuclear facility as close as this one is
15 to a major metropolitan area. Indeed, as a party in the
16 Nuclear Regulatory Commission's relicensing proceeding for
17 the Indian Point facilities, the State has opposed the
18 extension of the plants' operating licenses. Also,
19 environmentalists remain active in pursuing updates and
20 modifications to this facility to lessen its current
21 impacts on the environment. **We find that the HTP facility**
22 **will assist in maintaining system reliability in the event**
23 **that one or both of the Indian Point plants close.**

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1 Exh.NYS000111: Sept. 15, 2010 NYS PSC Order, p. 44

2 (emphasis added).

3 Q. Are there any transmission-related developments that
4 are potentially related to the continued operation of Indian
5 Point that are not addressed in the FSEIS?

6 A. Yes. In addition to those already discussed, there
7 are a number of additional transmission-related developments
8 that are relevant to the subject of potential impacts of license
9 denial that are not addressed in the FSEIS. These developments
10 include additional transmission capacity either has been
11 installed, is in the process of being installed, or has been
12 approved to be installed in the New York Control Area, Zones H,
13 I, J, or K. For example, the FSEIS has failed to consider the
14 following recent transmission system developments: (1) The
15 Neptune Cable links the Long Island to New Jersey and energy
16 sources in the PJM area. It provides up to 660 megawatts of
17 transmission capacity into Long Island (Zone K); (2) In
18 addition, trans-Hudson and trans-Arthur Kill connections and
19 interconnection upgrades are in the New York ISO interconnection
20 queue. These projects currently include the Brookfield Power
21 U.S. Harbor Cable Project II (200 MW), and the East Coast Power
22 LLC interconnection upgrade (300 MW; Linden, Staten Island); (3)
23 a new transmission link between New York and New Jersey has been

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1 proposed. The 550 MW Harbor Cable Project and Generating
2 Portfolio would provide a full controllable transmission pathway
3 from generating sources in New Jersey to New York City.

4 The 2005 Levitan & Associates study, upon which NRC Staff
5 relies throughout the FSEIS, identified three possible
6 transmission alternatives to the retirement of Indian Point
7 Units 2 and 3. The first would include the construction of two
8 physically separate 500 kV circuits between the Capitol District
9 around Albany to the downstate grid in New York City. Each of
10 the circuits would be controllable and would be able to transmit
11 1,000 MW of power for a total of 2,000 MW; Exh. NYS000056: 2005
12 Levitan Study at pp. 35-36. The second transmission alternative
13 identified by Levitan & Associates would be to upgrade the
14 existing 345 kV New Scotland-Leeds circuit and the 345 kV Leeds-
15 Pleasant Valley circuit, and construct a new 345 kV line from
16 New Scotland to Pleasant Valley. This would increase the
17 Upstate New York ("UPNY") - South End New York ("SENY")
18 interface transfer capability by approximately 600 MW. Id at pp.
19 36-37. The third transmission alternative would be to convert
20 the existing 345 kV Marcy-New Scotland circuit to a double
21 circuit and to rebuild the New Scotland station to a breaker-
22 and-a-half design. This would increase the Central-East
23 transfer capability by approximately 650 MW and increase the

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1 transmission capability into New York City by approximately 450
2 MW. Id. at p. 37.

3 Levitan & Associates also identified a fourth transmission
4 alternative that would upgrade the interconnections between New
5 York and the PJM grid system by re-conductoring the existing
6 transmission paths from Ramapo to Buchanan and/or constructing a
7 new dedicated (overhead or underground) transmission line from
8 Ramapo to Buchanan. However, Levitan & Associates were unsure
9 of the amount by which this alternative would increase the Total
10 East transfer capability into New York State.

11 The FSEIS ignored all of the above developments, including
12 those mentioned in the 2005 Levitan Report upon which it relied,
13 as well as ignoring developments since 2006 that drastically
14 alter the transmission picture and focused instead on large
15 scale "illustrative projects" with large presumed environmental
16 impacts, but with little or no relevance to Indian Point, some
17 of which have been cancelled.

18 Q. What is the relevance of these developments and
19 projects to the issue of replacement power and/or Staff's
20 assumptions regarding purchased electricity?

21 A. Developments and projects such as these provide i)
22 potential sources of electric power to replace Indian Point, and
23 ii) additions to current transmission capacity potentially

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1 useful in helping allow electric power generated elsewhere to be
2 used to replace Indian Point.

3 Q. You state that the FSEIS's discussion of the costs and
4 benefits of the no-action alternative is not supported by a
5 current, site-specific, factual analysis of the ability of the
6 transmission grid to support any or all of the power sources
7 that can be used if Indian Point is not relicensed. Please
8 discuss.

9 A. The shortcomings of the FSEIS analysis of the need for
10 and the availability of energy supply if Indian Point is not
11 relicensed is demonstrated in a number of ways. For example,
12 the FSEIS fails to acknowledge that electric transmission system
13 adequacy planning addresses the interplay between forecasted
14 peak load, transmission system capacity, electric generation
15 capacity and location, and demand response peak load reduction.
16 There are a number of questions as to the level of projected
17 peak load demand that should be considered when the assessing
18 the viability or availability of replacement capacity for Indian
19 Point's generation if the units are not relicensed.

20 After looking at projected electric load growth, as well as
21 at existing and proposed generating resources, the NYISO's 2009
22 Comprehensive Review of Resource Adequacy found that "the
23 anticipated capacity supply (42,536 MW) will exceed the

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1 forecasted peak load (34,309 MW) (this includes the required
2 reserve margin of 18% for the 2010-2011 Capability Year) by
3 2,051 MW in 2014." Exh. NYS000099: 2010 NYISO NYCA Resource
4 Adequacy at p. 1. According to the NYISO, there were three
5 reasons for this: reductions in peak load due to the recession
6 and to the New York Energy Efficiency Portfolio Standards
7 ("EEPS"), an increase in generation additions and Special Case
8 Resources (customer pledges to cut energy usage on demand), and
9 fewer planned generator retirements. Id.

10 However, in calculating this 2,051 MW capacity surplus in
11 2014, the NYISO used the original 2009 load and capacity data
12 ("Gold Book") forecast. If the revised 2009 Gold Book forecast
13 is used, instead, as it should be, the anticipated capacity
14 supply of 42,536 MW will exceed the forecasted peak load of
15 33,594 MW in 2014 by a total of 8,942 MW, or 2,895 MW more than
16 the required 18 percent reserve margin.

17 Moreover, the revised 2009 Gold Book forecast assumes that
18 only a portion of the 15x15 energy efficiency goal will be
19 achieved. Exh. NYS000058: 2010 NYISO RNA Report at p. 9. A
20 more recent NYISO forecast in its 2010 Reliability Needs
21 Assessment Final Report, issued in September 2010, shows what
22 the projected impact would be of achieving 100 percent of the
23 "15 by 15" energy efficiency goal by 2015. As a consequence,

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1 this 2010 RNA 15x15 forecast projects significantly lower peak
2 demands for New York State.

3 Lastly, NYISO Demand Response programs, which enlist
4 electricity customers to conserve power in response to system
5 conditions, are effectively reducing the need for additional
6 capacity. One of the NYISO Demand Response programs, called
7 Special Case Resources, currently has registrations of 2,251 MW
8 for 2010, an increase of 315 MW from the previous year. Exh.
9 NYS000100: 2010 NYISO Gold Book at p. 6.

10 Staff's failure to seriously consider information about New
11 York's energy conservation sector from other credible sources is
12 also fatal to the FSEIS's analysis of New York's energy markets
13 and infrastructure. The FSEIS fails to take into account that
14 energy efficiency and energy conservation programs (collectively
15 referred to as "demand-side management" or "DSM") have become a
16 fully integrated, and critical element of New York State's
17 energy market, energy planning mechanisms, and energy
18 infrastructure. Thus, the FSEIS's conclusion that new capital
19 investments will be needed to address reliability and
20 transmission constraints in a no-action scenario, FSEIS § 9.1.2.
21 ("Irreversible or Irretrievable Resource Commitments"), is
22 contrary to more recent developments in the State's transmission
23 planning process, which gives equal weight to generation,

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1 transmission, and DSM in the planning of transmission and energy
2 services. As a result of the above, the FSEIS overstates the
3 potential economic costs of the no-action scenario.

4 Q. Does the FSEIS raise concerns about the stability of
5 the downstate's transmission grid as a potential constraint on
6 replacement power?

7 A. Yes it does.

8 Q. Please describe how the FSEIS deals with transmission
9 grid stability as a constraint to replacement capacity in the
10 event that the Indian Point generating units are shut down.

11 A. The FSEIS raises the possibility of transmission grid
12 stability problems caused by a lack of reactive power if the
13 Indian Point generating units are shut down, to suggest the
14 alleged indispensability of the Indian Point units, but fails to
15 study this possibility and potential remedies, and nonetheless
16 bases its analysis on one potential remedy, the possibility of
17 operating the IP generators as synchronous condensers, to the
18 exclusion of other remedies, such as capacitors, static var
19 compensators ("SVC"s), and static synchronous compensators
20 (STATCOMs). The FSEIS first addresses reactive power at 8-22,
21 and states:

22 This SEIS does not assess the specifics of the need
23 for corrections to reactive power that would be

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1 required to support generation alternatives if Indian
2 Point Units 2 and Indian Point Units 3 were shut down.
3 Reactive power (i.e., power stored in magnetic fields
4 throughout the power grid) is essential for the smooth
5 operation of the transmission grid because it helps
6 hold the voltage to desired levels. It may be
7 possible to use the existing generators at IP2 and IP3
8 as a source of reactive power even if IP2 and IP3 are
9 shut down. As "synchronous condensers," the
10 generators could add reactive power (but not real
11 power) to the transmission system (National Research
12 Council 2006). Because it is assumed that the
13 generators would be operated as synchronous condensers
14 only until the reactive power could be supported by
15 new, real replacement power generation, their
16 operation is not considered as a significant
17 contributor to the impacts described below. Further,
18 as a shut-down nuclear power plant may not be
19 decommissioned for many years after shutdown, the
20 continued operation of IP2 and IP3 generators would
21 not necessarily slow or impede decommissioning
22 activities.

23 FSEIS, at p. 8-22.

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1 The FSEIS fails to evaluate the impact of IP closure on
2 reactive power supplies while admitting that the generator
3 portion of the IP units could be operated separately, after
4 retirement of the nuclear reactor and steam generation portions
5 of IP, as synchronous condensers. The FSEIS further opines
6 that:

7 Issues of electrical grid stability that may result
8 from an Indian Point shutdown would be addressed by
9 the New York Independent System Operator (NYISO).
10 NYISO has indicated that Indian Point plays an
11 important role in electric reliability and supply in
12 downstate New York, and has also indicated a potential
13 need for Indian Point's generators to continue
14 operating as synchronous condensers in the event that
15 the reactors themselves shut down. (A synchronous
16 condenser is required to provide the necessary
17 reactive power loading for electric grid operation.)

18 FSEIS, Appendix A, p. A-151.

19 The above NRC response to a public comment (FSEIS, Appendix
20 A, p. A-151) states that a synchronous condenser is required to
21 provide reactive power needed by the electric grid and again
22 suggests the alleged indispensability of the Indian Point units.
23 Here again, the FSEIS fails to acknowledge that electric

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1 transmission system adequacy planning addresses the interplay
2 between forecasted peak load, transmission system capacity,
3 electric generation capacity and location, and demand response
4 peak load reduction.

5 In fact, as noted above, synchronous condensers are only
6 one means of supplying reactive power to the electric system.
7 Other reactive power sources include various capacitors, SVCs
8 (static var compensators), STATCOMS (static synchronous
9 compensators), and in-service electric generating units. These
10 various options cover a wide range of potential costs, space
11 requirements, lead-time requirements, and operating flexibility
12 and capabilities.

13 Moreover, I have reviewed NYISO's most recent Reliability
14 Needs Assessment and Comprehensive Reliability Planning
15 documents and find no indication that NYISO has indicated a
16 potential need for Indian Point's generators to operate as
17 synchronous condensers in the event that the reactors themselves
18 are shut down.

19 In response to issues of electrical grid stability issues
20 related to the retirement of one or both of the Indian Point
21 units, the New York ISO is required to issue a timely call for
22 market based and regulated backstop solutions to ensure the
23 continued, safe, reliable operation of the New York's electrical

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1 transmission grid. The call for market based and regulated
2 backstop solutions will involve participation from market
3 participants, based on the forecasted load demands, current
4 transmission capacity, generation capacity, and demand side
5 management programs available at the time the units are
6 scheduled to retire. Generation, transmission, and demand
7 response proposals can be considered in this process as
8 legitimate solutions to meet these needs. Therefore, it is
9 premature for the FSEIS to assume that the Indian Point units
10 will be used as synchronous condensers in the event they are
11 retired from generation, or that it is necessary to run the
12 Indian Point units as synchronous condensers in order to support
13 replacement capacity in the event the units are not relicensed.
14 Simply put, the Indian Point units are not indispensable from
15 the perspective of grid stability; in the event the units are
16 retired, NYISO is required to implement market based and/or
17 regulated backstop solutions to ensure grid stability. NYISO's
18 response is likely to involve a mixture of generation,
19 transmission enhancements, and/or demand response measures
20 commensurate with the actual need, if any, for additional grid
21 support at the time the Indian Point Unit 3 retires in 2015.

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1 Q. Please discuss the implications of the fact that the
2 FSEIS does not address that the Indian Point units will retire
3 18 months apart and how the FSEIS addresses that fact.

4 A. The FSEIS does not present any analysis of the
5 separate retirements of Indian Point 2 in 2013 and of Indian
6 Point 3 in 2015, but rather focuses on their combined
7 retirements as if a single event. This obscures the fact that
8 no reliability concerns have been explicitly associated with the
9 retirement of Indian Point 2 (which retires in 2013).

10 Q. Do you have any comment as to whether or not Staff is
11 accurate when they rely on a 2006 Department of Energy study to
12 conclude that Zones H, I, J, and K are "critical congestion
13 areas" and that this situation will continue indefinitely? FSEIS
14 § 8.3, p. 8-27.

15 A. Yes. Reliance on the 2006 DOE Congestion Study is
16 problematic as the 2006 DOE Congestion Study and subsequent
17 National Interest Electric Transmission Corridor (NIETC)
18 designations have since been vacated because DOE failed to
19 properly consult with the affected States in conducting the
20 Congestion Study and failed to comply with the requirements of
21 NEPA. Exh. NYS000101: Wilderness Society et al. U.S. Department
22 of Energy (9th Cir. No. 08-71074) (Failure to consult was not
23 harmless error under the APA). I note that the State of New

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1 York has previously objected to NRC Staff's reliance on this
2 study in Contention 33 because Staff failed to acknowledge that
3 this DOE decision was the subject of judicial challenge. See
4 Contention NYS-9-33 at ¶ 15 (ML090690303). While it is clear
5 that the transmission system in and around NYC is heavily loaded
6 under certain circumstances, it is by no means clear that these
7 circumstances reflect system conditions that are expected to
8 continue unabated into the future.

9 Based on the belief that Zones H, I, J, and K are "critical
10 congestion areas" Staff erroneously concluded that replacing
11 Indian Point's capacity with purchased electrical power would
12 require 2,100 MW of new transmission construction. In fact, as
13 discussed earlier, lowered demand load forecasts and recent
14 enhancements to New York's transmission grid, including the
15 recently approved HTP line, suggest that purchased electrical
16 power could replace all of Indian Point's generating capacity
17 without the construction of an additional 2,100 MW of
18 transmission line capacity.

19 Q. Do you have any concluding remarks?

20 A. Yes. The FSEIS's conclusion that substantial new
21 capital investments will be needed to address reliability and
22 transmission constraints in the event the Indian Point Units are
23 retired ignores the developing realities of utility planning,

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1 which give equal weight to generation, transmission, and demand-
2 side management. The FSEIS ignores substantial developments in
3 the downstate market that reduce the need to implement
4 corrective measures if the units are retired. As a result, it
5 substantially overstates the potential constraints on
6 replacement power, and overstates the potential economic costs
7 of a retirement scenario.

8 Q. Does this conclude your testimony?

9 A. Yes.

10 I have reviewed all the exhibits referenced herein. True
11 and accurate copies are attached.

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1 UNITED STATES

2 NUCLEAR REGULATORY COMMISSION

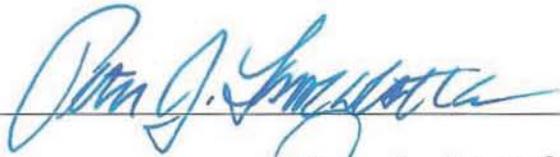
3 BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

4 -----x
5 In re: Docket Nos. 50-247-LR; 50-286-LR
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8 Entergy Nuclear Indian Point 3, LLC, and
9 Entergy Nuclear Operations, Inc. December 13, 2011

10 -----x
11 **DECLARATION OF PETER J. LANZALOTTA**

12 I, Peter J. Lanzalotta, do hereby declare under
13 penalty of perjury that my statements in the foregoing testimony
14 and my statement of professional qualifications are true and
15 correct to the best of my knowledge and belief.

16
17 Executed in Accord with 10 C.F.R. § 2.304(d)

18 

19
20 Peter J. Lanzalotta
21 Principal, Lanzalotta & Associates LLC.
22 67 Royal Pointe Drive
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*Pre-filed Written
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Contention NYS-37*