

## **ATTACHMENT 22**

**PSC Permit Transfer IP3 (2000)**

**NEGATIVE DECLARATION**  
Notice of Determination of Non-Significance

Project Number Not ApplicableDate March 31, 2000

This notice is issued pursuant to Part 617 of the implementing regulations pertaining to Article 8 (State Environmental Quality Review Act) of the Environmental Conservation Law.

The New York Power Authority (NYPA or the Authority), as lead agency, has determined that the proposed action described below will not have a significant effect on the environment and a Draft Environmental Impact Statement will not be prepared.

**Name of Action:** The proposed action is the sale of NYPA's Indian Point 3 (IP3) & James A. FitzPatrick (JAF) Nuclear Power Plants (NPPs) to indirectly wholly-owned subsidiaries of the Entergy Corporation of New Orleans.

**SEQR Status:** Type I ☒  
Unlisted ☐

**Conditioned Negative Declaration:** ☐ Yes  
☒ No

**Description of Action:** The proposed action is the sale of NYPA's IP3 & JAF NPPs. The sale includes the land, structures, equipment, personnel & agreements on ancillary services & power supply. Entergy will purchase the NPPs subject to all existing permits & approvals.

Entergy will acquire IP3 & JAF in compliance with all applicable laws & regulations. The NPPs, once under new ownership, will be required to continue to comply with these & any other applicable laws & regulations. The State's economic, social & environmental interests will, therefore, be safeguarded. As the sale will return lands not subject to real property taxation to the tax base, economic benefits may in fact result. NYPA selected Entergy for its experience and ability to run the NPPs at the levels the Authority has currently attained. Entergy will supply power from the NPPs to the Authority under a power agreement that mimics current conditions. If power from the NPPs is unavailable, NYPA will go to the power market, as it currently does. Therefore, the sale is not expected to impact either the local or system-wide power supply.

**Location:** (Include street address and the name of the municipality/county. A location map of appropriate scale is also recommended.)

Indian Point 3 Nuclear Power Plant, Bleakley Avenue & Broadway,  
Buchanan, New York 10511 and James A. FitzPatrick Nuclear Power Plant,  
268 Lake Road East, Lycoming, New York 13093

**Reasons Supporting This Determination:**

(See 617.6(g) for requirements of this determination; see 617.6(h) for Conditioned Negative Declaration)

The sale, when completed, will involve the transfer to and assumption by Entergy of the ownership and operation of IP3 & JAF in the same manner as provided for in the state & federal licenses, permits, & approvals currently in effect for these facilities. NYPA intends to relinquish all land, buildings, equipment, personnel, licenses, permits & approvals associated with these facilities. Entergy can draw upon its extensive operational experience and sound financial resources, and is committed to the continuation of current operations without substantial change. The sale will not result in any physical change to either site. As set forth in the Environmental Assessment & Addendum prepared by NYPA for this action, there will not be a significant adverse impact to air or water quality, traffic or noise levels, solid waste production, erosion, the sites' flora or fauna, hazardous or nuclear waste disposal, energy conservation, public health & safety, or any other area of environmental impacts as a result of the proposed sale.

Entergy will offer continued employment to all NYPA nuclear operations personnel, as well as those staff members directly supporting IP3 & JAF. Salaries will be no less than they currently receive. All other benefits will be identical or equivalent to current benefits. NYPA employees hired by Entergy will receive full credit for their years of service. Entergy will also honor existing union contracts. Therefore, there will be no significant adverse economic or social impacts due to the sale.

(Continued on the attached Page 3)

If Conditioned Negative Declaration, provide on attachment the specific mitigation measures imposed.

**For Further Information:**

Contact Person: William V. Slade, Director, Environmental Division

Address: New York Power Authority, White Plains, New York 10601

Telephone Number: 914-681-6405

**For Type I Actions and Conditioned Negative Declarations, a Copy of this Notice Sent to:**

Commissioner, Department of Environmental Conservation, 50 Wolf Road, Albany, New York 12233-0001

Appropriate Regional Office of the Department of Environmental Conservation

Office of the Chief Executive Officer of the political subdivision in which the action will be principally located.

Applicant (if any)

Other involved agencies (if any)

New York State Department of Environmental Conservation

New York State Department of State

(Continued from Page 2)

**Name of Action:** The proposed action is the sale of NYPA's Indian Point 3 and James A. FitzPatrick Nuclear Power Plants.

**Reasons Supporting This Determination:**

Entergy will pay \$636 million for the NPPs themselves, nearly \$171 million for the fuel, \$92 million for a guaranteed payment relating to the decommissioning agreement & \$68 million for NYPA's commitment to additional power purchases from JAF. NYPA will purchase IP3's entire output through December 31, 2004. NYPA will also purchase sufficient JAF output to meet the needs of customers in various economic development programs through December 31, 2004. Rates & allocations will, therefore, not be negatively affected by the sale.

The attached SEQRA Full Environmental Assessment Form Addendum contains a more extensive discussion of the review and reasons for this determination.

State Environmental Quality Review  
FULL ENVIRONMENTAL ASSESSMENT FORM

**Purpose:** The full EAF is designed to help applicants and agencies determine, in an orderly manner, whether a project or action may be significant. The question of whether an action may be significant is not always easy to answer. Frequently, there are aspects of a project that are subjective or unmeasurable. It is also understood that those who determine significance may have little or no formal knowledge of the environment or may not be technically expert in environmental analysis. In addition, many who have knowledge in one particular area may not be aware of the broader concerns affecting the question of significance.

The full EAF is intended to provide a method whereby applicants and agencies can be assured that the determination process has been orderly, comprehensive in nature, yet flexible enough to allow introduction of information to fit a project or action.

**Full EAF Components:** The full EAF is comprised of three parts:

**Part 1:** Provides objective data and information about a given project and its site. By identifying basic project data, it assists a reviewer in the analysis that takes place in Parts 2 and 3.

**Part 2:** Focuses on identifying the range of possible impacts that may occur from a project or action. It provides guidance as to whether an impact is likely to be considered small to moderate or whether it is a potentially-large impact. The form also identifies whether an impact can be mitigated or reduced.

**Part 3:** If any impact in Part 2 is identified as potentially-large, then Part 3 is used to evaluate whether or not the impact is actually important.

**DETERMINATION OF SIGNIFICANCE—Type 1 and Unlisted Actions**

Identify the Portions of EAF completed for this project:

☒ Part 1      ☒ Part 2      ☐ Part 3

Upon review of the information recorded on this EAF (Parts 1 and 2 and 3 if appropriate), and any other supporting information, and considering both the magnitude and importance of each impact, it is reasonably determined by the lead agency that:

- ☒ A. The project will not result in any large and important impact(s) and, therefore, is one which will not have a significant impact on the environment, therefore a negative declaration will be prepared.
- ☐ B. Although the project could have a significant effect on the environment, there will not be a significant effect for this Unlisted Action because the mitigation measures described in PART 3 have been required, therefore a **CONDITIONED** negative declaration will be prepared.\*
- ☐ C. The project may result in one or more large and important impacts that may have a significant impact on the environment, therefore a positive declaration will be prepared.

\*A Conditioned Negative Declaration is only valid for Unlisted Actions

Sale of the Indian Point-3 & James A. FitzPatrick Nuclear Power Plants.

Name of Action

New York Power Authority

Name of Lead Agency

William V. Slade

Print or Type Name of Responsible Officer in Lead Agency

Director, Environmental Division

Title of Responsible Officer

William V. Slade  
Signature of Responsible Officer in Lead Agency

Edward F. Wolman  
Signature of Preparer (if different from responsible officer)

January 6, 2000  
Date

# PART I—PROJECT INFORMATION

Prepared by Project Sponsor

NOTICE: This document is designed to assist in determining whether the action proposed may have a significant effect on the environment. Please complete the entire form, Parts A through E. Answers to these questions will be considered as part of the application for approval and may be subject to further verification and public review. Provide any additional information you believe will be needed to complete Parts 2 and 3.

It is expected that completion of the full EAF will be dependent on information currently available and will not involve new studies, research or investigation. If information requiring such additional work is unavailable, so indicate and specify each instance.

<b>NAME OF ACTION</b> Sale of the IP-3 & JAF Nuclear Power Plants			
<b>LOCATION OF ACTION</b> (Include Street Address, Municipality and County) IP-3: Buchanan, NY & JAF: Lycoming, NY (See Attachment)			
<b>NAME OF APPLICANT/SPONSOR</b> New York Power Authority		<b>BUSINESS TELEPHONE</b> 914-681-6405	
<b>ADDRESS</b> 123 Main Street			
<b>CITY/PO</b> White Plains		<b>STATE</b> NY	<b>ZIP CODE</b> 10601
<b>NAME OF OWNER</b> (If different) Same		<b>BUSINESS TELEPHONE</b> Same	
<b>ADDRESS</b>			
<b>CITY/PO</b>		<b>STATE</b>	<b>ZIP CODE</b>
<b>DESCRIPTION OF ACTION</b> The sale of IP-3 & JAF. The term sale constitutes the transfer of the land, structures, equipment, personnel, & power contracts. The buyer will purchase the NPPs subject to all existing permits and approvals.			

Please Complete Each Question—Indicate N.A. if not applicable

## A. Site Description

Physical setting of overall project, both developed and undeveloped areas

1. Present land use: ☐ Urban ☐ Industrial ☐ Commercial ☐ Residential (suburban) ☐ Rural (non-farm)  
☐ Forest ☐ Agriculture ☐ Other Nuclear Power Plants

2. Total acreage of project area: Attachment acres.

### APPROXIMATE ACREAGE

	IP3	JAF	PRESENTLY	AFTER COMPLETION
Meadow or Brushland (Non-agricultural)		NA	acres	NA acres
Forested			acres	acres
Agricultural (Includes orchards, cropland, pasture, etc.)			acres	acres
Wetland (Freshwater or tidal as per Articles 24, 25 of ECL)			acres	acres
Water Surface Area			acres	acres
Unvegetated (Rock, earth or fill)			acres	acres
Roads, buildings and other paved surfaces			acres	acres
Other (Indicate type) _____			acres	acres

3. What is predominant soil type(s) on project site? See Attachment.

- a. Soil drainage: ☐ Well drained 100% JAF % of site ☐ Moderately well drained 100% IP3 % of site  
☐ Poorly drained \_\_\_\_\_ % of site
- b. If any agricultural land is involved, how many acres of soil are classified within soil group 1 through 4 of the NYS Land Classification System? NA acres. (See 1 NYCRR 370).

4. Are there bedrock outcroppings on project site? ☐ Yes ☐ No

- a. What is depth to bedrock? Attachment (in feet)

5. Approximate percentage of proposed project site with slopes: ☐ 0-10% Att. % ☐ 10-15% \_\_\_\_\_ %  
☐ 15% or greater \_\_\_\_\_ %
6. Is project substantially contiguous to, or contain a building, site, or district, listed on the State or the National Registers of Historic Places? ☐ Yes ☒ No
7. Is project substantially contiguous to a site listed on the Register of National Natural Landmarks? ☐ Yes ☒ No
8. What is the depth of the water table? Attach. (in feet)
9. Is site located over a primary, principal, or sole source aquifer? ☐ Yes ☒ No
10. Do hunting, fishing or shell fishing opportunities presently exist in the project area? ☐ Yes ☐ No Attach.
11. Does project site contain any species of plant or animal life that is identified as threatened or endangered?  
☐ Yes ☒ No According to See Attachment.  
 Identify each species \_\_\_\_\_
12. Are there any unique or unusual land forms on the project site? (i.e., cliffs, dunes, other geological formations)  
☐ Yes ☒ No Describe \_\_\_\_\_
13. Is the project site presently used by the community or neighborhood as an open space or recreation area?  
☐ Yes ☒ No If yes, explain \_\_\_\_\_
14. Does the present site include scenic views known to be important to the community?  
☐ Yes ☒ No
15. Streams within or contiguous to project area: IP-3: Hudson River, JAF: NA  
 a. Name of Stream and name of River to which it is tributary \_\_\_\_\_
16. Lakes, ponds, wetland areas within or contiguous to project area:  
 a. Name See Attachment b. Size (in acres) \_\_\_\_\_
17. Is the site served by existing public utilities? ☒ Yes ☐ No  
 a) If Yes, does sufficient capacity exist to allow connection? N/A ☐ Yes ☐ No  
 b) If Yes, will improvements be necessary to allow connection? N/A ☐ Yes ☐ No
18. Is the site located in an agricultural district certified pursuant to Agriculture and Markets Law, Article 25-AA, Section 303 and 304? ☐ Yes ☒ No Attach.
19. Is the site located in or substantially contiguous to a Critical Environmental Area designated pursuant to Article 8 of the ECL, and 6 NYCRR 6177 ☒ Yes ☐ No Attach.
20. Has the site ever been used for the disposal of solid or hazardous wastes? ☒ Yes ☐ No Attach.

## B. Project Description

1. Physical dimensions and scale of project (fill in dimensions as appropriate)
- Total contiguous acreage owned or controlled by project sponsor NA acres
  - Project acreage to be developed: NA acres initially; \_\_\_\_\_ acres ultimately
  - Project acreage to remain undeveloped \_\_\_\_\_ acres
  - Length of project, in miles: \_\_\_\_\_ (If appropriate)
  - If the project is an expansion, indicate percent of expansion proposed \_\_\_\_\_ %.
  - Number of off-street parking spaces existing \_\_\_\_\_; proposed \_\_\_\_\_
  - Maximum vehicular trips generated per hour \_\_\_\_\_ (upon completion of project)?
  - If residential: Number and type of housing units.  

	One Family	Two Family	Multiple Family	Condominium
Initially	_____	_____	_____	_____
Ultimately	_____	_____	_____	_____
  - Dimensions (in feet) of largest proposed structure \_\_\_\_\_ height; \_\_\_\_\_ width; \_\_\_\_\_ length.
  - Linear feet of frontage along a public thoroughfare project will occupy is? \_\_\_\_\_ ft.

3. Will disturbed areas be reclaimed? ☐ Yes ☐ No ☒ N/A  
a. If yes, for what intended purpose is the site being reclaimed? \_\_\_\_\_  
b. Will topsoil be stockpiled for reclamation? ☐ Yes ☐ No  
c. Will upper subsoil be stockpiled for reclamation? ☐ Yes ☐ No
4. How many acres of vegetation (trees, shrubs, ground covers) will be removed from site? NA acres.
5. Will any mature forest (over 100 years old) or other locally-important vegetation be removed by this project? N/A  
☐ Yes ☐ No
6. If single phase project: Anticipated period of construction NA months, (including demolition).
7. If multi-phased:  
a. Total number of phases anticipated NA (number).  
b. Anticipated date of commencement phase 1 \_\_\_\_\_ month \_\_\_\_\_ year, (including demolition).  
c. Approximate completion date of final phase \_\_\_\_\_ month \_\_\_\_\_ year.  
d. Is phase 1 functionally dependent on subsequent phases? ☐ Yes ☐ No
8. Will blasting occur during construction? ☐ Yes ☐ No N/A
9. Number of jobs generated: during construction NA; after project is complete \_\_\_\_\_.
10. Number of jobs eliminated by this project NA.
11. Will project require relocation of any projects or facilities? ☐ Yes ☐ No If yes, explain N/A
12. Is surface liquid waste disposal involved? ☐ Yes ☐ No N/A  
a. If yes, indicate type of waste (sewage, industrial, etc.) and amount \_\_\_\_\_  
b. Name of water body into which effluent will be discharged \_\_\_\_\_
13. Is subsurface liquid waste disposal involved? ☐ Yes ☐ No Type N/A
14. Will surface area of an existing water body increase or decrease by proposal? ☐ Yes ☐ No N/A  
Explain \_\_\_\_\_
15. Is project or any portion of project located in a 100 year flood plain? ☐ Yes ☐ No N/A
16. Will the project generate solid waste? ☐ Yes ☐ No N/A  
a. If yes, what is the amount per month \_\_\_\_\_ tons  
b. If yes, will an existing solid waste facility be used? ☐ Yes ☐ No  
c. If yes, give name \_\_\_\_\_; location \_\_\_\_\_  
d. Will any wastes not go into a sewage disposal system or into a sanitary landfill? ☐ Yes ☐ No  
e. If Yes, explain \_\_\_\_\_
17. Will the project involve the disposal of solid waste? ☐ Yes ☐ No N/A  
a. If yes, what is the anticipated rate of disposal? \_\_\_\_\_ tons/month  
b. If yes, what is the anticipated site life? \_\_\_\_\_ years
18. Will project use herbicides or pesticides? ☐ Yes ☐ No N/A
19. Will project routinely produce odors (more than one hour per day)? ☐ Yes ☐ No N/A
20. Will project produce operating noise exceeding the local ambient noise levels? ☐ Yes ☐ No N/A
21. Will project result in an increase in energy use? ☐ Yes ☐ No N/A  
If yes, indicate type(s) \_\_\_\_\_
22. If water supply is from wells, indicate pumping capacity NA gallons/minute.
23. Total anticipated water usage per day NA gallons/day.
24. Does project involve Local, State or Federal funding? ☐ Yes ☐ No N/A  
If Yes, explain \_\_\_\_\_



## 25. Approvals Required:

Submittal  
Date

Type

City, Town, Village Board	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
City, Town, Village Planning Board	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
City, Town Zoning Board	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
City, County Health Department	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Other Local Agencies	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Other Regional Agencies	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
State Agencies	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Federal Agencies	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

DEC, DOS, etc.  
NRC 10CFR50 License

## C. Zoning and Planning Information

- Does proposed action involve a planning or zoning decision? ☐ Yes ☐ No ☐ N/A  
If Yes, indicate decision required:  
☐ zoning amendment ☐ zoning variance ☐ specific use permit ☐ subdivision ☐ site plan  
☐ new/revision of master plan ☐ resource management plan ☐ other \_\_\_\_\_
- What is the zoning classification(s) of the site? Electric Generating Facility
- What is the maximum potential development of the site if developed as permitted by the present zoning?  
NA
- What is the proposed zoning of the site? NA
- What is the maximum potential development of the site if developed as permitted by the proposed zoning?  
NA
- Is the proposed action consistent with the recommended uses in adopted local land use plans? ☐ Yes ☐ No ☐ N/A
- What are the predominant land use(s) and zoning classifications within a 1/4 mile radius of proposed action?  
Attachment
- Is the proposed action compatible with adjoining/surrounding land uses within a 1/4 mile? ☐ Yes ☐ No ☐ N/A
- If the proposed action is the subdivision of land, how many lots are proposed? NA  
a. What is the minimum lot size proposed? \_\_\_\_\_
- Will proposed action require any authorization(s) for the formation of sewer or water districts? ☐ Yes ☐ No ☐ N/A
- Will the proposed action create a demand for any community provided services (recreation, education, police, fire protection)?  
☐ Yes ☐ No  
a. If yes, is existing capacity sufficient to handle projected demand? ☐ Yes ☐ No ☐ N/A
- Will the proposed action result in the generation of traffic significantly above present levels? ☐ Yes ☐ No ☐ N/A  
a. If yes, is the existing road network adequate to handle the additional traffic? ☐ Yes ☐ No

## D. Informational Details

Attach any additional information as may be needed to clarify your project. If there are or may be any adverse impacts associated with your proposal, please discuss such impacts and the measures which you propose to mitigate or avoid them.

## E. Verification

I certify that the information provided above is true to the best of my knowledge.

Applicant/Sponsor Name William F. Slade Date \_\_\_\_\_  
Signature William F. Slade Title Director, Environmental Div.

If the action is in the Coastal Area, and you are a state agency, complete the Coastal Assessment Form before proceeding with this assessment.

## Part 2—PROJECT IMPACTS AND THEIR MAGNITUDE

Responsibility of Lead Agency

### General Information (Read Carefully)

- In completing the form the reviewer should be guided by the question: Have my responses and determinations been reasonable? The reviewer is not expected to be an expert environmental analyst.
- The Examples provided are to assist the reviewer by showing types of impacts and wherever possible the threshold of magnitude that would trigger a response in column 2. The examples are generally applicable throughout the State and for most situations. But, for any specific project or site other examples and/or lower thresholds may be appropriate for a Potential Large impact response, thus requiring evaluation in Part 3.
- The impacts of each project, on each site, in each locality, will vary. Therefore, the examples are illustrative and have been offered as guidance. They do not constitute an exhaustive list of impacts and thresholds to answer each question.
- The number of examples per question does not indicate the importance of each question.
- In identifying impacts, consider long term, short term and cumulative effects.

### Instructions (Read carefully)

- Answer each of the 20 questions in PART 2. Answer Yes if there will be any impact.
- Maybe answers should be considered as Yes answers.
- If answering Yes to a question then check the appropriate box (column 1 or 2) to indicate the potential size of the impact. If impact threshold equals or exceeds any example provided, check column 2. If impact will occur but threshold is lower than example, check column 1.
- Identifying that an impact will be potentially large (column 2) does not mean that it is also necessarily significant. Any large impact must be evaluated in PART 3 to determine significance. Identifying an impact in column 2 simply asks that it be looked at further.
- If reviewer has doubt about size of the impact then consider the impact as potentially large and proceed to PART 3
- If a potentially large impact checked in column 2 can be mitigated by change(s) in the project to a small to moderate impact, also check the Yes box in column 3. A No response indicates that such a reduction is not possible. This must be explained in Part 3

### IMPACT ON LAND

1. Will the proposed action result in a physical change to the project site?  
☒ NO    ☐ YES

Examples that would apply to column 2

- Any construction on slopes of 15% or greater, (15 foot rise per 100 foot of length), or where the general slopes in the project area exceed 10%.
- Construction on land where the depth to the water table is less than 3 feet
- Construction of paved parking area for 1,000 or more vehicles.
- Construction on land where bedrock is exposed or generally within 3 feet of existing ground surface.
- Construction that will continue for more than 1 year or involve more than one phase or stage.
- Excavation for mining purposes that would remove more than 1,000 tons of natural material (i.e., rock or soil) per year.
- Construction or expansion of a sanitary landfill
- Construction in a designated floodway.
- Other impacts \_\_\_\_\_

Will there be an effect to any unique or unusual land forms found on the site? (i.e., cliffs, dunes, geological formations, etc.) ☒ NO    ☐ YES

- Specific land forms: \_\_\_\_\_

1 Small to Moderate Impact	2 Potential Large Impact	3 Can Impact Be Mitigated By Project Change
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No
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<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No

## IMPACT ON WATER

3. Will proposed action affect any water body designated as protected?  
(Under Articles 15, 24, 25 of the Environmental Conservation Law, ECL)
- ☒ NO    ☐ YES

**Examples that would apply to column 2**

- Developable area of site contains a protected water body.
- Dredging more than 100 cubic yards of material from channel of a protected stream.
- Extension of utility distribution facilities through a protected water body.
- Construction in a designated freshwater or tidal wetland.
- Other impacts: \_\_\_\_\_

4. Will proposed action affect any non-protected existing or new body of water? ☒ NO ☐ YES

**Examples that would apply to column 2**

- A 10% increase or decrease in the surface area of any body of water or more than a 10 acre increase or decrease.
- Construction of a body of water that exceeds 10 acres of surface area.
- Other impacts: \_\_\_\_\_

5. Will Proposed Action affect surface or groundwater quality or quantity? ☒ NO ☐ YES

**Examples that would apply to column 2**

- Proposed Action will require a discharge permit.
- Proposed Action requires use of a source of water that does not have approval to serve proposed (project) action.
- Proposed Action requires water supply from wells with greater than 45 gallons per minute pumping capacity.
- Construction or operation causing any contamination of a water supply system.
- Proposed Action will adversely affect groundwater.
- Liquid effluent will be conveyed off the site to facilities which presently do not exist or have inadequate capacity.
- Proposed Action would use water in excess of 20,000 gallons per day.
- Proposed Action will likely cause siltation or other discharge into an existing body of water to the extent that there will be an obvious visual contrast to natural conditions
- Proposed Action will require the storage of petroleum or chemical products greater than 1,100 gallons.
- Proposed Action will allow residential uses in areas without water and/or sewer services.
- Proposed Action locates commercial and/or industrial uses which may require new or expansion of existing waste treatment and/or storage facilities.
- Other impacts: \_\_\_\_\_

6. Will proposed action alter drainage flow or patterns, or surface water runoff? ☒ NO ☐ YES

**Examples that would apply to column 2**

- Proposed Action would change flood water flows

[illegible]





Will Proposed Action impact the exceptional or unique characteristics of a critical environmental area (CEA) established pursuant to subdivision 6 NYCRR 617.14(g)? ☒ NO ☐ YES

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- Proposed Action to locate within the CEA?
- Proposed Action will result in a reduction in the quantity of the resource?
- Proposed Action will result in a reduction in the quality of the resource?
- Proposed Action will impact the use, function or enjoyment of the resource?
- Other impacts: \_\_\_\_\_

15. Will there be an effect to existing transportation systems? ☒ NO ☐ YES

- Alteration of present patterns of movement of people and/or goods.
- Proposed Action will result in major traffic problems.
- Other impacts: \_\_\_\_\_

16 Will proposed action affect the community's sources of fuel or energy supply? ☒ NO ☐ YES

- Proposed Action will cause a greater than 5% increase in the use of any form of energy in the municipality.
- Proposed Action will require the creation or extension of an energy transmission or supply system to serve more than 50 single or two family residences or to serve a major commercial or industrial use.
- Other impacts: \_\_\_\_\_

1 Small to Moderate Impact	2 Potential Large Impact	3 Can Impact Be Mitigated By Project Change
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No
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<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No

## NOISE AND ODOR IMPACTS

17. Will there be objectionable odors, noise, or vibration as a result of the Proposed Action? ☒ NO ☐ YES

### Examples that would apply to column 2

- Blasting within 1,500 feet of a hospital, school or other sensitive facility.
- Odors will occur routinely (more than one hour per day).
- Proposed Action will produce operating noise exceeding the local ambient noise levels for noise outside of structures.
- Proposed Action will remove natural barriers that would act as a noise screen.
- Other impacts: \_\_\_\_\_

## IMPACT ON PUBLIC HEALTH

18. Will Proposed Action affect public health and safety? ☒ NO ☐ YES

**Examples that would apply to column 2**

- Proposed Action may cause a risk of explosion or release of hazardous substances (i.e. oil, pesticides, chemicals, radiation, etc.) in the event of accident or upset conditions, or there may be a chronic low level discharge or emission.
- Proposed Action may result in the burial of "hazardous wastes" in any form (i.e. toxic, poisonous, highly reactive, radioactive, irritating, infectious, etc.)
- Storage facilities for one million or more gallons of liquified natural gas or other flammable liquids.
- Proposed action may result in the excavation or other disturbance within 2,000 feet of a site used for the disposal of solid or hazardous waste.
- Other impacts: \_\_\_\_\_

IMPACT ON GROWTH AND CHARACTER  
OF COMMUNITY OR NEIGHBORHOOD

19. Will proposed action affect the character of the existing community?  
☒ NO ☐ YES

**Examples that would apply to column 2**

- The permanent population of the city, town or village in which the project is located is likely to grow by more than 5%.
- The municipal budget for capital expenditures or operating services will increase by more than 5% per year as a result of this project.
- Proposed action will conflict with officially adopted plans or goals
- Proposed action will cause a change in the density of land use.
- Proposed Action will replace or eliminate existing facilities, structures or areas of historic importance to the community.
- Development will create a demand for additional community services (e.g. schools, police and fire, etc.)
- Proposed Action will set an important precedent for future projects.
- Proposed Action will create or eliminate employment.
- Other impacts: \_\_\_\_\_

[illegible]

- 20 Is there, or is there likely to be, public controversy related to potential adverse environmental impacts?

☒ NO ☐ YES

# **Part 3—EVALUATION OF THE IMPORTANCE OF IMPACTS**

## **Responsibility of Lead Agency**

**Part 3 must be prepared if one or more Impact(s) is considered to be potentially large, even if the impact(s) may be mitigated.**

### **Instructions**

Discuss the following for each impact identified in Column 2 of Part 2:

1. Briefly describe the impact.
2. Describe (if applicable) how the impact could be mitigated or reduced to a small to moderate impact by project change(s).
3. Based on the information available, decide if it is reasonable to conclude that this impact is Important.

To answer the question of importance, consider:

- The probability of the impact occurring
- The duration of the impact
- Its irreversibility, including permanently lost resources of value
- Whether the impact can or will be controlled
- The regional consequence of the impact
- Its potential divergence from local needs and goals
- Whether known objections to the project relate to this impact.

(Continue on attachments)



## ATTACHMENT

### STATE ENVIRONMENTAL QUALITY REVIEW ACT FULL ENVIRONMENTAL ASSESSMENT FORM

#### **I. GENERAL INFORMATION**

**Action:** The proposed action will, if completed, involve the transfer to and assumption by a purchaser of the ownership and operation of the Indian Point 3 and James A. FitzPatrick Nuclear Generating Stations in the same manner as provided for in the state and federal licenses, permits, and approvals currently in effect for these facilities. The New York Power Authority ("NYPA") intends to relinquish all land, buildings, equipment, personnel, and licenses, permits, and approvals associated with these facilities to a party that can draw upon extensive operational experience and sound financial resources and is committed to the continuation of current operations without substantial change. The proposed action will not result in any physical change to either site.

**Locations:**

- Indian Point-3 Nuclear Power Plant  
Bleakley Avenue & Broadway  
Buchanan, New York 10511  
  
Mailing Address:  
P.O. Box 215  
Buchanan, NY 10511-0215
- James A. FitzPatrick Nuclear Power Plant  
268 Lake Road East  
Lycoming, New York 13093  
  
Mailing Address  
P.O. Box 41, Lycoming, NY 13093-0041

**Site Descriptions:**

#### **Indian Point 3**

NYPA's Indian Point 3 Nuclear Generating Station ("IP3") is located on a 102 (+) -acre site on the east bank of the Hudson River in the Village of Buchanan and the Town of Cortlandt in Westchester County. It is a part of a larger, 235-acre site that also hosts the Indian Point 1 and Indian Point 2 nuclear facilities to the north of IP3. The site is about 24 miles north of the New York City boundary. The license issued by the NRC for IP3 expires in 2015.

The IP3 site is surrounded on almost all sides by high ground ranging from 600 to 1,000 feet above sea level. Across the river, the west bank of the Hudson is flanked by Dunderberg and West Mountains to the northwest and Buckberg Mountain to the west-southwest. Geologically, the IP3 site consists of a hard limestone formation.

About 80,000,000 gpm flow past the IP3 site during the Hudson River's peak tidal flow. The flow of the River is affected more by the tides than it is by runoff from the tributary watershed. The width of the River opposite the IP3 site varies from 4,500 to 5,000 feet. The depth varies from 55 to 75 feet less than 1,000 feet offshore. The IP3 site is not located in the 100-year flood plain.

Certain ancillary off-site facilities, such as the Joint News Center at the Westchester County Airport, will be involved in the transfer.

#### **James A. FitzPatrick**

NYPA's James A. Fitzpatrick Generating Station ("JAF") is located on a 702 (+/-)-acre site along the south shore of Lake Ontario in the Town of Scriba in Oswego County. The site is immediately to the east of the land upon which the Nine Mile Point 1 and Nine Mile Point 2 nuclear facilities are located. Both of these facilities are presently operated by the Niagara Mohawk Power Corporation, but transfers of ownership are projected for 2000. The site is about 7 miles northeast of Oswego, 36 miles northwest of Syracuse, and 135 miles east of Buffalo. The license issued by the NRC for JAF expires in 2014.

The land around the JAF site is primarily rural. Much of the land in the plant's vicinity and in Oswego County was formerly farmed but is now covered with second-growth trees and brush. The remainder of the land is comprised of wooded areas and farms. The bottom of Lake Ontario in this area is largely bedrock, and, therefore, few natural harbors or landings exist near the JAF site.

The JAF site is located in the northeast portion of the Lake Ontario Plain drainage basin. This basin encompasses about 34,800 square miles, exclusive of lake surface, in New York and the Province of Ontario. Catfish Creek, about three miles to the east, and the Oswego River, eight miles to the west, are the closest large streams. Lake Ontario is the easternmost of the Great Lakes. It is 193 miles long and 53 miles wide at its widest point. It has a shoreline length of 726 miles and a surface area of 7,340 square miles. The JAF plant-site proper is not located in the 100-year flood plain.

The JAF site lies mainly within the Erie-Ontario Lowlands physiographic province. This province consists of a relatively flat plain, one that rises gently from Lake Ontario to the Appalachian Uplands, which form its southern border. The Erie-Ontario Lowlands is bounded on the east by the Tug Hill Upland. The JAF site is a generally flat and featureless plain. It has an elevation of 270 feet above sea level rising to 310 feet one mile away at its southern extremity. The surface soils consist of bouldery-ablation tills, which immediately overlay a compact basal till lying on bedrock. The underlying rock is flat-lying sandstone imbedded with shale of Ordovician Age. The bedrock is known as Oswego Sandstone.

Certain ancillary off-site facilities, such as the Joint News Center and the Emergency Off-Site Facility located at the Oswego County Airport and the Energy Information Center located on NiMo property, will also be involved in the transfer.

## II. Specific responses to questions contained in the Environmental Assessment Form

### A. Site Description

#### 2. Total acreage of the project area:

IP3: 102  $\pm$  acres

JAF: 702  $\pm$  acres

#### 3. What is the predominant soil type(s) on the project site?

IP3: The general landscape of the region consists of bedrock-supported ridges. The highest elevation in the region is 1,000 feet, and elevations range from 50 to 300 feet above mean sea level in low-lying areas. At the plant site, the ground is level and is covered with fill. The surface is artificially leveled and bedrock lies very close to the surface.

JAF: Surface soils consist of bouldery-ablation tills which immediately overlay a compact basal till lying on bedrock.

3.a Soil drainage:

IP3: 100% of the site is moderately well drained.

JAF: 100% of the site is well drained.

4. Are there bedrock outcroppings on project site?

IP3: Yes.

JAF: Generally speaking no, some bedrock may be visible by the lake shoreline.

4.a. What is the depth to bedrock?

IP3: 10 to 15 feet.

JAF: Surface soils immediately overlay a compact basal till lying on bedrock. The underlying rock is flat-lying sandstone imbedded with shale of Ordovician Age. This bedrock is known as Oswego Sandstone. The shale content increases with depth; at approximately 130 feet below the surface the Oswego Sandstone grades into the underlying Lorraine group, which is predominantly shale with sandstone members.

5. Approximate percentage of the proposed project site with slopes: 0 to 10%, 10 to 15%, or 15% or greater.

IP3: 95% greater than 15%; 5% is 0 to 10%.

JAF: 100% 0 to 10%.

8. What is the depth of the water table?

IP3: Eight to ten feet.

JAF: Five to ten feet.

10. Do hunting, fishing or shell fishing opportunities presently exist in the project area?

IP3: No, NYPA does not permit hunting or fishing on the project site. However, fishing is available in the adjacent Hudson River.

JAF: No, NYPA does not permit hunting or fishing on the project site. However, fishing is available in Lake Ontario.

11. Does project site contain any species of plant or animal life that is identified as threatened or endangered?

IP3: No. Endangered species are not present on site. Short-Nosed Sturgeon, an endangered species, is present in the Hudson River.

JAF: No. Endangered species are not present on site.

16. Lakes, ponds, wetland areas within or contiguous to project area:

IP3: No, lakes, ponds, or wetland areas occupy the site or are contiguous thereto.

JAF: There are no identified wetlands on the plant site proper. There are wet areas on the south side of Lake Road, on NYPA-owned land. Of course, the site is located on the south shore of Lake Ontario, a water body occupying approximately 7,340 square miles.

19. Is the site located in or substantially contiguous to a Critical Environmental Area designated pursuant to Article 8 of the ECL, and 6 NYCRR 617?

IP3: Yes, the Westchester County Planning Department has classified the total shoreline within the County as a Critical Environmental Area.

JAF: No.

20. Has the site ever been used for the disposal of solid or hazardous waste?

IP3: Yes, solid waste. NYPA has not disposed of hazardous waste on site. The solid waste disposed of consisted of construction and demolition (C&D) debris; e.g., bricks, cement blocks, etc. Also, the Nuclear Regulatory Commission approved the engineered disposal (i.e., burial with a clay cap and monitoring well) of an old septic tank used at Unit 1.

JAF: Yes, solid waste. NYPA has not disposed of hazardous waste on site. The solid waste disposed of consisted of C&D debris; e.g. bricks, cement blocks, etc.

## B. Project Description

Questions 1-24 of this section of the EAF proceed from the assumption that the "project" will alter the site described in the preceding section. Since the action that is the subject of this EAF involves no such alteration, the questions contained in this section, with the exception of the final question (#25) are not applicable. With respect to question 25, certain existing permits must be transferred.

## C. Zoning and Planning Information

7. What are the predominant land use(s) and zoning classifications within a 1/4 mile radius of proposed action?

IP3: Con Edison's Indian Point Stations Units 1 and 2 are immediately adjacent to IP3. The area is generally industrial and commercial. The area within 1/4 mile of the site has an M-2 zoning classification, a Planned Industrial District.

JAF: The Nine Mile Point Nuclear Generating Stations Units 1 and 2 are immediately adjacent to JAF. In general, the remainder of the land around JAF is primarily rural. There is no zoning in the Town of Scriba.

## Federal Consistency Assessment Form

An applicant, seeking a permit, license, waiver, certification or similar type of approval from a federal agency which is subject to the New York State Coastal Management Program (CMP), shall complete this assessment form for any proposed activity that will occur within and/or directly affect the State's Coastal Area. This form is intended to assist an applicant in certifying that the proposed activity is consistent with New York State's CMP as required by U.S. Department of Commerce regulations (15 CFR 930.57). It should be completed at the time when the federal application is prepared. The Department of State will use the completed form and accompanying information in its review of the applicant's certification of consistency.

## A. APPLICANT

1. Name: Power Authority (New York Power Authority)  
(please print)
2. Address: 123 Main Street, White Plains, NY 10601
3. Telephone: Area Code (914) 681-6405

## B. PROPOSED ACTIVITY

1. Brief description of activity: Sale of the Indian Point 3 and James A. FitzPatrick Nuclear Power Plants.
2. Purpose of activity: Sale of the Power Authority's two nuclear power plants.
3. Location of activity:
 

IP3: Westchester	Buchanan	Bleakley Ave. & Broadway
JAF: Oswego	Lycoming	268 Lake Road East
County	City, Town or Village	Street or Site Description
4. Type of federal permit/license required: RC 10 CFR 50 License
5. Federal application number, if known: \_\_\_\_\_
6. If a state permit/license was issued or is required for the proposed activity, identify the state agency and provide the application or permit number, if known: DEC SPDES Permit & air permits.

C. COASTAL ASSESSMENT Check either "YES" or "NO" for each of the following questions. The numbers following each question refer to the policies described in the CMP document (see footnote on page 2) which may be affected by the proposed activity.

- |  | YES | NO |
|--|-----|----|
| 1. Will the proposed activity <u>result</u> in any of the following:   |     |    |
| a. Large physical change to a site within the coastal area which will require the preparation of an environmental impact statement? (11, 22, 25, 32, 37, 38, 41, 43) | X   |    |
| b. Physical alteration of more than two acres of land along the shoreline, land under water or coastal waters? (2, 11, 12, 20, 28, 35, 44)                           | X   |    |
| c. Revitalization/redevelopment of a deteriorated or underutilized waterfront site? (1)  | X   |    |
| d. Reduction of existing or potential public access to or along coastal waters? (19, 20)   | X   |    |
| e. Adverse effect upon the commercial or recreational use of coastal fish resources? (9, 10)   | X   |    |
| f. Siting of a facility essential to the exploration, development and production of energy resources in coastal waters or on the Outer Continental Shelf? (29)       | X   |    |
| g. Siting of a facility essential to the generation or transmission of energy? (27)  | X   |    |
| h. Mining, excavation, or dredging activities, or the placement of dredged or fill material in coastal waters? (15, 35)  | X   |    |
| i. Discharge of toxics, hazardous substances or other pollutants into coastal waters? (8, 15, 36)  | X   |    |
| j. Draining of stormwater runoff or sewer overflows into coastal waters? (33)  | X   |    |
| k. Transport, storage, treatment, or disposal of solid wastes or hazardous materials? (16, 39)   | X   |    |
| l. Adverse effect upon land or water uses within the State's small harbors? (4)  | X   |    |
| 2. Will the proposed activity <u>affect</u> or be <u>located</u> in, on, or adjacent to any of the following:  |     |    |
| a. State designated freshwater or tidal wetland? (44)  | X   |    |
| b. Federally designated flood and/or state designated erosion hazard area? (11, 12, 17)  | X   |    |
| c. State designated significant fish and/or wildlife habitat? (7)  | X   |    |
| d. State designated significant scenic resource or area? (24)  | X   |    |
| e. State designated important agricultural lands? (26)   | X   |    |
| f. Beach, dune or barrier island? (12)   | X   |    |
| g. Major ports of Albany, Buffalo, Ogdensburg, Oswego or New York? (3)   | X   |    |
| h. Historic ... .. (23)  | X   |    |

3. Will the proposed activity require any of the following

YES NO

- a. Waterfront site? (2, 21, 22) ..... X  
b. Provision of new public services or infrastructure in undeveloped or sparsely populated sections of the coastal area? (5) ..... X  
c. Construction or reconstruction of a flood or erosion control structure? (13, 14, 16) ..... X  
d. State water quality permit or certification? (30, 38, 40) ..... X  
e. State air quality permit or certification? (41, 43) ..... X

4. Will the proposed activity occur within and/or affect an area covered by a State approved local waterfront revitalization program? (see policies in local program document) ..... X

**D. ADDITIONAL STEPS**

1. If all of the questions in Section C are answered "NO", then the applicant or agency shall complete Section E and submit the documentation required by Section F.
2. If any of the questions in Section C are answered "YES", then the applicant or agent is advised to consult the CMP, or where appropriate, the local waterfront revitalization program document. The proposed activity must be analyzed in more detail with respect to the applicable state or local coastal policies. In the space provided below or on a separate page(s), the applicant or agent shall: (a) identify, by their policy numbers, which coastal policies are affected by the activity, (b) briefly assess the effects of the activity upon the policy; and, (c) state how the activity is consistent with each policy. Following the completion of this written assessment, the applicant or agency shall complete Section E and submit the documentation required by Section F.

**E. CERTIFICATION**

The applicant or agent must certify that the proposed activity is consistent with the State's CMP or the approved local waterfront revitalization program, as appropriate. If this certification cannot be made, the proposed activity shall not be undertaken. If this certification can be made, complete this Section.

"The proposed activity complies with New York State's approved Coastal Management Program, or with the applicable approved local waterfront revitalization program, and will be conducted in a manner consistent with such program."

Applicant/Agent's Name: Power Authority (New York Power Authority)

Address: 123 Main Street, White Plains, NY 10601

Telephone: Area Code (914) 681-6400

Applicant/Agent's Signature: *Forrester J. Slade* Date: 10/6/00

**F. SUBMISSION REQUIREMENTS**

1. The applicant or agent shall submit the following documents to the New York State Department of State, Division of Coastal Resources, 41 State Street - 8th Floor, Albany, New York 12231.
- a. Original signed form.
- b. Copy of the completed federal agency application.
- c. Other available information which would support the certification of consistency.
2. The applicant or agent shall also submit a copy of this completed form along with further application to the federal agency.
3. If there are any questions regarding the submission of this form, contact the Department of State at (518) 474-6000.

Conservation and Department of State regional offices, and the appropriate regional and county planning agencies. Local agencies are also available for information and assistance.

SALE OF THE INDIAN POINT 3 & JAF NUCLEAR POWER PLANTS

New York State Department of State  
Coastal Management Assessment Form

Federal Consistency Assessment Form - Additional Information

C. COASTAL ASSESSMENT Check either "Yes" or "No" for each of the following questions. The numbers following each question refer to the policies described in the CMP document which may be affected by the proposed activity.

2. Will the proposed activity affect or be located in, on, or adjacent to any of the following:

a. State designated freshwater or tidal wetland? (44)

- Policy 44: Preserve and protect tidal and freshwater wetlands and preserve the benefits derived from these areas.

*Effects of the Proposed Activities on these Policies*

There are no wetlands on the IP3 site. Although there are no wetlands on the JAF plant-site proper, there are some wet areas within the total site boundary for sale. The wet areas are on the south side of Lake Road. The proposed activity is the sale of the Indian Point 3 and James A. FitzPatrick Nuclear Power Plants. There will be no physical change to either site as a result of the proposed activity. Therefore, JAF's wet areas will not be affected.

*Why the Proposed Activities are Consistent*

The prospective buyer will purchase the sites in compliance with all applicable environmental permits and licenses. Similarly, the prospective buyer would then be required by law to maintain the sites in compliance with the terms and conditions of these environmental permits and licenses. As such, the proposed activity is consistent with Policy 44.

b. Federally designated flood and/or state designated erosion hazard areas? (11, 12, 17)

- Policy 11: Buildings and other structures will be sited in the coastal area so as to minimize damage to property and the endangering of human lives caused by flooding and erosion.

*Effects of the Proposed Activities on these Policies*

The proposed activity is the sale of the two existing nuclear power plants. Buildings and other structures will not be sited in the coastal area as a result of the sale. Existing site buildings and structures have been sited and constructed in accordance with all applicable laws and regulations. Therefore, Policy 11 is not affected.

*Why the Proposed Activities are Consistent*

The proposed sale will not, in and of itself, result in the siting of any buildings or structures in the coastal area. The proposed sale is therefore consistent with Policy 11.



- Policy 12: Activities or development in the coastal area will be undertaken so as to minimize damage to natural resources and property from flooding and erosion by protecting natural protective features including beaches, dunes, barrier islands and bluffs.

*Effects of the Proposed Activities on these Policies*

The proposed sale will not, in and of itself, result in any physical activity or development within the coastal area.

*Why the Proposed Activities are Consistent*

As there will not be any activity or development in the coastal area associated with the proposed sale, it is consistent with Policy 12.

- Policy 17: Non-structural measures to minimize damage to natural resources and property from flooding and erosion shall be used whenever possible.

*Effects of the Proposed Activities on these Policies*

As the proposed sale will not, in and of itself, involve any physical activity, neither structural nor non-structural measures need to be employed.

*Why the Proposed Activities are Consistent*

There will not be any physical change to the sites as a result of the proposed activity. Therefore, the proposed sale is consistent with Policy 17.

3. Will the proposed activity require any of the following:

d. State water quality permit or certification? (30, 38-40)

- Policy 30: Municipal, industrial, and commercial discharge of pollutants, including but not limited to, toxic and hazardous substances, into coastal waters will conform to state and national water quality standards.

*Effects of the Proposed Activities on these Policies*

The prospective buyer will purchase the sites in compliance with existing environmental permits and licenses. The buyer would then be required to maintain these sites in compliance with the terms and conditions of these permits and licenses.

*Why the Proposed Activities are Consistent*

Both sites operate in compliance with all applicable environmental laws and regulations. The plants will be required to continue to do so under any new ownership. Therefore, the proposed sale is consistent with Policy 30.

- Policy 38: The quality and quantity of surface water and groundwater supplies will be conserved and protected, particularly where such water constitutes the primary or sole source of water supply.

*Effects of the Proposed Activities on these Policies*

The plants are in compliance with all applicable environmental regulations. They will be required to remain in compliance under any new ownership.

*Why the Proposed Activities are Consistent*

The plants are in environmental compliance, and will be required to remain so under new ownership. Their proposed sale is, therefore, consistent with Policy 38.

- Policy 40: Effluent Discharged from major steam electric generating and industrial facilities into coastal waters will not be unduly injurious to fish and wildlife and shall conform to state water quality standards.

*Effects of the Proposed Activities on these Policies*

The plants comply with all applicable environmental regulations. They will be required to continue to do so under any new ownership, pursuant to applicable environmental regulations.

*Why the Proposed Activities are Consistent*

IP3 and JAF operate in compliance with all applicable environmental regulations. They will be required to continue to do so under any new ownership. The proposed activity is, therefore, consistent with this Policy.

e. State air quality permit or certification? (41, 43)

- Policy 41: Land use or development in the coastal area will not cause national or state air quality standards to be violated.

*Effects of the Proposed Activities on these Policies*

The proposed sale will not, in and of itself, involve a new land use or development in the coastal area that could affect national or state air quality standards.

*Why the Proposed Activities are Consistent*

The sites currently operate in compliance with all applicable air quality regulations. They will be required to continue to do so under any new ownership. Therefore, their proposed sale is consistent with Policy 41.

- Policy 43: Land use development in the coastal area must not cause the generation of significant amounts of acid rain precursors: nitrates and sulfates.

*Effects of the Proposed Activities on these Policies*

The proposed sale will not, in and of itself, involve any new land use development in the coastal zone.

*Why the Proposed Activities are Consistent*

IP3 and JAF operate in compliance with all applicable environmental regulations, and will be required to continue to do so under any new ownership. Furthermore, the proposed activity will not, in and of itself, involve any new land development in the coastal areas. The proposed activity, therefore, is consistent with this Policy.

NEW YORK STATE DEPARTMENT OF STATE  
COASTAL MANAGEMENT PROGRAM

Coastal Assessment Form

A. INSTRUCTIONS (Please print or type all answers)

1. State agencies shall complete this CAF for proposed actions which are subject to Part 600 of Title 19 of the NYCRR. This assessment is intended to supplement other information used by a state agency in making a determination of significance pursuant to the State Environmental Quality Review Act (see 6 NYCRR, Part 617). If it is determined that a proposed action will not have a significant effect on the environment, this assessment is intended to assist a state agency in complying with the certification requirements of 19 NYCRR Section 600.4.
2. If any question in Section C on this form is answered "yes", then the proposed action may affect the achievement of the coastal policies contained in Article 42 of the Executive Law. Thus, the action should be analyzed in more detail and, if necessary, modified prior to either (a) making a certification of consistency pursuant to 19 NYCRR Part 600 or, (b) making the findings required under SEQRA, 6 NYCRR, Section 617.9, if the action is one for which an environmental impact statement is being prepared. If an action cannot be certified as consistent with the coastal policies, it shall not be undertaken.
3. Before answering the questions in Section C, the preparer of this form should review the coastal policies contained in 19 NYCRR Section 600.5. A proposed action should be evaluated as to its significant beneficial and adverse effects upon the coastal area.

B. DESCRIPTION OF PROPOSED ACTION

1. Type of state agency action (check appropriate response):

(a) Directly undertaken (e.g. capital construction, planning activity, agency regulation, land transaction) X  
(b) Financial assistance (e.g. grant, loan, subsidy) \_\_\_\_\_  
(c) Permit, license, certification \_\_\_\_\_

2. Describe nature and extent of action: Sale of the Indian Point 3 and James A. FitzPatrick

Nuclear Power Plants

County	City, Town or Village	Street or Site Description
IPJ: Westchester	Buchanan	Bleakley Ave. & Broadway
JAF: Oswego	Lycoming	268 Lake Road East.

4. If an application for the proposed action has been filed with the state agency, the following information shall be provided:

(a) Name of applicant: New York Power Authority (Power Authority)  
(b) Mailing address: 123 Main Street, White Plains, NY 10601  
(c) Telephone Number: Area Code (914) 81-6403  
(d) State agency application number: \_\_\_\_\_

5. Will the action be directly undertaken, require funding, or approval by a federal agency?

Yes X No \_\_\_\_\_ If yes, which federal agency? Nuclear Regulatory Commission

C. COASTAL ASSESSMENT (Check either "Yes" or "No" for each of the following questions)

1. Will the proposed action be located in, or contiguous to, or have a significant effect upon any of the resource areas identified on the coastal area map:

	YES	NO
(a) Significant fish or wildlife habitats? .....		<u>X</u>
(b) Scenic resources of statewide significance? .....		<u>X</u>
(c) Important agricultural lands? .....		<u>X</u>

2. Will the proposed action have a significant effect upon:

	YES	NO
(a) Commercial or recreational use of fish and wildlife resources? .....		<u>X</u>
(b) Scenic quality of the coastal environment? .....		<u>X</u>
(c) Development of future, or existing water dependent uses? .....		<u>X</u>
(d) Operation of the State's major ports? .....		<u>X</u>
(e) Land and water uses within the State's small harbors? .....		<u>X</u>
(f) Existing or potential public recreation opportunities? .....		<u>X</u>
(g) Structures, sites or districts of historic, archaeological or cultural significance to the State or nation? .....		<u>X</u>

3. Will the proposed action involve or result in any of the following:

- (a) Physical alteration of two (2) acres or more of land along the shoreline, land under water or coastal waters? ..... X
- (b) Physical alteration of five (5) acres or more of land located elsewhere in the coastal area? ..... X
- (c) Expansion of existing public services or infrastructure in undeveloped or low density areas of the coastal area? ..... X
- (d) Energy facility not subject to Article VII or VIII of the Public Service Law? ..... X
- (e) Mining, excavation, filling or dredging in coastal waters? ..... X
- (f) Reduction of existing or potential public access to or along the shore? ..... X
- (g) Sale or change in use of state-owned lands located on the shoreline or under water? ..... X
- (h) Development within a designated flood or erosion hazard area? ..... X
- (i) Development on a beach, dune, barrier island or other natural feature that provides protection against flooding or erosion? ..... X

4. Will the proposed action be located in or have a significant effect upon an area included in an approved Local Waterfront Revitalization Program? ..... X

D. SUBMISSION REQUIREMENTS

If any question in Section C is answered "Yes", AND either of the following two conditions is met:

Section B.1(a) or B.1(b) is checked; or  
 Section B.1(c) is checked AND B.5 is answered "Yes",

THEN one copy of the completed Coastal Assessment form shall be submitted to:

New York State Department of State  
 Coastal Management Program  
 162 Washington Avenue  
 Albany, New York 12231

If assistance or further information is needed to complete this form, please call the Department of State at (518) 474-3642.

E. REMARKS OR ADDITIONAL INFORMATION

Name: William V. Slade *WV Slade* Telephone Number: 914 681-6405  
 (Please print)  
 Title: Director, Environmental Division Agency: Power Authority Date: Jan 6, 2000

SALE OF THE INDIAN POINT 3 & JAF NUCLEAR POWER PLANTS

New York State Department of State  
Coastal Management Program

Coastal Assessment Form – Additional Information

*The proposed sale of the Indian Point 3 and James A. FitzPatrick Nuclear Power Plants involves the transfer of New York State Department of Environmental Conservation permits (e.g.; the State Pollutant Discharge Elimination System Permit), as well as the Nuclear Regulatory Commission's license, from the seller to the buyer. Therefore, as both Federal and State approvals will be transferred, NYPA has completed both the Federal and State coastal assessment forms. NYPA has first discussed the possible effects of the proposed sale on New York State's coastal policies, per the Federal Consistency Assessment Form. Per the State's Coastal Assessment Form, the following discusses additional Coastal Management Program policies not addressed in the discussion of the federal form.*

C. Coastal Assessment (Check either "Yes" or "No" for each of the following questions)

3. Will the proposed action involve or result in the following:

g. Sale or change in the use of state-owned land located on the shoreline or under water?

- Policy 18: To safeguard the vital economic, social and environmental interests of the State and of its citizens, proposed major actions in the coastal area must give full consideration to those interests, and to the safeguards which the State has established to protect valuable coastal resource areas.

*Effects of the Proposed Activities on these Policies*

The proposed activity is the sale of IP3 and JAF. The prospective buyer will acquire the sites in compliance with all applicable environmental laws and regulations. The plants, once under new ownership, will be required to continue to comply with these laws and regulations. The State's economic, social and environmental interests will, therefore, be safeguarded. As the sale will return lands not subject to real property taxation to the tax base, economic benefits may in fact result.

*Why the proposed Activities are Consistent*

Since the State's economic, social and environmental interests will be safeguarded, and certain benefits may be realized, the proposed activity is consistent with Policy 18.

(h) Development within a designated flood or erosion hazard area?

This was previously addressed in the Federal Consistency Assessment Form under C.2.b. In this discussion, the proposed activity was found to be consistent with Policies 11, 12 and 17.

## ADDENDUM TO ENVIRONMENTAL ASSESSMENT

### Proposed Action: The sale of the Indian Point 3 and The James A. Fitzpatrick Nuclear Power Plants

The Environmental Division has prepared an environmental assessment of the proposed sale of the Indian Point 3 (IP3) and James A. Fitzpatrick (JAF) facilities. This addendum summarizes the review process and the results of that process. The review and assessment drew upon the knowledge and experience of the Environmental Division staff, consultation with other staff throughout the Authority and review of numerous documents.

The review process was initiated in November 1999 and proceeded concurrently with the sale negotiations. An Environmental Assessment Form (EAF) was completed on January 6, 2000 and transmitted to various involved and interested agencies along with the Authority's indication of intent to assume the role of Lead Agency for the purpose of conducting the review required by the State Environmental Quality Review Act (SEQRA). The Authority received two replies but no objection to the assumption of Lead Agency status. The Department of State had no objection to the Authority assuming the role of Lead Agency. While Andrew J. Spano, Westchester County Executive, and Robert J. Bondi, Putnam County Executive, did not object to the Authority being designated Lead Agency, they urged that safe plant operation, public safety, impacts on local communities, impacts on existing contracts, the Decommissioning Fund, spent fuel storage and greenfielding be considered in the review.

The general terms of a proposed transaction with Entergy Corporation (Entergy) were finalized on February 14, 2000 and announced to the general public that same day. On February 29, 2000, in response to an unsolicited offer by Dominion Resources Inc. (Dominion), the Trustees agreed to accept further bids and make a timely decision thereon. Subsequently, under a process established by the Authority, further bids were invited from all interested purchasers. Once it was established that there were no other bidders, Entergy and Dominion were given until March 10, 2000 to refine or improve their offers.

The proposed transaction is described in the President's Memorandum to the Trustees dated March 20, 2000, on the "Proposed Agreements re: Sale of Indian Point 3 and James A. FitzPatrick Nuclear Plants" (President's Memorandum) and consists of the sale by the Authority of IP3 and JAF to a wholly-owned subsidiary of either Entergy Nuclear Corp. (hereafter collectively referred to as Entergy) or to a wholly-owned subsidiary of Dominion Resources Inc. (hereafter collectively referred to as Dominion) pursuant to a Purchase and Sale Agreement together with its associated Exhibits and Schedules (hereinafter, "the P&SA"). The proposed transaction was reviewed to determine if the final

proposal was consistent with the January 6, 2000 analysis. As a result of this review, the Environmental Division recommends that the Trustees find that the proposed action will have no significant effect on the environment and, accordingly, that no Environmental Impact Statement need be prepared under SEQRA in connection with the proposed sale of IP3 and JAF.

This recommendation is based on the following:

A. Existing Conditions

1. Physical Facilities

IP3 is located on a 102-acre site adjacent to the east bank of the Hudson River in the Village of Buchanan and the Town of Cortlandt in Westchester County. It is a part of a larger, 235-acre site that also hosts the Indian Point 1 and Indian Point 2 nuclear facilities owned by Consolidated Edison Company of New York, Inc. (Consolidated Edison) to the north of IP3. The site is about 24 miles north of the New York City boundary. A description of the site, including the real property and improvements thereon, is contained in the P&SA. Electric power is produced through the use of a pressurized water nuclear reactor. The reactor has a Net Dependable Capacity rating of 970 Megawatts (MW).

JAF is located on a 702-acre site along the south shore of Lake Ontario in the Town of Scriba in Oswego County. The site is immediately to the east of the land upon which the Nine-Mile Point 1 and Nine-Mile Point 2 nuclear facilities are located. The Niagara Mohawk Power Corporation presently operates both of these facilities. The site is about 7 miles east of Oswego, 36 miles northeast of Syracuse, and 135 miles east of Buffalo. A description of the site, including the real property and improvements thereon, is contained in the P&SA. Electric power is produced through the use of a boiling water nuclear reactor. The reactor has a Net Dependable Capacity rating of 820 MW.

2. Operations

The Authority acquired IP3 in 1975 from Consolidated Edison after the completion of substantially all construction. IP3 commenced commercial operation in August 1976. In 1998, IP3 generated 7.7 billion kWh net of electricity. In 1999, the facility completed the shortest re-fueling outage in its history and generated 7.27 billion kWh net of electricity, operating at a capacity factor of 86%.

License No. DPR-64 was issued to Consolidated Edison by the Nuclear Regulatory Commission (NRC) to operate IP3 on December 12, 1975. The license to operate was transferred to the Authority on March 8, 1978. The license expires on December 12, 2015. ~~In addition to the NRC license~~, operation of the plant is subject to various federal and state permits and registrations. A list of those permits and registrations is part of the P&SA.

Pursuant to the permits and registrations cited above, the IP3 facility discharges substances to the air and water. While the NRC regulates the emission of slightly radioactive material, the New York State Facility Air Permit governs releases to the air that may occur from the auxiliary boilers and diesel generators. Discharges into the surface or groundwater are regulated under Corps of Engineers Permits and the Consolidated Edison/Authority joint State Pollutant Discharge Elimination System Permit (SPDES Permit)

The Authority acquired JAF in 1974 while it was under construction by Niagara Mohawk Power Corporation. JAF commenced commercial operation in July 1975. In 1998, JAF generated 4.9 billion kWh net of electricity. In 1999, the facility generated 6.57 billion kWh net of electricity, operating at a capacity factor of 93.5%.

License No. DPR-59 was issued to the Authority by the NRC to operate JAF on June 4, 1977. The license expires on October 17, 2014. In addition to the NRC license, operation of the plant is subject to various federal and state permits and registrations. A list of those permits and registrations is part of the P&SA.

Pursuant to the permits and registrations cited above, the JAF facility discharges substances to the air and water. While the NRC regulates the emission of slightly radioactive material, the New York State Facility Air Permit governs releases to the air that may occur from the auxiliary boilers and diesel generators. Discharges into the surface or groundwater are regulated under Corps of Engineers Permits and the Authority's SPDES Permit.

Both the IP3 and the JAF reactors are fueled by uranium enriched with U<sup>235</sup>. Each reactor consumes approximately 30 tons of fuel each year. The Authority has a contract (with the U. S. Department of Energy [DOE]) to dispose of the spent nuclear fuel (SNF) at a centralized repository to be constructed by DOE in order to receive and to provide permanent storage for SNF. DOE has indicated that it expects this facility to be completed by approximately 2010. Pending completion of such a repository, SNF will be stored on-site at JAF and IP3. IP3 has sufficient capacity to accommodate the SNF expected to be produced there



prior to transfer to the federal repository in 2010. The FSAR lists the SNF pool capacity as 1345 fuel assemblies. However, if this date is extended, planning for on site dry cask storage at IP3 may be necessary. JAF does not currently have sufficient capacity to reach 2010. The JAF SNF pool can contain up to 2797 assemblies. However, the Authority is currently in the design stage for construction of an independent spent fuel storage installation (ISFSI) at JAF to maintain SNF storage capability at that facility. The ISFSI is expected to be completed by 2001, when it will be required to provide temporary storage for JAF's SNF.

### 3. Employment

The Authority currently employs approximately 1650 full and part time employees at IP3, JAF and its White Plains headquarters in support of the facilities. Nearly one-half of the staff is represented by unions. The collective bargaining agreements that address terms and conditions of employment for represented personnel at JAF and represented security personnel at IP3 are not scheduled to expire until June 30, 2001 and October 1, 2000, respectively. The collective bargaining agreement covering the remaining represented personnel at IP3 expired in January of this year but, in accordance with public sector labor law, the terms of that expired agreement remain in force until a successor agreement is negotiated. Benefits such as medical, dental and hospitalization insurance, vacation and sick leave allowances, deferred compensation and pension plans, among other things, are part of the P&SA. The P&SA provides for the purchaser to offer employment to all Authority employees who devote virtually all of their working time to support the nuclear plants. In addition the P&SA provides for the purchaser to furnish all transferring Authority employees with a benefits package that is identical in all material respects with the Authority's benefits package. For non-represented employees the purchaser will maintain the Authority's benefits package for at least one year beyond the closing. For represented employees the purchaser will recognize the employees' union representative, grant seniority to transferring represented employees for their years of service with the Authority and assume the collective bargaining agreements and observe the terms and conditions of employment provided for in them until their expiration dates.

### 4. Local Services

At IP3, the Authority utilizes the Village of Buchanan sewage treatment plant under an agreement between the Village and the Authority. Water also is supplied by the Village. Water is supplied to JAF by the Town of Scriba and wastewater is treated by an on-site treatment plant. While the facilities themselves have plant security and fire protection, local police and fire organizations provide backup for on-site activities and participate in emergency plans and exercises. Plant employees generally reside within reasonable commuting distances in the communities and areas surrounding the facilities. Due to the nature of the Authority, no local property taxes are paid on either facility.

#### 5. Power Sales

Power from the IP3 facility is used to meet the demands of the Authority's customers in Southeastern New York State. IP3 is the principal power source for 111 government customers in New York City and Westchester County, all of which use the electricity for public buildings, schools, subway and commuter trains, street lights, and various other public facilities and purposes. Since the Authority does not have a guaranteed service area, its power price has to be competitive with the regulated utilities, independent power producers, and on-site generation.

About 665 businesses and non-profit organizations receive electricity from JAF. All of JAF's power is sold to businesses, utilities (including the Long Island Power Authority) and Muni/Coops.

New York State recently established the New York Independent System Operator (NYISO). The NYISO exercises operational control over most of the State's transmission facilities to maintain short term reliability, administer the NYISO Transmission Tariff and implement and operate New York's Open Access Same-Time Information System (OASIS). An Operating Committee establishes and oversees procedures for coordinating NY Power System Operations. A Business Issues Committee establishes procedures for the efficient nondiscriminatory operation of electricity markets coordinated by the NYISO. The NYISO operates day-ahead and hourly markets for energy and ancillary services. It is within the context of the ISO system that power will be marketed and sold from both IP3 and JAF.

#### B. Proposed Action

As noted, the proposed action encompasses the sale of IP3 and JAF. The sale includes all the assets listed in the P&SA. It also includes the transfer of nuclear fuel. In addition, a fixed price power contract will be entered into between the purchaser and the Authority for output from each of the facilities. Finally, to assure delivery of power, the Interconnection and Operation Agreement (Exhibit H of the P&SA) provides for JAF's connection to the Authority's transmission system.

## C. Potential Environmental Impacts

### 1. Physical Environment

Physically, there will be no difference in facility operation before and after the sale. No operational or physical changes will be made. Virtually the only change will be a substitution of upper management. The staff, the operating procedures and the legal requirements for operation will not change.

The P&SA lists the permits that will be transferred to the purchaser. The purchaser will accept these permits subject to all existing conditions. Since the permits are renewed periodically, the potential for a change in conditions exists regardless of who operates the facilities. However, before any significant revision can be made to state or local permits, the requirements of SEQRA would have to be met and approval received from such permitting authorities. Any revisions to federal permits would be subject to the requirements of NEPA, along with any permit requirements. The NRC has determined that the mere transfer of ownership of a facility does not create significant environmental impacts and for that reason has categorically excluded such actions from the NEPA requirements.

One potential issue that could arise apart from the regulatory requirements is the impact of actual operation on emissions from other facilities. Operation of the IP3 and JAF facilities can displace the burning of 900 million gallons of oil or 6.6 million tons of coal with a concurrent reduction in NO<sub>x</sub>, SO<sub>x</sub> and other emissions of critical concern. On the other hand, the reduction of the negative aspects of other forms of energy production is partially offset by the generation of waste products such as SNF and low-level radioactive waste at nuclear facilities.

Entergy's ability to operate the two facilities was scrutinized to assure that operation of these facilities continues at the level that the facilities have attained in recent years under Authority supervision. Entergy currently operates six nuclear units at five

plant sites: Arkansas Nuclear One Units 1 and 2 near Russellville, Arkansas; Grand Gulf Nuclear Station in Port Gibson, Mississippi; River Bend Station in St. Francisville, Louisiana; Waterford 3 in Taft, Louisiana; and Pilgrim Nuclear Station in Plymouth, Mass. The six nuclear units represent three of the four major U.S. nuclear steam supply systems and include three General Electric boiling water reactors, two Combustion Engineering pressurized water reactors, and one Babcock and Wilcox pressurized water reactor. In 1998, Entergy's nuclear units safely generated over 38 million megawatt-hours of electricity, providing about 40 percent of Entergy's generation with a capacity factor of approximately 90 percent.

Likewise, Dominion's ability to operate the two facilities was also scrutinized to assure that operation of these facilities continues at the level that the facilities have attained in recent years under Authority supervision. Dominion, through its subsidiary Virginia Power Co., currently operates four nuclear units at two plant sites: North Anna Units 1 and 2 near Mineral, Virginia, and Surry Power Station Units 1 and 2 in Surry, Virginia. In 1998 and 1999, Dominion's nuclear units average capacity factors were 91.7 and 93.8 respectively.

As noted above, the Power Purchase Agreement will not cause any change in the current operational characteristics. Energy, in the first instance, will be supplied from the output of the facilities. If the facilities are unavailable, power will be provided from other non-specific sources (i.e., market purchases). Since the transfer is also made with the expectation that the facilities will continue to operate at their present levels and that existing alternate sources will backup the facilities, no change in the type of source for the power (other than normal market selection) will occur. Therefore, no measurable localized impacts on air quality or water quality will occur nor will there be a measurable change in system wide environmental impacts.

## 2. Public health and safety.

The proposed transfer will be subject to NRC safety review and approval. Because the staff will remain, the facilities will continue to operate with personnel that have intimate knowledge of the facilities and have proven that they can operate these facilities safely. Moreover, the expertise of the facilities' existing staffs and support personnel will be supplemented by the expertise that the ultimate purchaser has in the nuclear area. Virtually the only change will be management at the highest corporate levels. A

condition of the selection process for potential purchasers was a record of experience and safe operation of nuclear facilities by the purchaser. In the case of both potential purchasers, there exists extensive experience with the operation of a number of nuclear facilities. The Environmental Division reviewed both purchasers' general industry reputation and public critiques along with NRC records related to their facility operations including inspection results, SALP reports, notices of violations and their resolution and other information. Based on this review, the Environmental Division concluded that no reduction in safety would occur if the facilities were transferred to either proposed purchaser.

While the Authority's review concluded that there is an acceptable level of financial assurance that both purchasers' operating companies will have the financial ability to operate the facilities, the Authority is not the final judge. The sale, as noted, is contingent on the transfer of the facilities' NRC licenses to the operating companies. These transfers will require the approval of the NRC under 10 C.F.R. § 50.80. In determining whether to approve a transfer, the NRC considers the same information with respect to the identity and technical and financial qualifications of the proposed transferee as would be required if the application were for an initial license. After appropriate notice to interested persons and observance of such procedures as may be required by the Atomic Energy Act or regulations or orders of the NRC, the NRC will approve an application for the transfer of a license, only if it determines (1) that the proposed transferee is qualified, including technically and financially, to be the holder of the license and (2) that transfer of the license is otherwise consistent with applicable provisions of law, regulations, and orders issued by the NRC.

The potential impact of the sale on plant decommissioning and SNF storage was also examined. As part of the agreement, to the extent the Authority retains decommissioning responsibility, discussed below, the purchaser's affiliate would be required to decommission the facility for a fixed price. Moreover, the P&SA and related documents call for the Authority to retain its current Decommissioning Trust Fund, presently containing over \$600 million, until at least the end of each facility's license or early dismantlement. It is estimated that at the time of license expiration the fund will have approximately \$1.9 billion available for decommissioning and greenfielding. Analysis indicated that this amount would be sufficient to decommission, including greenfielding, the facilities at license expiration. The agreement, therefore, provides a mechanism to assure that sufficient funds will be available to decommission the facilities after the transfer by the

Authority. If there is an early dismantlement of a facility, the purchaser's affiliate would be responsible for decommissioning the facility utilizing amounts in the Decommissioning Fund and their own funds. Financial assurance, both to the Authority and the public, is also provided not only by the retention of funds by the Authority but by a contractual requirement that the purchaser supplement such funds if necessary. If, prior to decommissioning, NRC financial requirements are imposed that require funds in excess of amounts available for decommissioning from the retained Decommissioning Fund, the purchaser is required to deposit money in a separate fund to meet the higher monetary assurance requirement. Decommissioning, whether by the Authority or by the purchaser, must comply with all applicable NRC requirements in effect at the time (including any demolition, site remediation and restoration requirements) and will be subject to public scrutiny and participation in accordance with both NRC procedures and NEPA.

Re-use plans for the site will also be subject to all applicable state and local land-use and environmental controls, including SEQRA. It is likely that private ownership of the IP3 and JAF facilities will subject future re-use to a higher level of local control than would be the case if title remained with the Authority.

The generation of electricity at a nuclear power plant entails a process by which nuclear fission converts mass to energy. The "fuel" is composed of solid, ceramic-like pellets of enriched uranium, slightly larger than pencil erasers, stacked atop each other and sealed in strong metal tubes, called fuel rods. The rods are approximately 12-15 feet long, and are bundled together in groups to form nuclear fuel assemblies. These fuel assemblies, when placed inside a nuclear reactor where the fission process takes place, produce heat that is used to generate steam and make electricity. The reactor at JAF contains 560 fuel assemblies while the one at IP3 contains 196. Currently both reactors are "refueled" every two years. During the "refueling", approximately one third of the assemblies are replaced with new assemblies. As a result, each assembly is resident in the reactor approximately six years. After that time, it no longer economically produces usable heat. The assemblies that are removed from the reactor are referred to as spent nuclear fuel assemblies or SNF. Upon removal from the reactor the SNF is stored in the SNF pool at each site. The SNF pools are steel-lined concrete basins containing water. Besides helping to cool the spent nuclear fuel, water provides protection from radiation for plant workers and the public.

Spent nuclear fuel assemblies can be stored in a "dry" environment aboveground using heavy containers or casks made

of steel and/or concrete. Casks are either placed upright on concrete pads, or stored horizontally in metal canisters in concrete bunkers. Like pool storage, dry storage has been proven safe but is not intended to be a permanent solution.

Dry casks are large, rugged containers made of steel or steel-reinforced concrete, 18 or more inches thick. The casks use materials like steel, concrete and lead—instead of water—as a radiation shield. Depending on the design, a dry cask can hold from seven to 56 12-foot-long fuel assemblies.

The NRC has approved several designs for use by utilities. The casks have a 20-year license. After 20 years, they must be inspected, and with NRC approval the license could be extended. Various dry cask storage technologies are being successfully used by utilities at the present time.

The approved dry-cask designs use one of three storage systems. The first system stores used fuel in steel canisters that are inserted horizontally into a steel-reinforced concrete vault. The second uses steel canisters placed vertically inside a concrete storage building. Each of these systems uses the concrete storage containment as a final radiation barrier. The third system uses vertical casks made of steel or reinforced concrete that stand outside on a three-foot-thick pad of reinforced concrete. This is the system proposed for use at JAF. To make room in the fuel pool for the hot and highly radioactive assemblies removed from the reactor, the oldest stored fuel—which has been cooling in the pool for at least 10 years—is transferred to dry casks.

Loaded casks are filled with an inert gas, sealed, and stored either on reinforced concrete pads or inside steel-reinforced concrete bunkers. The casks are designed to withstand natural disasters such as tornadoes, hurricanes and floods and to prevent the release of radioactivity. All of the designs are passive, in that they require no mechanical devices for cooling and ventilation.

With respect to on-site storage of spent fuel, the Authority's Contract DE-CR01-83NE44407 with the DOE for the permanent disposal of spent nuclear fuel and high-level radioactive waste will be assigned (with no changes) to the purchaser. The Authority currently owes approximately \$160 million dollars for fuel burned prior to April 7, 1983. The Authority will retain the funds for this payment and pay them to the purchaser only when required by the DOE contract. Even with the DOE's present schedule for receipt of spent fuel, additional on-site storage is required and is being planned for the JAF facility. Alternative techniques have been examined previously and, where feasible, employed to increase the capacity of the SNF pool. Both IP3 and JAF have re-racked their

pools to the point that no additional space can be gained based upon current technology. Present planning provides for the additional storage through the use of dry cask storage. A SEQRA assessment was performed prior to Trustee approval of capital funds to engineer, design, procure and construct an Independent Spent Fuel Storage Installation (ISFSI) at JAF. The assessment resulted in a Negative Declaration that was finalized on April 22, 1998.

The need for an ISFSI is independent of plant ownership. If additional storage is not available for the SNF at the time the SNF pool is filled, no SNF can be off-loaded from the reactor. Therefore, continued operation, no matter who the owner may be, will require the creation of additional storage space. The Authority's design contract for the ISFSI will be assigned to the purchaser with the expectation that the purchaser will continue development of that facility in order to assure continued operation of JAF in substantially the same manner as the Authority. NRC approval is required for the storage casks included in the ISFSI. Moreover, NRC has made a generic determination that, if necessary, spent fuel generated in any reactor can be stored safely and without significant environmental impacts for at least 30 years beyond the licensed life for operation of that reactor at its SNF pool or at either onsite or offsite independent spent fuel storage installations (10 C.F.R. § 51.23).

### 3. Customer Needs

As indicated above, the Authority will purchase energy, installed capacity and ancillary services from the facilities subsequent to the sale. The Authority will purchase electricity from the two plants for resale to customers through Dec. 31, 2004, with the opportunity for additional purchases beyond that date. Customer rates and allocations will be unaffected by the sale.

The Authority will receive products and services at prices fixed in the agreement. They will include energy and installed capacity from the two plants, as well as "ancillary services" needed to support the transmission of electricity while maintaining reliability of the statewide system.

Under the proposed Power Purchase Agreement, the Authority will purchase all electricity produced at IP3 throughout the term of the agreement at a price of 3.6 cents per kWh. JAF power will be purchased at 3.2 cents per kWh and resold to the Authority's customers under its Municipal Economic Development, High Load Factor, Economic Development and Power for Jobs programs.



These amounts will decline over time from 375 MW for any part of 2000 to 360 MW in 2001, 303 MW in 2002 and 255 MW in 2003 and 2004. The Authority's share of JAF production will be "first-out-of-the-plant," meaning that the Authority will be served before other customers when output is limited.

When either plant is not running, or is operating at levels insufficient to meet the Authority's needs, the Authority will obtain replacement supplies on the open market or from its own resources. Regardless of plant performance, the Authority will be assured that its costs for replacement energy up to specified minimum entitlements (equivalent to 85 percent of designated capacity levels) will be no greater than the prices set in the agreement. This will be accomplished by the purchaser compensating the Authority—subject to certain adjustments—for the difference between the cost of energy in New York State markets when a plant is deficient and the lower energy price in the agreement. Calculations of energy supplies and any payment obligations will be keyed to two periods. The first will extend for two years from the closing date of the agreement, while the second will run from that point through the agreement's termination on Dec. 31, 2004. If the amount of energy supplied by the purchaser in the first period exceeds the 85 percent minimum for a plant, the difference—up to 5 percent—will be carried over and credited toward the second-period requirement. If the purchaser falls short of the minimum in the first period, it will be able to defer up to 5 percent of the total energy requirement to Period 2 without financial penalty.

The 85 percent requirement at IP3 will be based on capacity levels of 985 MW for the winter months and 970 MW for the summer. The summer amount is less because higher Hudson River water temperatures reduce the plant's output.

At JAF, the 85 percent entitlement will be based on the capacity levels noted previously.

If the Authority anticipates the need for purchases from either or both plants after the agreement expires, it will notify the purchaser by the end of 2003 and the two parties will begin good-faith discussions on price and other terms. The Authority will give the purchaser an opportunity to submit sale proposals if the Authority intends to replace its supplies from either plant at specified levels after the agreements expire. The purchaser will notify the Authority when the amount of energy available from either plant for the post-agreement period falls to designated amounts (200 MW for JAF and 500 MW for IP3) and will give the Authority the opportunity to discuss purchase of this energy.

Under a separate agreement, the Authority and the purchaser will share equally the difference between actual market prices and agreed-upon forecasted prices for 10 years after the agreement expires. This will enable the Authority to realize benefits if market prices are much higher than expected.

As long as the facilities produce power, power purchased by the Authority from the units will be used to satisfy the Authority's customer load. If the facilities are not in operation, the difference will be made up from other Authority resources or the market, as would be the case if the facilities were to remain with the Authority. Moreover, if a premature shutdown were to occur, replacement power would be from the market. The power sales provisions assure the Authority a fixed purchase price for power. They also provides a mechanism to negotiate continued supply agreements. The price furthermore enables the Authority to provide power to its customers consistent with the terms of their contracts.

In summary, the proposed agreement will permit the Authority to continue to meet customer requirements and will not create any significant incentive for the purchaser either to increase or decrease the facilities' operations in a manner materially different from the Authority's current practices.

#### 4. Personnel

The P&SA minimizes the disruption in employment. The sale will impact approximately 1650 Authority employees. The purchaser, however, will offer the same or similar jobs to all these employees. Over time, some employees will realize greater opportunities under the mantle of a widespread nuclear organization, while operating efficiencies could affect the positions of others. However, even if the facilities remained under Authority control, the pressure for such efficiencies in a competitive market would exist. Upon transfer, the employees will retain benefits equivalent to those that are provided by the Authority. Among other things these employees' vacation and sick leave balances will transfer with them to the purchaser. Moreover, the other benefits that they receive, such as medical, dental and hospitalization insurance, will remain in force for at least one year after the closing in the case of non-represented employees and for the term of their collective bargaining agreement for represented personnel. The Authority has also instituted a program to provide each non-represented employee with \$2000 in transition pay upon their transfer to the purchaser. The Authority has offered the union

representatives of the Authority's bargaining unit personnel a similar payment. In view of the foregoing there will no significant employment impacts associated with this transaction.

While change itself can be considered an impact, it happens regardless of the alternatives taken. In the case of the transfer of these facilities, the programs developed (continuation of compensation and benefits and assumption of union contracts) allow for a smooth transition from public sector employment to private sector employment.

## 5. Local Communities

Since the plant staffs will remain in the same positions following transfer of the facilities, no "boom/bust" effect will arise. Operations at the facilities will continue as under Authority operation, and services now provided by the Authority will continue to be provided in the same or similar manner by the purchaser. The purchaser will negotiate with the localities for mutually beneficial services in the future.

All the agreements entered into in connection with emergency planning will remain the same. Since the individuals who currently interface with the local communities will continue in the purchaser's employ, a smooth transition should result. The P&SA provides for the transfer to the purchaser of (1) all right, title and interest of the Authority in the property and assets used or usable in providing emergency warning or associated with emergency preparedness, and (2) all rights that the Authority has under the contracts and agreements associated with emergency preparedness.

One change will be the tax status of the facility. As a private entity, the purchaser will be subject to local property taxes. These will offset contributions that the Authority has traditionally made to local communities. The increased tax base, when spread across the entire local community tax base, will not have a significant socio-economic impact on the community.

The Authority, as well as other licensees of nuclear power plants in New York State, provides \$585,000 a year per nuclear power plant to the state under legislation requiring annual payments from plant licensees. These funds are used to help fund the State Emergency Management Office and provide assistance to the counties in the IP3 and JAF plant areas. This state funding requirement is expected to continue after the transfer of the plants.

The Authority also provides funding directly to the surrounding counties for items not covered through the state, such

as a coordinator for Indian Point Affairs (Four-County Coordinator position), bus driver training, and reception centers. The Authority, with its neighbor utilities, also coordinates and funds public education programs, including the annual printing of emergency planning booklets. The Authority and its neighbor utilities provide annual radiological training for their host counties as well as support medical drills for the local communities. There is no expectation that these activities or the funding therefor would diminish or change after the transfer of IP3 and JAF to the purchaser.

#### 6. Energy Conservation and Renewable Energy Sources

As part of its customer services, the Authority has developed an array of energy programs involving conservation, renewable energy sources, new technology generation sources, and energy efficiency. The transfer of the facilities and the power purchase provisions of the Power Purchase Agreement provide money and price stability that will permit these programs to continue and, perhaps, to expand. It is expected that the proceeds of the plant sales will be used in part to enhance and expand the Authority's initiatives in these areas.

#### D. Consideration of Alternatives

The proposed action presented the Authority with three viable alternatives. Two of the alternatives involved sale of the facilities and one involved continued operation by the Authority (the no action alternative). As discussed above, actual on-site and system-wide environmental impacts vary little under any of the alternatives. Both proposed purchasers would assume ownership and operation of the facilities in exactly the same manner as exists under Authority ownership. Both have provided financial assurances to the Authority and would be required to provide financial assurance to the NRC for continued safe operation and decommissioning of the facilities. Both, like the Authority, have long term experience in the operation of nuclear facilities. Both would operate the facilities with essentially the same staff that works for the Authority. Both would operate the facilities under the same legal permit conditions as the Authority now does. The biggest factor that will affect long term future operation is the competitive market system. That system will dictate how and when these facilities operate in the future. That future, however, besides being uncertain, applies equally to all the alternatives. Moreover,

to the extent that the competitive market dictates physical or operational changes at the facilities that affect safety or the environment, they will be subject to federal and/or state review and approval.

The transaction has been structured to minimize or eliminate any adverse environmental, safety, social or economic impacts that could be associated with the sale of the facilities. The agreement to operate the facilities under the terms of all existing regulatory permits assures continued operation in an environmentally sound and safe manner. The agreement to employ all the workers now responsible for operation of the facilities reinforces this continuity of operation. The employee agreement also virtually eliminates the impact of the transfer on the local community and, by providing benefits similar to those under the Authority and a monetary incentive, minimizes impacts on the work force. The provision for a guaranteed power supply over the period of the Authority's existing contracts likewise assures that the Authority's customers will continue to receive the low cost power for which they contracted. Finally, the agreements, as indicated above, provide assurance that funds will be available to decommission the facilities.

A description of the principal agreements implementing this action is contained in the President's Memorandum. The President's Memorandum also contains a comparative analysis of the offers received by the Authority. There are no significantly measurable differences in the environmental or safety impacts associated with these alternatives. In essence, the alternatives differ only in their financial impacts on the Authority and as noted in item A.7. of the President's Memorandum, analysis " showed that sale of the plants to either Buyer was substantially superior to continued ownership."

### Conclusion

For the reasons set forth above and in the January 6, 2000 Environmental Assessment Form, the proposed action will not have any significant environmental impacts and does not require preparation of an Environmental Impact Statement.