

December 30, 2014

The Honorable Nita M. Lowey
United States House of Representatives
Washington, DC 20515

Dear Congresswoman Lowey:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of November 17, 2014, requesting further evaluation of the proposed Spectra Energy Partners natural gas pipeline expansion near the Indian Point Energy Center (IPEC) in Westchester County, New York. The other recently announced pipeline expansion projects referenced in your letter are not within the NRC's oversight as they do not involve an NRC-regulated site.

On February 28, 2014, Spectra Energy submitted an application to the Federal Energy Regulatory Commission (FERC) for a certificate to build a new natural gas pipeline about one-quarter mile from the IPEC Unit 2 and Unit 3 reactors. As a part of that process, a Spectra subsidiary, Algonquin Gas Transmission, submitted to FERC what your letter refers to as a "preliminary hazards analysis." On August 6, 2014, FERC issued a draft Environmental Impact Statement in which it referred to certain preliminary statements by Entergy concerning the proposed pipeline's impact at IPEC Units 2 and 3.

Separately, because the proposed pipeline would intersect with a small portion of the licensee's owner-controlled property, Entergy performed a site hazards analysis under NRC regulations in Title 10 of the *Code of Federal Regulations* (10 CFR) Section 50.59, "Changes, tests, and experiments." A 10 CFR 50.59 review is a technical evaluation performed by a licensee to determine if a proposed change to the facility, procedures, or evaluations represents a significant modification to the plant design and licensing bases as described in the licensee's Final Safety Analysis Report and, consequently, would require NRC approval prior to implementation. Here, Entergy conducted a review of the proposed natural gas pipeline to determine if it would impact IPEC's existing design basis external hazards analysis. On August 21, 2014, Entergy submitted its 10 CFR 50.59 evaluation and supporting hazard analysis to the NRC for information. In September 2014, Entergy submitted its evaluation to FERC as part of its comments on the draft Environmental Impact Statement. The Entergy review concluded that the change in the design basis external hazards analysis associated with the installation of the proposed new natural gas pipeline across a portion of the Indian Point site did not require prior NRC review and approval.

In particular, Entergy's evaluation analyzed the effects of a pipeline rupture with a subsequent jet flame, cloud fire, detonation of a vapor cloud, and/or missile generation to IPEC structures, systems, or components (SSCs) that are important to safety. Entergy's analysis of potentially hazardous events precipitated by a pipeline rupture determined that the threshold for damage to safety-related or important-to-safety SSCs within the security owner controlled area will not be exceeded because of the distance between that area and the new pipeline.

However, a portion of the proposed pipeline would be located near important-to-safety SSCs outside the security owner controlled area. Due to the potential impact to these SSCs, they also were evaluated to determine if any further reductions in safety margins would occur should the pipeline rupture. The Entergy analysis concluded that there would be no additional reduction in safety margins for these SSCs and that the proposed pipeline poses minimal increased risk to the safe operation of IPEC Units 2 and 3.

NRC inspectors and staff reviewed Entergy's 10 CFR 50.59 evaluation and supporting hazard analysis, conducted a walk-down of the proposed pipeline routing, and performed an independent, confirmatory analysis of the potential hazards associated with a failure of the proposed pipeline. The NRC staff also reviewed the qualifications of Entergy's subject matter expert who performed the licensee's hazard analysis to ensure that the individual possessed the requisite knowledge, experience, and abilities to conduct that analysis. A detailed NRC inspection report addressing this and other matters was issued and made publicly available on November 7, 2014.

Based on the NRC staff's review of Entergy's hazards analysis, the staff's independent calculation using conservative assumptions, and the staff's walk-down of the proposed pipeline route, the NRC staff concluded that safety-related SSCs inside the security owner controlled area would not be exposed to conditions exceeding the threshold for damage. In addition, the staff determined that important-to-safety SSCs outside the security owner controlled area could be adversely affected in the event of a pipeline rupture. The staff reached this conclusion because the calculated minimum safe distances from those SSCs to the impacts were not satisfied. However, the staff also concluded that the postulated impacts to those SSCs would be bounded by the impacts from extreme natural phenomena (including seismic activity, tornados, and hurricanes) that were previously assessed and addressed in the Indian Point Units 2 and 3 Updated Final Safety Analysis Report. Therefore, Indian Point Units 2 and 3 would still be able to achieve safe shutdown conditions in the event of a pipeline rupture event and the existing margin of safety is not expected to be reduced. Finally, the staff determined that Entergy's conclusions that the potential rupture of the proposed pipeline near IPEC poses no threat to the safe operation of the plant or the ability to safely shutdown the plant, are reasonable and are consistent with the staff's own conclusions.

In summary, Entergy has completed, and submitted to the NRC, a detailed analysis of the hazards posed by the proposed pipeline. Based on the NRC staff's review of Entergy's analysis, as well as the staff's inspection activities and independent analysis, the NRC determined that Entergy had appropriately concluded that the proposed pipeline does not introduce significant additional risk to safety-related SSCs and SSCs important to safety at Indian Point Units 2 and 3 in accordance with the criteria specified in 10 CFR 50.59. Accordingly, prior NRC review and approval to address this matter is not required.

Regarding the claim of "false and inaccurate statements," we note that the individual making that claim, based on the information provided by your staff, has made a similar claim to the NRC. This person has requested that the NRC take certain actions with regard to Entergy, and the NRC staff is currently evaluating that request under the agency's 10 CFR 2.206 petition process. We expect to make a final determination on that request by mid-2015.

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I hope this response addresses your concerns. If you need additional information, please do not hesitate to contact me or Eugene Dacus, Director of the Office of Congressional Affairs, at (301) 415-1776.

Sincerely,

/RA/

Allison M. Macfarlane