

July 10, 2015

The Honorable Kirsten Gillibrand  
United States Senate  
Washington, DC 20510

Dear Senator Gillibrand:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of June 8, 2015, regarding transformer fires at the Indian Point Energy Center (IPEC). You suggested several issues for inclusion within the scope of our review of the May 9, 2015, transformer fire, and also urged us to review the causes of past transformer incidents, to reconsider the Commission's decision in CLI-15-6 regarding the inclusion of transformers in the aging management review, and to determine whether IPEC is in compliance with the consent decree that arose from a 2010 transformer incident.

At 5:50 p.m. on May 9<sup>th</sup>, with Unit 3 operating at 100 percent power, one of its two main transformers failed. The failure resulted in an automatic shutdown of the reactor and an oil fire occurred in the vicinity of the main transformer. Plant operators declared an "Unusual Event" — the lowest of four levels of emergency classification used by the NRC for nuclear power plants — at 6:01 p.m. because of the explosion associated with the transformer failure. A fire suppression system for the transformer automatically doused the fire. In addition, the plant's on-site fire brigade, with assistance from the Montrose and Verplanck fire departments, sprayed water and foam onto the transformer to help put out the fire. NRC resident inspectors responded to the site, observed Entergy's initial response to the fire event, and verified that the reactor was safely shutdown without complications. The Unusual Event was terminated at 9:03 p.m. after the fire was fully extinguished.

As part of its ongoing baseline inspection program, NRC Region I inspectors will review Entergy's evaluation of the cause of the transformer failure and the plant's response, including performance of the automatic shutdown systems, safety systems, and the activation of the fire brigade. Because there have been multiple transformer fires at IPEC over the past eight years, the inspectors also will evaluate possible common elements among these events, such as transformer monitoring and maintenance practices. These results will be published in future publicly available inspection reports.

Your letter references the NRC sending a team "to investigate the most recent fire." I want to clarify that the NRC sent a Special Inspection Team to Indian Point Unit 3 shortly after the transformer failure event to better understand the unexpected presence of water in an electrical equipment room during the event on May 9<sup>th</sup>. This room contains electrical equipment that provides power to plant safety systems. Among other things, the NRC inspectors will be reviewing whether the efforts to fight the transformer fire caused the accumulation of the water observed in the electrical equipment room. The inspection results will be documented in an inspection report that will be publicly available.

As you noted, an issue regarding the application to transformers of NRC regulations subjecting certain equipment to an aging management program during the period of license renewal was the subject of a recent Commission adjudicatory decision in the ongoing Indian Point license renewal proceeding.

In that decision, (CLI-15-6 issued March 9, 2015), the Commission held that transformers, as active components, should be monitored and maintained under NRC's ongoing oversight, inspection, and maintenance rule requirements, rather than be covered under an aging management plan as part of license renewal. Transformers at Indian Point are subject to the licensee's life cycle management plan (which provides for the inspection, surveillance, and maintenance of transformers). The licensee's inspection, surveillance, and maintenance activities are further subject to the NRC's maintenance rule and NRC staff's ongoing inspection and oversight activities. Those continuing oversight, inspection, and maintenance requirements apply to the existing operating period, and those requirements would be equally applicable should Indian Point be issued a renewed operating license for an extended period of operation.

The consent decree you reference regarding improvements to the IPEC transformer containment structure was a matter between Entergy and the New York Department of Environmental Conservation. We suggest contacting the State of New York for a status of Entergy actions pursuant to that agreement.

I have directed the NRC's Office of Congressional Affairs (OCA) to provide you with a copy of the referenced inspection reports when they become available. If you have any questions, please contact me or Eugene Dacus, Director of OCA, at (301) 415-1776.

Sincerely,

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Stephen G. Burns