



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

March 2, 2006

Mr. Fred Dacimo
Site Vice President - Indian Point Energy Center
Entergy Nuclear Operations, Inc.
295 Broadway, Suite 1
Post Office Box 249
Buchanan, NY 10511-0249

SUBJECT: ANNUAL ASSESSMENT LETTER - INDIAN POINT NUCLEAR GENERATING
UNITS 2 AND 3 (REPORTS 05000247/2006001 AND 05000286/2006001)

Dear Mr. Dacimo:

On February 6, 2006, the NRC staff completed its performance review of Indian Point Nuclear Generating Units 2 and 3. Our technical staff reviewed performance indicators (PIs) for the most recent quarter and inspection results for the period from January 1 through December 31, 2005. The purpose of this letter is to inform you of our assessment of your safety performance during this period and our plans for future inspections at your facility.

This performance review and enclosed inspection plan do not include physical protection information. A separate letter designated and marked as "Official Use Only - Security-Related Information" will include the physical protection review and resultant inspection plan.

Overall, Indian Point Unit 2 (IP2) and Unit 3 (IP3) operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance at IP2 for the most recent quarter was within the Regulatory Response column of the NRC's Action Matrix based on a finding of low to moderate safety significance (White) in the Mitigating Systems cornerstone. This finding was identified in the second quarter of 2005 and involved degradation of the safety injection system over a period of several weeks. In December 2005, the NRC completed a Supplemental Inspection for this finding and concluded that Entergy's corrective actions to prevent recurrence of the underlying causes were adequate. Plant performance at IP3 for the most recent quarter, as well as for the first three quarters of the inspection cycle, was within the Licensee Response column of the NRC's Action Matrix, based on all inspection findings being classified as having very low safety significance (Green) and all PIs indicating performance at a level requiring no additional NRC oversight (Green).

Regarding the substantive cross-cutting issue in the area of Problem Identification and Resolution (PI&R) at IP2, we examined PI&R related findings from the last twelve months, including results from the PI&R team inspection in June 2005 and the Supplemental Inspection in December 2005. Although several findings related to corrective action issues were identified, we did not identify any new or continued common theme that would warrant maintaining open the cross-cutting issue for PI&R. In particular, there have been no additional examples involving weak corrective action evaluations that contributed to a plant transient or degradation of safety equipment during the last six months of the assessment period. We consider closure of the cross-cutting issue in the area of PI&R appropriate at this time based on an assessment

of our inspection results, and your progress in addressing long-standing issues which challenged the effectiveness of your PI&R program implementation. Our oversight of your corrective action program implementation will continue as part of the reactor oversight process (ROP) baseline inspection program.

On October 31, 2005, a Deviation from the ROP for Indian Point was approved by the NRC Executive Director of Operations. This action was taken to enable enhanced NRC oversight of Entergy's performance relative to addressing issues associated with the IP2 spent fuel pool leakage, including tritium contamination; and improving reliability and availability of the Alert and Notification System (ANS), including implementation of backup power requirements.

In summary, Indian Point Units 2 and 3 operated safely and are currently in the Regulatory Response and Licensee Response columns of the NRC's Action Matrix, respectively. The NRC closed a long-standing PI&R substantive cross-cutting issue on Unit 2. Additionally, an ROP Deviation Memorandum remains in effect for this station.

The enclosed inspection plan details inspections for Indian Point Units 2 and 3, less those related to physical protection, scheduled through September 30, 2007. Routine ROP baseline inspections and additional inspections of your preparations for dry cask storage of spent nuclear fuel are included. In addition, specialized inspections of Entergy's actions to address tritium contamination and to improve the ANS are planned in accordance with the Deviation from the ROP. The timing of some inspections is dependent on your ongoing actions; as such, we will coordinate with your staff regarding additional inspections which either have not yet been scheduled, or will need to be moved. The inspection plan is provided to allow for the resolution of any scheduling conflicts and personnel availability issues well in advance of inspectors arriving onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last nine months of the inspection plan are tentative and may be revised at the mid-cycle review.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

If circumstances arise which cause us to change this inspection plan, we will contact you to discuss the change as soon as possible. Please contact Brian McDermott, Chief, Projects Branch 2, at (610)337-5233 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Samuel J. Collins
Regional Administrator

Docket Nos. 50-247 and 50-286
License No. DPR-26 and DPR-64

ADAMS References:

Final Significance Determination for a White Finding, dated August 1, 2005 [ML052130518]
PI&R Inspection report, dated August 3, 2005 [ML052160329]
Supplemental Inspection for a White Finding, dated January 20, 2006 [ML060200295]
Deviation Memo from the ROP, dated October 28, 2005 [ML053010404]

Enclosures: Indian Point Nuclear Generating Unit 2 and Unit 3 Inspection/Activity Plans

cc w/encl:

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Senator Charles Schumer
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DATE	03/01/06	03/01/06	03/01/06	03/01/06	03/01/06

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Indian Point 2
Inspection / Activity Plan
03/01/2006 - 09/30/2007

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	7111405 - DEVIATION MEMO ANS INSPECTION		1			
2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		03/06/2006	03/10/2006	Baseline Inspections
	ISFSI - ISFSI		2			
2	IP 60854.1	Preoperational Testing of Independent Spent Fuel Storage Facility Installation at Operating I		04/01/2006	12/31/2006	Other Routine
	7111108P - INSERVICE INSPECTION		1			
2	IP 7111108P	Inservice Inspection Activities - PWR		04/24/2006	05/05/2006	Baseline Inspections
	71121 - OCC RAD SAFETY		1			
2	IP 7112101	Access Control to Radiologically Significant Areas		05/01/2006	05/05/2006	Baseline Inspections
2	IP 7112102	ALARA Planning and Controls		05/01/2006	05/05/2006	Baseline Inspections
	7112203 - DEVIATION MEMO TRITIUM INSPECTION		1			
2	IP 7112203	Radiological Environmental Monitoring Program (REMP) And Radioactive Material Control F		05/22/2006	05/26/2006	Baseline Inspections
	7111405 - FOLLOWUP INSP FOR NEW ANS SYSTEM		1			
2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		06/05/2006	06/09/2006	Baseline Inspections
	7111111B - U2 L.O. REQUAL. PROG.+P/F REVIEW		3			
2	IP 7111111B	Licensed Operator Requalification Program		08/07/2006	08/11/2006	Baseline Inspections
2	IP 7111111B	Licensed Operator Requalification Program		08/14/2006	08/18/2006	Baseline Inspections
	7112203 - DEVIATION MEMO TRITIUM INSPECTION		1			
2	IP 7112203	Radiological Environmental Monitoring Program (REMP) And Radioactive Material Control F		11/06/2006	11/24/2006	Baseline Inspections
	7112201 - PUB RAD SAFETY - RETS		1			
2	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		06/19/2006	06/23/2006	Baseline Inspections
	7111107B - HEAT SINK		2			
2	IP 7111107B	Heat Sink Performance		06/27/2006	07/01/2006	Baseline Inspections
	7112203 - DEVIATION MEMO TRITIUM INSPECTION		1			
2	IP 7112203	Radiological Environmental Monitoring Program (REMP) And Radioactive Material Control F		09/04/2006	09/08/2006	Baseline Inspections
	71152B - PI&R		5			
2	IP 71152B	Identification and Resolution of Problems		09/18/2006	09/22/2006	Baseline Inspections
2	IP 71152B	Identification and Resolution of Problems		10/02/2006	10/06/2006	Baseline Inspections
	MODS - MODS & 50.59		5			
2	IP 7111102	Evaluation of Changes, Tests, or Experiments		10/30/2006	11/03/2006	Baseline Inspections
2	IP 7111117B	Permanent Plant Modifications		10/30/2006	11/03/2006	Baseline Inspections
	7111401 - EXERCISE EVALUATION & EP PI VERIFICATION		6			
2	IP 7111401	Exercise Evaluation		11/13/2006	11/17/2006	Baseline Inspections
2	IP 71151	Performance Indicator Verification		11/13/2006	11/17/2006	Baseline Inspections
	71121 - OCC RAD SAFETY		1			
2	IP 7112101	Access Control to Radiologically Significant Areas		12/18/2006	12/22/2006	Baseline Inspections

This report does not include INPO and OUTAGE activities.
This report shows only on-site and announced inspection procedures.

Indian Point 2
Inspection / Activity Plan
03/01/2006 - 09/30/2007

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	71121 - OCC RAD SAFETY		1			
2	IP 7112102	ALARA Planning and Controls		12/18/2006	12/22/2006	Baseline Inspections
2	IP 71151	Performance Indicator Verification		12/18/2006	12/22/2006	Baseline Inspections
	7111121 - CDBI		7			
2	IP 7111121	Component Design Bases Inspection		01/08/2007	01/12/2007	Baseline Inspections
2	IP 7111121	Component Design Bases Inspection		01/22/2007	01/26/2007	Baseline Inspections
2	IP 7111121	Component Design Bases Inspection		02/05/2007	02/09/2007	Baseline Inspections
2	IP 7111121	Component Design Bases Inspection		02/12/2007	02/16/2007	Baseline Inspections
	71121 - OCC RAD SAFETY		1			
2	IP 7112101	Access Control to Radiologically Significant Areas		02/26/2007	03/02/2007	Baseline Inspections
2	IP 7112102	ALARA Planning and Controls		02/26/2007	03/02/2007	Baseline Inspections
	71121 - OCC RAD SAFETY		1			
2	IP 7112101	Access Control to Radiologically Significant Areas		03/26/2007	03/30/2007	Baseline Inspections
2	IP 7112102	ALARA Planning and Controls		03/26/2007	03/30/2007	Baseline Inspections
	7112202 - PUB RAD SAFETY - RADWASTE		1			
2	IP 7112202	Radioactive Material Processing and Transportation		05/07/2007	05/11/2007	Baseline Inspections
	71121 - OCC RAD SAFETY		1			
2	IP 7112101	Access Control to Radiologically Significant Areas		07/16/2007	07/20/2007	Baseline Inspections
2	IP 7112102	ALARA Planning and Controls		07/16/2007	07/20/2007	Baseline Inspections
	10/1 EXM - U2 OPERATOR LICENSING INITIAL EXAM		3			
2	U01683	FY08 - INDIAN POINT 2 INITIAL EXAM		09/03/2007	09/06/2007	Not Applicable
	71121 - OCC RADIATION SAFETY		1			
2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		09/24/2007	09/28/2007	Baseline Inspections

Indian Point 3
Inspection / Activity Plan
03/01/2006 - 09/30/2007

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	71121 - OCC RAD SAFETY		1			
3	IP 7112101	Access Control to Radiologically Significant Areas		05/01/2006	05/05/2006	Baseline Inspections
3	IP 7112102	ALARA Planning and Controls		05/01/2006	05/05/2006	Baseline Inspections
	7112203 - PUB RAD SAFETY - REMP		1			
3	IP 7112203	Radiological Environmental Monitoring Program (REMP) And Radioactive Material Control F		06/05/2006	06/09/2006	Baseline Inspections
	7112201 - PUB RAD SAFETY - RETS		1			
3	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		06/19/2006	06/23/2006	Baseline Inspections
	71152B - PI&R		5			
3	IP 71152B	Identification and Resolution of Problems		09/18/2006	09/22/2006	Baseline Inspections
3	IP 71152B	Identification and Resolution of Problems		10/02/2006	10/06/2006	Baseline Inspections
	10/23EXM - OPERATOR LICENSING INITIAL EXAMS		3			
3	U01636	INDIAN POINT 3 INITIAL EXAM (FY 07)		09/25/2006	09/29/2006	Not Applicable
3	U01636	INDIAN POINT 3 INITIAL EXAM (FY 07)		10/23/2006	11/03/2006	Not Applicable
	MODS - MODS AND 50.59		5			
3	IP 7111102	Evaluation of Changes, Tests, or Experiments		10/30/2006	11/03/2006	Baseline Inspections
3	IP 7111117B	Permanent Plant Modifications		10/30/2006	11/03/2006	Baseline Inspections
	7111401 - EXERCISE EVALUATION & EP PI VERIFICATION		6			
3	IP 7111401	Exercise Evaluation		11/13/2006	11/17/2006	Baseline Inspections
3	IP 71151	Performance Indicator Verification		11/13/2006	11/17/2006	Baseline Inspections
	71121 - OCC RAD SAFETY		1			
3	IP 7112101	Access Control to Radiologically Significant Areas		12/18/2006	12/22/2006	Baseline Inspections
3	IP 7112102	ALARA Planning and Controls		12/18/2006	12/22/2006	Baseline Inspections
3	IP 71151	Performance Indicator Verification		12/18/2006	12/22/2006	Baseline Inspections
	71121 - OCC RAD SAFETY		1			
3	IP 7112101	Access Control to Radiologically Significant Areas		02/26/2007	03/02/2007	Baseline Inspections
3	IP 7112102	ALARA Planning and Controls		02/26/2007	03/02/2007	Baseline Inspections
	7111108P - IN-SERVICE INSPECTION		1			
3	IP 7111108P	Inservice Inspection Activities - PWR		03/19/2007	03/30/2007	Baseline Inspections
	71121 - OCC RAD SAFETY		1			
3	IP 7112101	Access Control to Radiologically Significant Areas		03/26/2007	03/30/2007	Baseline Inspections
3	IP 7112102	ALARA Planning and Controls		03/26/2007	03/30/2007	Baseline Inspections
	7111111B - L.O. REQUALIFICATION PROG+P/F REVIEW		3			
3	IP 7111111B	Licensed Operator Requalification Program		07/09/2007	07/13/2007	Baseline Inspections
	7112202 - PUB RAD SAFETY - RADWASTE		1			
3	IP 7112202	Radioactive Material Processing and Transportation		05/07/2007	05/11/2007	Baseline Inspections

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Indian Point 3
Inspection / Activity Plan
03/01/2006 - 09/30/2007

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	7111107 - HEAT SINK INSP		1			
3	IP 7111107B	Heat Sink Performance		07/16/2007	07/20/2007	Baseline Inspections
	71121 - OCC RAD SAFETY		1			
3	IP 7112101	Access Control to Radiologically Significant Areas		07/16/2007	07/20/2007	Baseline Inspections
3	IP 7112102	ALARA Planning and Controls		07/16/2007	07/20/2007	Baseline Inspections
	7111121 - CDBI		7			
3	IP 7111121	Component Design Bases Inspection		09/17/2007	09/21/2007	Baseline Inspections
	71121 - OCC RADIATION SAFETY		1			
3	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		09/24/2007	09/28/2007	Baseline Inspections