



NRC NEWS

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NRC PROPOSES \$650,000 FINE FOR ENTERGY'S FAILURE TO FULLY IMPLEMENT A NEW ALERT SYSTEM AT THE INDIAN POINT NUCLEAR POWER PLANT

The Nuclear Regulatory Commission today issued a Notice of Violation and proposed civil penalty of \$650,000 to Entergy for its continuing failure to comply with NRC orders to fully implement a new emergency notification system (ENS) with back-up power for the Indian Point nuclear power plant. Entergy operates the plant, which is located in Buchanan (Westchester County), N.Y.

Normally, a base civil penalty in the amount of \$65,000 would be considered for this violation, considered a Severity Level III violation. However, as noted in the letter to Entergy, the NRC wants to emphasize the importance of prompt compliance with NRC orders, and exercised discretion to increase the base civil penalty because of the continuing failure to meet the implementation date, which was due to circumstances reasonably within Entergy's control.

"The NRC will consider additional enforcement in the future if Entergy does not resolve the issues and make their new ENS operable in a timely manner," said NRC Executive Director for Operations Luis Reyes. "We are taking this situation very seriously and will not ease up on our scrutiny in this important matter."

This is the second six-figure fine proposed by the NRC this week. Earlier, the Turkey Point nuclear power plant received a proposed fine of \$208,000 for security violations.

While Entergy continues to work toward putting the new system into operation, the plant's existing siren system remains operable to alert the public in the event of a radiological emergency at the Indian Point.

On July 30, 2007, the NRC ordered Entergy to complete installation and testing of the new alert and notification system, and to obtain Federal Emergency Management Agency (FEMA) approval, prior to an Aug. 24, 2007, deadline to declare the new ENS operable. In an Aug. 23rd letter to NRC, Entergy wrote that it had completed all pre-operability activities required by NRC's order for the new ENS but had not obtained FEMA's approval. This failure

to meet the order prompted the NRC to begin its process to determine the appropriate enforcement action against Entergy. The system still has not obtained FEMA approval.

In the letter issued today, the NRC said the notice and proposed fine were necessary “because of the significant regulatory engagement to date that has been necessary to achieve resolution of this issue and Entergy's inadequate actions in support of FEMA's review for use of the new ENS and inadequate management oversight.”

The NRC first issued a Confirmatory Order in January 2006 requiring the installation of back-up power for the siren system at Indian Point by Jan. 30, 2007, in response to a provision in the Energy Policy Act of 2005. Entergy, in January 2007, requested and received an extension but missed that deadline of April 15, 2007. The NRC denied a second extension, and fined the company \$130,000 for missing the deadline.

The Energy Policy Act of 2005 included a provision directing the NRC to require nuclear power plants with high local population densities to have back-up power for their emergency notification systems, including sirens. Indian Point is the only nuclear plant that fell within the requirement. To address the resulting NRC order, Entergy decided to install a new siren system.

Like other U.S. commercial nuclear power plants, Indian Point is required to have an ENS within the 10-mile-radius emergency planning zone around the facility. An outdoor warning system, it is designed to promptly notify the public should a serious incident occur at the plant so that citizens can listen to emergency broadcast stations for information and instructions. The existing system meets this requirement; however, it does not have the capability to sound during an electrical power outage as the new system does. Currently, in the event of an electrical power outage, alternate means of technology can be employed for notifying residents of a significant event at a plant.

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