

ANDREW M. CUOMO
Governor

JOHN P. MELVILLE Commissioner

February 29, 2016

Kimberly D. Bose, Secretary Federal Energy Regulatory Commission (FERC) 888 First Street NE, Room 1A Washington, DC 20426

RE: Docket No. CP14-96-001: New York State Request for Reconsideration of the March 2015 Order providing a certificate of public convenience and necessity to construct and operate the Algonquin Incremental Market (AIM) Project ("Project") in order to commence an immediate independent safety risk analysis

Dear Secretary Bose,

New York Governor Andrew M. Cuomo has directed the Department of Homeland Security and Emergency Services (DHSES), the New York State Department of Environmental Conservation (NYSDEC), the New York State Department of Health (NYSDOH) and New York State Department of Public Service (DPS) to immediately commence an independent safety risk analysis of Spectra Energy's Algonquin Incremental Market (AIM) project, specifically near Entergy's Indian Point Nuclear Facility (known as Indian Point Energy Center or IPEC).

At the direction of the Governor, our agencies are currently undertaking a full investigation into recent significant issues at IPEC. Specifically:

- May 7, 2015 IPEC's nuclear reactor Unit 3 was shut down by plant operators to repair a steam leak associated with the steam generator.
- May 9, 2015 a main transformer at Unit 3 short-circuited and caught fire due to a failure of insulation within the transformer. The plant shut down automatically and Entergy declared an unusual event level emergency.
- June 15, 2015 Unit 3 automatically shut down after an electrical disturbance in the switchyard caused a turbine to shut down.



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- July 8, 2015 Unit 3 was shut down by plant operators after they determined that steam generator water levels were lowering due to the unexplained failure of a condensate pump.
- December 5, 2015 IPEC's nuclear reactor Unit 2 was powered down after approximately 10 control rods inserted into the reactor core.
- December 14, 2015 Unit 3 shutdown due to an electrical disturbance in the switchyard.
- February 6, 2016 a radioactive tritium leak at IPEC that has caused groundwater radioactivity levels to rise more that 65,000 percent.

The investigation is specifically looking into whether operational problems have caused this most recent leak. The tritium leak is just the latest of an increasing number of safety incidents at the Indian Point Nuclear Facility in the past year.

Nuclear reactor Units 2 and 3 at IPEC have shutdown unexpectedly seven times in 2015. An investigation is underway to determine the impacts of these shutdowns on operations of the units and to determine whether Entergy is appropriately investing in capital expenditures and operation and maintenance budgets to ensure reliable and adequate operations of the facility.

The AIM Project's path will require horizontal directional drilling under the Hudson River and adjacent to Indian Point. While the applicant has committed to build the pipeline to a more stringent standard on the Indian Point grounds, including laying two concrete liners above the pipeline to prevent excavation damage, burying the pipeline deeper than required, and using a stronger grade of steel than is required even in high consequence areas, it is imperative to determine if this is enough in light of the recent significant tritium leak and other operational difficulties at the nuclear facility. An independent safety risk analysis will address the adequacy of those mitigation efforts. We will share the results with you immediately upon receiving them.

Until this independent safety risk analysis is completed, we ask the FERC stay and reconsider its prior determination to grant a certificate of public convenience and necessity to ensure that the health and safety of all New Yorkers is adequately protected. Specifically, FERC must reconsider whether the proximity to Indian Point and the construction methods required to install the Project would have an impact on the recent increasing leaks of tritium into ground water or otherwise increase the potential for serious operational problems at Indian Point.



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These ongoing State investigations may reveal newly discovered information related to the environmental, health and safety risks posed by siting the Project near IPEC. Such new information may warrant reopening the record on this issue, which could ultimately necessitate a different conclusion by FERC. Until these investigations are complete and the analysis of the safety issues done, the Project should not be allowed to proceed. Thank you for your consideration and prompt attention to this matter.

Sincerely,

John Melville Commissioner

Department of Homeland Security and Emergency Services

Audrey Zibelman

Chair

Public Service Commission

Basil B Seggos

Commissioner

Department of Environmental Conservation

Howard Zucker

Commissioner

Department of Health

Howard Zucker M.D.