



Indian Point Energy Center
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Anthony J. Vitale
Site Vice President

October 30, 2019

VIA E-MAIL

Hon. Michelle Phillips
Acting Secretary
New York Public Service Commission
Empire State Plaza, Agency Building 3
Albany, New York 12223-1350

Re: Notice of Permanent Retirement of Generating Facility
Indian Point Energy Center
Village of Buchanan, Town of Cortlandt, Westchester County, New York

Dear Acting Secretary Phillips:

Entergy Nuclear Indian Point 2, LLC and Entergy Nuclear Indian Point 3, LLC own the Indian Point Energy Center ("IPEC Facility") located in the Village of Buchanan, Town of Cortlandt in Westchester County, New York.¹ The IPEC Facility is composed of three nuclear generating facilities: (i) Unit 1 ("IP-1"), a unit currently owned by ENIP 2 that was permanently retired in 1974 and subsequently was put into a SAFSTOR decommissioning plan in 1996 by its owner and operator at those times, Consolidated Edison Company of New York Inc., ("Con Edison"); (ii) Unit 2 ("IP-2"), a 1,299 MW (nameplate) merchant unit, currently owned by ENIP 2, that provides energy, capacity and ancillary services in the New York wholesale electric markets; and (iii) Unit 3 ("IP-3"), a 1,301 MW (nameplate) merchant unit, currently owned by ENIP 3, that provides energy, capacity and ancillary services in the New York wholesale electric markets. The IPEC Facility is located in New York Independent System Operator, Inc. ("NYISO") Zone H. Pursuant to the Generator Retirement Notice Order issued by the Commission,² Entergy hereby provides this written notice that it will permanently retire IP-2 and IP-3 no later than April 30, 2020 and April 30, 2021, respectively ("IPEC Retirement Notice").

¹ Entergy Nuclear Indian Point 2, LLC and Entergy Nuclear Indian Point 3, LLC are individually referred to herein as "ENIP 2" and "ENIP 3" and, collectively, as "Entergy." A third Entergy subsidiary, Entergy Nuclear Operations, Inc. ("ENOI"), operates the IPEC Facility.

² See NYPSC Case 05-E-0889, *Proceeding on Motion of the Commission To Establish Policies and Procedures Regarding Generation Unit Retirements*, Order Adopting Notice Requirements for Generation Unit Retirements (issued and effective December 20, 2005) (hereinafter, "Generator Retirement Notice Order") at 13, 15 (finding generator retirement notices were necessary "to address the possibility that generation unit retirements might undermine electric system reliability and render service unsafe or inadequate" and establishing a notice period of at least 180 days for generating units greater than or equal to 80 MW).

Entergy is submitting this IPEC Retirement Notice to the Commission in accordance with the express terms of the IPEC Settlement Agreement which requires the permanent retirement of the IPEC Facility by the dates identified herein.³ In addition to this Notice, the IPEC Settlement Agreement also required Entergy to submit a generator deactivation notice to the NYISO (“DAN”). On November 2, 2017, Entergy submitted the DAN for the IPEC Facility to the NYISO (“IPEC DAN”) which the NYISO deemed complete on November 13, 2017. Thereafter, in accordance with the requirements of its Open Access Transmission Tariff, the NYISO, in coordination with the New York transmission owners it identified, conducted resource adequacy and transmission security analyses to determine if retirement of the IPEC Facility would cause a reliability need on the New York system. On December 13, 2017, the NYISO issued its IPEC Retirement Assessment, finding, “...reliability criteria would be met without [the IPEC Facility] throughout the Study Period under the assumed and forecasted base case system conditions.”⁴ Thus, the NYISO concluded, “Entergy has satisfied the applicable requirements under the NYISO’s Generator Deactivation Process to retire [IP-2 and IP-3] on or after [April 30, 2020 and April 30, 2021, respectively].”

In its IPEC Retirement Assessment, the NYISO noted that its 2018 Reliability Needs Assessment (“2018 RNA”) would further evaluate the reliability of the system using updated information. On October 16, 2018, the NYISO issued the final 2018 RNA in which the NYISO established a base case that, *inter alia*, modeled IP-2 and IP-3 as retired in 2020 and 2021, respectively. In its 2018 RNA, the NYISO found, “...the adequacy and security criteria are met throughout the [2019-2028] Study Period.”⁵ There have been no significant changes on the system since issuance of the 2018 RNA just a year ago that would reasonably be expected to reverse these findings. Thus, it is reasonable to conclude that the permanent retirement of the

³ See Indian Point Agreement by and between the State of New York, the Office of the Attorney General of the State of New York, the New York State Department of Environmental Conservation, the New York State Department of Health, the New York State Department of State, the New York State Department of Public Service, Riverkeeper, Inc., Entergy Nuclear Indian Point 2, LLC, Entergy Nuclear Indian Point 3, LLC and Entergy Nuclear Operations, Inc. (dated January 8, 2017) (hereinafter, “IPEC Settlement Agreement”).

⁴ See New York Independent System Operator, Inc., “Generator Deactivation Assessment – Indian Point Energy Center” (dated December 13, 2017) (hereinafter, “IPEC Retirement Assessment”) at 3, available at https://www.nyiso.com/documents/20142/1396324/Indian_Point_Generator_Deactivation_Assessment_2017-12-13.pdf/f673a0f8-5620-1d7b-4be2-99aa781ac5c. The assessment modeled the 2018-2027 ten-year study period and included three facilities in the base case totaling over 1,800 MW that were then under construction, the CPV Energy Center (Zone G, 678 MW), the Bayonne Energy Center II Uprate (Zone J, 120 MW) and the Cricket Valley Energy Center Zone G, 1,020 MW). In a scenario the NYISO elected to complete in the IPEC Retirement Assessment, the NYISO projected there could be a need of 700 MW by 2027 if all three facilities failed to become operational. That circumstance, however, has not come to pass. Two of the identified facilities, CPV and Bayonne, are now operating (which, taken together, satisfy the need today that was not forecasted to result until 2027) and the third facility is substantially completed and anticipated to come on line by approximately year end. In addition, the NYISO’s ten-year load projections issued in 2018 and 2019 forecast lower load levels than the levels that were incorporated in the IPEC Reliability Assessment.

⁵ See New York Independent System Operator, Inc., “Reliability Needs Assessment – 2018 RNA Report” (approved October 16, 2018) at 48, available at <https://www.nyiso.com/documents/20142/2248793/2018-Reliability-Needs-Assessment.pdf>.

IPEC Facility on the dates identified herein will not produce reliability needs on the New York system, the issue for review that was the Commission's basis for generator retirement notices.

Entergy is proceeding with the steps necessary in anticipation of permanently retiring IP-2 and IP-3 no later than April 30, 2020 and April 30, 2021, respectively. Specifically, in compliance with the final operations dates set forth in the IPEC Settlement Agreement as supported by the findings in the NYISO's IPEC Retirement Assessment and 2018 RNA, Entergy, *inter alia*, has not ordered, nor does it plan to order, new fuel assemblies for the IPEC Facility. No further refueling outages have been, nor will be, planned or taken at the IPEC Facility. Upon the permanent retirement of IP-2 and, a year later, IP-3, Entergy will submit a letter to the Commission with respect to each unit confirming the last date of operations at the IPEC Facility.⁶

Pursuant to the Generator Retirement Notice Order and NYISO Technical Bulletin No. 185, Entergy has contemporaneously sent a copy of this Notice to the NYISO via email directed to its designated web site address. The Generator Retirement Notice Order further provided that the Notice must be sent to "any affected TO utility" without defining the term or providing further guidance. The IPEC Facility is located in the Con Edison service territory and is interconnected to the Con Edison transmission and distribution system. As such, Entergy has provided a copy of this Notice to Con Edison pursuant to the terms of the Generator Retirement Notice Order.

Should you have any questions about this Notice, please contact Susan Raimo, Assistant General Counsel, Entergy Services, LLC, at 202-530-7330, or sraimo@entergy.com.

Sincerely,



Anthony Vitale
Site Vice President
Entergy Nuclear Indian Point 2, LLC and
Entergy Nuclear Indian Point 3, LLC

cc: New York Independent System Operator, Inc. at generator_retirement@nyiso.com (via email)
Mr. John McAvoy, Chairman, President and Chief Executive Officer,
Consolidated Edison Company of New York, Inc. (via email and overnight mail)

⁶ Earlier this year, Entergy Corporation and Holtec International issued press releases announcing an agreement had been reached for the sale of the IPEC Facility for decommissioning following its permanent retirement. (See, e.g., Entergy Corporation, "Entergy Agrees To Post-Shutdown Sale of Indian Point Energy Center to Holtec International" (dated April 16, 2019), available at <https://electricenergyonline.com/news.php?ID=762334&cat=;58&niveauAQ=0>.) At this time, a petition to the Commission and a license transfer application to the Nuclear Regulatory Commission along with ENOI's Post-Shutdown Decommissioning Activities Report and its Decommissioning Cost Estimate are expected to be submitted by the end of November, 2019.