

Testimony of the Independent Power Producers of New York, Inc.

Before the Nuclear Regulatory Commission Regarding the
Environmental Scoping Process for the
Indian Point Nuclear Generating Units Nos. 2 and 3, License Renewal Application
Re: Docket Nos. 50-247 and 50-286

Oral Testimony Provided at:

The Colonial Terrace
119 Oregon Road
Cortlandt Manor, New York

Written Testimony Submitted to:

Chief, Rules and Directives Branch
Division of Administrative Services
Office of Administration
Mailstop T-6D59
U.S. Nuclear Regulatory Commission
Washington, DC, 20555-0001

September 19, 2007

Good afternoon. On behalf of the Independent Power Producers of New York, Inc. (IPPNY), I appreciate the opportunity to provide these comments to the U.S. Nuclear Regulatory Commission (NRC), in relation to the environmental scoping for the renewal of Indian Point's license. My name is Radmila P. Miletich, and I am IPPNY's Legislative and Environmental Policy Director.

IPPNY is a trade association representing the competitive power supply industry in New York State, including companies involved in the development of electric generating facilities, the generation, sale, and marketing of electric power, and the development of natural gas facilities. IPPNY's members generate almost 75 percent of New York's electricity using a wide variety of generating technologies and fuels, including hydro, nuclear, wind, coal, oil, natural gas, and biomass. IPPNY's mission is to assist its member companies in becoming the premier providers of electricity in New York State. In furtherance of our mission, IPPNY is committed in advocating fair and efficient competition among wholesale and retail suppliers of electricity and other potentially competitive electric resources, including renewable, fossil-fueled, nuclear, demand response providers and conservation technologies.

IPPNY firmly believes that the Indian Point nuclear facility is a positive asset for the State of New York and for its millions of residents, and we support the continued operation of Indian Point as a critical component of the state's energy supply system. According to the recent report by The Analysis Group, competition in the wholesale power industry has resulted in an eleven percent increase in nuclear plant power output.

Indian Point is a "base-load" power plant that is capable of providing 2,000 megawatts of electricity 24 hours a day, 7 days a week, 365 days of the year. The facility provides 20 to 40 percent of the lower Hudson Valley's and New York City's power. As New York's energy demand continues to grow, so does the importance of Indian Point. Millions of homes, thousands of businesses and hundreds of critical transportation, health and municipal systems rely on Indian Point's reliable, low-cost power.

In providing this vital and necessary source of energy, Indian Point does not contribute to the local air emissions. Continued reliance on non-emitting generating sources, such as nuclear power, is an essential component of a responsible strategy to avoid and reduce emissions that lead to climate change. Indeed, energy modeling that forms the basis for the Regional Greenhouse Gas Initiative assumes that existing non-emitting nuclear facilities, such as Indian Point, will continue to operate. Clearly, nuclear energy from Indian Point is essential to holding current emission levels constant and keeping emissions low in the future. Specifically, the continued operation of Indian Point avoids increased emissions that would result otherwise, such as almost 14 million tons of carbon dioxide, over 75 thousand tons of sulfur dioxide, more than 23 thousand tons of nitrogen

oxides, in excess of a thousand tons of carbon monoxide, and 145 tons of volatile organic carbon.

Reliable electricity is critically important to New York's future, and nuclear energy is a reliable, affordable component of our state's diverse fuel mix. Indian Point should continue to play a role in the state's energy plan now and well into the future. We cannot afford to lose any of the vital existing generating capacity that the Indian Point provides to serve New York City and the lower Hudson Valley. Without Indian Point's 2,000 megawatts, energy costs would rise over an estimated \$1 billion a year in the New York area. There could be wholesale price spikes as high as 40 percent and impacts to electric system reliability.

In addition to the importance of Indian Point as an energy provider for the people of the State of New York in this increasingly energy starved area, the facility also is significant for its economic impact. Indian Point is a local economic engine that provides over \$365 million a year through its payroll and local purchases, which is further augmented by the local and state taxes paid to New York.

IPPNY believes that not relicensing the Indian Point Energy Center is simply unworkable, in the context of the critical electricity outlook facing the City of New York and the lower Hudson Valley over the next several years. Thus, IPPNY hereby wholeheartedly supports and petitions for the relicensing of the Indian Point facility.

Thank you for the opportunity to make this statement.

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