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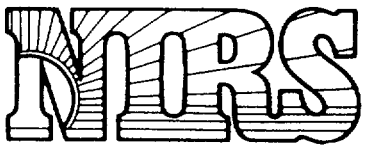

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Nuclear Information and Resource Service

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January 5, 2000

The Secretary of the Commission
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001
Attn: Rulemakings and Adjudication Staff

Re: Docket No. 50-219 -LT

Dear Secretary:

In accordance with 10 CFR 2.1306 and 10 CFR 2.174, the Nuclear Information and Resource Service (NIRS) submits the following Petition for Leave to Intervene and for a Hearing in the matter of the proposed license transfer from Jersey Central Power & Light and GPU Nuclear to AmerGen Energy Company (LLC) (Federal Register, December 16, 1999, pages 70292-70293).

NIRS reserves the right to call upon additional experts and attorneys to pursue this matter. We note that the (presumably deliberate) timing of the license transfer request allowed only 20 days for members of the public to review the request, research and prepare contentions, find experts and meet other procedural hurdles, and that these 20 days included the Christmas holiday and the once-in-a-lifetime Year 2000 holiday and celebration.

Nonetheless, despite the timing of this Federal Register notice—which is clearly intended to expedite a nuclear reactor license transfer and not to inform the public or encourage public involvement in the issue—NIRS has met the procedural hurdles of 10 CFR 2.1306 and 10 CFR 2.174.

While the Affidavits attached demonstrate ample expertise to pursue the contentions presented, NIRS on a routine basis consults with numerous "experts" and attorneys. Therefore, we may, as this Proceeding continues, provide Affidavits and testimony from additional experts and avail ourselves of additional legal counsel.

Template = SECY-037

Respectfully submitted,

Michael Mariotte
Executive Director

Encl: Petition for Leave to Intervene and for a Hearing
Certificate of Service
Expert Affidavits

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the matter of	)	Docket No. 50-219
Jersey Central Power & Light Co. &	)	
GPU Nuclear License Transfer of	)	
Oyster Creek Nuclear Generating Station	)	
To AmerGen Energy Company (LLC)	)	

PETITION FOR LEAVE TO INTERVENE IN THE LICENSE TRANSFER OF OYSTER CREEK NUCLEAR GENERATING STATION FROM JERSEY CENTRAL POWER & LIGHT CO. AND GPU NUCLEAR TO AMERGEN ENERGY COMPANY (LLC)

The Nuclear Information and Resource Service (NIRS) and its members William DeCamp, Jr. and Shirley Schmidt (affidavits arriving under separate cover) hereby petition for Leave to Intervene and request a hearing by an Atomic Safety and Licensing Board in the above-mentioned matter (Federal Register, December 16, 1999, 70292-70293) under 10 CFR 2.1306. The following contentions are submitted and meet the requirements of 10 CFR 2.1308 and 10 CFR 2.714.

Contention I.

AmerGen is financially unqualified to own and operate Oyster Creek.

AmerGen Energy Company, LLC (AmerGen) is a consortium composed of two large corporations, PECO Energy of the United States and British Energy of the United Kingdom. As its name indicates, however, AmerGen itself is a Limited Liability Corporation (LLC). The primary purpose of forming an LLC is to shield the parent corporations from undue liabilities—in this case those liabilities that may result from

unanticipated operating and capital costs, decommissioning costs, nuclear accidents, and other foreseeable eventualities. Thus when examining the financial qualification of such a license applicant, it is essential to focus only on the actual applicant corporation, and not the financial capabilities of the parent corporations.

AmerGen itself is a tiny corporation, with few corporate resources. Indeed, its only apparent resources are contained in letters dated July 22, 1999 from PECO Energy and British Energy, in which each of these corporations agree to commit a maximum of $55 million each, or a total of $110 million, to AmerGen to cover "ongoing operating expenses at any AmerGen operating nuclear power plant or...to safely maintain any such plant..."

A $110 million bankroll may be sufficient to address unanticipated or even major capital expenses at a single nuclear reactor site. However, it is insufficient to address such expenses at multiple reactor sites, as AmerGen intends.

Page 16 (line 6) of AmerGen's License Transfer Application (November 5, 1999) states plainly, "The Projected Income Statements [for AmerGen] indicate that the source of funds to cover these operating costs [operating, maintenance and capital costs through December 31, 2005] will be operating expenses."

The next paragraph notes that Jersey Central Power and Light has agreed to purchase "100% of Oyster Creek's capacity and energy" from the closing date until March 31, 2003" [not December 31, 2005].

While a guaranteed electricity purchase contract would appear to provide sufficient operating funds for any power plant, the fact is that if the plant does not provide power, there is no power to purchase and the contract provides no funding. And the history of Oyster Creek suggests that it is reasonably foreseeable that the plant will not provide sufficient power over its remaining lifetime to provide AmerGen adequate revenues to safely operate and maintain the plant.

Moreover, the reserve fund—the $110 million guaranteed by PECO Energy and British Energy—is not earmarked for Oyster Creek. In fact, it is to be shared among Oyster Creek, and AmerGen's two other recent acquisitions, Three Mile Island-1 and Clinton, and presumably with Vermont Yankee as well, which AmerGen is in the process of purchasing, and Nine Mile Point-1 and –2, which AmerGen is seeking to purchase. Clearly if two or three of these reactors (and perhaps others AmerGen intends to purchase) were off-line for an extend period of time, this $110 million would not be sufficient to assure safe operation, maintenance, or even a shutdown condition of these reactors.

Note also that AmerGen (and perhaps a new Canadian subsidiary CanaGen) are reportedly preparing to spend $1 Billion to purchase Canada's Bruce reactors (see

December 20, 1999, *The Independent*, London, ATTACHMENT A). While this indicates that Amergen's corporate partners have substantial funds available, it also indicates that the companies may be spreading themselves thin. And in any event, regardless of the funds available to the corporate partners, the partners have agreed to provide only $110 million for operating costs related to Amergen's U.S. reactors (July 22, 1999 letters from Peco Energy and British Energy to Amergen, ATTACHMENT B & C).

Moreover, AmerGen is not considered by the NRC to be an "electric utility," which might remove financial qualifications requirements (see NRC decision on TMI-1 license transfer application to AmerGen, 64 FR 19202, April 19, 1999). Indeed, AmerGen is *exactly* the type of company for which financial qualifications requirements under 10 CFR 50.40(b) were contemplated—a relatively new company, with few assets, and a limited liability imposed by its parent corporations.

Further, if there were to be a major accident at a non-AmerGen facility, particularly before AmerGen were able to accrue substantial operating revenues, or if Oyster Creek or other AmerGen reactors were in lengthy shutdown, AmerGen would be unable to meet its obligations under the Price-Anderson Act. As enacted by the U.S. Congress in 1987, the Price-Anderson Act requires, in the event of a major nuclear accident, each reactor owner to provide up to $10/million per year to a maximum of $63 million per reactor. This would require, in AmerGen's case, a reserve of $189 million ($378 million if the Vermont Yankee and Nine Mile Point purchases go through). Further, it can be reasonably anticipated that were an accident sufficiently large to invoke Price-Anderson

to occur, many reactors, and certain types of reactors could be expected to close for some time for repairs and modifications, and new regulatory requirements may be initiated that would require additional sources of capital (for example, the TMI Action Plan instituted by the NRC following the less dire Three Mile Island accident).

Finally, the NRC staff has not adequately examined, nor published any results of any examination, of the implications of an LLC with essentially no assets purchasing not just one, but several nuclear reactors. And, in this case, the LLC is using the same $110 million as collateral for purchase of all its reactors.

Contention I. A. As a Limited Liability Corporation, AmerGen is inherently financially unqualified to own and operate Oyster Creek. An LLC is, by its very nature, designed to shield parent corporations from liability and accountability when things go wrong. But the very nature of nuclear regulation and the licensing process is to assure accountability and liability from licensees. AmerGen, with virtually no resources of its own, cannot provide the accountability and ability to meet liability that the nuclear regulation and licensing process demands. A similar Limited Liability Corporation with limited resources, Louisiana Energy Services (LES), was found by an Atomic Safety and Licensing Board (ASLB) [44 NRC 331 (December 3, 1996), Docket No. 70-3070-ML, ASLBP No. 91-641-02 ML; "...the Licensing Board resolves in favor of the Intervenor...contention Q concerning the Applicant's financial qualifications to construct the proposed facility;" see also pages 375-404] to be financially unqualified to build and operate its proposed uranium enrichment plant near Homer, Louisiana.

In this case, the ASLB ruled that Louisiana Energy Services (LES) was financially unqualified to construct a uranium enrichment plant and thus found it unnecessary to rule on whether it was financially qualified to operate a uranium enrichment plant. However, the case is relevant because a) the Limited Liability Corporation financial structure of LES is similar to that of AmerGen and thus the financial issues are similar; b) the financial qualifications to operate a nuclear power reactor must surely be greater than those to merely construct a uranium enrichment plant.

In that case, the ASLB found that the parent corporations of LES had not guaranteed a sufficient amount of funds to allow construction of the plant and that LES' plans to raise additional construction funds were inadequate. Similarly, AmerGen's corporate parents have not provided sufficient funds to safely operate Oyster Creek (as well as AmerGen's other reactors), particularly under situations in which revenue is not being generated (i.e., if the plant is shutdown for safety or other reasons, or if Oyster Creek is unable to generate power at a competitive rate).

The environmental damage caused by a halt in the construction of a uranium enrichment plant because of financial reasons is limited to whatever site damage (i.e. clearing of forest, etc.) has been caused by the construction. But a nuclear power reactor must be properly maintained, which requires substantial resources, even when it is shutdown and not generating electricity; otherwise it can meltdown and cause a catastrophic accident. Thus, the adequacy of the operating reserve funds is critical and AmerGen's corporate partners have not seen fit to provide adequate funds for Oyster Creek and AmerGen's other reactors. Thus, AmerGen is financially unqualified to operate Oyster Creek under 10 CFR 50.40(b) and 44 NRC 331 (1996).

Contention I. B. By seeking to rely solely upon "operating revenues" by its own admission to meet its costs, AmerGen is financially unqualified to own and operate Oyster Creek. If this standard were to be upheld, virtually any individual or corporate entity who could convince a utility to unload a nuclear plant and provide a guaranteed power contract would be financially qualified to own and operate an atomic reactor. This is absurd on its face. Protection of the public health and safety requires substantial financial reserves and capability. This is why ownership and operation of atomic reactors previously had been reserved for electric utilities (and even some of those have gone bankrupt or otherwise been under severe financial pressure from building and operating nuclear plants). We note that AmerGen is not considered by the NRC to be an electric utility (NRC decision on TMI-1 license transfer application to AmerGen, 64 FR 19202, April 19, 1999).

Further, AmerGen has not adequately provided, as required under 10 CFR 50.33(f)(2) "...estimates for total annual operating costs for each of the first five years of operation of the facility. The applicant shall also indicate the source(s) of funds to cover these costs." As noted above and as stated in AmerGen's License Transfer Application (page 16), Jersey Central Power & Light has agreed to purchase whatever power Oyster Creek generates from the Closing Date--which is variable and dependent on obtaining a license transfer and favorable tax treatment from the Internal Revenue Service or Congress ("Certain IRS rulings and/or opinions of tax counsel will also be required in connection with this transaction, including the rulings and/or opinions necessary to effect a tax efficient transfer of Decommissioning Trust Funds to AmerGen." Page 32,

AmerGen License Transfer Application, November 5, 1999. AmerGen has sought, so far unsuccessfully, similar tax relief from the U.S. Congress. To date, the IRS has failed to make a generic tax ruling requested by AmerGen, although it allowed a limited such ruling for the TMI-1 license transfer.) through March 31, 2003—a period likely to be less than three years. For the period following, AmerGen can only provide a vague assurance that it will sell power at a "market rate," which may or may not be ample to cover operating, maintenance and capital repair costs.

Thus, AmerGen has not met the requirements of 10 CFR 50.33(f)(2) and AmerGen is not financially qualified to operate Oyster Creek under 10 CFR 50.40(b) and 44 NRC 331 (1996).

Contention I. C. The $110 million guarantee from PECO Energy and British Energy to AmerGen to address shortfalls from operating revenues is insufficient in the case of Oyster Creek, which can reasonably be expected to face, in the near future, many millions of dollars in costs to replace its Thermo-Lag fire barrier material (declared "inoperable" by the NRC in 1992), address serious spent fuel storage issues, install a new, non-single failure proof crane for heavy load movement or face extended shutdowns, and cope with many other operating and maintenance costs. Upcoming plant modifications and other safety-related issues—all of which will require substantial funds to address—are detailed in the NRC Plant Issue Matrix for Oyster Creek and in Contention VI of this filing. Thus, AmerGen is financially unqualified to operate Oyster Creek under 10 CFR 50.40(b) and 44 NRC 331 (1996).

Contention I. D. The $110 million guarantee from PECO Energy and British Energy to AmerGen to address shortfalls from operating revenues is insufficient since there is no reason to believe Oyster Creek will operate reliably or will produce any meaningful amount of electricity between Closing Date and March 31, 2003, when AmerGen's contract with Jersey Central Power & Light expires. Indeed, Oyster Creek's checkered history suggests that the plant will produce 65% or less of its available capacity, and may produce none at all, given the large amount of safety-related work that needs to be done on the plant (see Contention VI). Thus, AmerGen is financially unqualified to operate Oyster Creek under 10 CFR 50.40(b) and 44 NRC 331 (1996).

Contention I. E. The $110 million guarantee from PECO Energy and British Energy to AmerGen to address shortfalls from operating revenues is insufficient since AmerGen has no contract to sell electricity from Oyster Creek beyond March 31, 2003 except a vague pledge to sell power "at market-based rates." Oyster Creek's history is one of providing higher-cost power than its competitors, not lower-cost or market-based cost—this is the primary reason GPUN had planned to close the reactor permanently in 2000. Thus, there is no reason to believe that AmerGen will be able to sell electricity after March 31, 2003, unless it is able to cut operating costs to a level that would threaten public health and safety (see also, Contention II). Thus, AmerGen in financially unqualified to operate Oyster Creek under 10 CFR 50.40(b) and 44 NRC 331 (1996).

Contention I. F. The Nuclear Regulatory Commission has not adequately examined—nor can we find any examination at all—of the financial implications of AmerGen

owning more than one reactor. This is particularly important in this case because AmerGen is relying upon the same $110 million commitment from PECO Energy and British Energy to meet unforeseen operating and capital expenses, shutdowns, and other problems, at *all* of AmerGen's reactors. Currently that means Three Mile Island-1, Clinton, and Oyster Creek. However, AmerGen publicly has expressed its intent (see attached articles, *Newsreal's Industrywatch*, July 25, 1999; *Wall Street Journal*, October 28, 1999, ATTACHMENTS D & E, respectively) to purchase and operate other reactors as well, and has engaged in an agreement to purchase Vermont Yankee. It also has an agreement (now disputed) to purchase Nine Mile Point-1 and –2. In real terms, the $110 commitment currently is only about $36 million per reactor, and the per/reactor commitment would be further reduced if the other purchases are completed. Extended shutdowns and/or major capital costs related to nuclear safety reasons would deplete this minimal fund quite quickly. However, the NRC staff appears to be accepting this figure on a per/reactor basis, rather than on the entire AmerGen fleet of reactor basis that it actually is. Note that page 18, line 19 of the AmerGen/GPU-N license transfer application (November 5, 1999) states that "[T]he Funding Agreements entered into by PECO Energy and British Energy provide reasonable assurance that AmerGen will have funds sufficient to pay the fixed costs of an outage lasting six months, as suggested in the guidance provided in the standard Review Plan." However, this assurance is on a single reactor basis, not a multiple reactor basis. Indeed, footnote 8 on the next page of the application indicates that the fixed operating costs for Oyster Creek for six months are $60 million—and this clearly does not include any major modifications or upgrades. If all three of AmerGen's reactors were down for six months (a somewhat unlikely, but

certainly not far-fetched scenario), the costs would be far above AmerGen's resources to cover. Thus, AmerGen does not meet the financial qualifications required under 10 CFR 50.40(b) and 44 NRC 331 (1996).

In addition, both AmerGen itself and one of its two corporate parents (British Energy) are companies created less than five years ago. Thus AmerGen and its parent British Energy should be considered "newly-formed entities" and subject to the stricter requirements of 10 CFR 50.33(f)(3) and (4).

Contention I. G. AmerGen is financially unqualified to own or operate Oyster Creek because it cannot meet the legal obligations of the Price-Anderson Act (P.L. 100-408), particularly if an accident occurs that invokes the Act early in AmerGen's operation of Oyster Creek (and/or AmerGen's other reactors), or when Oyster Creek (and/or AmerGen's other reactors) are in extended shutdown or undergoing major safety repairs or modifications. The Price-Anderson Act, by 1988 law, requires each entity with a nuclear reactor to pay up to $10/million per year, to a maximum of $63 million per reactor, to cover accident-related damages caused by *any* nuclear reactor (not just those owned by the entity). In AmerGen's case, with only the reactors it so far is purchasing, this would require reserves of $189 million. Note that AmerGen's license application (page 30, Section H) is in error when it states that Oyster Creek's total Price-Anderson premium would be $10 million (see also 10 CFR 142.92, Article VIII), rather this is a potential annual premium. This would not be an undue burden on most electric utilities; in AmerGen's case, with only a $110 million commitment from its corporate sponsors, it would mean bankruptcy, especially if an accident were to occur soon, before AmerGen

had an opportunity to accrue any substantial operating revenues. Thus, AmerGen does not currently meet the requirements of 10 CFR 140.21, in that its commitments from its parent corporations are not sufficient to meet potential Price-Anderson liabilities for all of its reactors, and it has not purchased bonds or made other financial arrangements to met these requirements.

Moreover, the Price-Anderson Act will be renewed by the U.S. Congress by 2002. Given the history of the Act, it is reasonable to assume that liability levels for nuclear plant owners will increase, not decrease. And if the Act is not renewed, then AmerGen could face unlimited liability for a nuclear accident, an obligation it obviously could not meet. For the reason of being unable to meet its statutory obligations under Price-Anderson (Public Law 100-408), and 10 CFR 142.92, Article VIII and 10 CFR 140.21, a license to AmerGen must be denied.

Contention I. H. By seeking to rely almost entirely on operating revenues from its reactors to meet operating costs (and to obtain any profit), AmerGen will almost surely be placed in a position where it must consider power production above safety. In other words, it will have to choose to operate Oyster Creek when mere prudence might dictate a shutdown. Power production above safety has long been considered by the NRC to be the greatest sin of a nuclear utility. While there are, of course, NRC regulations against such a course, that hasn't stopped some utilities from emphasizing power production above safety, despite the NRC's best regulatory efforts. AmerGen's shaky financial structure ensures a tension that will encourage power production whenever possible.

Thus, AmerGen is financially unqualified to operate Oyster Creek under 10 CFR 50.40(b) and 44 NRC 331 (1996).

Contention II

AmerGen is unfit, on public health and safety grounds, to own and operate Oyster Creek. In particular, AmerGen's partner British Energy is unfit, on public health and safety grounds, to own and operate Oyster Creek.

Contention III

AmerGen is unfit, on public health and safety grounds, to own and operate any U.S. nuclear reactor. In particular, AmerGen's partner British Energy is unfit, on public health and safety grounds, to own and operate any U.S. reactor.

For brevity's sake, while we submit these as two separate contentions, with two separate subparts, we will combine the discussion of these contentions.

AmerGen, as a corporate entity, has never owned or operated a nuclear power plant. It has neither an employee base nor a knowledge base to draw upon on nuclear safety issues. Instead, AmerGen is relying entirely upon the abilities of its two corporate partners (which are, as noted in Contention I, shielded from all liability by virtue of their Limited Liability Corporation structure) to enable AmerGen to safely operate the reactors it purchases.

In addition, in each of its purchase agreements, AmerGen has stated that it will continue to operate the reactors as they have been operated (presumably according to NRC regulations) and will honor union-labor contracts. However, AmerGen also has made clear that it reserves the right to make changes at the corporate level; i.e. to bring in its own people, to lay off people, to change job descriptions, etc. Indeed, even before formally taking ownership of the Clinton reactor, AmerGen announced it would reduce that power station's workforce by more than 20 percent (about 200 out of about 930 employees). (see article from *The Pantagraph*, Bloomington, IL, September 10, 1999, ATTACHMENT F).

In other words, AmerGen intends to cut costs, and the only place to substantially cut costs in a heavily-regulated industry like nuclear power is by cutting people and salaries. Given the current high costs for electricity produced by AmerGen's Clinton and proposed Oyster Creek reactors, cutting costs will be the only way AmerGen can sell power at "market-based" rates once its rather short sweetheart contracts with its reactor sellers expire.

In this regard, it is instructive to look at the experience of AmerGen partner British Energy, an entity which, having been handed much of the U.K. nuclear power industry, undertook a massive cost-cutting and personnel layoff program that, according to the U.K. equivalent of the NRC, is jeopardizing public health and safety and has caused numerous safety-related events at U.K. reactors.

It is worth pondering for a moment exactly why PECO Energy chose to join with British Energy to create AmerGen. It certainly was not British Energy's expertise in operating U.S. reactors, British Energy has never operated a reactor in the U.S., and has no experience with the U.S. nuclear regulatory system. Nor was it British Energy's expertise in operating specific types of nuclear reactors found in the U.S., since British Energy operates only one Pressurized Water Reactor of U.S. origin (Sizewell B), and none of AmerGen's purchases or proposed purchases so far have been of this reactor design. Nor was it even a need by PECO Energy to find a partner with a large amount of cash, since PECO itself has a large amount of cash as a result of utility deregulation and stranded cost recovery in Pennsylvania. Clearly, the only reason PECO Energy allied itself with British Energy is the one area in which British Energy is far ahead of its U.S. counterparts: downsizing and labor cost-cutting.

But it is precisely this downsizing and labor cost-cutting that have run afoul of the U.K.'s Nuclear Installations Inspectorate (NII), and that have resulted in numerous safety-related incidents at British Energy reactors.

The ASLB should note that *none* of this information was publicly available at the time of either the TMI-1 or Clinton license transfer applications, nor at the time it would have been possible to intervene in these license transfer applications. Indeed, some of this information remains unavailable to the public; however, NIRS is attaching NII Report Safety Management Audit of British Energy Generation Limited and British Energy Generation (UK) Limited, 1999 (ATTACHMENT G) and a copy of an article from *The*

Guardian, December 20, 1999 (ATTACHMENT H), which describes documents from British Energy on its actions in response to the NII investigation (Note: NIRS is attempting to obtain a copy of the documents described in the *Guardian*).

According to the initial 1999 NII investigation, British Energy's cost-cutting fever reached such a pitch that by the time of the report, for its 11 operating reactors British Energy did not have a single expert in severe accident analysis on its payroll: nobody who could analyze engineering changes to determine their effects on nuclear accidents. British Energy had only one fire protection expert on its staff—to address fire protection issues at all 11 of its reactors. There was also a "shortage or lack of key expertise in irradiation embrittlement....and austenitic steel inspection..."(page 12) among other staffing deficiencies.

Overtime for plant workers is substantial. Some worked in excess of 60% overtime (page 14). Even target levels of overtime were 20%. Nuclear inspectors wrote that they suspected the actual overtime hours were far higher. Contract employees, with little to no knowledge about the facilities they were overseeing, made key nuclear safety decisions. This 101-page report, and we hope the ASLB will read all of it, is replete with similar situations and shortcomings by British Energy.

In the report cited by the *Guardian* article of December 20, 1999, the utility detailed more than a dozen different safety-significant events related to British Energy's poor staffing, management and maintenance practices. Moreover, the *Guardian* article

reported on a memo outlining British Energy's disagreements with the NII conclusions and recommendations—indicating that British Energy's commitment to improve operations and cooperate with regulators is suspect at best.

AmerGen (and the NRC) may argue that NRC regulations may require certain staffing levels, or may otherwise prohibit such aggressive cost-cuttings. Actually NII regulations prohibit this as well (see pages 5-6 of NII report: "A set of 35 conditions is attached to each license...."). But mere regulations and the letter of the law didn't stop British Energy, making it uniquely unqualified to possess a license to own or operate a U.S. nuclear reactor. In addressing the issue of foreign ownership of U.S. reactors, AmerGen states that U.S. personnel will be in charge of Oyster Creek and AmerGen's other reactors. That may meet the letter of the law, but it is hardly reassuring, since there is no other conceivable reason for British Energy, itself a relatively new, inexperienced company (formed in 1996) to be part of AmerGen except for its expertise in cost-cutting.

Collectively, the actions of British Energy—including substantial violations of U.K. nuclear power regulations--and the increased risk to the public of the U.K. caused by those actions, as documented by the numerous safety-significant events that have occurred in the second half of 1999 alone, mean that there is not "reasonable assurance that the applicant will comply with the regulations in this chapter, including the regulations in part 20, and that the health and safety of the public will not be endangered." (10 CFR 50.40(a). In addition, the actions of British Energy preclude the necessary Commission finding under 10 CFR 50.40(c), "The issuance of a license to the

applicant will not, in the opinion of the Commission, be inimical to the common defense and security or to the health and safety of the public."

Contention II. A. British Energy, and by extension AmerGen, is unfit to hold a license to own and operate Oyster Creek. British Energy has flouted the nuclear safety laws and regulations of the United Kingdom, which has caused several incidents significant to nuclear safety. Thus, under 10 CFR 50.40(a) and (c), a license must be denied.

Contention II. B. British Energy, and by extension AmerGen, is unfit to hold a license to own and operate Oyster Creek. British Energy has deliberately engaged in a cost-cutting effort that resulted in the departure, and non-replacement, of key nuclear safety personnel. This occurred despite regulations in the U.K. requiring such personnel to be in place. Thus, under 10 CFR 50.40(a) and (c), a license must be denied.

Contention II. C. British Energy, and by extension AmerGen, is unfit to hold a license to own and operate Oyster Creek. British Energy has deliberately hired outside contractors, with little or no knowledge of its nuclear facilities, to replace fired workers and to fill key nuclear safety positions, in order to avoid costs such as health insurance, unemployment benefits, etc., at the expense of public health and safety. Thus, under 10 CFR 50.40(a) and (c), a license must be denied.

Contention III. A. British Energy, and by extension AmerGen, is unfit to hold a license to own and operate a U.S. nuclear power plant. British Energy has flouted the nuclear

safety laws and regulations of the United Kingdom, which has directly caused several incidents significant to nuclear safety. Thus, under 10 CFR 50.40(a) and (c), a license must be denied.

Contention III. B. British Energy, and by extension AmerGen, is unfit to hold a license to own and operate a U.S. nuclear power plant. British Energy has deliberately engaged in a cost-cutting effort that resulted in the departure, and non-replacement, of key nuclear safety personnel. This occurred despite regulations in the U.K. requiring such personnel to be in place. Thus, under 10 CFR 50.40(a) and (c), a license must be denied.

Contention III. C. British Energy, and by extension AmerGen, is unfit to hold a license to own and operate a U.S. nuclear power plant. British Energy has deliberately hired outside contractors, with little or no knowledge of its nuclear facilities, to replace fired workers and to fill key nuclear safety positions, in order to avoid costs such as health insurance, unemployment benefits, etc., at the expense of public health and safety. Thus, under 10 CFR 50.40(a) and (c), a license must be denied.

Contention IV

The NRC has not adequately examined, or examined at all, the public health and safety, financial, and antitrust implications of AmerGen's sole partners, PECO Energy and British Energy, owning and operating nearly 40 nuclear reactors worldwide, with ambitions to purchase and operate more.

PECO Energy already owns and operates four nuclear reactors (Limerick-1 and –2; Peach Bottom-1 and –2) and holds a minority interest in two others, Salem-1 and –2). In addition, PECO Energy in October 1999 announced its intent to merge with Unicom Corp., which owns and operates 10 U.S. reactors, and owns three others awaiting decommissioning. British Energy owns and operates 11 reactors in the United Kingdom. Thus, even without their AmerGen subsidiary, PECO Energy (assuming the merger with Unicom goes through) is the largest nuclear utility in the U.S., while British Energy is the largest nuclear utility in the United Kingdom. Together, they are the largest private nuclear entity in the world.

Add to this AmerGen's Three Mile Island-1 reactor, Clinton, Oyster Creek, AmerGen's announced plans to purchase Vermont Yankee and Nine Mile Point-1 and -2, and AmerGen's stated intentions to purchase more U.S. reactors. Additionally, PECO Energy and British Energy have announced formation of another subsidiary to purchase and operate Canadian reactors.

This means that two companies, connected with a web of partnership and limited liability agreements, in just a few months could control fully 10% of the world's nuclear capacity and 25% or more of nuclear capacity in the U.S., with ambitions to control even a larger share of nuclear generating capacity.

Unfortunately, rather than examine the implications of this supersize nuclear generating entity, the NRC has chosen to deliberately ignore the potential ramifications despite its

statutory authority and responsibility. Indeed, rather than addressing these issues, the NRC, so far unsuccessfully has asked the U.S. Congress to remove its statutory authority and responsibility to conduct antitrust reviews.

Contention IV. A. A license transfer for Oyster Creek should be denied unless and until the Nuclear Regulatory Commission completes its statutory and regulatory obligation to conduct a full antitrust review of the license transfer request. This review must include a full review of the antitrust implications of both AmerGen's and its parent corporations' nuclear holdings. Proper areas for review include the potential for anti-competitive practices by virtue of the companies' dominant size; implications for the skilled and unskilled workforces; and the effects of any such anti-competitive practices or negative implications on the workforces on public health and safety.

Contention IV. B. A license transfer for Oyster Creek should be denied unless and until the Nuclear Regulatory Commission conducts a review of the public safety and health implications of AmerGen's and its parent corporations' nuclear holdings. U.S. nuclear history has shown that the largest nuclear utilities—especially the three largest, Unicom, the Tennessee Valley Authority, and Northeast Utilities—have been among the most troubled and fined nuclear utilities. Thus, this review must address whether, despite their dominant size in the marketplace, these corporations may be stretched too thin in their ability to operate a multitude of nuclear reactors.

Contention V

AmerGen has improperly withheld from the public, in its Purchase and Sale Agreements for Oyster Creek (and Three Mile Island-1 and Clinton) information about its Decommissioning Trust Funds.

Decommissioning Trust Funds are required under 10 CFR 50.75. They are not an option for nuclear owners and operators. The funds must exist, and must be segregated from other licensee funds. Their intent is to provide adequate funds for the eventual decommissioning of nuclear reactors, not to serve as a bank for financially-starved licensees.

Further, Decommissioning Trust Funds normally are funded entirely by ratepayers, there are no utility contributions to these funds. Thus, these funds must be regarded, as their name implies, as a Trust, not a utility asset.

Because these Funds are a Trust and not an asset, and because there is no basis for utilities to presume that any funds left over from the trust will revert to utilities rather than back to ratepayers, there is no possible reason for information about these Trust Funds to be considered proprietary or otherwise exempt from public disclosure.

However, AmerGen has improperly withheld from the public the entire section on Decommissioning Trust Funds (Section 6.12) in its October 15, 1999 Oyster Creek Purchase and Sale Agreement.

Simply put, if AmerGen is placing some of its financial hopes on somehow obtaining the money from these Trusts, it must do so in broad daylight, and not improperly hidden in the cloak of proprietary financial statements. Note that the previously-cited *Wall Street Journal* article of October 28, 1999, specifically states that some reactor "operators say they will get to keep it [any excess decommissioning funds], rather than refund it to ratepayers."

Contention V. A.: AmerGen must be denied a license to own or operate Oyster Creek unless and until it fully and openly states its intentions about the ratepayer-funded Decommissioning Trust Fund. If AmerGen is relying upon Decommissioning Trust Fund profits to make a profit itself, AmerGen must be found financially unqualified to own or operate a nuclear power plant as there is no assurance that any remainder of these funds will revert to AmerGen. Because these funds are entirely ratepayer-financed, any remainder of the Trusts are likely to revert to ratepayers.

Contention V. B.: AmerGen must be denied a license to own or operate Oyster Creek unless and until it discloses the contents of Section 6.12 of its October 15, 1999 Oyster Creek Purchase and Sale Agreement.

CONTENTION VI

The Nuclear Regulatory Commission's and the licensee's evaluation of the Oyster Creek license transfer is in error regarding the fundamental assumption that no

physical changes would be made to Oyster Creek as a result of the proposed transfer and that the license transfer would occur under the same conditions as the existing license. NIRS contends that because GPU Nuclear (GPUN) was pursuing a cost containment strategy with a primary focus on permanent shutdown during year 2000, the proposed transfer now requires extensive changes and reactivation of corrective action programs long deferred by GPUN.

DISCUSSION

The NRC states in the Federal Register [December 16, 1999 Volume 64, Number 241 Page 70292]: "Under the proposed transfer, AmerGen would be authorized to possess, use, and operate Oyster Creek under essentially the same conditions and authorizations include in the existing license. No physical changes would be made to the Oyster Creek facility as a result of the proposed transfer, and there would be no significant changes in the day-to-day operations of the unit."

In fact, through a course of business spanning from early 1997 through 1999, General Public Utilities Nuclear (GPUN) has engaged a management-directed cost containment strategy that included a primary focus on the early closure of Oyster Creek for the purpose of its shutdown during 2000. As an alternative to addressing and completing costly ongoing operating licensing activity and corrective action programs, GPUN began the systematic deferral of maintenance items and NRC regulatory compliance issues towards the goal of early closure of the reactor.

As early as April 10, 1997 GPUN announced that the company was considering a number of options to include the early closure of Oyster Creek. As early as August 26, 1997, GPUN requested meetings with the NRC primarily centered on activities associated with the shutdown of Oyster Creek nuclear generating station in the year 2000. GPUN acknowledged at the August 23rd meeting that "as expected, staff attrition rate since the announcement has been higher than normal." Other personnel issues addressed included transition of the work force to preparation for decommissioning. At the August 23rd meeting, GPUN announced that it was additionally considering the deferral of 18 commitments with the NRC before the company's final decision to close or sell.

Among these commitments were:

1) Generic Letter 96-06 Modifications /Pressure Concerns for Piping Penetrations and Containment Integrity
2) Seismic Qualification Modifications
3) Control Room Human Factors Design Review
4) Anticipatory SCRAM Logic Modification LER 95-05
5) Severe Accident Management Program Generic Letter 88-20 – "Individual Plant Examination for Serve Accident Vulnerabilities"
6) Thermo-Lag Fire Barrier Modifications during the Cycle 16 and 17 Refueling Outages
7) Reactor Water Clean Up

[SEE ATTACHMENT I]

On January 21, 1999, GPUN by letter to the U.S. Nuclear Regulatory Commission again submitted its Long Range Planning Program for Oyster Creek nuclear generating station and listed an annual project list update which included ABC Classifications for activities which were being continued in a deferred status.

These commitments included:

1) Generic Letter 96-06 Inspections Modifications /Pressure Concerns for Piping Penetrations and Containment Integrity
2) Seismic Qualifications Modifications
3) Control Room Human Factors Design Review
4) Anticipatory SCRAM Bypass Logic Modification
5) Severe Accident Management Program IPEEE for External Events (Generic Letter 88-20)
6) Thermo-Lag Fire Barrier Modifications
7) Vessel Internal Inspection of Selected Internal Components F
8) Fuel Pool Cleanup Compact Material in the Spent Fuel Pool into Shipping Liners
9) Fuel Pool Rack Expansion to Increase Spent Fuel Pool Storage

[SEE ATTACHMENT J]

On November 30, 1999, NIRS attended a meeting at NRC Headquarters in Rockville, Maryland between NRC staff and representatives of Oyster Creek to review open items of the NRC Plant Issue Matrix. The review revealed ongoing, open items as a result of the utility's deferment strategy and issues being resurrected by the proposed sale still unmitigated by actual work completed at the reactor.

These commitments include:

1) Generic Letter 96-06 Inspections Modifications/Pressure Concerns for Piping Penetrations and Containment Integrity
2) Generic Letter 87-02 Seismic Qualification of Mechanical and Electrical Equipment
3) Control Room Habitability through Alternate Source Term
4) Severe Accident Management Program, IPEEE for External Events (Generic Letter 88-20) on the analysis of fire protection factors was being reactivated as a result of the sale agreement

5) Thermo-Lag Fire Barriers, declared by NRC as "inoperable" since 1992; while listed as a completed item, the actual work of upgrading the inoperable fire barrier system to protect safety-related electrical systems from fire is still incomplete and the meeting identified that corrective action program schedules are not in fact "date certain," but may continue to slip indefinitely.

6) Spent Fuel Pool Expansion / Reracking is not complete with a very complex review involving five branches of NRC staff to examine the impact of proposed modifications on structural and radiation protection issues.

[SEE ATTACHMENT K]

CONTENTION VI.A.

NIRS contends that GPUN management was engaged in a strategy to defer significant program activity under Section 2.C.6 of the Oyster Creek operating license "integrated

schedule" in order to contain costs associated with ongoing operational and corrective action programs in preparation for the early closure and decommissioning of the reactor in the year 2000 and as a result has rendered a nuclear power station that must now make significant changes in order to transfer a saleable operating license.

DISCUSSION

The GPUN cost containment strategy has resulted in the deferral of numerous operational and corrective action programs considered too costly for a perceived marginal contribution to a power station heading towards early closure and decommissioning. Some corrective action programs have been deferred for at least three years as a result.

Consequently, the screening of problems has led to a build-up of issues with which the current owner must now address through an accelerated schedule tied to the license transfer process.

The issue of deferred maintenance and major safety repairs and modifications by GPUN raises public safety concerns associated with the adequacy of the analysis and the implementation of these safety requirements under the proposed license transfer and schedule of the sale agreement.

For example, in the case of the Maine Yankee nuclear generating station, the deferral of necessary maintenance activities as part of a cost containment strategy by the licensee

resulted in conditions unacceptable for continued operation. As identified by U.S. NRC Commission Chairwoman Dr. Shirley Jackson, "An NRC special independent safety assessment of the Maine Yankee Nuclear Station concluded that, while overall performance at the plant was adequate for continued operation, there were a number of significant deficiencies. These deficiencies stemmed from two closely related root causes. The first was economic pressure to be a low-cost energy producer, which limited the resources available for corrective actions and plant improvements. The second was a failure to identify and to correct promptly problems arising in areas that management viewed, not always correctly, as having low safety significance."[1]

As a result of the failure of such a cost containment management strategy to accurately assess the significant risks to public safety, Maine Yankee Atomic Power Company opted to permanently close the Maine Yankee nuclear station in August, 1997.

NIRS contends that GPUN's long term deferral of maintenance and corrective actions has placed the Oyster Creek nuclear generating station in a situation similar to Maine Yankee Atomic Power Company with regard to significant safety deficiencies for the continued operation under new ownership. It is inappropriate for GPUN to transfer the license to a reactor that needs substantial safety-related work. It is inappropriate for AmerGen to purchase such a reactor—unless AmerGen intends to close the reactor until this long-deferred safety-related work is completed. It is inappropriate for the NRC to approve the

[1] "Nuclear Energy and Economic Competition: The NRC Perspective," Dr. Shirley Ann Jackson, Chair US NRC, Keynote Address to the Nuclear Energy Institute Fuel Cycle '97 Conference, April 7, 1997

transfer of a license for a reactor that has deferred safety-related work unless the agency intends to require the reactor to be shutdown until necessary modifications are completed.

It is one thing—and not entirely acceptable for the public health and safety—for a reactor to "coast down" to its retirement, and not complete modifications necessary to ensure its future viability if the intent is to close the reactor. It is quite another thing for a utility to essentially cease performing modifications and necessary (and required) improvements for a matter of years, and then sell the reactor with the new owners intending to operate it as if it had been maintained in the fashion normally required by the NRC. In this case, because the necessary safety-related modifications listed above have not been completed, the NRC cannot issue a positive finding under 10 CFR 50.80(c)(2).

In the case of replacement of the faulty Thermo-Lag fire barriers, for example, GPUN was to have completed this task by 2000. Because this schedule had been agreed to between GPUN and the NRC, this item was listed as "completed" even though no actual work has been done. Since GPUN planned to close Oyster Creek during 2000, it opted not to undertake this work. This is a reasonable interpretation of the NRC's requirement. Why spend millions of dollars to accomplish a task that will be completed only when the reactor is permanently shutdown? However, the situation is quite different if the reactor is to remain open. NIRS' concern is not with which entity is to perform the replacement of the Thermo-Lag fire barriers, GPUN or AmerGen; rather, it is that this work be performed under the schedule agreed to by NRC and GPUN and that the plant not operate until and unless this work is completed. A license transfer does not obviate the need to

perform necessary safety-related work, nor does it provide an automatic excuse to further delay the implementation of necessary safety-related work.

We picked Thermo-Lag as one example; the other issues listed above are similar. If Oyster Creek had been perceived by the NRC staff as a candidate for continued operation, this work would have had to have been accomplished as long as years ago. AmerGen cannot simply buy a reactor on which such work has been deferred for years, and then continue to defer the work—the intent for continued operation of the reactor requires this work to be completed before the continued operation.

CONTENTION VI. B.

Contrary to the assumption that "no physical changes would be made to the Oyster Creek facility as a result of the proposed transfer," GPUN is engaged in a highly complex and controversial activity to expand and reconfigure the Oyster Creek Spent Fuel Pool as a direct result of the proposed license transfer to new ownership that raises significant concerns for the public health and safety.

DISCUSSION

By letter dated June 18, 1999, GPUN submitted to NRC for approval a technical specification change requesting the expansion of the Oyster Creek Spent Fuel Pool. Technical Specification Change Request 261 (TSCR 261). This request seeks to provide

an expansion of the current maximum storage capacity of 2,645 irradiated fuel assemblies to a maximum of 3,035 irradiated fuel assemblies, an increase of 390 irradiated fuel assembly locations. The licensee states that the expansion is sought to restore full core offload capability to Oyster Creek—which currently does not exist. The license amendment request is currently under extensive review by five branches of NRC staff looking at structural and radiation exposure issues through a series of Requests for Additional Information.

NIRS contends this activity is a direct result and necessary element of the proposed license transfer and that such activity raises significant concerns with regard to the public's health and safety.

In fact, if Oyster Creek were to follow through on the utility's original closure and decommissioning strategy under the retention of GPU Nuclear ownership, there would be no need for the expansion of the irradiated fuel pool storage. Under current design limitations and apparent unresolved issues associated with the Oyster Creek Independent Spent Fuel Storage Installation, the reactor would be required to shut down. But in order to pursue the license transfer and sale for the operation under the new ownership of AmerGen, Oyster Creek must expand its irradiated fuel storage pool capacity. As identified in the Energy Information Administration Service Report, "Spent Fuel Discharges from U.S. Reactors: 1994," (SR/CNEAF/96-01) U.S. Department of Energy, February, 1996 at Page 14, Table 4. "Nuclear Power Plant Data as of December 31, 1994 (Continued) for GPUN Oyster Creek "Loss of Ability To Operate/Year" due to lack of

storage space for discharged fuel absent spent fuel pickup by Department Of Energy, GPUN indicated to DOE that it would have to close in the year 2000 for the 18th Refueling Outage.

[SEE ATTACHMENT L]

Although GPUN has onsite a NUHOMS-52 B Independent Spent Fuel Storage Installation (ISFSI) that has been licensed by NRC, and that would preclude the need for expansion of the spent fuel pool, it is apparent to NIRS that GPUN is unable or unwilling to employ this facility.

In fact, GPUN has opted not to expand the irradiated fuel storage capacity of the pool to restore full core off-load capacity by simply off-loading irradiated fuel from the storage pond into the ISFSI. GPUN has instead proposed the structural expansion of the storage pond. In fact, the Oyster Creek NUHOMS-52B ISFSI has been idle since 1996 with zero irradiated fuel transfers to the ISFSI.

NIRS contends that, in part, the ISFSI has been idled by NRC-identified quality control and quality assurance deficiencies with the product and VECTRA, the manufacturer and vendor, and its subcontractors that surfaced during the Oyster Creek acquisition of the dry casks.

NIRS contends that, in part, the ISFSI has been idled by a GPUN management decision to contain the cost of capital improvements by not installing a single failure proof crane

to avoid significant and unreviewed safety issues involved in moving the 100 ton + NUHOMS cask within the various reactor locations and elevations.

NIRS contends that, in part, the Oyster Creek ISFSI has been idled by a NIRS challenge to an earlier GPUN license amendment request before the ASLB regarding the modification of restrictions on the movement of heavy loads over irradiated fuel in order to complete the loading of the NUHOMS-52B dry cask involving the movement of seven tons of shield plug lid and hoisting mechanism over irradiated fuel. NIRS successfully persuaded the ASLB that in fact a shield plug drop onto irradiated fuel was in fact possible and that there could be offsite radiological consequences as a result of the accidental drop. [See General Public Utilities Nuclear Corp. (Oyster Creek Nuclear Generating Station), LBP-96-23, 44 NRC 143, 147-48 (1996)]

The current activity associated with expansion of the Oyster Creek irradiated fuel pool to continue operation beyond 2000 under new ownership represents a clear and new hazard to public health and safety.

Oyster Creek nuclear generating station is the original and oldest General Electric Mark I Boiling Water Reactor (BWR) design operating as it was first commissioned in October, 1969. As a consequence Oyster Creek has generated an unprecedented volume of high level nuclear waste for its reactor type and its irradiated fuel pool design. Currently, Oyster Creek has stored approximately 2645 assemblies in wet storage in the station's

"spent fuel storage pool." Oyster Creek has made zero transfers from its wet storage pool to its ISFSI.

According to NRC documentation prepared by Brookhaven National Laboratory "A Safety and Regulatory Assessment of Generic BWR and PWR Permanently Shutdown Nuclear Power Plants" (NUREG/CR-6451 & BNL-NUREG-52498, August 1997, ATTACHMENT M) there are potential and significant risks associated spent fuel configurations under a combination of storage geometry, decay times, and reactor types.

Previous studies have also indicated that complete spent fuel pool drainage is an accident of potential and significant concern. As the Brookhaven study states, "Certain combinations of spent fuel storage configurations and decay times, could cause freshly discharged fuel assemblies to self heat to a temperature where the self sustained oxidation of the zircaloy fuel cladding may cause cladding failure."[2] In Chapter 4 "Results of the Consequences of Analyses," Table 4.2 entitled Results of the Consequence Analyses indicates that latent fatalities associated with an accident in a fully loaded fuel storage pool could be as high as 138,000 people at a distance of 500 miles from the reactor, with 31,900 latent fatalities within the 0-50 mile range. The area of condemned land could cover as much as 2170 square miles at an economic cost of $546,000,000,000 excluding health costs.[3]

[2] "A Safety and Regulatory Assessment of Generic BWR and PWR Permanently Shutdown Nuclear Power Plants," NUREG/CR-6451 BNL-NUREG-52498, Prepared for the U.S. Nuclear Regulatory Commission by Brookhaven National Laboratory, August 1997, Executive Summary, p. ix
[3] Ibid, p. 4-3

While the Brookhaven study focuses on permanently shutdown reactors, the volume of high-level irradiated fuel involved is similar and NIRS contends that the study raises potential and significant public health and safety concerns for the population around the Oyster Creek nuclear generating station which as a result of the sale and intent for continued operation must now seek to expand irradiated fuel storage capacity in the "spent fuel pool" both beyond original design limits and limits set by the utility's own responses to the Department of Energy as indicated in Attachment L. Additionally, NIRS contends that as a direct result of the license transfer and the aforementioned issues under Contention VI.B., a new hazard is raised to the public health and safety.

Having given up on use of its ISFSI for the reasons listed above, GPUN (and, by extension, AmerGen, which is the entity that wants to continue operating the reactor) propose a risky and speculative expansion of the irradiated fuel pool at the expense of public health and safety. Because of this risky and speculative venture, the NRC cannot issue a positive finding under 10 CFR 50.80(c)(2) and the license transfer must be denied.

CONTENTION VI. C.

As a result of the proposed transfer of the operating license, the deferral of numerous issues over a significant period of time, the attrition of GPUN management staff and the current need by the licensee to expedite numerous license amendments to meet schedules for the sale, GPUN management is placed under adverse conditions constituting a significant change to the "day-to-day operation of the unit" and is vulnerable to the

inadequate systematic review of issues associated with the risk to public health and safety.

DISCUSSION

As a result of the sale agreement with AmerGen, a due diligence review is recognized as the process associated with business transactions to reduce the financial risks to stockholders to an acceptable level and its goal is to detect problems to be dealt with that might impact a corporate strategy to maximize profits. It is clear that by proceeding with the transaction, AmerGen and GPUN are willing to take a financial risk with the many open items being reactivated before NRC review. Additionally, numerous license amendment requests are needed to prepare the plant for transfer of the operational license to the new owner.

However, the petitioner is concerned with regard to the public's health and safety that the shift of a corporate strategy from an agenda primarily focused on early closure and decommissioning to one now focused on continued operation, and potentially license renewal under new ownership, has resulted in an inadequate assessment to determine the risk resulting from such a dramatic shift in emphasis. This concern is further underscored by the utilities self-identified attrition of GPUN management staff and an uncertain future of remaining management under new ownership by AmerGen.

In addition to deferred items, at the November 30, 1999 meeting between the NRC project manager for Oyster Creek and representatives from GPUN (which NIRS attended), Oyster Creek acknowledged that additional technical specification change requests would be needed and submitted in the bid to reactivate the long term operational status of the power station. It is NIRS' understanding, based on this meeting, that a significant number of license amendment changes can be anticipated during 2000 as a result of the sale agreement and include:

1) Technical Specification Change Request for Integrated Leak Rate Testing with an adopted methodology;
2) Technical Specification Change Request for charcoal filters;
3) Technical Specification Change Request for the deferral and reduction of ISI Inspections;
4) Technical Specification Improvements had been deferred because of the closure strategy and were being reactivated for the sale agreement and would include several items being rolled into one submittal;
5) The 18th Refueling Outage Work Order is currently under review for Technical Specification Change Request with a submittal by approximately March, 2000;
6) The Core Analysis for the Reload Submittal is currently behind schedule as a result of deferral to the early closure and decommissioning mode and only recently GPUN decided to order fuel for the 18th Refueling as a result of the sale.

NIRS is concerned about the quality and degree of safety analysis going into such a large volume of new submittals in addition to the reactivation of deferred corrective action and maintenance programs associated with a "come-from-behind" corporate strategy. NIRS has previously experienced and challenged the safety analysis of GPUN license amendment activities and found them questionable in regard to the degree of risk GPUN is willing to take with public safety.

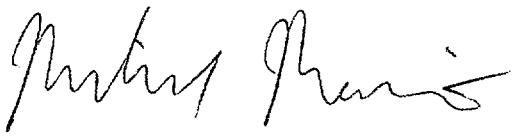
For example, on April 30, 1999, GPU Nuclear submitted an application to amend its technical specifications governing the movement of heavy loads over safety related equipment while at full power. GPUN submitted Technical Specification Change Request 251 and proposed to use the Reactor Building Crane to move heavy loads up to 45 tons while at full power. On November 5, 1999, NIRS filed a Request for Hearing and Petition for Leave To Intervene on the proposed technical specification change. On November 24, 1999, an Atomic Safety and Licensing Board was established to review NIRS' contentions regarding the safety analysis of the license amendment. Of additional concern, the NRC staff did not issue a Finding of No Significant Hazard for TSCR 251. On December 9, 1999 GPUN submitted a request for the Commission approval to withdraw the license amendment request. On December 15, 1999 the Licensing Board issued an order granting the withdrawal.

NIRS is greatly concerned for the public health and safety considering the volume and detail of work needed to be performed by GPUN under significantly more adverse conditions than previously encountered by the utility with the attrition of management

staff due to its course of pursuing early closure and the uncertainties for the remaining management staff due to new ownership under AmerGen.

The vast amount of work that needs to be accomplished and the technical analyses that must be performed for continued operation on the items identified above preclude a positive finding under 10 CFR 50.80(c)(2) and the license transfer must be denied.

RESPECTFULLY SUBMITTED,



Michael Mariotte
Executive Director
Nuclear Information and Resource Service
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Washington, DC 20036
202-328-0002; fax: 202-462-2183
nirsnet@nirs.org

CERTIFICATE OF SERVICE

I, Michael Mariotte, certify that on January 5, 2000, copies of the foregoing PETITION FOR LEAVE TO INTERVENE were served by messenger and, where possible by e-mail, to the following parties:

The General Counsel
U.S. Nuclear Regulatory Commission
Washington, DC 20555
ogclt@nrc.gov

The Secretary of the Commission
U.S Nuclear Regulatory Commission
Washington, DC 20555-0001
Attn: Rulemakings and Adjudications Staff

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Kpgallen@mlb.com

Michael Mariotte
Nuclear Information and Resource Service

CERTIFICATE OF SERVICE

I, Michael Mariotte, certify that on January 5, 2000, copies of the foregoing PETITION FOR LEAVE TO INTERVENE were served by messenger and, where possible by e-mail (w/o attachments and affidavits), to the following parties:

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Washington, DC 20555
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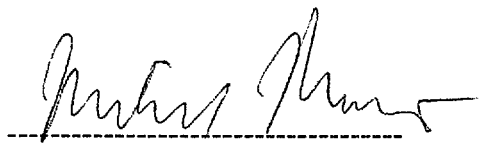

Michael Mariotte
Nuclear Information and Resource Service

ATTACHMENT A

The Independent (London)

December 20, 1999, Monday

SECTION: BUSINESS; Pg. 15

LENGTH: 244 words

HEADLINE: BRITISH ENERGY IN $ 1BN CANADA BID

BYLINE: Lucy Baker

BODY:

BRITISH ENERGY, the nuclear power group, is understood to be preparing a US$ 1bn (pounds 625m) bid for the Bruce plant, Canada's biggest nuclear station.

The Edinburgh-based company is expected to launch its offer in the new year in conjunction with AmerGen, the group's US joint venture. If the bid is successful, the acquisition will be BE's biggest overseas deal to date. The company is said to be interested in acquiring further plants in North America.

AmerGen, a 50/50 joint venture between BE and Peco Energy, has already bought five US stations with a combined generating capacity of about 5,000 megawatts. The group last week took control of the Clinton power station near Chicago, and is expected to complete the acquisition of the Three Mile Island plant in Pennsylvania this week. Other US acquisitions in the pipeline include the Oyster Creek and Vermont Yankee stations and two power plants at Nine Mile point. BE has invested about pounds 100m for its shares in the plants.

The Bruce plant is owned by Ontario Power Generation, which supplies 85 per cent of energy in the region and which has been ordered by Can

adian
authorities to reduce its share to 35 per cent. The plant is the f
irst
to be sold by OPG. It comprises the Bruce A and B stations, which
have
a total capacity of 6,200Mw.

Analysts say BE could face competition from US companies such as Entergy, Dominion Resources and Duke Power to acquire the Ontario assets.

B

ATTACHMENT B

Michael J. Egan
Senior Vice President
and Chief Financial Officer

PECO ENERGY

PECO Energy Company
2301 Market Street
PO Box 8699
Philadelphia, PA 19101-8699
215 841 5600
Fax 215 841 4214

July 22, 1999

AmerGen Energy Company
965 Chesterbrook Boulevard
Wayne, PA 19087

Re: Supplement to December 3, 1998 Letter Agreement

Ladies and Gentlemen:

Reference is made to a letter agreement dated December 3, 1998 ("December 3, 1998 Funding Agreement") relating to the transfer of Three Mile Island Nuclear Station, Unit 1 ("TMI-1"), pursuant to which PECO agreed to provide funding of up to $32.5 million to AmerGen. This letter agreement ("Supplemental Agreement") supplements the December 3, 1998 Funding Agreement by providing for additional funds to be available to AmerGen in connection with the operation and maintenance of all of the commercial nuclear power reactors being acquired or to be acquired by AmerGen, including TMI-1.

In consideration of the benefits to be derived by PECO from AmerGen's ownership and operation of commercial nuclear reactors, the mutual benefits to be derived by AmerGen, PECO, and British Energy from the commitments contemplated hereunder, in furtherance of the Limited Liability Company Agreement of AmerGen (the "LLC Agreement") dated as of August 18, 1997, and any provision in the LLC Agreement which could limit application of this letter agreement notwithstanding, PECO hereby agrees that, subject to the terms and conditions of this Supplemental Agreement, it will provide its share of funds to AmerGen to assure that AmerGen will have sufficient funds available to meet its expenses. PECO shall make payments under the terms of this Supplemental Agreement at the same time or times as the same amount is paid by British Energy under a similar supplemental letter agreement between AmerGen and British Energy.

PECO represents and warrants that it will provide funding to AmerGen, at any time that the Management Committee of AmerGen determines that, in order to protect the public health and safety and/or to comply with NRC requirements, such funds are necessary to meet the ongoing operating expenses at any AmerGen operating nuclear power plant or such funds are necessary to safely maintain any such plant; provided, however, that PECO's maximum liability to provide supplemental funding hereunder shall not exceed the lesser of (x) fifty percent (50%) of the total funding required by AmerGen from time to time pursuant to this and a similar supplemental letter agreement between AmerGen and British Energy, or (y) $55 million cumulatively over the life of this Supplemental Agreement. This amount includes the $32.5 million originally made

available to AmerGen pursuant to the December 3, 1998 Funding Agreement. Accordingly, pursuant to this Supplemental Agreement and a similar supplemental letter agreement between AmerGen and British Energy, the total amount available from PECO and British Energy for any of AmerGen's operating nuclear power plants, including TMI-1 and any other future acquisitions, shall be $110 million.

This agreement shall take effect upon the transfer of TMI-1 or any other operating commercial nuclear power plant to AmerGen, as approved by the NRC, and will remain in effect and remain irrevocable until such time as either: (1) AmerGen has submitted to the NRC a written certification meeting the requirements of 10 CFR § 50.4(b)(8) & (9) that the fuel has been permanently removed from the reactor vessel of the last plant operated by AmerGen, *i.e.*, after AmerGen has determined to permanently cease operations at its last operating reactor, or (2) NRC has given its prior written consent to the discontinuance of the funding arrangements contemplated by this Supplemental Agreement and a similar supplemental letter agreement between AmerGen and British Energy.

PECO or British Energy shall have the right to demand that AmerGen permanently cease operations at any plant rather than using funds available under this agreement for continued operations, provided that, in such event, AmerGen will nevertheless have the right to continue to obtain the funds necessary to assure the safe and orderly shutdown of any such plant and to continue the safe maintenance of any such plant until AmerGen can certify to the NRC that the fuel has been permanently removed from the reactor vessel.

PECO hereby represents and warrants to AmerGen that, subject to its receipt of the governmental approval referred to below, its obligations under this letter agreement are valid, binding and enforceable obligations of PECO in accordance with their terms (subject to bankruptcy, insolvency, reorganization and similar laws affecting creditors' rights generally and general equitable principles) and does not require the consent, approval or authorization of any Governmental Agency or third party other than those which have been obtained and are in full force and effect (or will be obtained on or prior to the Closing Date). Anything herein to the contrary notwithstanding, the obligations of PECO under this letter agreement are subject to and conditioned on the effectiveness of the approval of this agreement by the Pennsylvania Public Utility Commission.

PECO hereby irrevocably, unconditionally and expressly waives, and agrees that it shall not at any time assert any claim or take the benefit or advantage of, any appraisal, valuation, stay, extension, marshaling of assets or redemption laws, any bankruptcy, insolvency or similar proceedings, or exemption, whether now or any time hereafter in force, which may delay, prevent or otherwise affect the performance by PECO of its obligations hereunder.

The obligations of PECO under this Supplemental Agreement and the obligations of British Energy under its supplemental letter agreement are several and not joint, and nothing herein is intended to constitute a guarantee by PECO of the obligations of British Energy or a partnership, joint venture or other contractual relationship between PECO and British Energy.

This Supplemental Agreement shall be governed and construed in accordance with the laws of the Commonwealth of Pennsylvania without giving effect to conflict of law principles.

Very truly yours,

Michael J. Egan
Senior Vice President
and Chief Financial Officer

I-WA/1203920.1

ATTACHMENT C

British Energy

July 22, 1999

AmerGen Energy Company
965 Chesterbrook Boulevard
Wayne, PA 19087

Re: Supplement to November 5, 1998 Letter Agreement

Ladies and Gentlemen:

Reference is made to a letter agreement dated November 5, 1998 ("November 5, 1998 Funding Agreement") relating to the transfer of Three Mile Island Nuclear Station, Unit 1 ("TMI-1"), pursuant to which British Energy plc ("BE") agreed to provide funding of up to $32.5 million to AmerGen. This letter agreement ("Supplemental Agreement") supplements the November 5, 1998 Funding Agreement by providing for additional funds to be available to AmerGen in connection with the operation and maintenance of all of the commercial nuclear power reactors being acquired or to be acquired by AmerGen, including TMI-1.

In consideration of the benefits to be derived by BE from AmerGen's ownership and operation of commercial nuclear reactors, the mutual benefits to be derived by AmerGen, BE and PECO from the commitments contemplated hereunder, in furtherance of the Limited Liability Company Agreement of AmerGen (the "LLC Agreement") dated as of August 18, 1997, and any provision in the LLC Agreement which could limit application of this letter agreement notwithstanding, BE hereby agrees that, subject to the terms and conditions of this Supplemental Agreement, it will provide its share of funds to AmerGen to assure that AmerGen will have sufficient funds available to meet its expenses. BE shall make payments under the terms of this Supplemental Agreement at the same time or times as the same amount is paid by PECO under a similar supplemental letter agreement between AmerGen and PECO.

BE represents and warrants that it will provide funding to AmerGen, at any time that the Management Committee of AmerGen determines that, in order to protect the public health and safety and/or to comply with NRC requirements, such funds are necessary to meet the ongoing operating expenses at any AmerGen operating nuclear power plant or such funds are necessary to safely maintain any such plant; provided, however, that BE's maximum liability to provide supplemental funding hereunder shall not exceed the lesser of (x) fifty percent (50%) of the total funding required by AmerGen from time to time pursuant to this and a similar supplemental letter agreement between AmerGen and PECO, or (y) $55 million cumulatively over the life of this Supplemental Agreement. This amount includes the $32.5 million originally made available to AmerGen pursuant to the November 5, 1998 Funding Agreement. Accordingly, pursuant to this Supplemental Agreement and a similar supplemental letter agreement between AmerGen and PECO, the total amount available from British Energy and PECO for any of AmerGen's operating nuclear power plants, including TMI-1 and any other future acquisitions, shall be $110 million.

This agreement shall take effect upon the transfer of TMI-1 or any other operating commercial nuclear power plant to AmerGen, as approved by the NRC, and will remain in effect and remain irrevocable until such time as either (1) AmerGen has submitted to the NRC a written certification meeting the requirements of 10 CFR § 50.4(b)(8) & (9) that the fuel has been permanently removed from the reactor vessel of the last plant operated by AmerGen, *i.e.*, after AmerGen has determined to permanently cease operations at its last operating reactor, or (2) NRC has given its prior written consent to the discontinuance of the funding arrangements contemplated by this Supplemental Agreement and a similar supplemental letter agreement between AmerGen and PECO.

BE or PECO shall have the right to demand that AmerGen permanently cease operations at any plant rather than using funds available under this agreement for continued operations, provided that, in such event, AmerGen will nevertheless have the right to continue to obtain the funds necessary to assure the safe and orderly shutdown of any such plant and to continue the safe maintenance of any such plant until AmerGen can certify to the NRC that the fuel has been permanently removed from the reactor vessel.

BE hereby represents and warrants to AmerGen that its obligations under this letter agreement are valid, binding and enforceable obligations of BE in accordance with their terms (subject to bankruptcy, insolvency, reorganization and similar laws affecting creditors' rights generally and general equitable principles) and does not require the consent, approval or authorization of any Governmental Agency or third party other than those which have been obtained and are in full force and effect (or will be obtained on or prior to the Closing Date); provided, however, that the obligations of British Energy under this letter agreement are subject to and conditioned on the approval by the Pennsylvania Public Utility Commission of PECO's obligations under a similar letter agreement between AmerGen and PECO of even date herewith.

BE hereby irrevocably, unconditionally and expressly waives, and agrees that it shall not at any time assert any claim or take the benefit or advantage of, any appraisal, valuation, stay, extension, marshaling of assets or redemption laws, any bankruptcy, insolvency or similar proceedings, or exemption, whether now or any time hereafter in force, which may delay, prevent or otherwise affect the performance by BE of its obligations hereunder.

The obligations of BE under this Supplemental Agreement and the obligations of PECO under its supplemental letter agreement are several and not joint, and nothing herein is intended to constitute a guarantee by BE of the obligations of PECO or a partnership, joint venture or other contractual relationship between BE and PECO.

This Supplemental Agreement shall be governed and construed in accordance with the laws of the Commonwealth of Pennsylvania without giving effect to conflict of law principles.

Very truly yours,

RC Jeffrey

British Energy plc

ATTACHMENT D

8 British Energy to double US nuclear plants

Scotland on Sunday

BRITISH Energy is to strengthen its presence in the United States by doubling the number of US nuclear plants in its portfolio and buying other non-nuclear energy assets.

British Energy has already acquired, or is in negotiations to acquire, a total of five nuclear plants at four sites - two at Nine Mile Point in New York State, one at Three Mile Island in Pennsylvania, the Clinton reactor in Illinois, and Vermont Yankee in Vermont.

These deals have been done through Amergen, a joint venture between British Energy and PECO Energy of Philadelphia. BE chief executive Peter Hollins told Scotland on Sunday that Amergen has already made indicative offers on other plants.

"I can see us getting into double figures in the US via Amergen," he said. But he declined to comment on speculation that the next purchase could be nuclear plants owned by [*][Northeast Utilities.

"The majority of plants we're interested in are in the north and the east of the country, and that doesn't mean we're looking at Northeast Utilities," he said.

Hollins confirmed that the group is scouting for opportunities beyond nuclear plants in the United States but said shareholders should not anticipate any early transactions on this front.

Amergen also expects to be looking at several nuclear plants owned by Ontario Hydro before the end of the year. Indications are that privatisation of the state generator is likely to proceed at a quicker pace than thought likely following the recent Canadian general elections.

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Fissionaries

Two Utility Executives See Potential Riches In Nuclear Stepchildren

Peco-Unicom Union Spawns A Reactor-Hungry Giant In Era of Deregulation

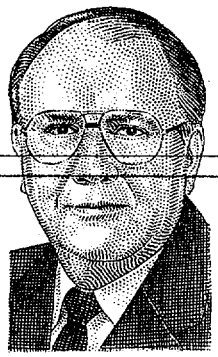
Eat-or-Be-Eaten Approach

By Rebecca Smith
Staff Reporter of The Wall Street Journal

Put aside for a moment all conventional wisdom about the poor economics and high risks of nuclear power. Corbin McNeill Jr. and Oliver Kingsley Jr. are betting heavily that a renaissance of atomic energy is at hand.

Mr. McNeill, 60 years old, is chairman of Peco Energy Co., which is in the midst of an $8.2 billion merger with Unicom Corp., parent of Commonwealth Edison in Chicago, whose nuclear operations are headed by Mr. Kingsley, 56. The merger will create a utility giant – and the nation's biggest operator of nuclear power plants.

Including plants under acquisition, the merged company would own 12 nukes, or 18% of the nation's nuclear-generating capacity. And the men – both former officers in the U.S. nuclear submarine fleet who helped turn around the nuclear operations at their respective companies – are looking to acquire more.


Corbin McNeill Jr.

A few years ago, their strategy would have seemed crackpot: Buy money-losing nukes, get them running ship-shape, then sell the power back to the very utilities that unloaded them. Prior to deregulation, which gained speed after 1996, no one would have even considered buying anyone else's nukes. The industry was staggered by cost overruns, and accidents at Three Mile Island and Chernobyl were fresh in people's minds. It's still a potentially dangerous business, as the latest mishap in Japan demonstrates.

But deregulation has significantly changed the economics of nuclear power. In 24 states, deregulation laws are giving utilities a way to speed up repayment of their nuclear debts, by permitting them to collect extra money from ratepayers during a transition period lasting until 2002 to 2004. Debts then can be separated from the plants and the underlying assets auctioned off. In some cases, plants are being divested voluntarily. In others, regulators are ordering utilities to sell plants to stimulate competition.

For utilities that have had trouble running their nukes cost-effectively, deregulation is a way to get rid of an albatross. For buyers such as Messrs. McNeill and Kingsley, it's like going to a fire sale: Nuclear plants that cost hundreds of millions or even billions of dollars to build now can be had for a few million dollars; many of them have 20 to 30 years remaining on their operating licenses.

Freed of debt, the plants can generate electricity much more cheaply than if they were still operated by the utilities that built them. Heavy debts bring the cost of generating power at some plants to as high as 13 cents a kilowatt hour. Minus that debt and with improved output, electricity can be generated for 1.5 cents to two cents per kilowatt hour – almost as cheap as hydroelectricity, the cheapest form of power.

Messrs. McNeill and Kingsley expect 10 to 15 nuclear plants to be auctioned in the next two years, including Northeast Utilities' Connecticut Millstone and Seabrook plants, some of Ontario Power Generation's 20 reactors and, possibly, units at New York Power Authority. They are eyeing several already.


Oliver Kingsley Jr.

What looks like an offensive strategy actually camouflages its origin as a defensive tactic. Prior to deregulation, both Peco and Commonwealth Edison had made painfully huge investments in nuclear plants, and were facing the same specter as other utilities: gigantic write-offs. Taking an eat-or-be-eaten approach, they decided that buying and consolidating was the best means for survival.

The Nuclear Regulatory Commission, for one, sees advantages in this tack. "Our focus is on plant safety, not the economics of these sales," says Edward McGaffigan, acting chairman of the NRC in Washington, D.C. "But we see safety benefits to running fleets of plants on a uniform basis rather than having them become the forgotten stepchildren of utilities that have sold off their other plants."

Even before the proposed merger, Peco was picking up nukes on the cheap as part of its AmerGen Energy Corp. joint venture with British Energy Corp., the operator of privatized nuclear plants in the United Kingdom. AmerGen is in the process of buying five plants, which cost a combined $9 billion to build, for $316.5 million. Among them are GPU Inc.'s Three Mile Island in Pennsylvania for $100

Please Turn to Page A6, Column 1

Continued From First Page

million (the reactor involved in the nuclear accident is shut down but another reactor still operates), and the 620-megawatt Oyster Creek plant, which it is buying for just $10 million. Why sell so cheap?

GPU Chief Executive Fred Hafer says his company wants out of the generating business. True, it only got $10 million for Oyster Creek, but he says his firm will save $200 million by getting it off its books.

"With the benefit of hindsight, you could argue these plants never should have been built," Mr. Hafer says. "But people forget that America thought it was running out of natural gas when these plants were built."

To date, auction prices on nuclear plants have been depressed by the small number of bidders. Only 41 U.S. utilities are licensed to operate nuclear power plants and more want to get out of the business than in.

Among those that are getting into the game is Entergy Corp. of New Orleans. In July, Entergy acquired the 670-megawatt Pilgrim Station plant from Boston Edison, a unit of Massachusetts-based Nstar, for $81 million. Entergy intends to buy an additional 5,000 megawatts of nuclear capacity within five years, boosting its total to 10,000 megawatts. "You need to decide where you want to be and then overwhelm the market," says Entergy CEO Wayne Leonard.

But as Homer Simpson can tell you, keeping a nuclear plant up and running is a huge challenge. There are endless safety concerns, and the Nuclear Regulatory Commission is a demanding taskmaster, sometimes fining operators or shutting down plants for failing to follow procedures, even when no harm results. Liability is always an issue, though companies are shielded by the 1957 Price-Anderson Act, which caps utilities' liability stemming from nuclear accidents. (The industry also maintains a self-insurance fund, currently more than $6 billion.) Repairs are costly: A plant that busts a steam turbine can expect to pay as much as $100 million for parts and nearly as much for labor.

Then there is the looming cost of tearing down a plant—and disposing of the waste—once it becomes obsolete. When nukes are sold, they come with decomissioning trust funds, fed with ratepayer dollars. In the case of the five plants that AmerGen is buying, those funds total $1.75 billion. Many operators believe more

Fissionaries See Riches in Cast-Off Nukes

WSJ 10/28/99

money is being collected in these funds than will be needed to tear the plants down. If there's any excess, new operators say they will get to keep it, rather than refund it to ratepayers. "The rationale is that, if we're wrong and the fund comes up short, we'll have to make up the difference," Mr. McNeill says. "That's the risk."

Asleep on the Job

An Annapolis graduate and former commanding officer of the Navy's nuclear engineering school at Mare Island, Calif., Mr. McNeill joined Peco in 1987 after stints at the New York Power Authority and Public Service Electric & Gas Co. in New Jersey. At the time, Peco's nuclear business was a mess. Federal regulators had fined the company $1.25 million for a raft of infractions. Its Peach Bottom plant had been shut down after the NRC concluded that plant operators had been dozing in the control room. To Mr. McNeill, such conduct was equivalent to falling asleep on watch in the military.

One of his first acts was to create a hand-picked corps at Peco dedicated to operating nuclear plants by the book, harkening back to his Navy days when all officers in the submarine fleet were personally screened and interviewed by Adm. Hyman Rickover, the wiry architect of America's "nuclear navy."

Mr. McNeill found Peco's long refueling outages unacceptable. On average, its plants were shut down for 180 days—twice the industry average—while new uranium was inserted. Blaming bad work practices, he reorganized the reactor-vessel disassembly teams. Rather than have 30 people work the same shift, Mr. McNeill broke the groups into three teams of 10 people to work staggered shifts around the clock. Refueling shutdowns now average 26 days and plants run for longer periods of time between refuelings.

Within two years, Mr. McNeill had Peco's program back on track, and by the mid-1990s, the company began offering its services as a consultant to other U.S. utilities.

'Charter Members'

Meantime, Mr. Kingsley, whom Mr. McNeill befriended 30 years earlier while they served on sister submarines, was busy nursing sick nuclear power plants back to health. When Mr. Kingsley arrived at the Tennessee Valley Authority in 1989, the utility had five nuclear plants, all of which had been shut down by the NRC. "Our plants were charter members of the NRC watch list," Mr. Kingsley says.

Collectively, the plants represented an investment of $22 billion. Four more plants were under construction—as they had been for 18 years, due to funding and regulatory delays.

"Oliver said, 'We're trying to do too much. Not even the Japanese could do all this,' " says Marvin Runyon, then chairman of the TVA and the man who hired Mr. Kingsley. With the backing of Mr. Runyon, Mr. Kingsley killed several projects, slashed 5,000 jobs and focused on addressing hundreds of NRC concerns. By the time he left TVA in 1997 to join Commonwealth Edison, the nuclear plants were running at 86% of their capacity, nearly 10 points above the industry average.

When he got to Commonwealth Edison, he found the situation distressingly similar to TVA's years earlier. Two-thirds of its nuclear units were shut down. Its NRC inspection team had established permanent residency.

Inventory of 200,000 Parts

Each plant had its own processes, procedures and performance standards. ComEd had to keep 200,000 components in inventory, but there weren't any guidelines for determining when equipment should be replaced, except in situations monitored by the NRC for safety reasons. "In many cases, we allowed components to run to failure and then were hostage to the failure," says Chris Crane, senior vice president of nuclear operations at ComEd, whom Mr. Kingsley hired from TVA.

Mr. Kingsley instituted a mandatory 7:30 a.m. "meet me" muster that continues to this day, in which senior managers phone in the status of all major systems at their plants. He advocated a self-critical culture in which problems were aired and addressed collectively. And he held workers strictly accountable: In the two years since he took the helm, 14 of 15 senior managers in ComEd's nuclear program have been replaced. "One of his favorite expressions is, 'We ain't family here,' " says one ComEd manager.

To motivate workers, the company this year earmarked $8 million for bonuses for its 150 most experienced reactor operators. To get the money, they must reduce operator errors, improve plant safety and boost electric output.

A Case Study

ComEd's turnaround still isn't finished, but all the nuclear units are operating and the on-site inspection team is being disbanded by the NRC. Refueling shutdowns that used to take 80 to 300 days now take 20 to 30 days. Plants that produced only 49% as much power as they were capable of generating in 1997 produced 65% last year and are on track to crank out 87% this year, the company says. At the behest of Mr. McNeill and Unicom Chairman John Rowe, Mr. Kingsley will head the combined companies' nuclear power division.

The Clinton generating station in central Illinois is a case study for how Messrs. McNeill and Kingsley hope their strategy will work. The plant came on line in 1987 at a cost of $4.3 billion, rather than the $400 million originally forecast. It ran capably for three years but had intermittent trouble from 1990 onward.

In 1996, it was shut down for operating problems and remained idle during the next 32 months as its operator, Illinois Power Co., struggled to make fixes. When workers discovered a leak in a recirculating pump in a reactor cooling system, for instance, they tried to fix the leak. But it only made the problem worse. The plant had run into trouble with the NRC as well. In February 1998, Illinois Power executives called Peco for help.

A year later, with the plant still not running, Illinois Power's board decided it had had enough. The shutdown had cost the company $720 million, between overhead, debt service and the open-market purchase of power to replace what should have been provided by the plant. The board voted to get out of nuclear power, either by selling the plant or shuttering it.

But mothballing the plant didn't look like much of an option. The company only had $200 million in a decommissioning fund, and the NRC estimated that it would cost $600 million to take the plant apart and handle the radioactive waste.

A Way Out

Shortly before it got the plant running in May, AmerGen—the Peco joint venture—offered Illinois Power $20 million for the Clinton plant. That was 0.4% of what it had cost to build. Illinois Power swallowed hard and accepted.

"It gave us great relief to be able to sell the plant," says Robert Schultz, Illinois Power's vice president of finance. "But we had mixed emotions, too. We thought we should have been able to fix it."

In the end, Illinois Power's shareholders took a $1.3 billion bath, while ratepayers in Illinois will continue to pay for Clinton's debts long after ownership of the plant has been transferred.

In the past, regulators at the Illinois Commerce Commission would have been required to review such a sale to ensure fairness to ratepayers. But the state's 1997 deregulation rules stripped the commission of many powers. No longer does it determine whether divestitures are in the public interest. It only can block a sale if there's "strong likelihood" it will raise rates or jeopardize reliability.

Power Buy

Utilities address the reliability issue by signing power-purchase contracts with plant buyers. That assures supply, and insulates the buyer from price risk going forward. In the case of the Clinton plant, Illinova Corp., the Decatur, Ill., parent of Illinois Power, will get 75% of the output for five years. Neither company would disclose the price for the power.

"The statute was not written to protect ratepayers," says Harry Stoller, head of the Illinois commission's energy division. "It was written to give the utilities the freedom to get rid of their turkeys without commission interference."

WSJ 10/28/99 Fissionaries

(Cont)

With a new lease on life, nuclear operators are looking for further opportunities. Backed by concern about greenhouse gases produced by fossil-fired plants, they are touting the benefits of "emission-free electricity" and are beginning to petition the NRC to extend by 20 years their 40-year operating licenses.

"This is a dynamic time for the nuclear industry," says the NRC's Mr. McGaffigan. "We now see it was arbitrary to set a 40-year life for these plants. They can, potentially, operate for 60 years. . . . Then, possibly, the nation will be ready for new units."

Nuclear Information and Resource Service

1424 16th St. NW, Suite 404, Washington, DC 20036; 202-328-0002; fax:202-462-2183; e-mail:nirsnet@igc.apc.org web:www.nirs.org

DATE: 1-21-2000 No. of pages following 1

TO: Emile Julian X 1966

FAX #: 301 415 1101

FROM: Paul Gunter

Comments: ATTACHMENT F OCNGS LICENSE TRANFER.

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"CLINTON POWER PLANT TO CUT 200 JOBS BY 2002"

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Paul Gunter, NUCLEAR INFORMATION AND RESOURCE SERVICE, WASHINGTON, DC

Signature for licensee

ATTACHMENT F "PETITION FOR LEAVE TO INTERVENE IN THE LICENSE TRANSFER OF OYSTER CREEK NUCLEAR GENERATING STATION

Name of publication or address of web site where material will be used FROM JERSEY CENTRAL POWER & LIGHT CO. AND GPU NUCLEAR TO AMERGEN ENERGY COMPANY (LLC)", JANUARY 5, 2000 FOR PUBLICLY DOCKETING FILING IN THE U.S. NUCLEAR REGULATORY COMMISSION PUBLIC DOCUMENT ROOM.

F

ATTACHMENT F

THE PANTAGRAPH (Bloomington, IL.)

September 10, 1999, Friday

Clinton power plant to cut 200 jobs by 2002

By: KELLY LANTAU

AmerGen Energy Co., which will take over ownership of the Clinton nuclear power station later this year, plans to eliminate about 200 jobs, or more than 20 percent of the current work force, over the next three years, company officials said Thursday.

George Hunger, executive leader for transition at the plant, told The Pantagraph that Clinton has a larger staff than other nuclear stations of comparable size. So when the sale is finalized Dec. 15, about 200 of the plant's 930 employees will be phased out through 2002.

According to Hunger, AmerGen expects much of the overstaffing - which includes jobs ranging from engineers to maintenance workers - to be taken care of through natural attrition, such as retirement.

The issue of jobs came up during a recent meeting Hunger had with about 500 Clinton employees. At that time, he informed them of the planned job losses.

There are about 350 union employees at Clinton, represented by the International Brotherhood of Electrical Workers Local 51.

Ken Frick, Local 51 business agent for Clinton, had no comment on the work force reductions, adding that in previous talks he's had with AmerGen, job eliminations did not come up for discussion.

Currently, Frick said, union officials and AmerGen personnel are discussing a contract for union workers to take effect after the sale is complete.

Philadelphia-based AmerGen is finalizing details of its purchase of the plant from Illinois Power Co., which has operated the nuclear facility since it started producing energy in 1987. Illinois Power decided to sell the plant, its only nuclear operation, because of high operating costs and the fact that the plant demanded a disproportionate amount of managerial attention.

Other employment changes already have taken place, with Paul Hinnenkamp being named plant manager and Mike Coyle taking the assistant vice president position. Both were formerly with PECO Energy, a company hired to help IP reopen the Clinton plant after it was shut down for more than a year while undergoing a managerial and operations overhaul. It began producing electricity again in June.

AmerGen is a joint venture between PECO and British Energy.

Although the changeover from IP to AmerGen might create some problems for DeWitt County residents - in terms of future tax revenue generated by the plant - and plant workers, customers are not likely to be negatively affected by the sale, said IP spokeswoman Shirley Swarthout.

She said rates will not increase because electric industry deregulation protects the amount customers will pay for power. In 2002, the current rates, which already are 15 percent lower than a year ago, will drop another 5 percent.

"The issue of what customers will pay for their power was already resolved," Swarthout said during The Pantagraph interview.

Reliability also should be a non-issue, according to AmerGen officials.

For the five years following the sale, IP is under contract to purchase 75 percent of Clinton's output. After that, Swarthout noted, IP will purchase power on the open market, where supply is likely to increase and prices are likely to fall because of deregulation.

Safety and performance of the plant also should see continued improvement, Hunger said. Issues

that led to Clinton's 1996 shutdown, including faulty seals on pumps and a host of managerial problems, have been resolved.

Under AmerGen, Hunger said, the plant will simply require routine maintenance and could even see an increase in production thanks to newer, more efficient equipment.

Other aspects of the plant, including recreation and emergency preparedness, will see little change. Hunger said land leased by the plant to farmers, boating facilities at Clinton Lake and state park lands will remain the same.

AmerGen officials also touched on the topic of the plant's tax assessment. Since the city of Clinton and its school system receive revenue from property taxes paid by the power plant, a decrease in its value could have a major impact, noted Hunger.

Before the sale, Clinton was valued at around $470 million. However, Hunger said AmerGen bought the facility for just $20 million - which is the figure at which it will be assessed in the future. That means DeWitt County will receive significantly fewer tax dollars from the plant.

Jan Freeman, director of public policy for PECO, said the tax losses could be somewhat offset by House legislation that would allow the tax burden to be phased over a five-year period. The legislation calls for Clinton's value to be cut by 50 percent the first year following the sale. It then would drop 10 percent during the succeeding years until reaching $66 million.

However, the bill stalled at the end of the spring session and will not see further action until the fall session begins in November.

Attachment G

To The

Petition of Nuclear Information and Resource Service on the license transfer of Oyster Creek

Attachment G is an audit of the British Nuclear Installations Inspectorate entitled "Safety Management Audit of British Energy Generation Limited and British Energy Generation (UK) Limited (1999). It contains "Restricted: Commercial Information" and is undergoing review for public release. It is likely that all or portions of the document will be made publically available at a future date.

ATTACHMENT H

Subject: New Leak at British Energy
Date: Tue, 21 Dec 1999 12:14:45 -0500
From: Paul Gunter <pgunter@nirs.org>
Organization: NIRS
To: nirsnet@nirs.org

N-plant cuts put safety at risk
The Guardian
by Kevin Maguire and Paul Brown

Monday December 20, 1999

Nuclear power station chiefs have been accused by government inspectors of jeopardising safety by shedding staff to cut costs. Leaked British Energy reports reveal that the privatised operator was in dispute with the state-run nuclear installations inspectorate (NII) while a series of incidents repeatedly shut down various of its eight reactors. An internal company report marked "secret" discloses that the inspectorate had demanded a halt to redundancies, complaining that too many cheaper contractors without adequate training and skills were being used to replace in-house teams.

A second British Energy paper, headed "confidential", details more than a dozen cases, including fires and a hydrogen coolant leak, that triggered shutdowns or forced managers to switch off reactors. A reactor at the Hunterston plant automatically shut down on November 9 when a gear motor caught fire.

Since the list was drawn up, faulty welding on boiler tubes in Kent's troubled Dungeness B reactor forced it to be shut down.

British Energy, which made #298m profit last year, issued a statement to the Stock Exchange this month saying unplanned shutdowns had cut production and expected revenue. Publication of the company's documents will fuel fears about the way the nuclear industry is being run since some of it was privatised.

Nuclear inspectors were alerted to the dangers of British Energy's staff cuts by problems uncovered last year at the vast Dounreay fast breeder complex in Scotland. A damning report into Dounreay, operated by the United Kingdom Atomic Energy Authority, warned that the loss of skilled personnel and their replacement by contractors posed a serious risk, and UKAEA was forced to re-employ staff it had let go.

The leaked British Energy documents suggest the privatised nuclear industry is now suffering similar problems. One company manager has admitted some staff are on duty "significantly in excess of the basic working week" and a new relationship is needed with contractors. British Energy, which was created last year by the merger of Nuclear Electric and Scottish Nuclear, operates Britain's seven advanced gas-cooled reactors - Heysham 1 and 2, Hinkley Point B, Dungeness B, Hunterston B, Hartlepool and Torness - and the new pressurised water reactor Sizewell B, in Suffolk.

Eighteen hundred jobs have been shed since privatisation was announced in 1995, in a cost-cutting drive known as "management of change" which has reduced the workforce to 5,389.

Leaked notes of a board meeting in October show that Peter Hollins, British Energy's chief executive, and the other directors opposed 18 of the 103 recommendations made by the nuclear inspectorate, accusing the NII of being "factually wrong" on some issues.

It agreed with only 50 of the recommendations and had qualifications about another 35. But at the same time staff cuts meant some staff were working as many as seven shifts per week instead of the normal five with all the potential consequences that tired workers pose to safety standards.

The 18 NII recommendations disputed by the company in its "secret" report on how to deal with inspectorate will give cause for concern. As well as an end to planned reductions in in-house staff, the NII recommended more "mentoring" of recruits, and a list of tasks to be undertaken only by British Energy staff, as well as a review of future work loads.

The inspectors want fresh measures to ensure any contractors are as good as the people they replaced and are properly supervised. And British Energy is urged to recreate the expertise in radiation chemistry it has given up.

The NII report is to be published next month and British Energy says it had now conceded all the points made by the NII and reached agreement. Yet internal papers show that on November 3 British Energy still opposed a call to "stop the planned reduction of in-house staff numbers until it can demonstrate that the new management of change procedure will not adversely affect the safety of nuclear plants".

The drive to cut costs - including #25m from a business support review - even threatens to close visitor centres and free bus trips for school children that were once seen as vital in winning over public opinion.

The leaked table showing how stations performed during the 13 weeks from August 16 to November 14 lists a series of cases when staff were required to shut down reactors or the reactors were shut down automatically when something went wrong.

Since then Dungeness station has shut completely because of a weld defect and needs inpsectors' permission before it can reopen. This forced the company to alert the Stock Exchange that its predicted revenue may be down for this year. A senior electricity industry source claimed: "It's only a matter of time before something serious happens if we carried on like this. Stations can only operate safely if we have sufficient numbers of trained staff to carry out safety checks. "We all want British Energy to be a successful company and have raised our concerns internally, but at times it feels as if we are being ignored." Ministers remain publicly committed to selling 49 per cent of British Nuclear Fuels (BNFL), responsible for the older magnox nuclear stations and the Sellafield reprocessing plant, before the next election.

This autumn the NII responded to an increase of safety incidents at the Cumbrian site by sending in a team of 13 inspectors to check that lack of experienced staff at BNFL was not contributing to the problem. This report is expected to be published in the next month.

The increase in the number of "incidents" and the leaked reports will heighten pressure for tougher guarantees on safety including pledges that staff will not be shed to boost profits of shareholders.

Catalogue of closures
The leaked British Energy performance table marked "confidential" for the 13 weeks from August 16 to November 14 details a series of incidents:

Sizewell B: Automatic safety shutdown of a reactor was triggered on August 14 when the coolant pumps suffered a drop in power. The problem was solved on August 17.

Dungeness B: Reactor automatically shut down on August 28 when a motor developed a fault in a boiler pump. The reactor went back on stream seven days later when the motor was replaced.

Hartlepool: Reactor output reduced on August 23 and 24, then again on October 17 for condenser tube repairs.

Heysham 1: Reactor automatically shut down on November 6 when a control rod was being changed was not returned to service for 22 hours.

Heysham 2: Reactor shut down on July 16 for turbine repairs and investigation of vibrations. Attempt to return to service on November 6 aborted during run up when blades suffered damage.
Reactor had to be shut down on October 20 within an hour of resuming after a six-week maintenance following a pilot exciter fire. A replacement was fitted and it returned to service on October 23 having remained critical.

Torness: Reactor fuel reloading on October 29 aborted after turbo-generator hydrogen cooler leak and it was shut down for repairs from November 7 to 14.

Hinkley Point B: Reactor output limited to seal a steam leak after it automatically shut down on October 2 following eight-week service. Reactor automatically shut down on October 16 for six days due to "instability" of feed system. Reactor shut down on November 10 after a hydrogen leak into the water system.

Hunterston: Reactor shut down for five days from August 12 to fix a boiler tube leak and output was limited by turbine bearing vibration.

Reactor automatically shut down on November 9 after loss of a gas circulator saw low lubricating oil pressure and a gear motor caught fire.

Dungeness B: (Since the original list was compiled.) Both reactors shut down formore than a month after faulty weld was discovered in pressurised steam pipes.

ATTACHMENT I

September 3, 1997

LICENSEE: GPU Nuclear Corporation

FACILITY: Oyster Creek Nuclear Generating Station

SUBJECT: MEETING WITH GPU NUCLEAR CORPORATION REGARDING THE POSSIBILITY OF DECOMMISSIONING THE OYSTER CREEK NUCLEAR GENERATING STATION

At the request of GPU Nuclear (GPU or licensee), a public meeting was held on August 26, 1997, in the Nuclear Regulatory Commission (NRC) offices at Rockville, Maryland. The licensee made a presentation regarding its options to shut down, sell, or continue to operate the Oyster Creek Nuclear Generating Station (OCNGS). The presentation followed the enclosed agenda and meeting handouts and primarily centered on the activities associated with decommissioning OCNGS in the year 2000.

As noted in the handouts, the licensee is considering deferral of a number of commitments pending its final decision which is expected in late 1997 or early 1998. The NRC informed the licensee that any requested change in its commitments should be submitted on the docket with adequate justification and risk assessment to allow the NRC staff to evaluate the requests.

Original signed by

Ronald B. Eaton, Senior Project Manager
Project Directorate I-3
Division of Reactor Projects - I/II
Office of Nuclear Reactor Regulation

Docket No. 50-219

Enclosure: As stated

cc w/encl: See next page

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GPU Nuclear Corporation
Oyster Creek Nuclear Generating Station

cc:
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Shaw, Pittman, Potts & Trowbridge
2300 N Street, NW
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Regional Administrator, Region I
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475 Allendale Road
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BWR Licensing Manager
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818 West Lacey Road
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Kent Tosch, Chief
New Jersey Department of
Environmental Protection
Bureau of Nuclear Engineering
CN 415
Trenton, NJ 08625

Mr. Michael B. Roche
Vice President and Director
GPU Nuclear Corporation
Oyster Creek Nuclear Generating Station
P. O. Box 388
Forked River, NJ 08731

Agenda

♦ Background & Purpose	Art Rone
♦ Planning Activities	
♦ Staff Retention Strategy	Mike Roche
♦ Projects/Regulatory Commitments	Mike Laggart
♦ Regulatory Commitments-Risk Assessment	Ken Canavan
♦ Decommissioning	Art Rone
♦ Summary	Art Rone

ENCLOSURE

Background & Purpose

- On April 10, 1997, GPU, Inc. announced that in addition to continued operation, it was exploring the additional options of sale or early shutdown of the Oyster Creek Nuclear Generating Station (OCNGS).
- The purpose of today's meeting is to describe the planning efforts initiated in response to the announcement to assure continued safe operation of OCNGS and to prepare for early shutdown and decommissioning.
- Five Planning Teams were formed to address:
  - Decommissioning
  - Sale of Oyster Creek
  - Personnel Retention
  - Projects/Regulatory Commitments
  - Communications

Background & Purpose
(cont'd)

- The primary focus of today's discussion will be the results of three of these planning teams:
  - Personnel Retention Team
  - Projects/Regulatory Commitments Team
    - Revise regulatory commitments which pose an acceptable individual and integrated safety risk
    - Submit requests for deferrals as a package
  - Decommissioning Team
- GPU, Inc. decision is expected by the end of 1997

Staff Retention Strategy

- As expected, staff attrition rate since the announcement has been higher than normal.
- Retention strategy developed to ensure a qualified staff to safely operate, maintain and support Oyster Creek.
  - Utilize in-house staff to work on decommissioning activities.
  - Enhanced education and training opportunities.
  - Outplacement services.
  - Potential alliances with suppliers.
  - Enhanced retirement packages.
  - Lump-sum monetary payments.
- Other personnel issues to be addressed including transition of work force to decommissioning.

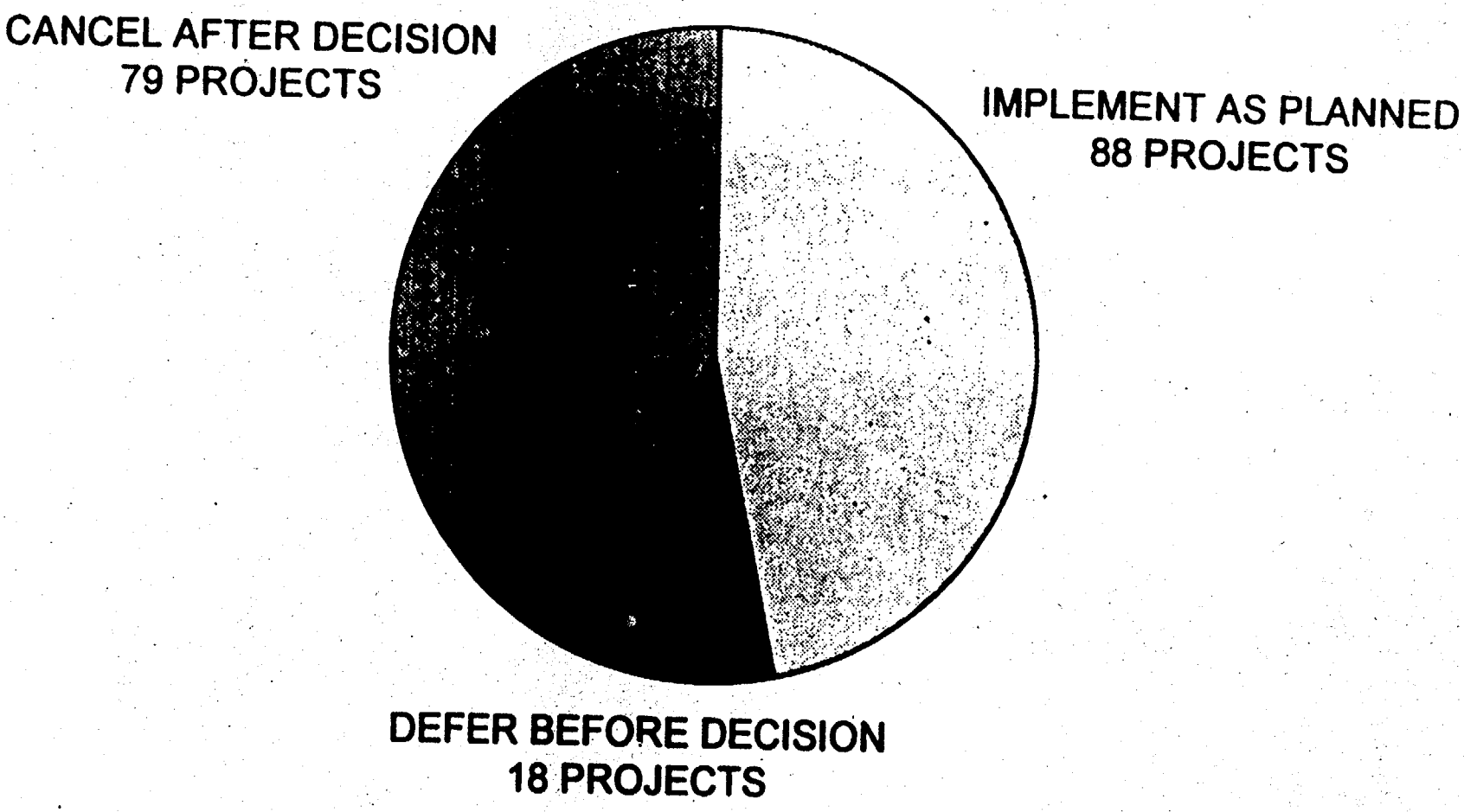
Projects/Regulatory Commitments

- Review Process
  - Review team formed to assess the benefits of all existing projects and regulatory commitments.
  - Initial review criteria:
    - safety/risk
    - radiological dose savings
    - technical justification
    - economic payback/cost savings
    - operational significance
    - benefits decommissioning

Projects/Regulatory Commitments
(cont'd)

- Significant number of projects/regulatory commitments reviewed.
- Projects/regulatory commitments placed into three categories:
  - Implement as originally committed.
  - Defer now, before final plant decision is made.
    - Regulatory commitments to be addressed in accordance with the Section 2.C.6 of Oyster Creek operating license "integrated schedule"
  - Cancel if early retirement decision is made.
    - Additional changes to integrated living schedule
    - Exemption request
    - Tech Spec Change Request

PROJECTS REVIEW
ALL PROJECTS



NRC Regulatory Commitments
Implement as Committed

Commitment	Regulatory Approach
Generic Letter 88-14 – Air operated valve testing	Not Applicable
Biennial Procedure Review (Operational QA Plan – Section 3.1.2)	Not Applicable
Generic Letter 89-10 – Motor Operated Valves 17R Modifications – Motor Operated Valves (BA #400001)	Not Applicable
MSIV Leakage/Control Room Thyroid Dose (BA #328368)	Not Applicable
ESW Delamination – LAR 85206.09	Not Applicable
Complete 5 remaining DBDs – 50.54f commitment – LAR 96107.07	Not Applicable
Marathon Test Control Rod Inspection – LAR 93010.02	Not Applicable
ThermoLag Fire Barrier Modifications to 460V rooms (BA #403042)	Not Applicable
ECCS Suction Strainers – NRC, Owners Group and Individual Commitments (BA #403048)	Not Applicable
Top Guide, Shroud, Core Spray Sparger In-Vessel Inspection 17R (BA #32XAHD, BA #320005)	Not Applicable

NRC Regulatory Commitments
Defer Before Final Plant Decision

Commitment	Regulatory Approach
Generic Letter 96-06 Modifications – Pressure concerns for piping penetrations (BA #31G690, BA #320011)	Integrated Schedule Update
SQUG – Seismic Qualification Modifications. NOTE: Significant number of modifications have been completed. (BA #403092)	Integrated Schedule Update
Control Room Human Factors Design Review – Repaint, refurbish, and relabel control room panel 1R through 10R, 6XR, 11XR, 12R, 12XR, 14R, 14XR, 16R, 11F, 9XR and 11R, NUREG 0737, Supplement 1 (BA #328030)	Integrated Schedule Update
Anticipatory Scram Logic Modification LER 95-05 (BA #400018)	Integrated Schedule Update
Severe Accident Management Program Generic Letter 88-20 – "Individual Plant Examination for Severe Accident Vulnerabilities"	Integrated Schedule Update
ThermoLag Fire Barrier Modifications 16 and 17R. NOTE: Modifications to 460V rooms will not be deferred. (BA #403042)	Integrated Schedule Update
Reactor Water Clean Up – Provide an automatic RWCU system isolation on a line break – SIL 604 – LER 96-015. (BA #40G294, BA #400017)	Integrated Schedule Update

NRC Regulatory Commitments
Cancel if Early Retirement Decision is Made

Commitment	Regulatory Approach
Containment Integrated Leak Rate Test	Exemption Request
Generic Letter 89-10 – Motor Operated Valves 18R Modifications – Motor Operated Valves (BA #400001)	Integrated Schedule Update
Hydrogen Injection Water Chemistry. NOTE: Additional technical evaluation required for a complete safety assessment.	Integrated Schedule Update
IGSCC Weld Inspections in the Drywell. NOTE: Additional technical evaluation rquired for a complete safety assessment. (BA #320003)	Technical Specification 4.3.1 (NRC Generic Letter 88-01)
ISI Inspections (BA #320003)	Reschedule in accordance with ISI Inspection requirements.
One time FSAR review – 50.54f commitment	Integrated Schedule Update
SWSOPI commitment – Perform DBD on intake structure	Integrated Schedule Update

Regulatory Commitments Risk Assessment

- Next step is to perform a more in-depth individual and integrated risk assessment of regulatory commitments.
- Four step process used to evaluate safety/risk impact:
  - Evaluate the projects within the framework of the risk analysis studies performed for Oyster Creek.
  - Evaluate the safety or risk impact:
    - Quantitative, if supported by existing or easily developed risk analyses, or
    - Qualitative
  - Categorize all safety/risk impacts as either high, medium or low.
  - Integrate results of above steps. Use weighting factors for qualitative information.

Regulatory Commitments Risk Assessment

- Examples:
  - Containment integrated leak rate test. Risk is low based on quantification of risk model. Quantitative evaluation uses the Level 2 OCPRA.
  - Intake structure DBD (SWSOPI commitment). Qualitative evaluation since project does not significantly affect quantitative plant risk. Risk is low based on judgment.

Decommissioning Information

- Decommissioning organization established to perform preliminary planning pending early retirement decision.
- Post Shutdown Decommissioning Activities Report (PSDAR) - plan for submittal December, 1998.
- Decommissioning technical specification amendment and revised UFSAR - plan for submittal early 1999.
- Dr. Michael Masnik, Decommissioning Project Directorate (NRR), apprised of Oyster Creek early retirement option.
- NJ State officials briefed on 7/22/97 regarding early retirement option and retention plan.
- If shutdown decision announced, community advisory committee to be established.

Summary

- GPU Nuclear will maintain its strong commitment to plant operations during this transition period.
- Personnel retention strategy is our near-term focus and will continue to be a long-term issue.
- Utilized PRA/Risk Assessment methodology for deferrals. Request NRC staff review our proposed deferments in a similar fashion.
- GPU Nuclear will submit updated integrated schedule to NRC in September of 1997 with individual and integrated risk assessment.
- GPU Nuclear will continue to maintain active and open communications with NRC staff.

ATTACHMENT J

GPU NUCLEAR

GPU Nuclear, Inc.
U.S. Route #9 South
Post Office Box 388
Forked River, NJ 08731-0388
Tel 609-971-4000

January 21, 1999
1940-99-20015

U.S. Nuclear Regulatory Commission
Attention: Document Control Desk
Washington, DC 20555

Gentlemen:

Subject: Oyster Creek Nuclear Generating Station (OCNGS)
Docket No. 50-219/License No. DPR 16
Long Range Planning Program (LRPP)
Annual Update of Integrated Schedule
"ABC" Projects Listing – January 1999

Pursuant to condition 2.C.(6) of Operating License DPR-16, GPU Nuclear has implemented the Long Range Planning Program for OCNGS. As required by Section V.A of the Plan, the following attachments are submitted to provide the annual project list update:

1. Attachment A contains a new project list of Category A, B and C projects, annotated by an asterisk (*) to identify new projects. Completed projects have been removed from the schedule listing. Also noted by a double asterisk (**) are budget activity numbering changes.

2. Attachment B contains a summary of Category A, B, and C projects which have been completed, deleted, deferred, changed in scope. Category A and B projects which have had schedule changes are provided with explanations, as appropriate.

Pursuant to the LRPP for Oyster Creek, it will be assumed that you are in agreement with the actual Category B changes above if you do not respond to this submittal within 15 days of receipt.

Sincerely,

Michael B. Roche
Vice President and Director
Oyster Creek

cc: Administrator, Region I
Oyster Creek NRC Project Manager
Senior NRC Resident Inspector, OCNGS

ABC Classifications

a) Meet NRC Requirements (NRR) – Activities that a) must be carried out to fulfill specific NRC requirements or b) have been committed to the NRC by the company or c) are such that if not accomplished would result in an NRC non-compliance even though the specific activity is not required by the NRC.

b) Meet Environmental Requirements (ERR) – Activities that a) are specifically required by environmental regulatory agencies (State & Federal) or b) have been committed to environmental agencies by the Company or c) are such that if not accomplished would result in regulatory non-compliance even though the specific activity is not required by an environmental regulatory agency.

c) Meet other Requirements (ORR) – Activities not covered by the NRC or environmental requirements but that are required by local, state, or federal ordinances, codes, court order or lawsuit settlement, or other guidance to which the Company is committed or if not accomplished would result in a violation of that ordinance, code or guidance, court order, etc.

d) Increase Safety Margins (ISM) – Activities that, if implemented, will improve nuclear plant or personnel safety but are neither required by regulatory compliance nor required by safety regulations, codes or guidance.

e) Decrease Environmental Effects (E) – Activities that, if implemented, will result in an improved environmental quality but are neither required for regulatory compliance nor required by environmental regulations, codes or guidance.

f) Improve Radiological Conditions (RAD) – Activities that, if implemented, will result in improved radiological conditions, lower man-rem exposure rates, or radwaste control/reduction but are neither required for regulatory compliance not required by radiological regulations, codes or guidance.

g) Maintain Reliability/Capability (MRC) – Activities that, if implemented, will maintain power production at existing levels by preventing deterioration of plant systems or equipment. Includes activities in response to national codes and standards, insurance policies, equipment vendor specifications or nuclear industry high unavailability data without which the plant could not operate prudently.

h) Improve Reliability/Capability (REL) – Activities that, if implemented, will increase the power generation by improving availability or capacity factor to maximize energy output.

i) Improve Operational Effectiveness (IOE) – Activities that, if implemented, will improve staff efficiency or provide a direct economic payback in terms of reduced operating/maintenance costs.

ABC Classifications
(continued)

J) Improve Personnel Facilities (FAC) – Activities that, if implemented, will improve working conditions and the usefulness of personnel facilities.

k) Provide Contingency/Blanket (CUI) – Activities that, if implemented, will provide management flexibility to respond in a timely manner to emergent work requirements or the ongoing requirements to procure, replace or repair minor items essential to support routine operations.

l) Improves Heat Rate Performance (HRP) – Activities that, if implemented, will increase power production by enhancing the heat rate efficiency.

m) General Working Conditions (GWC) – Activities, tools and equipment that if implemented will improve working conditions, but will not demonstrate a direct economic payback.

ATTACHMENT A

PROJECT LISTING

INTEGRATED SCHEDULE

ANNUAL UPDATE

(JANUARY, 1999)

OYSTER CREEK PROJECT LISTING

LEGEND

* NEW PROJECTS
** BA NUMBER CHANGE

NRC INTEGRATED SCHEDULE

CATEGORY 'B' PROJECTS

SORT BY CATEGORY/CYCLE/BA — STATUS AS OF 01/19/1999

OBS	BA NUMBER	DESCRIPTION	CYCLE/ YEARS	CLASSIFICATION
1	320003	OUTAGE ISI & RCS AUG IGSCC INSP - 18R ALL INSPECT VARIOUS COMPONENTS TO SECTION XI REQUIREMENTS & INSPECT PIPING WELDS (MANUAL) PER NUREG 0313 REV.2	18R	NRR
2	320005	RX. VESSEL INTERNAL INSPECTION -18R 119' VISUAL INSPECTION OF SELECTED INTERNAL COMPONENTS AND SURFACES AS REQUIRED BY ASME CODES	18R	NRR
3	320011	GENERIC LETTER 96-06 MODFICATIONS MODIFY PIPING IN FIVE DRYWELL PENETRATIONS TO RESOLVE OVER-PRESSURE CONCERNS	18R	NRR
4	326216	RX. VESSEL BELTLINE INSPECTION 119 UT ACCESSIBLE WELD SEAMS IN THE RPV BELTLINE REGION.INSPECTIONS WILL BE DONE REMOTELY. ASME SECT. XI REQUIREMENTS	18R	NRR
5	328030	CONTROL ROOM HUMAN FACTORS DESIGN REVIEW CR REPAINT,REFURBISH & RELABEL CR PANELS 1R THRU 10R,6XR,11XR,12R,12XR,14R,14XR, 16R AND 11F,9XR&11R. NUREG 0737 SUP 1.	18R	NRR
6	400018	ANTICIPATORY SCRAM BYPASS LOGIC IMPROVEM CR TB REPLACE 4 ANTICIPATORY SCRAM AUTOMATIC BYPASS PRESS. SWITCHES WITH MORE PRECISE SWITCHES.	18R	IOE
7	403042	THERMO-LAG FIRE BARRIER MODIFICATIONS REPAIR THE REMAINING TSI THERMO-LAG FIRE BARRIERS TO MEET THE APPROPRIATE FIRE REQUIREMENTS	18R	NRR

OYSTER CREEK PROJECT LISTING

LEGEND

* NEW PROJECTS
** BA NUMBER CHANGE

NRC INTEGRATED SCHEDULE

CATEGORY 'B' PROJECTS

SORT BY CATEGORY/CYCLE/BA — STATUS AS OF 01/19/1999

OBS	BA NUMBER	DESCRIPTION	CYCLE/ YEARS	CLASSIFICATION
8a	NA	SEVERE ACCIDENT MANAGEMENT PROGRAM (part of IPEEE) GENERIC LETTER 88-20. DEVELOP AND IMPLEMENT SEVERE ACCIDENT GUIDELINES	18R (deferred)	NRR
8b	403092	SEISMIC QUALIFICATION MODS - PHASE II DGB DW RB TBM IMPLEMENT SQUG MODIFICATIONS AS NECESSARY	18R (deferred)	NRR
9	320003	OUTAGE ISI & AUG IGSCC INSP - 19R ALL INSPECT VARIOUS COMPONENTS TO SECTION XI REQUIREMENTS & INSPECT PIPING WELDS PER NUREG 0313 REQUIREMENTS.	19R	NRR
10	320005	RX. VESSEL INTERNAL INSPECTION -19R 119' VISUAL INSPECTION OF SELECTED INTERNAL COMPONENTS AND SURFACES AS REQUIRED BY ASME CODES	19R	NRR

IPEEE /
- Analysis fire protection factors (resurrecting)
- deluge valves

OYSTER CREEK PROJECT LISTING

LEGEND

* NEW PROJECTS
** BA NUMBER CHANGE

NRC INTEGRATED SCHEDULE

CATEGORY 'C' PROJECTS

SORT BY CATEGORY/CYCLE/BA — STATUS AS OF 01/19/1999

OBS	BA NUMBER		DESCRIPTION	CYCLE/ YEARS	CLASSIFICATION
11	320022	*	OC PIPING & ANCHOR BOLT CAPACITY VERIFIC ALL UPGRADE THE SUPPORTS ON THE SHUTDOWN COOLING SYSTEM	17	NRR
12	328404		SPENT FUEL POOL CLEANUP 119' COMPACT MATERIAL IN THE SPENT FUEL POOL INTO SHIPPING LINERS	17	REL
13	400032	*	FUEL POOL RACK EXPANSION 119' INCREASE SPENT FUEL POOL STORAGE CAPACITY BY ADDING ADDITIONAL SPENT FUEL RACKS	17	REL
14	328404		SPENT FUEL POOL CLEANUP 119' SHIP LINERS FROM SPENT FUEL POOL	18	REL
15	400009		DEPLETED ZINC INJECTION INSTALL A SYSTEM TO INJECT DEPLETED ZINC INTO THE FEEDWATER STREAM. INJECTION OF ZINC IS TO REDUCE SOURCE TERM BUILD-UP	18	RAD
16	312600		CRD HCU REBUILD - 18R PEROFRM CORRECTIVE MAINTENANCE ON CRD HYDRAULIC CONTROL UNITS	18R	MRC
17	312600		SCAFFOLD & INSULATION - 18R INSTALL SCAFFOLD TO SUPPORT PROJECTS & MAINTENANCE DURING THE OUTAGE	18R	MRC

OYSTER CREEK PROJECT LISTING

LEGEND

* NEW PROJECTS
** BA NUMBER CHANGE

NRC INTEGRATED SCHEDULE

CATEGORY 'C' PROJECTS

SORT BY CATEGORY/CYCLE/BA — STATUS AS OF 01/19/1999

OBS	BA NUMBER		DESCRIPTION	CYCLE/ YEARS	CLASSIFICATION
18	320010		REACTOR DISASSEMBLY/REASSEMBLY - 18R 119' TASKS ASSOCIATED WITH REACTOR DISASSEMBLY AND REASSEMBLY AND SUPPORTING ACTIVITIES	18R	MRC
19	323L03		TURBINE INSP.-18R TB INSPECT HP AND LPA AND OTHER TURBINE RELATED COMPONENTS FOR NML NML REQUIREMENTS AND MANUF. SUGGESTION	18R	MRC
20	328378		PIPE WALL THINNING - 18R REMOVE INSULATION,PREP SURFACES & PERFORM UT ON SELECTED PIPING SYSTEMS. POSSIBLE REPLACEMENT OF FITTINGS/PIPING	18R	ISM
21	312600		CRD HCU REBUILD - 19R PERFORM CORRECTIVE MAINTENANCE ON CRD HCU	19R	MRC
22	312600		SCAFFOLD & INSULATION - 19R INSTALL SCAFFOLD TO SUPPORT PROJECTS & MAINTENANCE DURING THE OUTAGE	19R	MRC
23	320010		REACTOR DISASSEMBLY/REASSEMBLY - 19R 119' TASKS ASSOCIATED WITH REACTOR DISASSEMBLY AND REASSEMBLY AND SUPPORTING ACTIVITIES	19R	MRC
24	320030	*	YEAR 2000 EVALUATION & MITIGATION PERFORM EVALUATION OF YEAR 2000 PROBLEMS Submitted to NRR	98-99	NRR

OYSTER CREEK PROJECT LISTING

LEGEND
------

* NEW PROJECTS
** BA NUMBER CHANGE

NRC INTEGRATED SCHEDULE

CATEGORY 'C' PROJECTS

SORT BY CATEGORY/CYCLE/BA

STATUS AS OF 01/19/1999

OBS	BA NUMBER		DESCRIPTION	CYCLE/ YEARS	CLASSIFICATION
25	320024	*	SPENT FUEL MANAGEMENT PERFORM A FEASIBILITY STUDY TO EVALUATE THE LONG TERM FUEL STORAGE AND TRANSPORT METHODOLOGIES	98/99	NRR
26	400040	**	SIMULATOR MODS 1999 PROCURE AND INSTALL SIX RECORDERS TO THE SIMULATOR	98/99	NRR
27	400042	*	NEW HARDWARE- YEAR 2000 (Y2K) COMPUTER C ALL RESOLVE VARIOUS ISSUES ASSOCIATED WITH THE YEAR 2000 PROBLEM FOR SOFTWARE, HARDWARE, FIRMWARE, ETC.	98/99	MRC

CATEGORY "C" PROJECTS

Additions:	As denoted by * next to the Project Title in Attachment A	
Completions:	312600	CRD HCU Rebuild – 17R
	312600	Scaffold & Insulation – 17R
	320008	Condensate Demin Underdrain Replacement
	320010	Reactor Disassembly/Reassembly – 17R
	320012	17R Turbine Overhaul Project
	328370	Vessel & Internal Project (BWRVIP)
	328378	Pipe Wall Thinning – 17R
	400001	Generic Letter 89-10 17R Modifications
	400023	Rx Safety & EMRV Exchange – 17R
Deletions:	320017	GL 89-10 Isolation Condenser Logic Modif (not required)
Other Changes	400009	Depleted Zinc Injection Moved from Cycle 17 to Cycle 18.

ATTACHMENT B

OYSTER CREEK NUCLEAR GENERATING STATION

NRC INTEGRATED SCHEDULE

ANNUAL UPDATE

CATEGORY "A" PROJECTS

None

CATEGORY "B" PROJECTS

Additions:	As denoted by * next to the Project Title in Attachment A	
Completions:	320005	Reactor Vessel Internal Inspection – 17R
	320016	17R Outage ISI & RCS Augmented IGSCC Insp
	400017	RWCU LOCA Detect & Isolate (SIL604)
	403042	Thermo-Lag Fire Barrier Modification – 16
	403048	ECCS Suction Strainers
	403092	Seismic Qualification Mods – Phase II – 16
Deletions:	None	
Schedule Change	None	

ATTACHMENT K (w/ petitioner's handwritten notes)

Page 1 Report Date 11/01/99 Project Manager Rep

Plant	TaskID	MPA Num	Age (Mon)	Rev.	Rev Mth	Pri	Actyp	PA Code	Title	Appl Date
									Active Actions	
*OYSTER CRE	M69467	B105	[86]		TS	2	RR	111C	*OYSTER CREEK - GL 87-02 - SEISMIC QUALIF. OF MECH. & ELEC. EQUIP. IN OPERATING PLANTS*	(09/14/92)
				EMEBA EMEBB IQMBB SRXBB						
*OYSTER CRE	M83552	B118	[47]		PM	3	RR	111C	OYSTER CREEK - IPEEE FOR EXTERNAL EVENTS (GL 88-20) SUPPLE MENT 4	(12/29/95)
				SPLBB						
*OYSTER CRE	M93495	L507	[48]		TS	3	RR	111C	OYSTER CREEK - GL 95-07: PRESSURE LOCKING AND THERMAL BIND- ING OF SAFETY-RELATED POWER-OPERATED GATE VALVES	(11/14/95)
				EMEBA SRXBB						
*OYSTER CRE	M96843	L606	[37]		TS	2	RR	111C	OYSTER CREEK 1 - ASSURANCE OF EQUIPMENT OPERABILITY AND CONTAINMENT INTEGRITY, GL 96-06	(10/31/96)
				EMEBA EMEBB SPLBA						
*OYSTER CRE	M97078	L605	[36]		TS	3	RR	111C	OYSTER CREEK 1 96-05 MOV CAPABILITY PERIODIC VERIFICATION	(11/21/96)
				EMEBA					eng left to do	
*OYSTER CRE	MA1866	L501	[0]		TS	3	RR	111C	OYSTER CREEK 1 - YEAR 2000 READINESS OF COMPUTER SYSTEMS AN NUCLEAR POWE	(/ /)
				EEIBA						
*OYSTER CRE	MA4077	L504	[12]		TS	3	RR	111C	OYSTER CREEK 1 - POTENTIAL FOR DEGRADATION OF ECCS/CSS AFTERLOCA (GL 98-04 MOD TO STAINLESS - COATINGS ~~PUMP SEAL FAILURE~~	(11/11/98)
				EMCBC					↑ EXISTS ON PKT IN LETTERS PREVIOUS	
									Not Scheduled Actio	
*OYSTER CRE	M72330		[0]		TS	1	DZ	141B	OYSTER CREEK - LICENSEE PERFORMANCE EVALUATION	(--/--/--)
				SRXBA						
*OYSTER CRE	M72449		[0]		TS	1	DZ	111AAA	OYSTER CREEK - HEADQUARTERS FOCAL POINT FOR INFORMATION & COMMUNICATIONS	(--/--/--)
				EEIBB						

Review/Inclusion?

Plant	TaskID	MPA Num	Age (Mon)	Rev.	Rev Mth	Pri	Actyp	PA Code	Title	Appl Date
*OYSTER CRE	M72569		[0]		TS	1	DZ	141A	OYSTER CREEK SALP REPORT PREPARATION & MEETING ATTENDANCE	(/ /)
*OYSTER CRE	M79800		[0]	IOLBA	TS	2	DO	111FA	OYSTER CREEK - AUDIT EXAM	(/ /)
*OYSTER CRE	MA2574		[0]		PM	2	DZ	111AAE	OYSTER CREEK 1 - PM REGIONAL INTERFACE	(/ /)
*OYSTER CRE	MA2682		[0]		PM	2	DZ	111AAF	OYSTER CREEK 1 - PM SUPPORT TO EDO/COMMISSION	(/ /)
*OYSTER CRE	MA2790		[0]		PM	2	DZ	111AAG	OYSTER CREEK 1 - PM EVENT FOLLOWUP	(/ /)
*OYSTER CRE	MA2898		[0]		PM	2	DZ	111AAH	OYSTER CREEK 1 - PM SUPPORT FOR INFORMATION SYSTEMS	(/ /)
*OYSTER CRE	MA3006		[0]		PM	2	DZ	111AAJ	OYSTER CREEK 1 - PM VISITS TO SITE, REGION, LICENSEE	(/ /)
*OYSTER CRE	MA3114		[0]		PM	2	DZ	111AAK	OYSTER CREEK 1 - PM EFFORT EXPENDED ON FSAR/50.59 REPORT/COMMITMENT FOLL	(/ /)
*OYSTER CRE	MA3222		[0]		PM	2	DZ	111AAL	OYSTER CREEK 1 - PM BUDGETING ACTIVITIES	(/ /)
*OYSTER CRE	MA3465		[0]	SPSBB	TS	4	RO	111C	OYSTER CREEK 1 - PILOT PROGRAM SOURCE TERM EVALUATION (NUREG-1465)	(/ /)
*OYSTER CRE	MA4144		[0]	LPD4C	PM	2	DZ	111AAA	OYSTER CREEK 1 - Headquarter Focal Point Decom	(/ /)
*OYSTER CRE	MA5644		[5]	EEIBB IOLBB	TBD	1	DE	111KE	OYSTER CREEK 1 - Transfer of Contaminated Soil	(06/10/99)
*OYSTER CRE	MA5662		[7]	SPLBA	TS	2	LA	111B	OYSTER CREEK 1 - TSCR 267 - Modify Sections 2 and 3 and Expand Definitions in Sections 2, 3, and 4	(04/15/99)
*OYSTER CRE	MA5663		[7]	SPLBA	TS	2	LA	111B	OYSTER CREEK 1 - TSCR 251 - Use of Crane for Heavys	(04/28/99)

closed

Lots of questions / Control Room Habitability restricted use → Alt. source term

(2) ★ Same as Land Transfer

MA3465 defered
do weaned charcoal filters
NUREG Source term
dose rates below SR
March '97
precedent setting / Pilot
another plant ? cleared
rests w/ NRR for questions
analysis w/ no mods.
—accident management guidelines

Plant	TaskID	MPA Num	Age (Mon)	Rev.	Rev Mth	Pri	Actyp	PA Code	Title	Appl Date
*OYSTER CRE	MA5822	L902	[0]		TS	3	RR	111C	OYSTER CREEK 1 - LABORATORY TESTING OF NUCLEAR GRADE ACTIVATED CHARCOAL GL. Preparing TS change - no date - Amend	(/ /)
*OYSTER CRE	MA5965		[5]	EMCBC EMEBB IOLBB SPSBB SRXBB	TS	1	LA	111B	OYSTER CREEK 1 - SPENT FUEL POOL RERACKING NRC review complete? Tech people/no date - under review - not complete w/ residence → very complex - 5 Branches major → (Bulk of RAI questions) Is structural & rad protection → 3 questions → mid Dec ← mid Dec	(06/18/99)
*OYSTER CRE	MA6074		[4]		PM	2	LA	111B	OYSTER CREEK 1 - Revised TS Table 3.1.1 Complete	(07/14/99)
(3) *OYSTER CRE	MA6381		[2]	EEIBB IOLBB SPSBB	TS	1	RA	111C	OYSTER CREEK 1 - TIA on Acceptability of Proposed Agreement With Gas Turbine Buyer for Ava. of St. Blackout Pw Task Interface Agreement Reg 1 assist 50.59 - Complete w/ response to Reg 1 - INSPC RPT → RAI -	(09/15/99)
*OYSTER CRE	MA6392		[4]	EMEBA	TS	2	LA	111B	OYSTER CREEK 1 - Pump and Valve Surveillance Frequency TS Change 269 Proceeding routine (monthly to quarterly) w/ NRC DATE? w/i 1yr of application/accel.	(07/07/99)
*OYSTER CRE	MA6393		[5]	SRXBA	TS	2	LA	111B	OYSTER CREEK 1 - Three Recirculation Loop Operation TS Change 226 RAI going out	(06/03/99)
(1) *OYSTER CRE	MA6935		[2]		TS	1	LL	111B	OYSTER CREEK 1 - Release of Land for Unrestricted Use Sale of back lot Part 20	(09/22/99)

Completed Actions

Plant	TaskID	MPA Num	Age (Mon)	Rev.	Rev Mth	Pri	Actyp	PA Code	Title	Appl Date
*OYSTER CRE	M49398		[111]	EMCBC EMEBB	TSK	2	RO	111B	"OYSTER CREEK - SEISMIC DESIGN"	(10/01/82)
*OYSTER CRE	M85581	L208	[66]	EEIBB SPLBB	TS	1	RC	111C	OYSTER CREEK - THERMO-LAG (GENERIC LETTER 92-08)	(04/15/93) COMPLETE 12-1-99
*OYSTER CRE	MA1202	B128	[11]	EMCBA	TS	1	RR	111C	OYSTER CREEK 1 - RAI ON REACTOR VESSEL INTEGRITY (FOLLOWUP TO MPA L201 G	(09/10/98)
*OYSTER CRE	MA1523		[15]	SPLBA	TS	1	LE	111B	OYSTER CREEK 1 - APP J Testing Exception	(03/31/98)

IGSCC - Amendment comin in

M9078 OC will check what mods still need to be done?

Page 4 Report Date 11 21 99 Project Manager Rep

Plant	TaskID	MPA Num	Age Mon	Rev	Rev Mth ***	Pri ***	Actyp	PA Code	Title	Appl Date ***
*OYSTER CRE	MA1719		(12)		TS	2	LL	111B	OYSTER CREEK 1 USE OF CONTAINMENT PRESS. IN LIEES	(05 05-98
				SPLBA						
*OYSTER CRE	MA4145		(7)		TS	3	LA	111B	OYSTER CREEK 1 APRM/LPRM SAFETY LIMITS AND SURVEILLANCE REQUIREMENTS	(11 05/98)
				LPD2A SRXBA						
*OYSTER CRE	MA4168		(5)		TBD	3	LA	111B	OYSTER CREEK 1 - Change to Control of Property With in Exclusion Boundry	(11/10 98)
				EEIBA RGEBA						
*OYSTER CRE	MA4456		(10)		TS	2	LA	111B	OYSTER CREEK 1 - CHANGE SURVEILLANCE FREQUENCY FOR ISOLATION CONDENSER MOVs TSCR No. 268	(12/23/98)
				EMEBA						
*OYSTER CRE	MA4942		(3)		PM	3	LA	111B	OYSTER CREEK 1 - App B Revision TSCR 262	(02/12/99)
				RTSBA						
*OYSTER CRE	MA5643		(4)		PM	1	LD	111B	OYSTER CREEK 1 NOED - EMRV Acoustic Monitors	(06.05/99)

Total Number of Tasks = 40

(7) INTEGRATED LEAK RATE TEST W/ ADOPTED METHODOLOGY NEEDS A TS Change by 18R implements guidance — 18R — late Sept 2000

Future

1) TS amend w/ charcoal filters
2) IGSCC inspection - welds - reduce #
3) ISI inspections - review for deferal & reduction — Need Dec '99 for → NRC
4) TS improvements - no specifics "clarification" internal defered ~~until~~ because of closure - resurrected 4 or 5 items rolled into one application ball park June 2000
5) 18R outage work under review → TS changes end of Dec. submittal early March
6) Core analysis - RELOAD SUBMITTAL - Behind schedule → just ordering fuel because of sale

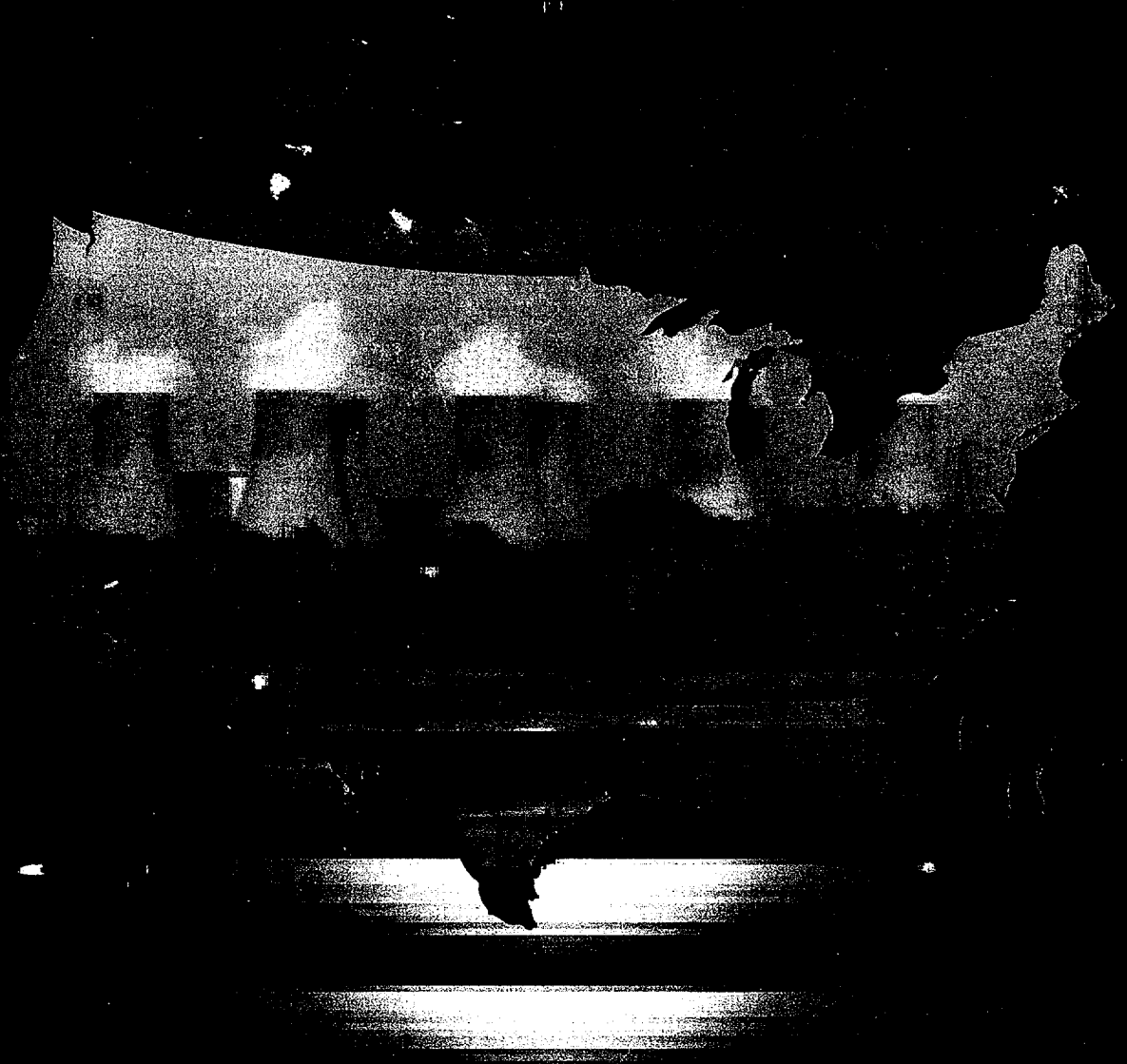
SR/CNEAF/96-01

FEBRUARY 1996

ATTACHMENT L

EIA Service Report

Energy Information Administration
U.S. Department of Energy
Washington, D.D. 20585



Spent Nuclear Fuel Discharges from U.S. Reactors

1994

Table 4. Nuclear Power Plant Data as of December 31, 1994 (Continued)

Electric Utility Name	Reactor Name	State	Reactor Type	Vendor[a]	Capacity (net MWe)[b]	Core Size (number of assemblies)	Date of Operation (year)[c]	License Expiration (year)	Loss of Ability to Operate (year)[d]	Actual or Projected Retirement (year)
Consolidated Edison Company of New York	Indian Point 1	NY	PWR	B&W	265	120	1962	1980	RD	1980
	Indian Point 2	NY	PWR	WE	931	193	1973	2013	2003	2013
Consumers Power Company	Big Rock Point	MI	BWR	GE	67	84	1962	2000	2000	2000
	Palisades	MI	PWR	CE	755	204	1972	2007	2007	2011
Dairyland Power Cooperative	LaCrosse	WI	BWR	AC	50	72	1967	2031	RD	1987
Detroit Edison Company ...	Enrico Fermi 2	MI	BWR	GE	1,085	764	1985	2025	2006	2025
Duke Power Company	Catawba 1	SC	PWR	WE	1,129	193	1985	2024	2003	2025
	Catawba 2	SC	PWR	WE	1,129	193	1986	2026	2007	2026
	McGuire 1	NC	PWR	WE	1,129	193	1981	2021	2004	2021
	McGuire 2	NC	PWR	WE	1,129	193	1983	2023	2002	2023
	Oconee 1	SC	PWR	B&W	846	177	1973	2013	2010	2013
	Oconee 2	SC	PWR	B&W	846	177	1973	2013	2010	2013
	Oconee 3	SC	PWR	B&W	846	177	1974	2014	2011	2014
Duquesne Light Company ..	Beaver Valley 1	PA	PWR	WE	810	157	1976	2016	2012	2016
	Beaver Valley 2	PA	PWR	WE	820	157	1987	2027	2011	2027
Florida Power Corporation ..	Crystal River 3	FL	PWR	B&W	812	177	1977	2016	2010	2016
Florida Power and Light Company	St. Lucie 1	FL	PWR	CE	839	217	1976	2016	2007	2016
	St. Lucie 2	FL	PWR	CE	839	217	1983	2023	2001	2023
	Turkey Point 3	FL	PWR	WE	666	157	1972	2012	2012	2012
	Turkey Point 4	FL	PWR	WE	666	157	1973	2013	2013	2013
Georgia Power Company ..	Hatch 1	GA	BWR	GE	744	560	1974	2014	2003	2014
	Hatch 2	GA	BWR	GE	768	560	1978	2018	2003	2018
	Vogtle 1	GA	PWR	WE	1,164	193	1987	2027	2010	2027
	Vogtle 2	GA	PWR	WE	1,164	193	1989	2029	2010	2029
GPU Nuclear Corporation ..	Three Mile Island 1	PA	PWR	B&W	786	177	1974	2014	2014	2014
	Oyster Creek	NJ	BWR	GE	619	560	1969	2009	2000	2009

See footnotes at end of table.

Table 4. Nuclear Power Plant Data as of December 31, 1994 (Continued)

Electric Utility Name	Reactor Name	State	Reactor Type	Vendor[a]	Capacity (net MWe)[b]	Core Size (number of assemblies)	Date of Operation (year)[c]	License Expiration (year)	Loss of Ability to Operate (year)[d]	Actual or Projected Retirement (year)
Wisconsin Public Service Corporation	Kewaunee	WI	PWR	WE	526	121	1973	2013	2004	2014
Yankee Atomic Electric Company	Yankee Rowe	MA	PWR	WE	175	76	1960	2000	SD	1992

[a]Vendor codes are as follows: AC = Allis Chalmers; B&W = Babcock & Wilcox Company; CE = ABB Combustion Engineering; GE = GE Nuclear Energy; WE = Westinghouse.

[b]Capacity (net MWe) data are not available on the Form RW-859 data base. Data for operating reactors are from Energy Information Administration, *World Nuclear Outlook 1995*, (October 1995), Table C1. Data for shut down and retired reactors are from historical Form RW-859 submissions.

[c]Date of Operation is the date the unit received its full-power operating license.

[d]These data are compiled directly from question 2.3 on the Form RW-859. It reads as follows: "What is the estimated date on which you would not continue reactor operation, because of lack of storage space for discharged fuel absent spent fuel pickup by DOE?"

[e]Date of Operation is not available for all reactors on Form RW-859 data base. Date of Operation for Watts Bar 1 is from Energy Information Administration, *World Nuclear Outlook 1995*, (October 1995), Table D1.

MWe = Megawatts electric; PWR = Pressurized-water reactor; BWR = Boiling-water reactor; SD = Shut down reactor; RD = Retired reactor; NA = Not available.

Source: Energy Information Administration, Form RW-859, "Nuclear Fuel Data" (1994).

ATTACHMENT M

NUREG/CR-6451
BNL-NUREG-52498

A Safety and Regulatory Assessment of Generic BWR and PWR Permanently Shutdown Nuclear Power Plants

Manuscript Completed: April 1997
Date Published: August 1997

Prepared by
R. J. Travis, R. E. Davis, E. J. Grove, M. A. Azarm

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Prepared for
Division of Regulatory Applications
Office of Nuclear Regulatory Research
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001
NRC Job Code L2590

EXECUTIVE SUMMARY

The long-term availability of less expensive power and the increasing plant modification and maintenance costs have caused some utilities to re-examine the economics of nuclear power. As a result, several utilities have opted to permanently shutdown their plants. Each licensee of these permanently shutdown (PSD) plants has submitted plant-specific exemption requests for those regulations that they believe are no longer applicable to their facility. The preparation and subsequent review of these exemption requests represents a large level of effort for both the licensees and the NRC staff. This experience has indicated the need for an explicit regulatory treatment of PSD nuclear power plants.

This report presents a regulatory assessment for generic BWR and PWR plants that have permanently ceased operation in support of NRC rulemaking activities in this area.

After the reactor vessel is defueled, the traditional accident sequences that dominate the operating plant risk are no longer applicable. The remaining source of public risk is associated with the accidents that involve the spent fuel. Previous studies have indicated that complete spent fuel pool drainage is an accident of potential concern. Certain combinations of spent fuel storage configurations and decay times, could cause freshly discharged fuel assemblies to self heat to a temperature where the self sustained oxidation of the zircaloy fuel cladding may cause cladding failure.

Spent Fuel Configurations

This study has defined four spent fuel configurations which encompass all of the anticipated spent fuel characteristics and storage modes following permanent shutdown. Spent fuel which (due to a combination of storage geometry, decay time, and reactor type) can support rapid zircaloy oxidation is designated as Spent Fuel Storage Configuration 1 - "Hot Fuel in the Spent Fuel Pool." Configuration 1 encompasses the period commencing immediately after the offload of the core to a point in time when the decay heat of the hottest assemblies is low enough such that no substantial zircaloy oxidation takes place (given the pool is drained), and the fuel cladding will remain intact (i.e., no gap releases).

After this point, the fuel is considered to be in Configuration 2 - "Cold Fuel in the Spent Fuel Pool." The fuel can be stored on a long-term basis in the spent fuel pool, while the rest of the plant is in safe storage or decontaminated (partial decommissioning). Alternatively, after decay heat loads have declined further, the fuel can be moved to an ISFSI (designated as spent fuel storage Configuration 3). This would allow complete decommissioning of the plant and closure of the Part 50 license. Spent fuel storage Configuration 4 assumes all spent fuel has been shipped offsite. This configuration assumes the plant Part 50 license remains in effect only because the plant has not been fully decontaminated and cannot be released for unrestricted public access.

A representative accident sequence was chosen for each configuration. Consequence analyses were performed using these sequences to estimate onsite and boundary doses, population doses and economic costs.

Regulatory Assessment

After a plant is permanently shutdown, awaiting or in the decommissioning process, certain operating based regulations may no longer be applicable. A list of candidate regulations was identified from a screening of 10 CFR Parts 0 to 199. The continued applicability of each regulation was assessed within the context of each spent fuel storage configuration and the results of the consequence analyses. The regulations that are no longer fully applicable to the permanently shutdown plant are summarized below:

The set of regulations that are designed to protect the public against full power and/or design basis accidents are no longer applicable and can be deleted for all spent fuel storage configurations of the permanently shutdown plant. These regulations include combustible gas control (50.44), fracture prevention measures (50.60, 50.61), and ATWS requirements (50.62).

Other regulations, although based on the operating plant, may continue to be partially applicable to the permanently defueled facility. This group of requirements includes the Technical Specifications (50.36, 36b), the fire protection program (50.48) and Quality Assurance (50.54(a) and Part 50 Appendix B).

The requirements for emergency preparedness (50.47, 50.54(q) and (t), and Part 50 Appendix E), onsite property damage insurance (50.54(w)) and offsite liability insurance (Part 140), were evaluated using the accident consequence analysis. Since the estimated consequences of the Configuration 1 representative accident sequence approximate those of a core damage accident, it is recommended that all offsite and onsite emergency planning requirements remain in place during this period, with the exception of the Emergency Response Data System requirements of Part 50, Appendix E. Subject to plant specific confirmation, the offsite emergency preparedness (EP) requirements are expected to be eliminated for Configuration 2, on the basis of a generic boundary dose calculation. Part 50 offsite EP requirements can also be eliminated for Configurations 3 and 4 because the spent fuel has been transferred to an ISFSI (subject to Part 72 requirements) or transported offsite. Without spent fuel, the plant is not a significant health risk. It is recommended that the onsite property damage and the offsite liability insurance levels remain at operating reactor levels for the duration of Configuration 1. The consequence analyses support reduced insurance requirements for the remaining configurations (2,3, and 4).

Table 4.2 Mean BWR Consequences

Accident	Inventory	Distance (miles)	Prompt Fatalities	Societal Dose (person-rem x10^4	Latent Fatalities	Condemned Land (sq. miles)	Total Cost $x10^{9**}$
Case 1H	full pool	0-50	74	75	31,900	456	280
		0-500	101	327	138,000	2170	546
Case 1L	full pool	0-50	1.3	58	23,600	286	97
		0-500	1.3	120	49,800	784	113
Case 2H	last core	0-50	24	81	33,000	262	167
		0-500	26	207	86,400	521	234
Case 2L	last core	0-50	0.2	38	15,300	140	48
		0-500	0.2	62	25,700	159	51
Case 3H	50% pool	0-50	0	29	12,200	23	23
		0-500	0	45	18,900	23	23
Case 3L	50% pool	0-50	0	5	2,100	2	1.0
		0-500	0	7	3,000	2	1.0
Case 4H	last core	0-50	0	20	8,300	13	12
		0-500	0	30	12,700	13	12
Case 4L	last core	0-50	0	3	1,300	1	0.7
		0-500	0	4	1,900	1	0.7

** excludes health effects

The total costs of fuel pool accidents observed in this study were found to rise more sharply than the societal dose. This reflects the tradeoffs of protective (interdiction and relocation) actions. These actions are, of course, intended to limit public exposure to the released radioactivity, but at the increased cost of primarily population dependent interdiction and relocation expenses. Again the major obvious factors, which will drive costs up in comparison to earlier studies, are the larger population at risk and the larger inventory of material considered in this study. This observation is supported by a comparison of the condemned land. Comparing Case 1H in Table 4.1 or 4.2 with case 1A of Table A.2, it can be seen that the condemned area has doubled. Although, Table A.2 identifies this as interdicted area, which might be subject to a different interpretation given the usage of this term by the MACCS code, the text of the Sailor study clearly stated "... interdicted area (the area with such a high level of radiation that it is assumed that it cannot ever be decontaminated)." Condemned land is defined as farmland permanently removed from production, as such it does not account for the population affected area. However, the condemned area for case 1H in the present study clearly indicates a more extensive contamination of all lands when compared to the former study. This increase translates into increased costs.

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the matter of General Public Utility Nuclear License Transfer for Oyster Creek Nuclear Generating Station	))))	Docket No. 50-219

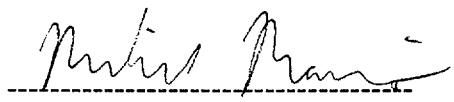
AFFIDAVIT OF MICHAEL MARIOTTE

I, Michael Mariotte, do swear and say:

1. I am the Executive Director of the Nuclear Information and Resource Service (NIRS). I have been with NIRS since February 1985 and have been Executive Director since October 1986. I have been editor of the Nuclear Monitor newsletter since its founding in September 1985. I have testified numerous times on a variety of nuclear power issues before Committees of the United States Senate and House of Representatives, the Maryland State Senate, the Washington D.C. Public Service Commission, and the U.S. Nuclear Regulatory Commissioners. I have spoken on nuclear power issues before numerous conferences and other gatherings from Los Angeles to Kiev, Ukraine. I have met to discuss nuclear issues with elected and appointed government officials throughout the United States, as well as Germany, the United Kingdom and Bulgaria. A sampling of my testimonies, papers and writings is attached.

2. I assisted in the research, review and preparation of Contentions I through V that have been submitted by NIRS in the Request for Hearing and Leave to Intervene in the General Public Utility Nuclear License Transfer of the Oyster Creek Nuclear Generating Station.

3. The information contained in the submitted contentions is true and accurate to the best of my knowledge.



Michael Mariotte
January 5, 2000

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of	)	Docket No. 50-219
General Public Utility Nuclear	)	
License Transfer for	)	
Oyster Creek Nuclear Generating Station	)	
	)	

AFFIDAVIT OF PAUL GUNTER

I, Paul Gunter, do swear, and say:

1) I am the Director of the Reactor Watchdog Project for Nuclear Information and Resource Service (NIRS) in Washington, DC from 1992 to present. In my capacity as Director I have steadily provided reliable and compelling information to numerous media outlets, members and staff of the United States Congress, the U.S. General Accounting Office, the NRC Office of Inspector General, State legislative officials, and members of the public. I have been invited on numerous occasions and have participated in testimony and numerous stakeholder meetings with the Commissioners and staff of the Nuclear Regulatory Commission. I have represented NIRS in license interventions before the NRC Atomic Safety and Licensing Board. I have been a safe energy activist and policy analyst on nuclear power issues since 1975. I am a co-founder and former staff person of the Clamshell Alliance that organized opposition to the construction and operation of the Seabrook Nuclear Power Station in Seabrook, New Hampshire from 1976 to 1990.

2) I assisted in the research, review and preparation of Contention VI in the NIRS Request for Hearing and Leave To Intervene in the General Public Utility Nuclear License Transfer of the Oyster Creek Nuclear Power Station.

3) The information contained in the submitted contentions is true and accurate to the best of my knowledge.

PAUL GUNTER

On the 05 day of January, 2000

Before issuance of the proposed conforming license amendment, the Commission will have made findings required by the Atomic Energy Act of 1954, as amended (the Act) and the Commission's regulations.

As provided in 10 CFR 2.1315, unless otherwise determined by the Commission with regard to a specific application, the Commission has determined that any amendment to the license of a utilization facility which does no more than conform the license to reflect the transfer action involves no significant hazards consideration. No contrary determination has been made with respect to this specific license amendment application. In light of the generic determination reflected in 10 CFR 2.1315, no public comments with respect to significant hazards considerations are being solicited, notwithstanding the general comment procedures contained in 10 CFR 50.91.

The filing of requests for hearing and petitions for leave to intervene, and written comments with regard to the application for the license transfer, are discussed below.

By January 5, 2000, any person whose interest may be affected by the Commission's action on the application may request a hearing, and, if not the applicants, may petition for leave to intervene in a hearing proceeding on the Commission's action. Requests for a hearing and petitions for leave to intervene should be filed in accordance with the Commission's rules of practice set forth in Subpart M, "Public Notification, Availability of Documents and Records, Hearing Requests and Procedures for Hearings on License Transfer Applications," of 10 CFR part 2. In particular, such requests and petitions must comply with the requirements set forth in 10 CFR 2.1306, and should address the considerations contained in 10 CFR 2.1308(a). Untimely requests and petitions may be denied, as provided in 10 CFR 2.1308(b), unless good cause for failure to file on time is established. In addition, an untimely request or petition should address the factors that the Commission will also consider, in reviewing untimely requests or petitions, set forth in 10 CFR 2.1308(b)(1)–(2).

Requests for a hearing and petitions for leave to intervene should be served upon: (1) David R. Lewis, Esq., counsel for GPUN, at Shaw Pittman Potts & Trowbridge, 2300 N Street, NW, Washington, DC 20037–1128 (tel: 202–663–8474; fax: 202–663–8007; e-mail: "david-lewis"@shawpittman.com), (2) Kevin P. Gallen, Esq., counsel for AmerGen, at Morgan, Lewis & Bockius LLP, 1800 M Street, NW, Washington, DC 20036–5869 (tel: 202–467–7462; fax: 202–467–7176; e-mail: Kpgallen@mlb.com), (3) The General Counsel, U.S. Nuclear Regulatory Commission, Washington, DC 20555 (e-mail address for license transfer cases only: ogclt@nrc.gov) and (4) The Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001, Attention: Rulemakings and Adjudications Staff, in accordance with 10 CFR 2.1313.

The Commission will issue a notice or order granting or denying a hearing request or intervention petition, designating the issues for any hearing that will be held and designating the Presiding Officer. A notice granting a hearing will be published in the **Federal Register** and served on the parties to the hearing.

As an alternative to requests for hearing and petitions to intervene, by January 18, 2000, persons may submit written comments regarding the application for the license transfer, as provided for in 10 CFR 2.1305. The Commission will consider and, if appropriate, respond to these comments, but such comments will not otherwise constitute part of the decisional record. Comments should be submitted to the Secretary, U.S. Nuclear Regulatory Commission, Washington, DC 20555–001, Attention: Rulemakings and Adjudications Staff, and should cite the publication date and page number of this **Federal Register** notice.

For further details with respect to this action, see the application dated November 5, 1999, available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, and accessible electronically through ADAMS Public Electronic Reading Room link at the NRC Web site (http://www.nrc.gov).

Dated at Rockville, Maryland, this 10th day of December 1999.

For the Nuclear Regulatory Commission.

Elinor G. Adensam,

Director, Project Directorate I, Division of Licensing Project Management, Office of Nuclear Reactor Regulation.

[FR Doc. 99–32640 Filed 12–15–99; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

[Docket Number 40–6622]

Pathfinder Mines Corp.

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice of Receipt of Application from Pathfinder Mines Corporation to change three site-reclamation milestones in Condition 50 of Source Material License SUA–442 for the Shirley Basin, Wyoming Uranium Mill site; Notice of Opportunity for a Hearing.

SUMMARY: Notice is hereby given that the U.S. Nuclear Regulatory Commission (NRC) has received, by letter dated October 29, 1999, an application from Pathfinder Mines Corporation (PMC) to amend License Condition (LC) 50 of its Source Material License No. SUA–442 for the Shirley Basin, Wyoming uranium mill site. The license amendment application proposes to modify LC 50 to change the completion date for three site-reclamation milestones. The new dates proposed by PMC would extend completion of placement of the interim cover over tailings pile, completion of placement of the final radon barrier, and completion of placement of the erosion protection cover by two years.

FOR FURTHER INFORMATION CONTACT: Mohammad W. Haque, Uranium Recovery and Low-Level Waste Branch, Division of Waste Management, U.S. Nuclear Regulatory Commission, Washington, DC 20555. Telephone (301) 415–6640.

SUPPLEMENTARY INFORMATION: The portion of LC 50 with the proposed changes would read as follows:

A. (2) Placement of the interim cover to decrease the potential for tailings dispersal and erosion—December 31, 2001.

A. (3) Placement of final radon barrier designed and constructed to limit radon emissions to an average flux of no more than 20 pCi/m^2/s above background—December 31, 2004.

B. (1) Placement of erosion protection as part of reclamation to comply with Criterion 6 of Appendix A of 10 CFR part 40—December 31, 2005.

PMC's application to amend LC 50 of Source Material License SUA–442, which describes the proposed changes to the license condition and the reasons for the request is being made available for public inspection at the NRC's Public Document Room at 2120 L Street, NW (Lower Level), Washington, DC 20555.

The NRC hereby provides notice of an opportunity for a hearing on the license amendment under the provisions of 10 CFR part 2, subpart L, "Informal Hearing Procedures for Adjudications in Materials and Operator Licensing Proceedings." Pursuant to § 2.1205(a), any person whose interest may be affected by this proceeding may file a

any other identifying information which may be of assistance in locating the record. The requester shall also provide a return address for transmitting the records to be released.

CONTESTING RECORD PROCEDURES:

Any individual desiring to contest or amend information maintained in this record should direct his or her request to the INS Personnel office where the record is maintained or, if unknown, to the INS FOIA/PA Office at 425 I Street NW, Washington DC 20536. The request should state clearly what information is being contested, the reasons for contesting it, and the proposed amendment to the information.

RECORD SOURCE CATEGORIES:

Basic information contained in this system is supplied from the POSTS and basic recruitment information from Form SF–52. Other information comes from sworn statements, and official reports.

RECORDS EXEMPTED FROM CERTAIN PROVISIONS OF THE ACT:

None.

[FR Doc. 99–32616 Filed 12–15–99; 8:45 am]

BILLING CODE 4410–CJ–M

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

National Endowment for the Arts

Combined Arts Advisory Panel; Meeting

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Public Law 92–463), as amended, notice is hereby given that a meeting of the Combined Arts Advisory Panel, Media Arts section (Access, Education and Heritage & Preservation categories), to the National Council on the Arts will be held from January 11–12, 2000 in Room 716 at the Nancy Hanks Center, 1100 Pennsylvania Avenue, NW, Washington, DC 20506. A portion of this meeting, from 12:45 p.m. to 2:45 p.m. on January 12th, will be open to the public for policy discussion.

The remaining portions of this meeting, from 9 a.m. to 6 p.m. on January 11th, and from 9 a.m. to 12:45 p.m. and 2:45 p.m. to 4:30 p.m. on January 12th, are for the purpose of Panel review, discussion, evaluation, and recommendation on applications for financial assistance under the National Foundation on the Arts and the Humanities Act of 1965, as amended, including information given in confidence to the agency by grant applicants. In accordance with the determination of the Chairman of May 12, 1999, these sessions will be closed to the public pursuant to (c)(4)(6) and (9)(B) of section 552b of Title 5, United States Code.

Any person may observe meetings, or portions thereof, of advisory panels which are open to the public, and, if time allows, may be permitted to participate in the panel's discussions at the discretion of the panel chairman and with the approval of the full-time Federal employee in attendance.

If you need special accommodations due to a disability, please contact the Office of AccessAbility, National Endowment for the Arts, 1100 Pennsylvania Avenue, NW, Washington, DC 20506, 202/682–5532, TDY–TDD 202/682–5496, at least seven (7) days prior to the meeting.

Further information with reference to this meeting can be obtained from Ms. Kathy Plowitz-Worden, Office of Guidelines & Panel Operations, National Endowment for the Arts, Washington, DC 20506, or call 202/682–5691.

Dated: December 9, 1999.

Kathy Plowitz-Worden,

Panel Coordinator, Panel Operations, National Endowment for the Arts.

[FR Doc. 99–32596 Filed 12–15–99; 8:45 am]

BILLING CODE 7537–01–M

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

National Endowment for the Arts; Combined Arts Advisory Panel

Pursuant to Section 10(a)(2) of the Federal Advisory Committee Act (Public Law 92–463), as amended, notice is hereby given that the open session of the Combined Arts Advisory Panel, Arts Education Section, previously announced for 1:00–2:30 p.m. on Friday, December 17, 1999, has been changed to 10:30 a.m. to 12:00 p.m. on the same day.

Dated: December 14, 1999.

Kathy Plowitz-Worden,

Panel Coordinator.

[FR Doc. 99–32726 Filed 12–15–99; 8:45 am]

BILLING CODE 7537–01–M

NUCLEAR REGULATORY COMMISSION

[Docket No. 50–219]

Jersey Central Power & Light Co d/b/a

GPU Energy GPU Nuclear, Inc. Oyster Creek Nuclear Generating Station; Notice of Consideration of Approval of Transfer of Facility Operating License and Conforming Amendment, and Opportunity for a Hearing

The U.S. Nuclear Regulatory Commission (the Commission) is considering the issuance of an order under 10 CFR 50.80 approving the transfer of Facility Operating License No. DRP–16 for the Oyster Creek Nuclear Generating Station (Oyster Creek), currently held by Jersey Central Power & Light Company (JCP&L) as owner of Oyster Creek and GPU Nuclear, Inc. (GPUN), as the licensed operator of Oyster Creek. The transfer of the license for Oyster Creek would be to AmerGen Energy Company, (LLC) (AmerGen). The Commission is also considering amending the license for administrative purposes to reflect the proposed transfer. Oyster Creek is located in Ocean County, New Jersey.

Under the proposed transfer, AmerGen would be authorized to possess, use, and operate Oyster Creek under essentially the same conditions and authorizations included in the existing license. No physical changes would be made to the Oyster Creek facility as a result of the proposed transfer, and there would be no significant changes in the day-to-day operations of the unit. The proposed amendment to the license would delete references to "Jersey Central Power & Light" and "GPU Nuclear, Inc." (including variations of these names) and substitute "AmerGen Energy Company, LLC" (or its new position of "licensee" or "applicant") as appropriate to reflect the transfer, and make other changes to reflect the approval of the transfer.

Pursuant to 10 CFR 50.80, no license, or any right thereunder, shall be transferred, directly or indirectly, through transfer of control of the license, unless the Commission shall give its consent in writing. The Commission will approve an application for the transfer of a license, if the Commission determines that the proposed transferee is qualified to hold the license, and that the transfer is otherwise consistent with applicable provisions of law, regulations, and orders issued by the Commission pursuant thereto.