

June 27, 2003

Mr. John L. Skolds
Chairman and CEO
AmerGen Energy Company, LLC
4300 Winfield Road
Warrenville, Illinois 60555

SUBJECT: OYSTER CREEK NUCLEAR GENERATING STATION - EXEMPTION FROM
THE REQUIREMENTS OF 10 CFR PART 55, SECTION 55.59 (TAC NO.
MB9127)

Dear Mr. Skolds:

The Commission has approved the enclosed exemption from specific requirements of Title 10 of the *Code of Federal Regulations* (10 CFR), Part 55, Section 55.59 for the Oyster Creek Nuclear Generating Station. This action is in response to a letter from Mr. M. P. Gallagher, Director, Licensing and Regulatory Affairs, AmerGen Energy Company, LLC, dated May 30, 2003, that requested a one-time exemption from the licensed operator requalification program schedule requirements of 10 CFR 55.59. Due to the current labor strike at Oyster Creek, the exemption requested would allow 90 days following resolution of the strike, but no later than December 31, 2003, to complete the current licensed operator requalification program. The next requalification program period would begin upon conclusion of the current program and continue to June 30, 2005, with successive periods running for 24 months.

A copy of the exemption is enclosed and is being forwarded to the Office of the Federal Register for publication.

Sincerely,

\RA

Peter S. Tam, Senior Project Manager, Section 1
Project Directorate I
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-219

Enclosure: Exemption

cc w/encl: See next page

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*R. Laufer concurred for C. Holden. **C. Carpenter concurred for B. Boger.

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION
AMERGEN ENERGY COMPANY, LLC
OYSTER CREEK NUCLEAR GENERATING STATION
DOCKET NO. 50-219
EXEMPTION

1.0 BACKGROUND

AmerGen Energy Company, LLC (the licensee) is the holder of Facility Operating License No. DPR-16, which authorizes operation of the Oyster Creek Nuclear Generating Station (Oyster Creek). The license provides, among other things, that the facility is subject to all rules, regulations, and orders of the U.S. Nuclear Regulatory Commission (the Commission) now or hereafter in effect.

The facility consists of one boiling-water reactor located in Ocean County, New Jersey.

2.0 REQUEST/ACTION

Title 10 of the *Code of Federal Regulations* (10 CFR) Section 55.59 requires that a facility's licensed operator requalification program be conducted for a continuous period not to exceed 2 years (24 months) and upon conclusion must be promptly followed, pursuant to a continuous schedule, by successive requalification programs. Each 2-year requalification program must include a biennial comprehensive written examination and annual operating tests.

By letter dated May 30, 2003, the licensee requested a one-time exemption under 10 CFR 55.11 from the schedule requirements of 10 CFR 55.59. Specifically, due to the current labor strike at Oyster Creek, the exemption requested would allow 90 days following resolution of the strike, but no later than December 31, 2003, to complete the current licensed operator requalification program. The next requalification program period would begin upon

conclusion of the current program and continue to June 30, 2005, with successive periods running for 24 months. This requested exemption would allow an extension of the current operator requalification program, which was originally scheduled to conclude on June 30, 2003, by up to 6 months beyond the 24-month requalification program schedule required by 10 CFR 55.59.

3.0 DISCUSSION

Pursuant to 10 CFR 55.11, the Commission may, upon application by an interested person, or upon its own initiative, grant exemptions from the requirements of 10 CFR Part 55 when the exemptions are authorized by law and will not endanger life or property and are otherwise in the public interest. The exemption being requested for Oyster Creek is due to an ongoing labor strike, which began on May 22, 2003, and included Oyster Creek licensed reactor operators. As a result of the strike, licensed reactor operators are not available to complete the current requalification program, and licensed senior reactor operators, who are filling the reactor operator vacancies, would be significantly challenged to complete the requalification program while operating the plant.

Although the 24-month schedule requirement of 10 CFR 55.59 at Oyster Creek would be exceeded, operator performance continues to be satisfactory. The licensee has a sound compensatory plan in place for completing the current requalification program and returning to licensed duties the reactor operators currently on strike, and granting this exemption would support this plan. Granting this exemption will allow Oyster Creek to continue with safe plant operations without undue hardship to plant personnel and Oyster Creek licensed operators.

4.0 CONCLUSION

Accordingly, the Commission has determined that, pursuant to 10 CFR 55.11, granting an exemption to the licensee from the schedule requirements in 10 CFR 55.59, by allowing Oyster Creek a one-time extension in the allowed time for completing the current licensed operator

requalification program, is authorized by law and will not endanger life or property and is otherwise in the public interest. Therefore, the Commission hereby grants AmerGen Energy Company, LLC, an exemption on a one-time only basis from the schedule requirement of 10 CFR 55.59, to allow Oyster Creek Nuclear Generating Station 90 days following resolution of the current labor strike, but no later than December 31, 2003, to complete the current licensed operator requalification program. The next requalification program period would begin upon conclusion of the current program and continue to June 30, 2005, with successive periods running for 24 months.

Pursuant to 10 CFR 51.32, the Commission has determined that the granting of this exemption will not have a significant effect on the quality of the human environment (68 FR 38400).

This exemption is effective upon issuance and expires on January 1, 2004.

Dated at Rockville, Maryland, this 27th day of June 2003.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Cynthia A. Carpenter, Acting Director
Division of Inspection Program Management
Office of Nuclear Reactor Regulation

Oyster Creek Nuclear Generating Station

cc:

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