

EDO Principal Correspondence Control

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FINAL REPLY:

Bradley M. Campbell  
State of New Jersey

TO:

Chairman Diaz

FOR SIGNATURE OF :

\*\* PRI \*\*

CRC NO: 04-0074

Chairman Diaz

DESC:

ROUTING:

Oyster Creek Operating License

Travers  
Norry  
Paperiello  
Kane  
Collins  
Dean  
Burns/Cyr  
Miller, RI

DATE: 02/18/04

ASSIGNED TO:

CONTACT:

NRR

Dyer

SPECIAL INSTRUCTIONS OR REMARKS:

OFFICE OF THE SECRETARY  
CORRESPONDENCE CONTROL TICKET

Date Printed: Feb 17, 2004 15:43

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**PAPER NUMBER:** LTR-04-0074 **LOGGING DATE:** 02/17/2004  
**ACTION OFFICE:** EDO

**AUTHOR:** Bradley Campbell  
**AFFILIATION:** NJ  
**ADDRESSEE:** Nils Diaz  
**SUBJECT:** Oyster Creek Operating License

**ACTION:** Signature of Chairman  
**DISTRIBUTION:** Cy RF, SECY/RAS

**LETTER DATE:** 02/13/2004  
**ACKNOWLEDGED:** No  
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EDO --G20040105



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February 13, 2004

Dr. Nils Diaz, Chairman  
 U.S. Nuclear Regulatory Commission  
 Washington, D.C. 20555

Dear Chairman Diaz:

I am writing to express the State of New Jersey's strong opposition to the request by AmerGen Energy LLC for an exemption to allow late filing of an application to renew the Nuclear Regulatory Commission (NRC) operating license for Oyster Creek Nuclear Generating Station.

Oyster Creek's operating license expires on April 9, 2009. Under NRC regulations, a renewal application is due on April 9, 2004. If AmerGen files a renewal application after that date, then the license will expire on April 9, 2009 if the NRC has not completed action on the renewal by then.

On April 30, 2002, AmerGen filed with the NRC a request for exemption that would effectively extend the April 2004 filing deadline. Never in its history, according to our records, has the NRC permitted such an exemption. I ask that the NRC not set a new and troubling precedent by granting the exemption request. Granting the exemption would create one of two unacceptable situations. Either the exemption would limit the time available for public review and constituent input on the renewal application, or it would allow Oyster Creek to operate beyond the expiration date of its license without any assurance that safety and security issues raised in the public process have been addressed.

The information that would be provided in the public process would include an examination of the management of aging effects in sufficient detail to conclude that the plant can be operated safely during the period of extended operation. The renewal application is the principal document in which AmerGen would provide the information needed to understand the basis under which this conclusion has been reached.

Components at Oyster Creek would be examined in an integrated plant assessment. Environmental information would be provided in the Oyster Creek supplement to the generic environmental impact statement. The Department of Environmental Protection (DEP) intends to request a public meeting be held near Oyster Creek to allow public input in identifying environmental issues specific to the plant for the license renewal action. Emergency preparedness would be addressed and may include improved facilities

and upgraded plant equipment to ensure adequate response. An external review may be necessary.

All of this information is complex, and if constituents are going to provide substantive input, we cannot afford any abbreviation of the time allotted for review and comment. In a letter to Docket No. 50-219 dated July 30, 2002, the DEP expressed exactly this concern. In addition to reiterating that concern, I must object to the possibility of Oyster Creek obtaining the ability to operate beyond its license expiration date without complying with the applicable NRC rules. To give Oyster Creek that ability would be without precedent and without regulatory support.

This is particularly the case in light of the performance record at Oyster Creek, which makes clear that this is not a model facility. Shortcomings in staffing, emergency response capability, and security preparedness documented over the past two years reinforce the inappropriateness of AmerGen's exemption request, and mitigate for a timely license renewal process.

We appreciate the Commission's high degree of responsiveness to DEP's concerns, and it is in the spirit of that continuing relationship that we express and expand our concerns with this exemption request. We are available to meet with you, should you need further information. Please contact Dr. Jill Lipoti at 609-984-5636 if you desire a meeting.

Sincerely,



Bradley M. Campbell  
Commissioner