

APR 19 2004

LR-E04-0168



**Certified Mail**  
**Return Receipt Requested**  
**Article Number: 7003 0500 0003 4363 8725**

Bureau of Release Prevention  
New Jersey Department of Environmental Protection  
401 East State Street  
CN-424  
Trenton, NJ 08625-0424

**PSEG NUCLEAR LLC - SALEM GENERATING STATION**  
**DISCHARGE CONFIRMATION REPORT**  
**NJDEP CASE NO. 04-03-23-1439-47 OPERATOR #18**

Dear Sir/Madam:

The enclosed confirmation report with attachments ("Report") is being filed pursuant to and in satisfaction of the requirements of N.J.A.C. 7:1E-5.8(c) of the New Jersey Department of Environmental Protection's ("NJDEP" or the "Department") Discharge Prevention, Containment and Countermeasure and Discharge Cleanup and Removal ("DPCC/DCR") regulations. This Report addresses PSEG's response to a discharge at PSEG Nuclear LLC's ("PSEG") Salem Generating Station ("Salem" or the "Station") identified on March 23, 2004.

In addition to notifying the hotline, PSEG also notified the United States Nuclear Regulatory Commission ("USNRC") concerning the existence of the leak within the Circulating Water Boiler antifreeze underground piping of Salem.

If you have any questions regarding this information, please contact Mr. James M. Eggers at (856) 339-1339 or Mr. David K. Hurka at (856) 339-1275.

Very truly yours,

A handwritten signature in black ink, appearing to read "M. Brothers", with a large, sweeping flourish extending to the right.

Michael Brothers  
Vice President – Site Operations

Attachments

IE25

C USNRC Senior Resident Inspector – Salem

United States Nuclear Regulatory Commission  
Document Control Desk  
Facility Operating License DPR-70  
Docket No. 50-272  
Washington, DC 20555

**DISCHARGE CONFIRMATION REPORT**  
**PURSUANT TO N.J.A.C. 7:1E-5.8(c)**  
**SALEM GENERATING STATION**  
**NJDEP Case No.: 04-03-23-1439-47 Operator #18**

1. **Name, Address and Telephone Number of Individual Who Reported.**

Michael Straubmuller  
Operations Superintendent  
PSEG Nuclear LLC - Salem Generating Station  
Alloway Creek Neck Road  
Lower Alloways Creek Township, New Jersey 07306  
(856) 339-5180

2. **Name, Address and Telephone Number of Person Submitting Report.**

Michael Brothers  
Vice President – Site Operations  
PSEG Nuclear LLC  
P. O. Box 236, M/C N01  
Hancocks Bridge, New Jersey 08038-0236  
(856) 339-2900

3. **Name, Address and Telephone Number of Owner/Operator of Facility Where Discharge Occurred.**

**Owner**

PSEG Nuclear LLC  
80 Park Plaza  
Newark, New Jersey 07101-0570  
(973) 430-7000

**Operator**

PSEG Nuclear LLC - Salem Generating Station  
P. O. Box 236, M/C N01  
Hancocks Bridge, New Jersey 08038-0236  
Attn: Michael Brothers

4. **Source of Discharge, If Known.**

PSEG is at the present time investigating the source of the spill at the Circulating Water Boiler antifreeze underground piping, which was visually detected in the soil surrounding the associated underground piping. PSEG believes that the source of the leak is the antifreeze underground piping associated with the Circulating Water Boiler. PSEG is still investigating the

source of the leak and will update this Report if a different source is discovered.

**5. Location of Discharge.**

Name: PSEG Nuclear LLC - Salem Generating Station  
Street Address: Alloway Creek Neck Road  
Lot & Block: Lot #: 4.01  
Block #: 26  
Municipality: Lower Alloways Creek  
County: Salem  
EPA ID #: NJD077070811  
Site Map: The location of the discharge is identified in Attachment A (site map)  
State Plane Coordinates: Lat 39° 27' 46" N  
Long 75° 32' 08" W

**6. Common Name and CAS No. of Hazardous Substance Discharged.**

Anti-freeze or antifreeze  
CAS Number: 107-21-1

**7. Quantity of Hazardous Substances Discharged.**

Estimated 100 gallons of antifreeze and water

**8. Date and Time Discharge Began, Was Discovered, Ended and Was Reported.**

Began: Unknown  
Discovered: March 23, 2004; 1147 hours  
Ended: March 26, 2004  
Reported: March 23, 2004; 1439 hours.

The leak/discharge was reported when it was determined that it could not be cleaned up within 24 hours.

**9. Detailed Description of Containment, Cleanup and Removal Measures, Summary of Costs Incurred and Proof of Disposal.**

**Description of Containment Measures Taken:**

Initially, the existence of a leak was discovered when an operator was performing work in the associated area and noticed puddles of green liquid emerging from the soil. Internal notifications were immediately made and site response resources were dispatched shortly thereafter. Affected surface stone and soil were immediately removed and placed in 55 gallon

drums. Insulation around the antifreeze pipe was removed, and additional soil placed in 55 gallon drums. As water/antifreeze began to collect in the ditch resulting from the removal of stone and soil around the buried pipe, it was pumped to 55 gallon drums (surrounded by containment) located on the adjacent asphalt roadway. This effort was continued for the remainder of the first day of discovery (March 23, 2004). Simultaneously, contractor support was coordinated to assist in the cleanup. The following day, a vendor initiated a soft dig/excavation around the affected area. The soft dig was conducted until no visual signs of antifreeze was detected and was completed March 26, 2004. PSEG continued to pump any liquid that collected in the resulting ditch and transferred it to 55 gallon drums. The affected area has been completely excavated and all visible traces of antifreeze have been removed. The area will be monitored on a periodic basis for any visible traces of antifreeze in the future.

In addition to the cleanup effort, the boiler was immediately taken out of service, allowed to cool, then drained of any remaining antifreeze. The system will not be put back in service until a solution is implemented that both allows the system to function properly, and is compliant with all federal and state regulations.

No discharge to the river occurred and there were no injuries as a result of the spill.

**Summary of Costs:**

The overall cost to date, which includes clean up of the affected soil, is approximately \$10,000. We will provide the final costs when the repairs are completed.

**Proof of Disposal:**

To date, no materials have been removed or disposed. However, PSEG maintains contracts with licensed transport and disposal companies for the disposal of both hazardous and non-hazardous waste materials.

**10. Corrective Actions – Preventative Measures**

In addition to the measures described in 9 above, PSEG is developing a solution to address the affected underground pipe. The system will remain out of service until the affected piping is repaired. The affected area has been completely excavated and all visible traces of antifreeze have been removed. Since the initial cleanup, water that has accumulated in the exposed trench, visually has not exhibited any indication of antifreeze. The area will be monitored on a periodic basis for any visible traces of antifreeze in the future.

**11. Name, Address and Telephone Number of Cleanup Entities.**

The only resources other than PSEG personnel involved to date, include Clean Harbors Incorporated who assisted in the excavation effort. The required information is listed below:

Clean Harbors Incorporated  
2301 Pennsylvania Avenue  
Deptford, NJ 08096  
856-589-5000

**12. Description of Sample Date, Type, Quantity and Location.**

See Attachment A hereto, which indicates the location of the leak. Currently no samples have been analyzed.

**13. Certification of Financial Responsibility.**

A copy of the Certification of Financial Responsibilities is attached hereto, Attachment B. This Certificate is in full force and effect.

**14. Supplemental Information.**

At the present time, there is no additional information that has not already been previously provided to the NJDEP. As additional material information becomes available, PSEG will supplement this report in a timely manner.

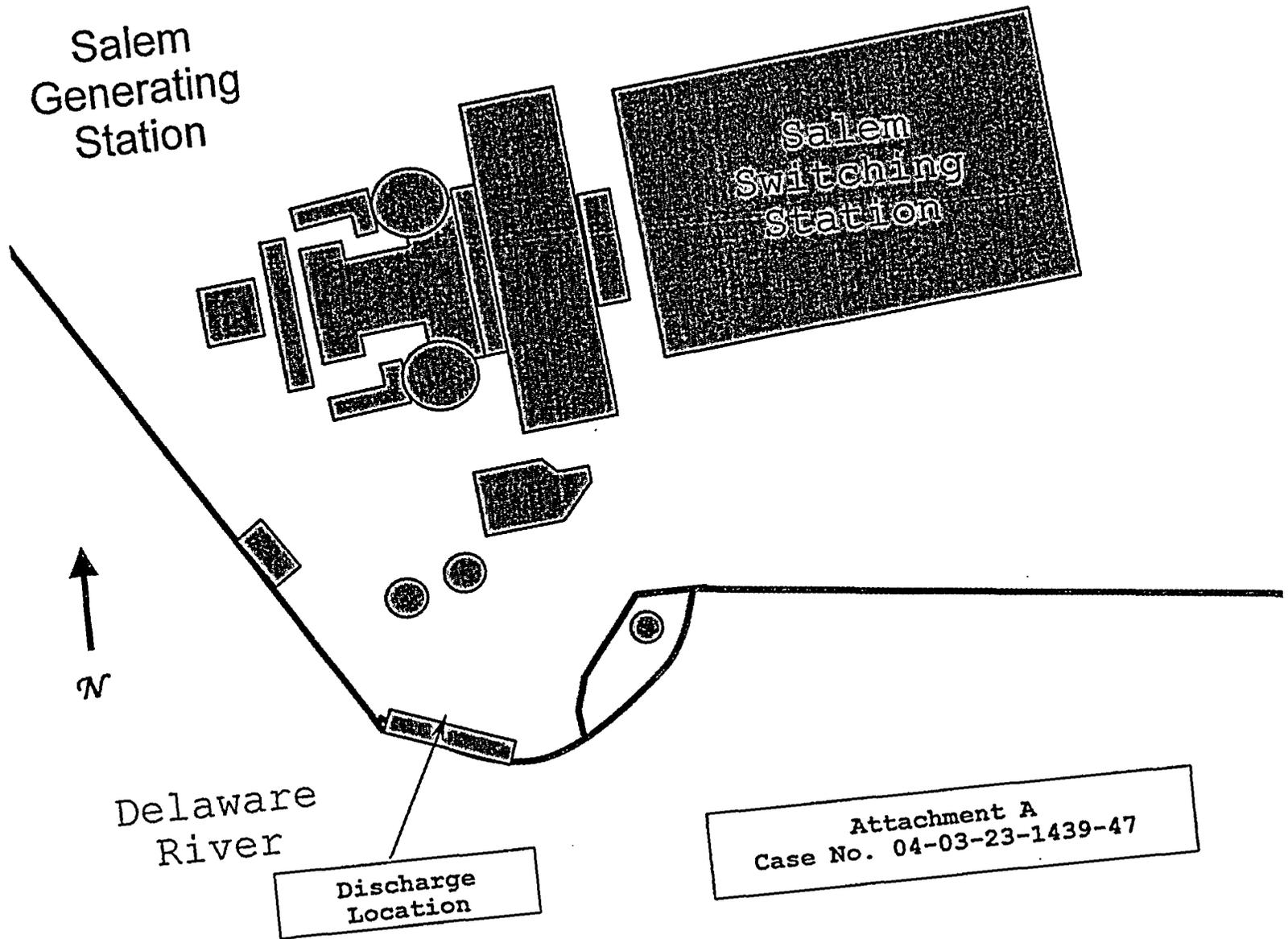
**15. Any Additional Information.**

N/A

**16. Certification**

A copy of Mr. Brother's Certification is included as Attachment C hereto.

Attachment A



**ATTACHMENT B**

**Certification of Financial Responsibility**



**LETTER FROM EXECUTIVE VICE PRESIDENT AND CHIEF FINANCIAL OFFICER**

I am the Executive Vice President and Chief Financial Officer of PSEG Power LLC, 80 Park Plaza, P.O. Box 1171, Newark, New Jersey 07101-1171. This letter is in support of the use "of the financial test of self-insurance" and/or "guarantee" to demonstrate financial responsibility for cleanup and removal activities arising from operating:

Bergen Generating Station  
Victoria Terrace  
Ridgefield, New Jersey 07657;

Hudson Generating Station  
Duffield & Van Keuren Avenues  
Jersey City, New Jersey 07306;

Kearny Generating Station  
Foot of Hackensack Avenue  
Kearny, New Jersey 07032;

Essex Generating Station  
155 Raymond Boulevard  
Newark, New Jersey 07105;

Linden Generating Station  
Grasselli Area of Wood Avenue South  
Linden, New Jersey 07036;

Sewaren Generating Station  
751 Cliff Road  
Sewaren, New Jersey 07077-1439;

Edison Generating Station  
164 Silver Lake Avenue  
Edison, New Jersey 08817;

Mercer Generating Station  
Lamberton Road  
Trenton, New Jersey 08611;

Burlington Generating Station  
W. Broad Street & Devlin Avenue  
Burlington, New Jersey 08016;

Salem Generating Station  
 Foot of Buttonwood Road  
 P.O. Box 236  
 Hancocks Bridge, New Jersey 08038; and

Hope Creek Generating Station  
 Foot of Buttonwood Road  
 P.O. Box 236  
 Hancocks Bridge, New Jersey 08038

in the amount of at least One Million Dollars (\$1,000,000) per occurrence per facility, and Two Million Dollars (\$2,000,000) annual aggregate per facility.

A "financial test" is also used by this "owner or operator" to demonstrate evidence of financial responsibility in the following amounts under the following EPA or State rules or regulations (i.e., RCRA, ECRA, UST, etc.):

N/A

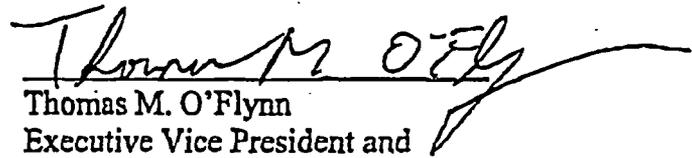
This "owner or operator" has not received an adverse opinion, a disclaimer of opinion, or a going concern qualification from an independent auditor on his or her financial statements for the latest completed fiscal year.

#### ALTERNATIVE I

	(Millions)
1. Amount of annual DCR aggregate coverage being assured by a financial test and/or guarantee	\$ <u>22</u>
2. Amount of annual aggregate coverage for all other Federal or State regulatory costs (i.e. RCRA, ECRA, UST, etc.) covered by a financial test, and/or guarantee	\$ <u>0</u>
3. Sum of lines 1 and 2	\$ <u>22</u>
4. Total tangible assets	\$ <u>6,823</u>
5. Total liabilities [if any of the amount reported on line 3 is included in total liabilities, you may deduct that amount from this line and add that amount to line 6]	\$ <u>5,522</u>
6. Tangible net worth [subtract line 5 from line 4]	\$ <u>1,301</u>

	<u>YES</u>	<u>NO</u>
7. Is line 6 at least \$10 million?	<u>X</u>	<u>      </u>
8. Is line 6 at least 10 times line 3?	<u>X</u>	<u>      </u>
9. Have financial statements for the latest fiscal year been filed with the Securities Exchange Commission?	<u>X</u>	<u>      </u>
10. Have financial statements for the latest fiscal year been filed with the Energy Information Administration?	<u>      </u>	<u>X</u>
11. Have financial statements for the latest fiscal year been filed with the Rural Electrification Administration?	<u>      </u>	<u>X</u>
12. Has financial information been provided to Dun and Bradstreet, and has Dun and Bradstreet provided a financial strength rating of 4A? [Answer Yes only if both criteria have been met]	<u>      </u>	<u>X</u>

I hereby certify that the wording of this letter is identical to the wording specified in Appendix B of N.J.A.C. 7:1E, as such rules were constituted on the date shown immediately below.

  
 \_\_\_\_\_  
 Thomas M. O'Flynn  
 Executive Vice President and  
 Chief Financial Officer

Date: April 1, 2003



## GUARANTEE

Guarantee made this March 31, 2003 by PSEG Power LLC, a business entity organized under the laws of the State of Delaware, herein referred to as guarantor, to the New Jersey Department of Environmental Protection ("Department") and to any and all third parties, and obliges, on behalf of its wholly owned operating subsidiaries, PSEG Fossil LLC, which operates the Bergen, Burlington, Essex, Edison, Hudson, Kearny, Linden, Mercer and Sewaren Generating Stations and PSEG Nuclear LLC, which operates Hope Creek and Salem Generating Stations, of 80 Park Plaza, Newark, New Jersey 07102.

- (1) Guarantor meets or exceeds the financial test criteria of N.J.A.C. 7:1E-4.4(g) and agrees to comply with the requirements for guarantors as specified in N.J.A.C. 7:1E-4.4(h).
- (2) This guarantee satisfies the requirements for assuring funding in the amount of \$1,000,000 per-occurrence and \$22,000,000 annual aggregate for cleanup and removal activities arising from operating the above identified major facilities.
- (3) On behalf of our wholly owned operating subsidiaries, PSEG Fossil LLC and/or PSEG Nuclear LLC, guarantor guarantees to the Department and to any and all third parties that:

In the event that PSEG Fossil LLC and/or PSEG Nuclear LLC, fails to provide alternate coverage within 60 days after receipt of a notice of cancellation of this guarantee and the Department has determined or suspects that a discharge has occurred at a facility covered by this guarantee, the guarantor, upon instructions from the Department, shall fund a standby trust fund in an amount sufficient to cover cleanup and removal costs, but not to exceed the coverage limits specified in N.J.A.C. 7:1E-4.4(b).

In the event that the Department determines that PSEG Fossil LLC and/or PSEG Nuclear LLC has failed to perform cleanup and removal activities arising out of the operation of the above-identified facility(ies), the guarantor, upon written instructions from the Department, shall fund a standby trust in an amount sufficient to cover cleanup and removal costs, but not to exceed the coverage limits specified above.

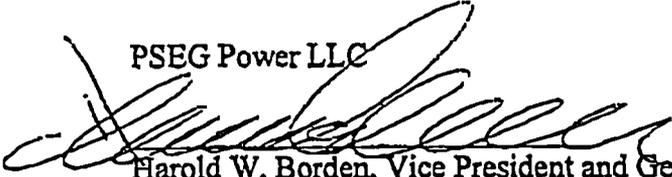
- (4) Guarantor agrees that if, at the end of any fiscal year before cancellation of this guarantee, the guarantor fails to meet the financial test criteria of N.J.A.C. 7:1E-4.4(g), guarantor shall send within 120 days of such failure, by certified mail, notice to PSEG Fossil LLC and/or PSEG Nuclear LLC and the Department. The guarantee will terminate 120 days from the date of receipt of the notice by PSEG Fossil LLC and/or PSEG Nuclear LLC or 120 days from the date of receipt of the notice by the Department, whichever is later, as evidenced by the return receipt.
- (5) Guarantor agrees to notify PSEG Fossil LLC and/or PSEG Nuclear LLC by certified mail of a voluntary or involuntary proceeding under Title 11 (Bankruptcy), U.S. Code, naming guarantor as debtor, within 10 days after commencement of the proceeding.
- (6) Guarantor agrees to remain bound under this guarantee notwithstanding any modification or alternation of any obligation of PSEG Fossil LLC and/or PSEG Nuclear LLC, pursuant to N.J.A.C. 7:1E.
- (7) Guarantor agrees to remain bound under this guarantee for so long as PSEG Fossil LLC and/or PSEG Nuclear LLC, must comply with the applicable financial responsibility requirements of N.J.A.C. 7:1E-4.4 for the above-identified facilities, except that guarantor may cancel this guarantee by sending notice by certified mail to PSEG Fossil LLC and/or PSEG Nuclear LLC, and the Department, such cancellation to become effective no earlier than 120 days after receipt of such notice by PSEG Fossil LLC and/or PSEG Nuclear LLC, as evidenced by the return receipt.
- (8) The guarantor's obligation does not apply to any of the following:
  - (a) Any obligation of PSEG Fossil LLC and/or PSEG Nuclear LLC, under a worker's compensation, disability benefits, or unemployment compensation law or other similar law;
  - (b) Bodily injury to an employee of PSEG Fossil LLC and/or PSEG Nuclear LLC, arising from, and in the course of, employment by PSEG Fossil LLC and/or PSEG Nuclear LLC.
  - (c) Bodily injury or property damage not related to a discharge arising from the ownership, maintenance, use, or entrustment to others of any aircraft, motor vehicle, or watercraft;
  - (d) Property damage to any property owned, rented, loaned to, in the care, custody, or control of, or occupied by PSEG Fossil LLC and/or PSEG Nuclear LLC that is not the direct result of a discharge from the facility;
  - (e) Bodily damage or property damage for which PSEG Fossil LLC and/or PSEG Nuclear LLC is obligated to pay damages by reason of the assumption of liability in a contract or agreement other than a contract or agreement entered into to meet the requirements of N.J.A.C. 7:1E-4.4.

- (9) Guarantor expressly waives notice of acceptance of this guarantee by the Department or by PSEG Fossil LLC and/or PSEG Nuclear LLC.

I hereby certify that the wording of this guarantee is identical to the wording specified in Appendix B of N.J.A.C. 7:1E as such rules were constituted on the effective date shown immediately below.

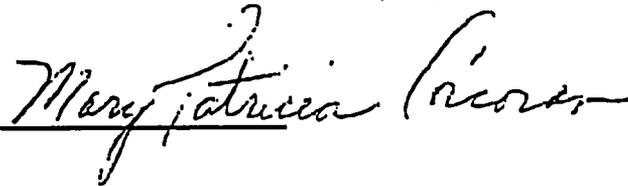
Effective date: March 31, 2003

PSEG Power LLC



Harold W. Borden, Vice President and General Counsel

Signature of witness or notary:



MARY PATRICIA GORDON  
 NOTARY PUBLIC OF NEW JERSEY  
 Commission Expires 6/6/2006

S:\mf\jbl\dpcc\guarantee

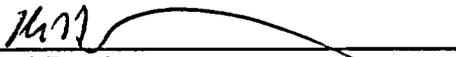
ATTACHMENT C

CERTIFICATION PURSUANT TO N.J.A.C. 7:1E-5.8(c) 16

**PSEG Nuclear LLC –  
Salem Generating Station  
Confirmation Report Certification as per NJAC 7:1E-4.11**

I, Michael Brothers, of full age, being duly sworn according to law, upon my oath depose and say:

1. I am the Vice President – Site Operations for PSEG Nuclear LLC. I am the officer of PSEG Nuclear LLC. charged with the overall responsibility for managing issues relating to discharge of tritium, including but not limited to the investigation of the extent of the discharge and the implementation of corrective actions necessary to control and/or remediated the discharge.
2. I certify under penalty of law that the information provided in the attached document is, to the best of my knowledge, true, accurate and complete. I am aware that there are significant civil and criminal penalties, including fines or imprisonment or both, for submitting false, inaccurate or incomplete information.
3. The signature on the attached Confirmation Report is my signature and I am submitting this affidavit in satisfaction of the requirement that such signatures be notarized.

  
\_\_\_\_\_  
Michael Brothers  
Vice President – Site Operations  
PSEG Nuclear LLC.

Sworn and subscribed before me  
this 19 day of April 2004.

  
\_\_\_\_\_  
My commission expires

**Ann L. Shimp**  
Notary Public of New Jersey  
My Commission Expires October 17, 2007