

May 6, 2004

Ms. Joanie M. Parks
73 Pancoast Road
Waretown, NJ 08758-2649

Dear Ms. Parks:

I am responding on behalf of the Nuclear Regulatory Commission (NRC) to your letter of March 31, 2004, addressed to Dr. William D. Travers, Executive Director for Operations at NRC, and to other government officials, regarding the Oyster Creek Nuclear Generating Station (OCNGS). In your letter you indicated that you were concerned about the safety of the OCNGS, particularly considering the age of the plant and in light of the potential for terrorist attacks, and requested that the NRC consider the safety of the public in reviewing a license renewal request for OCNGS. In addition, you cited three articles that appeared in local newspapers that illustrated some of your concerns.

You expressed concern about the age of OCNGS and structural integrity of the reactor building. The NRC requires plant operators to continuously test and monitor the condition of safety equipment and to keep equipment in top condition. The NRC also requires licensees to correct deficiencies that could impact plant safety. While OCNGS has been in operation since December 1969, over the years, the licensee has replaced many pieces of equipment and performed overhauls of other plant equipment. The licensee has also installed new, more modern systems to replace or supplement original systems that are obsolete or no longer considered adequate. Specifically, regarding the cracks in the reactor building that you mentioned in your letter, it has been determined that the cracks do not impact the structural integrity of the building and no growth has been identified by periodic monitoring.

The current license for OCNGS expires on April 9, 2009. In a press release dated February 19, 2004, AmerGen announced its intention to seek renewal of the OCNGS operating license for a period of up to twenty (20) years. However, AmerGen has not yet submitted an application for NRC review. Accordingly, NRC cannot at this time make any statement about a pending application. At such time that the NRC receives an application for a renewed license, the NRC staff will review both the safety issues (10 CFR Part 54) and environmental issues (10 CFR Part 51). The licensee must provide the NRC with an evaluation that addresses the technical aspects of plant aging and must describe how the aging will be managed. In addition, the licensee must prepare an evaluation of the potential impact on the environment to support plant operation for the additional 20 years. Some licensee programs, such as security and emergency planning, have periodic update requirements throughout the current operating term that would continue during the period of extended operation. Therefore, these programs provide reasonable assurance that an acceptable level of protection is provided and additional review of their adequacy is not necessary for license renewal. Additional information about license renewal can be found on the NRC web site at <http://www.nrc.gov/reactors/operating/licensing/renewal.html>.

As with any licensing activity, the public will have an opportunity to participate in NRC's decision-making process with regard to license renewal. Guidance that will be used during the

review of an application is based not only on NRC views, but on industry experience and the expertise of technical organizations and professional societies. The public, in general, is encouraged to participate in the process through public meetings and public comment periods on the application. In addition, members of the public have an opportunity to request a formal adjudicatory hearing if they would be adversely affected by the proposed license renewal.

One of the articles you cited referred to an issue at OCNCS involving a failed electrical cable that forced a plant shutdown. NRC found that AmerGen did not identify and take appropriate corrective actions in response to similar cable failures. In accordance with NRC's Reactor Oversight Process (ROP) and based on the significance of this issue, we will increase our oversight at OCNCS and conduct additional inspections. NRC also issued a Notice of Violation for this issue in accordance with our enforcement policy. Additional information on NRC's ROP and enforcement policy can be found on our website at <http://www.nrc.gov/what-we-do/regulatory.html>.

You also indicated that you were concerned about the vulnerability of the plant to terrorist attacks and cited two related articles. The NRC does not believe there is an undue risk caused by the continued operation of nuclear power plants, such as OCNCS, since the terrorist attacks of September 11, 2001. Since that time, numerous measures have been taken on a nationwide basis to make the skies much safer and greatly reduce the chance of a repeat of this event. The NRC believes that the prevention of an aircraft attack through enhanced measures such as airport passenger and baggage screening, strengthening of cockpit doors and the Air Marshal program is the most effective strategy to protect against aircraft attacks. The NRC has been in regular communication with other Federal agencies, including the Federal Aviation Administration (FAA) and the Department of Defense (DOD) concerning the protection of air space over sensitive sites. Shortly after September 11, 2001, representatives of the FAA and DOD determined that a Notice To Airman (NOTAM), issued by the FAA, was the appropriate vehicle to protect the air space above sensitive sites. This notice, which advises pilots to avoid loitering or circling sensitive facilities including nuclear power plants, is still in effect. Other NOTAMs have been issued since that time and, should additional restrictions be deemed appropriate as a result of changing or more specific threats, the NRC will work with Federal agencies responsible for establishing no-fly zones to ensure that appropriate action is taken.

Additionally, although nuclear facilities were not specifically designed to withstand impact from a large aircraft, they are formidable structures with thick exterior walls and interior barriers of reinforced concrete. They were designed to withstand tornadoes and tornado-generated missiles, hurricanes, fires, floods and earthquakes. As a result, the structures afford a measure of protection against deliberate aircraft impacts. In addition, nuclear power facilities were designed with a defense-in-depth philosophy, meaning that plants have redundant and separate systems in order to ensure safety. These same design features afford capabilities to respond to events, including terrorist attacks.

In an overall sense, since September 11, 2001, the NRC has ordered licensees to increase security measures at nuclear facilities, including putting into place contingency measures to aid in mitigating the consequences of a terrorist attack.

In closing, you brought up the issue of alternative energy sources. The NRC does not have jurisdiction over this matter. The conversion to other sources of electrical energy would be an economic decision made by business entities such as the OCNCS licensee, and would involve

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meeting requirements and expectations of governmental groups such as the Department of Energy, the Public Service Commissions, and the Environmental Protection Agency.

If you have any further questions regarding these issues, please call the NRC Project Manager for OCNGS, Mr. Peter Tam, at 301-415-1451.

Sincerely,

\RA by R. Laufer

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

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