

10 CFR 50.75(f)

June 24, 2004
2130-04-30150

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

Oyster Creek Generating Station
Facility Operating License No. DPR-16
NRC Docket No. 50-219

Subject: Submittal of Preliminary Decommissioning Cost Estimate

Reference: Letter from J. A. Benjamin (AmerGen Energy Company, LLC) to U. S. Nuclear
Regulatory Commission, dated April 14, 2004

In the referenced letter, a preliminary decommissioning cost estimate was provided in accordance with 10 CFR 50.75(f)(2) for Oyster Creek Generating Station (OCGS). That preliminary cost estimate evaluated three (3) options for decommissioning OCGS. Since AmerGen will be seeking license renewal for OCGS, we have not made a final determination of the decommissioning approach for OCGS. As discussed with the NRC in a conference call on June 7, 2004, for the purpose of choosing a decommissioning option to demonstrate adequacy of funding to meet regulatory requirements, the DECON option should be selected. We reserve the right to choose a decommissioning option in accordance with our business needs, recognizing that we need to assure the chosen option meets NRC requirements for decommissioning funding.

As of April 30, 2004, our decommissioning trust fund balances totaled \$517 million, which exceeds the radiological portion of the DECON cost estimate provided in the referenced letter. As stated in the referenced letter, OCGS will be seeking license renewal, since the facility operating license for OCGS currently expires on April 9, 2009.

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If you have any questions or require additional information, please contact Mr. Tom Loomis at 610-765-5510.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jeffrey A. Benjamin". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Jeffrey A. Benjamin
Vice President - Licensing & Regulatory Affairs
AmerGen Energy Company, LLC

cc: H. J. Miller, Administrator, USNRC, Region I
R. J. Summers, USNRC Senior Resident Inspector, OCGS
P. S. Tam, Senior Project Manager, USNRC
File No. 03035