

October 27, 2004

Mr. Christopher M. Crane
President and Chief Nuclear Officer
AmerGen Energy Company, LLC
4300 Winfield Road
Warrenville, IL 60555

SUBJECT: OYSTER CREEK NUCLEAR GENERATING STATION - ENVIRONMENTAL
ASSESSMENT TO SUPPORT EXEMPTION FROM APPENDIX J OF
10 CFR PART 50 (TAC NO. MC1653)

Dear Mr. Crane:

Enclosed is a copy of the Environmental Assessment and Finding of No Significant Impact related to your application dated December 23, 2003, for an exemption regarding performing leakage testing of the main steam isolation valves at reduced pressures from what is required by 10 CFR Part 50, Appendix J, Option B, Section III.B, "Type B and C Tests."

The assessment 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: Environmental Assessment

cc w/encl: See next page

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UNITED STATES NUCLEAR REGULATORY COMMISSIONAMERGEN ENERGY COMPANY, LLCDOCKET NO. 50-219OYSTER CREEK NUCLEAR GENERATING STATIONENVIRONMENTAL ASSESSMENT AND FINDING OFNO SIGNIFICANT IMPACT

The U.S. Nuclear Regulatory Commission (NRC) is considering issuance of an exemption from certain requirements of Title 10 of the *Code of Federal Regulations* (10 CFR) Part 50, Appendix J, for Facility Operating License No. DPR-16, which authorizes operation of the Oyster Creek Nuclear Generating Station (OCNGS), a boiling-water reactor facility, located in Ocean County, New Jersey. Therefore, as required by 10 CFR 51.21, the NRC is issuing this environmental assessment and finding of no significant impact.

ENVIRONMENTAL ASSESSMENTIdentification of the Proposed Action:

Title 10 of the *Code of Federal Regulations* (10 CFR) Part 50, Appendix J, Option B, Section III.B., "Type B and C Tests," states, in part, that containment leakage tests must demonstrate that the sum of the leakage rates at accident pressure of Type B tests, and pathway leakage rates from Type C tests, is less than the performance criterion (L_a) with margin as specified in the Technical Specifications (TSs). In this context, "accident pressure," P_a , was previously analyzed to be 35 psig at OCNGS. Accordingly, for main steam isolation valves (MSIVs), leakage rate testing is to be done at the peak containment calculated pressure related to the design-basis accident.

The licensee requested a permanent exemption from the requirements of the subject provision of Appendix J, such that the MSIVs may be tested at lower pressures but not lower than 20 psig. By separate application also dated December 23, 2003, the licensee proposed to revise the OCNCS TSs, Section 4.5.D, to specify the lower test pressure and associated leakage test rate; the NRC staff will address the proposed amendment by separate correspondence.

The proposed action is in accordance with the licensee's application for exemption dated December 23, 2003.

The Need for the Proposed Action:

The licensee stated that, as a result of the design of the inboard and outboard MSIVs on each steam line, the preferred method of Type C testing is through the use of a between-the-valves test tap. Periodic Type C testing verifies that the leakage assumed in the radiological analysis is not exceeded. The licensee is requesting this exemption in order to reduce the probability of lifting the inboard MSIVs during testing. Testing of the two valves simultaneously at P_a , by pressurizing between the valves tends to lift the disc of the inboard valve. This results in test results which may not accurately reflect the isolation capabilities of the MSIVs.

The licensee proposed an exemption from the requirements of 10 CFR Part 50, Appendix J, Option B, Section III.B, by specifying testing at a minimum of 20 psig, instead of P_a , between the inboard and outboard MSIVs. This pressure would avoid lifting the disc of the inboard MSIV. The measured leakage rate for any one main steam line through the isolation valves will be limited to a proposed pathway leakage value of 11.9 standard cubic feet per hour (this proposed value will be evaluated in the safety evaluation of the associated amendment). All the changes addressed by the requested exemption (and associated amendment) are concerned with MSIV testing only, and do not affect MSIV design functions.

Environmental Impacts of the Proposed Action:

The NRC has completed its safety evaluation of the proposed action and concludes that the alternative measures proposed by the licensee and discussed above will provide assurance that the primary reactor containment is an essentially leak tight barrier against uncontrolled release of radioactivity to the environment. The performance of the containment, including the MSIVs, will not be negatively affected by the proposed exemption. The details of the NRC staff's safety evaluation will be provided in the exemption.

The proposed exemption will not significantly increase the probability or consequences of accidents. No changes are being made in the types or quantities of radiological effluents that may be released. There is no significant increase in occupational or public radiation exposure. Therefore, there are no significant radiological environmental impacts associated with the proposed action.

With regard to potential non-radiological impacts, the proposed action does not have a potential to affect any historic sites. It does not affect non-radiological plant effluents and has no other environmental impact. Therefore, there are no significant non-radiological environmental impacts associated with the proposed action.

Accordingly, the NRC staff concludes that there are no significant environmental impacts associated with the proposed action.

Environmental Impacts of the Alternatives to the Proposed Action:

As an alternative to the proposed action, the NRC staff considered denial of the proposed action (i.e., the "no-action" alternative). Denial of the application would result in no change in current environmental impacts. The environmental impacts of the proposed action and the alternative action are similar.

Alternative Use of Resources:

The action does not involve the use of any different resources than those previously considered in the Final Environmental Statement for OCNGS, dated December 1974, published by the Atomic Energy Commission.

Agencies and Persons Consulted:

In accordance with its stated policy, on October 13, 2004, the NRC staff consulted with the New Jersey State official, Mr. Rich Pinney of the New Jersey Department of Environmental Protection, Bureau of Nuclear Engineering, regarding the environmental impact of the proposed action. The State official had no comments.

FINDING OF NO SIGNIFICANT IMPACT

On the basis of the environmental assessment, the NRC concludes that the proposed action will not have a significant effect on the quality of the human environment. Accordingly, the NRC has determined not to prepare an environmental impact statement for the proposed action.

For further details with respect to the proposed action, see the licensee's letter dated December 23, 2003. Documents may be examined, and/or copied for a fee, at the NRC's Public Document Room (PDR), located at One White Flint North, Public File Area O1F21, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available records will be accessible electronically from the Agencywide Documents Access and Management System (ADAMS) Public Electronic Reading Room on the Internet at the NRC Web site, <http://www.nrc.gov/reading-rm/adams.html>. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS, should contact the

NRC PDR Reference staff by telephone at 1-800-397-4209 or 301-415-4737, or by e-mail to pdrc@nrc.gov. (Note: Public access to ADAMS has been temporarily suspended so that security reviews of publicly available documents may be performed and potentially sensitive information removed. Please check the NRC Web site for updates on the resumption of ADAMS access.)

Dated at Rockville, Maryland, this 27th day of 2004

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

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

Oyster Creek Nuclear Generating Station

cc:

Chief Operating Officer
AmerGen Energy Company, LLC
4300 Winfield Road
Warrenville, IL 60555

Senior Vice President - Nuclear Services
AmerGen Energy Company, LLC
4300 Winfield Road
Warrenville, IL 60555

Site Vice President - Oyster Creek
Generating Station
AmerGen Energy Company, LLC
P.O. Box 388
Forked River, NJ 08731

Vice President - Mid-Atlantic
Operations
AmerGen Energy Company, LLC
200 Exelon Way, KSA 3-N
Kennett Square, PA 19348

John E. Matthews, Esquire
Morgan, Lewis, & Bockius LLP
1111 Pennsylvania Avenue, NW
Washington, DC 20004

Kent Tosch, Chief
New Jersey Department of
Environmental Protection
Bureau of Nuclear Engineering
CN 415
Trenton, NJ 08625

Vice President - Licensing and
Regulatory Affairs
AmerGen Energy Company, LLC
4300 Winfield Road
Warrenville, IL 60555

Vice President - Operations Support
AmerGen Energy Company, LLC
4300 Winfield Road
Warrenville, IL 60555

Regional Administrator, Region I
U.S. Nuclear Regulatory Commission
475 Allendale Road
King of Prussia, PA 19406-1415

Mayor of Lacey Township
818 West Lacey Road
Forked River, NJ 08731

Senior Resident Inspector
U.S. Nuclear Regulatory Commission
P.O. Box 445
Forked River, NJ 08731

Director - Licensing and Regulatory Affairs
AmerGen Energy Company, LLC
200 Exelon Way, KSA 3-E
Kennett Square, PA 19348

Manager Licensing - Oyster Creek
Exelon Generation Company, LLC
200 Exelon Way, KSA 3-E
Kennett Square, PA 19348

Oyster Creek Generating Station Plant
Manager
AmerGen Energy Company, LLC
P.O. Box 388
Forked River, NJ 08731

Regulatory Assurance Manager
Oyster Creek
AmerGen Energy Company, LLC
P.O. Box 388
Forked River, NJ 08731

Vice President, General Counsel and
Secretary
AmerGen Energy Company, LLC
2301 Market Street, S23-1
Philadelphia, PA 19101

Pete Eselgroth, Region I
U.S. Nuclear Regulatory Commission
475 Allendale Road
King of Prussia, PA 19406-1415

Correspondence Control Desk
AmerGen Energy Company, LLC
P.O. Box 160
Kennett Square, PA 19348