

November 2, 2004

The Honorable Bradley M. Campbell
State of New Jersey
Department of Environmental Protection
P.O. Box 402
Trenton, NJ 08625-0402

Dear Mr. Campbell:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am writing in response to your letter of September 23, 2004, to Chairman Diaz in which you expressed your opposition to AmerGen Energy Company's (AmerGen's) August 10, 2004, exemption request related to license renewal at Oyster Creek Nuclear Generating Station (OCNGS). You acknowledged that the State of New Jersey Department of Environmental Protection had twice (in letters of July 30, 2002, and February 13, 2004) gone on the record opposing the previous exemption request from the licensee. By letter dated March 18, 2004, Chairman Diaz responded to the previous letters.

AmerGen requested an exemption from the NRC's timely renewal provision in paragraph (b) of Section 2.109 of Title 10 of the *Code of Federal Regulations* (10 CFR 2.109(b)). The proposed exemption would allow AmerGen to submit a license renewal application for OCNGS less than five years prior to the expiration of the current licensee, April 9, 2009, and allow the plant to continue operating beyond the expiration date if the NRC had not made a final decision on the license renewal application by then. In its exemption request, AmerGen stated that it plans to submit a license renewal application for OCNGS in July 2005.

We are reviewing AmerGen's request for exemption according to applicable Federal statutes and regulations pertaining to exemptions. While these statutes and regulations do not provide for public comment or opportunity for a hearing on exemptions, the license renewal process does offer several opportunities for public participation, including the opportunity for a hearing. Additional information on NRC's license renewal process is available at www.nrc.gov/reactors/operating/licensing/renewal.html.

If you have any questions or want further information, please call Mr. David Matthews at (301) 415-1199.

Sincerely,

/RA/

J. E. Dyer, Director
Office of Nuclear Reactor Regulation

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J. E. Dyer, Director
Office of Nuclear Reactor Regulation

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