

May 2, 2006

Dr. Graham B. Wallis, Chairman
Advisory Committee on Reactor Safeguards
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

SUBJECT: FINAL REVIEW OF THE EXELON GENERATION COMPANY, LLC,
APPLICATION FOR EARLY SITE PERMIT AND THE ASSOCIATED
NRC STAFF'S FINAL SAFETY EVALUATION REPORT

Dear Chairman Wallis:

Thank you for your letter dated March 24, 2006, regarding the final safety evaluation report (FSER) for the Exelon Generation Company, LLC, (EGC) early site permit (ESP) application. The staff of the U.S. Nuclear Regulatory Commission (NRC) will reproduce your letter as Appendix E to the FSER for the EGC ESP, which will be issued as a final NRC technical report, a NUREG, on May 1, 2006. In your letter, the Advisory Committee on Reactor Safeguards (ACRS) agreed with the NRC staff's conclusions that the EGC ESP site is adequate for the proposed use when subject to the six proposed permit conditions, and the ACRS recognized that the NRC staff has thoroughly reviewed EGC's new performance-based method for determining the safe shutdown earthquake ground motion (SSE). On this basis, the NRC staff has updated the FSER to reflect the ACRS conclusions.

In your letter, you also stated that the NRC staff should consider development of a regulatory guide to address the performance-based method for assessing the seismic hazard of a site. As discussed in the March 9, 2006, ACRS meeting, the staff has been interacting with industry representatives since summer 2005 to further develop the generic technical bases for the performance-based approach for determining the SSE. In parallel with these interactions, the NRC staff has initiated the process for revising Regulatory Guide 1.165, "Identification and Characterization of Seismic Sources and Determination of Safe Shutdown Earthquake Ground Motion," to allow for the use of the performance-based approach, as well as to address other seismic related technical issues. The current plan calls for a draft revision of Regulatory Guide 1.165 by the end of 2006. After the NRC staff has developed the draft regulatory guide, we plan to discuss the proposed revisions with the ACRS.

G. Wallis

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The NRC staff appreciates the insights that the ACRS has provided concerning the sections on safety in the EGC ESP. These insights are a valuable contribution to the NRC staff's review and development of the FSER.

Sincerely,

/RA/

Luis A. Reyes
Executive Director
for Operations

cc: Chairman Diaz
Commissioner McGaffigan
Commissioner Merrifield
Commissioner Jaczko
Commissioner Lyons
SECY

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