

May 16, 2006

Ms. Maureen E. Flach
74 Cedar Run Road
Bayville, NJ 08721-3503

Dear Ms. Flach:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am writing in response to your letter of February 28, 2006, to President George W. Bush, in which you questioned whether the operating license for Oyster Creek Nuclear Generating Station (OCNGS or Oyster Creek), located in Ocean County, NJ, should be renewed. In your letter, you expressed concerns regarding NRC's license renewal review process, which excludes reviews of spent fuel storage, emergency preparedness plans including evacuation, and security plans.

For its review of the Oyster Creek license renewal application, the NRC staff will use the same license renewal application review process it has used for previous license renewal applications. The review process is both comprehensive and exhaustive. The staff has established clear requirements, codified in Title 10 of the *Code of Federal Regulations* Parts 51 and 54, to assure safe plant operation for extended plant life.

NRC's primary goal is to regulate the safe use of radioactive material for civilian purposes to ensure the protection of public health and safety and the environment. NRC places a significant emphasis on strengthening the interrelationship among safety, emergency preparedness, and security. NRC achieves its goal by licensing individuals and organizations to use radioactive materials for beneficial civilian purposes and then ensuring that the performance of these licensees is at, or above acceptable safety levels. The very important issues of spent fuel storage, emergency preparedness plans including evacuation, and security plans are the subject of extensive ongoing NRC oversight.

Regarding your concern about emergency evacuation, Federal regulations require that comprehensive emergency plans be prepared and periodically exercised to assure that actions can and will be taken to notify and protect the public in the vicinity of a nuclear facility in the event of a radiological emergency. While NRC has overall responsibility for nuclear safety, the Federal Emergency Management Agency (FEMA) has the lead in reviewing and assessing offsite planning and response and in assisting State and local governments. Federal evaluation of emergency preparedness is an ongoing process. NRC requires commercial nuclear power plants and offsite response authorities to regularly conduct exercises and demonstrate their ability to implement their emergency plans. Based on the most recent full-scale emergency exercise for OCNGS, conducted in September 2003, both FEMA and NRC determined that the current plans provide reasonable assurance that the public would be protected. We also recognize that emergency plans must be regularly reviewed and revised. In this regard, OCNGS licensee periodically updates the evacuation time estimates for the affected communities around OCNGS using the latest census data as it becomes available.

Regarding your concern about spent fuel storage, NRC generically addressed the issue of temporary storage of spent nuclear fuel in NUREG-1437, "Generic Environmental Impact Statement for License Renewal of Nuclear Plants," and in NRC regulations 10 CFR 51.23. Specifically, the regulations in 10 CFR 51.23(a) state that—

if necessary, spent fuel generated in any reactor can be stored safely and without significant environmental impacts for at least 30 years beyond the licensed life for operation (which may include the term of a revised or renewed license) of that reactor at its spent fuel storage basin or at either onsite or offsite independent spent fuel storage installations.

Absent the introduction of any new and significant information, the NRC staff will adopt the conclusions of NUREG-1437 regarding spent nuclear fuel for the license renewal environmental impact statements. You can find more information concerning spent fuel storage at NRC's Web site <http://www.nrc.gov/waste/spent-fuel-storage.html>.

Regarding your concern about terrorist attacks, NRC applies a fundamental defense-in-depth strategy for nuclear facilities such as OCNCS to protect public health and safety. The strategy encompasses design, construction, operation, training, event mitigation, and contingency planning, including emergency planning. Nuclear facilities are robust structures, constructed of thick concrete-reinforced walls and stainless steel liners. While not specifically designed against the impact of today's jumbo jets, these facilities were designed to withstand the significant forces associated with earthquakes, hurricanes, and tornadoes. As a result of the terrorist attacks of September 11, 2001, NRC has increased its focus on security and has ordered the licensee of OCNCS to revise and strengthen its security plan. The licensee has contingency measures in place to address situations associated with terrorist attacks on the facility. You can find additional information on emergency preparedness, potential health effects, and actions taken since September 11 on the NRC Web site <http://www.nrc.gov>.

NRC maintains vigilance over safety performance through ongoing licensing reviews and inspections, and expanded oversight. As an integral part of the reactor oversight process, we perform safety performance inspections (e.g., baseline, supplemental, and event follow-up inspections) at all nuclear plants. If the Oyster Creek license is renewed, we will continue these inspections during the period of extended operation. We review the quarterly inspection results and performance indicator data and determine if plant performance warrants either a change in the inspection effort or NRC regulatory oversight. NRC addresses significant deficiencies with enforcement actions: issue orders for corrective action or shutdown, impose civil penalties and/or criminal prosecution, or suspend or revoke a license when appropriate.

M. Flach

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I hope this information is useful in understanding NRC's license renewal review process and its regulation of nuclear power plants. If you have any further questions, please contact Noel Dudley of my staff at 301-415-1154 or nfd@nrc.gov.

Sincerely,

/RA/

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

M. Flach

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/RA/

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