

August 18, 2006

Mr. Timothy S. Rausch
Site Vice President
AmerGen Energy Company, LLC
P.O. Box 388
Forked River, NJ 08731-0388

SUBJECT: SAFETY EVALUATION REPORT WITH OPEN ITEMS RELATED TO THE
LICENSE RENEWAL OF OYSTER CREEK GENERATING STATION

Dear Mr. Rausch:

By letter dated July 22, 2005, AmerGen Energy Company, LLC (AmerGen or the applicant) submitted an application to the U.S. Nuclear Regulatory Commission (NRC or the staff) for the renewal of the Oyster Creek Generating Station (OCGS) operating license for up to an additional 20 years. The license renewal application (LRA) was submitted pursuant to Title 10 of the *Code of Federal Regulations* Part 54, "Requirements for Renewal of Operating Licenses for Nuclear Power Plants." The NRC staff determined that the LRA was complete and acceptable for docketing on September 9, 2005.

The NRC staff has reviewed the AmerGen LRA and has developed the enclosed "Safety Evaluation Report with Open Items related to the License Renewal of the Oyster Creek Generating Station" hereinafter referred to as the Safety Evaluation Report (SER). This SER reflects the status of the staff's review of the LRA, requests for additional information (RAIs), the applicant's responses to the NRC staff's RAIs and other questions related to the LRA through July 10, 2006, unless otherwise noted. Issuance of the enclosed SER is an important milestone for both the applicant and the staff.

The NRC staff has identified open items in its review that must be resolved before it can make a final determination on the application. The open items are summarized in Section 1.5 of the SER. In order to resolve these items, the staff has requested additional information, as identified in the SER.

In accordance with the schedule for completing the review of the OCGS LRA, the applicant is requested to review the enclosed SER, verify its accuracy, provide comments to the NRC staff and your responses to the requests for additional information on open items, by October 20, 2006. The NRC staff plans to review the current content and format of the SER for further improvement while incorporating the applicant's comments. A complete and revised SER will then be issued by December 1, 2006.

T. Rausch

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The staff is committed to completing the review of the OCGS SER in a timely manner. If you have any questions regarding this matter, please contact the license renewal project manager, Donnie J. Ashley, at 301-415-3191 or e-mail DJA1@nrc.gov.

Sincerely,

/RA/

Frank P. Gillespie, Director
Division of License Renewal
Office of Nuclear Reactor Regulation

Docket No. 50-219

Enclosure:
Safety Evaluation Report

cc w/encl: See next page

T. Rausch

-2-

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Safety Evaluation Report

cc w/encl: See next page

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ADAMS Accession Nos.: Pkg - ML062300332; Ltr. - ML062280337; SER - ML062300330

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Ltr. to T. A. Rausch from F. Gillespie dated: August 18, 2006

SUBJECT: SAFETY EVALUATION REPORT WITH OPEN ITEMS RELATED TO THE
LICENSE RENEWAL OF OYSTER CREEK NUCLEAR GENERATING STATION

Adams Accession No.: **ML062280337**

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