

October 10, 2006

Mr. Russell W. Goyette
7 Strathmere Street
Waretown, NJ 08758-2651

Dear Mr. Goyette:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of August 25, 2006, in which you identify concerns related to the safe operation of the Oyster Creek Nuclear Generating Station (Oyster Creek) and to the apparent absence of public hearings. We at the NRC are also concerned about the safe operation of Oyster Creek. We believe that the NRC's license renewal process, coupled with an inspection regimen implemented through our Reactor Oversight Process (ROP), provides the strong oversight necessary to ensure safe plant operations.

The NRC's mission is to protect public health and safety and we apply a fundamental defense-in-depth strategy for nuclear facilities such as Oyster Creek. The defense-in-depth strategy encompasses design, construction, operation, training, event mitigation, and contingency planning. For example, plant designs for containing the uranium fuel require embedding the uranium in fuel pellets that are encased in fuel rods, which are placed in heavy steel reactor vessels that are inside robust containment buildings. In the unlikely occurrence of a significant radioactive release, due to the failure of these three barriers nuclear power plants have detailed emergency plans.

The NRC review of license renewal applications excludes security issues, since security systems, structures, and components (SSCs) are outside the scope of license renewal. You indicate that the NRC has ignored the real risk of terrorism. We believe that the threat of terrorism is real and continually inspect security programs at operating reactors. Since the terrorist attacks of September 11, 2001, the NRC has issued orders to all nuclear power plant licensees requiring them to implement additional security measures. The NRC has verified that the Oyster Creek facility is meeting the same stringent security requirements as other NRC-licensed reactors.

The NRC review of license renewal applications excludes evacuation plans, since the plans are unaffected by component aging effects. You state that there is an absence of realistic evacuation plans. 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 unlikely event of a radiological emergency. Through emergency preparedness drills, NRC inspectors in conjunction with other federal, state, county, and local government officials verify the effectiveness of plant emergency plans, including Oyster Creek's plan.

You state concerns about the drywell corrosion and the need for adequate testing. We are aware of the corrosion and are concerned about the drywell being able to perform its intended function during the period of extended operation. In our Safety Evaluation Report (SER) with open items, we identified five open items associated with drywell corrosion. The NRC will not issue a renewed license until the Oyster Creek applicant fully addresses the open items. In addition, the Advisory Committee on Reactor Safeguards, an independent third party that reports directly to the NRC Commissioners, will hold public meetings on the SER. You can access the Oyster Creek SER with open items on the NRC website <http://www.nrc.gov/reactors/operating/licensing/renewal/applications/oystercreek.html#ser>.

You state that the data submitted by the applicant for Barnegat Bay is 35 years old. We recognize that some of the data is out of date. However, more recent data is available. We will provide the results of the NRC assessment in the final Supplemental Environmental Impact Statement (SEIS), which will be published next year. We are basing our assessment on a variety of data sources including data collected over the past year at the Oyster Creek plant. You can access the draft SEIS and the SEIS, when it is published, on the NRC Website <http://www.nrc.gov/reading-rm/doc-collections/nuregs/staff/sr1437/supplement28/index.html>.

You state that public hearings simply do not take place. To the contrary, the NRC affords interested persons the opportunity to participate in NRC licensing hearings, provided a petitioner meets certain formal requirements. In the case of Oyster Creek, the NRC convened an Atomic Safety and Licensing Board (ASLB) that received petitions submitted, in November 2005, by the State of New Jersey and six organizations raising contentions associated with the license renewal application. Although denied intervention, the State of New Jersey has an appeal pending before the Commission. The six organizations have contentions pending before the ASLB.

In addition, the NRC follows a formal and public process that affords the public the opportunity to participate in the review of license renewal applications. We hold public meetings near each plant, for which a renewed license is requested, and encourage public participation. In addition to reviewing license renewal applications, we maintain vigilance over safety performance of operating reactors through ongoing licensing reviews and inspections and expanded oversight. Whether or not the Oyster Creek license is renewed, we will continue these inspections in a manner that protects public health and safety and the environment, and provides for regulatory actions that are open, effective, efficient, realistic, and timely.

I hope this letter has provided you with additional information about the license renewal process to assuage your concerns.

Sincerely,

/RA/

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

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J. E. Dyer, Director **/RA/**

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