

October 30, 2006

The Honorable Jim Saxton
United States House of
Representatives
Washington, DC 20515-3003

Dear Congressman Saxton:

I am responding to your letter to Chairman Klein dated September 26, 2006, in which you identify concerns related to the safe operation of the Oyster Creek Nuclear Generating Station (Oyster Creek). The NRC continues to implement our Reactor Oversight Process (ROP) at Oyster Creek to ensure active components and systems function as designed. In addition, the NRC is currently reviewing Oyster Creek's license renewal application to ensure that passive long-lived components and structures will be adequately managed for an additional 20 years.

With regard to the specific concerns identified in your letter, GPU Nuclear Corporation (GPU), the former owner of Oyster Creek, identified water leakage into the drywell sand bed region during refueling outages in the mid-1980s. GPU's corrective actions included removing sand from the sand bed region and identifying drywell shell corrosion by visual inspections and approximately 1000 ultrasonic testing (UT) measurements. Further corrective actions in the early 1990s included modeling the thickness of the drywell shell to establish criteria for shell thickness, repeating UT measurement of the most corroded areas every two years, coating the drywell shell in the sand bed region to prevent further corrosion, and implementing inspection programs. In 1996, GPU determined that the corrosion rate had been arrested and decided that UT measurements would be performed in another 10 years. The NRC reviewed and approved GPU's decision.

Amergen Energy Company, LLC (the licensee), the current owner of Oyster Creek, plans to perform UT measurements on the drywell shell in the sand bed area during the refueling outage they entered on October 15, 2006. The NRC will inspect the UT measurements and the related analysis as part of the ROP for operating reactors and take regulatory action if appropriate.

For license renewal, the drywell shell is one of the passive long-lived structures that requires an aging program. The staff focused substantial technical effort in evaluating the current condition of the drywell as well as the licensee's plans for monitoring the integrity of the containment structure into the future. The drywell integrity issue has been raised before the Atomic Safety and Licensing Board (ASLB) in the license renewal proceeding.

During the NRC staff review of the license renewal application, the licensee provided eleven commitments which form an integrated aging management program to identify, evaluate, and resolve issues associated with different parts of the drywell shell. The NRC's review results and the licensee's commitments are contained in the Safety Evaluation Report (SER) with Open Items that was issued on August 18, 2006.

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The NRC staff believes that corrosion in the embedded region, if any, will be less severe than any corrosion in the sand bed area, since the alkalinity in the environment reduces the potential for corrosion. On the basis of analysis results from the staff model, staff has determined that even if the embedded area is corroded the pressure retention capability of the drywell shell will be maintained.

The NRC staff met with the Advisory Committee on Reactor Safeguards (ACRS) License Renewal Subcommittee on October 3, 2006, concerning the Oyster Creek SER with Open Items in general and the drywell integrity issue specifically. Members of the public had the opportunity to address the ACRS. Staff will meet again with the ACRS to discuss the results of the licensee's additional UT measurements on the NRC staff's analysis.

I appreciate your interest in the safety of the Oyster Creek plant. If you have additional questions, the NRC staff would be happy to meet with you or your staff to discuss the NRC's license renewal process. Please contact me if I can be of further assistance.

Sincerely,

/RA William F. Kane Acting for/

Luis A. Reyes
Executive Director
for Operations

October 30, 2006

The Honorable Christopher Smith
United States House of
Representatives
Washington, DC 20515-3003

Dear Congressman Smith:

I am responding to your letter to Chairman Klein dated September 26, 2006, in which you identify concerns related to the safe operation of the Oyster Creek Nuclear Generating Station (Oyster Creek). The NRC continues to implement our Reactor Oversight Process (ROP) at Oyster Creek to ensure active components and systems function as designed. In addition, the NRC is currently reviewing Oyster Creek's license renewal application to ensure that passive long-lived components and structures will be adequately managed for an additional 20 years.

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I appreciate your interest in the safety of the Oyster Creek plant. If you have additional questions, the NRC staff would be happy to meet with you or your staff to discuss the NRC's license renewal process. Please contact me if I can be of further assistance.

Sincerely,

/RA William F. Kane Acting for/

Luis A. Reyes
Executive Director
for Operations

October 30, 2006

The Honorable Robert Andrews
United States House of
Representatives
Washington, DC 20515-3003

Dear Congressman Andrews:

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/RA William F. Kane Acting for/

Luis A. Reyes
Executive Director
for Operations

October 30, 2006

The Honorable Rush Holt
United States House of
Representatives
Washington, DC 20515-3003

Dear Congressman Holt:

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Sincerely,

/RA William F. Kane Acting for/

Luis A. Reyes
Executive Director
for Operations

October 30, 2006

The Honorable Frank Pallone, Jr.
United States House of
Representatives
Washington, DC 20515-3003

Dear Congressman Pallone:

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October 30, 2006

The Honorable Bill Pascrell, Jr.
United States House of
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Washington, DC 20515-3003

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Luis A. Reyes
Executive Director
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*Identical letters sent to: Representative Christopher H. Smith, Representative Robert E. Andrews, Representative Rush Holt, Representative Frank Pallone, Jr., and Representative Bill Pascrell, Jr.

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