

OFFICIAL USE ONLY - SECURITY-RELATED INFORMATION

February 6, 2007

Mr. Christopher M. Crane, President
and Chief Nuclear Officer
AmerGen Energy Company, LLC
4300 Winfield Road
Warrenville, IL 60555

SUBJECT: OYSTER CREEK NUCLEAR GENERATING STATION - ADMINISTRATIVE CHANGE TO FACILITY OPERATING LICENSE IN CONJUNCTION WITH THE COMMISSION ORDER EA-06-037 REGARDING UPDATED DESIGN-BASIS THREAT AND REVISIONS TO PHYSICAL SECURITY PLAN, TRAINING AND QUALIFICATION PLAN, AND SAFEGUARDS CONTINGENCY PLAN (TAC NO. MD2254)

Dear Mr. Crane:

By letters to the Nuclear Regulatory Commission (NRC) dated May 17, 2006, and October 13, 2006, AmerGen Energy Company, LLC (AmerGen or the licensee) submitted its revised plans and confirmed the full implementation at the Oyster Creek Nuclear Generating Station (Oyster Creek) of Order EA-06-037 regarding an updated adversary characteristic in the design basis threat.

The NRC staff has completed its review of the changes related to implementation of Order EA-06-037. As discussed in the enclosed safeguards evaluation (Enclosure 2), the NRC staff has determined that the licensee's changes to the security plans meet the requirements of the NRC Order and Title 10 of the *Code of Federal Regulations* (10 CFR) Part 73 requirements and are, therefore, acceptable. The effectiveness of these security provisions will continue to be the subject of NRC review and inspection.

Consistent with the Order, a conforming administrative change to the Facility Operating License is required to ensure implementation of Order EA-06-037 requirements.

NOTICE: Enclosure 2 contains Security-Related Information. Upon separation from Enclosure 2, this letter and Enclosure 1 are DECONTROLLED.

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- 2 -

Therefore, an administrative license change to Facility Operating Licensee No. DPR-16 is being made to incorporate the reference to the revised Physical Security Plan, Safeguards Contingency Plan, and Training and Qualification Plan required by the Order. These changes comply with the standards and requirements of the Atomic Energy Act of 1954, as amended, and the Commission's rules and regulations set forth in 10 CFR Chapter I. Please replace page 4 of your Facility Operating License (Enclosure 1).

If you should have any questions, please contact me at (301) 415-2481.

Sincerely,

/RA/

G. Edward Miller, Project Manager
Plant Licensing Branch I-2
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket No. 50-219

Enclosures:

1. Revised Page 4 of License DPR-16
2. Safeguards Evaluation

cc w/encls 1 and 2: Richard T. Ewart, Acting Site Security Manager
Oyster Creek Nuclear Generating Station
Route 9
Forked River, NJ 08731

Ronald Bellamy, Branch Chief, Region I
475 Allendale Road
King of Prussia, PA 19406

cc w/encl 1 only: See next page

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Oyster Creek Nuclear Generating Station

Site Vice President - Oyster Creek
Nuclear Generating Station
AmerGen Energy Company, LLC
P.O. Box 388
Forked River, NJ 08731

Senior Vice President of
Operations
AmerGen Energy Company, LLC
200 Exelon Way, KSA 3-N
Kennett Square, PA 19348

Kathryn M. Sutton, Esquire
Morgan, Lewis, & Bockius LLP
1111 Pennsylvania Avenue, NW
Washington, DC 20004

Kent Tosch, Chief
New Jersey Department of
Environmental Protection
Bureau of Nuclear Engineering
CN 415
Trenton, NJ 08625

Vice President - Licensing and
Regulatory Affairs
AmerGen Energy Company, LLC
4300 Winfield Road
Warrenville, IL 60555

Regional Administrator, Region I
U.S. Nuclear Regulatory Commission
475 Allendale Road
King of Prussia, PA 19406-1415

Mayor of Lacey Township
818 West Lacey Road
Forked River, NJ 08731

Senior Resident Inspector
U.S. Nuclear Regulatory Commission
P.O. Box 445
Forked River, NJ 08731

Director - Licensing and Regulatory Affairs
AmerGen Energy Company, LLC
Correspondence Control
P.O. Box 160
Kennett Square, PA 19348

Manager Licensing - Oyster Creek
Exelon Generation Company, LLC
Correspondence Control
P.O. Box 160
Kennett Square, PA 19348

Regulatory Assurance Manager
Oyster Creek
AmerGen Energy Company, LLC
P.O. Box 388
Forked River, NJ 08731

Assistant General Counsel
AmerGen Energy Company, LLC
200 Exelon Way
Kennett Square, PA 19348

Ron Bellamy, Region I
U.S. Nuclear Regulatory Commission
475 Allendale Road
King of Prussia, PA 19406-1415

Correspondence Control Desk
AmerGen Energy Company, LLC
200 Exelon Way, KSA 1--1
Kennett Square, PA 19348

Oyster Creek Nuclear Generating Station
Plant Manager
AmerGen Energy Company, LLC
P.O. Box 388
Forked River, NJ 08731

The licensee may make changes to the approved fire protection program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire.

- (4) AmerGen Energy Company, LLC, shall fully implement and maintain in effect all provisions of the Commission-approved physical security, training and qualification, and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822), and the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans¹, submitted by letter dated May 17, 2006, is entitled: "Oyster Creek Nuclear Generating Station Security Plan, Training and Qualification Plan, and Safeguards Contingency Plan, Revision 5." The set contains Safeguards Information protected under 10 CFR 73.21.
- (5) Inspections of core spray spargers, piping and associated components will be performed in accordance with BWRVIP-18, "BWR Core Spray Internals Inspection and Flaw Evaluation Guidelines," as approved by NRC staff's Final Safety Evaluation Report dated December 2, 1999.
- (6) Long Range Planning Program - Deleted
- (7) Reactor Vessel Integrated Surveillance Program

AmerGen Energy Company, LLC, is authorized to revise the Updated Final Safety Analysis Report (UFSAR) to allow implementation of the Boiling Water Reactor Vessel and Internals Project reactor pressure vessel Integrated Surveillance Program as the basis for demonstrating compliance with the requirements of Appendix H to Title 10 of the *Code of Federal Regulations* Part 50, "Reactor Vessel Material Surveillance Program Requirements," as set forth in the licensee's application dated December 20, 2002, and as supplemented on May 30, September 10, and November 3, 2003.

¹The Training and Qualification Plan and Safeguards Contingency Plan are Appendices to the Security Plan.