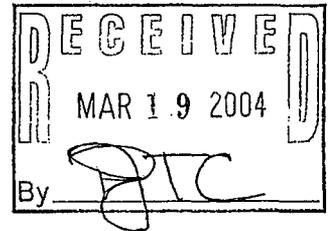




UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 2  
290 BROADWAY  
NEW YORK, NY 10007-1866

MAR 17 2004



Mr. John Carlin  
Vice President - Nuclear Assessments  
PSEG Nuclear LLC  
P.O. Box 236  
Hancocks Bridge, New Jersey 08038-0236

**Re: Hope Creek Generating Station Extended Power Uprate Project  
PSD Applicability Determination**

Dear Mr. Carlin:

The U.S. Environmental Protection Agency's Region 2 Office (EPA) received a letter dated March 4, 2004 requesting a Prevention of Significant Deterioration (PSD) non-applicability determination for a proposed extended power upgrade project at the Hope Creek Generating Station located in Lower Alloways Creek Township, New Jersey. It is EPA's understanding that the proposed upgrade will occur in two phases. Phase I will include modifications to hardware and control systems and will not result in an increase in emissions. Phase II will consist of increasing the reactor core thermal power to approximately 120% of current levels. While Phase II will not require physical changes to the Station's ancillary equipment, it will increase the amount of particulate matter emitted from the cooling tower due to additional evaporative losses resulting from the increased thermal load. Actual emissions of all other emission units will not change as a result of the proposed upgrade project.

Based on the information provided, it appears as though the proposed project will not result in a significant increase in emissions and would not be subject to PSD review. Please note that this assessment does not constitute final agency action and is based solely on information provided by the company. In the event that we learn that actual emissions exceed the projections as presented, EPA may revisit this issue, and invoke any necessary authorities under the Clean Air Act. However, we do not anticipate further action at this time.

If you have any questions or would like to discuss this matter further, please call me at (212) 637-4074 or Ms. Carla Adduci of my staff at (212) 637-4021.

Sincerely,

Steven C. Riva  
Chief, Permitting Section  
Air Programs Branch

LR-E04-0101

CERTIFIED MAIL

RETURN RECEIPT REQUIRED

ARTICLE NUMBER: 7003 0500 0003 4363 8114

Mr. Steven C. Riva  
Chief, Air Permitting Section  
USEPA Region 2  
290 Broadway  
New York, NY 10007

**PSEG NUCLEAR LLC  
HOPE CREEK GENERATING STATION  
EXTENDED POWER UPRATE PROJECT  
REQUEST FOR DETERMINATION OF PSD NON-APPLICABILITY**

Dear Mr. Riva:

I am writing to provide you with information necessary to support your review of a request for Prevention of Significant Determination ("PSD") non-applicability. PSEG Nuclear LLC ("PSEG Nuclear") intends to implement an Extended Power Uprate project ("EPU") at the Hope Creek Generating Station ("HCGS") in New Jersey. The EPU is projected to affect emissions of particulate matter ("PM") from the existing Hope Creek Cooling Tower ("HCCT"), compared to baseline (i.e. pre-EPU) levels. PSEG Nuclear is submitting an air permit application to the New Jersey Department of Environmental Protection ("NJDEP") to address any permit changes necessitated by the project. The analyses provided in the air permit application demonstrate that the EPU will not be subject to the PSD regulations.

In a recent letter to PSEG on another project, the NJDEP indicated that currently all PSD non-applicability determinations in New Jersey are being performed by USEPA Region 2. The letter instructed PSEG to forward copies of the air permit application and relevant correspondence to your attention. Anticipating that the NJDEP will follow the same procedure for this application, PSEG is providing copies of the air permit application to you simultaneously with their submittal to the NJDEP's Bureau of Preconstruction Permits, and is requesting that USEPA make a PSD non-applicability determination for the EPU.

We would appreciate the opportunity to meet with you to discuss the enclosed materials in more detail, in particular the calculation methodology and results supporting the PSD non-applicability conclusion. Please send us your agency's evaluation of our position regarding PSD non-applicability as soon as possible so that we may continue working with NJDEP to secure the necessary permits for the proposed EPU.

If you have any questions regarding this submittal, or if you need additional information please call me at (856) 339-5500 or Dr. Thomas Harlukowicz at (973) 430-8423.

Sincerely,

**ORIGINAL SIGNED ON FILE**

John Carlin  
Vice President - Nuclear Assessments

Enclosures(1)

cc: Dr. Iclal Atay (NJDEP – AQPP)  
Louis Mikołajczyk (NJDEP – BPCP)