

MAY 29 2007

LR-E07-067



Certified Mail
Return Receipt Requested
Article Number: 7006 0100 0004 0657 0307

Administrator of Water Compliance and Enforcement
New Jersey Department of Environmental Protection
401 East State Street, 4th Floor East
PO Box 422
Trenton, New Jersey 08625-0422

**RE: PSEG Nuclear LLC - Salem Generating Station
NJPDES Permit No. NJ0005622
NJDEP Case No. 07-05-24-0259-31
Retraction of Report of Discharge to Waters of The State and
Demonstration of Affirmative Defense of Unanticipated Bypass**

Dear Sir/Madam:

In accordance with N.J.A.C. 7:14A-6.10 Noncompliance Reporting, PSEG Nuclear LLC (PSEG) is submitting this report to retract the notification of a possible discharge of water containing hydrazine to the Delaware River through lettered outfall 489, and, if additional information indicates appropriate, providing the bases for an affirmative defense for an unanticipated bypass. The possible discharge was reported to the New Jersey Department of Environmental Protection (NJDEP) hotline and assigned case number 07-05-24-0259-31. This possible discharge was also reported to the Nuclear Regulatory Commission and assigned event number 43382. This report contains information as known at the time of this report. In accordance with the regulations, additional information regarding this discharge will be provided as it becomes available. This report does not retract the discharge to land, PSEG is managing any release of hydrazine to the land in accordance with the approved Discharge Prevention Containment and Countermeasure (DPCC) Plan.

On May 24th, 2007 at approximately 0232, a catastrophic failure of the upper sight glass on 24 Condensate Polisher System demineralizer vessel caused the shutdown of Salem Unit 2. Approximately 20,000 gallons of steam plant water (containing approximately 1 ppm hydrazine) were released outside of the Condensate Polisher building. At the time of the report it was believed that the hydrazine may have entered the stormwater drainage system and been discharged through the Salem Oil Water Separator, DSN 489, to the Delaware River. At 0310 the Oil Water Separator (Discharge 489) was isolated to prevent or minimize any effluent discharge to the Delaware River. Subsequent sampling

IFR3

MAY 29 2007

and analyses were performed demonstrating that no hydrazine was present in the Oil Water Separator main chamber or effluent chamber, therefore, NO hydrazine was release to the Delaware River. Hydrazine which was discharged to the land is being managed in accordance with the DPCC Plan.

PSEG continues to investigate this event, continues to sample and analyze sources and effluent points for hydrazine, and continues to collect information relative to this event. If additional information indicates appropriate, PSEG believes any water containing hydrazine later found released to the Delaware River from this event is an unanticipated bypass and is herein providing the bases for an affirmative defense for an unanticipated bypass. In accordance with N.J.A.C. 7:14A-6.10(f), the following information is provided:

- Since no hydrazine has been detected in any effluent to the Delaware River, no existing operating logs or other evidence is relevant at this time.
- Steam plant condensate water, as well as any other secondary water that would contain hydrazine, is normally discharged through the Non-Radiological Liquid Waste Disposal System, DSN 48C, following treatment. The catastrophic failure of a component such as a sight glass that has maintained integrity for over 25 years is clearly unintentional.
- This was not a failure of the treatment system, rather, a failure of a component that cause untreated water to leave the system outside of the design configuration.
- If there were a release of water containing hydrazine to the Delaware River, it would have occurred after 0232 on May 24, 2007. The NJDEP was notified on May 24 at 0259, well within the 24 hour notification requirement of the regulations.
- Although the Department did not specify any remedial measures upon notification, the appropriate remedial measures, including isolating the effluent point, were taken.
- If water containing hydrazine is later determined to have been released from the site, it would be due to the catastrophic failure of the sight glass in a pressure vessel and not a conscious decision of PSEG.
- Based on the information collected to date, PSEG believes it did collect any water containing hydrazine in the Oil Water Separator to avoid a release to the Delaware River.
- This event occurred during normal operation of relevant systems and components.

Although PSEG is retracting the notification of a release of hydrazine to the Delaware River, PSEG is concurrently providing the bases for an affirmative defense of an unanticipated bypass if addition information deems that defense appropriate. In accordance with the regulations, additional information regarding this will be provided as it becomes available.

Administrator of Water Compliance and Enforcement
LR-E06-0289

MAY 29 2007

If you have any questions regarding this information, please contact Clifton
Gibson of my staff at (856) 339-12686.

Sincerely,



Carl J. Fricker

Salem Plant Manager

C NJDEP
Southern Enforcement Office
One Port Center
2 Riverside Drive, Suite 201
Camden, NJ 08102
Attn: Mr. Steven Mathis

NJDEP
Bureau of Point Source Permitting Region 2
401 East State Street
Trenton, NJ 08625-0029
Attn: Ms. Susan Rosenwinkel

U. S. Nuclear Regulatory Commission
Document Control Desk
Washington, DC 20555

Delaware Emergency Management Agency
Attn.: Janet Chomiszak
165 Brick Store Landing Road
Smyrna, DE 19977

MAY 29 2007

BC Site Vice President - Salem
Plant Manager - Salem
G. Suey
W. Gamon Biggs
Ed Keating
Cliff Gibson
SCH06-054