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From:

Samson Lee

TACs:

MD8432

To:

Jill Lipoti

*** YELLOW ***

For Signature of:

Routing:

Dyer
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Grobe
Boger
NRR Mail Room

Description:

Response to New Jersey letter on Oyster Creek Proposed Dredging Project

Assigned To:

DLR

Contact:

LEE, SAMSON, S

Special Instructions:

Coordinate with OGC and Region I on the reply.



State of New Jersey

DEPARTMENT OF ENVIRONMENTAL PROTECTION
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March 26, 2008

Samson Lee, Acting Director
Division of License Renewal
U. S. Nuclear Regulatory Commission
One White Flint North (Mail Stop 11-F1)
11555 Rockville Pike
Rockville, MD 20852

Subject: Oyster Creek Proposed Dredging Project

Dear Mr. Lee:

The New Jersey Department of Environmental Protection recently received notice that Exelon is planning a dredging project at Oyster Creek for 2009. In a letter dated February 22, 2008, LGA Engineering, Inc. on behalf of AmerGen, contacted the DEP's Office of Dredging and Sediment Technology and requested a pre-application meeting to discuss the scope of the project and appropriate permits, sampling plans and related documents necessary to meet state and federal regulatory requirements. My staff was invited to attend the meeting to determine if the project required support from the Bureau of Nuclear Engineering with respect to monitoring and sampling for radioactivity. As a direct result of the pre-application meeting, the Department has some concerns with the project as it relates to the extended operation of Oyster Creek and license extension that we would like you to address.

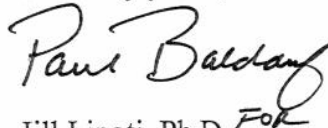
The Generic Environmental Impact Statement (NUREG-1437) and the Supplemental Environmental Impact Statement (NUREG-1437, Supplement 28) collectively discuss future maintenance dredging projects for Oyster Creek. Both of those documents find that the environmental impact from future maintenance dredging is low and that all projects will be carried out according to state and federal regulatory guidance. However, neither document discusses the need for new construction at the site to expand the size of the existing confined disposal facility (CDF) to accommodate the dredge spoils from the future projects. The Department believes that this proposed construction project should have been specifically included in the SEIS and the impacts of the construction on the local environment evaluated. According to LGA Engineering, the current size and location of the existing CDF would adequately support dredge spoils from necessary projects through the expiration of the current

license at Oyster Creek. The new construction is required to support future dredging projects that are anticipated based upon continued operation of the plant under license extension.

In addition, it is unclear whether the construction of a larger CDF will impact the agreement made between AmerGen and the Department as part of the Federal Consistency Determination. In that agreement, AmerGen committed to providing construction of walking trails, an access road and parking area. The expansion of the CDF may impact the walking trails or access to them and should be evaluated. The Federal Consistency Determination acknowledged AmerGen's intent to retain the existing dredge spoil, but there is no mention of an expansion project that effectively doubles the size of the CDF.

The Department believes that construction and expansion associated with the CDF falls within the scope of the National Environmental Policy Act and should have been included as part of the license renewal process and evaluated with regard to public health and safety in the SEIS. We further believe that knowledge of this project is considered new and significant information that directly affects license extension. Therefore, we urge the NRC to investigate the proposed dredging project and evaluate any environmental and public health and safety impacts that may result from the new construction.

Sincerely yours,



Jill Lipoti, Ph.D. *For*
Director

- c. Michael P. Gallagher, P.E., Vice President, License Renewal Projects
AmerGen Energy Company, LLC

Christopher M. Crane, Executive Vice President, Exelon Corporation
Chief Operating Officer, Exelon Generation

Luis A. Reyes, USNRC Executive Director for Operations