

RAS 4-79

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November 7, 2008 (8:30am)

**UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION**

OFFICE OF SECRETARY  
RULEMAKINGS AND  
ADJUDICATIONS STAFF

**Before the Commission**

In the Matter of:	)	November 6, 2008
	)	
AmerGen Energy Company, LLC	)	
	)	Docket No. 50-219
(License Renewal for Oyster Creek Nuclear Generating Station)	)	
	)	

**COMMISSION NOTIFICATION**

This filing notifies the Commission of information that relates to the appeal of the Atomic Safety and Licensing Board's ("Board") decision in LBP-07-17, which is currently pending before the Commission. The appeal disputes the Board's decision to reject a contention challenging AmerGen Energy Company, LLC's ("AmerGen") aging management program for the Oyster Creek Nuclear Generating Station ("Oyster Creek") drywell shell in the sand bed region. The NRC Staff also filed a notification regarding this issue today. As AmerGen continues to investigate the issues discussed in this filing, it will continue to keep the NRC informed of its findings and corrective actions.

During the ongoing refueling outage (*i.e.*, "1R22") at Oyster Creek, AmerGen's contractor performed scheduled visual inspections of the epoxy coating that covers the exterior drywell shell in the sand bed region. The contractor performed these inspections in accordance with approved Non-Destructive Examination procedures. During the Friday, October 31 inspection of Bay 11, AmerGen's contractor identified a six-inch long rust stain and a small, isolated area where the epoxy coating was blistered at the top of the rust stain. Additionally, AmerGen is investigating three small bumps in the epoxy coating discovered near the blister.

TEMPLATE = SECY-049

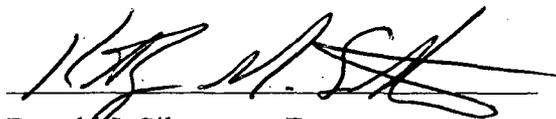
Also on October 31, in a similar scheduled visual inspection in Bay 3, AmerGen's contractor identified several cracks in the moisture seal at the drywell shell interface with the exterior floor of the sand bed region. In one of the cracks, there are three small rust stains.

AmerGen has notified the NRC Staff of both of these findings, and has entered them into the Oyster Creek corrective action program. AmerGen is taking corrective actions in accordance with its ASME Code Section XI, Subsection IWE Primary Containment Inspection Program to further inspect and repair the coating in this isolated area of Bay 11, and to further inspect and repair the moisture seal in Bay 3. AmerGen is keeping the NRC Staff fully apprised of these actions.

As part of its investigation of these findings, AmerGen reviewed the "as left" video recording of the external surface of Bay 11 during the 2006 1R21 outage, which an AmerGen contractor recorded just prior to the sand bed being closed at the end of that outage. The video appears to show an indication that, at this time, AmerGen believes to be the same Bay 11 rust stain identified in 2008 and discussed above. AmerGen is taking action to assess the significance

of this information with respect to its inspection and corrective action programs, and will keep the NRC informed of its findings.

Respectfully submitted,



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Dated in Washington, D.C.  
this 6th day of November 2008

COUNSEL FOR  
AMERGEN ENERGY COMPANY, LLC

**UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION**

**Before the Commission**

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	)	November 6, 2008
AmerGen Energy Company, LLC	)	
	)	
(License Renewal for Oyster Creek Nuclear Generating Station)	)	Docket No. 50-219
	)	

**CERTIFICATE OF SERVICE**

I hereby certify that copies of AmerGen's "COMMISSION NOTIFICATION" were served this day upon the persons listed below, by e-mail and first class mail.

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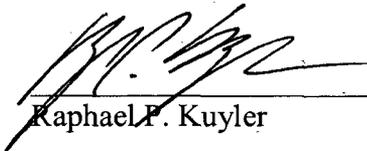
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