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LR-N08-0258

U.S. Nuclear Regulatory Commission
Attention: Document Control Desk
Washington, DC 20555-0001

Salem Nuclear Generating Station Unit 2
Facility Operating License No. DPR-75
NRC Docket No. 50-311

Subject: Withdrawal of Request for Exemption from 10 CFR 50.82(a)(8)

References: (1) Letter from PSEG to NRC: "Request for Exemption from 10 CFR 50.82(a)(8), Salem Nuclear Generating Station, Unit 2, Facility Operating License DPR-75, Docket No. 50-311", dated April 7, 2008

(2) Letter from PSEG to NRC: "Response to Request for Additional Information - Request for Exemption from 10 CFR 50.82(a)(8), Salem Nuclear Generating Station, Unit 2, Facility Operating License DPR-75, Docket No. 50-311", dated September 3, 2008

In Reference 1, PSEG Nuclear LLC (PSEG) submitted an exemption request to permit the withdrawal of certain funds from the nuclear decommissioning trust funds (DTF) maintained by PSEG Nuclear for the Salem Nuclear Generating Station Unit 2. Specifically, PSEG Nuclear requested an exemption from provisions of 10 CFR 50.82(a)(8)(i) and (ii) which may restrict the withdrawal of funds from DTF until after permanent plant shutdown. The purpose of the exemption request was to permit the use of DTF to pay for the disposal of certain major radioactive components (MRCs). These MRCs are the four steam generators that were removed from Salem Unit 2 during the Spring 2008 outage.

In Reference 2, PSEG responded to an NRC request for additional information on the Reference 1 exemption request.

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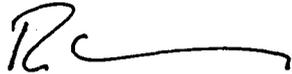
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Following additional discussion with the NRC Staff, and in consideration of the recent denial of petition for rulemaking concerning use of DTF prior to permanent cessation of operations (73 FR 62221), PSEG is withdrawing the Reference 1 exemption request.

Should you have any questions regarding this submittal, please contact Mr. Jeff Keenan at (856) 339-5429.

Sincerely,



Robert C. Braun
Site Vice President
Salem Generating Station

C Mr. Samuel Collins, Administrator - Region I
U. S. Nuclear Regulatory Commission
475 Allendale Road
King of Prussia, PA 19406

U. S. Nuclear Regulatory Commission
Attn: Mr. R. Ennis, Licensing Project Manager - Salem
Mail Stop 08B1
Washington, DC 20555-0001

USNRC Senior Resident Inspector - Salem (X24)

Mr. P. Mulligan, Manager IV
Bureau of Nuclear Engineering
P.O. Box 415
Trenton, NJ 08625