

~~Withheld All Excepts~~

From: Marjorie McLaughlin, RI
 Sent: Wednesday, November 19, 2008 12:02 PM
 To: Marjorie McLaughlin; Marsha Gamberoni; Darrell Roberts; Richard Conte; John Richmond; Doug Tifft; Richard Barkley; Diane Screnci; Neil Sheehan; Nancy McNamara; Scott Barber; Ronald Bellamy; Karl Farrar; Marc Dapas; Sam Collins; David Lew
 Cc: Stephen Pindale; Justin Heinly; David Pelton; Jeffrey Kulp; Robert Summers
 Subject: Result of discussion with NJDEP regarding OC PN and Board Notifications
 Attachments: NJDEP Org Chart.pdf

Good Morning,

As discussed this morning, I spoke to Pat Mulligan, Chief of the NJDEP Bureau of Nuclear Engineering, regarding the concerns that Dr. Jill Lipoti has with AmerGen's Nov 17 Commission Notification regarding Oyster Creek and to determine if she also has concerns with the NRC's Nov. 17 Preliminary Notification.

Discussion:

Pat informed me that Jill does have concerns with both documents. Her most significant issues are:

AmerGen Commission Notification:

- The licensee did not fully describe the extent of the delamination of the strippable coating applied to the reactor cavity. The licensee did not quantify either the amount of coating affected or the resultant leak rate into the affected sand bed bays (note that the leak rate is provided in the NRC PN).

NRC Preliminary Notification:

- The NRC did not discuss the disconnected tubing from the sand bed drain line poly bottles.

Note: I had previously (yesterday) reviewed with Pat all of the concerns with the PN that had been raised to John Richmond by the NJDEP engineers (Pinney and Zak), including the tubing issue. I explained there had been no leakage in those lines and, therefore, no consequence from the issue, that this was an inspection item that did not warrant discussion in the PN, but may be included in the inspection report.

Today, Pat told me that he had discussed Jill's concerns with Paul Baldauf, NJDEP Assistant Director for Radiation Protection Programs, this morning (see below for a brief discussion of the NJDEP reporting relationships). He and Paul agree that there is no immediate significance to the issues raised by Jill. They intend to speak to her today with the intent to:

1. Achieve alignment that NJDEP will not take any actions (i.e., writing letters) until after the NRC issues its Inspection Report (Pat is well aware of the letter agreement requirements, and does not want to violate them)
2. Discuss Jill's issues with her to provide more information and, hopefully, ease her concerns.

Paul's and Pat's planned, official course of action for NJDEP regarding the NRC's License Renewal Commitments Inspection of OC is to observe the inspection exit, read the inspection report, and see how any of their remaining issues (the drywell coating inspection frequency and any remaining issues that Jill may have) are dispositioned. If NJDEP has any remaining disagreements, it will then document those in a letter.

I expressed to Pat that our goal would certainly be to discuss the State's issues and hopefully reach alignment so as to preclude the need for a letter. I told him that we will support any such discussions they wish to have, as we don't want them to have any open questions. Pat agreed, and said he does not feel any discussions will be needed until after the inspection exit. He will contact me after speaking with Jill if there are any changes to the above course of action.

NJDEP Organization:

NJ DEP is headed by a Commissioner, under whom there are 2 Deputy Commissioners and a Director of Operations. Reporting to the Director of Operations are 6 Assistant Commissioners. The Assistant Commissioner of Environmental Regulation is Nancy Wittenberg. Dr. Lipoti is one of 4 Directors reporting to her. Paul Baldauf reports to Dr. Lipoti, and oversees the DEP's radioactive materials and nuclear engineering programs. Pat Mulligan reports to

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Paul, and oversees the nuclear engineers, the environmental engineers, and the EP staff. Rich Pinney supervises the nuclear engineers and reports to Pat, and Ron Zak reports to Rich. An org chart that goes down to Jill's level is attached for reference.

Actions and Status (changes are in red font):

1. Speak to Pat Mulligan, NJDEP, about Dr. Lipoti's concerns with AmerGen's Board Notification; ascertain if she has concerns with the NRC PN; and determine if Dr. Lipoti wishes to speak again with DRS management about this issue.

Owner = McLaughlin Date = 11/19/08 Status: COMPLETE

2. Notify this distribution of the outcome of that discussion, so that additional next steps may be determined.

Owner = McLaughlin Date = 11/19/08 Status COMPLETE

3. Report on this matter at the 0845 to make Regional management aware.

Owner = McLaughlin Date = 11/19/08 Status: COMPLETE

4. Inform this distribution of any followup communication from Pat resulting from his discussion today with Jill Lipoti.

Owner = McLaughlin Date = 11/19/08, or later as applicable

5. Maintain communications with NJDEP regarding this inspection and respond to any requests for further discussion.

Owners = SLOs & DRS Date = Ongoing

Please respond with any concerns or additional proposed actions.

VR,
Marjorie