

Senior Management Briefing Oyster Creek License Renewal Regulatory Footprint

Oct 1, 2008
10:45 to 11:45 AM

Purpose Describe current Regulatory Footprint, if license is not renewed.
Describe additional options & actions, if needed.
Begin to think about Gov't & Public Outreach needs.

Success Understanding of current Regulatory Footprint.
Understanding of additional actions, with respect to Regulatory
Footprint and Outreach activities.

Agenda

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|---|------------------|
| 1. Opening Remarks | rjc (1 minutes) |
| 2. Current Regulatory Footprint | all (15 minutes) |
| 3. Perceived Problems with Current Footprint | all (15 minutes) |
| 4. Regulatory Options - Pros & Cons | all (15 minutes) |
| 5. Future Steps | jer (5 minutes) |
| 6. Key Stakeholders and Stakeholder Interests | jer (5 minutes) |

1. OPENING REMARKS - Ensure alignment with purpose and success for the meeting

2. CURRENT REGULATORY FOOTPRINT

2.1 What happens if the license is not renewed by April 9, 2009?

- Existing license will continue [2.109(b) Timely Renewal Exemption granted, 12/24/04]

The exemption is contingent upon the following two conditions being met:

(1) On or before July 29, 2005, AmerGen must submit a sufficient license renewal application for OC which the NRC finds acceptable for docketing in accordance with 10 CFR 2.101 and the requirements of 10 CFR Part 54.

(2) To ensure timely completion of the review process, AmerGen must provide requested information to support completion of NRC's safety and environmental reviews in accordance with the review schedule.

In addition, the exemption stated that, pending final action on the LR Application, the NRC will continue to conduct all regulatory activities associated with licensing, inspection, and oversight, and will take whatever action may be necessary to ensure adequate protection of the public health and safety. The existence of this exemption does not affect NRC's authority, applicable to all licenses, to modify, suspend, or revoke a license for cause, such as a serious safety concern.

- Regional 71003 Inspections will be performed
- Supplemental SER is an example of continuing regulatory oversight on licensing issues

2.2

(b)(5)

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2.3 What about SER "Proposed License Conditions" and SER "Commitment List"

- CLB does NOT include Proposed License Conditions or Commitments
- Prior to the License being Renewed, AmerGen is NOT required to:
 - Implement LR Aging Management Commitments
 - Revise their FSAR to add Aging Management Programs
 - Use a Commitment Management Program for LR items
- SER and Supplement form the basis of acceptability for NRC inspections

2.4 What AmerGen is doing [voluntary actions]

- SER commitments continue to be implemented
- Commitment Change Process is being used to revise commitments
- Verification packages are being prepared, linking work orders to SER commitments
- OC LR Coordinator stated AmerGen will continue to implement commitments, as though a renewed license had been issued

2.5 What AmerGen could do

- AmerGen could voluntarily make commitments & proposed license conditions part of CLB
 - Docket a letter stating commitments will be / have been implemented
 - Revise the FSAR to add a LR supplement

3. PERCEIVED PROBLEMS WITH CURRENT FOOTPRINT

[(b)(5)] RE-5-

- 2.109(b) Timely Renewal Exemption allows continued operation, not contingent on SER
- LR Application not yet approved

[(b)(5)] RE-5-

- Docketed AmerGen Letters describe various actions and analysis they will take prior to and after entering the extended period of operation

[(b)(5)] RE-5-

- No docketed correspondence from AmerGen regarding commitment compliance

[(b)(5)] RE-5-

- SER concluded there was reasonable assurance for OC to enter the extended period, but relied on numerous future licensee actions (list of commitments) to reach that conclusion
- SER commitments and proposed license conditions are not part of the CLB

4. REGULATORY OPTIONS

4.1 Keep Current Footprint

Intent

- Continue on course (b)(5)] 15x3-
- OC LR Coordinator stated they will continue to implement commitments, with no gaps
- In assuming AmerGen will implement commitments and the Region will inspect them, this does not imply that the license will be renewed, nor does it imply that a final decision will not be reached before April 9, 2009.
- Perform two 71003 inspections (Outage & Non-Outage)
- Document more than minor inconsistencies between licensee performance and proposed license conditions and commitments listed in the SER, as Unresolved Items

(b)(5)

4.2 Exchange of Correspondence with AmerGen

Intent

(b)(5)

4.3

(b)(5)

5. FUTURE STEPS

5.1 Communication Plan with an FAQ

- Develop a communication strategy well before April 2009

(b)(5)

5.2 Gov't to Gov't Meeting

- Pro-active meeting, well before April 2009

5.3 Other Steps

- Quick Look Letter before restart from 2008 Fall Outage
- On-going Proactive dialog with NJ DEP, by both DLR and Region

5.4 Commitments Inspections

- Oct-Nov Outage Inspection (TL + 1.5, 1-week)
- March 2009 non-outage Team Inspection (TL + 4, 2-weeks)
 - may move up to early Feb

6. KEY STAKEHOLDERS AND STAKEHOLDER INTERESTS

6.1 Stakeholders

- a. NRC [Commission, ASLB, DLR, OGC, Region-1]
- b. AmerGen
- c. NJ State DEP
- d. NJ Congressional Members, and NJ State & Local Legislators
- e. Media [Local NJ Press]
- f. Webster [Citizens]

6.2 Stakeholder Interests and Perceptions

[(b)(5)] R43-

b. AmerGen

- Discussions with the OC License Renewal Coordinator indicate they intend to implement all commitments for aging management programs prior to April 2009

c. NJ State DEP

- NJ DEP seem satisfied - have not expressed any concern [yet]
- Interface with NJ DEP has been, and will continue to be an Open & Transparent Sharing of Information, as allowed by the MOU

Four Principle DEP Concerns

- (1) Drywell Liner Condition - current operability
 - 71003 Outage Inspection Item
 - Discussed inspection scope with NJ DEP, no concerns expressed
- (2) 3-D Finite Element Analysis - Technical Review
 - Currently discussing options with DLR for an NRR review of AmerGen's Analysis Summary Report
- (3) Fatigue Monitoring Calculation
 - DLR documented their technical review in SER Sup-1
 - DLR discussed their review with NJ DEP - no concerns expressed
- (4) Combustion Turbine Maintenance Program - Verification of Commitment
 - Future 71003 Non-Outage Insp. Item, NJ DEP satisfied with status

d. NJ's Congressional Members, and State & Local Legislators

- PAO & OE expect to receive questions and concerns, based on expected public reaction following any media coverage

e. Media & Press

f. Webster & Citizens

Oyster Creek Matters Pending Before the Commission and Board

1. Citizens' Appeal of ASLB's Dec 2007 Initial Decision resolving Citizens' contention regarding frequency of planned UT inspections of the drywell shell in the sand bed region in AmerGen's Factor.

- The Appeal was filed Jan 14, 2008. We filed our reply Jan 24.
- In May 2008, (CLI-08-10) the Commission requested further briefing as to whether AmerGen's planned 3-D analysis addresses and bounds the sensitivity analyses Judge Baratta would impose, and, in any event, whether further analysis is needed. Briefs and reply briefs were filed in June.
- In August, the Commission referred the question in CLI-08-10 and the parties' briefs to the Board for expeditious resolution. The Board held oral argument on Sept 18. Post-argument briefs will be due around Oct 1.
- The Board anticipates responding to the Commission in October.

2. Citizens' Appeal of the ASLB's July 2008 Order denying their Motion to Re-open Record and Admit New Contention on Metal Fatigue.

- SECY issued Memo on Sept 5 extending the Commission's time for reviewing the appeal to Nov 10, 2008.

3. Petitions to Suspend VY, OC, Pilgrim, and IP license renewal proceedings filed in January and May 2008 are still pending with the Commission.