SCH10-055

May 06, 2010



Certified Mail, Return Receipt Requested Article Number: 7008 0150 0000 5749 3096

Bureau of Release Prevention New Jersey Department of Environmental Protection PO Box 424 Trenton, New Jersey 08625-0424 Attn: Discharge Confirmation Report

RE: PSEG Nuclear LLC – Salem Generating Station

NJDEP Case No. 10-0416-164911

Operator #39

Discharge Confirmation Report

Dear Sir/Madam:

In accordance with N.J.A.C. 7:1E-5.8, PSEG Nuclear LLC (PSEG Nuclear) is submitting the enclosed discharge confirmation report. This report describes the discovery of suspected diesel fuel oil in temporary wells installed for and during the investigation associated with NJDEP Case No. 10-0408-200307.

The discharge was reported to the New Jersey Department of Environmental Protection (NJDEP) hotline at 16:49 hours on April 16, 2010 and assigned case number 10-0416-164911 by Operator #39. This discharge was also reported to the Nuclear Regulatory Commission (NRC) pursuant to that agency's requirements.

The enclosed report contains the information as known at the time of this report.

Should you have any questions or require further information, please do not hesitate to contact Mark Pyle at (856) 339-2331, Mark.Pyle@pseg.com or Luis Cataldo at (856) 339-2307, Luis.Cataldo@pseg.com.

Sincerely,

Plant Manger - Salem

Attachments (4)

IE25

cc: U. S. Nuclear Regulatory Commission Document Control Desk Washington, DC 20555

> NJDEP Division of Remediation Management and Response Southern Bureau of Field Operations P.O. Box 407 Trenton, NJ 08625-0407 Attn: Ms. Linda Range

NJDEP – Water Compliance and Enforcement Southern Water Enforcement Attn: Steven Mathis 2 Riverside Drive, Suite 201 Camden, NJ 08103

Lower Alloways Creek Township 501 Locust Island Road PO Box 157 Hancock's Bridge, NJ 08038

bc: Site Vice President - Salem

Director Regulatory Assurance

Plant Manager – Salem Manager – Regulatory Assurance Manager – Salem Chemistry, Radwaste & Environmental

H. Gregory

L. Cataldo

Robert Guy

Gary Cranfield

NRĆ Resident

ARCADIS - Mr. Brad Pierce

Discharge Confirmation Report PSEG Nuclear LLC – Salem Generating Station NJDEP Case No. 10-0416-164911

7:1E-5.8(c), Confirmation Report:

1. Name, Address and Telephone Number of Individual who Reported:

Name: Eric Powell

Title: Shift Operations Manager

PSEG Nuclear LLC - Salem Generating Station

PO Box 236

Hancocks Bridge, NJ 08038-0236

(856) 339-5200

2. Name, Address and Telephone Number of Individual Submitting Report:

Name: Mark Pyle

Title: Manager Chemistry, Radwaste and Environmental

PSEG Nuclear LLC - Salem Generating Station

PO Box 236

Hancocks Bridge, NJ 08038-0236

(856) 339-2331

3. Name, Address and Telephone Number of Owner/Operator of Facility Where Discharge Occurred:

PSEG Nuclear LLC – Salem Generating Station PO Box 236 Hancocks Bridge, NJ 08038-0236 (856) 339-5200

4. Source of Discharge, if known:

An oil sheen was observed in a temporary well installed in association with the ongoing investigation associated with NJDEP Case No. 10-0408-200307. As a result of this sheen and an associated odor, two (2) additional temporary wells were installed to assist in an initial source determination and to evaluate if there is drainable product. The source is currently still under investigation.

5. <u>Location of Discharge:</u>

Name: PSEG Nuclear LLC - Salem Generating Station

Street Address: Hancocks Bridge Road

Block/Lot: B-26, L-4.01

Municipality: Lower Alloways Creek

County: Salem

Site Map: Identified on the Site Map in Attachment B.

- 6. Common Name and Chemical Abstract Service (CAS) number of each hazardous substance discharged:
 - Suspected Diesel Fuel, CAS No. 68476-34-6
- 7. Quantities of each hazardous substance discharged:
 - Suspected Diesel Fuel (CAS No. 68476-34-6), unknown amount
- 8. <u>Date and Time Discharge Began, Was Discovered, Ended and Was Reported:</u>

Case No. 10-0416-164911

Began: unknown

Discovered: 04/16/10 at 16:45 Reported: 04/16/10 at 16:49

9. <u>Detailed Description of Containment, Cleanup and Removal Measures Summary of Cost Incurred:</u>

Absorbent pads are being used for the sheen that was found on top of the water in the temporary wells. Two (2) additional temporary wells were installed to assist in an initial source determination and to evaluate if there is drainable product. If there is drainable product, appropriate interim measures will include the use of absorbent pads and may include more effective methods to remove the materials, as deemed necessary. Since the investigation is still on-going, cleanup costs are currently not available.

10. Detailed Description of Corrective Actions or Preventative Measures:

Currently, soil samples have been collected for lab analysis to assist in determining the source and results are pending. The samples were taken around the suspected area where diesel-related equipment are located. In addition, diesel fuel oil lines will be tested to help in source determination. If an ongoing source is identified, corrective actions will be taken. As discussed with NJDEP – Ms. Linda Range (4/29/10 telecon ARCADIS/Linda Range), the NJDEP Case Manager for Bureau of Field Operations (BFO) 17-04-08, investigation and remediation of spill number 10-0416-164911 will be completed in accordance with existing Memorandum of Agreement for BFO 17-04-08. A remedial investigation work plan will be developed and submitted to NJDEP-Linda Range that will include a schedule for conducting the remedial investigation and implementing any necessary information.

11. Name, Address and Telephone Number of Cleanup Entities:

PSEG Nuclear LLC – Salem Generating Station PO Box 236 Hancocks Bridge, NJ 08038-0236 (856) 339-5200

12. Description of Sample Date, Type, Quantity and Location

A total of 10 250-mL soil samples were taken on 05/04/10. The samples were taken via soft dig within the vicinity of the temporary wells.

13. Certification of Financial Responsibility

A copy of the Certification of Financial Responsibilities is included as Attachment C.

14. Supplemental Information - None

15. Any Additional Information - None

16. Certification

The Certification signed by the highest ranking individual with overall responsibility for the information contained is included as Attachment A.

ATTACHMENT A

Certification in accordance with 7:1E-4.11(a)

Discharge Confirmation Report
PSEG Nuclear LLC – Salem Generating Station
NJDEP Case No. 10-0416-164911

7:1E-4.11(a), Certifications:

- I, Robert Braun of full age, being duly sworn according to law, upon my oath depose and say:
- 1. I am the Senior Vice President Operations for PSEG Nuclear;
- 2. I certify under penalty of law that the information provided in this document is, to the best of my knowledge, true, accurate and complete. I am aware that there are significant civil and criminal penalties, including the possibility of fines or imprisonment or both, for submitting false, inaccurate or incomplete information.

Robert Braun

Senior Vice President - Operations

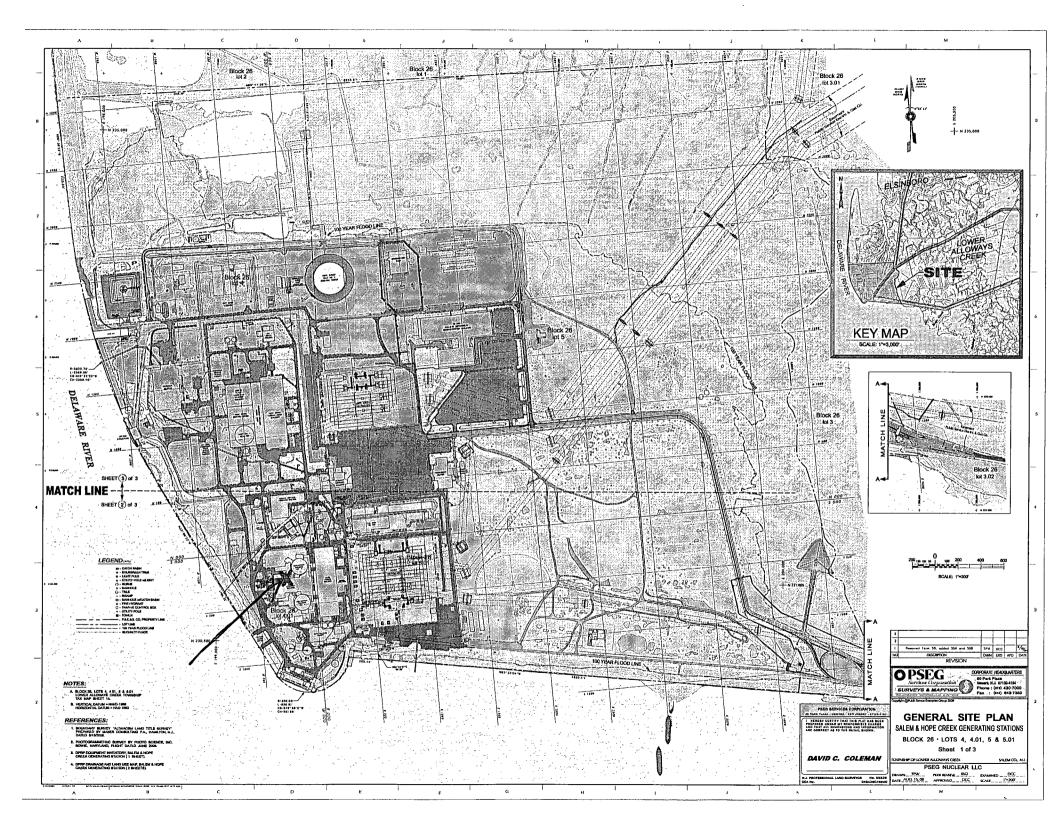
Sworn and subscribed before me

this ______ day of May 2010.

Ann L. Shimp Notary Public of New Jersey My Commission Expires October 17, 2012

ATTACHMENT B

Site Map



ATTACHMENT C

Certification of Financial Responsibility

Law Department 80 Park Plaza, T5C, Newark, NJ 07102-4194 tel: 973.430.6124 fax: 973.802.1267 email: kieran.brown@pseg.com



April 27, 2010

VIA FEDERAL EXPRESS

Bureau of Release Prevention
New Jersey Department of Environmental Protection
Station Plaza 4
22 South Clinton Ave, 3rd Floor – CN 424
Trenton, NJ 08625

Re: Financial Responsibility Documents

PSEG Fossil LLC
PSEG Nuclear LLC

Ladies and Gentlemen:

Enclosed are an original and ten copies of updated financial responsibility documents pursuant to N.J.A.C. 7:1E-4.4. The enclosed documents include the Chief Financial Officer's Letter and a Guarantee executed by the President and Chief Operating Officer of PSEG Power LLC. Each specifies the eleven major facilities that are covered.

If you have any questions, please do not hesitate to contact me.

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Enclosures

GUARANTEE

Guarantee made this April 27, 2010 by PSEG Power LLC, a business entity organized under the laws of the State of Delaware, herein referred to as guarantor, to the New Jersey Department of Environmental Protection ("Department") and to any and all third parties, and obligees, on behalf of its wholly owned operating subsidiaries, PSEG Fossil LLC, which operates the Bergen, Burlington, Essex, Edison, Hudson, Kearny, Linden, Mercer and Sewaren Generating Stations and PSEG Nuclear LLC, which operates Hope Creek and Salem Generating Stations, of 80 Park Plaza, Newark, New Jersey 07101.

- (1) Guarantor meets or exceeds the financial test criteria of N.J.A.C. 7:1E-4.4(g) and agrees to comply with the requirements for guarantors as specified in N.J.A.C. 7:1E-4.4(h).
- (2) PSEG Fossil LLC, a wholly owned subsidiary of guarantor, operates the following major facilities covered by this guarantee:

Bergen Generating Station Victoria Terrace Ridgefield, New Jersey 07657;

Hudson Generating Station Duffield & Van Keuren Avenues Jersey City, New Jersey 07306;

Kearny Generating Station Foot of Hackensack Avenue Kearny, New Jersey 07032;

Essex Generating Station 155 Raymond Boulevard Newark, New Jersey 07105;

Linden Generating Station Grasselli Area of Wood Avenue South Linden, New Jersey 07036;

Sewaren Generating Station

751 Cliff Road Sewaren, New Jersey 07077-1439;

Edison Generating Station 164 Silver Lake Avenue Edison, New Jersey 08817;

Mercer Generating Station Lamberton Road Trenton, New Jersey 08611; and

Burlington Generating Station W. Broad Street & Devlin Avenue Burlington, New Jersey 08016.

PSEG Nuclear LLC, a wholly owned subsidiary of guarantor, operates the following major facilities covered by this guarantee:

Salem Generating Station
Foot of Buttonwood Road
P.O. Box 236
Hancocks Bridge, New Jersey 08038; and

Hope Creek Generating Station Foot of Buttonwood Road P.O. Box 236 Hancocks Bridge, New Jersey 08038

This guarantee satisfies the requirements of N.J.A.C. 7:1E-4.4 for assuring funding in the amount of \$1,000,000 per occurrence per facility and \$2,000,000 annual aggregate per facility for cleanup and removal activities arising from operating the above identified major facilities.

On behalf of our wholly owned operating subsidiaries, PSEG Fossil LLC and PSEG Nuclear LLC, guarantor guarantees to the Department and to any and all third parties that:

In the event that PSEG Fossil LLC or PSEG Nuclear LLC fails to provide alternate coverage within 60 days after receipt of a notice of cancellation of this guarantee and the Department has determined or suspects that a discharge has occurred at a facility covered by this guarantee, the guarantor, upon instructions from the Department, shall fund a standby trust fund in an amount sufficient to cover cleanup and removal costs, but not to exceed the coverage limits specified in N.J.A.C. 7:1E-4.4(b).

In the event that the Department determines that PSEG Fossil LLC or PSEG Nuclear LLC has failed to perform cleanup and removal activities

arising out of the operation of the above-identified facilities, the guarantor, upon written instructions from the Department, shall fund a standby trust in an amount sufficient to cover cleanup and removal costs, but not to exceed the coverage limits specified above.

- (4) Guarantor agrees that if, at the end of any fiscal year before cancellation of this guarantee, the guarantor fails to meet the financial test criteria of N.J.A.C. 7:1E-4.4(g), guarantor shall send within 120 days of such failure, by certified mail, notice to PSEG Fossil LLC and PSEG Nuclear LLC and the Department. The guarantee will terminate 120 days from the date of receipt of the notice by PSEG Fossil LLC and PSEG Nuclear LLC or 120 days from the date of receipt of the notice by the Department, whichever is later, as evidenced by the return receipt.
- (5) Guarantor agrees to notify PSEG Fossil LLC and PSEG Nuclear LLC by certified mail of a voluntary or involuntary proceeding under Title 11 (Bankruptcy), U.S. Code, naming guarantor as debtor, within 10 days after commencement of the proceeding.
- (6) Guarantor agrees to remain bound under this guarantee notwithstanding any modification or alteration of any obligation of PSEG Fossil LLC or PSEG Nuclear LLC, pursuant to N.J.A.C. 7:1E.
- (7) Guarantor agrees to remain bound under this guarantee for so long as PSEG Fossil LLC or PSEG Nuclear LLC must comply with the applicable financial responsibility requirements of N.J.A.C. 7:1E-4.4 for the above-identified facilities, except that guarantor may cancel this guarantee by sending notice by certified mail to PSEG Fossil LLC and PSEG Nuclear LLC, and the Department, such cancellation to become effective no earlier than 120 days after receipt of such notice by PSEG Fossil LLC and PSEG Nuclear LLC, or 120 days from the date of receipt of the notice by the Department, whichever is later, as evidenced by the return receipt.
- (8) The guarantor's obligation does not apply to any of the following:
 - (a) Any obligation of PSEG Fossil LLC or PSEG Nuclear LLC under a worker's compensation, disability benefits, or unemployment compensation law or other similar law;
 - (b) Bodily injury to an employee of PSEG Fossil LLC or PSEG Nuclear LLC arising from, and in the course of, employment by PSEG Fossil LLC or PSEG Nuclear LLC.
 - (c) Bodily injury or property damage not related to a discharge arising from the ownership, maintenance, use, or entrustment to others of any aircraft, motor vehicle, or watercraft;
 - (d) Property damage to any property owned, rented, loaned to, in the care, custody, or control of, or occupied by PSEG Fossil LLC or PSEG Nuclear LLC that is not the direct result of a discharge from the facility;

- (e) Bodily damage or property damage for which PSEG Fossil LLC or PSEG Nuclear LLC is obligated to pay damages by reason of the assumption of liability in a contract or agreement other than a contract or agreement entered into to meet the requirements of N.J.A.C. 7:1E-4.4.
- (9) Guarantor expressly waives notice of acceptance of this guarantee by the Department or by PSEG Fossil LLC or PSEG Nuclear LLC.

I hereby certify that the wording of this guarantee is identical to the wording specified in Appendix B of N.J.A.C. 7:1E as such rules were constituted on the effective date shown immediately below.

Effective date: April 27, 2010

PSEG Power LLC

William Levis

President and Chief Operating Officer

Signature of witness or notary;

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LETTER FROM EXECUTIVE VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

I am the Executive Vice President and Chief Financial Officer of PSEG Power LLC, 80 Park Plaza, P.O. Box 1171, Newark, New Jersey 07101-1171. This letter is in support of the use of the financial test of self-insurance and guarantee to demonstrate financial responsibility for cleanup and removal activities arising from operating:

Bergen Generating Station Victoria Terrace Ridgefield, New Jersey 07657;

Hudson Generating Station Duffield & Van Keuren Avenues Jersey City, New Jersey 07306;

Kearny Generating Station Foot of Hackensack Avenue Kearny, New Jersey 07032;

Essex Generating Station 155 Raymond Boulevard Newark, New Jersey 07105;

Linden Generating Station Grasselli Area of Wood Avenue South Linden, New Jersey 07036;

Sewaren Generating Station 751 Cliff Road Sewaren, New Jersey 07077-1439;

Edison Generating Station 164 Silver Lake Avenue Edison, New Jersey 08817;

Mercer Generating Station Lamberton Road Trenton, New Jersey 08611;

Burlington Generating Station W. Broad Street & Devlin Avenue Burlington, New Jersey 08016; Salem Generating Station Foot of Buttonwood Road P.O. Box 236 Hancocks Bridge, New Jersey 08038; and

Hope Creek Generating Station Foot of Buttonwood Road P.O. Box 236 Hancocks Bridge, New Jersey 08038

in the amount of at least One Million Dollars (\$1,000,000) per occurrence per facility, and Two Million Dollars (\$2,000,000) annual aggregate per facility.

A financial test is also used by this owner or operator to demonstrate evidence of financial responsibility in the following amounts under the following EPA or State rules or regulations (i.e., RCRA, ECRA, UST, etc.):

N/A

This owner or operator has not received an adverse opinion, a disclaimer of opinion, or a going concern qualification from an independent auditor on his or her financial statements for the latest completed fiscal year.

ALTERNATIVE I

		(Millions)
1.	Amount of annual DCR aggregate coverage being assured by a financial test and/or guarantee	\$22
2.	Amount of annual aggregate coverage for all other Federal or State regulatory costs (i.e. RCRA, ECRA, UST, etc.) covered by a financial test, and/or guarantee	\$0
3.	Sum of lines 1 and 2	\$22
4.	Total tangible assets	\$ 10.203
5.	Total liabilities [if any of the amount reported on line 3 is included in total liabilities, you may deduct that amount from this line and add that amount to line 6]	\$5,866
6.	Tangible net worth [subtract line 5 from line 4]	\$ 4,337

		YES	NO
7.	Is line 6 at least \$10 million?	X	
8.	Is line 6 at least 10 times line 3?	X	
9.	Have financial statements for the latest fiscal year been filed with the Securities Exchange Commission?	X	
10.	Have financial statements for the latest fiscal year been filed with the Energy Information Administration?		X
11.	Have financial statements for the latest fiscal year been filed with the Rural Utilities Services or the Board of Public Utilities?		X
12.	Has financial information been provided to Dun and Bradstreet, and has Dun and Bradstreet provided a financial strength rating of 4A or 5A? [Answer Yes only if both criteria have been met]		X

I hereby certify that the wording of this letter is identical to the wording specified in Appendix B of N.J.A.C. 7:1E, as such rules were constituted on the date shown immediately below.

Caroline Dorsa

Executive Vice President and

Chief Financial Officer

Date: April 27, 2010