

From: [Snyder, Amy](#)
To: [Gubbi, Veena](#); ["Schwartz, Paul"](#); ["Orlando, Paul"](#)
Subject: FOR YOUR COMMENTS- STATE OF NEW JERSEY- OYSTER CREEK- EXEMPTION REQUEST CONCERNING PRIMARY AND SECONDARY LIABILITY INSURANCE
Date: Thursday, May 16, 2019 8:59:00 AM

Ms. Gubbi, Mr. Schwartz, and Mr. Orlando:

The U.S. Nuclear Regulatory Commission (NRC) staff plans to re-issue the December 19, 2018, exemption from Title 10 of the *Code of Federal Regulations* (10 CFR) Section 140.11(a)(4) with a revised effective date of 9.38 months (285 days) from the certification of permanent cessation of power operations under § 50.82(a)(1) to Oyster Creek Nuclear Generating Station (Oyster Creek) at end of June 2019.

By letter dated April 4, 2019 (Agencywide Documents Access and Management System [ADAMS] Accession No. ML19094B776), Exelon Generation Company, LLC (Exelon) submitted a request to revise the effective date of a previously issued exemption for Oyster Creek Nuclear Generating Station (Oyster Creek). The previous exemption, approved on December 19, 2018, exempted Exelon from 10 CFR Section 140.11(a)(4) to allow Exelon to reduce the required level of primary off site liability insurance for Oyster Creek from \$450,000,000 to \$100,000,000, and eliminate the requirement for Oyster Creek to carry secondary financial protection (ADAMS Accession Nos. ML18229A005 (Cover Letter) and ML18229A006 (Exemption)). The December 17, 2018, exemption originally had an effective date of 12 months (365 days) from the certification of permanent cessation of power operations under § 50.82(a)(1). The April 4, 2019, submittal requests that the December 19, 2018, exemption be effective at 9.38 months (285 days) after the certification of permanent fuel removal from the reactor vessel under § 50.82(a)(1), as opposed to 12 months (365 days).

Exelon permanently ceased power operations at Oyster Creek on September 17, 2018 (ADAMS Accession No. ML18263A163). On September 25, 2018 (ADAMS Accession No. ML18268A258), Exelon permanently removed fuel from the Oyster Creek reactor vessel.

The exemption, if re-issued, would revise the effective date of the exemption to 10 CFR Section 140.11(a)(4) for Oyster Creek from 12 months (365 days) after the docketing of the certification of permanent removal of the fuel from the reactor vessel at Oyster Creek to 9.38 months (285 days) after the docketing of the certification of permanent removal of the fuel from the reactor vessel at Oyster Creek.

If the State of New Jersey has comments on the exemption request, please provide the comments by June 3, 2019.


In addition, the NRC staff previously determined that the December 19, 2018, exemption met the eligibility criteria for the categorical exclusion set forth in 10 CFR 51.22(c)(25). That evaluation (ADAMS Accession No. ML18136A841) remains valid as to all other aspects of the exemption from 10 CFR 140.11(a)(4) outside of the revised effective date. To address the revised effective date of the exemption, the NRC staff has evaluated the proposed change against the standard set forth in 10 CFR 51.22 and has determined that the exemption, with the modified effective date, continues to meet the provisions of categorical exclusion 10 CFR 51.22(c)(25)(H), "surety, insurance or indemnity requirements."

Thank You

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Amy

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