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Writer's Direct Dial Number:

November 2, 1989 C000-89-0759

A. J. McMahon, Acting Director Division of Environmental Quality Department of Environmental Protection State of New Jersey CN 027, Trenton, NJ 08625-0027

Dear Mr. McMahon:

This is in response to your letter of October 19, 1989 and documents our discussion of the various issues during your visit to the Oyster Creek Nuclear Generating Station on October 24, 1989.

The implication from the statement in your letter that "...GPU Nuclear (GPUN) does not feel there is a need to meet certain Nuclear Regulatory Commission (NRC) licensing requirements..." does not represent our view. I don't know how you came to believe it, but it just isn't so. GPUN has always and does today recognize that it must meet all NRC requirements under our license. This is clearly stated and emphasized in our Mission, Values, Polices and Procedures. We (as other licensees) do discuss with the NRC their requirements and where appropriate and acceptable to the NRC, seek clarifications, exemptions or exceptions that are warranted for the specific conditions at OCNGS. NRC requirements for the OCNGS recognize and incorporate any such specific items.

The margin of safety for the OCNGS is essentially captured in the Final Safety Analysis Report and Technical Specifications where the facility licensing bases and operating limits are contained. The licensing requirements were established during the initial licensing process and have been revised, as appropriate, to incorporate evolutionary issues that develop in the regulatory process. Your thought that "...there is a wide divergence between GPUN meeting NRC requirements for a full term operating license...and actually proving that the plant has an adequate margin of safety in 1989.", appears not to recognize that the license is a dynamic document that is modified when relevant issues arise. As stated above, GPUN operates the plant within the requirements of the license thus ensuring that the margin of safety for the plant is maintained.

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As you recognize at any given time there may be a number of open issues which are the subject of discussion with the NRC. The NRC has chosen in the Full Term Operating License process to address the Systematic Evaluation Program, NUREG-0737 and Environmental Impact Statement issues and bring these issues to closure as part of the process. For open issues that have been determined to have significant impact on the plant and corporate resources, GPUN utilizes the Long Range Planning Program (LRPP) to manage these items. Both issues identified by the NRC (e.g. GL 88-01 concerning intergranular stress corrosion cracking) and issues identified by GPUN to enhance plant safety and reliability are addressed by the LRPP. This program was developed to assess, coordinate and schedule major work tasks of projects at the OCNGS, including those mandated or proposed by the NRC. The LRPP and resultant plan/schedule are license conditions, and, as a result, receive NRC review and approval. Open NRC issues that have not yet been identified as having a significant impact on the plant (e.g. Individual Plant Examination), are the subject of correspondence and periodic meetings with the NRC. Consequently, timely resolution of open issues is mutually agreed upon by GPUN and NRC.

We appreciated the opportunity to meet with you and your staff on October 24, 1989 and believe these meetings serve to increase the communication between our organizations and would hope they continue. Further, as the result of this meeting, it is our understanding that you intend to request that the NRC hold a public meeting with respect to the FTOL process. Acknowledging this intent, GPUN believes that the NRC should be given latitude as to the forum of this meeting. Should NRC agree to host a public meeting, GPUN would fully support and participate as requested.

R. L. Long

Vice President and Director Planning and Nuclear Safety

(OCNGS)

CC: Mr. William T. Russell, Administrator Region I U.S. Nuclear Regulatory Commission 475 Allendale Road King of Prussia, PA 19406

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