

September 14, 2005

The Honorable Jim Saxton
United States House of Representatives
Washington, D.C. 20515

Dear Congressman Saxton:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter dated August 3, 2005, requesting that the NRC provide a comprehensive and exhaustive review of the license renewal application for the Oyster Creek Nuclear Generating Station. I want to assure you that the NRC's review process for license renewal applications is both thorough and comprehensive and that the staff will follow this well established process for the Oyster Creek application.

The NRC has established clear requirements, codified in Title 10 of the *Code of Federal Regulations* Parts 51 and 54, to ensure safe plant operation for extended plant life. When evaluating an applicant's compliance with license renewal requirements, the NRC staff follows a well established and transparent review process that includes an independent and thorough review of the licensee's application. NRC documents its review results by preparing a safety evaluation report and an environmental impact statement. NRC staff verifies whether the licensee has met the applicable regulations and has implemented license renewal programs and activities consistent with its application for license renewal. The NRC staff communicates with Federal, State, and local agencies to gather necessary information and to evaluate and disclose the environmental impact of extended plant operation. NRC uses its environmental review to satisfy the requirements of the National Environmental Policy Act of 1969.

As an integral part of the reactor oversight process, NRC performs safety performance inspections (e.g., baseline, supplemental, and event follow-up inspections) of nuclear plants. These inspections will continue during the period of extended operation if the Oyster Creek license is renewed. NRC reviews quarterly the inspection results and performance indicator data to determine if plant performance warrants either a change in inspection effort or NRC regulatory oversight.

NRC encourages public participation in its review of license renewal applications. The NRC issued the notice of public availability of the Oyster Creek application shortly after it was received. The NRC held a public meeting on August 24, 2005, near the nuclear power plant to give the public information about the license renewal process and will hold additional public meetings during the review of the license renewal application. NRC provides the opportunity for the public to request adjudicatory hearings on license renewal applications and makes public its evaluations, findings, and recommendations.

In addition, NRC's Advisory Committee on Reactor Safeguards (ACRS), an independent advisory committee established by Congress in 1957 to analyze safety standards and facility license applications, conducts reviews of license renewal applications and NRC's safety evaluation reports. The ACRS provides independent advice to the Commission on these activities.

The Commission's expectations regarding the need for a comprehensive and exhaustive review of all license renewal applications are well understood by the NRC staff. In addition, I have recently re-emphasized this expectation, specifically for the Oyster Creek review, to the NRC's Executive Director for Operations.

If you have any further questions, please contact me.

Sincerely,

/RA/

Nils J. Diaz