

March 16, 2006

The Honorable Jim Saxton
United States House of Representatives
Washington, DC 20515

Dear Congressman Saxton:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter addressed to Chairman Nils J. Diaz dated January 27, 2006, in which you expressed concerns with regard to the ultrasonic testing performed on the drywell liner in the containment of the Oyster Creek Generating Station (OCGS), located in Ocean County, New Jersey.

To ensure that the appropriate wall thickness in the drywell liner is maintained, licensees, including AmerGen Energy Company, LLC., perform periodic visual and ultrasonic tests in accordance with NRC-approved codes, such as the code of the American Society of Mechanical Engineers. The results of NRC staff inspections of these tests are documented in inspection reports, which are publicly available through NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS can be accessed through NRC's public Web site <http://www.nrc.gov>. In the reports the staff concluded that "the licensee has responded to its inspection findings and NRC concerns, and has taken positive steps to eliminate or reduce corrosion of the drywell wall." In addition, the staff also stated that "the drywell corrosion and sandbed removal project was exceptionally well planned and performed."

As stated in the summary of the May 12, 2005, annual assessment meeting with AmerGen (ADAMS Accession No. ML051720197), the NRC staff informed the public that:

The licensee has visually inspected the coating applied to the liner in the sandbed region in 1996, 2000, and 2004. The visual inspection determined that the coating repair is in very good condition. For regions above the sandbed, ultrasonic inspections have been periodically completed for the areas that exhibited the worst corrosion in 1992, 1996, 2000, and 2004. No significant degradation has been identified for the regions above the sandbed.

Currently, the NRC staff is reviewing the license renewal application for OCGS. In its application, OCGS included a time-limited aging analysis addressing drywell liner corrosion. The staff has not completed its review and has no conclusions at this time. The staff will document its conclusions in a Safety Evaluation Report that will be available at least five months prior to taking any action on the license renewal request. Concurrent with the staff's review, the Atomic Safety and Licensing Board will be considering the hearing requests, including proposed contentions, that have been submitted concerning the license renewal application for OCGS.

J. Saxton

-2-

I want to assure you that NRC is making every effort to be open in dealing with our stakeholders regarding our license renewal activities at OCGS. If you have further questions, please contact me.

A copy of your letter and this response will be placed on the OCGS hearing docket and served on the parties to the proceedings.

Sincerely,

/RA/

Luis A. Reyes
Executive Director
for Operations

cc: See next page

J. Saxton

-2-

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*via email ADAMS Accession Nos.: Pkg - ML060450347; Incoming - ML060340125; Response - ML060450746

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Oyster Creek Nuclear Generating Station -2-

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