



LR-E12-0103

Dated: **AUG 06 2012**

Certified Mail, Return Receipt Requested
Article Number: 7011 1570 0000 2131 3178

Bureau of Release Prevention
New Jersey Department of Environmental Protection
PO Box 420, Mail Code 22-03D
Trenton, New Jersey 08625-0420
Attn: Discharge Confirmation Report

**RE: PSEG Nuclear LLC – Salem Generating Station
NJDEP Case No. 12-07-11-1157-10
Operator #25
30-day 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 ammonia in water found during onsite excavation.

The discharge was reported to the New Jersey Department of Environmental Protection (NJDEP) hotline at 11:57 hours on July 11, 2012 and assigned case number 12-07-11-1157-10 by Operator #25. 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 me at (856) 339-7900, Jeffrey.Pantazes@pseg.com or Tanya Davis at (856) 339-1426, Tanya.Davis@pseg.com.

Sincerely,

A handwritten signature in black ink, appearing to read "JPantazes", written over a faint, stylized outline of the letter "P".

Jeffrey Pantazes
Manager – Nuclear Environmental Affairs

Attachments (3)

IE23
NRR

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

Certified Mail, Return Receipt Requested
Article Number: 7011 1570 0000 2131 3185

NJDEP
Site Remediation Program
P.O. Box 420, Mail Code: 401-05H
Trenton, NJ 08625-0420

Certified Mail, Return Receipt Requested
Article Number: 7011 1570 0000 2131 3192

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

Certified Mail, Return Receipt Requested
Article Number: 7011 1570 0000 2131 3208

Bureau of Discharge Prevention – Discharge Confirmation Report
LR-E12-0103

bc: Site Vice President – Salem
Plant Manager – Salem
Site Vice President – Hope Creek
Plant Manager – Hope Creek
Director – Regulatory Assurance
Manager – Nuclear Environmental Affairs
Manager – Salem Regulatory Assurance
ARCADIS
NRC Resident

Discharge Confirmation Report
PSEG Nuclear LLC – Salem Generating Station
NJDEP Case No. 12-07-11-1157-10

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

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

Name: Gary Meekins
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: Jeffrey Pantazes
Title: Manager – Nuclear Environmental Affairs
PSEG Nuclear LLC
PO Box 236
Hancocks Bridge, NJ 08038-0236
(856) 339-7900

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) 339-7900

4. Source of Discharge, if known:

An excavation was in progress just west of the security center to make repairs to a leaking fire protection valve (1FP38). During the excavation, groundwater was observed building up in the vicinity of the piping.

The water was sampled for ammonia, pH and hydrazine. Sample results were satisfactory for pH and hydrazine but the ammonia result was 5ppm.

Excavation continued in order to expose the underground pipes in the area to identify the source. Three pipes were exposed including freshwater, firewater and a storm drain. Water was pumped out of the hole and allowed to fill up overnight for a confirmatory sample the next morning.

The next morning (07/11/12), the water was sampled again for ammonia which measured 4 ppm. The Shift Manager was informed and on 07/11/12 at 1157 a report was made to the NJDEP hotline.

A further inspection of the excavation site revealed that the source of the water was not originating from any of the piping but from three of the four walls of the excavation site and appeared to be groundwater seepage.

The source is unknown at this time.

5. Location of Discharge:

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:

- Ammonia, CAS No. 7664-41-7

7. Quantities of each hazardous substance discharged:

- Approximately 100 gallons of water containing ammonia (CAS No. 7664-41-7) was in the hole.

8. Date and Time Discharge Began, Was Discovered, Ended and Was Reported:

Case No. 12-07-11-1157-10

Began: unknown

Discovered: 07/10/12 at 12:08

Ended: unknown (see item #15 below)

Reported: 07/11/12 at 11:57

9. Detailed Description of Containment, Cleanup and Removal Measures Summary of Cost Incurred:

The groundwater that collected in the excavation hole was pumped out via vacuum truck.

Clean up costs are estimated to be \$1,000.00.

10. Detailed Description of Corrective Actions or Preventative Measures:

- Excavation was initially stopped and subsequently resumed to validate the pipes/lines in the area were not the source.
- Samples were taken for confirmation.
- Further evaluations are in progress.

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

PSEG Nuclear LLC – Salem Generating Station
PO Box 236
Hancocks Bridge, NJ 08038-0236
(856) 339-7900

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

The following samples were taken from the groundwater within excavation:

07/10/12 at 1045: = 5 ppm (initial)
07/10/12 at 1230: = 5 ppm (confirmatory)
07/11/12 at 0800: = 5 ppm (initial)
07/11/12 at 1030: = 4 ppm (confirmatory)
07/12/12 at 1414: = 4.05 ppm (confirmatory, MTS Labs)
07/16/12 at 1000: = 9.70 ppm (MTS Labs)
07/16/12 at 1000: = 8.09 ppm (QC Labs)

13. Certification of Financial Responsibility – Included as Attachment C

14. Supplemental Information – None

15. Any Additional Information:

Currently, the source for the ammonia is unknown. The lines/pipes that were further exposed during the excavation confirmed that the only lines/pipes in the area were fresh water, firewater and a storm drain, none of which have ammonia sources. In addition, there is no storage in the area that would contribute to ammonia.

Due to the source being unknown the investigation is ongoing and PSEG will submit additional information when available.

16. Certification of highest ranking individual – Included as Attachment A

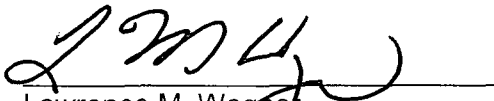
ATTACHMENT A

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

Discharge Confirmation Report
PSEG Nuclear LLC – Salem Generating Station
NJDEP Case No. 12-07-11-1157-10

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

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.



Lawrence M. Wagner
Plant Manager – Salem
PSEG Nuclear, LLC

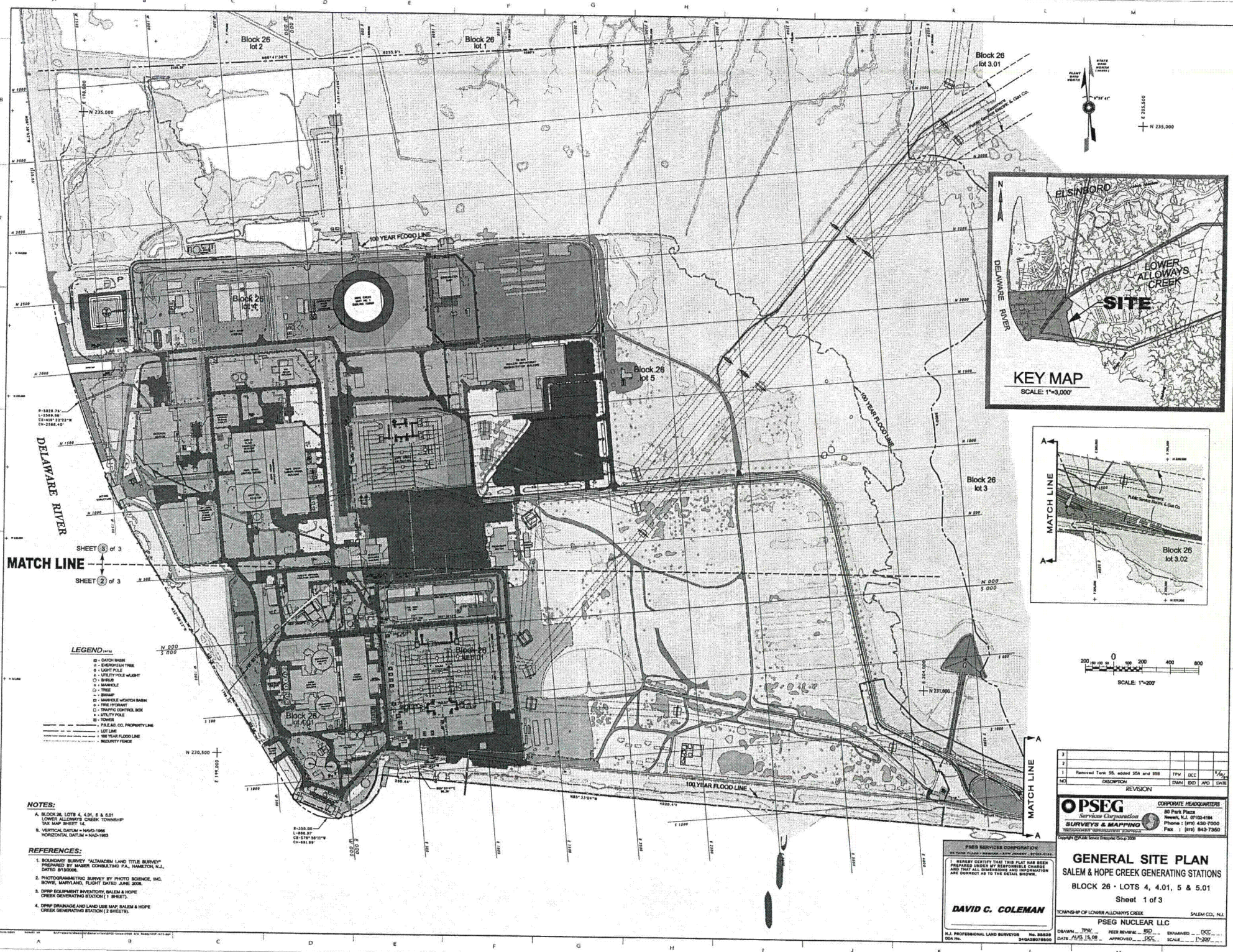


Date:

Attachment B
Site Map

ATTACHMENT B

Site Map



ATTACHMENT C

Certification of Financial Responsibility

Kieran A. Brown
Assistant General Counsel

Law Department
80 Park Plaza, T-5, Newark, New Jersey 07102-4194
tel: 973.430.6124 fax: 973.430.802-1267
email: kieran.brown@pseg.com



April 25, 2012

VIA OVERNIGHT MAIL

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.

Sincerely,

A handwritten signature in black ink, appearing to be "KAB", followed by a horizontal line extending to the right.

Kieran A. Brown

Enclosures

Bcc: C. Dorsa
W. Levis
E. Gorman
L. Knowlson
D. Hinchey
S. Leon
S. Cortright
I. Muldowney
N. Cortellessa
J. Walz
G. Rivera
M. Schwartzkopf
J. Pantazes
H. Gregory
L. Morales
K. Scarborough
S. Joshi

GUARANTEE

Guarantee made this April 25, 2012 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.

- (3) 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.

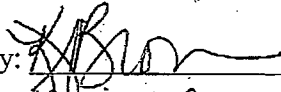
Effective date: April 25, 2012

PSEG Power LLC



William Lewis
President and Chief Operating Officer

Signature of witness or notary:



Aleran A. Brown
Assistant General Environmental Counsel

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/or 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	\$ <u>22</u>
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	\$ <u>0</u>
3. Sum of lines 1 and 2	\$ <u>22</u>
4. Total tangible assets	\$ <u>10.940</u>
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]	\$ <u>5.643</u>
6. Tangible net worth [subtract line 5 from line 4]	\$ <u>5.297</u>

		<u>YES</u>	<u>NO</u>
7.	Is line 6 at least \$10 million?	<u>X</u>	<u> </u>
8.	Is line 6 at least 10 times line 3?	<u>X</u>	<u> </u>
9.	Have financial statements for the latest fiscal year been filed with the Securities Exchange Commission?	<u>X</u>	<u> </u>
10.	Have financial statements for the latest fiscal year been filed with the Energy Information Administration?	<u> </u>	<u>X</u>
11.	Have financial statements for the latest fiscal year been filed with the Rural Utilities Services or the Board of Public Utilities?	<u> </u>	<u>X</u>
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]	<u> </u>	<u>X</u>

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 28, 2012

UPS CampusShip: View/Print Label

1. **Ensure there are no other shipping or tracking labels attached to your package.** Select the Print button on the print dialog box that appears. Note: If your browser does not support this function select Print from the File menu to print the label.
2. **Fold the printed sheet containing the label at the line so that the entire shipping label is visible.** Place the label on a single side of the package and cover it completely with clear plastic shipping tape. Do not cover any seams or closures on the package with the label. Place the label in a UPS Shipping Pouch. If you do not have a pouch, affix the folded label using clear plastic shipping tape over the entire label.

3. **GETTING YOUR SHIPMENT TO UPS**

UPS locations include the UPS Store®, UPS drop boxes, UPS customer centers, authorized retail outlets and UPS drivers.


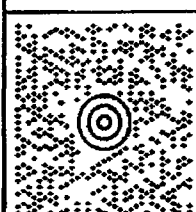
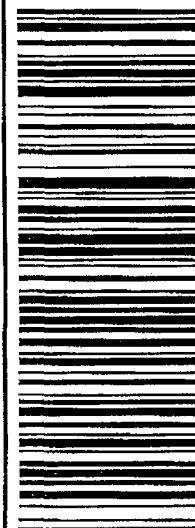
Find your closest UPS location at: www.ups.com/dropoff

Take your package to any location of The UPS Store®, UPS Drop Box, UPS Customer Center, UPS Alliances (Office Depot® or Staples®) or Authorized Shipping Outlet near you. Items sent via UPS Return Services(SM) (including via Ground) are also accepted at Drop Boxes. To find the location nearest you, please visit the Resources area of CampusShip and select UPS Locations.

Customers with a Daily Pickup

Your driver will pickup your shipment(s) as usual.

FOLD HERE

KIERAN A. BROWN, ESQ. 973-430-6095 PSEG SERVICES CORPORATION 80 PARK PLAZA, T5 NEWARK NJ 07102		0.5 LBS LTR		1 OF 1	
SHIP TO: NJ DEPT. OF ENVIRONMENTAL PROTECTION BUREAU OF RELEASE PREVENTION 22 S. CLINTON AVE. 3RD FL. - CN 424 STATION PLAZA 4 TRENTON NJ 08609-1212		NJ 086 0-04 			
		UPS NEXT DAY AIR SAVER 1P TRACKING #: 1Z 8Y4 17F 13 9273 0779			
					
		BILLING: P/P			
		Cost Center: 1896 Bill To Cost Center / Plant Code: 1896 CS 143.110 WPDIE60 24.0A 07/2012			
		