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August 14, 2012
TMI-12-112

10 CFR 50.51
10 CFR 50.82

Attn: Document Control Desk
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

Subject:
Three Mile Island Nuclear Station, Unit 2
Docket No. 50-320, Possession Only License No. DPR-73
Notification of Intent to Submit a Post-Shutdown Decommissioning
Activities Report

The Three Mile Island Nuclear Station, Unit 2 (TMI-2) has a Possession Only License (POL), and is currently maintained in accordance with the Nuclear Regulatory Commission (NRC) approved SAFSTOR condition known as Post Defueling Monitored Storage (PDMS). By letter dated June 21, 1995, the NRC issued TMI-2 Amendment Number 49 which extended the TMI-2 Possession Only License to April 19, 2014. This extension allowed the decommissioning of TMI-2 to coincide with the decommissioning of the currently operating Three Mile Island Nuclear Station, Unit 1 (TMI-1).

By letter dated October 22, 2009 to Exelon Generation Company, LLC, the NRC issued a renewed Operating License to TMI-1, which allowed an additional 20 years of operation. As a result, the TMI-1 Operating License has been extended until April 19, 2034.

The purpose of this letter is to provide an update concerning the decommissioning of TMI-2, including the planned submittal of a TMI-2 plant-specific Post-Shutdown Decommissioning Activities Report (PSDAR) that establishes the schedule for

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decommissioning of TMI-2 to coincide with the expiration of the TMI-1 Operating License dated of April, 19, 2034.

The 1996 revision to the Decommissioning Rule, including revisions to 10 CFR 50.51, "Continuation of License," and 10 CFR 50.82, "Termination of License," establish the bases for the actions planned for the TMI-2 decommissioning.

The 1996 revision to 10 CFR 50.51 eliminated the requirement for licensees to obtain a possession only license following cessation of operation. The revised rule established that facility licenses remain in effect beyond their expiration dates following cessation of operations until the licensee is notified in writing by the NRC. During this period of "continued effectiveness," licensees are required to take actions necessary to decontaminate and decommission the facility, to maintain the facility in a safe condition, and to conduct all activities in accordance with NRC regulations and facility license restrictions.

GPU Nuclear effectively completed the activities required by the revision to 10 CFR 50.51 when the facility was decontaminated and transitioned to its current state of monitored storage (PDMS). GPU Nuclear obtained NRC approval to maintain TMI-2 in the PDMS state until decommissioning upon issuance of TMI-2 License Amendment Number 48 dated December 28, 1993. Upon issuance of this amendment, TMI-2 entered the PDMS condition.

Based on the revision to 10 CFR 50.51 which stated that facility licenses remain in effect until receipt of written notice of termination by the NRC, GPU Nuclear will continue to maintain TMI-2 in the SAFSTOR PDMS condition and will not seek an extension to the current POL which expires on April 19, 2014. GPU Nuclear will take further action as required in 10 CFR 50.82(a)(4), by establishing a decommissioning plan that reflects the regulations.

Pursuant to the requirements of 10 CFR 50.82, when a licensee has determined to permanently cease operations, written certification is required to be submitted to the NRC. Written certification is also required once fuel has been removed from the reactor vessel. The regulation also states that for licensees that have ceased operations and have POLs that were issued prior to the 1996 revision of the Decommissioning Rule, these certifications are considered to have been submitted. Since the TMI-2 POL was issued in 1993, the requirements for the certifications are considered satisfied.

Additionally, 10 CFR 50.82(a)(4) requires licensees to submit a Post-Shutdown Decommissioning Activities Report (PSDAR) to provide information regarding the decommissioning of the facility. GPU Nuclear will submit a PSDAR that describes planned decommissioning activities, schedule, cost estimates, and environmental impacts of TMI-2 plant specific decommissioning. The schedule of TMI-2 decommissioning will establish completion of decommissioning before 60 years from the TMI-2 cessation of operation of December 28, 1993 as required by 10 CFR 50.82(a)(3). Additionally, the proposed decommissioning plan for TMI-2 will be to maintain the SAFSTOR PDMS state up to an additional 20 years to coincide with the end of the TMI-1 Operating License in order to synchronize decommissioning of TMI-1 and TMI-2.

GPU Nuclear has maintained TMI-2 in the PDMS state since the NRC provisions for cleanup were met and accepted in 1993. The NRC has performed inspections, which included containment entries, that monitored and validated the condition of the facility. Additionally, the GPU Nuclear staff periodically communicates plant conditions with the NRC Region I staff. The PDMS Safety Analysis Report, the PDMS Quality Assurance Plan, and the POL Technical Specifications provide guidance for activities while in the PDMS state. These documents are maintained and updated as required. Revisions to the PDMS Safety Analysis Report are provided to the NRC every 24 months. The most recent PDMS Safety Analysis Report revision was submitted to the NRC on August 24, 2011. The next revision to the PDMS Safety Analysis Report will be provided no later than August 24, 2013.

The activities involved in monitoring the plant in the PDMS state include maintenance, testing, surveillance, radiation monitoring, and management review of PDMS activities and radiation exposure. Additionally, Nuclear Oversight reviews PDMS activities. The implementation of PDMS has been effective in monitoring TMI-2 since post-accident cleanup was completed in 1993. Radiation monitoring has shown the expected decay of the residual source terms and the continued decrease in potential environmental impacts with time. Maintaining TMI-2 in the PDMS state will provide assurance that radioactivity is contained and monitored, and will continue to reduce the radiological exposure until decommissioning.

GPU Nuclear is currently developing the TMI-2 PSDAR. Submittal of the PSDAR for NRC staff review is anticipated by the second quarter of 2013.

Three Mile Island Nuclear Station, Unit 2
TMI-12-112
Page 4

There are no regulatory commitments contained in this letter. If there are any questions or if additional information is required, please contact Mr. Gregory H. Halnon at (330) 436-1369.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Pace", with a long horizontal stroke extending to the right.

Danny L. Pace
President

cc: NRC Region I Administrator
NRC Senior Resident Inspector
NRC Project Manager