



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

August 31, 2007

Mr. Christopher M. Crane
President and CEO
AmerGen Energy Company, LLC
200 Exelon Way, KSA 3-E
Kennett Square, PA 19348

SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN -
OYSTER CREEK NUCLEAR GENERATING STATION

Dear Mr. Crane:

On August 8, 2007, the NRC staff completed its performance review of Oyster Creek Nuclear Generating Station (Oyster Creek) for the first half of the calendar year 2007 assessment cycle. Our technical staff reviewed performance indicators (PIs) for the most recent quarter and inspection results over the previous twelve months. The purpose of this letter is to inform you of our assessment of your safety performance during this period and our plans for future inspections at your facility.

This performance review and enclosed inspection plan do not include security information. A separate letter designated and marked as "Official Use Only—Security Information" will include the security cornerstone review and resultant inspection plan.

Plant performance for the most recent quarter for 2007 at Oyster Creek was within the Regulatory Response column of the NRC's Action Matrix based on one inspection finding being classified as having low to moderate safety significance (White) in the Emergency Planning (EP) Cornerstone and all PIs indicating performance at a level requiring no additional NRC oversight (Green). The White finding, documented in a letter dated January 9, 2006, involved Oyster Creek staff not recognizing that plant parameters met emergency action level (EAL) thresholds during an event in August 2005.

Oyster Creek has performed an evaluation to identify causes and implemented corrective actions to address the EP White finding. The NRC has completed a supplemental inspection, in accordance with Inspection Procedure 95001, to review the actions to address the White EP finding and conducted a Regulatory Response meeting on June 7, 2007. This is documented in Inspection Report (IR) 05000219/2007007, dated July 16, 2007. As a result of our review, this finding is now closed and will no longer be considered for plant assessment purposes effective July 1, 2007. Therefore, we plan to conduct reactor oversight process (ROP) baseline inspections at your facility.

In our Annual Assessment Letter dated March 2, 2007, we advised you of the continuation of the substantive cross-cutting issue in the human performance cross-cutting aspect of procedural adherence. We indicated that we would monitor Oyster Creek's progress in this area through the normal baseline inspection program, by the completion of a Problem Identification and Resolution semi-annual trend review during the second quarter of 2007 in accordance with IP 71152, and through an IP 95001 supplemental inspection to address the white EP finding. We indicated that effective corrective actions that resulted in consistent performance in the area of procedural adherence would support removal of this cross cutting issue.

Based on your performance in this assessment period, the NRC has determined that the substantive cross-cutting issue in the human performance aspect of procedure adherence will be closed, because Oyster Creek has demonstrated consistent performance necessary to support removal of this cross-cutting issue. We monitored the effectiveness of your corrective action plan through the normal baseline inspection program, by the completion of a Problem Identification and Resolution semi-annual trend review documented in IR 05000219/2007003, and through the 95001 supplemental inspection discussed above. In addition, at the annual assessment meeting on May 23, 2007, you discussed your root cause evaluation of this human performance cross cutting issue, your corrective actions taken, and how the effectiveness of these actions will ensure consistent performance in the area of procedural adherence in the future. We have noted that you have completed many of your planned corrective actions and that no procedural adherence related findings occurred during the last two quarters of this assessment period. Therefore, you have demonstrated consistent performance to support removal of this cross-cutting issue.

The enclosed inspection plan details the inspections, less those related to physical protection scheduled through December 31, 2008. The inspection plan is provided to allow for the resolution of any scheduling conflicts and personnel availability issues well in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last nine months of the inspection plan are tentative and may be revised at the end-of-cycle review.

In accordance with 10 CFR 2.390 of the NRC's "Rules and Practices," a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Website at <http://www.nrc.gov/reading-rm/adams.html> (The Public Electronic Reading Room).

The NRC is currently evaluating the scope and frequency of all the baseline inspection procedures. If the results of the evaluation, or any other circumstances, cause us to change the inspection plan, we will contact you to discuss the change as soon as possible. Please contact Dr. Ronald Bellamy at 610-337-5200 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

David C. Lew, Director
Division of Reactor Projects

Docket Nos. 50-219
License Nos. DPR-16

Enclosure: Oyster Creek Nuclear Generating Station Inspection/ Activity Plan

cc w/encl:

Chief Operating Officer, AmerGen
Site Vice President, Oyster Creek Nuclear Generating Station, AmerGen
Plant Manager, Oyster Creek Generating Station, AmerGen
Regulatory Assurance Manager Oyster Creek, AmerGen
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Vice President - Mid-Atlantic Operations, AmerGen
Vice President - Operations Support, AmerGen
Vice President - Licensing and Regulatory Affairs, AmerGen
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N. Cohen, Coordinator - Unplug Salem Campaign
W. Costanzo, Technical Advisor - Jersey Shore Nuclear Watch
E. Gbur, Chairwoman - Jersey Shore Nuclear Watch
E. Zobian, Coordinator - Jersey Shore Anti Nuclear Alliance
Institute of Nuclear Power Operations (INPO)

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Enclosure: Oyster Creek Nuclear Generating Station Inspection/ Activity Plan

Distribution:
 see next page

SUNSI Review Complete: AAR (Reviewer's Initials)

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Letter to Christopher M. Crane from Ronald R. Bellamy dated August 31, 2007

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Oyster Creek
Inspection / Activity Plan
07/01/2007 - 12/31/2008

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	71121	- OCC RAD SAFETY	1			
1	IP 7112101	Access Control to Radiologically Significant Areas		07/16/2007	07/20/2007	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		07/16/2007	07/20/2007	Baseline Inspections
1	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		07/16/2007	07/20/2007	Baseline Inspections
	7111107	- HEAT SINK INSP	2			
1	IP 7111107B	Heat Sink Performance		08/13/2007	08/17/2007	Baseline Inspections
	7111401	- EP EXERCISE & PI VERIFICATION	4			
1	IP 7111401	Exercise Evaluation		09/17/2007	09/21/2007	Baseline Inspections
1	IP 71151-EP01	Drill/Exercise Performance		09/17/2007	09/21/2007	Baseline Inspections
1	IP 71151-EP02	ERO Drill Participation		09/17/2007	09/21/2007	Baseline Inspections
1	IP 71151-EP03	Alert & Notification System		09/17/2007	09/21/2007	Baseline Inspections
	71121	- OCC RAD SAFETY	1			
1	IP 7112101	Access Control to Radiologically Significant Areas		11/19/2007	11/23/2007	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		11/19/2007	11/23/2007	Baseline Inspections
1	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		11/19/2007	11/23/2007	Baseline Inspections
1	IP 71151	Performance Indicator Verification		11/19/2007	11/23/2007	Baseline Inspections
	4/14EXM	- INITIAL OPERATOR LICENSING EXAMS	4			
1	U01688	FY08 - OYSTER CREEK INITIAL OPERATOR EXAM		03/23/2008	04/04/2008	Not Applicable
1	U01688	FY08 - OYSTER CREEK INITIAL OPERATOR EXAM		04/13/2008	04/23/2008	Not Applicable
	MODS	- MODS AND 50.59	5			
1	IP 7111102	Evaluation of Changes, Tests, or Experiments		01/14/2008	01/18/2008	Baseline Inspections
1	IP 7111117B	Permanent Plant Modifications		01/14/2008	01/18/2008	Baseline Inspections
	71111.12	- MAINTENANCE RULE	1			
1	IP 7111112B	Maintenance Effectiveness		02/11/2008	02/15/2008	Baseline Inspections
	71121	- OCC RAD SAFETY	1			
1	IP 7112101	Access Control to Radiologically Significant Areas		03/24/2008	03/28/2008	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		03/24/2008	03/28/2008	Baseline Inspections
1	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		03/24/2008	03/28/2008	Baseline Inspections
	71152B	- PI&R	4			
1	IP 71152B	Identification and Resolution of Problems		04/28/2008	05/02/2008	Baseline Inspections
1	IP 71152B	Identification and Resolution of Problems		05/19/2008	05/23/2008	Baseline Inspections
	TRI FIRE	- TRIENNIAL FIRE PROTECTION INSPECTION	3			
1	IP 7111105T	Fire Protection [Triennial]		06/09/2008	06/13/2008	Baseline Inspections
1	IP 7111105T	Fire Protection [Triennial]		06/23/2008	06/27/2008	Baseline Inspections

Oyster Creek
Inspection / Activity Plan
07/01/2007 - 12/31/2008

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	7112201 - PUB RAD SAFETY - RETS		1			
1	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		06/09/2008	06/13/2008	Baseline Inspections
	EP - EP PROGRAM INSPECTION		1			
1	IP 7111402	Alert and Notification System Testing		10/06/2008	10/10/2008	Baseline Inspections
1	IP 7111403	Emergency Response Organization Augmentation Testing		10/06/2008	10/10/2008	Baseline Inspections
1	IP 7111404	Emergency Action Level and Emergency Plan Changes		10/06/2008	10/10/2008	Baseline Inspections
1	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		10/06/2008	10/10/2008	Baseline Inspections
1	IP 71151-EP01	Drill/Exercise Performance		10/06/2008	10/10/2008	Baseline Inspections
1	IP 71151-EP02	ERO Drill Participation		10/06/2008	10/10/2008	Baseline Inspections
1	IP 71151-EP03	Alert & Notification System		10/06/2008	10/10/2008	Baseline Inspections
	711108G - INSERVICE INSPECTION		1			
1	IP 711108G	Inservice Inspection Activities - BWR		10/20/2008	10/24/2008	Baseline Inspections