



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

March 3, 2008

Mr. Charles G. Pardee
Chief Nuclear Officer and Senior Vice President
Exelon Generation Company, LLC
200 Exelon Way, KSA 3-E
Kennett Square, PA 19348

**SUBJECT: ANNUAL ASSESSMENT LETTER – OYSTER CREEK NUCLEAR
GENERATING STATION (REPORT 05000219/2008001)**

Dear Mr. Pardee:

On February 12, 2008, the NRC staff completed its performance review of Oyster Creek Nuclear Generating Station (Oyster Creek). Our technical staff reviewed performance indicators (PIs) for the most recent quarter and inspection results for the period from January 1 through December 31, 2007. 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.

Oyster Creek plant performance for the last two quarters of 2007 was within the Licensee Response column of the NRC Action Matrix, based on all inspection findings being classified as very low safety significance (Green) and all PIs indicating performance at a level requiring no additional NRC oversight (Green). No substantive cross cutting issues were identified in any of the three cross cutting areas.

Oyster Creek performance for the first and second quarters of 2007 was within the Regulatory Response column of the NRC Action Matrix based on one inspection finding being classified as having low to moderate safety significance (White) in the Emergency Preparedness (EP) Cornerstone. The White finding involved Oyster Creek staff not recognizing that plant parameters met emergency action level (EAL) thresholds during an event in August 2005. The NRC completed a supplemental inspection in accordance with Inspection Procedure 95001 in June 2007 to review actions taken by AmerGen to address the White EP finding, and concluded that AmerGen appropriately identified the root causes and adequately implemented corrective actions for this issue. As a result, plant performance was restored to the Licensee Response column of the NRC Action Matrix.

Based on current plant performance, we plan to conduct reactor oversight process (ROP) baseline inspections at Oyster Creek. In addition, we will also conduct inspections related to the independent spent fuel storage installation.

The enclosed inspection plan details the inspections, less those related to physical protection scheduled through June 30, 2009. 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
Senior Vice President - Nuclear Services, AmerGen
Vice President - Mid-Atlantic Operations, AmerGen
Vice President - Operations Support, AmerGen
Vice President - Licensing and Regulatory Affairs, AmerGen
Director Licensing, AmerGen
Manager Licensing - Oyster Creek, AmerGen
Vice President, General Counsel and Secretary, AmerGen
T. O'Neill, Associate General Counsel, Exelon Generation Company
J. Fewell, Assistant General Counsel, Exelon Nuclear
Correspondence Control Desk, AmerGen
J. Matthews, Esquire, Morgan, Lewis & Bockius LLP
Mayor of Lacey Township

C. Pardee

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R. Shadis, New England Coalition Staff
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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Sincerely,

/RA/

David C. Lew, Director
Division of Reactor Projects

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OFFICE	RI/DRP	RI/DRP	RI/DRP
NAME	ARosebrook/AAR	RBellamy/RRB	DLew/DCL
DATE	02/25/08	02/27/08	02/29/08

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Oyster Creek
Inspection / Activity Plan
01/01/2008 - 06/30/2009

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	4/14EXM	- INITIAL OPERATOR LICENSING EXAMS	4			
1	U01688	FY08 - OYSTER CREEK INITIAL OPERATOR EXAM		03/10/2008	03/14/2008	Not Applicable
1	U01688	FY08 - OYSTER CREEK INITIAL OPERATOR EXAM		04/14/2008	04/25/2008	Not Applicable
	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
	71122	- RAD WASTE	1			
1	IP 60855	Operation Of An ISFSI		04/28/2008	05/02/2008	Other Routine
1	IP 7112202	Radioactive Material Processing and Transportation		04/28/2008	05/02/2008	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
	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
	71152B	- PI&R	5			
1	IP 71152B	Identification and Resolution of Problems		07/21/2008	07/25/2008	Baseline Inspections
1	IP 71152B	Identification and Resolution of Problems		08/03/2008	08/08/2008	Baseline Inspections
	71121	- OCC RADIATION PROTECTION	1			
1	IP 7112101	Access Control to Radiologically Significant Areas		09/08/2008	09/12/2008	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		09/08/2008	09/12/2008	Baseline Inspections
1	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		09/08/2008	09/12/2008	Baseline Inspections
	EP	- EP PROGRAM INSPECTION	1			
1	IP 7111402	Alert and Notification System Testing		10/06/2008	10/10/2008	EP Baseline Inspection
1	IP 7111403	Emergency Response Organization Augmentation Testing		10/06/2008	10/10/2008	EP Baseline Inspection
1	IP 7111404	Emergency Action Level and Emergency Plan Changes		10/06/2008	10/10/2008	EP Baseline Inspection
1	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		10/06/2008	10/10/2008	EP Baseline Inspection
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 7111108G	Inservice Inspection Activities - BWR		10/27/2008	10/31/2008	Baseline Inspections
	71121	- OCC RADIATION PROTECTION	1			
1	IP 7112101	Access Control to Radiologically Significant Areas		10/27/2008	10/31/2008	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		10/27/2008	10/31/2008	Baseline Inspections

This report does not include INPO and OUTAGE activities.
This report shows only on-site and announced inspection procedures.

Oyster Creek
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01/01/2008 - 06/30/2009

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	71121 - OCC RADIATION PROTECTION		1			
1	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		10/27/2008	10/31/2008	Baseline Inspections
	71121 - OCC RADIATION PROTECTION		1			
1	IP 60855	Operation Of An ISFSI		12/08/2008	12/12/2008	Other Routine
1	IP 7112101	Access Control to Radiologically Significant Areas		12/08/2008	12/12/2008	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		12/08/2008	12/12/2008	Baseline Inspections
1	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		12/08/2008	12/12/2008	Baseline Inspections
1	IP 71151-OR01	Occupational Exposure Control Effectiveness		12/08/2008	12/12/2008	Baseline Inspections
1	IP 71151-PR01	RETS/ODCM Radiological Effluent		12/08/2008	12/12/2008	Baseline Inspections
	TI 171 - TI 171		3			
1	IP 2515/171	Verification of Site Specific Implementation Of B.5.b Phase 2 & 3 Mitigating Strategies		12/08/2008	12/12/2008	Generic Safety Inspecti
	5/04 EXM - INITIAL OPERATOR LICENSING EXAMS		6			
1	U01761	FY-09 OYSTER CREEK INITIAL OPERATOR LICENSING EXAM		04/06/2009	04/10/2009	Not Applicable
1	U01761	FY-09 OYSTER CREEK INITIAL OPERATOR LICENSING EXAM		05/04/2009	05/08/2009	Not Applicable
1	U01761	FY-09 OYSTER CREEK INITIAL OPERATOR LICENSING EXAM		05/04/2009	05/15/2009	Not Applicable
	71121 - OCC RAD		1			
1	IP 7112101	Access Control to Radiologically Significant Areas		03/23/2009	03/27/2009	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		03/23/2009	03/27/2009	Baseline Inspections
1	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		03/23/2009	03/27/2009	Baseline Inspections
	7111111B - BIENNIAL REQUAL INSPECT WITH P/F RESULTS		3			
1	IP 7111111B	Licensed Operator Requalification Program		06/15/2009	06/19/2009	Baseline Inspections
	MODS - PERMANENT PLANT MODIFICATIONS		3			
1	IP 7111117B	Evaluations of Changes, Tests, or Experiments & Permanent Plant Modifications		04/27/2009	05/01/2009	Baseline Inspections
1	IP 7111117B	Evaluations of Changes, Tests, or Experiments & Permanent Plant Modifications		05/11/2009	05/15/2009	Baseline Inspections
	7111107B - HEAT SINK INSP		1			
1	IP 7111107B	Heat Sink Performance		06/15/2009	06/19/2009	Baseline Inspections