Exhibit 53

Letter from Alexander W. Dromerick to John J. Barton
(November 19, 1991)
Mr. John J. Barton, Vice President
and Director
GPU Nuclear Corporation
Oyster Creek Nuclear Generating Station
Post Office Box 388
Forked River, New Jersey 08731

Dear Mr. Barton:

SUBJECT: CLARIFICATION OF STAFF POSITION ON EVALUATION OF STRUCTURAL INTEGRITY OF A DEGRADED STEEL CONTAINMENT (TAC NO.79/166)


2. Letter to NRC from GPU Nuclear Corporation providing the response to staff's position dated October 9, 1991.

In a letter of October 9, 1991 (Reference 2), GPU Nuclear Corporation (GPUN) provided responses to the staff position on the evaluation of the structural integrity of a degraded steel containment. It appears from the responses that GPUN differs with the staff's position, specifically on the application of ASME subsection NE-3213.10. Enclosed is the staff's review of GPUN's response. It clarifies the staff's position and requires GPUN to provide additional information to aid in a final resolution of staff's concerns.

We request that the information be provided within 30 days of receipt of this letter. If you have any questions regarding this request, please contact me.
Mr. John J. Barton

The requirements of this letter affect fewer than 10 respondents, and therefore, are not subject to Office of Management review under P.L. 97-511.

Sincerely,

/s/

Alexander W. Dromerick, Sr. Project Manager
Project Directorate I-4
Division of Reactor Projects - I/II
Office of Nuclear Reactor Regulation

Enclosure:
As stated

cc: See next page

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The staff has reviewed GPU Nuclear Corporation's (GPUN) response of October 9, 1991 to the staff's position on the evaluation of the structural integrity of a degraded steel containment. It is to be noted that this staff position is to be applied generically in the evaluation of steel containments which are degraded, not specifically to the Oyster Creek steel drywell. The staff's position is based on technical criteria that conform to the spirit and intent of ASME subsection NE-3213.10. NE is the design part of the ASME code and cannot be directly applied to the situation of inservice degradation without the exercise of engineering judgment. By considering the corroded area as equivalent to a discontinuity as indicated in NE-3212.10, great caution must be exercised. It should be understood that the discontinuity as created by corrosion is not the same as the "designed" discontinuity such as a change in shell thicknesses, the presence of a bracket or a penetration as envisioned in the code. The basic characteristic of the discontinuity due to corrosion is irregularity, e.g. variation in thickness and extent of corroded areas. In view of the above observation, the NE 3312.10 stipulation cannot be applied indiscriminately to a corroded steel containment. NE-3312.10 specifies the limit of the discontinuity region in which the stresses can be greater than 1.1 Smc. The code does not specify the outside limit of the region which is contiguous to and supports the discontinuity and in which the stresses vary from 1.1 Smc to 1.0 Smc. This should be expected because this outside limit varies with the configuration of the discontinuity and the loading. Therefore, the lack of specific stipulation in the code in this respect should be understood and should not be construed to allow the stress limit of 1.1 Smc to be applied universally throughout the containment shell. The staff position is not, in any way, more restrictive than the stipulation in the ASME Code.

The staff is well aware of the extensive examinations and analysis performed on the Oyster Creek drywell as reported by GPUN. GPUN has repeatedly claimed that the Oyster Creek drywell has been examined thoroughly and the condition of the drywell is fully understood with a 95% confidence level. On the basis of this claim, the staff has requested GPUN to determine the extent of each corroded area. The staff is not requesting any additional physical examination. However, on the basis of the information available, GPUN should present in a figure the known areas of corrosion with the critical stresses (general primary membrane stress or local primary membrane stress) identified. The purpose of such an action is to determine the behavior of the drywell especially at and around the corroded areas. By comparing the calculated stresses of the drywell shell at and around corroded areas with the code allowables the staff can reasonably determine the adequacy of the licensee's proposed actions.