

August 28, 1987

Docket Nos.: 50-277
50-278

Mr. Edward G. Bauer, Jr.
Vice President and General Counsel
Philadelphia Electric Company
2301 Market Street
Philadelphia, Pennsylvania 19101

Dear Mr. Bauer:

SUBJECT: FEDERAL REGISTER NOTICE

RE: Peach Bottom Atomic Power Station, Units 2 and 3

Enclosed is a Notice of Consideration of Issuance of Amendment to Facility Operating License and Proposed No Significant Hazards Consideration Determination. This amendment was requested by your letter dated August 10, 1987. This Notice was forwarded to the Office of the Federal Register for publication.

Sincerely,

/s/

Robert E. Martin, Project Manager
Project Directorate I-2
Division of Reactor Projects

Enclosure:
As stated

cc w/enclosure:
See next page

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PDR ADOCK 05000277
PDR

Previously concurred*:

RMartin
PDI-2/PM*
RClark:ca
08/25/87

W.B.
PDI-2/D
WButler
8/28/87



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D. C. 20555

August 28, 1987

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Sincerely,

A handwritten signature in cursive script that reads "Robert E. Martin".

Robert E. Martin, Project Manager
Project Directorate I-2
Division of Reactor Projects

Enclosure:
As stated

cc w/enclosure:
See next page

Mr. E. G. Bauer, Jr.
Philadelphia Electric Company

Peach Bottom Atomic Power Station,
Units 2 and 3

cc:

Troy B. Conner, Jr., Esq.
1747 Pennsylvania Avenue, N.W.
Washington, D.C. 20006

Mr. R. A. Heiss, Coordinator
Pennsylvania State Clearinghouse
Governor's Office of State Planning
and Development
P. O. Box 1323
Harrisburg, Pennsylvania 17120

Philadelphia Electric Company
ATTN: Mr. D. M. Smith, Manager
Peach Bottom Atomic Power Station
Route 1, Box 208
Delta, Pennsylvania 17314

Mr. Thomas M. Gerusky, Director
Bureau of Radiation Protection
Pennsylvania Department of
Environmental Resources
P.O. Box 2063
Harrisburg, Pennsylvania 17120

Mr. J. W. Gallagher, Vice President
Nuclear Operations
Philadelphia Electric Company
2301 Market Street
Philadelphia, Pennsylvania 19101

Mr. Albert R. Steel, Chairman
Board of Supervisors
Peach Bottom Township
R. D. #1
Delta, Pennsylvania 17314

Mr. W. M. Alden
Engineer-In-Charge-Licensing
Philadelphia Electric Company
2301 Market Street
Philadelphia, Pennsylvania 19101

Mr. Gary Mock
P.O. Box 09181
Columbus, Ohio 43209

Morgan J. Morris, III
General Manager - Operating Services
Atlantic Electric
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Mr. Thomas S. Shaw, Jr.
Vice President - Production
Delmarva Power and Light Company
800 King Street
Wilmington, Delaware 19899

Resident Inspector
U. S. Nuclear Regulatory Commission
Peach Bottom Atomic Power Station
P. O. Box 399
Delta, Pennsylvania 17314

Mr. Tom Magette
Power Plant Research Program
Department of Natural Resources
B-3
Tawes State Office Building
Annapolis, Maryland 21401

Regional Administrator
U. S. Nuclear Regulatory Commission
631 Park Avenue
King of Prussia, Pennsylvania 19406

Mr. Roland Fletcher
Department of Environment
201 West Preston Street
Baltimore, Maryland 21201

UNITED STATES NUCLEAR REGULATORY COMMISSIONPHILADELPHIA ELECTRIC COMPANYPUBLIC SERVICE ELECTRIC AND GAS COMPANYDELMARVA POWER AND LIGHT COMPANYATLANTIC CITY ELECTRIC COMPANYDOCKET NOS. 50-277 AND 50-278NOTICE OF CONSIDERATION OF ISSUANCE OF AMENDMENT TO
FACILITY OPERATING LICENSE AND PROPOSED NO SIGNIFICANT HAZARDS
CONSIDERATION DETERMINATION

The U. S. Nuclear Regulatory Commission (the Commission) is considering issuance of an amendment to Facility Operating License Nos. DPR-44 and DPR-56 issued to Philadelphia Electric Company, Public Service Electric and Gas Company, Delmarva Power and Light Company, and Atlantic City Electric Company (the licensee) for operation of the Peach Bottom Atomic Power Station, Unit Nos. 2 and 3 located in York County, Pennsylvania.

The amendment would provide interim relief from the requirement in the Technical Specification plant staff organization chart that either the plant manager or the superintendent of operations shall hold a senior reactor operator's license. These revisions to the Technical Specifications would be made in response to the licensee's application for amendment dated August 10, 1987.

Before issuance of the proposed license amendment, the Commission will have made findings required by the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations.

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The Commission has made a proposed determination that the amendment request involves no significant hazards consideration. Under the Commission's regulations in 10 CFR 50.92, this means that operation of the facility in accordance with the proposed amendment would not (1) involve a significant increase in the probability or consequences of an accident previously evaluated; or (2) create the possibility of a new or different kind of accident from any accident previously evaluated; or (3) involve a significant reduction in a margin of safety.

The Peach Bottom Atomic Power Station, Units 2 and 3 (PBAPS) has been shutdown by NRC Order issued on March 31, 1987 because of the problem of inattentiveness to duties by the plant operations staff. The issuance of the Order was noticed in the Federal Register on April 8, 1987 (52 FR 11386-11388).

The licensee states that it has completed an analysis to determine the underlying root causes of the problem identified in the order and has developed a plan to assure that the PBAPS will operate safely and in compliance with all requirements. This plan, entitled the "Peach Bottom Commitment to Excellence Action Plan" (CTE) was submitted to the NRC on August 7, 1987. As stated in the CTE Action Plan, the licensee has, in addition to other actions to address the concerns identified in the Order, made changes in the management organization at the plant. These plant management changes include, to date, the replacement of the plant manager with an individual who has many years of nuclear related experience but

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does not have an SRO license. Also, as noted in section 3.4.1 of the CTE plan, the former Superintendent-Plant Services at PBAPS will become the Superintendent-Operations upon completion of his SRO qualification for PBAPS. The licensee states that although this individual is highly qualified for the position of Superintendent-Operations, he does not yet hold an SRO on PBAPS and therefore cannot yet assume the duties of Superintendent of Operations. The licensee notes that this individual has been undergoing classroom training specific to the Peach Bottom plant to prepare him for SRO written and oral exams to be given by NRC in October 1987. This training was completed in mid-August 1987.

The licensee submits that, on having completed this plant specific training for the SRO exam in mid-August 1987, it would strengthen and enhance the management of the PBAPS if he could then assume the duties of Superintendent-Operations. Therefore, the licensee requests the temporary relief from the Technical Specification requirement that either the plant manager or the Superintendent-Operations have an SRO license. This relief would be effective only until the individual successfully completes the SRO written and oral exams, which the licensee expects to be in October 1987, and only with the PBAPS in a cold shutdown condition.

The licensee addressed the three standards for determining whether a significant hazards consideration exists in the amendment application by providing the following analyses.

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1) The proposed revision does not involve a significant increase in the probability or consequences of an accident previously evaluated because (1) the individual who is intended to succeed the current Superintendent-Operations will have completed the majority of the training required for SRO License prior to the effective date of the temporary Technical Specification relief, (2) the individual has held an SRO License at a similar BWR facility (Limerick Generating Station) within the past few years, and (3) the Operations Engineer maintains an SRO License, thus meeting ANSI N18.1-1971 requirements for managing operations.

2) The proposed revision does not create the possibility of a new or different kind of accident from any accident previously evaluated because the lack of SRO Licenses on the part of the Plant Manager and the Superintendent-Operations, unlike a procedure or design change, is not a potential new accident precursor.

3) The proposed revision does not involve a significant reduction in a margin of safety because the candidate's training and experience qualifications more than compensate for the lack of certain plant-specific power change and participation requirements required for an SRO License, and adequate compensation is provided through the function of the Operations Engineer who maintains an SRO License as required by the Technical Specifications and by limiting plant status to operations in the cold condition.

The staff has reviewed the licensee's no significant hazards consideration determination analysis. Based upon this review, and its consideration of the temporary nature of the requested relief, the support to be provided by the Operations Engineer and the status of the plant in cold shutdown condition during the period of the requested relief, the staff believes that the licensee has met the three standards. Therefore, based on these considerations and the three criteria given above, the Commission has made a proposed determination that the amendment request involves no significant hazards consideration.

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The Commission has determined that failure to act in a timely way would result in the impedance or delay in needed changes identified by the licensee in the management of plant operations. There are numerous changes currently being undertaken by the licensee with respect to plant staff organization leadership and management, staffing, plant procedures, work management systems, etc as set forth in the CTE Action Plan. In consideration of the critical nature of the activity by the licensee on these tasks during late August, September and October 1987, the staff has determined that the earliest practical implementation of the licensee's proposal to have the new designee assume the duties of Superintendant-Operations will further strengthen and enhance the management of the PBAPS and will therefore contribute to the assurance that the station will be operated in a safe manner.

If the proposed determination becomes final, an opportunity for a hearing will be published in the FEDERAL REGISTER at a later date and any hearing request will not delay the effective date of the amendment.

If the Commission decides in its final determination that the amendment does involve a significant hazards consideration, a notice of opportunity for a prior hearing will be published in the FEDERAL REGISTER and, if a hearing is granted, it will be held before any amendment is issued.

The Commission is seeking public comments on this proposed determination of no significant hazards consideration. Comments on the proposed determination may be telephoned to Walter R. Butler, Director, Project Directorate I-2, by collect call to 301-492-7425 or submitted in writing to

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the Rules and Procedures Branch, Division of Rules and Records, Office of Administration, U. S. Nuclear Regulatory Commission, Washington, D. C. 20555, and should cite the publication date and page number of the FEDERAL REGISTER notice. Written comments may also be delivered to Room 4000, Maryland National Bank Building, 7735 Old Georgetown Road, Bethesda, Maryland from 8:15 a.m. to 5:00 p.m. All comments received by September 17, 1987 will be considered in reaching a final determination. A copy of the application may be examined at the Commission's Public Document Room, 1717 H Street, NW, Washington, D. C. and at the Government Publications Section, State Library of Pennsylvania, Education Building, Commonwealth and Walnut Streets, Harrisburg, Pennsylvania 17126.

Dated at Bethesda, Maryland, this 28th day of August 1987.

FOR THE NUCLEAR REGULATORY COMMISSION



Walter R. Butler, Director
Project Directorate I-2
Division of Reactor Projects I/II

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