

SAFEGUARDS INFORMATION

February 25, 2002

Oliver D. Kingsley, Jr.
President and Chief Nuclear Officer
Peach Bottom Atomic Power Station, Units 2 & 3
Exelon Generation Company, LLC
4300 Winfield Road
Warrenville, IL 60555

SUBJECT: ISSUANCE OF ORDER FOR INTERIM SAFEGUARDS AND SECURITY
COMPENSATORY MEASURES FOR - PEACH BOTTOM ATOMIC POWER
STATION, UNITS 2 & 3

Dear Mr. Kingsley:

The U.S. Nuclear Regulatory Commission (NRC) has issued the enclosed Order that modifies the current operating license for your facility to require compliance with the specified interim safeguards and security compensatory measures. The Order applies to all Addressees listed in Attachment 1 to the enclosed Order. These interim compensatory measures are listed in Attachment 2 (contains Safeguards Information) to the enclosed Order. The Commission recognizes that you have voluntarily and responsibly implemented additional security measures following the events of September 11, 2001, but, in light of the continuing generalized high-level threat environment, the Commission concludes that the security measures should be embodied in an Order, consistent with the established regulatory framework. The Commission has determined that the generalized high-level threat environment requires that the enclosed Order be effective immediately.

These actions are interim and the basis for the Order is the need to take prudent actions to address security requirements in the present generalized high-level threat environment. This Order does not obviate the need for licensees to continue to meet the objectives of Security Level III described in NRC Information Notice 98-35, and maintain the effectiveness of existing security measures taken in response to the events of September 11, 2001. The requirements will remain in effect pending notification from the Commission that a significant change in the threat environment has occurred, or until the Commission determines that other changes are needed following a more comprehensive re-evaluation of current safeguards and security programs.

The enclosed Order calls for responses and actions within specified time frames. Please contact your Licensing Project Manager to facilitate resolution of any issues related to compliance with the requirements in the enclosed Order, or if you have any other questions.

NOTICE: Attachment 2 to the Order (Interim Compensatory Measures) contains "Safeguards Information." Upon separation of Attachment 2 to the Order, this letter, the enclosed Order, and Attachment 1 to the Order (Address List) are "DECONTROLLED."

SAFEGUARDS INFORMATION

O. Kingsley

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The enclosed Order has been forwarded to the Office of the Federal Register for publication.

Sincerely,

/RA/

Samuel J. Collins, Director
Office of Nuclear Reactor Regulation

Docket Nos. 50-277 and 50-278

Enclosures:

1. Order
2. Order Attachment 1 - Address List
3. Order Attachment 2 - Interim Compensatory Measures for High Threat Environment (Safeguards Information)

cc w/enclosures 1 and 2 only: See next page

Peach Bottom Atomic Power Station
Units 2 and 3

cc:

Mr. Edward Cullen
Vice President & General Counsel
Exelon Generation Company, LLC
300 Exelon Way
Kennett Square, PA 19348

Mr. J. Doering
Site Vice President
Peach Bottom Atomic Power Station
1848 Lay Road
Delta, PA 17314

Mr. G. Johnston
Plant Manager
Peach Bottom Atomic Power Station
1848 Lay Road
Delta, PA 17314

Mr. A. Winter
Regulatory Assurance Manager
Peach Bottom Atomic Power Station
1848 Lay Road
Delta, PA 17314

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

Regional Administrator, Region I
U.S. Nuclear Regulatory Commission
475 Allendale Road
King of Prussia, PA 19406

Mr. Roland Fletcher
Department of Environment
Radiological Health Program
2400 Broening Highway
Baltimore, MD 21224

Correspondence Control Desk
Exelon Generation Company, LLC
200 Exelon Way, KSA 1-N-1
Kennett Square, PA 19348

Chief-Division of Nuclear Safety
PA Dept. of Environmental Protection
P.O. Box 8469
Harrisburg, PA 17105-8469

Board of Supervisors
Peach Bottom Township
R. D. #1
Delta, PA 17314

Public Service Commission of Maryland
Engineering Division
Chief Engineer
6 St. Paul Center
Baltimore, MD 21202-6806

Mr. Richard McLean
Power Plant and Environmental
Review Division
Department of Natural Resources
B-3, Tawes State Office Building
Annapolis, MD 21401

Dr. Judith Johnsrud
National Energy Committee
Sierra Club
433 Orlando Avenue
State College, PA 16803

Manager-Financial Control & Co-Owner
Affairs
Public Service Electric and Gas Company
P.O. Box 236
Hancocks Bridge, NJ 08038-0236

Mr. Michael P. Gallagher
Director - Licensing
Mid-Atlantic Regional Operating Group
Exelon Generation Company, LLC
200 Exelon Way, KSA 3-E
Kennett Square, PA 19348

Peach Bottom Atomic Power Station
Units 2 and 3

cc:

Mr. Jeffrey A. Benjamin
Vice President-Licensing
Exelon Generation Company, LLC
1400 Opus Place, Suite 900
Downers Grove, IL 60515

Mr. Charles Pardee
Senior Vice President
Mid-Atlantic Regional Operating Group
Exelon Generation Company, LLC
200 Exelon Way, KSA 3-N
Kennett Square, PA 19348

Mr. John Skolds
Chief Operating Officer
Exelon Generation Company, LLC
1400 Opus Place, Suite 900
Downers Grove, IL 60515

Mr. William Bohlke
Senior Vice President, Nuclear Services
Exelon Generation Company, LLC
1400 Opus Place, Suite 900
Downers Grove, IL 60515

Mr. John Cotton
Senior Vice President, Operations Support
Exelon Generation Company, LLC
1400 Opus Place, Suite 900
Downers Grove, IL 60515

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Sincerely,

/RA/

Samuel J. Collins, Director
Office of Nuclear Reactor Regulation

Docket Nos. 50-277 and 50-278

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3. Order Attachment 2 - Interim Compensatory Measures for High Threat Environment (Safeguards Information)

cc w/enclosures 1 and 2 only: See next page

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Accession No. ML020490024 (Package)

Accession No. ML020 (Cover Letter)

Accession No. ML020510635 (Order)

Accession No. ML020520654 (Order Attachment 1 - Address List)

OFFICE	DLPM/PM	DLPM//LA	DLPM/SC	DIPM/D
NAME	REnnis	BClayton	JClifford	BBoger
DATE	2/21/02	2/21/02	2/21/02	2/22/02
OFFICE	OGC	DLPM/D	NRR/ADPT	NRR/D
NAME	LChandler	JZwolinski	BSheron N/A	SCollins
DATE	2/22/02	2/22/02		2/25/02

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Sincerely,

/RA/

Samuel J. Collins, Director
Office of Nuclear Reactor Regulation

Docket No(s).

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PD Reading

Project Director

Section Chief

Project Manager

Licensing Assistant

Region Contact

Accession No. ML020520754 (Package)

Accession No. ML020510637 (Cover Letter)

Accession No. ML020510635 (Order)

Accession No. ML020520654 (Order Attachment 1 - Address List)

OFFICE	DLPM/PM	DLPM/LA	DLPM/SC	DIPM/D
NAME	REnnis	BClayton	JClifford	BBoger
DATE	2/21/02	2/21/02	2/21/02	2/22/02
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