

**EXELON STATEMENT  
NRC MEETINGS  
SUPPLEMENTAL ENVIRONMENTAL IMPACT STATEMENT  
July 31, 2002**

Over the past year, Exelon Nuclear has submitted required information to the Nuclear Regulatory Commission (NRC) to support relicensing of Units 2 and 3 at Peach Bottom Atomic Power Station (PB). The documents substantiate why we feel the plant can continue to operate safely for 20 additional years after the current licenses expire in 2013 and 2014. In these submissions, we address safety, equipment operability, security and environmental issues, among others. Each requirement ensures long-term safe operation of the plant.

We began this effort in March 1999, and submitted our relicensing proposal to NRC in July 2001. The License Renewal Application contains two parts, one dealing with safe operation of the plant and the second dealing with the impact on the environment of extending the operation of the plant for an additional 20 years.

On the safety front, we must demonstrate that we can effectively manage the aging of plant systems, structures and components. Aging management includes inspections of equipment, and also maintaining proper chemistry control of cooling water systems to prevent aging of the systems. This report is currently under review by the NRC, and they are seeking additional information from Exelon Nuclear in some areas. The draft of the NRC Safety Evaluation Report will be completed in September.

On the environmental front, Exelon submitted an environmental report addressing all the potential impacts identified by the NRC. The NRC has previously reviewed 69 of these potential impacts and generically concluded that the impact of continued operation will be small for these 69 issues. Exelon determined that the NRC's generic conclusions are applicable to PB, and the NRC has reached the same conclusion.

Exelon also analyzed the 23 potential impacts that must be reviewed on a plant specific basis. Exelon has concluded in the Environmental

Report submitted to the NRC that the impact of these issues will be small during the period of extended operation. These include water discharge issues, use of groundwater, impacts on fish and wildlife, heat shock in the cooling pond, water use conflicts, socioeconomic impacts on public services, land use, housing and roads and protection of threatened and endangered species.

NRC reviewed Exelon's Environmental Report, and did an independent check. They then reached their conclusions and published the draft SEIS, which is the subject of the July 31 meeting. They concluded that any impacts from license renewal at PB would be small.

At the July 31 meetings, the NRC will take comments. They will also take comments in response to a Federal Register notice. They address these comments, and then issue the final SEIS.

Exelon Nuclear works hard to ensure all environmental requirements are met and exceeded in plant operations. We quickly address problems if they arise. We also plan ahead to meet changing standards to ensure protection of public health and the environment surrounding our facilities. We're confident that Exelon will meet the long-term changing demands on the nuclear industry to do what is best for the environment, while ensuring safe and productive operations, and we will stay prepared to an open dialogue with the NRC to make any needed further modifications as they arise.