

March 8, 2006

Mr. Christopher M. Crane  
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Kennett Square, PA 19348

SUBJECT: PEACH BOTTOM ATOMIC POWER STATION, UNITS 2 AND 3 - AUDIT OF  
EXELON GENERATION COMPANY, LLC'S MANAGEMENT OF REGULATORY  
COMMITMENTS (TAC NOS. MC9712 AND MC9713)

Dear Mr. Crane:

On May 27, 2003, the Office of Nuclear Reactor Regulation published Office Instruction LIC-105, "Managing Regulatory Commitments Made by Licensees to the NRC [Nuclear Regulatory Commission]." LIC-105, which is publicly available electronically from the Agencywide Documents Access and Management Systems (ADAMS) Public Electronic Reading Room on the Internet at the NRC web site (Accession Number ML022750041), provides the NRC staff and its stakeholders with a common reference for handling regulatory commitments made by licensees for commercial nuclear reactors to the NRC staff. The guidance is consistent with the industry guidance prepared by the Nuclear Energy Institute (NEI), NEI 99-04, "Guidance for Managing NRC Commitment Changes." LIC-105 specifies that once every three years, the NRC staff will audit a licensee's commitment management program.

An audit of the commitment management program for Peach Bottom Atomic Power Station (PBAPS) was performed at the Exelon Generation Company, LLC office in Kennett Square, Pennsylvania, on February 13, 2006. Based on the audit, the NRC staff concludes that: (1) PBAPS had implemented NRC commitments on a timely basis; and (2) PBAPS had

implemented an effective program for managing NRC commitment changes. Details of the audit are set forth in the enclosed audit report.

Sincerely,

*/RA/*

Richard V. Guzman, Project Manager  
Plant Licensing Branch I-1  
Division of Operating Reactor Licensing  
Office of Nuclear Reactor Regulation

Docket Nos. 50-277 and 50-278

Enclosure:  
As stated

cc w/encl: See next page

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AUDIT REPORT BY THE OFFICE OF NUCLEAR REACTOR REGULATION  
REGULATORY COMMITMENTS MADE BY EXELON GENERATION COMPANY, LLC TO  
THE NUCLEAR REGULATORY COMMISSION  
FOR PEACH BOTTOM ATOMIC POWER STATION, UNITS 2 AND 3  
DOCKET NOS. 50-277 AND 50-278

1.0 INTRODUCTION AND BACKGROUND

On May 27, 2003, the Office of Nuclear Reactor Regulation (NRR) published Office Instruction LIC-105, "Managing Regulatory Commitments Made by Licensees to the NRC [Nuclear Regulatory Commission]." LIC-105, which is publicly available electronically from the Agencywide Documents Access and Management Systems (ADAMS) Public Electronic Reading Room on the Internet at the NRC web site (Accession Number ML022750041), provides the NRC staff and its stakeholders with a common reference for handling regulatory commitments made by licensees for commercial nuclear reactors to the NRC staff. The guidance is consistent with the industry guidance prepared by the Nuclear Energy Institute (NEI), NEI 99-04, "Guidance for Managing NRC Commitment Changes."

According to LIC-105, which cites the definition from NEI-99-04, a "regulatory commitment" is an explicit statement to take a specific action agreed to, or volunteered by, a licensee and submitted in writing on the docket to the NRC. LIC-105 further directs the NRR Project Manager to "audit the licensee's commitment management program by assessing the adequacy of the licensee's implementation of a sample of commitments made to the NRC in past licensing actions (amendments, reliefs, exemptions, etc.) and activities (bulletins, generic letters, etc.)." The audit is to be performed every three years.

2.0 AUDIT PROCEDURE AND RESULTS

Since no audit, as described above, was performed for Peach Bottom Atomic Power Station, Units 2 and 3 (PBAPS) before the issuance of LIC-105, the NRC staff defined the period covered by this audit to go back approximately three years from the date of the audit. The audit was performed at the Exelon Generation Company, LLC (Exelon or the licensee) office in Kennett Square, Pennsylvania, on February 13, 2006.

In support of the audit, the NRC staff reviewed several of the licensee's procedures related to commitment management:

- "Commitment Management," LS-AA-110, Revision 3;
- "Commitment Tracking Program For Use With PIMS [Plant Information Management System]," LS-AA-110-1002, Revision 2;

- “Written Communications,” LS-AA-117, Revision 4; and
- “Typical Format of Correspondence (as Submitted in Accordance with [Title 10 of the *Code of Federal Regulations*] 10 CFR 50.4),” LS-AA-117-1003, Revision 3.

Specifically, LS-AA-110, Revision 3, was compared to the guidance in NEI 99-04. In general, the licensee’s procedure follows the guidance closely: it sets forth the need for identifying, tracking and reporting commitments, and it provides a mechanism for changing commitments. The NRC staff concluded that the licensee’s procedures appropriately implemented NEI guidance for commitment management. The remainder of the audit evaluated the effectiveness of the procedures by exploring the products produced by the procedures.

## 2.1 Verification of Licensee’s Implementation of NRC Commitments

The primary focus of this part of the audit is to confirm that the licensee has implemented those commitments made to the NRC as part of past licensing actions/activities. For commitments that have yet been implemented, the NRC staff aimed to ascertain that they have been captured in an effective program for future implementation.

### 2.1.1 Audit Scope

Before the audit, the NRC staff reviewed license amendments issued in the last three years. Some of the licensee’s submittals for these amendments contain regulatory commitments, but the NRC staff found that commitments meeting the definition in LIC-105 are few in number. Three license amendments, with a total of seven commitments, were selected for review, as listed in Table 1.

LIC-105 limits the audit of commitments to those made in writing to the NRC as a result of past licensing actions (amendments, exemptions, etc.) or licensing activities (bulletins, generic letters, etc.). Accordingly, the audit excluded the following types of commitments:

- (1) Commitments as a result of Licensee Event Reports (LERs). Several commitments related to LERs were reviewed to provide a larger sample and better compare the licensee’s documents to their procedures, but review of these commitments will not be documented.
- (2) Commitments made on the licensee’s own initiative among internal organizational components.
- (3) Commitments that pertain to milestones of licensing actions/activities (e.g., respond to an NRC request for additional information by a certain date). Fulfillment of these commitments was indicated by the fact that the subject licensing action/activity was completed.
- (4) Commitments made as an internal reminder to take actions to comply with existing regulatory requirements such as regulations, Technical Specifications, and Updated Final Safety Analysis Reports. Fulfillment of these commitments was indicated by the licensee having taken timely action in accordance with the subject requirements.

### 2.1.2 Audit Results

The NRC staff reviewed reports generated by the licensee's commitment tracking program, PIMS Commitment Tracking, to evaluate the status of the commitments listed in Table 1. The NRC staff found that the licensee's commitment tracking programs had captured all the regulatory commitments that were identified by the NRC staff before the audit.

The NRC staff also reviewed several plant procedures that had been revised as a result of commitments made by the licensee to the NRC. Relevant procedures are identified in the right-hand column of Table 1. Table 1 also summarizes what the NRC staff observed as the current status of licensee commitments.

### 2.2 Verification of the Licensee's Program for Managing NRC Commitment Changes

Regarding changes to commitments, Subsection 4.5.1 of LS-AA-110, Revision 3, specifically refers to the guidance of NEI-99-04. Attachments 1 and 2 of LS-AA-110, Revision 3, provide details regarding making changes to a commitment. Several changed commitments, as listed in Table 2, were reviewed to confirm that the steps in LS-AA-110, Revision 3, were being followed.

Before changing a commitment, the licensee answers various questions related to the commitment's importance to continued safety. Commitments meeting the procedure requirements can be changed with or without notifying the NRC, depending on the circumstances. The NRC staff found that commitments were changed in accordance with licensee procedures and that the NRC was notified appropriately, as in the Biennial Commitment Revision Report submitted by Exelon for PBAPS on January 31, 2005 (ML050350272).

The effectiveness of a procedure can be indicated by the products that are produced by the procedure. As set forth in Section 2.1 and this section, the NRC staff found that the licensee had properly addressed each regulatory commitment selected for this audit. As a result of the review of the licensee's information, as well as information from other sources, the NRC staff found no reason to differ from the licensee's reported status of the audited commitments. Thus, the NRC staff found that the procedure used by the licensee to manage commitments is appropriate and effective.

### 3.0 CONCLUSION

The NRC staff concludes that, based on the above audit, (1) the licensee had implemented or is tracking for future implementation regulatory commitments; and (2) the licensee had implemented an effective program to manage regulatory commitment changes.

4.0 LICENSEE PERSONNEL CONTACTED FOR THIS AUDIT

D. Helker  
T. Loomis  
R. Gropp

Principal Contributor: T. Valentine

Date: March 8, 2006

TABLE 1

WRITTEN COMMITMENTS AND RELATED INFORMATION  
(2003 THROUGH 2006)

PBAPS Submittal	NRC TAC No.	NRC Issuance	Summary of Commitment and Licensee's Tracking Number	Licensee Implementation Status
11/27/2002	MB6921 and MB6922	Amendment Nos. 248 and 251, 5/22/2003	<p>(1) Maintain or develop contingency plans for obtaining and analyzing highly radioactive samples of reactor coolant, suppression pool, and containment atmosphere.</p> <p>(2) Establish capability for classifying fuel damage events at the Alert threshold.</p> <p>(3) Maintain an I-131 site survey detection capability</p> <p>A1419340</p>	<p>(1) Final safety analysis report changes complete. Chemistry procedure changes for the post accident sampling system are pending.</p> <p>(2) Complete – classification included in emergency action levels and commitment noted in emergency plan annex, EP-AA-1007, Revision 9.</p> <p>(3) Complete – field survey teams covered in emergency plan, EP-AA-1000, under 10 CFR 50.54(Q).</p>
10/21/2004	MC4947 and MC4948	Amendment Nos. 254 and 257, 6/14/2005	<p>(1) Provide operating data (described in Generic Letter 97-02) quarterly using industry database.</p> <p>(2) Provide information annually to support apportionment of station doses to each type of reactor and to differentiate between operating and shutdown units.</p> <p>A1520265</p>	<p>(1) Complete – changes to procedures LS-AA-2190, LS-AA-2010, and LS-AA-2030.</p> <p>(2) Complete – changes to procedure ST-H-099-840-2.</p>
9/15/2004	MC4456 and MC4457	Amendment Nos. 256 and 259, 8/11/2005	<p>(1) Maintain hydrogen monitors within Technical Requirements Manual (TRM).</p> <p>(2) Maintain oxygen monitors within TRM.</p> <p>A1527599</p>	Complete – TRM Section 3.6, functions 10 and 11.

TABLE 2  
CHANGED COMMITMENTS  
(2003 THROUGH 2006)

Tracking Number	Source	Justification for Change/Deletion	NRC Notification?
T01849	NRC request for additional information, 8/12/1977	Procedures revised for compressed gas cylinder storage and use. Deleted.	No
T03067	NRC Inspection Report 81-10/11	Corrective actions taken and radiation protection management procedures improved. No longer tracked.	Yes
T03136	NRC Inspection Report 82-24/23	Procedures revised for work areas around open flames. Deleted.	No
T03147	NRC Inspection Report 82-19/18	Corrective actions taken and radioactive waste management procedures improved. No longer tracked.	Yes
T03507	Licensee Event Report 2-94-07	Procedures revised for fire watch communication. Deleted.	No
T04197	NRC Generic Letter 89-13	Routine silt monitoring and intake canal dredging performed. Frequency changed from yearly to every 1490 days.	Yes

Peach Bottom Atomic Power Station, Unit Nos. 2 and 3

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