



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

January 22, 2009

Mr. Charles G. Pardee
Chief Nuclear Officer and Senior Vice President
Exelon Generation Company, LLC
200 Exelon Way
Kennett Square, PA 19348

SUBJECT: PEACH BOTTOM ATOMIC POWER STATION, UNIT NOS. 2 AND 3:
ENVIRONMENTAL ASSESSMENT REGARDING THE REQUEST FOR
EXEMPTIONS FROM TITLE 10 OF THE *CODE OF FEDERAL REGULATIONS*
PART 50, APPENDIX R, Section III.G.2 REQUIREMENTS
(TAC NOS. MD7029 AND MD7030)

Dear Mr. Pardee:

Enclosed is a copy of the Environmental Assessment and Finding of No Significant Impact related to your application dated October 5, 2007, as supplemented on May 1, 2008, and December 11, 2008, (Agencywide Documents Access and Management System accession numbers ML072820129, ML081220873 and ML083470170, respectively). This application requested an exemption from 10 CFR Part 50, Appendix R, Section III.G, "Fire Protection of Safe Shutdown Capability" for the use of operator manual actions for Peach Bottom Atomic Power Station, Units 2 and 3, in lieu of the requirements specified in Section III.G.2.

The assessment is being forwarded to the Office of the Federal Register for publication.

Sincerely,

A handwritten signature in black ink that reads "John D. Hughey".

John D. Hughey, Project Manager
Plant Licensing Branch I-2
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-277 and 50-278

Enclosure:
Environmental Assessment

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UNITED STATES NUCLEAR REGULATORY COMMISSION
ENTERGY NUCLEAR OPERATIONS, INC
DOCKET NOS. 50-277 AND 50-278
PEACH BOTTOM ATOMIC POWER STATION UNIT NOS. 2 AND 3
ENVIRONMENTAL ASSESSMENT AND FINDING OF
NO SIGNIFICANT IMPACT

The U.S. Nuclear Regulatory Commission (NRC) is considering issuance of an exemption from Title 10 of the *Code of Federal Regulations* (10 CFR) Part 50, Appendix R, Section III.G, "Fire Protection of Safe Shutdown Capability," for the use of operator manual actions in lieu of the requirements specified in Section III.G.2 as requested by Exelon Generation Company, LLC, (the licensee, in addition to PSEG Nuclear, LLC) for operation of Peach Bottom Atomic Power Station (PBAPS), Units 2 and 3 located in York and Lancaster Counties, Pennsylvania. Therefore, as required by 10 CFR 51.21, the NRC is issuing this environmental assessment and finding of no significant impact.

ENVIRONMENTAL ASSESSMENT

Identification of the Proposed Action:

The proposed action would grant an exemption to 10 CFR Part 50, Appendix R, Section III.G.2 for 25 operator manual actions contained in the licensee's Fire Protection Program (FPP). The licensee's FPP requires that the identified operator manual actions be performed outside of the control room to achieve shutdown following fires in certain fire areas. The licensee states that each of the manual actions were subjected to a manual action feasibility review for PBAPS that determined that the manual actions are feasible and can be readily performed.

The proposed action is in accordance with the licensee's application dated October 5, 2007, as supplemented on May 1 and December 11, 2008 (Agencywide Documents Access and Management System (ADAMS) Accession Numbers ML072820129, ML081220873 and ML083470170, respectively).

The Need for the Proposed Action:

The proposed exemption from 10 CFR Part 50, Appendix R, was submitted in response to the need for an exemption as identified by NRC Regulatory Information Summary (RIS) 2006-10, "Regulatory Expectations with Appendix R Paragraph III.G.2 Operator Manual Actions." The RIS noted that NRC inspections identified that some licensees had relied upon operator manual actions, instead of the options specified in 10 CFR Part 50, Appendix R, Section III.G.2, as a permanent solution to resolve issues related to Thermo-Lag 330-1 fire barriers. The licensee indicates that the operator manual actions, referenced in the October 5, 2007, application, were previously included in correspondence with the NRC and found acceptable in a fire protection-related Safety Evaluation (1993 SE) dated September 16, 1993 (ADAMS Accession Number ML081690220). However, RIS 2006-10 identifies that an exemption under 10 CFR Part 50.12 is necessary for use of the manual actions in lieu of the requirements of 10 CFR Part 50, Appendix R, Section III.G.2, even if the NRC previously issued a safety evaluation found the manual actions acceptable. The proposed exemption provides the formal vehicle for NRC approval for the use of the specified operator manual actions instead of the options specified in 10 CFR Part 50, Appendix R, Section III.G.2.

Environmental Impacts of the Proposed Action:

The NRC has completed its safety evaluation of the proposed action and concludes that the exemption will not present an undue risk to the public health and safety. The details of the NRC staff's safety evaluation will be provided in the exemption that will be issued as part of the letter to the licensee approving the exemption to the regulation.

In the 1993 SE, the NRC staff evaluated the operator manual actions presented in the proposed exemption, and found that they maintained a safe shutdown capability that satisfies the requirements of 10 CFR Part 50, Appendix R, Section III.G. In addition, the licensee supplemented the October 5, 2007, request for exemption with additional information in a letter dated December 11, 2008, to confirm that the operator manual actions addressed in the 1993 SE are feasible and that the safety basis for these actions remains valid. Therefore, the proposed action will not significantly increase the probability or consequences of accidents. No changes are being made in the types of effluents that may be released offsite. There is no significant increase in the amount of any effluent released offsite. There is no significant increase in occupational or public radiation exposure. Therefore, there are no significant radiological environmental impacts associated with the proposed action. The NRC staff, thus, concludes that granting the proposed exemption would result in no significant radiological environmental impact.

With regard to potential non-radiological impacts, the proposed action does not have a potential to affect any historic sites. It does not affect non-radiological plant effluents and has no other environmental impact. Therefore, there are no significant non-radiological environmental impacts associated with the proposed action.

Accordingly, the NRC concludes that there are no significant environmental impacts associated with the proposed action.

Environmental Impacts of the Alternatives to the Proposed Action:

As an alternative to the proposed action, the NRC staff considered denial of the proposed action (i.e., the "no-action" alternative). Denial of the application would result in no change in current environmental impacts. The environmental impacts of the proposed action and the alternative action are similar.

Alternative Use of Resources:

The action does not involve the use of any different resources than those previously considered in the Final Environmental Statement for PBAPS Units 1, 2, and 3, dated April 1973, and for PBAPS Units 2 and 3, "Generic Environmental Impact Statement for License Renewal of Nuclear Plants," (NUREG-1437, Supplement 10), dated January 2003.

Agencies and Persons Consulted:

In accordance with its stated policy, on August 8, 2008, the NRC staff consulted with the Pennsylvania State official, Dennis Dyckman of the Pennsylvania State Department of Environmental Protection, regarding the environmental impact of the proposed action. The State official had no comments.

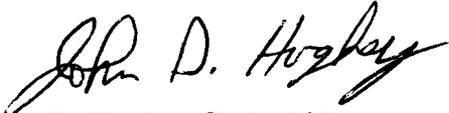
FINDING OF NO SIGNIFICANT IMPACT

On the basis of the environmental assessment, the NRC concludes that the proposed action will not have a significant effect on the quality of the human environment. Accordingly, the NRC has determined not to prepare an environmental impact statement for the proposed action.

For further details with respect to the proposed action, see the licensee's letter dated October 5, 2007, as supplemented on May 1 and December 11, 2008 (ADAMS Accession Numbers ML072820129, ML081220873 and ML083470170, respectively). Documents may be examined, and/or copied for a fee, at the NRC's Public Document Room (PDR), located at One White Flint North, Public File Area O1 F21, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available records will be accessible electronically from the ADAMS Public Electronic Reading Room on the Internet at the NRC Web site, <http://www.nrc.gov/reading-rm/adams.html>. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS should contact the NRC PDR Reference staff by telephone at 1-800-397-4209 or 301-415-4737, or send an e-mail to pdr@nrc.gov.

Dated at Rockville, Maryland, this 22nd day of January 2009.

FOR THE NUCLEAR REGULATORY COMMISSION

A handwritten signature in black ink, appearing to read "John D. Hughey". The signature is written in a cursive, somewhat stylized font.

John D. Hughey, Project Manager
Plant Licensing Branch I-2
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

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Sincerely,

/ra/

John D. Hughey, Project Manager
Plant Licensing Branch I-2
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

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Enclosure: Environmental Assessment
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