



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
2100 RENAISSANCE BLVD.
KING OF PRUSSIA, PA 19406-2713

May 23, 2016

EA-16-095

Mr. Bryan Hanson
Senior Vice President, Exelon Generation
President and Chief Nuclear Officer, Exelon Nuclear
4300 Winfield Rd.
Warrenville, IL 60555

SUBJECT: PEACH BOTTOM ATOMIC POWER STATION, UNITS 2 and 3 -
SECURITY INSPECTION REPORT 05000277/2016403 AND
05000278/2016403, AND EXERCISE OF ENFORCEMENT DISCRETION

Dear Mr. Hanson:

On May 3, 2016, the U.S. Nuclear Regulatory Commission (NRC) completed a security inspection at your Peach Bottom Atomic Power Station, Units 2 and 3. The NRC inspectors discussed the results of this inspection with Mr. Mike Massaro, Site Vice President, and other members of your staff. Inspectors documented the results of this inspection in the enclosed inspection report.

A violation of Title 10 of the *Code of Federal Regulations* (10 CFR) Part 37 with respect to large components containing Category 2 quantities of radioactive material and Category 2 quantities of radioactive material stored in robust structures was identified and the issue was discussed during the exit meeting. However, Exelon met all the criteria in NRC Enforcement Guidance Memorandum (EGM) 14-001 for the use of enforcement discretion; therefore, the NRC is exercising enforcement discretion (EA-16-095) and will not issue any enforcement action for this violation. Additional details are contained in the non-public enclosure.

In accordance with 10 CFR 2.390, "Public Inspections, Exemptions, Requests for Withholding," of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC's Public Document Room or from the Publicly Available Records (PARS) component of the NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Website at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

Enclosure contains Sensitive Unclassified Non-Safeguards Information. When separated from Enclosure, the transmittal document is decontrolled.

~~OFFICIAL USE ONLY – SECURITY RELATED INFORMATION~~

B. Hanson

- 2 -

However, the material enclosed herewith contains Security Related Information in accordance with 10 CFR 2.390(d)(1) and its disclosure to unauthorized individuals could present a security vulnerability. Therefore, the material in the enclosure will not be made available electronically for public inspection in the NRC Public Document Room or from the PARS component of NRC's ADAMS.

If you choose to provide a response and Security Related Information is necessary to provide an acceptable response, please mark your entire response "Security Related Information - Withhold from public disclosure under 10 CFR 2.390" in accordance with 10 CFR 2.390(d)(1) and follow the instructions for withholding in 10 CFR 2.390(b)(1). In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response.

Sincerely,

/RA

Raymond K. Lorson, Director
Division of Reactor Safety

Docket Nos. 50-277 and 50-278
License Nos. DPR-44 and DPR-56

cc w/o encl w/o RPT (via ListServ)

cc w/encl w/RPT

S. Griffith, Acting Manager, Site Security
D. Allard, Director, PA DEP
T. Levering, MD Emergency Response Director

~~OFFICIAL USE ONLY – SECURITY RELATED INFORMATION~~

~~OFFICIAL USE ONLY – SECURITY RELATED INFORMATION~~

B. Hanson

-2-

However, the material enclosed herewith contains Security Related Information in accordance with 10 CFR 2.390(d)(1) and its disclosure to unauthorized individuals could present a security vulnerability. Therefore, the material in the enclosure will not be made available electronically for public inspection in the NRC Public Document Room or from the PARS component of NRC's ADAMS

If you choose to provide a response and Security Related Information is necessary to provide an acceptable response, please mark your entire response "Security Related Information - Withhold from public disclosure under 10 CFR 2.390" in accordance with 10 CFR 2.390(d)(1) and follow the instructions for withholding in 10 CFR 2.390(b)(1). In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response.

Sincerely,

/RA/

Raymond K. Lorson, Director
Division of Reactor Safety

Docket Nos. 50-277 and 50-278
License Nos. DPR-44 and DPR-56

cc w/o encl w/o RPT (via ListServ)

cc w/encl w/RPT

S. Griffith, Acting Manager, Site Security
D. Allard, Director, PA DEP
T. Levering, MD Emergency Response Director

DOCUMENT NAME: G:\DRS\Plant Support Branch 1\Security\2016 IR Draft\Peach Bottom\PB 05000277 and 278 2016403 PUB.docx

ADAMS ACCESSION NUMBER: ML16144A674 (Cover letter- Pub)

ADAMS ACCESSION NUMBER: ML16144A649 (Cover letter w/enclosure Non-Public)

| | | | | | | |
|--------|--|--------------|---|----------------|--|-------------|
| | Cover Letter: <input checked="" type="checkbox"/> SUNSI Review | | <input checked="" type="checkbox"/> Non-Sensitive <input type="checkbox"/> Sensitive | | <input checked="" type="checkbox"/> Publicly Available <input type="checkbox"/> Non-Publicly Available | |
| | Cover Letter w/ Enclosure: <input checked="" type="checkbox"/> SUNSI Review | | <input type="checkbox"/> Non-Sensitive <input checked="" type="checkbox"/> Sensitive | | <input type="checkbox"/> Publicly Available <input checked="" type="checkbox"/> Non-Publicly Available | |
| OFFICE | RI/DRS | RII/DRS | RI/DRS | RI/ORA | RI/DRP | RI/DRS |
| NAME | DEverhart/DE | SMcCarver/SM | DCaron/DC | MMcLaughlin/MM | DSchroeder/DS | RLorson/RKL |
| DATE | 5/6/16 | 5/9/16 | 5/9/16 | 5/16/16 | 5/12/16 | 5/23/16 |

OFFICIAL RECORD COPY

~~OFFICIAL USE ONLY – SECURITY RELATED INFORMATION~~