



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
631 PARK AVENUE
KING OF PRUSSIA, PENNSYLVANIA 19406

MAR 27 1981

Docket Nos. 50-277, 50-278

Philadelphia Electric Company
ATTN: Mr. S. L. Daltroff
Vice President
Electric Production
2301 Market Street
Philadelphia, Pennsylvania 19101

Gentlemen:

Subject: Combined Inspection Nos. 277/81-03 and 278/81-03

This refers to the routine safety inspection conducted by Messrs. A. R. Blough and C. J. Cowgill of this office on January 1 - January 31, 1981 at Peach Bottom Atomic Power Station, Units 2 and 3, Delta, Pennsylvania of activities authorized by NRC License Nos. DPR-44 and DPR-56 and to the discussions of our findings held by Messrs. Blough and Cowgill with Mr. W. T. Ullrich of your staff at the conclusion of the inspection.

Areas examined during this inspection are described in the Office of Inspection and Enforcement Inspection Report which is enclosed with this letter. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector.

Our inspector also verified the steps you have taken to correct the items of noncompliance brought to your attention in letters dated February 3, 1978 and October 17, 1980. We have no further questions regarding your actions at this time.

Based on the results of this inspection, it appears that certain of your activities were not conducted in full compliance with NRC requirements as set forth in the Notices of Violation enclosed herewith as Appendices A and B. These items of noncompliance have been categorized into the levels described in the Federal Register Notice (45 FR 66754) dated October 7, 1980. You are required to respond to this letter and in preparing your response, you should follow the instructions in Appendices A and B.

Item A of Appendix B in the Notice of Violation enclosed with this letter was identified during previous inspections of your licensed activities on March 1 - 31, 1980 and September 1 - 30, 1980, and was documented in the enclosure to our letters dated September 24, 1980 and October 30, 1980. Your letter to this office dated December 23, 1980 stated that the occurrence was

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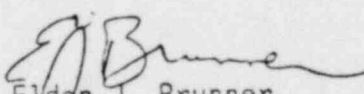
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the result of personnel error and that you reinstructed the individuals concerned regarding escort requirements. From our January 1 - 31, 1981 inspection it appears that the stated corrective actions were not effective since this item has recurred. Therefore, in your response to this letter, you should give special attention to those actions taken or planned to ensure that items of noncompliance will not recur. Please describe, in particular, the actions taken or planned to improve your management control system's effectiveness in preventing recurrence.

In accordance with Section 2.790(d) of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, documentation of findings of your control and accounting procedures for safeguarding special nuclear materials and your facility security measures for physical protection are deemed to be commercial or financial information within the meaning of 10 CFR 9.5(a)(4) and shall be subject to disclosure only in accordance with the provisions of 10 CFR 9.12; therefore, the pertinent section of the enclosed inspection report and Appendix B will not be placed in the Public Document Room and will receive limited distribution.

Should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,



Eldon J. Brunner
Acting Director, Division of
Resident & Project Inspection

Enclosures:

1. Appendix A, Notice of Violation
2. Appendix B, Notice of Violation*
3. Combined Office of Inspection and Enforcement Inspection
Report Number 50-277/81-03 and 50-278/81-03

cc w/encl:

W. T. Ullrich, Station Superintendent (w/o App B and Pages 16 and 17 of Report)*
Troy B. Conner, Jr., Esquire (Without Report)
Eugene J. Bradley, Esquire (Without Report)
Raymond L. Hovis, Esquire (Without Report)
Michael J. Scibinico, II, Assistant Attorney General (Without Report)

* Contains 2.790 INFORMATION