



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

FEB 12 1990

Docket Nos. 50-277
50-278

Mr. Joseph Paquette
Chairman of the Board, Chief
Executive Officer and President
Philadelphia Electric Company
2301 Market Street
Philadelphia, PA 19101

Dear Mr. Paquette:

On January 22 and 23, 1990, NRC senior managers met to review the performance of nuclear power plants licensed to operate by the NRC. This meeting is conducted semiannually to focus NRC resources on those plants and related issues of greatest safety significance. At this meeting, it was concluded Peach Bottom has demonstrated sustained improvement sufficient to warrant removal from the category of plants that require increased attention from both NRC Headquarters and the Regional office.

A summary of the discussions held relating to Peach Bottom is provided below:

The overall performance of the Philadelphia Electric Company and the Peach Bottom Station in 1988 and 1989 is improved and is characterized by a positive overall safety culture. During the Unit 2 phased power ascension, the NRC staff closely monitored plant operations, including 24 hour coverage during key evolutions. The approach to operations was controlled and cautious, with emphasis on doing the job correctly the first time. The effectiveness of the new Shift Managers in safely conducting operations was particularly noteworthy. There has been a positive change in attitude and approach to operations within the operations department. The high quality operations of Unit 2 during power ascension formed the basis for fully lifting the Shutdown Order of March 1987. The pipe replacement outage and subsequent startup on Unit 3 were noteworthy in their absence of significant events. The licensee's ability to assess its own performance, identify areas for further improvement and implement corrective action has repeatedly been demonstrated. This capability has significantly contributed to improved performance and NRC confidence in both corporate and station management.

An NRC Commission meeting open to the public has been scheduled for February 15, 1990, to review the results of the latest meeting of NRC managers. Mr. William T. Russell, the Region I Administrator, has discussed the basis for our conclusions with regard to the Peach Bottom facility with members of your staff.

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Joseph Paquette

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If you have any questions, do not hesitate to call me.

Sincerely,

Original Signed By:
James M. Taylor

James M. Taylor
Executive Director for
Operations

cc: See Next Page

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DATE	: 02/09/90	: 02/09/90			

Mr. Joseph Paquette
Philadelphia Electric Company

Peach Bottom Atomic Power Station,
Units 2 and 3

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