JUL 2 2 1991

Docket Nos. 50-277/DPR-44 50-278/DPR-56

Philadelphia Electric Company Correspondence Control Desk ATTN: Mr. D. M. Smith Senior Vice President-Nuclear P. O. Box 195 Wayne, PA 19087-0195

Dear Mr. Smith:

Subject: COMBINED INSPECTION 50-277/91-20; 50-278/91-20

This letter transmits the findings of the routine resident safety inspection conducted by Messrs. J. J. Lyash and L. E. Myers, and Ms. M. G. Evans from June 9, 1991, through July 8, 1991, at the Peach Bottom Atomic Power Station, Delta, Pennsylvania. The inspectors based these findings on observation of activities, interviews and document reviews, and discussed them with Mr. J. F. Franz of your staff.

Both units continued to operate safely during the report period. We noted operations maintenance, and testing activities were conducted in a well controlled and cautious manner. Also, we found management response to events and issues arising during the period was prompt and effective.

Based on the results of this inspection, certain of your activities appeared to be in violation of NRC requirements, as specified in the enclosed Notice of Violation (Notice). Two instances were identified in which corrective actions taken by your staff had not adequately resolved deficiencies related to quality classification of safety-related equipment (Q-List), and control of measuring and test equipment. While your staff identified many of the specific problems with the Q-List between 1988 and the present, effective root cause analysis and corrective actions were not performed. You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In your response, you should document the specific actions taken and any additional actions you plan to prevent recurrence.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures will be placed in the NRC Document Room. The responses directed by this letter and the enclosed Notice are not subject to the clearance procedures of the Office

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Philadelphia Electric Company

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of Management and Budget as required by the Paperwork Reduction Act of 1980, Pub. L. No. 96.511.

We appreciate your cooperation.

Sincerely,

Additional States Anton

A. Randolph Blough, Chief Projects Branch 2 Division of Reactor Projects

1. Appendix A, Notice of Violation

2. NRC Region I Combined Inspection Report 50-277/91-20; 50-278/91-20

cc w/encl:Enclosures:

D. B. Miller, Vice President, Peach Bottom Atomic Power Station D. R. Helwig, Vice President, Nuclear Engineering and Services J. F. Franz, Plant Manager, Peach Bottom Atomic Power Station J. W. Austin, Project Manager, Peach Bottom Atomic Power Station E. J. Cullen, Jr., Esquire, Assistant General Counsel G. J. Beck, Jr., Manager, Licensing Section R. J. Lees, Chairman, Nuclear Review Board A. A. Fulvio, Regulatory Engineer, Peach Bottom Atomic Power Station J. Urban, General Manager, Fuels Department, Delmarva Power S. B. Ungerer, Atlantic Electric B. W. Gorman, Manager-External Affairs, Public Service Electric & Gas Co. J. W. Durham, Sr., Esquire (Without Report) R. L. Hovis, Esquire (Without Report) R. McLean, Power Plant Siting, Nuclear Evaluations J. H. Walter, Chief Engineer, Public Service of Maryland D. Poulson, Secretary of Harford County Council R. Ochs, Maryland Safe Energy Coalition K. Abraham, PAO (2) Public Document Room (PDR) Local Public Document Room (LPDR) Nuclear Safety Information Center (NSIC) NRC Resident Inspector Commonwealth of Pennsylvania TMI - Alert

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bcc w/encl: Region I Docket Room (with concurrences) Management Assistant, DRMA (w/o enclosure) R. Blough, DRP L. Doerflein, DRP P. Kaufman, DRP P. Kaufman, DRP P. Milano, NRR J. Joyner, DRSS K. Brockman, EDO Office R. McBrearty, DRS D. Holody, ORI

bee w\letter and Executive Summary only: W. Hehl, DRP J. Wiggins, DRP W. Hodges, DRS J. Durr, DRS L. Bettenhausen, DRS M. Knapp, DRSS T. Kenny, SRI-Limerick B. Norris, PI-Shoreham W. Butler, NRR

CONCURRENCES:		
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RI: DRP	DRP	DRP
ALyash	Doerflein	Blough
1-7/8/91	7/18/91	7 12/91

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