

*Designated original  
Nancy T. McNamee*

25 JUL 1984

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. 50-277/84-19 and 50-278/84-10

This refers to the routine safeguards inspection conducted by Mr. R. Bailey of this office on June 25-29, 1984 and by Mr. G. Smith on July 11, 1984 at the Peach Bottom Atomic Power Station, Delta, Pennsylvania, of activities authorized by NRC License Nos. DPR-44 and DPR-56 and to the discussions of our findings held by Messrs. Bailey and Smith with Mr. D. C. Smith of your staff at the conclusion of the inspection on June 29 and July 11, 1984, respectively. This also refers to subsequent telephone discussions between Mr. Bailey and Mr. S. Tharpe on July 10 and between Mr. Bailey and Mr. R. Weindorfer on July 12, 1984.

This letter also confirms that an Enforcement Conference has been scheduled at 10:00 a.m. on July 31, 1984, in the Region I office. At that time, please be prepared to discuss the results of your analysis of the causal factors which led to the events described in the enclosed report, as well as the corrective actions you have taken or plan to take to prevent recurrence.

The inspection report enclosed with this letter highlights serious problems that warrant your personal attention. The report includes apparent significant violations of NRC requirements, and we are considering these items for appropriate enforcement action. These items will be addressed under separate correspondence at a later time.

Sections of the enclosed inspection report contain details of your security program that have been determined to be exempt from public disclosure in accordance with either 10 CFR 73.21 (Safeguards Information) or 10 CFR 9.5(a) (4) (Commercial or Financial Information). Therefore, the sections so identified in the inspection report will not be placed in the NRC Public Document Room and will receive limited distribution. The inspection report cover sheet and any remaining portions of the inspection report will be placed in the Public Document Room, in accordance with 10 CFR 2.790(a), unless you notify, by telephone, the Supervisor, Files, Mail and Records, USNRC Region I, at (215) 337-5223, within 10 days of the date of this letter and submit written application to withhold information contained in the report within thirty days of the date of this letter. Such application must be consistent with the requirements of 10 CFR 2.790 (b)(1).

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PDR ADDCK 05000277  
G PDR

*IE:04*

Your cooperation with us in this matter is appreciated.

Sincerely,

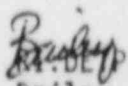
Original Signed By:  
James H. Joyner

Thomas T. Martin, Director  
Division of Engineering and  
Technical Programs

Enclosure: NRC Region I Combined Inspection Report Numbers 50-277/84-19 and  
50-278/84-10 (Paragraphs 2,5,6,7,8,9,10,11,12,18,19 and  
Attachments 1, 2 and 3 contain Safeguards or Commercial/  
Financial Information)

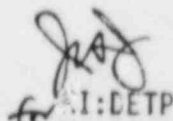
cc: (w/o Paragraphs 2,5,6,7,8,9,10,11,12,18,19 and Attachments 1, 2 and 3)  
R. S. Fleischmann, Station Superintendent  
J. D. Mc Goldrick, Manager, Claims Division, Legal Department  
Troy B. Conner, Jr., Esquire  
Eugene J. Bradley, Esquire, Assistant General Counsel  
Raymond L. Hovis, Esquire  
Michael J. Scibinico, II, Assistant Attorney General  
Public Document Room (PDR)  
Local Public Document Room (LPDR)  
Nuclear Safety Information Center (NSIC)  
NRC Resident Inspector (w/paragraphs 2,5,6,7,8,9,10,11,12,18,19 and  
Attachments 1, 2 and 3)  
Commonwealth of Pennsylvania

bcc: (w/o Paragraphs 2,5,6,7,8,9,10,11,12,18,19 and Attachments 1, 2 and 3)  
Region I Docket Room (with concurrences)  
Senior Operations Officer (w/o encls)  
Section Chief, DPRP

  
Bailey  
7/25/84

  
RI:DETP  
for Keimig  
7/25/84

  
RI:DETP  
Joyner  
7/25/84

  
for RI:DETP  
Martin  
7/25/84