DEC 1 2 1995

Mr. D. M. Smith Senior Vice President-Nuclear PECO Energy Company Correspondence Control Desk P. O. Box 195 Wayne, Pennsylvania 19087-0195

SUBJECT: INTEGRATED INSPECTION 50-277/95-26 AND 50-278/95-26

Dear Mr. Smith:

This report transmits the findings of all the safety inspections conducted by NRC inspectors from October 15, through November 25, 1995, at the Peach Bottom Atomic Power Station, Delta, Pennsylvania. At the conclusion of the inspection, the Senior Resident Inspector, Mr. W. L. Schmidt discussed the findings with Mr. G. Edwards of your staff.

Your staff continued to operate Unit 2 and to restart Unit 3 very well. Normal operations, maintenance, engineering, and plant support activities continued to support safe operation of both units. Your staff continued strong response to transients and identified equipment problems. However, the report identified a significant issue with respect to failure to monitor drywell leakage at Unit 3. Specifically, a modification prepared by your engineering staff led to the installation of drywell drain tank pump control instrumentation that did not function as designed. Further, post-maintenance testing should have identified the problem and did not. Operators also initially failed to identify that the drywell pumps were not functioning, based on changes in the calculated drywell leakage. The failure of the drywell sump pumps to function caused the inoperability of the drywell leakage monitoring system for longer than the time period allowed by Technical Specifications. The failure of the operators to quickly identify this issue is similar to their failure to detect localized core boiling following reactor vessel hydro static testing that occurred in October, 1994 at Unit 2. The overall safety consequence of the event is low, since drywell leakage actually did not change over the period that it was not monitored. However, this issue is cited as a violation, as specified in the enclosed Notice of Violation. because of the continuing concerns over the adequacy of design changes and post-modification testing and previous failure of operators to identify abnormal conditions.

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. Also in your response would you please discuss why previous corrective action taken to address similar modification problems were not effective in preventing this instance.

210082

9512220202 951212 PDR ADOCK 05000277 Q PDR

JEDI .

Mr. D. M. Smith

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 Public Document Room.

The responses directed by this letter and the enclosed Notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, Pub. L. No. 96.511.

We appreciate your cooperation.

Sincerely,

ORIGINAL SIGNED BY:

Walter J. Pasciak, Section Chief Projects Branch 4 Division of Reactor Projects

Docket/License No. 50-277/DPR-44 50-278/DPR-56

Enclosure:

1. Appendix A, Notice of Violation

2. NRC Region I Combined Inspection Report 50-277/95-26 and 50-278/95-26 cc w/encl:

G. A. Hunger, Jr., Chairman, Nuclear Review Board and Director, Licensing G. Rainey, Vice President, Peach Bottom Atomic Power Station

D. B. Fetters, Vice President, Nuclear Station Support

J. Cotton, Director, Nuclear Engineering Division

C. D. Schaeffer, External Operations - Delmarva Power & Light Co.

G. Edwards, Plant Manager, Peach Bottom Atomic Power Station

A. J. Wasong, Manager, Experience Assessment

J. W. Durham, Sr., Senior Vice President and General Counsel

P. MacFarland Goelz, Joint Generation, Atlantic Electric

B. W. Gorman, Manager, External Affairs

R. McLean, Power Plant Siting, Nuclear Evaluations

D. Poulsen, Secretary of Harford County Council

R. Ochs, Maryland Safe Energy Coalition

J. H. Walter, Chief Engineer, Public Service Commission of Maryland L. Jacobson, Peach Bottom Alliance Commonwealth of Pennsylvania

TMI - Alert (TMIA)

Mr. D. M. Smith

...

1 . . .

Distribution w/encl: Region I Docket Room (with concurrences) K. Gallagher, DRP Nuclear Safety Information Center (NSIC) D. Screnci, PAO (2) NRC Resident Inspector PUBLIC

Distribution w/encl: (Via E-Mail) W. Dean, OEDO J. Shea, NRR J. Stolz, PDI-2, NRR Inspection Program Branch, NRR (IPAS)

DOCUMENT NAME: C:\PBIR9526.WP

To receive a copy of this document, indicate in the box:

*C" = Copy without attachment/enclosure *E" = Copy with attachment/enclosure *N" = No copy

OFFICE:	RI/DRP	RI/DRA	IN	
NAME	WSchmidt UNLS	WPas, siak		
DATE	12/0/95	12/ 195		

OFFICIAL RECORD COPY

IE01