

January 12, 1996

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

SUBJECT: NRC RESPONSE LETTER DATED DECEMBER 5, 1995

Dear Mr. Smith:

We have recently become aware that our correspondence to you, dated December 5, 1995, included a copy of your previous letter to the NRC, dated November 2, 1995, which contained a few annotations made by our staff. It was not our intention to include a copy of your correspondence as an enclosure to our response letter. The copy was attached as background information to support our normal correspondence development and concurrence process, and was expected to be removed prior to distribution of our letter. The notes in the margin of background copy were incidental to the development of our response and have no other meaning or purpose. Through an administrative error, the background information was mistakenly included with our response letter, and was subsequently distributed to all parties that were provided copies, including the Public Document Room. We regret this oversight and sincerely apologize for our mistake.

In order to assure that the Docket File is correct, we are re-issuing our December 5, 1995, letter to you, including the original distribution, under this cover letter. Thank you for your understanding and cooperation in this matter.

Sincerely,

(original signed by)  
A. R. Blough  
for  
James T. Wiggins, Director  
Division of Reactor Safety

Docket Nos. 50-277; 50-278

Enclosure: NRC Letter dated December 5, 1995, to Mr. D. M. Smith  
(PECO Energy)

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Mr. D. M. Smith

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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. Schaefer, 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, Manager, 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
- State of Maryland
- TMI - Alert (TMIA)

Distribution w/encl:

- Region I Docket Room (with concurrences)
- K. Gallagher, DRP
- Nuclear Safety Information Center (NSIC)
- D. Screnci, PAO (30) SALP, All other reports (2)
- NRC Resident Inspector
- PUBLIC
- W. Dean, OEDO
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DOCUMENT NAME: G:\RSB\WHITE\APOLOGY

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/DRS	RI/DRS	/			
NAME	JWHITE	JWIGGINS				
DATE	01/05/96	01/ /96	01/ /96	01/ /96	01/ /96	

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ENCLOSURE



UNITED STATES  
**NUCLEAR REGULATORY COMMISSION**  
REGION I  
475 ALLENDALE ROAD  
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

December 5, 1995

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

SUBJECT: COMBINED INSPECTION REPORT NOS. 50-277/95-23; 50-278/95-23 AND  
NOTICE OF VIOLATION - REPLY

Dear Mr. Smith:

This letter is in response to PECO Energy's correspondence, dated November 2, 1995, from Mr. Gerald Rainey, in response to the subject inspection report and Notice of Violation involving failure to adhere to radiation protection procedures. In your response, you requested clarification as to why we did not exercise discretion relative to this matter. Accordingly, we have provided the basis for our determination in the enclosure to this letter.

We have examined your concern that the inspector did not characterize your disagreement with his assessment that led to the violation, and that your own perspective on this matter may not have been clearly communicated to NRC regional management. Our inspector indicates that he communicated the details of his findings to your staff on a daily basis, that the exit meeting was a summary of the inspection effort, and that your staff did not voice any objection to, or take issue with, his assessment of this matter during that meeting on August 31, 1995. Consistent with NRC policy, the inspector indicated that he considered the matter unresolved pending review by NRC management and indicated a number of options that could be considered. Subsequently, on September 21, 1995, Dr. R. Bores, Chief-Facilities Radiation Protection Section informed Mr. D. DiCello, Radiation Protection Manager, that NRC management reviewed the matter, determined that a Notice of Violation should be issued, and discussed the basis for the decision. Mr. DiCello provided no new information or concern with the decision at that time.

The inspection report and Notice of Violation were issued on September 22, 1995. Subsequently, on October 6, 1995, in a telephone conference with Messrs. W. Schmidt and R. Nimitz of our office, Messrs. G. Rainey and G. Edwards, of your staff, expressed concern about the decision to cite the violation in view of their perception that the licensee's assessment of the matter may not have been adequately considered or understood by the inspector, and that the inspector's intention and rationale was not adequately communicated or understood during the exit meeting. During that meeting, Mr. Nimitz again discussed the basis for the decision. While we understood that your staff was not pleased with our decision to cite the violation, no additional clarifications or facts were communicated that would

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cause us to reconsider our determination in this matter. Notwithstanding, we apologize for any lack of clarity or specificity relative to the communication of inspection findings at the exit meeting or in the inspection report, and will seriously endeavor to improve the communication of inspection results and our characterization of your viewpoint in the future. We would be pleased to further discuss any of these matters with you in a management meeting in NRC Region I. If you desire such a meeting, please contact Mr. John R. White, Chief, Radiation Safety Branch, at 610-337-5114.

Your letter also provided minor technical correction or clarification of information that we reported relative to your staffing plans and occupational exposure goals; and provided your perceptions relative to the inspector's characterization that your radiation protection program audit activities were focused on compliance aspects, and his assessment of the adequacy of the air sampling arrangement used to evaluate personnel intake of radioactive materials. Relative to these latter issues, we have examined the inspection report and reviewed the concerns with the inspector. Subsequently, we find that the report adequately reflects the inspector's independent assessment and specific observations relative to radiation protection audits and air sampling arrangements. The inspection indicated that your audit and self-assessment programs were very good. The recommendations were offered for your consideration and were not an issue in this inspection. The comments on the adequacy of air sampling arrangement, relative to effectively monitoring the breathing zone of the workers involved in the TIP shield work, reflects the inspectors independent assessment and evaluation. The inspector also noted that no intakes of radioactive materials were apparent based on your analysis. Again, the matter was not an issue in this inspection.

We have evaluated your response to the violation and find that you have not completely responded as required by the Notice of Violation. While your response identifies immediate actions that were taken, it does not adequately address generic and long-term actions to prevent recurrence. For example, you indicate that a Performance Enhancement Process (PEP) investigation was initiated to determine the causes and reasons for the contamination event, and that the actions taken as a result of that effort are expected to prevent recurrence. However, you have not indicated what the findings of that effort revealed (i.e., what were the causes and reasons), and what consequent corrective actions were implemented to address those factors. Further, you indicated that a Quality Improvement Team (QIT) performed an evaluation of the work process, and that their recommendations will improve radiological and work control. However, you did not provide any discussion of what recommendations were implemented and how improved performance will be achieved. Additionally, you indicated that written expectations for the conduct of work in the Hot Shop were developed and implemented, but provided no information on what those expectations are, and the expected impact on performance.

Mr. D. M. Smith

3

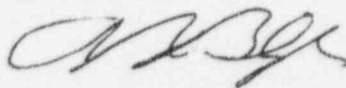
Accordingly, your response is not sufficient for us to understand and evaluate the adequacy or effectiveness of your corrective measures, particularly relative to actions that will be taken to avoid further incidents. Accordingly, you are required to resubmit your response in accordance with 10 CFR 2.201 within 30 days of the date of this letter in the matter prescribed in the Notice of Violation. If you have any questions relative to this matter, please contact Mr. John R. White of this office.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response will be placed in the NRC Public Document Room (PDR).

The responses directed by this letter 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.

Your cooperation with us is appreciated.

Sincerely,



*t-r* James T. Wiggins, Director  
Division of Reactor Safety

Docket Nos. 50-277; 50-278

Enclosure: NRC Bases for Citing Violation

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. Schaefer, 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, Manager, 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)



ENCLOSURE

NRC BASES FOR CITING VIOLATION IDENTIFIED IN  
NRC COMBINED INSPECTION REPORT NOS. 50-277(278)/95-23

Our assessment of the event and determination to issue a Notice of Violation was based on the following:

- A. The incorrect assumption by a contractor that the work activity was adequately evaluated and controlled by a health physics (HP) technician is similar in nature to a previous occurrence described in our Inspection Report 50-277(278)/95-05, which resulted in personnel improperly entering a high radiation area on October 31, 1994. Your corrective action, in that case, was to clearly designate HP technicians by a special tag in order to prevent recurrence. Notwithstanding, it is apparent to us that information relative to properly identifying or recognizing a HP technician was either not adequately conveyed or comprehended, or it was ignored by the involved individuals, all of whom were contractor employees. In either case, the corrective action was ineffective, and management's expectations were not met.
- B. The multiple performance and judgment errors exhibited by the contractor personnel involved in this event indicate that the causal factors may be more than just deficiencies in individual performance. The failure to adhere to appropriate work control procedures and the radiation work permit, adequately communicate the nature of the work to the health physics department, perform radiological surveys and evaluations sufficient to correctly identify and control the radiological hazard, and provide adequate supervisory oversight are deficiencies that may be programmatic in nature.
- C. Though this event occurred on August 24, 1995, no generic or long-term corrective actions that addressed the programmatic deficiencies were identified to our inspector by the end of our inspection on August 31, 1995. Our concern in this area continues to be justified in that your response to the violation, issue on November 2, 1995, still does not provide specific information relative to the corrective actions taken to address the deficiencies involved, including steps to prevent recurrence.

Based on the above, we concluded that the violation was appropriately cited in accordance with the revised "General Statement of Policy and Procedure for NRC Enforcement Actions" (Enforcement Policy) (60 FR 34381; June 30, 1995).