*** SAFEGUARDS INFORMATION ***



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

May 8, 1992

Docket Nos. 50-277 and 50-278

> Mr. Dickinson M. Smith Senior Vice President - Nuclear Philadelphia Electric Company P.O Box 195 Wayne, Pennsylvania 19087-0195

Dear Mr. Smith:

SUBJECT: PEACH BOTTOM ATOMIC POWER STATION, UNITS 2 AND 3 - OPERATIONAL SAFEGUARDS RESPONSE EVALUATION (TAC NOS. M83057 AND M83058)

This letter conveys the results and conclusions of the Operational Safeguards Response Evaluation (OSRE) conducted by the NRC's Office of Nuclear Reactor Regulation at the Peach Bottom Atomic Power Station, Units 2 and 3, from April 13 through 16, 1992. The OSRE team was composed of NRC personnel assisted by members of the U.S. Army Special Forces. One purpose of the OSRE program is to evaluate licensees' abilities to respond to an external threat by focusing on the interactions between operations and security in establishing priorities for protection of equipment and on the defensive strategies used. The OSRE also includes a safety/safeguards interface review in order to continue to assure that safeguards measures do not adversely affect safe operation of the facility.

The OSRE conclusions are documented in the enclosed report (Part I, Operational Safeguards Readiness Review; and Part II, Safety/Safeguards Interface Review). This enclosure, which contains safeguards information of a type specified in 10 CFR 73.21, will not be placed in the Public Document Room, and must be protected against unauthorized disclosure.

The drills, exercises, and demonstrations observed by the team and the results of interviews conducted by the team indicated a weakness in one area and strengths in several areas. The we meas that the team considers to warrant your attention is identified in the report as a concern. Overall, however, the security force demonstrated an excellent contingency response capability. Of particular note was the high quality and extent of operations involvement in the planning and exercising of the contingency response capability, including use of the string's reactor simulator. In addition to being an excellent training and is reaction side-benefit of contributing to operator training for severe accident management. The team also concluded that effective provisions were in place to assure that safeguards measures did not adversely affect the safe operation of the plant.

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The enclosed report does not convey any new regulatory requirement. Its findings have been considered with respect to your ability to meet the general performance objective and requirements of 10 CFR 73.55(a). We request that you review the report and provide a response to this office within 45 days after receiving this letter. Your response should specifically address the concern identified in the report.

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This letter affects one respondent and, therefore, is not subject to the Office of Management and Budget review und r Public Law 96-511.

Sincerely,

Steven A. Varga, Director Division of Reactor Projects I/II Office of Nuclear Reactor Regulation

Enclosure: Operational Safeguards Response Evaluation (Part I, Operationa, Safeguards Readiness Review; Part II, Safety/Safequards Interface Review)

cc w/enclosure: J. J. Lyash, SRI USNRC P. O. Box 399 Delta, Pennsylvania 19101

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Mr. George J. Beck Philadelphia Electric Company

CC:

J. W. Durham, Sr., Esquire Sr. V.P. & General Counsel Philadelphia Electric Company 2301 Market Street, S26-1 Philadelphia, Pennsylvania 19101

Philadelphia Electric Company ATTN: Mr. D. B. Miller, Vice President Peach Bottom Atomic Power Station Route 1, Box 208 Delta, Pennsylvania 17314

Philadelphia Electric Company ATTN: Reculatory Engineer, A1-2S Peach Buttom Atomic Power Station Route 1, Box 208 Delta, Pennsylvania 17314

Resident Inspector U.S. Nuclear Regulatory Commission Peach Bottom Atomic Power Station P.O. Box 399 Delta, Pennsylvania 17314

Regional Administrator, Region I U.S. Nuclear Regulatory Commission 475 Allendale Road King of Prussia, Pennsylvania 19406

Mr. Roland Fletcher Department of Environment 201 West Preston Street Baltimore, Maryland 21201

Carl D. Schaefer External Operations - Nuclear Delmarva Power & Light Company P.O. Box 231 Wilmington, DE 19899 Peach Bottom Atomic Power Station, Units 2 and 3

Board of Supervisors Peach Bottom Township R. D. #1 Delta, Pennsylvania 17314

Public Service Commission of Maryland Engineering Division ATTN: Chief Engineer 231 E. Baltimore Street Baltimore, MD 21202-3486

Mr. Richard McLean Power Plant and Environmental Review Division Department of Natural Resources B-3, Tawes States Office Building Annapolis, Maryland 21401