



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

June 10, 1996

Mr. Richard Ochs
Maryland Safe Energy Coalition
P.O. Box 33111
Baltimore, MD 21218

Dear Mr. Ochs:

This letter is in response to the press release dated October 6, 1994, in which the Maryland Safe Energy Coalition (Petitioner) requested action with regard to the Peach Bottom Atomic Power Station, operated by the PECO Energy Company (PECO, the licensee). This request was treated as a petition pursuant to 10 CFR 2.206 of the U.S. Nuclear Regulatory Commission's (NRC's) regulations. The Petitioner asked the NRC, among other things, to immediately shut down both reactors at Peach Bottom and keep them shut down until certain conditions are corrected. Specifically, the Petitioner stated that (1) the risk of fire near electrical control cables due to combustible insulation could cause a catastrophic meltdown; (2) cracks were discovered in the structural support (core shroud) of the reactor fuel in Peach Bottom Unit 3, indicating possible cracks in other parts of the reactor vessel; (3) the NRC discovered that both reactors had no emergency cooling water for an hour on August 3, 1994; and (4) other chronic problems exist at Peach Bottom according to an August 16, 1994, NRC report.

The Petitioner also indicated its support for the demands from the Nuclear Information Resource Service that (a) all safety class component parts in both reactor vessels, including the cooling system, the heat transfer system, and the reactor core, be inspected and (b) the Peach Bottom operating license be suspended until an analysis of the synergistic effects of cracks in multiple parts is conducted.

On December 2, 1994, I informed you that I was denying the Petitioner's requests for the immediate shutdown of Peach Bottom and suspension of the operating licenses. I also stated that the Petition was being evaluated under 10 CFR 2.206 of the Commission's regulations, and that action would be taken in a reasonable time.

On April 3, 1996, I informed you that the Petitioner's request to immediately shut down **both** reactors at Peach Bottom until the risk of fire near electrical control cables due to combustible insulation is corrected (Request 1) was denied for the reasons stated in the Director's Decision (DD-96-03) that I enclosed. I also informed you that the issues raised as basis for Requests 2, 3 and 4 of your Petition were still under consideration by the NRC staff and that a Final Director's Decision would be issued upon completion of the NRC staff review.

The staff has completed its review of issues regarding cracking of reactor vessel internal components (Request 2) and the other listed equipment problems raised in the October 6, 1994 Petition (Requests 3 and 4). For the reasons given in the enclosed Final Director's Decision (DD-96-05), Requests 2, 3


Mr. Richard Ochs

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and 4 have also been denied. A copy of the Decision will be filed with the Secretary of the Commission for the Commission's review in accordance with 10 CFR 2.206(c). As provided by that regulation, the Decision will constitute the final action of the Commission 25 days after the date of issuance of the Decision unless the Commission, on its own motion, institutes a review of the Decision within that time.

I have also enclosed a copy of the notice of "Issuance of Final Director's Decision Under 10 CFR 2.206" (including the complete text of DD-96-05) that is being filed with the Office of the Federal Register for publication.

Sincerely,

Original Signed 
WILLIAM T. RUSSELL

William T. Russell, Director
Office of Nuclear Reactor Regulation

Enclosures: 1. Final Director's Decision (DD-96-05)
2. Federal Register Notice

cc w/enclosures: See next page

Distribution of DD-96-05

Docket Files 50-277 and 50-278	F. Miraglia	OPA
PUBLIC	R. Zimmerman	OCA
EDO #10547	A. Thadani	C. Norsworthy
EDO Reading	D. Crutchfield	NRR Mailroom (EDO#10547)
PDI-2 Reading	S. Varga	(12G18)
J. Taylor	J. Zwolinski	J. Goldberg, OGC
J. Milhoan	J. Stolz	W. Pasciak, RGI
H. Thompson	M. O'Brien	ASLBP
J. Blaha	J. Shea	Director, OCAA
T. Martin, RGI	J. Strosnider	ACRS (4)
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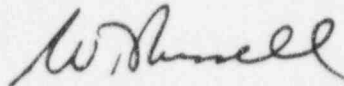
Mr. Richard Ochs

- 2 -

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Sincerely,



William T. Russell, Director
Office of Nuclear Reactor Regulation

Enclosures: 1. Final Director's Decision (DD-96-05)
2. Federal Register Notice

cc w/enclosures: See next page

PECO Energy Company

Peach Bottom Atomic Power Station,
Units 2 and 3

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