

July 24, 1997

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

SUBJECT: ROUTINE INTEGRATED INSPECTION 50-277/97-04 AND 50-278/97-04

Dear Mr. Smith:

This refers to the inspection conducted from May 4 through June 7, 1997, at the Peach Bottom Atomic Power Station, Delta, Pennsylvania. The purpose of the inspection was to determine whether activities authorized by the licensee were conducted safely, in accordance with NRC requirements. At the conclusion of the inspection, Mr. W. L. Schmidt discussed the findings with Mr. G. Edwards and others of your staff. The inspectors based these findings on independent observation of activities, interviews, and document reviews.

Your staff continued to operate both units safely. The operations staff performed well, conducting routine activities in an excellent manner and properly responding to degraded conditions. However, in one instance, an operator installing a jumper caused the loss of high pressure coolant injection automatic initiation capability for a short period of time. Our review of this issue found that the procedural guidance provided to the operator was lacking, in that, it did not specify how to install the jumper or precautions on possible problems that could occur. Maintenance personnel performed well, particularly during on-line control rod hydraulic control unit and emergency diesel generator maintenance. However, in one instance a single control rod scrambled due to maintenance technicians pulling the wrong fuses during electrical isolation.

PECO implemented an overall effective radiological controls program including planning and preparation for the Unit 3 outage, and ALARA controls over external and internal exposures. Your evaluation and control of non-routine effluent/material release paths, such as sampling and analysis of sewage solids and burning of slightly contaminated oil, showed some weaknesses, indicating a need for further attention in this area. Plant housekeeping continued to be excellent. However, as previously discussed in inspection reports the lubrication and fuel oil leakage from the emergency diesel generators needed continued management attention to limit the possible fire hazard.

Based on the results of this inspection, the NRC has determined that a violation of NRC requirements occurred. The violation is cited in the enclosed Notice of Violation (NOV). The violation involved the improper control of grand master keys that could provide access to high radiation areas at the Peach Bottom station. Your investigation of this matter is

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discussed in NRC Inspection Report 50-352/97-03, 50-353/97-03. This violation is of concern because several grand master keys were not properly controlled. Although it does not appear that the keys were misused, the potential was clearly present for several years.

The NRC has concluded that information regarding the reason for the violation, and the actions taken or planned to correct the violations and prevent recurrence is already adequately addressed in this inspection report. Therefore, you are not required to respond to this letter unless the description in the referenced reports does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

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

We appreciate your cooperation.

Sincerely,

Original Signed By:

Paul D. Swetland, Acting Chief
Projects Branch 4
Division of Reactor Projects

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

Enclosures:

1. Notice of Violation
2. NRC Inspection Report 50-277/97-04 and 50-278/97-04

cc w/encls:

G. A. Hunger, Jr., Chairman, Nuclear Review Board and Director, Licensing
T. Mitchell, Vice President, Peach Bottom Atomic Power Station
G. Rainey, Senior Vice President, Nuclear Operations
D. B. Fetters, Vice President, Nuclear Station Support
T. Niessen, Director, Nuclear Quality Assurance
A. F. Kirby, III, External Operations - Delmarva Power & Light Co.
G. Edwards, Plant Manager, Peach Bottom Atomic Power Station
G. J. Lengyel, Manager, Experience Assessment
J. W. Durham, Sr., Senior Vice President and General Counsel
J. A. Isabella, Manager, Joint Generation, Atlantic Electric
W. T. Henrick, Manager, External Affairs, Public Service Electric & Gas
R. McLean, Power Plant Siting, Nuclear Evaluations
J. Vannoy, Acting Secretary of Harford County Council
R. Ochs, Maryland Safe Energy Coalition
J. H. Walter, Chief Engineer, Public Service Commission of Maryland
Mr. & Mrs. Dennis Hiebert, Peach Bottom Alliance
Mr. & Mrs. Kip Adams
Commonwealth of Pennsylvania
R.A. Calvan, Regional Director, FEMA Region III
State of Maryland
TMI - Alert (TMIA)

Mr. D. M. Smith

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