

PHILADELPHIA ELECTRIC COMPANY

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JOSEPH W. GALLAGHER  
VICE PRESIDENT  
NUCLEAR SERVICES

June 3, 1988

Mr. William T. Russell  
Administrator, Region I  
U.S. Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Washington, DC 20555

Dear Mr. Russell:

Attachments to this letter will provide an update as to the status of our investigation and audit of allegations concerning the security force at Peach Bottom Atomic Power Station (PBAPS). On February 12, 1988 a site Security Force Member made the initial allegation that Burns International Security Services (Burns) management was allowing several adverse conditions to exist at the site. As committed at the Management Conference on February 26, 1988, Philadelphia Electric Company (PECo) has investigated the allegations to the fullest and corrective actions are being implemented. Three documents concerning this matter are attached for your review.

The first document is an internal Investigative Report by PECo Corporate Security dated April 15, 1988 and entitled, "Investigation Re Burns International Security Services."

The second document is a recently issued PECo Nuclear Quality Assurance Audit Report concerning security at PBAPS. Although this audit was not initiated because of the allegations, a portion of the audit was purposely focused on major concerns of the allegations. Specifically, Section 21 of the Audit Report addresses a review of this matter. Security specialists from Science Applications International Corporation served as audit team members to assist Nuclear Quality Assurance with the audit.

The third document is a Site Status Report of the specific actions taken and planned regarding issues identified in the Corporate Security Investigative Report and in Sections 15, 19 and 21 of the Nuclear Quality Assurance Audit Report. Actions required of Burns have been discussed with their site and regional management. PECo will oversee all corrective actions, including those to be performed by Burns, to ensure a proper and timely response.

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Mr. William T. Russell, Administrator

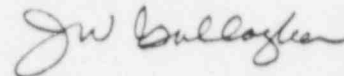
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The Corporate Security Investigative Report, Nuclear Quality Assurance Audit Report and Site Status Report contain Safeguards Information and, therefore, we request that they be protected as described in 10 CFR 73.21. In addition, because they contain confidential information, it is hereby requested that the attached three Reports be withheld from public disclosure in accordance with 10 CFR 2.790. An affidavit to support this request is attached.

If you have any questions or require additional information on this matter, do not hesitate to contact us.

Very truly yours,



Attachments

cc: Addressee  
T. P. Johnson, Senior Resident Inspector, PBAPS

COMMONWEALTH OF PENNSYLVANIA :

: ss.

COUNTY OF PHILADELPHIA :

J. W. Gallagher, being first duly sworn, deposes and states that:

1. He is Vice President of Philadelphia Electric Company, Licensee under Facility Operating Licenses DPR-44 and DPR-56 for Peach Bottom Atomic Power Station, Units 2 and 3 and is authorized to execute this Affidavit;

2. He has reviewed the following documents: "Investigation Re Burns International Security Services" dated April 15, 1988; "PBAPS Physical Security Plan and Procedures, NQA Audit AP88-48PL" dated May 25, 1988; and "Site Status Report Security Investigation, Peach Bottom Atomic Power Station"; which are filed herewith (hereinafter the "Documents") and knows the contents thereof.

3. The Documents which are sought to be withheld from public disclosure contain details relating to the physical security plans for Peach Bottom Atomic Power Station and contain information on certain investigations of the security forces at the Peach Bottom facility, the disclosure of which would involve security details and could constitute an unwarranted invasion of the personal privacy of the individuals involved;

4. The information set forth in the Documents has been treated as confidential and proprietary information and has been withheld from public disclosure by Licensee in accordance with Licensee's practice of treating all information dealing with the details of security plans and its investigations of security activities and the individuals involved therein as confidential and proprietary information; and

5. The Documents should be considered by the NRC as confidential and proprietary information and be withheld from public disclosure on the grounds that they contain Safeguards Information, they contain details relating to the physical security plans of a licensed facility, they contain detailed information which could be used to compromise the safety and security of the facility, they contain information the disclosure of which could constitute an unwarranted

invasion of the personal privacy of the individuals involved, such disclosure is not required in the public interest and such disclosure would adversely affect the interests of Philadelphia Electric Company.

Jim Gallagher  
Vice President

Subscribed and sworn to  
before me this 6<sup>th</sup> day  
of June, 1988.

Melanie R. Campanella  
Notary Public

MELANIE R. CAMPANELLA  
Notary Public, Philadelphia, Philadelphia Co.  
My Commission Expires February 12, 1990