Docket Nos. 50-277 50-278

Philadelphia Electric Company
ATTN: Mr. Corbin A. McNeill
Executive Vice President-Nuclear
Correspondence Control Desk
P. O. Box 7520
Philadelphia, Pennsylvania 19101

Gentlemen:

SUBJECT: MODIFICATION OF REQUIREMENTS OF ORDER

RE: PEACH BOTTOM ATOMIC POWER STATION, UNIT NOS. 2 AND 3

On March 31, 1987, the Executive Director for Operations issued an Order directing the Philadelphia Electric Company to shut down Peach Bottom Atomic Power Station and take certain corrective actions to address concerns including failure of both the line organization and the quality assurance program to identify conditions adverse to safety. Specifically, Sections V.A-V.C of the Order respectively required (a) that Unit 3 be shutdown and both units be maintained in a cold shutdown condition pending further order; (b) a description of the actions planned to provide assurance that the facility will comply with all requirements while in a cold condition; and (c) that before proposing operation of either unit, a comprehensive plan be developed to assure that the facility will be operated safely and comply with all requirements. The actions outlined in your letter of April 6, 1987, were evaluated as part of our inspection program and determined to fulfill the requirements of Sections V.A and V.B of the Order.

In my letter dated October 19, 1988, the NRC accepted your proposed "Plan for Restart of Peach Bottom Atomic Power Station" in response to the requirements set forth in Section V.C of the Order. We have conducted an assessment of your implementation of this plan during an Integrated Assessment Team Inspection in February 1989, and have concluded that your performance relative to the Peach Bottom facility is at a level sufficient to support safe startup and operation of the facility and that there are no fundamental flaws that would inhibit your ability to ensure reactor or public safety during plant operation. However, before final release from the requirements of the Order, you must demonstrate the effectiveness of your corrective actions in an operating environment in accordance with your approved restart power testing plan.

Therefore, in accordance with Section V.E of the Order, I hereby modify the requirements set forth in Section V.A of the Order to permit operation of Unit 2 not to exceed 35 percent of full power.

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IEOI /

## 26 APR 1989

No reply to this letter is necessary. Thank you for your cooperation in this matter.

Sincerely,

W. T. Russell Regional Administrator

cc w/encl:
John S. Kemper, Sr., Senior Vice President-Nuclear
J. W. Gallagher, Vice President, Nuclear Services
E. C. Kistner, Chairman, Nuclear Review Board
Dickinson M. Smith, Vice President, Peach Bottom Atomic Power Station
Jack Urban, General Manager, Fuels Department, Delmarva Power & Light Co.
John F. Franz, Plant Manager, Peach Bottom Atomic Power Station
Troy B. Conner, Jr., Esquire
W. H. Hirst, Director, Joint Generation Projects Department,
Atlantic Electric
Bryan W. Gorman, Manager, External Affairs
Eugene J. Bradley, Esquire, Assistant General Coensel

Eugene J. Bradley, Esquire, Assistant General Counsel Raymond L. Hovis, Esquire
Thomas Magette, Power Plant Siting, Nuclear Evaluations W. M. Alden, Director, Licensing Section
Doris Poulsen, Secretary of Harford County Council Public Document Room (PDR)
Local Public Document Room (LPDR)
Nuclear Safety Information Center (NSIC)
NRC Resident Inspector
Commonwealth of Pennsylvania

bcc:

Region I Docket Room (with concurrences)
Management Assistant, DRMA (w/o encl)
Section Chief, DRP
PAO (23) SALP and (2) Inspection Reports
Robert J. Bores, DRSS
R. Martin, NRR
B. Clayton, EDO

RI:DRP RI:DRP RI:DRP NRR:DONRR RI:DRA RI:RA 4/1/89.
\*Gadzala/rhl \*Linville \*Wenzinger\*Kane \* Murley \* Allan Russell

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04/25/89

\*See previous concurrences

No reply to this letter is necessary. Thank you for your cooperation in this matter.

Sincerely.

W. T. Russell 'egional Administrator

John S. Kemper, Sr., Senior Vice President-Nuclear J. W. Gallagher, Vice President, Nucle r Services E. C. Kistner, Chairman, Nuclear Review Board Dickinson M. Smith, Vice President, Peach Bottom Atomic Power Station Jack Urban, General Manager, Fuels Department, Delmarva Power & Light Co. John F. Franz, Plant Manager, Peach Bottom Atomic Power Station Troy B. Conner, Jr., Esquire W. H. Hirst, Director, Joint Generation Projects Department, Atlantic Electric Bryan W. Gorman, Manager, External Affairs Eugene J. Bradley, Esquire, Assistant General Counsel (Without Report) Raymond L. Hovis, Esquire Thomas Magette, Power Plant Siting, Nuclear Evaluations George A. Hunger, Director-Licensing Doris Poulsen, Secretary of Harford County Council Public Document Room (PDR) Local Public Document Room (LPDR) Nuclear Safety Information Center (NSIC) NRC Resident Inspector Commonwealth of Pennsylvania

[RESTART LETTER]

RI: DRP Gadzala/rhl / /89

RI:DRP RI:DRP Linville Wenzinger Kane / /89 / /89 / /89

RI:DRP

RI:DRA RI:RA Allan Russell / /89 No reply to this letter is necessary. Thank you for your cooperation in this matter.

Sincerely,

W. T. Russell Regional Administrator

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RI:DRP Linville

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