



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

November 29, 1999

Mr. James A. Hutton
Director-Licensing, MC 62A-1
PECO Energy Company
Nuclear Group Headquarters
Correspondence Control Desk
P.O. Box No. 195
Wayne, PA 19087-0195

SUBJECT: PEACH BOTTOM ATOMIC POWER STATION, UNITS 2 AND 3,
RE: REVISIONS TO THE UFSAR - PAST AND FUTURE COMPLIANCE WITH
10 CFR 50.71(e)(4) (TAC NOS. M72454 AND M72455)

Dear Mr. Hutton:

Title 10 of the *Code of Federal Regulations* (10 CFR), Subsection 50.71(e)(4) specifies the schedular requirements whereby licensees are to submit revisions to their Updated Final Safety Analysis Reports (UFSARs). It requires revisions to be made "...annually or 6 months after each refueling outage provided the interval between successive updates does not exceed 24 months." In a 1997 survey we found numerous incidents of noncompliance by licensees of both single- and multi-unit plants with this schedular requirement. In many cases, licensees for multi-unit sites were basing their UFSAR submissions on the outage schedule of one unit.

We understand that some confusion about the proper interpretation of 10 CFR 50.71(e)(4) may have been caused by an NRC staff letter to Commonwealth Edison Company (ComEd) dated June 15, 1993, which endorsed a submission schedule proposed by ComEd for its plants. Neither ComEd's proposed schedule nor the staff's endorsement were in literal compliance with 10 CFR 50.71(e)(4). Nevertheless, many licensees adopted the staff position expressed in the June 15, 1993, letter and thus deviated from the schedular requirements of this regulation. Recently, the staff granted exemptions to the ComEd plants. The transmittal letter (D. Skay to O. D. Kingsley, dated July 27, 1999) states that "this [Skay] letter and the enclosed exemptions supersede our letter of June 15, 1993."

We note that you have not requested a schedular exemption to 10 CFR 50.71(e)(4) for Peach Bottom Atomic Power Station, Units 2 and 3 (Peach Bottom 2 and 3). This may indicate that either you intend to comply with the correct interpretation of the regulation, or you may have incorrectly interpreted the regulation in the past. The purpose of this letter is to clarify any misunderstanding of this regulation. We will exercise enforcement discretion, in accordance with Section VII.B.6 of the NRC Enforcement Policy, for any incidents of past violation of 10 CFR 50.71(e)(4). In the future, we will enforce the schedular requirements as prescribed, or as modified by an exemption for Peach Bottom 2 and 3.

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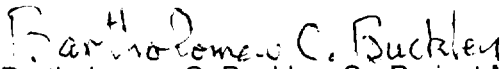
DFC 1

J. Hutton

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There is no need to respond to this letter. If you have any questions, please call me at 301-415-1483.

Sincerely,


Bartholomew C. Buckley, Sr. Project Manager, Section 2
Project Directorate I
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-277 and 50-278

cc: See next page

Peach Bottom Atomic Power Station,
Units 2 and 3

cc:

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- 2 -

program processes, reviewing licensee responses to NRC requests for reporting Y2K readiness (i.e., GL 98-01 and Supplement 1), and combining the results on these assessments to achieve a high level of assurance that each facility will operate safely during the transition from 1999 to 2000 and on other Y2K sensitive dates. NUREG-1706 is linked to the NRC home page (<http://www.nrc.gov/NRC/NEWS/year2000.html>).

We would like to acknowledge the efforts you have completed to date in preparing your plants for the Y2K transition and appreciate your continued cooperation on this important issue.

If you have any questions regarding this matter, please call me at 301-415-1483.

Sincerely,

Original signed by:

Bartholomew C. Buckley, Sr. Project Manager, Section 2
 Project Directorate I
 Division of Licensing Project Management
 Office of Nuclear Reactor Regulation

Docket Nos. 50-352, 50-353,
 50-277, and 50-278

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November 29, 1999

Mr. James A. Hutton
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Nuclear Group Headquarters
Correspondence Control Desk
P.O. Box No. 195
Wayne, PA 19087-0195

SUBJECT: COMPLETION OF LICENSING ACTION FOR GENERIC LETTER 98-01 AND SUPPLEMENT 1 - LIMERICK GENERATING STATION (LGS), UNITS 1 AND 2, AND PEACH BOTTOM ATOMIC POWER STATION (PBAPS), UNITS 2 AND 3 (TAC NOS. MA1851, MA1852, MA1871, AND MA1872)

Dear Mr. Hutton:

On May 11, 1998, the U.S. Nuclear Regulatory Commission (NRC) issued Generic Letter (GL) 98-01, "Year 2000 Readiness of Computer Systems at Nuclear Power Plants," to all holders of operating licenses for nuclear power plants, except those who have permanently ceased operations and have certified that fuel has been permanently removed from the reactor vessel. The NRC issued GL 98-01 to ensure that licensees were adequately addressing potential date-related errors with computer systems, embedded software devices, and software applications sufficiently in advance of the Year 2000 (Y2K) rollover date to ensure that nuclear power plants will be in a stable, safe condition during the Y2K transition.

Subsequent to the issuance of GL 98-01, increased public awareness and government attention to the Y2K issue resulted in concern over not only public health and safety of nuclear power plants, but also concern over the ability of nuclear power plants to continue to provide power to the national electric power grid. Therefore, on January 14, 1999, the staff issued Supplement 1 to GL-98-01 to provide addressees with a voluntary, alternative response to that required in item (2) of GL 98-01. In responding to Supplement 1, addressees were asked to confirm Y2K readiness of the facility with regard to those systems within the scope of the license and NRC regulations, as well as those systems required for continued operation of the facility after January 1, 2000. Addressees were permitted to voluntarily respond to Supplement 1 to GL 98-01 on or before July 1, 1999, in lieu of item (2) of GL 98-01.

In response to GL 98-01, you provided letters dated June 30, September 30, and October 27, 1999, for LGS, Units 1 and 2, and PBAPS, Units 2 and 3. These submittals provided the information requested by GL 98-01. The staff has reviewed your response and has concluded that all requested information has been provided. Therefore, we consider GL 98-01 to be closed for your facilities.

NUREG-1706, "Year 2000 Readiness in U.S. Nuclear Power Plants," provides a status of nuclear power plant Year 2000 readiness as of September 1, 1999, and a description of NRC actions to determine Y2K readiness in operating U.S. reactors. The staff assessment of Y2K readiness consisted of independently evaluating nuclear power plant licensee Y2K readiness

program processes, reviewing licensee responses to NRC requests for reporting Y2K readiness (i.e., GL 98-01 and Supplement 1), and combining the results on these assessments to achieve a high level of assurance that each facility will operate safely during the transition from 1999 to 2000 and on other Y2K sensitive dates. NUREG-1706 is linked to the NRC home page (<http://www.nrc.gov/NRC/NEWS/year2000.html>).

We would like to acknowledge the efforts you have completed to date in preparing your plants for the Y2K transition and appreciate your continued cooperation on this important issue.

If you have any questions regarding this matter, please call me at 301-415-1483.

Sincerely,

Bartholomew C. Buckley, Sr. Project Manager, Section 2
Project Directorate I
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-352, 50-353,
50-277, and 50-278

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Peach Bottom Atomic Power Station,
Units 2 and 3
Limerick Generating Station,
Units 1 and 2

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- 2 -

There is no need to respond to this letter. If you have any questions, please call me at 301-415-1483.

Sincerely,

Original signed by:

Bartholomew C. Buckley, Sr. Project Manager, Section 2
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Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-277 and 50-278

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