

August 26, 2002

Mr. John L. Skolds
Chief Operating Officer
Exelon Generation Company, LLC
4300 Winfield Road
Warrenville, IL 60555

SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN -
PEACH BOTTOM ATOMIC POWER STATION (50-277, 50-278)

Dear Mr. Skolds:

On August 7, 2002, the NRC staff completed its mid-cycle plant performance assessment of Peach Bottom Atomic Power Station Units 2 and 3. In accordance with NRC Inspection Manual Chapter 0305 "Operating Reactor Assessment Program," the mid-cycle review involved the participation of all technical divisions in evaluating the performance of your Peach Bottom facility for the first half of the current assessment cycle, January 1 - December 31, 2002. The purpose of this letter is to inform you of our assessment of your safety performance during this period and our plans for future inspections at your facility so that you will have an opportunity to prepare for these inspections and to inform us of any planned inspections which may conflict with your plant activities.

Plant performance for the most recent quarter was within the Regulatory Response Column of the NRC's Action Matrix based on one inspection finding of low to moderate safety significance (White) in the Emergency Preparedness cornerstone. The inspection finding in the Emergency Preparedness cornerstone involved inadequate maintenance of the on-site public address/evacuation alarm system. The significance of this finding was finalized in our letter dated August 22, 2001. On October 26, 2001, we satisfactorily completed a supplemental inspection of this finding using supplemental inspection procedure 95001. The supplemental inspection determined that Exelon's actions relative to root cause determination, extent of condition, and corrective action were appropriate.

In a letter dated July 19, 2002, we identified two new preliminary White findings in the Emergency Preparedness cornerstone. The preliminary findings involve an inadequate critique of an emergency preparedness exercise and an untimely classification of an Alert during an actual event that occurred on June 2, 2002. The final significance of these findings is still under our review as part of the Significance Determination Process.

The enclosed inspection plan details the inspections scheduled through September 30, 2003. The inspection plan is provided to minimize the resource impact on your staff and to allow for scheduling conflicts and personnel availability to be resolved in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The last six months of the inspection plan is tentative and may be revised at the end-of-cycle review.

In addition, the NRC is in the process of finalizing a Temporary Instruction (TI) that will be used to review implementation of the Interim Compensatory Measures required by the Agency's Security Order to all commercial nuclear power plants dated February 25, 2002. Schedules have not yet been finalized, but it is anticipated that these inspections will begin within the next calendar quarter. Once finalized, the details will be communicated by separate correspondence.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams-rm/adams.html> (the Public Electronic Reading Room).

If circumstances arise which cause us to change the inspection plan, we will contact you to discuss the change as soon as possible. Please contact Dr. Mohamed Shanbaky, Chief, Projects Branch 4 at 610-337-5209 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

A. Randolph Blough, Director
Division of Reactor Projects

Docket Nos. 50-277, 50-278
Licensee Nos. DPR-44, DPR-56

Enclosure: Peach Bottom Atomic Power Station Inspection/Activity Plan

cc w/encl: Senior Vice President, Mid-Atlantic Regional Operating Group
Chief, Operating Officer, Exelon Generation Company, LLC
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Vice President, Mid-Atlantic Operations Support
Senior Vice President, Nuclear Services
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OFFICE	RI/DRP		RI/DRP		RI/DRP		RI/DRP	
NAME	AmcMurtray/MS by phone		DFlorek/DF		MShanbaky/MS		ABlough/AB	
DATE	08/21/02		08/26/02		08/21/02		08/26/02	

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Peach Bottom
Inspection / Activity Plan
06/30/2002 - 09/30/2003

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	7111406 - PB EP ISSUES		2			
2, 3	IP 71153	Event Followup		04/01/2002	07/01/2002	Baseline Inspections
	71002 - LICENSE RENEWAL		5			
2, 3	IP 71002	License Renewal Inspection		07/08/2002	07/12/2002	Other Routine
2, 3	IP 71002	License Renewal Inspection		07/22/2002	07/26/2002	Other Routine
	7111107B - HEAT SINK		1			
2, 3	IP 7111107B	Heat Sink Performance		08/19/2002	08/23/2002	Baseline Inspections
	9/23 EXM - OPERATOR LICENSING INITIAL EXAMS		3			
2	U01446	PEACH BOTTOM 2&3 O/L INITIAL EXAM 9/23-27/2002		08/26/2002	08/30/2002	Not Applicable
2	U01446	PEACH BOTTOM 2&3 O/L INITIAL EXAM 9/23-27/2002		09/23/2002	09/27/2002	Not Applicable
	7112203 - PUB RAD SAFETY - REMP		1			
2, 3	IP 7112203	Radiological Environmental Monitoring Program		08/26/2002	08/30/2002	Baseline Inspections
	71121 - OCC RAD SAFETY		1			
2, 3	IP 7112101	Access Control to Radiologically Significant Areas		09/02/2002	09/06/2002	Baseline Inspections
2, 3	IP 7112102	ALARA Planning and Controls		09/02/2002	09/06/2002	Baseline Inspections
	7111108 - INSERVICE INSPECTION		1			
2	IP 7111108	Inservice Inspection Activities		09/16/2002	09/20/2002	Baseline Inspections
	71121 - OCC RAD SAFETY		1			
2, 3	IP 7112101	Access Control to Radiologically Significant Areas		09/16/2002	09/20/2002	Baseline Inspections
2, 3	IP 7112102	ALARA Planning and Controls		09/16/2002	09/20/2002	Baseline Inspections
2, 3	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		09/16/2002	09/20/2002	Baseline Inspections
2, 3	IP 71151	Performance Indicator Verification		09/16/2002	09/20/2002	Baseline Inspections
	LR - LICENSE RENEWAL INSPECTION		2			
2, 3	IP 71002	License Renewal Inspection		09/16/2002	09/18/2002	Other Routine
	7111401 - EP EXERCISE & EP PI VERIFICATION		5			
2, 3	IP 7111401	Exercise Evaluation		11/18/2002	11/22/2002	Baseline Inspections
2, 3	IP 71151	Performance Indicator Verification		11/18/2002	11/22/2002	Baseline Inspections
	71121 - OCC RAD SAFETY		1			
2, 3	IP 7112101	Access Control to Radiologically Significant Areas		11/18/2002	11/22/2002	Baseline Inspections
2, 3	IP 7112102	ALARA Planning and Controls		11/18/2002	11/22/2002	Baseline Inspections
2, 3	IP 71151	Performance Indicator Verification		11/18/2002	11/22/2002	Baseline Inspections
	71151 - PUB RAD SAFETY PI VERIFICATION		1			
2, 3	IP 71151	Performance Indicator Verification		12/09/2002	12/13/2002	Baseline Inspections

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This report shows only on-site and announced inspection procedures.

Peach Bottom
Inspection / Activity Plan
06/30/2002 - 09/30/2003

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	711117B - PERMANENT PLANT MODS		5			
2, 3	IP 711117B	Permanent Plant Modifications		02/10/2003	02/14/2003	Baseline Inspections
	71130 - SECURITY		1			
2, 3	IP 7113001	Access Authorization Program (Behavior Observation Only)		02/24/2003	02/28/2003	Baseline Inspections
2, 3	IP 7113002	Access Control (Search of Personnel, Packages, and Vehicles: Identification and Authorizatio		02/24/2003	02/28/2003	Baseline Inspections
	711111B - L.O. REQUALIFICATION PROGRAM		2			
2, 3	IP 711111B	Licensed Operator Requalification		03/17/2003	03/21/2003	Baseline Inspections
	71121 - OCC RAD SAFETY		1			
2, 3	IP 7112101	Access Control to Radiologically Significant Areas		03/17/2003	03/21/2003	Baseline Inspections
2, 3	IP 7112102	ALARA Planning and Controls		03/17/2003	03/21/2003	Baseline Inspections
2, 3	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		03/17/2003	03/21/2003	Baseline Inspections
	7111105T - FIRE PROTECTION		5			
2, 3	IP 7111105T	Fire Protection		04/14/2003	04/18/2003	Baseline Inspections
2, 3	IP 7111105T	Fire Protection		04/28/2003	05/02/2003	Baseline Inspections
	71130.03 - SECURITY		2			
2, 3	IP 7113003	Response to Contingency Events (Protective Strategy and Implementation of Protective Strategie		05/05/2003	05/09/2003	Baseline Inspections
	71152B - PROBLEM IDENTIFICATION AND RESOLUTION		4			
2, 3	IP 71152B	Identification and Resolution of Problems		06/09/2003	06/13/2003	Baseline Inspections
2, 3	IP 71152B	Identification and Resolution of Problems		06/23/2003	06/27/2003	Baseline Inspections
	711112B - MAINTENANCE RULE		1			
2, 3	IP 711112B	Maintenance Effectiveness		06/23/2003	06/27/2003	Baseline Inspections
	71114 - EP PROGRAM INSP & PI VERIFICATION		1			
2, 3	IP 7111402	Alert and Notification System Testing		07/07/2003	07/11/2003	Baseline Inspections
2, 3	IP 7111403	Emergency Response Organization Augmentation Testing		07/07/2003	07/11/2003	Baseline Inspections
2, 3	IP 7111404	Emergency Action Level and Emergency Plan Changes		07/07/2003	07/11/2003	Baseline Inspections
2, 3	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		07/07/2003	07/11/2003	Baseline Inspections
2, 3	IP 71151	Performance Indicator Verification		07/07/2003	07/11/2003	Baseline Inspections
	71121 - OCC RAD SAFETY		1			
2, 3	IP 7112101	Access Control to Radiologically Significant Areas		08/11/2003	08/15/2003	Baseline Inspections
2, 3	IP 7112102	ALARA Planning and Controls		08/11/2003	08/15/2003	Baseline Inspections
2, 3	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		08/11/2003	08/15/2003	Baseline Inspections
	71121 - OCC RAD SAFETY		1			
2, 3	IP 7112101	Access Control to Radiologically Significant Areas		09/29/2003	10/03/2003	Baseline Inspections
2, 3	IP 7112102	ALARA Planning and Controls		09/29/2003	10/03/2003	Baseline Inspections

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06/30/2002 - 09/30/2003

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start End		Inspection Type
2, 3	71121 - OCC RAD SAFETY IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment	1	09/29/2003	10/03/2003	Baseline Inspections

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