

November 16, 2000

Mr. Oliver D. Kingsley
Chief Nuclear Officer
PECO Energy Company
1400 Opus Place
Downers Grove, IL 60515-5701

SUBJECT: PEACH BOTTOM - NRC INSPECTION REPORT 05000277/2000-011
AND 05000278/2000-011

Dear Mr. Kingsley:

On October 26, 2000, the NRC completed an Operational Safeguards Response Evaluation (OSRE) at your Peach Bottom facility. The enclosed report presents the results of that evaluation. The results of this inspection were discussed on October 26, 2000, with Mr. J. Doering and other members of your staff.

This inspection was an examination of activities conducted under your license as they relate to safety and compliance with the Commission's rules and regulations and with the conditions of your licenses. Within these areas, the inspection consisted of a selective examination of procedures and representative records, observations of activities, and interviews with personnel.

No findings were identified.

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Sincerely,

/RA/

Wayne D. Lanning, Director
Division of Reactor Safety

Docket Nos. 05000277, 05000278
License Nos. DPR-44, DPR-56

Enclosure: NRC Inspection Report No. 05000277/2000-011 and 05000278/2000-011

Mr. Oliver D. Kingsley

-2-

cc w/encl:

J. Hagan, Senior Vice President, Nuclear Operations

J. Skolds, Chief Operating Officer

J. Doering, Vice President, Peach Bottom Atomic Power Station

G. Johnston, Plant Manager, Peach Bottom Atomic Power Station

J. A. Benjamin, Licensing - Vice President, Exelon Nuclear

J. A. Hutton, Director, Licensing, PECO Energy Company

G. Hunger, Chairman, Nuclear Review Board

R. Boyce, Director, Nuclear Quality Assurance

A. F. Kirby, III, External Operations - Delmarva Power & Light Co.

A. A. Winter, Manager, Experience Assessment

J. W. Durham, Sr., Senior Vice President and General Counsel

H. C. Kresge, Manager, External Operations, Connectiv

N. J. Sproul, Manager, Financial Control & Co-Owner Affairs, Connectiv

R. McLean, Power Plant Siting, Nuclear Evaluations

D. Levin, 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

State of Maryland

TMI - Alert (TMIA)

Mr. Oliver D. Kingsley

-3-

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OFFICE	RI/DRS	RI/DRP	HQ/NRR	RI/DRS	RI/DRS
NAME	GSmith	CCowgill	RAAlbert (Via Telephone)	JWhite	WLanning
DATE	11/14/00	11/16/00	11/11/00	11/15/00	11/16/00

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Summary of Findings

IR 05000277-00-11 and 05000278-00-11; on 10/10-11 and 10/24-26/2000; Peach Bottom Atomic Power Station, Units 2 and 3; Operational Safeguards Response Evaluation.

The inspection was conducted by two regional safeguards inspectors, one Nuclear Reactor Regulation Safeguards Specialist and four specialized contractors.

Cornerstone: Physical Protection

There were no findings identified.

U. S. NUCLEAR REGULATORY COMMISSION

REGION I

Docket Nos: 05000277, 05000278

License Nos: DPR-44, DPR-56

Report Nos: 05000277/2000-011, 05000278/2000-011

Licensee: PECO Energy Company

Facility: Peach Bottom Atomic Power Stations, Units 2 and 3

Dates: October 10 - 11, 2000
October 24 - 26, 2000

Inspectors: Gregory C. Smith, Senior Security Inspector (Team Leader)
Paul R. Frechette, Security Inspector
Ronald J. Albert, Reactor Safeguards Specialist (NRR)
NRC Contractors (4)

Approved by: John R. White, Chief
Radiation Safety and Safeguards Branch
Division of Reactor Safety

Report Details

3. Safeguards

Cornerstone: Physical Protection

4OA5 Operational Safeguards Response Evaluation (81110)

.1 Management Overview of Protective Strategy (81110-02.01)

a. Inspection Scope

The inspectors met with the licensee and security contractor management to review:

- (1) the licensee's fundamental strategy to protect against the design basis threat, in accordance with the requirements of 10 CFR 73.1;
- (2) armed response force manning levels, in accordance with the NRC-approved Physical Security Plan;
- (3) contingency equipment and deployment positions;
- (4) plant operations participation in defining and validating the protective strategy; and
- (5) any perceived adverse impact on plant operations by security systems or procedures.

b. Issues and Findings

No findings were identified.

.2 Preliminary and Onsite Target Analyses (81110-02.02)

a. Inspection Scope

The target set analyses to confirm that appropriate equipment was identified and sufficiently protected to prevent core damage in the event of a security contingency included the following:

- On October 4-5, 2000, the NRC and the licensee met to review and discuss the target sets. This meeting resulted in initial consensus on the target sets pending agreed upon revisions.
- On October 23, 2000, the inspectors met with the licensee, reviewed the revised target sets, and reached final consensus.
- The final target sets were documented and used to conduct table-top and contingency exercises.

b. Issues and Findings

No findings were identified.

.3 Protected and Vital Area Tour (81110-02.03)

a. Inspection Scope

A tour of the Protected and Vital areas was conducted to assess potential protected area entry points, routes, barriers, and distances either to equipment or to doors providing access to equipment included in the target sets. Locations of personnel required to respond to a safeguards contingency, the location of contingency equipment, and the design and location of defensive positions were also determined.

b. Issues and Findings

No findings were identified.

.4 Table-Top Drills, Contingency Exercises, and Licensee Exercise Critiques (81110-02.04)

a. Inspection Scope

The drills and exercises were used to evaluate the licensee's protective strategies for deployment of response officers and equipment; and the ability of responding officers to arrive at suitable interdicting positions in a timely fashion, in sufficient numbers, and appropriately armed and equipped.

The evaluation included:

- the conduct of table-top drills with appropriate security personnel to assess the number of responders, deployment positions, defensive strategy, and response times;
- the observation of licensee's conduct of four contingency exercises to demonstrate its protective strategy against a mock adversary force; and
- observation of the licensee's critique of the contingency exercises to determine if weaknesses were identified and appropriately addressed

b. Issues and Findings

No findings were identified.

.5 Tactical Training (81110-02.06)

a. Inspection Scope

The tactical performance of the response officers, both individually and as a team, along with command, control and communications, were observed during the onsite contingency exercises.

b. Issues and Findings

No findings were identified.

.6 Firearms Training (81110-02.07)

a. Inspection Scope

The firearms training was evaluated on October 26, 2000, by observing a range demonstration by six armed response officers. The officers fired a tactical stress course that simulated actual in-plant response conditions. The firing demonstration included firing from elevated positions, from behind barricades, at fixed, moving and pop-up targets and using a respirator.

b. Issues and Findings

No findings were identified.

4OA6 Management Meetings

.1 Exit Meeting Summary

The inspectors presented the inspection results to Mr. J. Doering, Site Vice President and other members of licensee management at the conclusion of the inspection on October 26, 2000.

PARTIAL LIST OF PERSONS CONTACTED

Licensee

J. Doering	Site Vice President
M. Bruecks	Manager, Nuclear Security
G. Johnston	Plant Manager
L. MacEntee	Operations Shift Manager
H. McNally	Regional Manager, Nuclear Security
R. Lane	Exelon Security Director
M. Karney	Exelon Mid-West Security Manager

Contractor - The Wackenhutt Corporation

J. Jasinski	Project Manager
R. Cogdell	Corporate Oversight
D. Draghi	Security Trainer

NRC

B. Welling	Senior Resident Inspector
M. Buckley	Resident Inspector
W. Lanning	Director, Division of Reactor Safety
F. Gillespie	Deputy Director, Division of Inspection Program Management (NRR)
J. White	Chief, Radiation Safety and Safeguards Branch

INSPECTION PROCEDURES USED

IP 81110	Operational Safeguards Response Evaluation
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