

JUL 17 1985

Docket No. 50-277
License No. DPR-44
EA 85-63

Philadelphia Electric Company
ATTN: Mr. S. Daltroff
Vice President
Electric Production
2301 Market Street
Philadelphia, Pennsylvania 19101

Gentlemen:

Subject: NOTICE OF VIOLATION (NRC INSPECTION REPORT NO. 50-277/85-16)

On April 18, 1985 an NRC physical protection inspection was conducted at the Peach Bottom Atomic Power Station to review the circumstances associated with a violation of the physical security plan which had been identified by the NRC's Senior Resident Inspector on April 14, 1985. The inspection report was sent to you on May 7, 1985. During the inspection, three other violations of NRC physical protection requirements were identified. On May 13, 1985 we held an enforcement conference with Mr. J. Cooney and other members of the PECO staff, during which the violations, their causes, and your corrective actions were discussed.

The violations of your physical security plan involve: (1) failure to wear photo identification badges within the protected area; (2) failure to implement requirements for control of access to containment; (3) failure to respond to vital area alarms; and (4) failure to inform the NRC of a change made in the security program. The latter two violations are similar to two of seven violations identified in June and July 1984, for which a Notice of Violation was issued on October 25, 1984. The violations are of concern to the NRC because they indicate a lack of adequate planning on the part of PECO in that special procedures for containment access control were not established to deal with expected changes in access conditions. In addition, the NRC is concerned about these violations because they appear to be additional examples of contractor control problems identified in another recent enforcement action issued to you on May 30, 1985.

Although each of the violations described in the enclosed Notice has been categorized at Severity Level IV in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1985), we emphasize that any similar violations in the future may result in additional enforcement action.

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You are required to respond to the enclosed Notice and should follow the instructions specified in the Notice when preparing your response. In your response you should document the specific actions taken and any additional actions you plan to prevent recurrence. Your written reply to this letter and the results of future inspections will be considered in determining whether further enforcement action is appropriate.

In accordance with 10 CFR 2.790(d) and 10 CFR 73.21, safeguards and security information are exempt from public disclosure. Therefore, the enclosures to this letter, if they contain such information, will not be placed in the NRC's Public Document Room.

The response directed by this letter and the enclosed Notice is not subject to the clearance procedures of the Office of Management and Budget, as required by the Paperwork Reduction Act of 1980, PL 96-511.

Sincerely,

Original Signed by

Thomas E. Murley
Thomas E. Murley
Regional Administrator

Enclosure: Notice of Violation (Contains Safeguards (SGI) and Commercial Financial Information (COFI))

cc w/encls (w/o SGI and COFI):

R. S. Fleischmann, Station Superintendent

John S. Kemper, Vice President, Engineering and Research

Troy B. Conner, Jr., Esquire

A. J. Pietrofitta, General Manager, Power Production Engineering, Atlantic Electric

Eugene J. Bradley, Esquire, Assistant General Counsel

Raymond L. Hovis, Esquire

Thomas Magette, Power Plant Siting, Nuclear Evaluations

Public Document Room (PDR)

Local Public Document Room (LPDR)

Nuclear Safety Information Center (NSIC)

NRC Resident Inspector (w/SGI and COFI)

Commonwealth of Pennsylvania

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bcc w/encls (w/o SGI and COFI):
 Region I Docket Room (with concurrences)
 Section Chief, DRP
 J. Axelrad, IE (w/SGI and COFI)
 D. Holody, RI (2 cys w/SGI and COFI)

ES:RI <i>DRP</i>	DRSS:RI	<i>DRP</i> DRSS:RI	D: <i>DRP</i> DRSS:RI	D: DRSS:RI	RC:RI
DHolody	RKeimig	JJoyner	RStarostecki	TMartin	JGutierrez
5/16/85	5/ /85	5/22/85	5/23/85	5/24/85	5/24/85
<i>DRP</i> RI	BA:RI	ELD	ES:IE	DD:IE	D:IE
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