



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

October 16, 2018

Mr. Michael Gallagher
Vice President, License
Renewal and Decommissioning
200 Exelon Way
Kennett Square, PA 19348

SUBJECT: PEACH BOTTOM ATOMIC POWER STATION, UNITS 2 AND 3 - PLAN FOR
THE IN-OFFICE REGULATORY AUDIT REGARDING THE SUBSEQUENT
LICENSE RENEWAL APPLICATION REVIEW (EPID NO. L-2018-RNW-0012)

Dear Mr. Gallagher

By letter dated July 10, 2018 (Agencywide Documents Access and Management System (ADAMS) Package Accession No. ML18193A689), Exelon Generation Company, LLC, (Exelon) submitted to the U.S. Nuclear Regulatory Commission (NRC or staff) an application to renew the Renewed Facility Operating License Nos. DPR-44 and DPR-56 for the Peach Bottom Atomic Power Station, Units 2 and 3 (Peach Bottom). Exelon requested renewal of the Peach Bottom operating licenses for an additional 20 years beyond the current renewed 60-year current license terms, which expire on August 8, 2033, for Unit 2 and July 2, 2034, for Unit 3. The staff is reviewing this application in accordance with the guidance in NUREG-2192, "Standard Review Plan for Review of Subsequent License Renewal Applications for Nuclear Power Plants."

The NRC plans to conduct an in-office regulatory audit at NRC headquarters offices from November 13 – December 14, 2018, in accordance with the enclosed regulatory audit plan. If you have any questions, please contact me at 301-415-2981 or by e-mail at Bennett.Brady@nrc.gov.

Sincerely,

/RA/

Bennett M. Brady, Senior Project Manager
License Renewal Project Branch
Division of Materials and License Renewal
Office of Nuclear Reactor Regulation

Docket Nos. 50-277 and 50-278

Enclosure:
Regulatory Audit Plan

cc w/encl: Listserv

SUBJECT: PEACH BOTTOM ATOMIC POWER STATION UNITS 2 AND 3 - PLAN FOR THE IN-OFFICE REGULATORY AUDIT REGARDING THE SUBSEQUENT LICENSE RENEWAL APPLICATION REVIEW (EPID NO. L-2018-RNW-0012)

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NAME	BBrady	SLent	BRogers	EOesterle	BBrady
DATE	10/11 /2018	10/9/2018	10/12/2018	10/15/2018	10/16/2018



Audit Plan

In-Office Regulatory Audit Peach Bottom Atomic Power Station, Units 2 and 3 Subsequent License Renewal Application

November 13-December 14, 2018

**Division of Materials and License Renewal
Office of Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission**

**Audit Plan
In-Office Regulatory Audit
Peach Bottom Atomic Power Station, Units 2 and 3
Subsequent License Renewal Application**

1. Background

By letter dated July 10, 2018 (Agencywide Documents Access and Management System (ADAMS) Package Accession No. ML18193A689), Exelon Generation Company, LLC, (Exelon, the applicant) submitted to the U.S. Nuclear Regulatory Commission (NRC or staff) an application to renew the Renewed Facility Operating License Nos. DPR-44 and DPR-56 for the Peach Bottom Atomic Power Station, Units 2 and 3 (Peach Bottom). Exelon requested renewal of the Peach Bottom operating licenses for an additional 20 years beyond the current renewed 60-year current license terms, which expire on August 8, 2033, for Unit 2 and July 2, 2034, for Unit 3. The staff is reviewing this application in accordance with the guidance in NUREG-2192, "Standard Review Plan for Review of Subsequent License Renewal Applications for Nuclear Power Plants."

In accordance with the requirements of Title 10 of the *Code of Federal Regulations* (10 CFR) Part 54, the NRC will perform an in-office regulatory audit to gain a better understanding of (1) Exelon's methodology to identify the systems, structures, and components (SSCs) to be included within the scope of license renewal and subject to an aging management review (AMR), and (2) Exelon's aging management programs (AMPs), AMR items, Time-Limited Aging Analyses (TLAAs) and associated bases and documentation as applicable.

2. Regulatory Audit Bases

License renewal requirements are specified in 10 CFR Part 54, "Requirements for Renewal of Operating Licenses for Nuclear Power Plants." Guidance is provided in NUREG-2192, Rev. 0, "Standard Review Plan for Review of Subsequent License Renewal Applications for Nuclear Power Plants" (SRP-SLR), dated July 2017, and NUREG-2191, Rev. 0, "Generic Aging Lessons Learned for Subsequent License Renewal (GALL-SLR) Report," dated July 2017.

3. Regulatory Audit Scope

Scoping and Screening Review

The range of scoping and screening review of this regulatory audit is to review the applicant's scoping and screening methodology used to identify SSCs within the scope of license renewal and subject to aging management review. The review is performed to evaluate the scoping and screening process as documented in the license renewal application, implementing procedures, reports and drawings, such that the NRC staff:

- Obtains an understanding of the process used to identify the SSCs within the scope of license renewal and to identify the structures and components subject to an aging management review.
- Has sufficient docketed information to allow the NRC staff to reach a conclusion on the adequacy of the scoping and screening methodology as documented and applied.

AMP, AMR, and TLAA Review

The scope of the AMP, AMR, and TLAA review of this regulatory audit is to: (a) examine Exelon's AMPs, AMR items, and TLAAAs for Peach Bottom; (b) verify Exelon's claims of consistency with the corresponding GALL-SLR Report AMPs, and AMR items, and (c) assess the adequacy of the TLAAAs. Enhancements and exceptions will be evaluated on a case-by-case basis. The NRC staff's review of enhancements and exceptions will be documented in the safety evaluation report.

During this portion of the audit, the NRC staff will audit Program Elements 1 - 10 (scope, preventive actions, parameters monitored or inspected, detection of aging effects, monitoring and trending, acceptance criteria, corrective actions for general recommendations such as compliance with Appendix B, confirmation process, administrative controls, and operating experience) of the applicant's AMPs against the elements of the associated AMP described in the GALL-SLR Report. In addition, the NRC staff will verify that the conditions at the plant are bounded by the conditions for which the GALL-SLR Report program was evaluated.

The NRC staff will also examine the applicant's program bases documents and related references for AMPs, AMR items, and TLAAAs, and interview applicant representatives to obtain additional clarification. Walk downs, if necessary will be performed in a subsequent audit to be performed onsite.

The NRC staff will use risk insights to inform the prioritization of its review of documentation associated with AMPs, AMR items, and TLAAAs. The NRC staff will use risk insights to focus the breadth and depth of its review of plant specific operating procedures and operating experience. However, the NRC staff's review is not limited to risk-significant systems and components because 10 CFR Part 54 is a deterministic rule and the NRC staff must conclude that there is reasonable assurance that activities will continue to be conducted in accordance with the current licensing basis and the effects of aging will be managed during the subsequent period of extended operation for all structures and components within the scope of Part 54.

The NRC staff will use risk insights in setting priorities for the scoping and screening methodology.

4. Information and Other Material Necessary for the Regulatory Audit

For the in-office audit November 13 – December 14, 2018, the project team will review the license renewal application, as supplemented and revised, the AMP basis documents and other Exelon supporting documents as appropriate and requested

- The project team would like continued Exelon document review capability via the document portal. Document requests for upload to the portal shall be made as needed via the NRC safety project manager to the appropriate Exelon licensing manager.
- The NRC staff would like to hold break-out sessions, via telephone conference calls and/or official internet-based desktop sharing means, with Exelon and Peach Bottom subject matter experts to discuss various basis documents, references, condition/corrective action reports, and to interview Exelon representatives to obtain additional clarification related to the license renewal review. Break-out sessions for various technical review areas will occur at predesignated time slots during the audit, with preassigned NRC and Exelon representatives. The NRC staff will provide

discussion topics and technical requests and questions to the NRC safety project manager, who will then relay the information to the Exelon licensing manager at least a week before the break-out session. All break-out sessions will be coordinated via the NRC safety project manager and the Exelon licensing manager.

5. Team Assignments

Name	Area
Allik, Brian	Reviewer - Mechanical
Brady, Bennett	Project Manager
Brimfield, Terrence	Reviewer – Scoping and Screening
Buford, Angela	Reviewer - Structural
Chereskin, Alexander	Reviewer - Chemical Engineer
Cheruvenci, Ganesh	Reviewer - Mechanical
Cuadrado de Jesus, Samuel	Reviewer – Structural
Fitzpatrick, Robert	Reviewer - Scoping and Screening
Fu, Bart	Reviewer - Mechanical
Gardner, William	Reviewer - General Scientist
Gavula, James	Reviewer - Mechanical
Hoang, Dan	Reviewer - Mechanical
Hoffman, Keith	Reviewer - Mechanical
Holston, William	Reviewer - Mechanical
Hovanec, Christopher	Reviewer - Mechanical
Huynh, Alan	Reviewer - Mechanical
Iqbal, Naeem	Reviewer – Fire Protection
Jenkins, Joel	Reviewer - Mechanical
Johnson, Andrew	Reviewer - Mechanical
Jones, Steve	Reviewer - Scoping and Screening
Khan, Nadim	Reviewer - Electrical
Lehman, Bryce	Reviewer - Structural
Lopez, Juan	Reviewer - Structural
Medoff, Jim	Reviewer - Mechanical
Min, Seung	Reviewer – Mechanical
Mitchell, Jeff	Reviewer – Mechanical
Nguyen, Duc	Reviewer – Mechanical
Nold, David	Reviewer – Scoping and Screening
Prinaris, Andrew	Reviewer – Structural
Rezai, Ali	Reviewer – Mechanical
Rogers, Bill	Project Manager
Sadollah, Mohammad	Reviewer Electrical
Thomas, George	Reviewer – Structural
Yoder, Matthew	Reviewer - Chemical Engineer
Young, Austin	Reviewer – Mechanical

6. Logistics

The regulatory audit will be conducted as an in-office (at NRC Headquarters) audit from November 13, 2018, to December 14, 2018. Entrance and exit briefings will be held at the beginning and end of the in-office audit via conference calls. Status calls during the in-office (at NRC Headquarters) audit will occur at least weekly, more if deemed necessary.

7. Special Requests

The NRC staff requests the applicant to make available the license renewal application program basis documentation and license renewal drawings, and other documents as requested for independent searches by the regulatory audit team via the portal.

8. Deliverables

An audit report should be issued to Exelon within 90 days from the end of the audit.