August 26, 2002

Gregory M. Rueger, Senior Vice President, Generation and Chief Nuclear Officer
Pacific Gas and Electric Company
Diablo Canyon Power Plant
P.O. Box 3
Avila Beach, California 93424

SUBJECT: MIDCYCLE PERFORMANCE REVIEW AND INSPECTION PLAN - DIABLO CANYON

Dear Mr. Rueger:

On July 31, 2002, the NRC staff completed its midcycle plant performance assessment of Diablo Canyon. In accordance with NRC Inspection Manual Chapter 0305, “Operating Reactor Assessment Program,” the midcycle review involved the participation of all technical divisions in evaluating the performance of your Diablo Canyon facility for the first half of the current assessment cycle, January 1 through 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 Licensee Response column of the NRC’s Action Matrix, based on all inspection findings being classified as having very low safety significance (Green) and all performance indicators indicating performance at a level requiring no additional NRC oversight (Green). Therefore, we plan to conduct only baseline inspections at your facility through September 30, 2003.

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 6 months of the inspection plan are 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.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 me at 817/860-8147 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

William B. Jones, Chief
Project Branch E
Division of Reactor Projects

Dockets: 50-275
50-323
Licenses: DPR-80
DPR-82

Enclosure:
Diablo Canyon Inspection/Activity Plan

cc:
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Staff Chief, DRP/TSS (PHH)
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OFFICIAL RECORD COPY  
T=Telephone  E=E-mail  F=Fax
### Diablo Canyon Inspection / Activity Plan

**08/18/2002 - 09/30/2003**

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<tr>
<th>Unit Number</th>
<th>Inspection Activity</th>
<th>Title</th>
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This report does not include INPO and OUTAGE activities. This report shows only on-site and announced inspection procedures.
## Inspection Activity Plan

Diablo Canyon

**Inspection / Activity Plan**

08/18/2002 - 09/30/2003

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