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Docket Nos. 50-275
and 50-323

JUN 28 1974

Pacific Gas and Electric Company
ATTN: Mr. Frederick T. Searls
Vice President and General Counsel
77 Beale Street
San Francisco, California 94106

Gentlemen:

In response to your request of May 15, 1974, as supplemented by letter dated June 14, 1974, the Atomic Energy Commission has issued an Order extending the construction completion dates for the Diablo Canyon Nuclear Power Plant, Units 1 and 2. In lieu of the latest completion dates of July 1, 1974, and December 31, 1974, as specified previously in Construction Permits Nos. CPPR-39 and CPPR-69, for Units 1 and 2 respectively, the latest completion dates have been extended to July 1, 1975 for Unit 1 and July 31, 1976 for Unit 2.

A copy of the Order and the staff evaluation are enclosed for your information. The Order has been transmitted to the Office of the Federal Register for publication.

Sincerely,

Original Signed By
O. D. Parr

Olan D. Parr, Chief
Light Water Reactors
Project Branch 1-3
Directorate of Licensing

Enclosures:
1. Order Extending Completion Dates
2. Staff Evaluation

cc: See page 2

OFFICE	L:LWR 1-3	L:LWR 1-3	OGC	L:LWR 1-3	L:EP	
SURNAME	VHWilson:cls	TJHirons		ODParr	PLeech	
DATE	6/ /74	6/ /74	6/ /74	6/ /74	6/ /74	

Form AEC-318 (Rev. 9-53) AECM 0240

☆ U.S. GOVERNMENT PRINTING OFFICE: 1974-526-166

cc: Philip A. Crane, Jr., Esq.
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California Public Utilities Commission
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Mr. Hans Heilman, Chairman
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San Luis Obispo, California 93401

Mr. Tom Jones
Environmental Protection Agency
100 California Street
San Francisco, California 94111

OFFICE ➤						
SURNAME ➤						
DATE ➤						

PACIFIC GAS AND ELECTRIC COMPANY
(DIABLO CANYON NUCLEAR POWER PLANT, UNITS 1 AND 2)

DOCKET NOS. 50-275 AND 50-323

ORDER EXTENDING CONSTRUCTION COMPLETION DATES

Pacific Gas and Electric Company is the holder of Construction Permits CPPR-39 and CPPR-69 issued by the Atomic Energy Commission on April 23, 1968 and December 9, 1970, respectively, for construction of the Diablo Canyon Nuclear Power Plant, Units 1 and 2, presently under construction on the applicant's site in San Luis Obispo County, California.

On May 15, 1974, Pacific Gas and Electric Company filed a request which was supplemented on June 14, 1974, for an extension of the completion dates because construction has been delayed due to (1) strikes and unsanctional walkouts by organized labor, (2) low labor productivity, (3) difficulty in obtaining qualified craftsmen, (4) design modifications, (5) delays in delivery of materials, and (6) the implementation of quality assurance procedures.

This action involves no significant hazards consideration; good cause has been shown for the delays; and the requested extension is for a reasonable period, the bases for which,are set forth in a staff evaluation dated JUN 28 1974 1974.

OFFICE➤						
SURNAME➤						
DATE➤						

IT IS HEREBY ORDERED THAT THE latest completion date for CPPR-39 is extended from July 1, 1974 to July 1, 1975 for Unit 1 and the latest completion date for CPPR-69 is extended from December 31, 1974 to July 31, 1976 for Unit 2.

FOR THE ATOMIC ENERGY COMMISSION

R. C. DeYoung, Assistant Director
for Light Water Reactors Group 1
Directorate of Licensing

Date of Issuance:

See attached yellow for previous concurrences.

OFFICE ▶	L:LWR 1-3	L:LWR 1-3	L:LWR 1-3	OGC	L:AD/LWR 1	
SURNAME ▶	VHWilson:pga	TJHirons	ODParr	LJChandler	RCDeYoung	
DATE ▶	6/27/74	6/28/74	6/28/74	6/28/74	6/28/74	

Form AEC-318 (Rev. 9-53) AECM 0240 U.S. GOVERNMENT PRINTING OFFICE 1971-443-506

IT IS HEREBY ORDERED THAT THE latest completion date for CPPR-39 is extended from July 1, 1974 to July 1, 1975 for Unit 1 and the latest completion for CPPR-69 is extended from December 31, 1974 to July 31, 1976 for Unit 2.

FOR THE ATOMIC ENERGY COMMISSION

R. C. DeYoung, Assistant Director
for Light Water Reactors Group 1
Directorate of Licensing

Date of Issuance:

OFFICE ➤	L:LWR 1-3	L:LWR 1-3	L:LWR 1-3	OGC	L:AD/LWR 1	
SURNAME ➤	VHWilson:pga	TJHirons	ODParr	LACHANDLER	RCDeYoung	
DATE ➤	6/27/74	6/28/74	6/28/74	6/28/74	/ /74	

Form AEC-318 (Rev. 9-53) AECM 0240 ☆ U. S. GOVERNMENT PRINTING OFFICE: 1974-526-166

JUN 28 1974

Docket Nos. 50-275
and 50-323

EVALUATION OF REQUEST FOR EXTENSION

OF THE CONSTRUCTION PERMITS FOR

THE DIABLO CANYON NUCLEAR PLANT,

UNITS 1 AND 2

Introduction

On May 15, 1974, Pacific Gas and Electric Company (PG&E) filed a request for an extension of the completion dates for the construction of the Diablo Canyon Nuclear Plant, Units 1 and 2. On May 24, 1974, the staff asked for additional details regarding the extension, and this information was provided by PG&E in their letter dated June 14, 1974. In their request for extension, PG&E states that construction of Unit 1 is estimated to be delayed by approximately twelve (12) months and, that for Unit 2 the delay is estimated to be nineteen (19) months.

Discussion

The applicant states that completion of construction on Unit 1 is estimated to be delayed one year beyond the expiration date of July 1, 1974 contained in Construction Permit No. CPPR-39. This permit was issued on April 23, 1968 and was modified by the Commission's order dated December 30, 1971. For Unit 2, completion of construction is estimated to be delayed nineteen months beyond the expiration date of December 31, 1974 contained in Construction Permit No. CPPR-69. This permit for Unit 2 was issued on December 9, 1970. PG&E has stated that the need for additional time to complete construction for the Units arises from a combination of a number of different causes. These include strikes and unsanctioned walkouts by organized labor, low labor productivity, difficulty in obtaining qualified craftsmen, design modifications, delays in delivery of materials, and delays related to the implementation of Quality Assurance procedures. The applicant has provided specific discussion of the approximate delays which can be attributed to each of these factors. As an example, PG&E states that Units 1 and 2 have been delayed approximately four (4) and seven (7) months, respectively, due to design changes which necessitated re-work. Other specific details of the delays are discussed in the letters from PG&E dated May 15, 1974 and June 14, 1974. In addition to the delays stated by the applicant, it is expected that low labor productivity and the lack of skilled workers will cause additional delays in the completion construction of Diablo Canyon 1 and 2.

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DATE ➤						

Conclusion

The staff has reviewed the information provided in the applicant's submittals, and we conclude that the factors discussed above are reasonable and constitute good cause for delay, and that extension of construction on Unit 1 for twelve (12) months and Unit 2 for nineteen (19) months is justifiable.

As a result of the staff's review of the Final Safety Analysis Report to date, and considering the nature of the delays, we have identified no area of significant safety considerations in connection with the extension of the construction permit completion dates for the Diablo Canyon Units.

The staff finds that this action does not involve a significant hazards consideration, and that good cause exists for the issuance of an Order extending the completion dates.

Accordingly, issuance of an Order extending the latest completion date for construction of Diablo Canyon Unit 1, as presently set forth in CPPR-39, to July 1, 1975, and the latest date for Unit 2, as presently set forth in CPPR-69, to July 31, 1976, is reasonable and should be authorized.

Thomas J. Hirons
Light Water Reactors
Project Branch 1-3
Directorate of Licensing

Olan D. Parr, Chief
Light Water Reactors
Project Branch 1-3
Directorate of Licensing

Docket Nos. 50-275
and 50-323

EVALUATION OF REQUEST FOR EXTENSION OF THE CONSTRUCTION PERMITS FOR THE DIABLO CANYON NUCLEAR PLANT, UNITS 1 AND 2

Introduction

On May 15, 1974, Pacific Gas and Electric Company (PG&E) filed a request for an extension of the completion dates for the construction of the Diablo Canyon Nuclear Plant, Units 1 and 2. On May 24, 1974, the staff asked for additional details regarding the extension, and this information was provided by PG&E in their letter dated June 14, 1974. In their request for extension, PG&E states that construction of Unit 1 is estimated to be delayed by approximately twelve (12) months and, that for Unit 2 the delay is estimated to be nineteen (19) months.

Discussion

The applicant states that completion of construction on Unit 1 is estimated to be delayed one year beyond the expiration date of July 1, 1974 contained in Construction Permit No. CPPR-39. This permit was issued on April 23, 1968 and was modified by the Commission's order dated December 30, 1971. For Unit 2, completion of construction is estimated to be delayed nineteen months beyond the expiration date of December 31, 1974 contained in Construction Permit No. CPPR-69. This permit for Unit 2 was issued on December 9, 1970. PG&E has stated that the need for additional time to complete construction for the Units arises from a combination of a number of different causes. These include strikes and unsanctioned walkouts by organized labor, low labor productivity, difficulty in obtaining qualified craftsmen, design modifications, delays in delivery of materials, and delays related to the implementation of Quality Assurance procedures. The applicant has provided specific discussion of the approximate delays which can be attributed to each of these factors. As an example, PG&E states that Units 1 and 2 have been delayed approximately four (4) and seven (7) months, respectively, due to design changes which necessitated re-work. Other specific details of the delays are discussed in the letters from PG&E dated May 15, 1974 and June 14, 1974.