

July 2, 2003

Dr. Knox Mellon
State Historic Preservation Officer
California Office of Historic Preservation
1416 Ninth Street, Room 1442-7
Sacramento, CA 95814

SUBJECT: REQUEST FOR CONCURRENCE ON THE DETERMINATION OF EFFECTS
ON HISTORIC PROPERTIES FOR THE PROPOSED DIABLO CANYON
INDEPENDENT SPENT FUEL STORAGE INSTALLATION

Dear Dr. Mellon:

The U.S. Nuclear Regulatory Commission (NRC) staff is currently reviewing a license application submitted by Pacific Gas and Electric Company (PG&E) on December 21, 2001, to construct and operate an Independent Spent Fuel Storage Installation (ISFSI) on the site of the Diablo Canyon Power Plant in San Luis Obispo County, California. An applicant for a license of this type must submit an environmental report as part of its application, as required under 10 CFR Part 51 of the NRC's regulations. The NRC staff reviews this information in accordance with the requirements of the National Environmental Policy Act, as specified in 10 CFR 51.10.

In conjunction with its environmental review of PG&E's application, the NRC staff has also considered the potential impact of the proposed action on historic properties, in accordance with Section 106 of the National Historic Preservation Act. On April 24 and June 19, 2003, the NRC staff discussed its assessment of the information regarding historic properties provided in PG&E's application with Mr. Hans Kreutzberg of your staff. After reviewing the potential impacts of the proposed action, we have determined that there are historical properties present in the vicinity of the proposed facility; however, we have concluded that the proposed action will not adversely affect these historic properties. The supporting basis for this conclusion is enclosed. We request your concurrence with this determination that the proposed action will not adversely affect any historical properties. We also request your written reply within 30 days of receipt of this letter, so that we may reference your response in our environmental assessment.

K. Mellon

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If you or your staff have any questions on this matter, please contact me at (301) 415-1336.

Sincerely,

/RA/

James R. Hall, Senior Project Manager
Spent Fuel Project Office
Office of Nuclear Material Safety and Safeguards

Docket No.: 72-26 (50-275, 50-323)

Enclosure: As stated

cc: Mailing list

K. Mellon

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NRC Staff Determination of No Adverse Effects on Historic Properties
from the proposed Diablo Canyon Independent Spent Fuel Storage Installation

Background:

On December 21, 2001, the Pacific Gas and Electric Company (PG&E) submitted an application to the U.S. Nuclear Regulatory Commission (NRC) for a license to construct and operate an Independent Spent Fuel Storage Installation (ISFSI) on the site of the Diablo Canyon Power Plant in San Luis Obispo County, California. In addition to its ongoing safety review of PG&E's application for an ISFSI, the NRC staff has performed an environmental review, as required by the National Environmental Policy Act. In conjunction with that review, the NRC staff has also considered the potential impact of the proposed action on historic properties, in accordance with Section 106 of the National Historic Preservation Act.

The Diablo Canyon Power Plant (DCPP) is owned and operated by PG&E. The DCPP consists of two nearly identical Westinghouse-type pressurized water reactors and is located approximately 6 miles northwest of Avila Beach, CA, on approximately 760 acres in San Luis Obispo County. The NRC issued construction permits for the units in 1968 and 1970, respectively. Unit 1 was granted an operating license by the NRC in November 1984; its license will expire in September 2021. Unit 2 was granted an operating license by the NRC in August of 1985, and its license will expire in April 2025.

PG&E is proposing to build and operate an ISFSI at the DCPP site. The ISFSI will provide sufficient temporary dry storage for all of the spent nuclear fuel to be produced by the two units for the duration of their current operating licenses. The Diablo Canyon ISFSI will consist of shielded steel and concrete storage casks containing spent fuel, which will be anchored to thick concrete pads and surrounded by security fences. A maximum of seven pads supporting 20 casks each will be constructed. The seven storage pads will cover an area approximately 500 feet by 105 feet. The proposed facility will be located 0.22 miles northeast of the DCPP Unit 1 reactor, within the existing DCPP site. Construction and operation of the proposed ISFSI will primarily be confined to the facility itself and the immediate vicinity; roughly a five acre area. The ISFSI will be a passive facility; no liquid or gaseous effluents will be released during facility construction, operation, or decommissioning. Excavated material from the ISFSI site will be deposited in three locations around the DCPP site; in parts of two existing parking lots and the electrical switchyard area. If granted, the term of the ISFSI license would be 20 years.

Discussion:

Many archeological investigations have been conducted over the years in and around the DCPP site. Since 1955, there have been a number of cultural resource investigations in the Diablo Creek area. In the 1960s and 1970s, PG&E commissioned several investigations in support of the construction and licensing of the power plant. The most prominent site identified within the boundary of the DCPP, CA-SLO-2, has yielded many important finds, including a cemetery complex containing the remains of 54 persons. All the remains uncovered were turned over to a local Native American group and were reburied. A large number of artifacts have also been discovered at CA-SLO-2. The inventory from the site includes stone, bone, wood, and shell artifacts, such as stone projectile points, blades, knives, bowls, milling stones,

pestles, charmstones, and shell beads. The time span of interest for CA-SLO-2 covers approximately 9,000 years. It is suggested that this site may have been a major village that figured prominently in the social, economic, and political life of the indigenous population.

CA-SLO-2 is listed in the National Register of Historic Places, and is located approximately 500 feet from the proposed ISFSI site, on the opposite (north) side of Diablo Creek. In 1980, PG&E incorporated an Archeological Resources Management Plan (ARMP) into the NRC operating licenses for the Diablo Canyon Power Plant, Units 1 and 2. The purpose of the ARMP is to protect and manage the CA-SLO-2 site. Activities with the potential to affect the site are restricted. Photographs are taken at regular intervals from 23 stations on the DCPD site to monitor any physical changes to the archaeological site caused by natural and other processes.

PG&E conducted an on-the-ground field survey of the area around the proposed ISFSI site in 2000 and 2001. The ISFSI site was previously excavated to provide fill dirt for the power plant's electrical switchyards. This survey confirmed that the ISFSI site has been previously disturbed during prior construction activities, and that no archaeological sites are present in the immediate vicinity.

In addition to CA-SLO-2, seven other cultural resource sites have been identified within the 760-acre exclusion area surrounding DCPD. These sites are smaller and less significant than CA-SLO-2, and none are located closer to the ISFSI site. Of these sites, the two closest are CA-SLO-61, which is about 1200 feet from the ISFSI site and is in the vicinity of the existing DCPD turbine building, and CA-SLO-584, which is about 1000 feet from the ISFSI site and lies beneath the 500 kV switchyard. Activities related to the construction and operation of the ISFSI will not occur in the areas of these other sites, and PG&E has previously committed to control all power plant-related activities to prevent any disturbance to any of these cultural resource sites.

Summary of NRC Staff findings:

The construction and operation of the ISFSI will not impact the identified cultural resources on the DCPD site, specifically those in the area designated as CA-SLO-2. All activities affecting the CA-SLO-2 site are governed by PG&E's existing Archeological Resources Management Plan, which has been made a condition of the NRC operating licenses for Units 1 and 2. The Unit 2 license will expire in 2025; therefore, the license condition and the ARMP will remain in effect beyond the 20 year term of the proposed ISFSI license, provided the ISFSI license is granted before April of 2005. The Plan specifies that the licensee shall avoid disturbances to the CA-SLO-2 site, and restricts vehicular traffic to the existing roads through the CA-SLO-2 site. Maintenance of roads and utility lines is limited to previously disturbed areas. Grazing and mowing on the site are restricted to fire protection activities. The CA-SLO-2 site is fenced and notices are conspicuously posted. None of the activities necessary for ISFSI construction, operation, and decommissioning will result in the disturbance of the CA-SLO-2 site, or the other cultural resource sites. Additionally, Diablo Creek forms a natural barrier that physically separates the CA-SLO-2 historic area from the ISFSI, which will prevent any inadvertent encroachment of construction equipment or personnel onto the CA-SLO-2 site.

On April 24 and June 19, 2003, the NRC staff discussed its preliminary findings with Mr. Hans Kreutzberg of the California Office of Historic Preservation. The staff identified the existence of

the CA-SLO-2 site and described the controls and physical features that will ensure that the CA-SLO-2 site will not be disturbed as a result of the proposed ISFSI. The NRC staff visited the Diablo Canyon site on May 20, 2003, and confirmed these measures in discussions with Mr. Glenn Caruso, senior consulting archaeologist for PG&E.

Conclusion:

The proposed ISFSI site is near a site which is included in the National Register of Historic Places, CA-SLO-2, but construction, operation and decommissioning of the ISFSI will not cause any adverse effects on that historic site, due to the existing measures taken by PG&E, and the natural barrier provided by Diablo Creek. Seven other cultural resource sites identified within the 760 acre boundary of the DCPP are further away from the ISFSI site than CA-SLO-2. PG&E has previously committed to control all power plant-related activities to prevent any disturbance to any of these cultural resource sites. This will include all activities related to the construction, operation, and decommissioning of the proposed ISFSI; therefore, none of these sites will be adversely affected by the proposed facility.

Diablo Canyon Power Plant, Units 1 and 2

cc:

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