May 20, 2004

The Honorable Barbara Boxer United States Senate Washington, D.C. 20510

Dear Senator Boxer:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am providing you a follow-up to my letters of December 24, 2003, and March 3, 2004. These letters were in response to your letter of December 23, 2003, urging that the NRC undertake an emergency inspection at the Diablo Canyon Power Plant, operated by Pacific Gas and Electric Company (PG&E), following the magnitude 6.5 earthquake that occurred approximately 35 miles northwest of the plant near San Simeon, California, on December 22, 2003.

In my letter of December 24, 2003, I informed you that the NRC had already performed inspections at the Diablo Canyon Power Plant following the December 22 earthquake. I provided some details regarding those inspection activities and informed you that further inspections were planned. In my letter of March 3, 2004, I provided the detailed results of those inspections performed immediately following the earthquake by the NRC on-site resident inspectors and some preliminary results of a followup inspection performed by an NRC senior reactor inspector and the resident inspectors during the week January 5-9, 2004. These inspections did not identify any system or structural damage.

In addition, my letter of March 3, 2004, outlined additional inspection activities planned to be performed (referred to as Phase 3 of the NRC's overall response to the San Simeon earthquake). These activities included performing an independent NRC inspection inside the Unit 1 containment building and an NRC staff review of PG&E's Special Report 03-04 and any supplements to that report submitted by PG&E following the earthquake. These two activities have been completed.

In March 2004, resident inspectors, a senior reactor inspector, and an NRC manager performed an inspection inside the Unit 1 containment building. This inspection focused on detecting evidence of movement as well as damage or degradation of any system, structure, or component. Particular attention was given to containment spray piping and supports at the top of the Unit 1 containment building, as the highest seismic forces recorded at the plant during the San Simeon earthquake were in that location. No system, structure, or component damage or evidence of any movement or deflection was detected.

In addition, the NRC staff has completed the review of the Supplement to PG&E's Special Report 03-04, dated March 29, 2004. The NRC staff determined that the calculated San Simeon earthquake response spectra for the recorded responses were within the Diablo Canyon design basis response spectra for all instrument locations with the exception of the vertical response at the top of the containment building. Additional reviews, taking into account the more accurate Hosgri fault earthquake design model, are planned to characterize further the building response for lower level earthquakes such as the San Simeon earthquake. The NRC staff will review the additional actions taken by PG&E to reflect more accurately the containment building response for lower level earthquakes. Notwithstanding the additional reviews, the observed building response provided evidence that the Hosgri analysis accurately predicts the building response and provides sufficient design margin for continued safe operation. Details of the Unit 1 containment building inspection and the staff's review of the Supplement to PG&E's Special Report 03-04 are provided in Section 1R14.1 of the enclosed inspection report.

In addition to the two public meetings conducted on February 4, 2004, the NRC plans to conduct a meeting with the public on June 9, 2004, in San Luis Obispo, California. The purpose of the meeting is to discuss the NRC's follow-up inspection results from the Diablo Canyon response to the San Simeon earthquake, including the analyzed plant response to a design basis earthquake as well as other issues of interest to the community.

The NRC shares your concern that nuclear power plants be operated in a safe manner to protect public health and safety. Please do not hesitate to contact me if you have any further questions.

Sincerely,

/RA/

Nils J. Diaz

Enclosure: NRC Inspection Report 05000275/2004002 and 05000323/2004002

cc: See next page

cc w/enclosures: 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, CA 93424

David H. Oatley, Vice President and General Manager Diablo Canyon Power Plant P.O. Box 56 Avila Beach, CA 93424

Lawrence F. Womack, Vice President, Power Generation & Nuclear Services Diablo Canyon Power Plant P.O. Box 56 Avila Beach, CA 93424

James R. Becker, Vice President Diablo Canyon Operations and Station Director, Pacific Gas and Electric Company Diablo Canyon Power Plant P.O. Box 3 Avila Beach, CA 93424

Sierra Club California 2650 Maple Avenue Morro Bay, CA 93442

Nancy Culver San Luis Obispo Mothers for Peace P.O. Box 164 Pismo Beach, CA 93448

Chairman San Luis Obispo County Board of Supervisors Room 370 County Government Center San Luis Obispo, CA 93408

Truman Burns\Robert Kinosian California Public Utilities Commission 505 Van Ness Ave., Rm. 4102 San Francisco, CA 94102-3298 Diablo Canyon Independent Safety Committee Robert R. Wellington, Esq. Legal Counsel 857 Cass Street, Suite D Monterey, CA 93940

Ed Bailey, Radiation Control Program Director Radiologic Health Branch State Department of Health Services P.O. Box 942732 (MS 178) Sacramento, CA 94234-7320

Richard F. Locke, Esq. Pacific Gas and Electric Company P.O. Box 7442 San Francisco, CA 94120

City Editor The Tribune 3825 South Higuera Street P.O. Box 112 San Luis Obispo, CA 93406-0112

James D. Boyd, Commissioner California Energy Commission 1516 Ninth Street (MS 34) Sacramento, CA 95814