

June 25, 2007

Mr. John S. Keenan
Senior Vice President and Chief Nuclear Officer
Pacific Gas and Electric Company
Diablo Canyon Power Plant
P.O. Box 770000
San Francisco, CA 94177-0001

SUBJECT: DIABLO CANYON POWER PLANT, UNIT NOS. 1 AND 2 - ISSUANCE OF AMENDMENTS RE: ADMINISTRATIVE CHANGES TO THE TECHNICAL SPECIFICATION 5.5.8, "INSERVICE TESTING PROGRAM" (TAC NOS. MD3975 AND MD3976)

Dear Mr. Keenan:

The U.S. Nuclear Regulatory Commission (the Commission) has issued the enclosed Amendment No. 196 to Facility Operating License No. DPR-80 and Amendment No. 197 to Facility Operating License No. DPR-82 for the Diablo Canyon Power Plant, Unit Nos. 1 and 2, respectively. The amendments consist of changes to the Technical Specification (TS) in response to your application dated December 29, 2006.

The amendments revise the TS to incorporate administrative changes to Section 5.5.8, "Inservice Testing Program," in order to update references to the American Society of Mechanical Engineers Boiler and Pressure Vessel Code. Specifically, the TS change adopts the administrative, editorial, and clarification TS changes contained in TS Task Force (TSTF) Travelers TSTF-479, Revision 0, "Changes to Reflect Revision of 10 CFR [Title 10 of the *Code of Federal Regulations*] 50.55a," and TSTF-497, Revision 0, "Limit Inservice Testing Program SR [Surveillance Requirement] 3.0.2 Application to Frequencies of 2 Years or Less."

J. Keenan

-2-

A copy of the related Safety Evaluation is enclosed. The Notice of Issuance will be included in the Commission's next regular biweekly *Federal Register* notice.

Sincerely,

/RA/

Alan Wang, Project Manager
Plant Licensing Branch IV
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-275
and 50-323

Enclosures: 1. Amendment No. 196 to DPR-80
2. Amendment No. 197 to DPR-82
3. Safety Evaluation

cc w/encls: See next page

J. Keenan

-2-

A copy of the related Safety Evaluation is enclosed. The Notice of Issuance will be included in the Commission's next regular biweekly *Federal Register* notice.

Sincerely,

/RA/

Alan Wang, Project Manager
Plant Licensing Branch IV
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-275
and 50-323

- Enclosures:
1. Amendment No. 196 to DPR-80
 2. Amendment No. 197 to DPR-82
 3. Safety Evaluation

cc w/encls: See next page

DISTRIBUTION:

PUBLIC	RidsNrrDorlDpr	RidsRgn4MailCenter
LPLIV Reading	RidsNrrDorlLpl4	PHearn, NRR
RidsAcrsAcnwMailCenter	RidsNrrPMAWang	GHill, OIS (4)
RidsNrrDirsltsb	RidsNrrLAJBurkhardt	
RidsNrrDorl (CHaney/JLubinski)	RidsOgcRp	

ADAMS Accession Nos.: Pkg **ML070990068** (Amdt/License ML070990057, TS ML070990074) *SE input dated 3/29/07

OFFICE	NRR/LPL4/PM	NRR/LPL4/LA	TSB/DIRS/BC*	OGC - NLO	NRR/LPL4/BC
NAME	AWang	JBurkhardt	TJKobetz	JBonanno	THiltz
DATE	6/6/07	6/5/07	3/29/07	6/7/07	6/12/07

OFFICIAL RECORD COPY

Diablo Canyon Power Plant, Units 1 and 2

cc:

NRC Resident Inspector
Diablo Canyon Power Plant
c/o U.S. Nuclear Regulatory Commission
P.O. Box 369
Avila Beach, CA 93424

Sierra Club San Lucia Chapter
ATTN: Andrew Christie
P.O. Box 15755
San Luis Obispo, CA 93406

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

Chairman
San Luis Obispo County
Board of Supervisors
1055 Monterey Street, Suite D430
San Luis Obispo, CA 93408

Mr. Truman Burns
Mr. Robert Kinoshian
California Public Utilities Commission
505 Van Ness, Room 4102
San Francisco, CA 94102

Diablo Canyon Independent Safety
Committee
ATTN: Robert R. Wellington, Esq.
Legal Counsel
857 Cass Street, Suite D
Monterey, CA 93940

Regional Administrator, Region IV
U.S. Nuclear Regulatory Commission
Harris Tower & Pavillion
611 Ryan Plaza Drive, Suite 400
Arlington, TX 76011-8064

Jennifer Post, Esq.
Pacific Gas & 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

Director, Radiologic Health Branch
State Department of Health Services
P.O. Box 997414, MS 7610
Sacramento, CA 95899-7414

Mr. James D. Boyd, Commissioner
California Energy Commission
1516 Ninth Street (MS 31)
Sacramento, CA 95814

Mr. James R. Becker, Vice President
Diablo Canyon Operations
and Station Director
Diablo Canyon Power Plant
P.O. Box 56
Avila Beach, CA 93424

Jennifer Tang
Field Representative
United States Senator Barbara Boxer
1700 Montgomery Street, Suite 240
San Francisco, CA 94111

June 2007

PACIFIC GAS AND ELECTRIC COMPANY

DOCKET NO. 50-275

DIABLO CANYON NUCLEAR POWER PLANT, UNIT NO. 1

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 196
License No. DPR-80

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by Pacific Gas and Electric Company (the licensee), dated December 29, 2006, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations set forth in 10 CFR Chapter I;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this amendment can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
 - D. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.
2. Accordingly, the license is amended by changes to the Technical Specifications and paragraph 2.C.(2) of Facility Operating License No. DPR-80 as indicated in the attachment to this license amendment.

3. This license amendment is effective as of its date of issuance and shall be implemented within 90 days.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Thomas G. Hiltz, Chief
Plant Licensing Branch IV
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Attachment: Changes to the Facility
Operating License and
Technical Specifications

Date of Issuance: June 25, 2007

PACIFIC GAS AND ELECTRIC COMPANY

DOCKET NO. 50-323

DIABLO CANYON NUCLEAR POWER PLANT, UNIT NO. 2

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 197
License No. DPR-82

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by Pacific Gas and Electric Company (the licensee), dated December 29, 2006, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations set forth in 10 CFR Chapter I;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this amendment can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
 - D. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.
2. Accordingly, the license is amended by changes to the Technical Specifications and paragraph 2.C.(2) of Facility Operating License No. DPR-82 as indicated in the attachment to this license amendment.

3. This license amendment is effective as of its date of issuance and shall be implemented within 90 days.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Thomas G. Hiltz, Chief
Plant Licensing Branch IV
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Attachment: Changes to the Facility
Operating License and
Technical Specifications

Date of Issuance: June 25, 2007

ATTACHMENT TO LICENSE AMENDMENT NO. 196

TO FACILITY OPERATING LICENSE NO. DPR-80

AND AMENDMENT NO. 197 TO FACILITY OPERATING LICENSE NO. DPR-82

DOCKET NOS. 50-275 AND 50-323

Replace the following pages of the Facility Operating Licenses, Nos. DPR-80 and DPR-82, and Appendix A Technical Specifications with the attached revised pages. The revised pages are identified by amendment number and contain marginal lines indicating the areas of change.

Facility Operating Licenses, Nos. DPR-80 and DPR-82

REMOVE

-3-
-3-

INSERT

-3-
-3-

Technical Specification

REMOVE

5.0-9

INSERT

5.0-9

- (4) Pursuant to the Act and 10 CFR Parts 30, 40, and 70, to receive, possess, and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components; and
 - (5) Pursuant to the Act and 10 CFR Parts 30, 40, and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility.
- C. This License shall be deemed to contain and is subject to the conditions specified in the Commission's regulations set forth in 10 CFR Chapter I and is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:
- (1) Maximum Power Level

The Pacific Gas and Electric Company is authorized to operate the facility at reactor core power levels not in excess of 3411 megawatts thermal (100% rated power) in accordance with the conditions specified herein.
 - (2) Technical Specifications

The Technical Specifications contained in Appendix A and the Environmental Protection Plan contained in Appendix B, as revised through Amendment No. 196, are hereby incorporated in the license. Pacific Gas & Electric Company shall operate the facility in accordance with the Technical Specifications and the Environmental Protection Plan, except where otherwise stated in specific license conditions.
 - (3) Initial Test Program

The Pacific Gas and Electric Company shall conduct the post-fuel-loading initial test program (set forth in Section 14 of Pacific Gas and Electric Company's Final Safety Analysis Report, as amended), without making any major modifications of this program unless modifications have been identified and have received prior NRC approval. Major modifications are defined as:

 - a. Elimination of any test identified in Section 14 of PG&E's Final Safety Analysis Report as amended as being essential;

- (4) Pursuant to the Act and 10 CFR Parts 30, 40, and 70, to receive, possess, and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components; and
- (5) Pursuant to the Act and 10 CFR Parts 30, 40, and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility.

C. This License shall be deemed to contain and is subject to the conditions specified in the Commission's regulations set forth in 10 CFR Chapter I and is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

(1) Maximum Power Level

The Pacific Gas and Electric Company is authorized to operate the facility at reactor core power levels not in excess of 3411 megawatts thermal (100% rated power) in accordance with the conditions specified herein.

(2) Technical Specifications (SSER 32, Section 8)* and Environmental Protection Plan

The Technical Specifications contained in Appendix A and the Environmental Protection Plan contained in Appendix B, as revised through Amendment No. 197, are hereby incorporated in the license. Pacific Gas & Electric Company shall operate the facility in accordance with the Technical Specifications and the Environmental Protection Plan, except where otherwise stated in specific license conditions.

(3) Initial Test Program (SSER 31, Section 4.4.1)

Any changes to the Initial Test Program described in Section 14 of the FSAR made in accordance with the provisions of 10 CFR 50.59 shall be reported in accordance with 50.59(b) within one month of such change.

*The parenthetical notation following the title of many license conditions denotes the section of the Safety Evaluation Report and/or its supplements wherein the license condition is discussed.

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION
RELATED TO AMENDMENT NO. 196 TO FACILITY OPERATING LICENSE NO. DPR-80
AND AMENDMENT NO. 197 TO FACILITY OPERATING LICENSE NO. DPR-82
PACIFIC GAS AND ELECTRIC COMPANY
DIABLO CANYON POWER PLANT, UNITS 1 AND 2
DOCKET NOS. 50-275 AND 50-323

1.0 INTRODUCTION

By application dated December 29, 2006 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML070160265), Pacific Gas and Electric Company (PG&E, the licensee) requested changes to the Technical Specifications (Appendix A to Facility Operating License Nos. DPR-80 and DPR-82) for the Diablo Canyon Power Plant, Units 1 and 2 (DCPP).

The proposed amendments would revise Technical Specification (TS) Section 5.5.8, "Inservice Testing Program," in order to update references to the American Society of Mechanical Engineers (ASME) Boiler and Pressure Vessel Code. Specifically, the proposed change would adopt the administrative, editorial, and clarification TS changes contained in TS Task Force (TSTF) Travelers TSTF-479, Revision 0, "Changes to Reflect Revision of 10 CFR [Title 10 of the *Code of Federal Regulations*] 50.55a," and TSTF-497, Revision 0, "Limit Inservice Testing Program SR [Surveillance Requirement] 3.0.2 Application to Frequencies of 2 Years or Less." These changes reflect the current configuration of the plant.

2.0 REGULATORY EVALUATION

Section 50.55a(f)(5)(ii) of 10 CFR requires that, if a revised inservice test (IST) program for a facility conflicts with the TS for that facility, the licensee shall apply to the Commission for amendment of the TS to conform the TS to the revised program. The licensee is required to submit the application, as specified in 10 CFR 50.4, at least 6 months before the start of the period during which the provisions become applicable, as determined by 10 CFR 50.55a(f)(4).

In 1990, the ASME published the initial edition of the ASME Operation and Maintenance (OM) Code, which provides requirements for IST of pumps and valves. The ASME OM Code was developed and is maintained by the ASME Committee on Operation and Maintenance of Nuclear Power Plants. The ASME OM Code was developed in response to the ASME Board on Nuclear Codes and Standards directive that transferred responsibility for development and maintenance of requirements for the IST of pumps and valves from the ASME, Section XI, Subcommittee on Nuclear Inservice Inspection to the ASME OM Committee. The ASME

intended the ASME OM Code to replace Section XI rules for IST of pumps and valves, and the Section XI requirements for IST of pumps and valves that had been incorporated by reference into the NRC regulations have been deleted from Section XI. The DCPD third 10-year IST interval programs were developed to meet the requirements of the 2001 Edition including the OMa-2002 and OMb-2003 Addenda of the ASME OM Code. The TS 5.5.8 reference to Section XI of the ASME Code for IST requirements results in a reference to a deleted portion of the ASME Code. PG&E submitted this TS amendment to revise the TS to reference the current ASME Code requirements.

NUREG-1431, Standard Technical Specifications Westinghouse Plants, Revision 3.0, was modified via TSTF traveler TSTF-479 in December 2005. This traveler addressed changes to Section 5.5.8, "Inservice Testing Program," in Revision 3.1 of the standard TSs (STS), to reflect revisions of 10 CFR 50.55a referencing the ASME OM Code and the application of SR 3.0.2 to test frequencies specified in the IST program.

The NRC's findings with respect to authorizing the TS amendment are given below.

3.0 TECHNICAL EVALUATION

Section 50.55a(f), "Inservice Testing Requirements," requires, in part, that ASME Class 1, 2, and 3 components must meet the requirements of the ASME OM Code. The ASME publishes a new edition of the ASME OM Code every 3 years, and a new addendum every year. The DCPD third interval IST program was updated to comply with the 2001 Edition through 2003 Addenda of the ASME OM Code pursuant to 10 CFR 50.55a(f)(4)(ii). As a consequence, the TS 5.5.8 reference to Section XI of the ASME Code for IST requirements results in a reference to a deleted portion of the ASME Code.

The licensee proposed to adopt the administrative, editorial and clarification TS changes contained in TSTF travelers TSTF-479, Revision 0, "Changes to Reflect Revision of 10 CFR 50.55a," and TSTF-497, Revision 0, "Limit Inservice Testing Program SR 3.0.2 Application to Frequencies of 2 Years or Less." TSTF traveler TSTF-479 revised the STS by adopting ASME Code and certain associated periodicities for IST activities consistent with the requirements of 10 CFR 50.55a. The TS changes do not eliminate any inservice tests and do not deprive the licensee of its ability to seek relief from Code test requirements when they are impractical. The changes will eliminate the ASME Code inconsistency between the IST program and the TS pursuant to 10 CFR 50.55a(f)(5)(ii). The proposed change to the TS references from "ASME Section XI" to "ASME OM Code" will maintain consistency with the Code requirements; therefore, the NRC staff finds this proposed change to be acceptable. Additionally, the proposed changes to TS 5.5.8.a and TS 5.5.8.d are consistent with the comparable Section 5.5.7 of the STS, Revision 3.1.

TSTF traveler TSTF-497 clarified the description of the test intervals for valves with intervals of 2 years or less to include intervals derived from risk-informed evaluations that may not be contained in STS 5.5.8. Since the clarification to STS 5.5.8 did not affect the maximum 2-year valve test interval in STS 5.5.8, TSTF traveler TSTF-497 do not alter the STS requirements. The licensee's revision adopts TSTF traveler TSTF-497 changes into the Section 5.5.8.b of the DCPD TS, which includes additional wording confirming that valve test interval extension in the inservice inspection program applies only to valves with test intervals of 2 years or less. The

licensee's proposed change to TS 5.5.8.b applies SR 3.0.2 to the frequencies specified in TS 5.5.8.a and other normal and accelerated frequencies specified as 2 years or less in the IST program. This change recognizes that the IST program may direct that additional tests be performed in accordance with the ASME OM Code that are not at the standard intervals listed in TS 5.5.8.a. Additionally, the licensee has explicitly limited application of SR 3.0.2 to frequencies specified as 2 years or less. These aspects of the proposed change implement Code provisions that provide the basis for the IST program, and they are consistent with guidance contained in NUREG-1482, Guidelines for Inservice Testing at Nuclear Power Plants, regarding maximum allowable extensions of test intervals. Therefore, the NRC staff finds this proposed change to be acceptable.

The NRC staff concludes that the licensee's proposed changes are technically justified, do not alter the DCPD TS requirements, conform to the requirements of 10 CFR 50.55a, comply with 10 CFR 50.36, and are consistent with the STS. On this basis, the NRC staff concludes that the proposed changes to the TS of the DCPD are acceptable.

4.0 STATE CONSULTATION

In accordance with the Commission's regulations, the California State official was notified of the proposed issuance of the amendments. The State official had no comments.

5.0 ENVIRONMENTAL CONSIDERATION

The amendments change a requirement with respect to the installation or use of a facility component located within the restricted area as defined in 10 CFR Part 20. The NRC staff has determined that the amendments involve no significant increase in the amounts, and no significant change in the types, of any effluents that may be released offsite, and that there is no significant increase in individual or cumulative occupational radiation exposure. The Commission has previously issued a proposed finding that the amendments involve no significant hazards consideration and there has been no public comment on such finding (72 FR 6784, published on February 13, 2007). Accordingly, the amendments meet the eligibility criteria for categorical exclusion set forth in 10 CFR 51.22(c)(9). Pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared in connection with the issuance of the amendments.

6.0 CONCLUSION

The Commission has concluded, based on the considerations discussed above, that: (1) there is reasonable assurance that the health and safety of the public will not be endangered by operation in the proposed manner, (2) such activities will be conducted in compliance with the Commission's regulations, and (3) the issuance of the amendments will not be inimical to the common defense and security or to the health and safety of the public.

Principal Contributor: P. Hearn
A. Wang

Date: June 25, 2007