September 7, 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, Mail Code B32
San Francisco, CA 94177-0001

SUBJECT: DIABLO CANYON POWER PLANT, UNIT NO. 2 - EVALUATION OF FINITE ELEMENT ANALYSIS IN SUPPORT OF ALLOY 82/182 PRESSURIZER BUTT WELD INSPECTIONS IN 2008 AS PROVIDED BY CONFIRMATORY ACTION LETTER NRR-07-003 (TAC NO. MD4150)

Dear Mr. Keenan:

On March 15, 2007, the U.S. Nuclear Regulatory Commission (NRC) issued Confirmatory Action Letter (CAL) No. NRR-07-003 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML070670425) regarding dissimilar metal welds in the pressurizer surge, spray, and safety/relief nozzle-to-safe end welds at Diablo Canyon Power Plant (DCPP), Unit No. 2. The CAL and the supporting commitment letter (ADAMS Accession No. ML070580128) indicate that inspection and mitigation actions may be conducted during your spring 2008 refueling outage, contingent on the industry providing an analysis that demonstrates an acceptable level of safety to the NRC for the operation of these welds until spring 2008. This letter acknowledges receipt of your letter dated August 7, 2007 (ADAMS Accession No. ML072410199), informing the NRC that the analysis referred to by this CAL and the supporting commitment letter has been completed, and that the analysis is applicable to your plant.

The NRC received MRP-216, Rev. 1, "Materials Reliability Program: Advanced FEA [Finite Element Analysis] Evaluation of Growth of Postulated Circumferential PWSCC [Primary Water Stress-Corrosion Cracking] Flaws in Pressurizer Nozzle Dissimilar Metal Welds," on August 13, 2007 (ADAMS Accession No. ML072410235). Based on our review of this report, the NRC concludes that the analysis provides adequate justification to permit inspections during your spring 2008 refueling outage, and that the analysis is applicable to DCPP, Unit No. 2. The results of the staff's review are contained in a safety assessment dated August 31, 2007 (ADAMS Accession No. ML072400199), and the associated contractor report (ADAMS Accession No. ML072470394).

Based on the above, the NRC concludes that a plant shutdown by December 31, 2007, is no longer required. Therefore, the pressurizer surge, spray, and safety/relief nozzle-to-safe end Alloy 82/182 butt weld inspections for DCPP, Unit No. 2 must be performed prior to exiting your scheduled spring 2008 refueling outage. All other requirements of the CAL and the supporting commitment letter regarding enhanced inspection and leakage monitoring requirements for the reactor coolant system and associated reports remain valid.

The CAL will remain open until all CAL commitments pertaining to DCPP, Unit No. 2 are complete.

Current NRC guidance regarding CALs is contained in the NRC Enforcement Policy and the NRC Enforcement Manual, which are available at the NRC web site at http://www.nrc.gov/about-nrc/regulatory/enforcement.html (click on Enforcement Policy or Enforcement Guidance) or by contacting the Government Printing Office (GPO) toll-free at 1-888-293-6498. The GPO is open from 7:00 a.m. to 9:00 p.m. EST, Monday through Friday (except Federal holidays).

In accordance with Section 2.390 of Title 10 of the *Code of Federal Regulations*, of the NRC's "Rules of Practice," a copy of this letter will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at http://www.nrc.gov/reading-rm.html.

Sincerely,

/RA/

Catherine Haney, Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket No. 50-323

cc: See next page

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Sincerely,

/RA/

Catherine Haney, Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

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