August 18, 2008

PRELIMINARY NOTIFICATION OF EVENT OR UNUSUAL OCCURRENCE - PNO-IV-08-007

This preliminary notification constitutes EARLY notice of events of POSSIBLE safety or public interest significance. The information is as initially received without verification or evaluation, and is basically all that is known by the Region IV, Arlington, Texas, staff on this date.

Facility
Pacific Gas and Electric Company
Diablo Canyon Power Plant
P.O. Box 3
Avila Beach, CA 93424

Docket: 50-323
License No.: DPR-82

Licensee Emergency Classification
_X_ Notification of Unusual Event
___ Alert
___ Site Area Emergency
___ General Emergency
___ Not Applicable

SUBJECT: NOTICE OF UNUSUAL EVENT AT DIABLO CANYON UNIT 2

DESCRIPTION: At 12:12 a.m. PDT, on August 17, 2008, Pacific Gas and Electric declared a Notification of Unusual Event (NOUE) at Diablo Canyon - Unit 2, following a fire in that unit's main transformer. The fire was extinguished at 12:26 a.m. PDT and the licensee exited the NOUE at 2:31 a.m. PDT. Damage was limited to the main transformer and safety equipment was not affected by the event. The cause of the fire is under investigation.

The Unit 2 reactor automatically shut down as designed due to the main transformer failure and the plant remains shutdown pending repair of the transformer. Unit 1 was operating at 100 percent power and remains at full power as it was unaffected by the fire.

NRC Region IV entered the Monitoring Mode and manned its Incident Response Center to follow the licensee's actions and evaluate plant safety performance. The NRC resident inspector responded to the site and monitored licensee actions in response to the event. The NRC exited the Monitoring Mode at 2:55 a.m. PDT, on August 17, 2008, after verifying the licensee's actions to exit the Unusual Event. The NRC will conduct inspections to evaluate this event and licensee corrective actions.

The state of California has been notified. The licensee made a press release and there has been limited media interest in this event.

The information presented herein has been discussed with the licensee and is current as of August 18, 2008.

This preliminary notification is issued for information only and no further action by the staff is anticipated.

ADAMS ACCESSION NUMBER: ML082310187

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