

**CALIFORNIA COASTAL COMMISSION**

45 FREMONT, SUITE 2000  
SAN FRANCISCO, CA 94105-2219  
VOICE (415) 904-5200  
FAX (415) 904-5400  
TDD (415) 597-5885



April 25, 2011

U.S. Nuclear Regulatory Commission (NRC)  
Attn: Document Controls Desk  
Washington, D.C. 20555-0001

Atomic Safety and Licensing Board Panel  
U.S. Nuclear Regulatory Commission  
Two White Flint North  
11545 Rockville Pike  
Mailstop T-3F23  
Rockville, MD 20852

Re: Proposed Renewal of Facility Operating Licenses DPR-80 and DPR-82, Diablo Canyon  
Power Plant (Docket Nos. 50-275-LR and 50-323-LR)

Dear Commissioners and Staff:

We are writing in response to two recent letters sent to the NRC by Pacific Gas & Electric Company (PG&E) regarding the above-referenced proceedings. The letters – one to the NRC's Document Control Desk dated April 10, 2011 and another to the Atomic Safety and Licensing Board Panel dated April 12, 2011 – request that the NRC continue with its relicensing review for Diablo Canyon but defer any relicensing decision until after PG&E completes several studies meant to better characterize seismic characteristics of the area near the power plant.

We generally concur with the requested deferral. As noted in our previous letters to the NRC about these proceedings (see letters of March 12, 2010 and November 10, 2010), and pursuant to implementing regulations of the federal Coastal Zone Management Act at 15 CFR 930.50 *et seq.*, the proposed relicensing is subject to federal consistency review by the California Coastal Commission, completion of which is a necessary part of the NRC's eventual relicensing decision. To help conduct our review, we have asked PG&E to provide results of the above-referenced seismic studies as part of the necessary data and information needed to demonstrate consistency with enforceable policies of the California Coastal Management Program (CCMP). The CCMP's enforceable policies include Section 30253, which requires minimization of risk in areas of high geologic hazard and assurance of a project's stability and structural integrity. As provided in 15 CFR 930.58, the Coastal Commission may request from an applicant any information necessary to determine whether a proposed project conforms to relevant provisions of the CCMP.

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However, while we generally concur with PG&E's request, it is not clear whether this partial deferral is very meaningful or adequate for allowing the NRC to incorporate results of the completed seismic studies into other critical elements of its relicensing review. For example, it is not clear how or whether determinations the NRC makes earlier in its relicensing process – e.g., regarding aging reactor components, safe operations at Diablo Canyon, etc. – will be modified in response to results of the seismic studies that could show potentially greater risks or higher stresses on facility components. Without assurance that the studies' results will, where relevant, be reflected throughout the NRC's decision-making process, the requested decision deferral could be illusory and may well not address public concern about the plant's safety, which is, after all, the stated purpose of PG&E's request.

Through our permit and consistency review, we will be working with other involved agencies and stakeholders to conduct the environmental review, permitting, and technical evaluation needed to implement the studies and interpret their results. As noted in PG&E's April 10 letter, these seismic studies were recommended by the California Energy Commission and were approved for funding by the California Public Utility Commission, both of which will be involved in the review. Please note, too, that although that letter states both the Coastal Commission and San Luis Obispo County will be conducting consistency review, it will be just the Coastal Commission conducting that review, although we expect that both the Coastal Commission and the County will review the proposed project for the coastal development permits required within their respective jurisdictions.

Again, we concur with PG&E's requested deferral of the relicensing decision as being consistent with the requirements of the CZMA and with the position we expressed in our previous letters to you on this issue. Please contact Tom Luster of my staff (at 415-904-5248) or [tluster@coastal.ca.gov](mailto:tluster@coastal.ca.gov) if you have any questions or would like additional information.

Sincerely,



Alison Dettmer  
Deputy Director  
Energy, Ocean Resources, and Federal Consistency Division

Cc (via email) : PG&E – John Conway, David Repka, Mark Krausse  
California Energy Commission – Barbara Byron  
California Public Utilities Commission – Matthew Tisdale