

May 2, 2014

Mr. Edward D. Halpin  
Senior Vice President and  
Chief Nuclear Officer  
Pacific Gas and Electric Company  
Diablo Canyon Power Plant  
P.O. Box 56, Mail Code 104/6  
Avila Beach, CA 93424

SUBJECT: STATUS OF THE LICENSE RENEWAL APPLICATION REVIEW OF THE  
DIABLO CANYON NUCLEAR POWER PLANT, UNITS 1 AND 2

Dear Mr. Halpin:

By letter dated May 31, 2011 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML11138A315), the U.S. Nuclear Regulatory Commission staff (staff), responded to the Pacific Gas and Electric (PG&E) letter of April 10, 2011 (ADAMS Accession No. ML111010592), and your counsel's letter of April 12, 2011 (ADAMS Accession No. ML111020618), that requested the NRC defer issuance of the renewed operating licenses until updated seismic studies are completed and the coastal consistency certification has been provided by the State of California. The NRC cannot issue renewed operating licenses without consideration of the required coastal consistency certification.

PG&E is scheduled to submit the final seismic report in June 2014 and has not indicated when it will submit the required coastal consistency information. Further, PG&E's environmental report was submitted over four years ago, in November 2009. Therefore, to allow the staff to appropriately plan and manage completion of the review of the license renewal application (LRA) for the Diablo Canyon Nuclear Power Plant, Units 1 and 2 (DCPP), staff will need additional information related to both the safety and environmental reviews.

The staff issued the safety evaluation report (SER) in June 2011 and will need to prepare a supplement to the SER, which considers any relevant new information from the seismic studies, operating experience, and annual updates to the LRA. Information also needed for the supplement to the SER includes PG&E's review and update to the LRA to address all applicable license renewal interim staff guidance issued since 2011 for which DCPP might be subjected.

For the staff to complete the supplemental environmental impact statement, PG&E will need to update the information contained in the environmental report submitted in November 2009, in accordance with 10 CFR 51.45 and 51.53(c). In addition, the staff may have to reopen the scoping process and conduct another environmental site audit. The staff also needs information from PG&E related to the newly-identified generic and site-specific license renewal issues. Specifically, in 2013, the NRC published a final rule (78 FR 37282) revising its environmental protection regulation, Title 10 of the *Code of Federal Regulations* (10 CFR) Part 51, "Environmental protection regulations for domestic licensing and related regulatory functions." NUREG-1437, "Generic Environmental Impact Statement for License Renewal of Nuclear Plants" (GEIS), was also revised and provides the technical basis for the final rule.

E. Halpin

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As a result of the final rule and GEIS, changes have been made to the generic issues (Category 1) and site-specific issues (Category 2) identified in Table B-1 of 10 CFR Part 51.

Please provide a schedule as to when PG&E will be able to supply the above information. The staff will then develop a more realistic schedule for completing the environmental and safety reviews.

If you have any questions on the environmental review, please contact Elaine Keegan at 301-415-8517 or by e-mail at [Elaine.keegan@nrc.gov](mailto:Elaine.keegan@nrc.gov). If you have any questions on the safety review, please contact Richard Plasse at 301-415-4127 or by e-mail at [Richard.plasse@nrc.gov](mailto:Richard.plasse@nrc.gov).

*/RA/*

John Lubinski, Director  
Division of License Renewal  
Office of Nuclear Reactor Regulation

Docket Nos. 50-275 and 50-323

Enclosure:  
As stated

cc w/encl: Listserv

E. Halpin

- 2 -

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***/RA Robert Caldwell for/***

John Lubinski, Director  
Division of License Renewal  
Office of Nuclear Reactor Regulation

Docket Nos. 50-275 and 50-323

Enclosure  
re: As  
stated

cc w/encl: Listserv

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DIABLO CANYON NUCLEAR POWER PLANT, UNITS 1 AND 2

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