



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION IV
1600 E LAMAR BLVD
ARLINGTON, TX 76011-4511

December 1, 2014

EA-14-010

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: DIABLO CANYON POWER PLANT – NRC EMERGENCY PREPAREDNESS
INSPECTION REPORT 05000275/2014502 AND 05000323/2014502,
PRELIMINARY WHITE FINDING AND APPARENT VIOLATION

Dear Mr. Halpin:

On October 17, 2014, the U.S. Nuclear Regulatory Commission (NRC) completed an in-office emergency preparedness inspection of the Diablo Canyon Power Plant, Units 1 and 2. A final exit briefing was conducted with you and other members of your staff on October 17, 2014. The inspector documented the results of this inspection in the enclosed inspection report.

The inspector examined activities conducted under your license as they relate to safety and compliance with the Commission's rules and regulations and with the conditions of your license. The inspector reviewed selected procedures and records, and interviewed personnel.

The enclosed inspection report documents an apparent violation of 10 CFR 50.54(q) for failing to obtain prior approval for an emergency plan change which decreased the effectiveness of the emergency plan. This apparent violation is being considered for escalated enforcement action in accordance with the NRC Enforcement Policy. As described in Section 1EP5 of the enclosed report, this apparent violation is associated with a finding that has preliminarily been determined to be White with low to moderate safety significance that may require additional regulatory oversight. Specifically, on November 4, 2005, without approval from the NRC, Diablo Canyon Power Plant staff removed instructions in emergency plan implementing procedures for making protective action recommendations for members of the public on the ocean within the 10-mile emergency planning zone. This change in implementing procedures decreased the plan's effectiveness. The finding does not present an immediate safety concern because, even without appropriate protective action recommendations from the licensee, the local governments, in following their procedural guidance, would still have ordered adequate protective actions for members of the public in affected areas.

This finding was assessed based on the best available information, using the applicable significance determination process. The basis for the NRC's preliminary significance determination is described in the enclosed report. The NRC will inform you in writing when the final significance has been determined.

This finding constitutes an apparent violation of NRC requirements that is being considered for escalated enforcement action in accordance with the Enforcement Policy, which can be found on the NRC's Web site at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>.

In accordance with NRC Inspection Manual Chapter 0609, "Significance Determination Process," we intend to complete our final safety significance determination within 90 days of the date of this letter. The NRC's significance determination process is designed to encourage an open dialogue between your staff and the NRC; however, the dialogue should not affect the timeliness of our final determination.

Before the NRC makes a final decision on this matter, you may choose to (1) attend a regulatory conference, where you can present your perspective on the facts and assumptions used to arrive at the finding and assess its significance, or (2) submit your position on the finding in writing. If you request a regulatory conference, it should be held within 30 days of your receipt of this letter. We encourage you to submit supporting documentation at least one week prior to the conference in an effort to make the conference more efficient and effective. If you choose to attend a regulatory conference, it will be open for public observation. The NRC will issue a public meeting notice and press release to announce the conference. If you decide to submit only a written response, it should be sent to the NRC within 30 days of your receipt of this letter. If you choose not to request a regulatory conference or to submit a written response, you will not be allowed to appeal the NRC's final significance determination, in that by not choosing an option, you fail to meet the appeal requirements stated in the Prerequisites and Limitations sections of Attachment 2, "Process for Appealing NRC Characterization of Inspection Findings (SDP Appeal Process)," of NRC Inspection Manual Chapter 0609.

Please contact Mark Haire, Branch Chief, Plant Support Branch 1, at 817-200-1527, and in writing, within 10 days from the issue date of this letter to notify us of your intentions. If we have not heard from you within 10 days, we will continue with our final significance determination and enforcement decision. The final resolution of this matter will be conveyed in separate correspondence.

Because the NRC has not made a final determination in this matter, no Notice of Violation is being issued for this inspection finding at this time. In addition, please be advised that the characterization of the apparent violation may change as a result of further NRC review.

E. Halpin

- 3 -

In accordance with 10 CFR 2.390 "Public Inspections, Exemptions, Requests for Withholding," of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter, its enclosure, and your response (if any) will be available electronically for public inspection in the NRC's Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Sincerely,

/RA/

Anton Vogel, Director
Division of Reactor Safety

Dockets: 50-275; 50-323
Licenses: DPR-80; DPR-82

Enclosure:
NRC Emergency Preparedness Inspection
Report 05000275/2014502; 05000323/2014502
w/Attachment

cc: Electronic Distribution for Diablo Canyon

E. Halpin

- 3 -

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Enclosure:
NRC Emergency Preparedness Inspection
Report 05000275/2014502; 05000323/2014502
w/Attachment

cc: Electronic Distribution for Diablo Canyon

Distribution:
See next page

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OFFICIAL RECORD COPY

Letter to Edward D. Halpin from Anton Vogel, dated December 1, 2014

SUBJECT: DIABLO CANYON POWER PLANT – NRC EMERGENCY PREPAREDNESS
INSPECTION REPORT 05000275/2014502 and 05000323/2014502,
PRELIMINARY WHITE FINDING AND APPARENT VIOLATION

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U.S. NUCLEAR REGULATORY COMMISSION

REGION IV

Docket: 05000275; 05000323

License: DPR-80, DPR-82

Report: 05000275/2014502; 05000323/2014502

Licensee: Pacific Gas and Electric Company

Facility: Diablo Canyon Nuclear Power Plant, Units 1 and 2

Location: Avila Beach, California

Dates: November 21, 2013, through October 17, 2014

Inspectors: P. Elkmann, Senior Emergency Preparedness Inspector
G. Guerra, Emergency Preparedness Inspector
R. Kumana, Resident Inspector, Projects Branch A

Approved By: Mark S. Haire
Chief, Plant Support Branch 1
Division of Reactor Safety

SUMMARY

IR 05000275/2014502, 05000323/2014502; 11/21/2013 - 10/17/2014; DIABLO CANYON NUCLEAR POWER PLANT, Emergency Preparedness; 71114.05

Cornerstone: Emergency Preparedness

- TBD. The inspectors identified an apparent Severity Level III violation of 10 CFR 50.54(q) and an associated preliminary finding of low to moderate significance (White) for failing to obtain prior approval for an emergency plan change which decreased the effectiveness of the emergency plan. Specifically, on November 4, 2005, without approval from the NRC, the licensee removed instructions in emergency plan implementing procedures for making protective action recommendations for members of the public on the ocean within the 10-mile emergency planning zone, decreasing the plan's effectiveness.

The plan change, as implemented, resulted in a failure to meet the planning standard requirement of 10 CFR 50.47(b)(10) to develop and have in place procedures for the issuance of protective action recommendations (PARs) for the plume exposure pathway emergency planning zone, specifically, for areas of the ocean. This change constituted a decrease in effectiveness of the plan, and, therefore, implementing the change without prior approval from the NRC is a performance deficiency. This performance deficiency is more than minor because it impacts the Emergency Response Organization performance attribute of the Emergency Preparedness Cornerstone objective to ensure that the licensee is capable of implementing adequate measures to protect the health and safety of the public in the event of a radiological emergency. Using the examples in Table 5.10-1, "Significance Examples § 50.47(b)(10)," of Appendix B to Inspection Manual Chapter 0609, "Emergency Preparedness Significance Determination Process," the inspectors concluded that this finding represents a degradation of the licensee's risk-significant planning standard function. The required planning standard function was degraded because the licensee's procedures did not direct the licensee to issue appropriate protective action recommendations to cover affected areas over the ocean within 5 to 10 miles of the site. The planning standard function was degraded, rather than lost, because default procedural actions of local governments would have resulted in effective protective actions for affected areas within 5 miles of the site. The finding does not present an immediate safety concern because, even without appropriate protective action recommendations from the licensee, the local governments would have ordered adequate protective actions for members of the public in the affected areas. No cross-cutting aspect is proposed as this performance deficiency occurred in 2005 and is not indicative of current licensee performance. (Section 1EP5)

REPORT DETAILS

1. REACTOR SAFETY

Cornerstone: Emergency Preparedness

1EP5 Maintenance of Emergency Preparedness (71114.05)

a. Inspection Scope

During an emergency preparedness inspection conducted November 18 through November 21, 2013, the inspectors opened unresolved item (URI) 05000275/2013005-01; 05000323/2013005-01; "Procedures for Recommending Protective Actions for Members of the Public on the Pacific Ocean." The URI was opened because it was unclear whether changes to licensee procedures and past practices were in compliance with NRC regulations. From November 21, 2013, through October 17, 2014, the inspectors reviewed documents provided by the licensee and held several conference calls for resolving the issues presented. Conference calls with the licensee were held on March 10, April 7, April 17, and May 22, 2014. The documents reviewed are listed in the attachment to this report.

These activities constitute completion of one sample as defined in Inspection Procedure 71114.05, "Maintenance of Emergency Preparations."

b. Findings

Failure to Obtain Prior Approval for a Change Which Decreased the Effectiveness of the Emergency Plan

Introduction. The inspectors identified an apparent Severity Level III violation of 10 CFR 50.54(q) and an associated preliminary finding of low to moderate significance (White) for failing to obtain prior approval for an emergency plan change which decreased the effectiveness of the emergency plan. Specifically, on November 4, 2005, without approval from the NRC, the licensee removed instructions in emergency plan implementing procedures for making protective action recommendations (PARs) to cover affected areas over the ocean within the 10-mile emergency planning zone, decreasing the plan's effectiveness.

Note that, because the apparent violation occurred in November 2005, the language of the 2005 version of 10 CFR Part 50 is being used to process this finding. Since the phrase "decrease in effectiveness" was in use in 2005 version of the rule, that phrase is used herein rather than the current phrase "reduction in effectiveness."

Description. On November 4, 2005, Diablo Canyon Power Plant staff revised the plant's emergency plan without prior NRC approval. The revised plan removed a table used to inform PARs to offsite authorities. Prior to the 2005 revision (from February 1983 to November 2005), Diablo Canyon Power Plant emergency plan (EP) implementing procedures, specifically, EP G-3, "Notification of Off-Site Organizations," had included a

table that translated wind rose sectors to site-specific geographic land protective action zones and the licensee used this table to develop PARs, including PARs for ocean areas adjacent to its facility.

The licensee through its original emergency plan implementing procedures included the ocean in its PAR development procedures and maintained that capability through several revisions. In 2002, the licensee revised its PAR Procedure EP RB-10, "Protective Action Recommendations," Revision 8, to implement zone-based PARs instead of sector-based PARs. The ocean was not assigned a zone, but the procedures included a sector-to-zone conversion table that included the ocean and could reasonably have led to the licensee developing a PAR for ocean areas.

Revision 44 to EP G-3, implemented on November 4, 2005, directed Diablo Canyon Power Plant staff to develop PARs directly from the protective action zones, but because adjacent ocean areas were not explicitly identified as a protective action zone, Diablo Canyon Power Plant staff failed to develop a range of protective actions for members of the public in the plume exposure pathway emergency planning zone. As a result of the 2005 change, the inspectors determined that the licensee's emergency plan implementing procedures no longer contained guidance or requirements for developing and communicating PARs for areas of the Pacific Ocean that lie within the nominal 10-mile emergency planning zone.

The November 4, 2005, revision to Diablo Canyon Power Plant EP G-3 removed the sector-to-zone conversion table. The zones were not revised to include the ocean and until corrected in February 13, 2014, the licensee did not have a procedure that ensured that PARs would be made for the ocean. The 2005 revision to the plan removed all procedural direction to provide PARs for affected areas over the ocean within 10 miles of the plant. The licensee did not request NRC approval for this change; therefore, the NRC was not given the opportunity to review the licensee's changes to its emergency plan. The failure to obtain NRC approval prior to implementing the changes impacted the regulatory process and caused the licensee to be in noncompliance with its emergency plan and the planning standard 10 CFR 50.47(b)(10).

The licensee recently had relied on the San Luis Obispo County government to notify the U.S. Coast Guard to take any actions necessary to protect members of the public within the ocean areas of the emergency planning zone. The county has procedures which include a default action to recommend that the U.S. Coast Guard evacuate waterborne vessels within 5 nautical miles if the licensee notifies the county of a general emergency. The U.S. Coast Guard has additional guidance recommending a 2-nautical mile "safety zone" for an alert or site area emergency. The licensee recently had identified through discussion with other licensees that other nuclear plant sites located near large bodies of water do make PARs for affected areas over water. The licensee documented this difference between Diablo Canyon Power Plant and other licensees in a condition report on November 12, 2013. The licensee believed that the county had adequate guidance in its procedures to implement necessary protective actions. The inspectors determined that development of PARs is a regulatory requirement of the licensee, and could not be met by assuming that responsible offsite response organizations would make the correct decision absent any recommendation from the licensee. No cross-cutting aspect is

proposed as this performance deficiency occurred in 2005 and is not indicative of current licensee performance.

Analysis. The plan change, as implemented, resulted in a failure to meet the planning standard requirement of 10 CFR 50.47(b)(10) to develop and have in place procedures for the issuance of PARs for the plume exposure pathway emergency planning zone, specifically, for areas of the ocean. This change constituted a decrease in effectiveness of the plan, and, therefore, implementing the change without prior approval from the NRC is a performance deficiency. This performance deficiency is more than minor because it impacts the Emergency Response Organization performance attribute of the Emergency Preparedness Cornerstone objective to ensure that the licensee is capable of implementing adequate measures to protect the health and safety of the public in the event of a radiological emergency.

Using the examples in Table 5.10-1, "Significance Examples § 50.47(b)(10)," of Appendix B to Inspection Manual Chapter 0609, "Emergency Preparedness Significance Determination Process," the inspectors concluded that this finding represents a degradation of the licensee's risk-significant planning standard function. The required planning standard function was degraded because the licensee's procedures did not direct the licensee to issue appropriate PARs to cover affected areas over the ocean within 5 to 10 miles of the site. The planning standard function was degraded, rather than lost, because default procedural actions of local governments would have resulted in effective protective actions for affected areas within 5 miles of the site. The finding does not present an immediate safety concern because, even without appropriate PARs from the licensee, the local governments would have ordered adequate protective actions for members of the public in the affected areas. The finding also constitutes an apparent Severity Level III violation.

Enforcement. 10 CFR 50.54(q) requires, in part, that a nuclear power reactor licensee shall follow and maintain in effect emergency plans which meet the standards in 10 CFR 50.47(b) and that proposed changes that decrease the effectiveness of the approved emergency plans may not be implemented without application to and approval by the Commission. 10 CFR 50.47(b)(10) requires that a range of protective actions be developed for the plume exposure pathway emergency planning zone for emergency workers and the public.

Contrary to the above, on November 4, 2005, the licensee implemented a change that decreased the effectiveness of the approved emergency plan without application to and approval by the Commission, which resulted in the licensee failing to follow and maintain in effect an emergency plan meeting the standards in 10 CFR 50.47(b). Specifically, without approval from the NRC, the licensee decreased its emergency plan's effectiveness by removing instructions from its emergency plan implementing procedures for making PARs for affected areas over the ocean within the 10-mile emergency planning zone. Because the licensee's emergency plan no longer called for a range of protective actions to be developed for the plume exposure pathway emergency planning zone, the licensee no longer met the planning standard of 10 CFR 50.47(b)(10). The failure to obtain NRC approval for the change, in accordance with 10 CFR 50.54(q), was identified as a performance deficiency because the licensee

should have recognized that the change decreased the effectiveness of the Diablo Canyon Emergency Plan: AV/FIN 05000275/2014502-01; 05000323/2014502-01, "Failure to Obtain Prior Approval for a Change Which Decreased the Effectiveness of the Emergency Plan."

4. OTHER ACTIVITIES

(Closed) URI 05000275/2013005-01; 05000323/2013005-01 Procedures for Recommending Protective Actions for Members of the Public on the Pacific Ocean

A finding related to this Unresolved Item was identified and is documented in Section 1EP05. This URI is closed.

4OA6 Meetings

Exit Meeting Summary

On October 17, 2014, the inspectors presented the results of the in-office inspection of the licensee's emergency preparedness program to Mr. Edward Halpin, Senior Vice President and Chief Nuclear Officer, and other members of the licensee's staff. The licensee acknowledged the issues presented. The inspectors asked the licensee whether any materials examined during the inspection should be considered proprietary. No proprietary information was identified.

SUPPLEMENTAL INFORMATION

KEY POINTS OF CONTACT

Licensee Personnel

E. Halpin, Senior Vice President-CNO
B. Allen, Site Vice President
L. Hopson, Assistant Director, Maintenance Services
M. Priebe, Director, Nuclear Security
B. Ashbrook, Emergency Planning, Senior Coordinator
J. Summy, Senior Director, Engineering & Technical Services
C. Hansen, Emergency Planning, Senior Coordinator
T. Baldwin, Manager, Regulatory Services
J. Loya, Compliance Supervisor, Regulatory Services
P. Soenen, Licensing Supervisor, Regulatory Services
J. Hinds, Director, Quality Verification
L. Parker, Supervisor, STARS Regulatory Affairs
A. Warwick, Supervisor, Emergency Planning
E. Nelson, Senior Manager
P. Gerfen, Senior Manager
M. Ginn, Manager, Emergency Planning
T. Jones, Director, Communications

NRC Personnel

T. Hipschman, Senior Resident Inspector

LIST OF ITEMS OPENED, CLOSED, AND DISCUSSED

Closed

05000275/2013005-01	URI	Procedures for Recommending Protective Actions for
05000323/2013005-01		Members of the Public on the Pacific Ocean

Opened

05000275/2014502-01	AV/FIN	Failure to Obtain Prior Approval for a Change Which
05000323/2014502-01		Decreased the Effectiveness of the Emergency Plan

LIST OF DOCUMENTS REVIEWED

Section 1EP5: Maintenance of Emergency Preparedness

Procedures

<u>Number</u>	<u>Title</u>	<u>Revision</u>
EP G-1	Emergency Classification and Emergency Plan Activation	43
EP G-3	Notification of Off-Site Organizations	0

Procedures

<u>Number</u>	<u>Title</u>	<u>Revision</u>
EP G-3	Notification of Offsite Organizations	2
EP G-3	Notification of Off-Site Agencies and Emergency Response Organization Personnel	39
EP G-3	Notification of Off-Site Agencies	40
EP G-3	Notification of Off-Site Agencies	44
EP G-3	Emergency Notification of Off-Site Agencies	54B
EP G-3	Emergency Notification of Off-Site Agencies	56
EP RB-10	Protective Action Recommendations	8
EP RB-10	Protective Action Recommendations	10
EP RB-10	Protective Action Recommendations	16
EP RB-10	Protective Action Recommendations	17
OM10.ID2	Emergency Plan Revision and Review	11

Miscellaneous

<u>Number</u>	<u>Title</u>	<u>Revision</u> <u>Date</u>
	Cal OES – Emergency Planning Zones for Serious Nuclear Power Plant Accidents	
	Emergency Plan	4
White Paper	DCPP Emergency Planning Unresolved Item 2013005-01 Ocean PARs Compliance Review	
White Paper	DCPP Emergency Planning Unresolved Item 2013005-01 US Coast Guard Communication	
PSS25	USCG – DCPP Emergency Response	November 2007
SOP III.01	San Luis Obispo County – Emergency Services Director	October 2012
SOP III.02	Appendix A, County Sheriff's Watch Commander Procedures	August 2002
SOP III.25	San Luis Obispo County – United States Coast Guard	June 2013
SOP III.44	San Luis Obispo County – Port San Luis Harbor District	September 2012
DCL-03-024	Emergency Plan Implementing Procedure Update	March 5, 2003

Condition Reports

50619055	50599009	50599999
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