



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

March 2, 2016

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: ANNUAL ASSESSMENT LETTER FOR DIABLO CANYON POWER PLANT,
UNITS 1 AND 2 (REPORT 05000275/2015006 AND 05000323/2015006)**

Dear Mr. Halpin:

On February 16, 2016, the U.S. Nuclear Regulatory Commission (NRC) completed its end-of-cycle performance review of Diablo Canyon Power Plant, Units 1 and 2. The NRC reviewed the most recent quarterly performance indicators (PIs) in addition to inspection results and enforcement actions from January 1, 2015 through December 31, 2015. This letter informs you of the NRC's assessment of your facility during this period and its plans for future inspections at your facility.

The NRC determined the performance at Diablo Canyon Power Plant, Units 1 and 2, began the most recent quarter in the Regulatory Response Column (Column 2) of the NRC's Reactor Oversight Process (ROP) Action Matrix because of one White finding in the Emergency Preparedness Cornerstone. On December 15, 2015, the NRC completed a supplemental inspection pursuant to Inspection Procedure 95001, "Supplemental Inspection for One or Two White Inputs in a Strategic Performance Area," at the Diablo Canyon Power Plant. Based on the results of this inspection, the NRC closed the White Emergency Preparedness finding and updated its assessment of Diablo Canyon Power Plant, Units 1 and 2, as documented in Inspection Report and Follow-up Assessment Letter 05000275/2015503 and 05000323/2015503 (ML15362A615). This updated assessment transitioned Diablo Canyon Power Plant, Units 1 and 2, to the Licensee Response Column (Column 1) of the NRC's ROP Action Matrix as of December 28, 2015. Therefore, beginning in the first quarter 2016, the NRC plans to conduct ROP baseline inspections at your facility.

The enclosed inspection plan lists the inspections scheduled through December 31, 2017. Routine inspections performed by resident inspectors are not included in the inspection plan. The inspections listed during the last nine months of the inspection plan are tentative and may be revised at the mid-cycle performance review. The NRC provides the inspection plan to allow for the resolution of any scheduling conflicts and personnel availability issues. The NRC will contact you as soon as possible to discuss changes to the inspection plan should circumstances warrant any changes. This inspection plan does not include security related inspections, which will be sent via separate, non-publicly available correspondence.

In response to the accident at Fukushima, the Commission issued Order EA-12-049, "Order Modifying Licenses with Regard to Requirements for Mitigation Strategies for Beyond-Design-Basis External Events." This Order requires licensees to develop, implement, and maintain guidance and strategies to maintain or restore core cooling, containment, and spent fuel pool cooling capabilities following a beyond-design-basis external event. Additionally, the Commission issued Order EA-12-051, "Order Modifying Licenses with Regard to Reliable Spent Fuel Pool Instrumentation." This Order requires licensees to have a reliable means of remotely monitoring wide-range Spent Fuel Pool levels to support effective prioritization of event mitigation and recovery actions in the event of a beyond-design-basis external event. The NRC is conducting audits of licensee efforts towards compliance with these Orders. The audit was completed for Diablo Canyon Power Plant, Units 1 and 2, and the information gathered will aid staff in development of the Safety Evaluation for the site. After the NRC staff receives the Final Compliance letter for the site, the Final Safety Evaluation will be issued. Then, the NRC staff will confirm through inspections the full implementation of the orders mentioned above by performing Temporary Instruction 191, "Inspection of the Implementation of Mitigation Strategies and Spent Fuel Pool Instrumentation Orders and Emergency Preparedness Communication/Staffing/Multi-Unit Dose Assessment Plans."

In accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) 2.390, "Public Inspections, Exemptions, Requests for Withholding," 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 Publicly Available Records (PARS) component of 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> (the Public Electronic Reading Room).

Please contact Mr. Jeremy Groom at 817-200-1148 with any questions you have regarding this letter.

Sincerely,

/RA/

Troy W. Pruett, Director
Division of Reactor Projects

Docket Nos. 50-275, 50-323
License Nos. DPR-80, DPR-82

Enclosure:
Diablo Canyon Inspection/Activity Plan

In response to the accident at Fukushima, the Commission issued Order EA-12-049, "Order Modifying Licenses with Regard to Requirements for Mitigation Strategies for Beyond-Design-Basis External Events." This Order requires licensees to develop, implement, and maintain guidance and strategies to maintain or restore core cooling, containment, and spent fuel pool cooling capabilities following a beyond-design-basis external event. Additionally, the Commission issued Order EA-12-051, "Order Modifying Licenses with Regard to Reliable Spent Fuel Pool Instrumentation." This Order requires licensees to have a reliable means of remotely monitoring wide-range Spent Fuel Pool levels to support effective prioritization of event mitigation and recovery actions in the event of a beyond-design-basis external event. The NRC is conducting audits of licensee efforts towards compliance with these Orders. The audit was completed for Diablo Canyon Power Plant, Units 1 and 2, and the information gathered will aid staff in development of the Safety Evaluation for the site. After the NRC staff receives the Final Compliance letter for the site, the Final Safety Evaluation will be issued. Then, the NRC staff will confirm through inspections the full implementation of the orders mentioned above by performing Temporary Instruction 191, "Inspection of the Implementation of Mitigation Strategies and Spent Fuel Pool Instrumentation Orders and Emergency Preparedness Communication/Staffing/Multi-Unit Dose Assessment Plans."

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ADAMS ACCESSION NUMBER: ML16061A338

<input checked="" type="checkbox"/> SUNSI Review By: JRG	ADAMS: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Sensitive <input checked="" type="checkbox"/> Non-Sensitive	<input type="checkbox"/> Non-Publicly Available <input checked="" type="checkbox"/> Publicly Available	Keyword NRC-002
OFFICE	BC:DRP/A	D:DRS	D:DRP D	D:DRP
NAME	JGroom	AVegel	RLantz	TPruett
SIGNATURE	/RA/	/RA/	/RA/	/RA/
DATE	2/24/16	2/24/16	2/26/16	2/29/16

OFFICIAL RECORD COPY

Letter to Edward Halpin from Troy Pruett, dated March 2, 2016

SUBJECT: ANNUAL ASSESSMENT LETTER FOR DIABLO CANYON POWER PLANT,
UNITS 1 AND 2 (REPORT 05000275/2015001 AND 05000323/2015001)

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Diablo Canyon
Inspection / Activity Plan
04/01/2016 - 12/31/2017

Unit Number	Planned Dates		Inspection Activity	Title	No. of Staff on Site
	Start	End			
EXAM - INITIAL EXAM					3
1	09/19/2016	09/23/2016	X02599	2ND INITIAL EXAM DC U1 (09/2016)	
2	09/19/2016	09/23/2016	X02600	2ND INITIAL EXAM DC U2 (09/2016)	
1	10/03/2016	10/07/2016	X02599	2ND INITIAL EXAM DC U1 (09/2016)	
2	10/03/2016	10/07/2016	X02600	2ND INITIAL EXAM DC U2 (09/2016)	
EXAMS - INITIAL OPERATOR EXAM					5
1	04/18/2016	04/26/2016	X02569	INITIAL EXAM DIABLO CANYON UNIT 1 (04/2016)	
2	04/18/2016	04/26/2016	X02570	INITIAL EXAM DIABLO CANYON UNIT 2 (04/2016)	
RS 12 PI - RADIATION SAFETY					2
1,2	05/09/2016	05/13/2016	IP 71124.01	Radiological Hazard Assessment and Exposure Controls	
1,2	05/09/2016	05/13/2016	IP 71124.02	Occupational ALARA Planning and Controls	
1,2	05/09/2016	05/13/2016	IP 71151-OR01	Occupational Exposure Control Effectiveness	
1,2	05/09/2016	05/13/2016	IP 71151-PR01	RETS/ODCM Radiological Effluent Occurrences	
71111.08 - INSERVICE INSPECTION 2R19					1
2	05/09/2016	05/20/2016	IP 7111108P	Inservice Inspection Activities - PWR	
TSB 52B - BIENNIAL PI&R INSPECTION					4
1,2	06/27/2016	07/01/2016	IP 71152B	Problem Identification and Resolution	
1,2	07/11/2016	07/15/2016	IP 71152B	Problem Identification and Resolution	
EB1-07T - DC TRIENNIAL HEAT SINK PERFORMANCE					1
1,2	08/01/2016	08/05/2016	IP 7111107T	Heat Sink Performance	
RS 5678 - RADIATION SAFETY - TEAM					4
1,2	08/08/2016	08/12/2016	IP 71124.05	Radiation Monitoring Instrumentation	
1,2	08/08/2016	08/12/2016	IP 71124.06	Radioactive Gaseous and Liquid Effluent Treatment	
1,2	08/08/2016	08/12/2016	IP 71124.07	Radiological Environmental Monitoring Program	
1,2	08/08/2016	08/12/2016	IP 71124.08	Radioactive Solid Waste Processing and Radioactive Material Handling, Storage, and Transportation	
ISFSI - LOADING INSPECTION (ONE WEEK IN MONTH)					1
1,2	09/01/2016	09/30/2016	IP 60855.1	Operation of an Independent Spent Fuel Storage Installation at Operating Plants	
EB2-05XT - TRIENNIAL FIRE PROTECTION INSPECTION					4
1,2	10/03/2016	10/07/2016	IP 7111105X	Fire Protection - NFPA 805 (Triennial)	
1,2	10/17/2016	10/21/2016	IP 7111105X	Fire Protection - NFPA 805 (Triennial)	
EP-2 - EP PERFORMANCE INDICATORS					2
1	10/31/2016	11/04/2016	IP 71151-EP01	Drill/Exercise Performance	
1	10/31/2016	11/04/2016	IP 71151-EP02	ERO Readiness	

This report does not include INPO and OUTAGE activities.
This report shows only on-site and announced inspection procedures.

Diablo Canyon
Inspection / Activity Plan
04/01/2016 - 12/31/2017

Unit Number	Planned Dates		Inspection Activity	Title	No. of Staff on Site
	Start	End			
			EP-2 - EP PERFORMANCE INDICATORS		2
1	10/31/2016	11/04/2016	IP 71151-EP03	Alert & Notification System Reliability	
			EP-3 - BIENNIAL EP EXERCISE INSPECTION		4
1	10/31/2016	11/04/2016	IP 7111401	Exercise Evaluation	
1	10/31/2016	11/04/2016	IP 7111404	Emergency Action Level and Emergency Plan Changes	
			INSP-BRQ - BIENNIAL REQUAL INSPECTION		2
1, 2	04/03/2017	04/07/2017	IP 7111111B	Licensed Operator Requalification Program	
			RS 13 PI - RADIATION SAFETY		3
1, 2	05/08/2017	05/12/2017	IP 71124.01	Radiological Hazard Assessment and Exposure Controls	
1, 2	05/08/2017	05/12/2017	IP 71124.03	In-Plant Airborne Radioactivity Control and Mitigation	
1, 2	05/08/2017	05/12/2017	IP 71151-OR01	Occupational Exposure Control Effectiveness	
1, 2	05/08/2017	05/12/2017	IP 71151-PR01	RETS/ODCM Radiological Effluent Occurrences	
			71111.08 - INSERVICE INSPECTION		1
1	05/08/2017	05/19/2017	IP 7111108P	Inservice Inspection Activities - PWR	
			EB1-17T - DC PERMANENT PLANT MODS & 50.59		3
1, 2	06/12/2017	06/30/2017	IP 7111117T	Evaluations of Changes, Tests, and Experiments and Permanent Plant Modifications	
			RS 24 - RADIATION SAFETY		2
1, 2	07/31/2017	08/04/2017	IP 71124.02	Occupational ALARA Planning and Controls	
1, 2	07/31/2017	08/04/2017	IP 71124.04	Occupational Dose Assessment	
			EP-1 - BIENNIAL EP PROGRAM INSPECTION		1
1, 2	08/28/2017	09/01/2017	IP 7111402	Alert and Notification System Testing	
1, 2	08/28/2017	09/01/2017	IP 7111403	Emergency Preparedness Organization Staffing and Augmentation System	
1, 2	08/28/2017	09/01/2017	IP 7111404	Emergency Action Level and Emergency Plan Changes	
1, 2	08/28/2017	09/01/2017	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies	
			EP-2 - EP PERFORMANCE INDICATOR VERIFICATION		1
1, 2	08/28/2017	09/01/2017	IP 71151-EP01	Drill/Exercise Performance	
1, 2	08/28/2017	09/01/2017	IP 71151-EP02	ERO Readiness	
1, 2	08/28/2017	09/01/2017	IP 71151-EP03	Alert & Notification System Reliability	

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