

April 7, 2016

Mr. Barry S. Allen,  
Site Vice President  
Pacific Gas and Electric Company  
Mail Code 104/5/601  
P.O. Box 56  
Avila Beach, CA 93424

SUBJECT: AMENDMENT NO. 5 TO MATERIALS LICENSE NO. SNM-2511 FOR THE  
DIABLO CANYON INDEPENDENT SPENT FUEL STORAGE INSTALLATION  
(TAC NO. L25055)

Dear Mr. Allen:

By letter dated September 16, 2015, as supplemented January 27, 2016, Pacific Gas and Electric Company (PG&E) submitted proposed Amendment No. 5 to Special Nuclear Materials License No. 2511 for the Diablo Canyon Independent Spent Fuel Storage Installation. The application proposed to remove preferential loading references from the Technical Specifications and improve the readability and human factors usage of the Technical Specifications.

Based on our review of your application, as revised and supplemented, the NRC staff has determined that there is reasonable assurance that: (i) the activities authorized by the amended license can be conducted without endangering the health and safety of the public, and (ii) these activities will be conducted in compliance with the applicable regulations. NRC staff has further determined that the issuance of the amendment will not be inimical to the common defense and security. In addition, the staff determined that issuance of Amendment No. 5 meets the criteria for a categorical exclusion in 10 CFR 51.22(c)(11). Therefore, the staff is not required to prepare an environmental assessment or environmental impact statement for this action.

The NRC has approved the requested amendment. The amended license supersedes Special Nuclear Materials License No. SNM-2511 dated March 10, 2014. Revised Technical Specification pages are also attached. Changes made to the attached license and Technical Specification pages are indicated by vertical lines in the right margin. Also attached are the Safety Evaluation Report and a draft Federal Register Notice of Issuance for the amended license.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the publicly available records component of the NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Website at <http://www.nrc.gov/reading-rm/adams.html>.

B. Allen

- 2 -

If you have any questions regarding this matter, you may contact me at (301) 415-7493 or you may contact Chris Allen of my staff at (301) 415-6877.

Sincerely,

**/RA/**

Steve Ruffin, Acting Chief  
Spent Fuel Licensing Branch  
Division of Spent Fuel Management  
Office of Nuclear Material Safety  
and Safeguards

Docket No.: 72-26

TAC No.: L25055

Attachments:

1. Materials License No. SNM-2511  
Amendment No. 5
2. Revised Technical Specification Pages
3. Safety Evaluation Report
4. Draft *Federal Register* Notice of Issuance of Amendment

If you have any questions regarding this matter, you may contact me at (301) 415-1985 or you may contact Chris Allen at (301) 415-6877.

Sincerely,

**/RA/**

Steve Ruffin, Acting Chief  
 Spent Fuel Licensing Branch  
 Division of Spent Fuel Management  
 Office of Nuclear Material Safety  
 and Safeguards

Docket No.: 72-26

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**ADAMS Package No.: ML16104A344**

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<b>DATE:</b>	2/15/16		2/17/16		2/18/16		2/16/16	
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<b>DATE:</b>	2/24/16		3/2/16		3/30/16		4/7/16	

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