

NRC DISTRIBUTION FOR PART 50 DOCKET MATERIAL

TO: Mr. Benard G. Rusche		FROM: Pacific Gas & Elec. Company San Francisco, California Mr. John F. Bonner		DATE OF DOCUMENT 4/11/77	
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DESCRIPTION

Ltr. indicating that they will request a full power two-year interim operating license for Unit No. 1 in view of the fact that a full term license may not be issued until the summer of 1978.....

DO NOT REMOVE

PLANT NAME: (2-P)
Diablo Canyon Unit Nos. 1 & 2

RJL

ENCLOSURE

ACKNOWLEDGED.

SAFETY		FOR ACTION/INFORMATION		ENVIRO	
<input checked="" type="checkbox"/> ASSIGNED AD:	<i>Vassallo</i>	<input checked="" type="checkbox"/> ASSIGNED AD:	<i>V. Moore</i>		
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GET THE ...

PACIFIC GAS AND ELECTRIC COMPANY

77 BEALE STREET • SAN FRANCISCO, CALIFORNIA 94106

JOHN F. BONNER
PRESIDENT AND
CHIEF EXECUTIVE OFFICER

50-275/323

April 11, 1977



Mr. Benard C. Rusche, Director
Office of Nuclear Reactor Regulation
U. S. Nuclear Regulatory Commission
Washington, D. C. 20555

REGULATORY DOCKET FILE COPY

Dear Mr. Rusche:

In view of the indication in the NRC Staff's recently revised license schedule that a full term license for our nuclear units at Diablo Canyon may not be issued until the summer of 1978, Pacific Gas and Electric Company (PGandE) will file a motion pursuant to 10 CFR 50.57, at the earliest appropriate time, requesting a full power two-year interim operating license for Unit 1 of its Diablo Canyon Power Plant. This is in accord with the "... possible alternative approach that could result in an NRC decision on an interim (as distinguished from full term) operating license for operation of Diablo Canyon Unit 1 before the end of 1977, if action is initiated promptly." described in your response of March 18, 1977, to the telegram inquiry of Chairman Richard L. Maullin of the California Energy Resources Conservation and Development Commission.

As a result of the second consecutive dry year, the power supply available to serve Northern and Central California is seriously inadequate, and will deteriorate further next year without Diablo Canyon Unit 1. The capacity margin on peak-day demand this year is only 7%, about one-half of the maximum required for a reliable supply. Hydroelectric generation during 1977 is estimated at only 42% of normal.

The energy needs of our customers can be met in 1977 only by operating our generating facilities to the full extent of their capabilities and obtaining substantial amounts of energy from neighboring utilities. However, if there are major equipment breakdowns on PGandE's system or those of its neighboring utilities or the loads significantly exceed forecasts, service interruptions will be necessary.

In the absence of generation from Diablo Canyon Unit 1 which under the present schedule might not be licensed for a full term

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April 11, 1977

prior to the summer peak of 1978 and with no other substantial new generating facilities scheduled for 1978, PGandE would be unable to provide uninterrupted service to its electric customers in 1978 unless hydroelectric conditions improve dramatically. Even with improved hydroelectric conditions, its capacity margin on peak days would drop to less than 4%. The increased electric energy generating deficit in Northern and Central California would be so large that there would be little possibility of purchasing from other utilities the amount of energy needed.

In these circumstances PGandE's public utility obligation necessitates its requesting authority to operate Diablo Canyon Unit No. 1 at full power under an interim license. The recently requested additional data being developed in support of a full term license will be available for consideration in the evaluation of the request for an interim license. These will include a probabilistic study of potential seismic activity affecting the site, responses to the ACRS consultants' questions and a substantial reanalysis of the plant based on the postulated seismic activity on the Hosgri fault which are being filed in compliance with the present time schedule for the full term license proceedings. In addition, the probabilistic study will include an analysis of the site during the two-year period of an interim license. These data which will provide reasonable assurance that interim operation can be conducted without endangering the health and safety of the public will be submitted on a schedule to permit consideration by the full ACRS at its July 1977 meeting.

PGandE believes that the public interest of the people of Northern and Central California is such that the two procedures, interim license and full term license, must move in tandem.

PGandE's motion will request that the decision on the interim license be made early in the hearings for consideration of the full term operating license without interrupting or delaying those hearings.

It is also requested that the Staff of the NRC proceed with the studies and analyses necessary to process an interim license request simultaneously with and as an integral part of PGandE's application for a full term operating license.

Sincerely,



cc:ASLB

Parties

Dr. Richard L. Maullin, ERCDC Chairman

Robert Batinovich, CPUC President

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