APPENDIX A

NOTICE OF VIOLATION

Pacific Gas and Electric Company

Docket Nos. 50-275 and 50-323

Diablo Canyon Nuclear Power Plant

License Nos. DPR-80 and DPR-82

During an NRC inspection conducted during the period August 21 through October 16, 1989, and October 23 through 26, 1989, violations of NRC requirements were identified. These violations involved the implementation of the licensee corrective action program. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1989), the violations are set forth below:

10 CFR Part 50, Appendix B, Criterion XVI (Corrective Action) requires, in part, that:

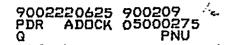
"Measures shall be established to assure that conditions adverse to quality, such as failures, malfunction, deficiencies, deviations, defective material and equipment, and nonconformances are promptly identified and corrected. In the case of significant conditions adverse to quality, the measures shall assure that the cause of the condition is determined and corrective action taken to preclude repetition. The identification of the significant condition adverse to quality, the cause of the condition, and the corrective action taken shall be documented and reported to appropriate levels of management."

A. Contrary to the above, as of October 16, 1989, various members of the PG&E quality assurance department had identified inadequate supplier audits conducted by Cygna Energy Services, however, these deficiencies and nonconformances were not documented, corrected or reported to appropriate levels of licensee management.

This is a Severity Level IV Violation (Supplement I). Since the licensee has implemented corrective action for this violation, no further response is required.

B. Contrary to the above, as of October 26, 1989, PG&E had failed to take appropriate measures to assure correction of deficiencies that had been identified by the licensee involving safety related application of parts provided by two equipment suppliers. Specifically, unassembled, safety-related parts procured from one supplier and non-ASME, safety-related parts procured from another supplier required additional dedication prior to use in safety-related applications.

This is a Severity Level IV Violation (Supplement I).



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Pursuant to the provisions of 10 CFR 2.201, Pacific Gas and Electric Company is hereby required to submit a written statement of explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington DC 20555 with a copy to the Regional Administrator, Region V, and a copy to the NRC Senior Resident Inspector, Diablo Canyon, within 30 days of the date of the letter transmitting this Notice. This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: (1) the reason for the violation if admitted, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance with be achieved. If an adequate reply is not received within the time specified in this Notice, an order may be issued to show cause why the license should not be modified, suspended, or revoked or why such other action as may be proper should not be taken. Consideration may be given to extending the response time for good cause shown.

. FOR THE NUCLEAR REGULATORY COMMISSION

R. P Zimmerman, Director Division of Reactor Safety and Projects

Dated at Walnut Creek, California this 9th day of Feb., 1990.

