



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION V

1450 MARIA LANE, SUITE 210  
WALNUT CREEK, CALIFORNIA 94596

MAR 4 1991

Docket Nos. 50-275 and 50-323

Pacific Gas and Electric Company  
77 Beale Street, Room 1451  
San Francisco, California 94106

Attention: Mr. J. D. Shiffer, Senior Vice President and General Manager  
Nuclear Power Generation

Gentlemen:

Subject: NRC Inspection of Diablo Canyon Units 1 and 2

This refers to the routine inspection conducted by Messrs. P. P. Narbut, B. J. Olson, and K. E. Johnston during the period of December 16, 1990 through February 2, 1991, and February 21, 1991. This inspection examined your activities as authorized by NRC License Nos. DPR-80 and DPR-82. At the conclusion of the inspection, discussions of their findings were held with Mr. J. D. Townsend, and other members of your staff.

Areas examined during this inspection are described in the enclosed inspection report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspectors.

During the inspection several events were evaluated in which your staff did not appear to complete timely and/or comprehensive analyses. For example, in June 1990 your engineering personnel conducted an analysis that concluded that the steam admission valve to the steam driven auxiliary feed pump had been over-stressed and recommended that the valve be disassembled for inspection. This recommendation was not followed-up. Likewise, hardware problems on the vibration and loose parts monitoring system were identified as early as 1985, continued to occur, but were not resolved. For several months in 1990 and 1991 increasing alarms from this system occurred without appropriate engineering attention. Also, in July 1990 an important auxiliary saltwater cross connect valve was identified which could not be operated manually. Repairs were not completed until January 1991. These issues continue to demonstrate that strong management attention is needed to achieve timely and thorough corrective action. These situations also indicate that PG&E management actions following our October 10, 1990 Management Meeting have not been fully effective in achieving a sense of problem ownership and a desire to quickly and thoroughly resolve problems. Continued attention is needed.

In addition, engineering demonstrated examples of poorly managed engineering analyses. In one case, the applicability to Diablo Canyon of main steam check valve problems at another facility was misanalyzed as not being applicable. In another case, an inaccurate engineering analysis was performed in response to a notice of violation regarding the fuel handling building ventilation

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system. The analysis was qualitative in nature and did not duplicate the conditions at the time of the violation. Adequate engineering analyses are essential to the safe conduct of operations and it appears that management attention is needed to insure analyses are complete and well thought out.

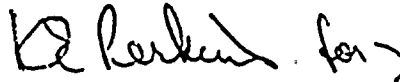
Based on the results of this inspection, some of your activities appeared to deviate from your commitments to the NRC, as set forth in the Notice of Deviation, enclosed herewith as Appendix A. Please respond to this notice as requested in the Appendix.

In accordance with 10 CFR 2.790 (a), a copy of this letter and the enclosures will be placed in the NRC Public Document Room.

The responses requested by this letter are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, P.L. 96-511.

Should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,



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

- Enclosures: 1. Appendix A, Notice of Deviation  
2. Inspection Report Nos. 50-275/90-30 and 50-323/90-30

cc w/enclosures:

J. A. Sexton, PG&E  
R. F. Locke, Esq., PG&E  
J. D. Townsend, PG&E (Diablo Canyon)  
D. A. Taggart, PG&E (Diablo Canyon)  
B. Thomas, News Services, PG&E (Diablo Canyon)  
T. L. Grebel, PG&E (Diablo Canyon)  
State of California  
Sandra Silver (Report Only)



bcc w/enclosures:  
Docket File  
Project Inspector  
Resident Inspector  
G. Cook  
B. Faulkenberry  
J. Martin

bcc w/enclosure 1:  
J. Zollicoffer  
N. Western  
M. Smith  
R. Barr, SRI, Trojan

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2/28/91	2/28/91	2/28/91	2/28/91	2/28/91

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YES / <u>NO</u> ]	YES / <u>NO</u> ]	YES / <u>NO</u> ]	YES / NO ]	YES / <u>NO</u> ]

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