



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

March 16, 1994

Dockets. 50-275  
50-323

Licenses: DPR-80  
DPR-82

EA 94-056

Pacific Gas and Electric Company  
ATTN: Mr. G. M. Rueger, Senior Vice President and General Manager  
Nuclear Power Generation Business Unit  
Nuclear Power Generation, B14A  
77 Beale Street, Room 1451  
P. O. Box 770000  
San Francisco, California 94177

SUBJECT: NRC INSPECTION REPORT 50-275/94-08; 50-323/94-08

This refers to the inspection conducted by Mr. P. Narbut on February 28, March 1 and 8, 1994. The inspection included a review of activities authorized for your Diablo Canyon Nuclear Power Plant, Units 1 and 2. At the conclusion of the inspection, the findings were discussed with those members of your staff identified in the enclosed report.

Areas examined during this inspection are described in the report. In followup to Inspection Report 50-275/93-36, 50-323/93-36, the inspection further reviewed PG&E's activities performed in response to Generic Letter 89-13, "Service Water System Problems Affecting Safety-Related Equipment," issued on July 18, 1989. The purpose of the inspection was to determine whether activities authorized by the license were conducted safely and in accordance with NRC requirements. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector.

Based on the results of this inspection, three apparent violations were identified and are being considered for escalated enforcement action in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions" (Enforcement Policy), 10 CFR Part 2, Appendix C. The apparent violations involve: (1) the failure to implement adequate design control measures to assure that the specifications and procedures associated with the Component Cooling Water Heat Exchangers maintained the system design basis for maximum system temperature, (2) the failure to provide complete and accurate information to the NRC regarding the results of the testing of these heat exchangers, and (3) the failure to identify the cause and take timely corrective action for the failure of CCW Heat Exchanger 1-2 to meet the test acceptance criteria for heat exchanger capacity on February 2, 1991. Accordingly, no Notice of Violation is presently being issued for these

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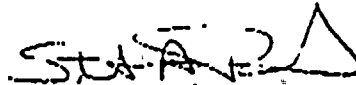
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inspection findings. In addition, please be advised that the number and characterization of apparent violations described in the enclosed inspection report may change as a result of further NRC review.

An enforcement conference to discuss these apparent violations has been scheduled for March 23, 1994. This enforcement conference will be open to public observation in accordance with the Commission's trial program as discussed in the enclosed *Federal Register* notice (Enclosure 2). The decision to hold an enforcement conference does not mean that the NRC has determined that a violation has occurred or that enforcement action will be taken. The purposes of this conference are to discuss the apparent violations, their causes and safety significance; to provide you the opportunity to point out any errors in our inspection report; and to provide an opportunity for you to present your proposed corrective actions. In addition, this is an opportunity for you to provide any information concerning your perspectives on 1) the severity of the violations, 2) the application of the factors that the NRC considers when it determines the amount of a civil penalty that may be assessed in accordance with Section VI.B.2 of the Enforcement Policy, and 3) any other application of the Enforcement Policy to this case, including the exercise of discretion in accordance with Section VII. You will be advised by separate correspondence of the results of our deliberations on this matter. No response regarding these apparent violations is required at this time.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be placed in the NRC Public Document Room.

Sincerely,



S. A. Richards, Acting Director  
Division of Reactor Safety and Projects

Enclosures:

1. Inspection Report 50-275/94-08; 50-323/94-08
2. *Federal Register* Notice

cc w/enclosures:

Dr. Richard Ferguson, Energy Chair, Sierra Club California  
Ms. Nancy Culver, San Luis Obispo Mothers for Peace  
Ms. Jacquelyn C. Wheeler  
Managing Editor, The County Telegram Tribune  
Chairman, San Luis Obispo County Board of Supervisors  
Mr. Truman Burns, California Public Utilities Commission  
Mr. Robert Kinosian, California Public Utilities Commission  
Robert R. Wellington, Esq., Diablo Canyon Independent Safety Committee  
Mr. Steve Hsu, Radiologic Health Branch, State Department  
of Health Services  
Mr. Peter H. Kaufman, Deputy Attorney General, State of California  
Christopher J. Warner, Esq., PG&E  
Mr. John Townsend, Vice President and Plant Manager, Diablo Canyon

