

ENVIRO - FILE (NEPA)

NOV 29 1971

Docket Nos. 50-279
and 50-323

Mr. Norman B. Livermore, Jr.
Secretary for Resources
Resources Agency of California
Sacramento, California 95814

Dear Mr. Livermore:

The Pacific Gas and Electric Company (the licensee) is the holder of Construction Permits Nos. CRR-39 and CRR-69 (the construction permits), issued by the Atomic Energy Commission on April 23, 1968 and December 9, 1970, respectively. The construction permits authorize the licensee to construct two pressurized water nuclear reactors, designated as the Diablo Canyon Nuclear Power Plant, Units 1 and 2, at the licensee's site in San Luis Obispo County, California. Each reactor is designed for initial operation at approximately 3250 megawatts (thermal).

In accordance with section E.3 of the Commission's regulations implementing the National Environmental Policy Act of 1969 (NEPA), Appendix D of 10 CFR Part 50 (Appendix D), the licensee has furnished to the Commission a written statement of reasons, with supporting factual submission, why the construction permits should not be suspended, in whole or in part, pending completion of the NEPA environmental review.

The Director of Regulation has considered the licensee's submission in light of the criteria set out in section E.2 of Appendix D and has determined, after considering and balancing the criteria in section E.2 of Appendix D, that construction activities involving clearing the off-site right-of-way and constructing the second Diablo-Midway transmission line for the Diablo Canyon Nuclear Plant should be suspended pending completion of those portions of the NEPA environmental review. With respect to the construction of the Diablo-Gates transmission line and the first Diablo-Midway transmission line, and the onsite portions of the Diablo Canyon Plant, we have balanced the environmental factors and concluded that these activities need not be suspended.

The Director of Regulation has served the enclosed Order to Show Cause why the above mentioned construction activities at the Diablo Canyon Nuclear Power Plant, Units 1 and 2, should not be suspended until the environmental review of this issue is completed.

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Further details of this determination are set forth in a document entitled, "Discussion and Findings by the Division of Reactor Licensing, U. S. Atomic Energy Commission, Relating to Consideration of Suspension Pending NEPA Environmental Review of the Construction Permits for the Diablo Canyon Nuclear Power Plant, Docket Nos. 50-275 and 50-323."

A copy of a related notice which has been forwarded to the Office of the Federal Register for publication is also enclosed.

Sincerely,

Original signed by
D. R. Muller
for R. G. DeYoung, Assistant Director
for Pressurized Water Reactors
Division of Reactor Licensing

Enclosures:

1. Order to Show Cause
2. Discussion & Findings
3. Federal Register Notice

cc w/encin:

Dr. John M. Hensley, Chief
Environmental Health and Consumer
Protection Program
Department of Public Health
Berkeley, California 94704

Mr. John Fraeman, Chairman
San Luis Obispo County Board
of Supervisors
County Court House
San Luis Obispo, California 93401

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