

**Responses to Questions
The Honorable Salud O. Carbajal
Letter Dated January 29, 2019**

1. What steps is the Nuclear Regulatory Commission (NRC) taking to exercise its duty to ensure the safety of the nuclear power plant operations?

The bankruptcy filing does not relieve Pacific Gas and Electric Corporation or its subsidiary, Pacific Gas and Electric Company (PG&E), the licensee operating Diablo Canyon Nuclear Power Plant (Diablo Canyon), of their obligations to comply with NRC requirements. Moreover, the NRC's inspection and oversight responsibilities will not change as a result of the bankruptcy protection filing. The NRC staff will continue to inspect and assess performance to ensure that the plant is safely operated.

NRC staff in the NRC's Region IV office are implementing a focused inspection plan for Diablo Canyon to assess whether there are any adverse impacts on safe plant operation resulting from the licensee's financial challenges. This is consistent with NRC actions taken at other plants in the few previous instances where the licensee has declared bankruptcy. Should the NRC staff identify deficiencies in the licensee's performance in safely maintaining and operating the plant, the NRC would utilize enforcement actions available under our regulations and policy, up to and including the issuance of orders to the licensee.

2. As you have previously assured my office, can you provide an overview of the actions the NRC has taken in conducting an assessment to ensure there are sufficient funds set aside for the decommissioning process?

The NRC has a comprehensive, regulatory framework that provides for oversight of a licensee's decommissioning funding while a facility is operating and while it is undergoing decommissioning. Specifically, NRC regulations require licensees to provide decommissioning funding assurance until decommissioning is completed to NRC standards and the license is terminated.

Consistent with these regulations, the NRC continues to monitor PG&E's decommissioning financial assurance for Diablo Canyon and its onsite independent spent fuel storage installation (ISFSI) to ensure adequate funding in compliance with decommissioning funding requirements. PG&E reported the status of its decommissioning funding for Diablo Canyon in March 2017. Based on this status report, NRC staff concluded that the minimum decommissioning funding requirements were met. PG&E is required to submit its next status report in March 2019, and annually thereafter for Unit 1 until the license is terminated. For Unit 2, annual reporting will begin following the required biennial submittal in March 2021. In December 2018, PG&E submitted its triennial decommissioning funding plans for the ISFSI at Diablo Canyon. The NRC staff is currently reviewing these plans. Updates to the ISFSI decommissioning funding plan also are required until the ISFSI is decommissioned and the license terminated.

Separately, the Department of Justice, working closely with the NRC's Office of the General Counsel, will represent the NRC's interests in the bankruptcy proceeding. NRC's interests include protection and preservation of the decommissioning trust funds and continued compliance with decommissioning funding requirements.

Enclosure

3. Are there any expected changes that could impact the planned decommissioning date of 2024/2025?

Prior to its bankruptcy filing, PG&E, in its certification to the NRC dated November 27, 2018, indicated that it intends to shut down the units at Diablo Canyon at the end of their 40-year licenses (in 2024 for Unit 1 and 2025 for Unit 2). The staff is not aware of any change in the company's plans. As a part of its continuing oversight of the plant, the NRC staff will monitor PG&E's activities, including any actions the licensee may take regarding the continued operation of the plant and through the decommissioning process until license termination.