

PACIFIC GAS AND ELECTRIC COMPANY

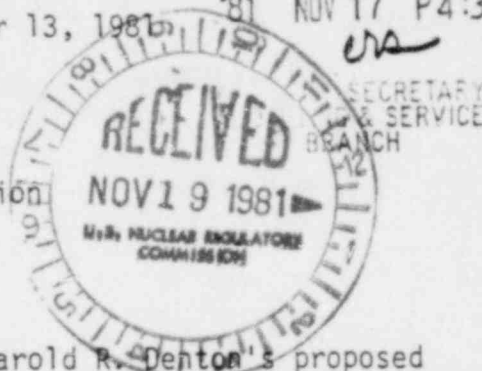
77 BEALE STREET - SAN FRANCISCO, CALIFORNIA 94106

BARTON W. SHACKELFORD
PRESIDENT

November 13, 1981

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Nunzio J. Palladino
Chairman, U.S. Nuclear Regulatory Commission
Washington, D.C. 20555



Dear Chairman Palladino:

I am writing to you about Mr. Harold R. Denton's proposed letter to Mr. Malcolm Furbush of our Company which would formally impose additional requirements for review of Diablo Canyon engineering work. While we believe these additional requirements increase the scope of review effort out of proportion to the magnitude of the errors reported and their consequences to plant design and safety, we are prepared to respond positively to the intent of the letter as it was presented to you on November 9, 1981.

The Seismic Reverification Program that PGandE is conducting through Robert L. Cloud Associates, Inc. (RLCA) of Berkeley, California was presented to the NRC staff in Washington on November 3, 1981. This work is well along and proceeding in a satisfactory manner. The program plan and a draft report on Phase I of the program have been submitted to the NRC staff, as Mr. Denton requested at our meeting of October 9.

The additional requirements for engineering review that are now being imposed are closely and logically related to the work being done by RLCA. It is our intention to request RLCA to modify the Seismic Reverification Program that is underway to include the additional review work of service-related contractor and internal PGandE design interfaces on safety related design work.

It is our belief that the work being performed at RLCA is of the highest professional caliber. The head of the firm, Dr. Robert L. Cloud, is without question one of the most highly qualified persons in the nuclear field. Nevertheless, because of the need to perform an investigation of the larger scope now being proposed by NRC, we intend to retain a highly knowledgeable and balanced team from Teledyne Engineering Services of Waltham, Massachusetts, led by Dr. William Cooper to assist in this work and independently to review and audit the program and methodology employed by RLCA. This team will include Mr. Roger Reedy, an independent consultant and expert in the Quality Assurance Field from San Jose, California. Mr. Reedy is presently chairman of the ASME Boiler and Pressure Vessel Code Subcommittee on Nuclear Power and is known to the NRC. This team, along with Dr. Cloud, will report directly to Mr. George A. Maneatis, Senior Vice President of our Company and will ensure an independent and high-quality design verification and review effort.

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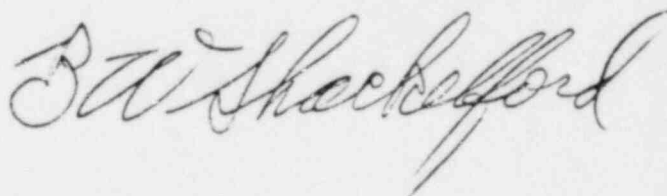
November 13, 1981

It is very important for us to continue on the course which has been described to you because time is of the essence in this effort. We can, albeit reluctantly, accede to requests for additional review work; however, the lost time that would result from a need to work with new and different contractors is most difficult to accept. With additional assurances gained from the present proposal, it should not be necessary to change the direction of our review effort. You may note that the lead people involved in these reviews are among the most qualified in the country.

In addition, RLCA will be arranging for increased staffing capability from local consulting firms to augment their expertise in other areas of safety related design. For example, this would include TERA in the area of systems design, particularly, electrical and control systems. Other contractor personnel will be used as required.

We trust this proposal will meet with your approval. We believe we have faced the issue of discrepancies in seismic qualification at Diablo Canyon in a direct and forthright manner, and that we are on an appropriate course of corrective action. We earnestly request your acceptance of our proposed program.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "B. A. Shedd".

cc Other Commissioners ✓
Harold R. Denton
Service List