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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

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Before The Atomic Safety And Licensing Appeal Board

SECRETARY
DOCKETING & SERVICE
BRANCH

In the Matter of)
)
Pacific Gas and Electric)
Company)
)
(Diablo Canyon Power Plant,)
Units 1 and 2.))
_____)

Docket Nos. 50-275 OL
50-323 OL

Pacific Gas and Electric Company's
Reply to Joint Intervenors' Response
To Appeal Board Order of September 10, 1984

I

INTRODUCTION

On September 10, 1984, the Appeal Board requested that the parties provide their views on how the Board should proceed with respect to Diablo Canyon Unit 2. The Board directed the parties to address whether further hearings were necessary and, if so, to identify those issues identified in ALAB-763, 19 NRC 571 (1984), which could not be resolved for Unit 2 on the existing record and fully explain why the record evidence was insufficient. The

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1 Appeal Board also requested a hearing schedule be furnished
2 if a party believed further hearings were necessary. 1/

3 PGandE and the NRC Staff filed responses to the
4 Appeal Board's Order concluding that no further hearings are
5 warranted or necessary for Unit 2. 2/ The joint
6 intervenors, however, took the position that further
7 hearings are necessary to confirm the design adequacy of
8 Unit 2 and, accordingly, proposed a hearing schedule. For
9 the reasons set forth below, PGandE opposes joint
10 intervenors' request.

11 II

12 ARGUMENT

13 Joint intervenors have ignored the Appeal Board's
14 plain request that a party must specify those issues decided
15 in ALAB-763 which could not be resolved for Unit 2 on the
16 existing record and, more importantly, specify why the
17 record is insufficient as to those issues. (Board Order,
18 p. 2.) Rather than complying with the straightforward
19 requirements of the Board's Order, joint intervenors have
20 the temerity to suggest that contentions (issues allegedly
21 not resolved for Unit 2) be finalized only after further
22

23 1/ The Appeal Board requested that the Staff provide it
24 with information on the expected date of issuance of a
25 Unit 2 SSER and that PGandE indicate a schedule for
26 Unit 2 operation.

2/ The Governor has apparently not filed a pleading in
response to this Board's invitation.

1 hearings are decreed by the Board and discovery has been
2 completed. (J.I. Response at p. 7). By this action, joint
3 intervenors ignore not only the Appeal Board's Order but
4 nullify the orderly adjudicatory process mandated by the
5 Commission's rules of practice.

6 As the Staff noted in its Response, the design of
7 Unit 2 was litigated in the October-November 1983 design
8 hearing. (Staff Brief, p. 2.) This fact was reflected not
9 only in the admitted contentions, discovery, prefiled
10 testimony, and testimony at hearing, but also in the
11 proposed findings of the parties.

12 Joint intervenors in effect would have this Board
13 conclude that Unit 2 was not even a part of the case
14 considered to this point in time. They completely ignore
15 the fact that specific Unit 2 contentions were put at issue
16 in those reopened proceedings and evidence was adduced
17 concerning those contentions. Nowhere in their response do
18 joint intervenors discuss, much less justify, what
19 additional evidence is needed on any specific contention.
20 Rather, joint intervenors make sweeping generalizations of a
21 need for further hearings on Unit 2 while at the same time
22 ignoring the considerable evidence in the record relating to
23 Unit 2 design verification activities. Nowhere do they
24 dispute that the same criteria, methodology, design
25 processes and basic procedures were used for Unit 2 as were
26 used for Unit 1. Nowhere do they articulate why the

1 evidence and conclusions reached by the Board in ALAB-763 do
2 not apply with equal force to Unit 2. Nowhere do they
3 dispute that the IDVP reviewed the seismic design criteria,
4 methodology, and processes applicable to both units when it
5 conducted its review of Unit 1. Instead, they rely on
6 generalized statements of concern about the scope of the
7 verification effort for Unit 2 and whether PGandE in fact
8 did what it said it was going to do in unrebutted testimony.
9 In the face of uncontroverted evidence that the same
10 criteria, methodologies, design processes, and basic
11 procedures were utilized in the ITP's review of the design
12 of Unit 2, vis-a-vis Unit 1, joint intervenors have failed
13 to present anything to the contrary. In fact, joint
14 intervenors have already abandoned contention 2(d) which
15 dealt with the adequacy of the ITP verification activities
16 for Unit 2.

17 PGandE has clearly established by record evidence
18 that the seismic design of Units 1 and 2 has been
19 essentially reviewed by the IDVP and ITP (PGandE Response,
20 pp. 6-10). PGandE has also demonstrated that for nonseismic
21 design involving basic system functions and components, the
22 same criteria, design, and methodologies were utilized for

23 ///

24 ///

25 ///

26

1 both units since the systems and components are basically
2 the same for both units. 3/

3 Joint intervenors also claim that a hearing on
4 Unit 2 is necessary to review allegations by Messrs. Stokes
5 and Yin concerning small and large bore piping design.
6 However, that matter has been resolved by this Board's
7 decision in ALAB-775. There the Appeal Board found that:

8 ". . . the joint intervenors have failed
9 to present new evidence of any signifi-
10 cant safety issue that could have an
11 effect on the outcome of the licensing
12 of the proceeding. Among other things,
13 the movants have not presented evidence
14 that establishes uncorrected design
15 . . . errors that endanger safe plant
16 operation. Nor have they demonstrated
17 that there has been a breakdown of the
18 applicant's quality assurance program
19 that raises legitimate doubt that the
20 facility can operate safely." (Footnote
21 omitted.) ALAB-775 (Slip. Op. at,
22 9-10.)

23 The Board also observed in ALAB-775 that the joint
24 intervenors, despite being requested to address why the
25 PGandE and Staff responses were insufficient, failed to
26 "individually address all of . . . the matters raised."
(ALAB-775, Slip Op. p. 9 fn. 19.) In similar fashion, joint

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3/ Indeed, the Board recognized in ALAB-763 (19 NRC at
581, fn. 46) that the IDVP's findings in the nonseismic
area were few in number, of relatively minor signifi-
cance, and required only a few minor modifications.
The Board went on to observe that it agreed with the
ITP's conclusion that there was a high degree of confi-
dence in the adequacy of the nonseismic design at
Diablo Canyon. (ALAB-763, 19 NRC at 591-592.)

1 intervenors have failed or refused to comply with the
2 Board's direction to give specifics on the issues
3 (contentions) decided in ALAB-763 for which the record
4 evidence is insufficient. This failure, standing alone,
5 warrants denial of joint intervenors request for additional
6 hearings.

7 As the Board acknowledged in its September 10,
8 1984 Order, in NRC licensing proceedings it is often
9 permissible to litigate an "applicant's present plans for
10 future regulatory compliance." This is just such a case.
11 There are no significant design differences between Unit 1
12 and Unit 2. (PGandE Response, pp. 2-3.) The ITP applied
13 the same design review approach to Unit 2 as it did for
14 Unit 1. Accordingly, all that is necessary is for the NRC
15 staff to confirm, as part of its normal inspection process,
16 PGandE's compliance with the established design and
17 licensing criteria.

18 As noted above, PGandE is firmly of the opinion
19 that further hearings on Unit 2 are not required.
20 Nonetheless, in response to the Board's request, PGandE
21 would point out that the schedule for further hearings
22 proposed by Joint Intervenors is far in excess of any which
23 could be deemed reasonable. The proposed schedule is one
24 which might be acceptable for de novo consideration of
25 issues but is patently absurd for review of matters
26 ///

1 previously reviewed in some detail in adjudicatory
2 proceedings.

3 CONCLUSION

4 The evidence in the record is sufficient to permit
5 this Board to conclude that the design of Unit 2 is
6 adequate. Accordingly, it is respectfully submitted that no
7 further hearings on the design of Unit 2 are warranted and
8 that this Board should issue its finding that the design of
9 Unit 2 is adequate.

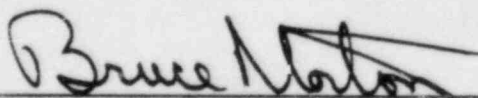
10 Respectfully submitted,

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26 DATED: October 10, 1984.

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

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CERTIFICATE OF SERVICE

The foregoing document(s) of Pacific Gas and Electric Company has (have) been served today on the following by deposit in the United States mail, properly stamped and addressed:

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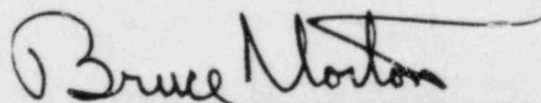
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