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DOCKETED
USNRC

Hon. Nunzio Palladino, Chairman,
and Members of the Commission
Nuclear Regulatory Commission
Washington, D.C. 20555

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OFFICE OF SECRETARY
DOCKETING & SERVICE

Dear Chairman Palladino and Members of the Commission:

PACIFIC GAS AND ELECTRIC COMPANY (Diablo Canyon Nuclear Power Plant,
Units 1 and 2), U.S. Nuclear Regulatory Commission
Docket No. 50-275, 50-323 *62*

In response to the invitation of the Secretary to the Commission, we offer the following comments, on behalf of Governor George Deukmejian, concerning the July 1984 answers of Dr. Sherman Naymark to the commission's questions regarding the Nuclear Services Corporation's 1977 audit of the Diablo Canyon work of the Pullman Power Company.

The response of Dr. Naymark simply reinforces the central fact about the quality of construction at Diablo Canyon: that the commission does not have any basis for assuming that the work meets the commission's regulations. Dr. Naymark stands behind the devastating criticism of the Pullman Diablo QA program -- including findings that seventeen of the eighteen criteria of Appendix B were not met. Just as Pacific Gas and Electric Company and the NRC staff were not persuaded by NSC, NSC has not been convinced by the PG&E and staff efforts to explain away the audit.

In his pending Petition for Review of ALAB-756, the Governor pointed to the dispute between PG&E and NSC concerning the Pullman work as evidence of the need to convene a hearing to resolve the critical safety questions the audit raises. The Atomic Safety and Licensing Appeal Board felt itself at liberty to weigh the conflicting evidence and reach conclusions without such a hearing. Now the commission has before it additional evidence that such a hearing was required. The person responsible for the audit, after seeing the PG&E and NRC Staff evidence, continues to stand behind the original findings of deficiencies. We think it would be inconceivable for the commission would settle for less than a full resolution of these safety issues, on the record, as the law requires.

Very truly yours,

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