

## UNITED STATES NUCLEAR REGULATORY COMMISSION REGION V

RSB

1450 MARIA LANE, SUITE 210 WALNUT CREEK, CALIFORNIA 94596

JUL 27 1984

Docket Nos. 50-275, 50-323

Pacific Gas and Electric Company 77 Beale Street, Room 1435 San Francisco, California 94106

Attention: Mr. J. O. Schuyler, Vice President

Nuclear Power Generation

Gentlemen:

Subject: NRC Inspection of Diablo Canyon Units 1 and 2

This refers to the inspection conducted by Mr. J. F. Burdoin, of this office on April 30 to May 4, 1984 and inspections conducted by NRC Contract (LLNL) inspectors during April and May 1984, of activities authorized by NRC License No. DPR-76 and Construction Permit No. CPPR-69 and to the discussion of our findings with Messrs. R. R. Lieber, and other members of your staff on May 4, 1984.

Areas examined during this inspection are described in the enclosed inspection report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector.

Based on the results of this inspection, it appears that one of your activities was not conducted in full compliance with NRC requirements, as set forth in the Notice of Violation, enclosed herewith as Appendix A.

Your response to this Notice is to be submitted in accordance with the provisions of 10 CFR 2.201 as stated in Appendix A, Notice of Violation.

In accordance with 10 CFR 2.790(a), a copy of this letter and the enclosure(s) will be placed in the NRC Public Document Room unless you notify this office, by telephone, within ten days of the date of this letter and submit written application to withhold information contained therein within thirty days of the date of this letter. Such application must be consistent with the requirements of 2.790(b)(1).

B0B0491 B40727 ADDCK 05000275 PDR Should you have any questions concerning this inspection, we will be glad to discuss them with you.

The responses directed by this letter and the accompanying Notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

Sincerely.

T. W. Bishop, Director Division of Reactor Safety and Projects

## Enclosures:

- A. Appendix A, Notice of Violation
- B. Inspection Report Nos. 50-275/84-13 50-323/84-05
- C. February 1984 LLNL Design Verification Report
- D. March 1984 LLNL Design Verification Report
- E. April 1984 LLNL Design Verification Report

## cc w/enclosures:

S. M. Skidmore, PG&E

R. C. Thornberry, PG&E (Diablo Canyon)

P. A. Crane, PG&E

C. M. Seward, PG&E (Diablo Canyon)

D. Vollmer, NRR

bcc: RSB/Document Control Desk (RIDS)

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D. Kirsch 7// /84

T. Bishop