

UNITED STATES NUCLEAR REGULATORY COMMISSION WASHINGTON, D. C. 20555

August 2, 1990

Docket Nos. 50-275 and 50-323

> Mr. J. D. Shiffer, Vice President Nuclear Power Generation c/o Nuclear Power Generation, Licensing Pacific Gas and Electric Company 77 Beale Street, Room 1451 San Francisco, California 94106

Dear Mr. Shiffer:

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SUBJECT: CLOSEOUT OF ISSUES RELATING TO 10 CFR 50.59 FOR DIABLO CANYON POWER PLANT, UNITS 1 AND 2 (TAC NOS. 75819 AND 75820, REMOVAL OF GROSS FAILED FUEL DETECTOR, AND TAC NOS. 75821 AND 75822, ADDITION OF 6000 GALLON AMMONIUM HYDROXIDE TANK)

PG&E has requested that the NRC staff review and approve two specific changes in the Diablo Canyon Power Plant. These requests were made in your letters dated November 15, 1989 (removal of gross failed fuel detector) and December 8, 1989 (addition of 6000 gallon ammonium hydroxide tank). Both letters state that PG&E has evaluated the proposed action pursuant to 10 CFR 50.59 and has determined that the action does not involve a change in the technical specifications and does not constitute an unreviewed safety question (USQ). However, in both letters you enclosed a safety evaluation of the proposed action and requested staff concurrence.

The NRC staff position regarding such issues is that approval by the staff is not necessary if the licensee has made a valid determination that the proposed action does not involve a technical specification change and does not constitute a USQ. Further, conducting such reviews in most cases would not be an efficient use of staff resources. Based on this, we have decided not to review the two changes discussed above.

However, in order to assure that appropriate guidelines, administrative controls, and employee training programs are being used, the NRC staff periodically evaluates the 50.59 review process used by each licensee. In addition, to verify that USO determinations are being made correctly, the staff may at any time audit specific 50.59 reviews made by licensees. Licensee records of 50.59 reviews are required by 50.59(b)(1) to be maintained by the licensee, and facilitate such audits by the staff. Incorrect 10 CFR 50.59 safety evaluations, or failure to perform such evaluations when required, are subject to NRC enforcement action.

A related issue that we have discussed with your staff is the effect of previous NRC staff safety evaluations on 50.59 reviews. If a staff safety evaluation specifically relies on a plant structure, system, or component to make a finding of safety, then changing that item constitutes a USQ, even LOG NUMBER DE if an alternate means of achieving the same safety function is provided.

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On the other hand, if the SER (including its supplements, and other applicable staff safety evaluations) does not explicitly indicate reliance on the safety contribution of a specific structure, system, or component, then changes to it would not be a USQ, provided that the criteria of 10 CFR 50.59 are otherwise met.

The determination by a licensee that a change constitutes a USQ does not mean that the change cannot be shown to be acceptable. Many changes enhance safety, even though they may involve a USQ. Further, 10 CFR 50.59 does not preclude making a change that is a USQ, but prior to making such a change, the licensee must submit, and the staff must approve, an application for a license amendment pursuant to 10 CFR 50.90. In the absence of a need to change the technical specifications, such an application should consist of a request for an amendment approving the proposed change. The amendment would not include a license condition specifically authorizing the proposed plant modification. Rather, the amendment would be accompanied by a safety evaluation by the staff approving the change (assuming that it is found to be acceptable by the staff). The amendment request should be accompanied by the usual information, such as a safety evaluation, etc., and a commitment to include a description of the proposed change, if approved, in the FSAR at the next annual update.

This completes the NRC staff's action on these issues and closes TAC Nos. 75819, 75820, 75821, and 75822. If you have any questions regarding this matter, please contact me.

Sincerely.

Hang Rood

Harry Rood, Senior Project Manager Project Directorate V

Division of Reactor Projects - III,

IV, V and Special Projects Office of Nuclear Reactor Regulation

cc: See next page

cc: Richard F. Locke, Esq. Pacific Gas & Electric Company Post Office Box 7442 San Francisco, California 94120

Ms. Sandra A. Silver 660 Granite Creek Road Santa Cruz, California 95065

Mr. Peter H. Kaufman Deputy Attorney General State of California 110 West A Street, Suite 700 San Diego, California 92101

Managing Editor
The County Telegram Tribune
1321 Johnson Avenue
P. O. Box 112
San Luis Obispo, California 93406

Ms. Nancy Culver 192 Luneta Street San Luis Obispo, California 93401

Regional Administrator, Region V U.S. Nuclear Regulatory Commission 1450 Maria Lane, Suite 210 Walnut Creek, California 94596

Mr. John Hickman
Senior Health Physicist
Environmental Radioactive Mgmt. Unit
Environmental Management Branch
State Department of Health Services
714 P Street, Room 616
Sacramento, California 95814

NRC Resident Inspector
Diablo Canyon Nuclear Power Plant
c/o U.S. Nuclear Regulatory Commission
P. O. Box 369
Avila Beach, California 93424

Bruce Norton, Esq. c/o Richard F. Locke, Esq. Pacific Gas and Electric Company Post Office Box 7442 San Francisco, California 94120

Dr. R. B. Ferguson Sierra Club - Santa Lucia Chapter Rocky Canyon Star Route Creston, California 93432

Chairman
San Luis Obispo County Board of
Supervisors
Room 270
County Government Center
San Luis Obispo, California 93408

Michael M. Strumwasser, Esq. Special Assistant Attorney General State of California Department of Justice 3580 Wilshire Boulevard, Room 800 Los Angeles, California 90010