



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

RELATED CORRESPONDENCE

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Thomas S. Moore, Esq., Chairman
Atomic Safety and Licensing
Appeal Board
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

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Washington, D.C. 20555

OFFICE OF SECRETARY
DOCKETING & SERVICE
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In the Matter of
PACIFIC GAS AND ELECTRIC COMPANY
(Diablo Canyon Nuclear Power Plant, Units 1 and 2)
Docket Nos. 50-275 OL and 50-323 OL

Dear Members of the Appeal Board:

By letter dated January 25, 1985, I advised that the Staff anticipated that the Supplement to the Safety Evaluation Report addressing design verification efforts regarding the Diablo Canyon Nuclear Power Plant, Unit 2 would be issued in February 1985. The Staff's review efforts in this regard are essentially complete. Nevertheless, in part because of the involvement of the same Staff reviewers in efforts associated with the review of allegations and related piping and support issues, completion of the design verification Supplement has been further delayed. The Staff now estimates that this Supplement will issue in March 1985. Still in preparation are one or more supplements which will address the status of the Staff's allegation review activities, evaluation of piping and support issues for Unit 2 and other, routine licensing issues. It is currently expected that the supplement(s) on these issues will also issue in March 1985.

The Appeal Board, in ALAB-763, 19 NRC 571 (1984), and ALAB-781, 20 NRC 819 (1984), stayed the effectiveness of the Licensing Board's August 31, 1982 Initial Decision, LBP-82-70, 16 NRC 756 (1982), insofar as it authorized the issuance of a full power operating license for Diablo Canyon Unit 2. Inasmuch as the Appeal Board did not stay the effectiveness of the Licensing Board's decision, LBP-81-21, 14 NRC 107 (1981), authorizing issuance of an operating license permitting fuel loading and low power testing up to 5% of rated power, however, the Staff intends to issue an operating license authorizing such activities for Unit 2 subject to favorable resolution of the outstanding matters. In light of the schedule presented above, it is anticipated that such license could be issued in late March 1985.

Sincerely,

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Special Litigation Counsel

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