

UNITED STATES  
ATOMIC ENERGY COMMISSION  
DIVISION OF COMPLIANCE  
REGION V  
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April 3, 1970

J. P. O'Reilly, Chief  
Reactor Inspection and Enforcement Branch  
Division of Compliance, Headquarters

PACIFIC GAS AND ELECTRIC COMPANY (DIABLO CANYON UNIT NO. 1)  
DOCKET NO. 50-275

The attached report contains the details of a recent inspection of activities at the site of the subject facility under construction. The inspection was performed pursuant to PI-3800/2, Attachment C-Containment. The management interview was held in San Francisco, California, on March 12, 1970.

An item of nonconformance with PSAR requirements relating to testing of the steel being used for the containment liner was identified during the inspection. A construction deficiency notice concerning the item will be sent to the licensee pending HQ review and concurrence. The testing discrepancy had been detected by the licensee's QA Section immediately prior to our inspection. The licensee's response was direct and affirmative in that PG&E stated that they will insist that valid tests be performed pursuant to the specified ASTM Standard as prescribed in the PSAR.

As requested by CO:HQ memorandum dated 12/5/69, inquiry was made concerning construction of the 25% portion of the auxiliary building solely attributable to Unit No. 2 for which the licensee obtained an exemption from the provisions of 10CFR50, 50.10(b). We found that the same contractor (Guy F. Atkinson) was performing the work and that the quality assurance program in effect for the construction of Unit No. 1 was being applied to that portion of the auxiliary building under construction pursuant to the granted exemption.

You will note, by information provided throughout the report, that the licensee has in general developed and implemented what appears to be an effective QA-QC program to assure that construction work

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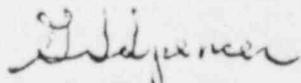
J. P. O'Reilly

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has been performed in accordance with the prescribed requirements. However, the wording of the licensee's Discrepancy Control procedure may need improvement to delineate more clearly the minor discrepancies that are handled by normal QC documentation rather than by the formal discrepancy report procedure. This subject will be discussed during the followup QA inspection (Diablo No. 2) scheduled for March 26 and 27, 1970.

CO:V:ADJ



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Senior Reactor Inspector

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