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Note to: Harold R. Denton, Director
Office of Nuclear Reactor Regulation

From: Guy H. Cunningham, III
Executive Legal Director

SUBJECT: DIABLO CANYON UNIT 2 - COMMISSION DECISION AUTHORIZING ISSUANCE
OF FULL POWER LICENSE

On August 1, 1985, the Commission issued a Memorandum and Order, CLI-85-14, copy attached, authorizing the Director, Office of Nuclear Reactor Regulation to issue a full power operating license for Diablo Canyon Unit 2. In addition, the Commission denied Joint Intervenor's Petition for Review of ALAB-811, the Appeal Board's recent decision favorably resolving Unit 2 design verification issues; and their Application for a Stay. As a separate matter, the Commission declined to take review of ALAB-782, the Appeal Board's dismissal of Joint Intervenor's motion to reopen the record on seismic issues.

In CLI-85-14, the Commission also found no reason to defer licensing based on allegations, stating that the staff's review and screening had found that there would be no significant effect on public health and safety. The Commission also noted the staff's satisfactory resolution of design verification issues in SSER 29, the results of its review of piping and support issues in SSER 30, and the staff's review and satisfactory resolution of a number of items that were pertinent to the low power licensing decision for Unit 2 in SSER 31. Finally, the Commission commented on the very favorable operating experience of Unit 2 under its current low power license.

Commission Asselstine dissented from the Order. The bases for his dissent are his continuing concerns regarding consideration of the effects of earthquakes in emergency planning and his view that further investigation/evaluation of issues raised by Isa Yin should have been performed.

Guy H. Cunningham, III
Executive Legal Director

Enclosure: As stated

cc w/enclosure:

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