



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-4005

APR 18 2003

Gregory M. Rueger, Senior Vice
President, Generation and Chief Nuclear Officer
Pacific Gas and Electric Company
Diablo Canyon Power Plant
P.O. Box 3
Avila Beach, California 93424

SUBJECT: MEETING SUMMARY FOR END-OF-CYCLE PERFORMANCE ASSESSMENT
FOR DIABLO CANYON POWER PLANT

Dear Mr. Rueger:

This refers to the end-of-cycle performance assessment meeting conducted at the Embassy Suites Hotel in San Luis Obispo, California, on April 14, 2003. The meeting attendance list and a copy of the slides presented during the meeting are enclosed. The meeting was transcribed and the transcript will be provided at a later date. The NRC will review the transcript to ensure that questions raised during the meeting are adequately addressed.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and its enclosure will be available electronically for public inspection in the NRC's Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams/index.html> (the Public Electronic Reading Room).

Should you have any questions concerning this matter, we will be pleased to discuss them with you.

Sincerely,

William B. Jones, Chief
Project Branch E
Division of Reactor Projects

Dockets: 50-275
50-323
License : DPR-80
DPR-82

Enclosures:

1. Attendance List
2. NRC Presentation

cc w/enclosures:

David H. Oatley, Vice President
and General Manager
Diablo Canyon Power Plant
P.O. Box 56
Avila Beach, California 93424

Lawrence F. Womack, Vice President, Power
Generation & Nuclear Services
Diablo Canyon Power Plant
P.O. Box 56
Avila Beach, California 93424

James R. Becker, Vice President
Diablo Canyon Operations and
Station Director, Pacific Gas and
Electric Company
Diablo Canyon Power Plant
P.O. Box 3
Avila Beach, California 93424

Pete Wagner
Sierra Club California
2650 Maple Avenue
Morro Bay, California 93442

Nancy Culver
San Luis Obispo Mothers for Peace
P.O. Box 164
Pismo Beach, California 93448

Chairman
San Luis Obispo County Board of
Supervisors
Room 370
County Government Center
San Luis Obispo, California 93408

Truman Burns\Mr. Robert Kinosian
California Public Utilities Commission
505 Van Ness, Rm. 4102
San Francisco, California 94102

Robert R. Wellington, Esq.
Legal Counsel
Diablo Canyon Independent Safety Committee
857 Cass Street, Suite D
Monterey, California 93940

Ed Bailey, Radiation Control Program Director
Radiologic Health Branch
State Department of Health Services
P.O. Box 942732 (MS 178)
Sacramento, California 94234-7320

Christopher J. Warner, Esq.
Pacific Gas and Electric Company
P.O. Box 7442
San Francisco, California 94120

City Editor
The Tribune
3825 South Higuera Street
P.O. Box 112
San Luis Obispo, California 93406-0112

James D. Boyd, Commissioner
California Energy Commission
1516 Ninth Street (MS 34)
Sacramento, California 95814

David Edge, County Administrative Officer
San Luis Obispo County Board of
Supervisors
Room 370
County Government Center
San Luis Obispo, California 93408

Federal Emergency Management Agency
Region IX
Jeff Griffin, Regional Director
1111 Broadway
Suite 1200
Oakland, California 94607

Tony Ferrara, Mayor
City of Arroyo Grande
P.O. Box 550
Arroyo Grande, CA 93421

Ronald Arnoldsen, Mayor

Pacific Gas and Electric Company

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City of Grover Beach
P.O. Box 365
Grover Beach, CA 93483

William Yates, Mayor
City of Morro Bay
595 Harbor
Morro Bay, CA 93442

Dave Romero, Mayor
City of San Luis Obispo
990 Palm Street
San Luis Obispo, California 93401

Joe Crescione, Mayor
City of Pismo Beach
760 Mattie Road
Pismo Beach, California 93449

Electronic distribution by RIV:
Regional Administrator (**EWM**)
DRP Director (**ATH**)
DRS Director (**DDC**)
Senior Resident Inspector (**DLP**)
Branch Chief, DRP/E (**WBJ**)
Senior Project Engineer, DRP/E (**VGG**)
Staff Chief, DRP/TSS (**PHH**)
RITS Coordinator (**NBH**)

ADAMS: ☐ Yes ☐ No Initials: _____
☐ Publicly Available ☐ Non-Publicly Available ☐ Sensitive ☐ Non-Sensitive

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RIV:SPE:DRP/E	C:DRP/E			
VGGaddy;df	WBJones			
4/ /03	4/ /03			

OFFICIAL RECORD COPY

T=Telephone

E=E-mail

F=Fax

END-OF-CYCLE MEETING ATTENDANCE

LICENSEE/FACILITY	Pacific Gas & Electric Co. - Diablo Canyon
DATE/TIME	^{14 2003} April 17 , 2002; 6:30 p.m.
LOCATION	San Luis Obispo Embassy Suites
NAME (PLEASE PRINT)	ORGANIZATION
Larry Parker	PG&E
Kathy Petersen	General Public
Jim Tomkins	PG&E
Jeff Lewis	PG&E
Larry Womack	PG&E
Gail H. Good	NRC
ROD N. CURB	PG&E
RON TODARO	PG&E.
Jim BECKER	PG&E
David Oatley	PG&E
Don Bowman	Gen Public
L.J. STRICKLAND	PG&E
Shari Small	KSBY TV

ENCLOSURE 2

Nuclear Regulatory Commission



Annual Performance Assessment of Diablo Canyon April 14, 2003

NRC Meeting Purpose

- **Meeting with Licensee and Public**
- **Inform Public of Plant Performance**
- **Review NRC and Industry Activities**



NRC Meeting Guidelines

- **Registration Table**
- **Handouts**
- **Questions and Answers**
- **Feedback Forms**

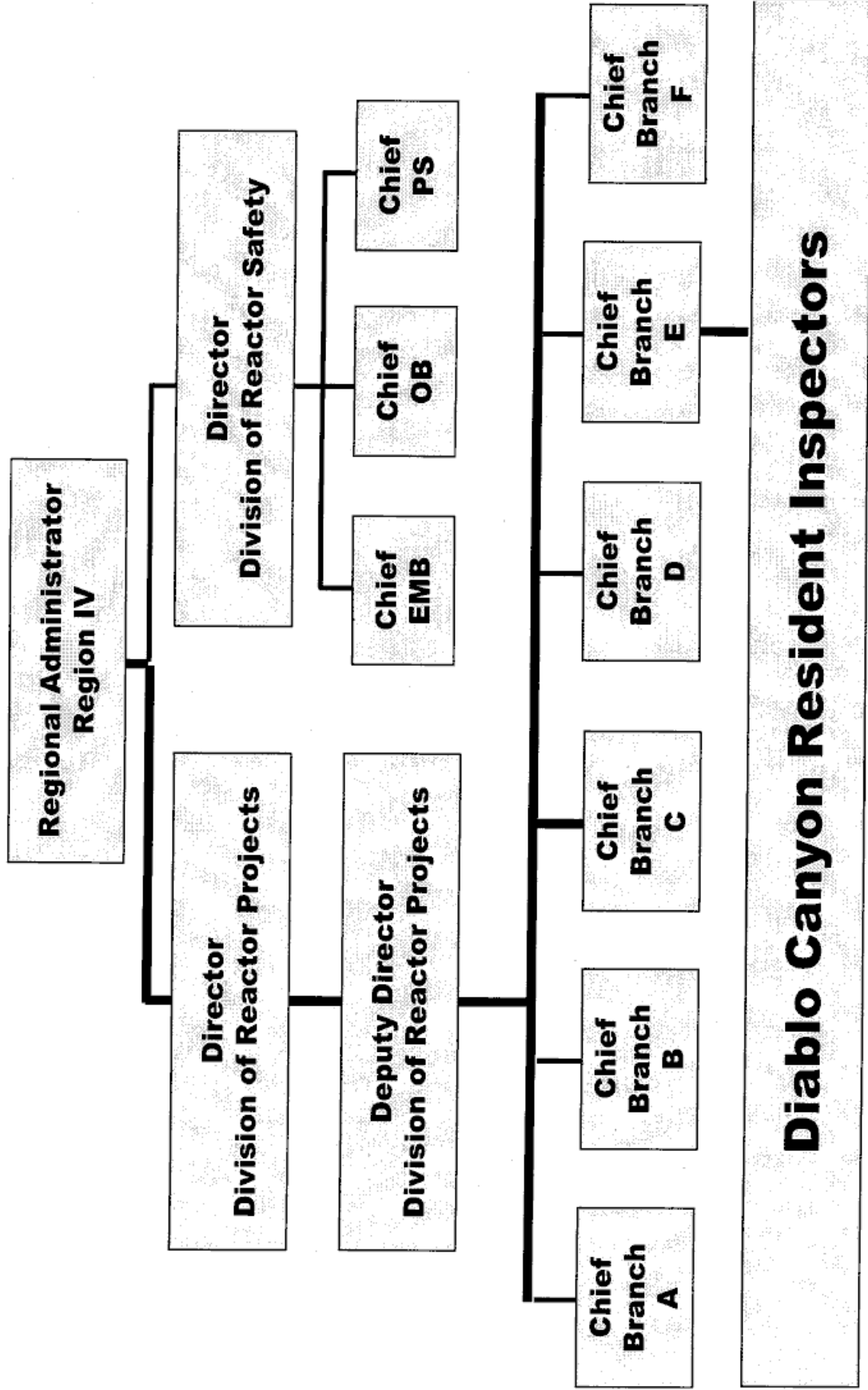


NRC Performance Goals

- **Maintain public safety and protect the environment**
- **Enhance public confidence**
- **Improve:**
 - **Effectiveness**
 - **Efficiency**
 - **Realism of processes and decision making**
- **Reduce unnecessary regulatory burden**



Regional Organization



Pacific Gas and Electric

Introduction



Meeting Agenda

- **Regulatory Oversight**
- **Findings And Assessments**
- **Additional Focus Areas**
- **Questions And Answers**

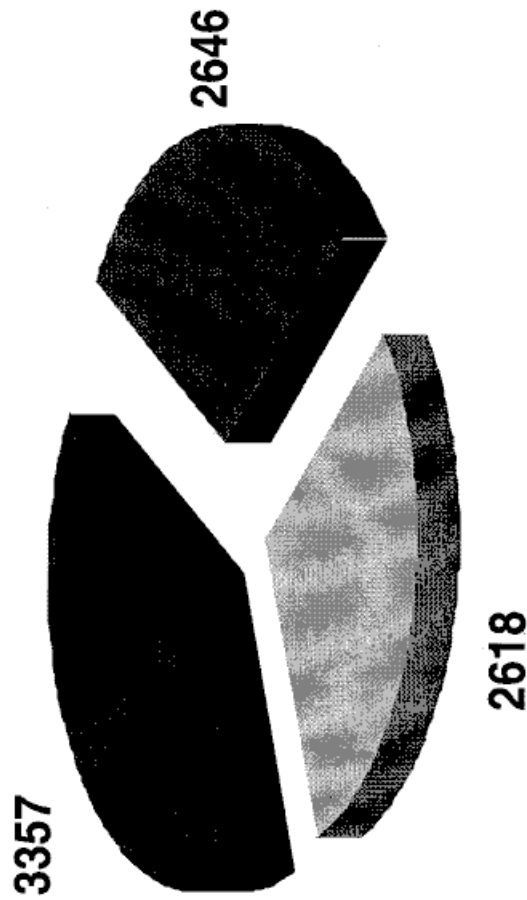


Regulatory Oversight

Process



Overall NRC Effort



- Headquarters - 2618
- Regional - 3357
- Resident - 2646

Total hours - 8621



Comprehensive Oversight

Program

**NRC'S
Overall
Safety
Mission**

**PUBLIC HEALTH AND SAFETY
AS A RESULT OF CIVILIAN
NUCLEAR REACTOR
OPERATION**

**Strategic Performance
Areas**

**REACTOR
SAFETY**

**RADIATION
SAFETY**

**PLANT
SECURITY**

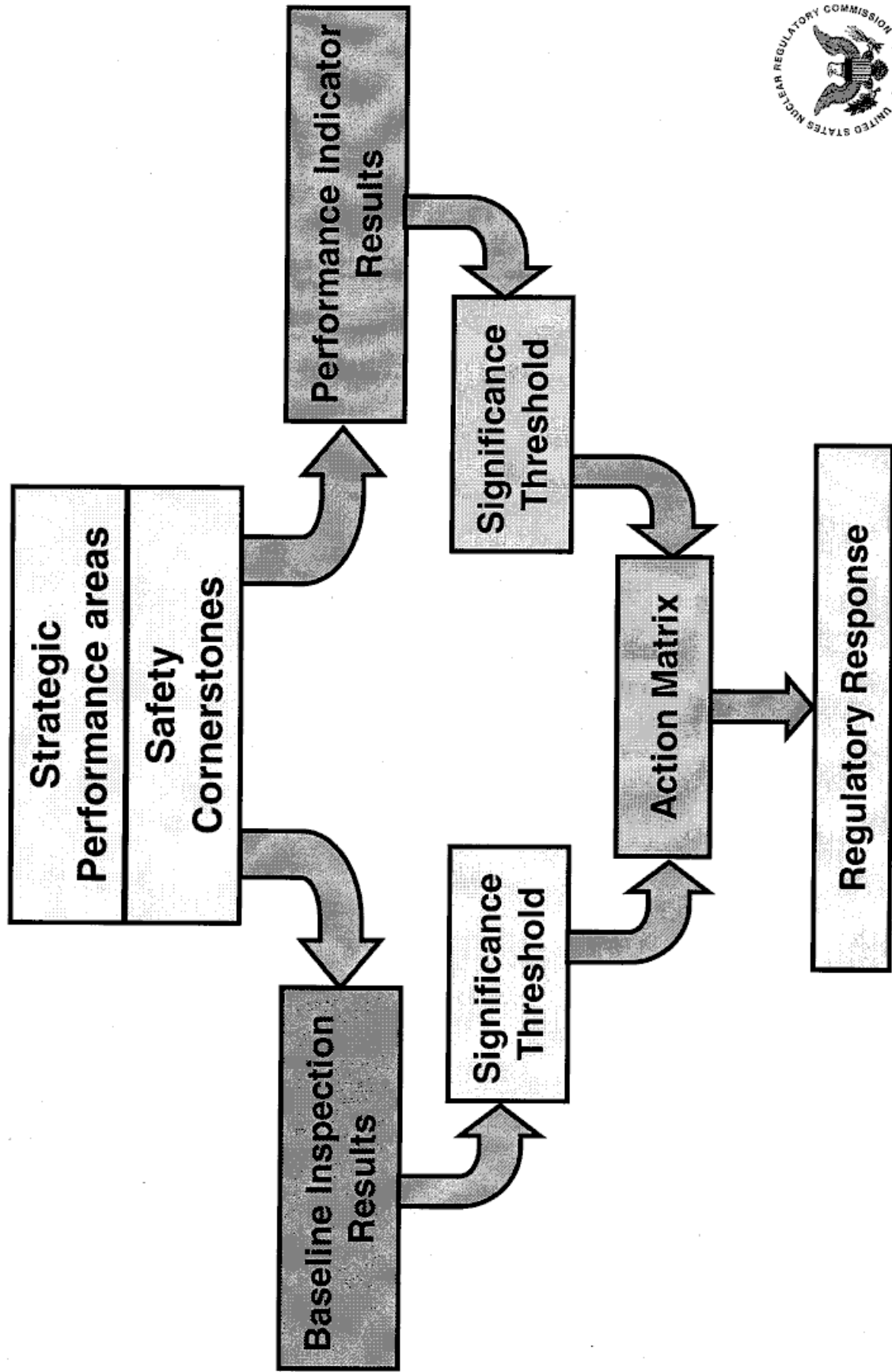


NRC Oversight Activities

- **Provide assurance plants are:**
 - **Operating safely**
 - **Complying with regulations**
- **Based on a logical and sound framework**
- **Inspections focused on key safety areas**
- **Objective indicators of performance**
- **Assessment process triggers regulatory actions**



Reactor Oversight Process



Baseline Inspection Program

- **Gathers objective evidence of plant safety**
- **Conducted at all plants**
- **Focuses on safety-significant:**
 - **systems**
 - **components**
 - **activities**
 - **events**



Baseline Inspection Program

- **Inspection reports describe significant findings and non-compliance**
- **Inspection reports are publicly accessible**

www.NRC.gov/reading-rm/adams.html



Event Follow-up and Supplemental Inspections

- **Review events for significance**
- **Follow-up significant inspection findings**
- **Determine causes of performance declines**
- **Provide for graduated response**



Reactor Oversight Process

SAFETY SIGNIFICANCE

GREEN

- very low

WHITE

- low to moderate

YELLOW

- substantial



- high



Performance Indicator

Program

- Licensee monitors key safety parameters
- Data supplied to NRC quarterly
- Performance indicator results available on the NRC's public web site:

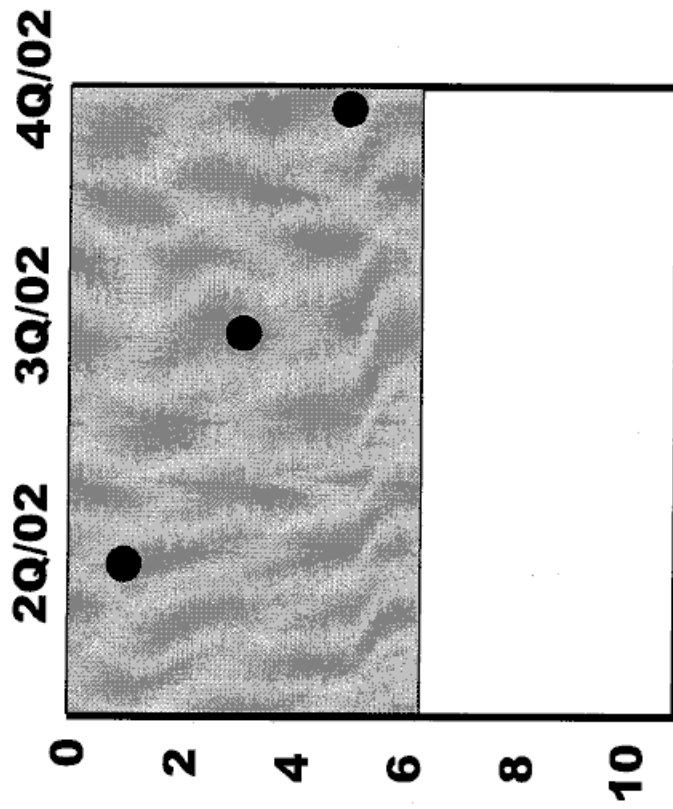
**[www.NRC.gov/NRR/OVERSIGHT/ASSESS/
DIAB1/diab1_chart.Html](http://www.NRC.gov/NRR/OVERSIGHT/ASSESS/DIAB1/diab1_chart.Html)**

**[www.NRC.gov/NRR/OVERSIGHT/ASSESS/
DIAB2/diab2_chart.Html](http://www.NRC.gov/NRR/OVERSIGHT/ASSESS/DIAB2/diab2_chart.Html)**



Performance Indicators

Unplanned Power Changes per 7000 critical hours



Thresholds:

White >6.0,

	2Q/02	3Q/02	4Q/02
Unplanned power changes	1	2	1
Critical hours	1467.5	2203	971.3
Indicator value	1.7	3.5	5.1

Key Aspects of the Assessment Program

- **Objective review of licensee's performance**
- **“Action Matrix” to determine agency response in three areas:**
 - **Inspection**
 - **Management Involvement**
 - **Regulatory Actions**
- **Plant specific assessment letters**
- **Information on NRC public web site**



Plant Safety

Performance Summary

- **Performance Indicator Results**
- **Inspection Results**



Performance Indicator

Results

**All performance indicators within
the Licensee Response Band**



Inspection Results

**NRC and Licensee identified
inspection findings were of very
low safety significance**

**Special Inspection - February 2002
nonconservative steam generator
water level setpoints**



Special Inspection

Results

- **Licensee post trip review did not identify nonconservative condition**
- **Generic issue applicable to Westinghouse steam generators**



Assessment Conclusion

Licensee effectively managed:

- Reactor safety**
- Radiation safety**
- Plant security**

Diablo Canyon operated in a manner that protected the health and safety of the public and protected the environment



ROP Action Matrix

Summary for 2002

	Licensee Response	Regulatory	Degraded Cornerstone	Multiple/ Repetitive Degraded Cornerstone	Unacceptable Performance
Nationwide	59	33	7	3	0
Region IV	13	5	2	1	0

(Note: Nationwide number does not include Davis Besse)

Pacific Gas and Electric Response



Additional Focus Areas

- **NRC Responds As-Needed**
- **Mandated Licensee Actions**
- **Implemented Emergency Preparedness**



Nuclear Industry Issues

- **Reactor Vessel Head Penetration Inspection**
- **Security at Nuclear Power Plants**



Post Davis-Besse

Licensee Actions

- **Visual Inspection of Reactor Vessel Head Penetrations**

NRC Actions

- **Observation of Licensee Inspections and Examinations**
- **Independent Inspection**



Security & Safeguards Update

- **Creation of Office of Nuclear Security and Incident Response**
- **Top-to-Bottom Review of Security Program Initiated**
- **Issuance of Orders/Interim Compensatory Measures (ICMs)**
- **Verification of Licensee Actions on ICMs**



Security & Safeguards Update

- **Proposed Revisions to Design Basis Threats**
- **Pending Orders on Fatigue/Guard Training**
- **Initiation of Pilot Program for Force-on-Force Exercises**
- **Issuance of Access Authorization Order**



Future Outlook

- **Power Upgrades**
 - **Not new**
 - **Licensee's taking advantage of improved power measurement techniques**
 - **Better analytical methods demonstrate that reactor power can be increased without significant reductions in safety margin**
- **NRC has approved more than 80 applications to increase reactor power**
- **Approximately 51 applications for power upgrades expected over next 5 years**



Future Outlook (Cont.)

- **License Renewal**
 - **A recent initiative**
 - **Applications for 14 units have been approved**
 - **16 applications are currently under review**
- **Early Site Permits**
 - **Three applications expected for 2003**



Conclusions

- **Assured Public Safety**
- **Flexible/Predictable Response**
- **Risk-Informed Programs**



Contacting the NRC

- **Report an Emergency:**
(301) 816-5100 (collect)
- **Report a Safety Concern:**
(800) 695-7403 or Allegation@nrc.gov
- **General Information or questions:**
www.nrc.gov

Select “What We Do”



Contacts for Additional Information

- **Regional Public Affairs Officer**
 - **Victor Dricks**
 - **Phone: (817) 860 - 8128**
- **State Liaison Officer**
 - **William (Bill) Maier**
 - **Phone: (817) 860 - 8267**

