



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

August 21, 2006

John S. Keenan  
Senior Vice President - Generation  
and Chief Nuclear Officer  
Pacific Gas and Electric Company  
P.O. Box 770000  
Mail Code B32  
San Francisco, CA 94177-0001

**SUBJECT: ERRATA FOR DIABLO CANYON POWER PLANT - NRC PROBLEM  
IDENTIFICATION AND RESOLUTION INSPECTION REPORT  
05000275/2006012 AND 05000323/2006012**

Dear Mr. Keenan:

Please remove the first page of the cover letter and enclosures page 5 and 10 of NRC Problem Identification and Resolution Inspection Report 05000275;323/2006012 and replace with the pages enclosed with this letter. The purpose of the change is to make editorial corrections to reflect that no findings of significance were identified and that a telephonic re-exit was conducted.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of NRC's document system (ADAMS). ADAMS is accessible from the NRC web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

Sincerely,

**/RA/**

Linda J. Smith, Chief  
Engineering Branch 2  
Division of Reactor Safety

Docket: 50-275, 323  
License: NPF-80, NPF-82

Enclosures:  
As stated

cc w/enclosure:

Donna Jacobs  
Vice President, Nuclear Services  
Diablo Canyon Power Plant  
P.O. Box 56  
Avila Beach, CA 93424

James R. Becker, Vice President  
Diablo Canyon Operations and  
Station Director, Pacific Gas and  
Electric Company  
Diablo Canyon Power Plant  
P.O. Box 56  
Avila Beach, CA 93424

Sierra Club San Lucia Chapter  
ATTN: Andrew Christie  
P.O. Box 15755  
San Luis Obispo, CA 93406

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

Chairman  
San Luis Obispo County Board of  
Supervisors  
County Government Building  
1055 Monterey Street, Suite D430  
San Luis Obispo, CA 93408

Truman Burns\Robert Kinoshian  
California Public Utilities Commission  
505 Van Ness Ave., Rm. 4102  
San Francisco, CA 94102-3298

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

Director, Radiological Health Branch  
State Department of Health Services  
P.O. Box 997414 (MS 7610)  
Sacramento, CA 95899-7414

Pacific Gas and Electric Company

-3-

Richard F. Locke, Esq.  
Pacific Gas and Electric Company  
P.O. Box 7442  
San Francisco, CA 94120

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

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

Jennifer Tang  
Field Representative  
United States Senator Barbara Boxer  
1700 Montgomery Street, Suite 240  
San Francisco, CA 94111

Electronic distribution by RIV:

Regional Administrator (**BSM1**)

DRP Director (**ATH**)

DRS Director (**DDC**)

DRS Deputy Director (**RJC1**)

Senior Resident Inspector (**TWJ**)

Branch Chief, DRP/D (**WBJ**)

Senior Project Engineer, DRP/D (**FLB2**)

Team Leader, DRP/TSS (**RLN1**)

RITS Coordinator (**KEG**)

DRS STA (**DAP**)

V. Dricks, PAO (**VLD**)

J. Lamb, OEDO RIV Coordinator (**JGL1**)

**ROPreports**

DC Site Secretary (**AWC1**)

SUNSI Review Completed:   LJS   ADAMS: / Yes ☐ No Initials:   LJS    
 / Publicly Available ☐ Non-Publicly Available ☐ Sensitive / Non-Sensitive

R:\\_DC\2006\DC2006-012RP-RWD.wpd

ML

RIV:SRI/EB2	C:EB2	C:PSB	C:EB2	
DLProulx	LJSmith	WBJones	LJSmith	
/RA/	/RA/	/RA/	/RA/	
8/18/06	8/18/06	8/18/06	8/21/06	

OFFICIAL RECORD COPY

T=Telephone

E=E-mail

F=Fax



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

August 9, 2006

John S. Keenan, Chief Nuclear Officer  
Pacific Gas and Electric Company  
Mail Code B32  
P.O. Box 770000  
San Francisco, California 94177-0001

**SUBJECT:     DIABLO CANYON POWER PLANT - NRC PROBLEM IDENTIFICATION AND  
               RESOLUTION INSPECTION REPORT 05000275/2006012 AND  
               05000323/2006012**

Dear Mr. Keenan:

From June 5 through 22, 2006, the U. S. Nuclear Regulatory Commission (NRC) conducted the onsite portion of a team inspection at your Diablo Canyon Power Plant. The enclosed report documents the inspection findings, which were discussed with your staff as described in Section 4OA6 of this report.

This inspection examined activities conducted under your license as they relate to the identification and resolution of problems, and compliance with the Commission's rules and regulations and the conditions of your operating license. The team reviewed approximately 280 action requests, associated non-conformance reports and apparent cause evaluations, and other supporting documents. The team reviewed cross-cutting aspects of NRC and licensee-identified findings and interviewed personnel regarding the condition of a safety conscious work environment at the Diablo Canyon Power Plant.

On the basis of the sample selected for review, the team concluded that, in general, your processes to identify, prioritize, evaluate, and correct problems were effective; thresholds for identifying issues remained appropriately low and, in most cases, corrective actions were adequate to address conditions adverse to quality. Notwithstanding the above, a relatively high number of self-revealing and NRC identified findings were noted at your site during the assessment period. Ineffective and incomplete corrective actions led to a number of repeat problems that could have been prevented, with a notable number of repeat findings of previously documented NRC-identified and self-revealing findings. Overall however performance had improved in the all areas of your corrective action program since the last problem identification and resolution inspection. The team concluded that a safety-conscious work environment existed at your Diablo Canyon Power Plant.

Based on the results of this inspection, no findings of significance were identified.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response will be made available electronically for public inspection in the

Example 4: The licensee failed to correct the population of Rockwell-Edwards valves in safety-related and risk-significant system that were susceptible to failure of the packing gland follower flange because they did not properly identify all of the potentially affected valves. (IR 2003008)

b. Prioritization and Evaluation of Issues

(1) Inspection Scope

The team reviewed ARs, work orders, and operability evaluations to assess the licensee's ability to evaluate the importance of adverse conditions. The inspectors reviewed a sample of ARs, apparent and root cause analyses to ascertain whether the licensee properly considered the full extent of causes and conditions, generic implications, common causes, and previous occurrences. The inspectors also attended various meetings to assess the threshold of prioritization and evaluation of issues identified.

In addition, the team reviewed licensee evaluations of selected industry operating experience reports, including licensee event reports, NRC generic letters, bulletins and information notices, and generic vendor notifications to assess whether issues applicable to Diablo Canyon Power Plant were appropriately addressed.

The team performed a historical review of ARs and notifications written over the last 5 years that addressed the emergency diesel generators, safety related switchgear ventilation, the auxiliary feedwater system, and the component cooling water system.

(2) Assessment

The team concluded that problems were generally prioritized and evaluated in accordance with the licensee's corrective action program guidance and NRC requirements. The team found that for the sample of root cause reports reviewed, the licensee was generally self-critical and thorough in evaluating the causes of significant conditions adverse to quality. Notwithstanding the above, ineffective prioritization and evaluation of issues resulted in a relatively high number of self-revealing and NRC identified findings during the period. One of these findings culminated in a plant trip. Others were related to equipment deficiencies, some of which resulted in inoperable safety-related equipment.

The team found that for the sample of root cause reports reviewed, the licensee was generally self-critical and thorough in evaluating the causes of significant conditions adverse to quality. The team noted that the quality and rigor of root causes had improved when compared to the previous problem identification and resolution assessment. Additionally, the trend of NRC identified findings with problem identification and resolution aspects in evaluation of problems has been improving since 2004, with six findings in 2004 and two in 2005. The team concluded that the licensee had improved in performance in the area of prioritization and evaluation

(I) Oil Found in the Vicinity of Residual Heat Removal Pumps

During a walkdown of the residual heat removal pumps during the weeks of June 5 and June 19, 2006, inspectors noted oil in the vicinity of the drain plugs for the motors for Residual Heat Removal Pumps 1-1, 2-1, and 2-2. The team questioned the licensee as to the source of the oil, specifically questioning whether the motors were leaking from the motor oil drain plugs during operation. Additionally, the inspectors discovered that the licensee was not performing the 72 hour cure time for the drain plug sealant recommended by the vendor which would ensure proper sealing characteristics. The team noted that any small leakage combined with the required lengthy mission time for the pumps could result in a situation where a loss of adequate inventory of motor oil could occur and challenge long term operation of the pumps.

The licensee performed a prompt operability assessment to provide reasonable assurance of operability of the pumps based on the observed conditions. Additionally the licensee made plans to measure leakage from the pumps during the next pump runs. Because the inspectors could not ascertain the source and the rate of the oil leakage until the pumps are run and could not determine the effect of a shortened sealant cure time, the team treated this issue as an unresolved item: URI 05000275,323/2006012-01, Oil Found in the Vicinity of Residual Heat Removal Pumps.

4OA6 Exit Meeting

On June 22, 2006, at the end of the onsite portion of the inspection, the inspection findings were discussed with Mr. J. Keenan and other members of the licensee's staff. The licensee acknowledged the findings.

A telephonic re-exit was conducted on August 9, 2006 with Mr. S. Ketelson, Regulatory Services Manager, and other members of your staff.

The team asked the licensee whether any materials examined during the inspection should be considered proprietary. The licensee did not identify any proprietary information that may have been reviewed by the team.

Attachment: Supplemental Information