

May 11, 2015

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of:	)	
	)	
PACIFIC GAS AND ELECTRIC	)	Docket No. 50-275-LR
COMPANY	)	Docket No. 50-323-LR
	)	
(Diablo Canyon Power Plant, Units 1 and 2)	)	

PACIFIC GAS AND ELECTRIC COMPANY'S ANSWER  
OPPOSING PROPOSED SAMA CONTENTIONS

INTRODUCTION

Pursuant to 10 C.F.R. § 2.309(h), Pacific Gas and Electric Company ("PG&E") hereby responds to the San Luis Obispo Mothers for Peace ("SLOMFP") motion to admit two new contentions in this license renewal matter. The proposed contentions address whether PG&E's analysis of Severe Accident Mitigation Alternatives ("SAMAs") satisfies the National Environmental Policy Act ("NEPA") and NRC regulations.<sup>1</sup> For the reasons discussed below, neither contention should be admitted for hearing.

BACKGROUND

On January 21, 2010, the NRC published the *Federal Register* notice offering an opportunity for a hearing on PG&E's license renewal application for Diablo Canyon. The period for filing a request for hearing, petition to intervene, and proposed contentions closed on March 22, 2010. SLOMFP filed a timely request, which the Licensing Board granted. Contention EC-1 remains pending in this proceeding. Contention EC-1 alleges that PG&E's SAMA analysis

---

<sup>1</sup> "San Luis Obispo Mothers for Peace's Motion to File New Contentions Regarding Adequacy of Severe Accident Mitigation Alternatives Analysis for Diablo Canyon License Renewal Application," dated April 15, 2015 ("Motion").

fails to consider information regarding the Shoreline Fault and, as a result, does not satisfy NEPA or 10 C.F.R. § 51.53(c)(3)(ii)(L).

On February 25, 2015, PG&E submitted an update to certain sections of the license renewal Environmental Report (“ER”).<sup>2</sup> The updated ER included an updated SAMA analysis based on PG&E’s 2014 Diablo Canyon Probabilistic Risk Assessment (“PRA”) (interim model DC03).<sup>3</sup> As explained in the updated SAMA Report, the PRA has been upgraded over time and satisfies the 2009 ASME/ANS PRA standard.<sup>4</sup> The 2014 PRA model incorporated probabilistic seismic hazard curves that include the Shoreline Fault, as well as updated hazard curves for other regional faults. The revised seismic hazard curves were based on the most recent probabilistic hazard analyses available at the time — developed as part of PG&E’s 2011 Shoreline Fault Report.<sup>5</sup> The SAMA Report also noted that PG&E’s 2014 Central Coastal California Seismic Imaging Project Report (September 2014) was a deterministic analysis that “did not change the inputs to the seismic PRA.”<sup>6</sup> As also explained in the SAMA Report, the fragility analysis for structures, systems, and components was based on data developed as part of PG&E’s ongoing

---

<sup>2</sup> See PG&E Letter DCL-15-027, Enclosure 2, “Update to the Diablo Canyon Power Plant License Renewal Application,” dated February 25, 2015 (ADAMS Accession Nos. ML15056A741 and ML15056A755). The ER is Appendix E to the license renewal application. The updated SAMA analysis is Attachment F to the ER. Attachment F will be referred to herein as the “SAMA Report.”

<sup>3</sup> See SAMA Report at F-33 - F-35. The updated SAMA also incorporated more recent population, economic, and evacuation information.

<sup>4</sup> *Id.* at F-34.

<sup>5</sup> *Id.*; see also “Report on the Analysis of the Shoreline Fault Zone, Central Coastal California: Report to the U.S. Nuclear Regulatory Commission” (January 2011) (ADAMS Accession No. ML110140431) (“Shoreline Fault Report”).

<sup>6</sup> *Id.* at F-34.

Long Term Seismic Program (“LTSP”).<sup>7</sup> The report states that these curves “are acceptable for use in DC03 because no scaling is necessary for use with the updated hazard spectral information. The LTSP fragility curves are the same shape (+/-10%) in the period of interest (3-8.5 Hz.) and there are no components in the PRA model in the 1-3 Hz range.”<sup>8</sup>

In parallel to revising the SAMA Report, PG&E was preparing updated seismic and flooding hazard information in order to respond to the NRC’s letter, issued under 10 C.F.R. § 50.54(f), requesting information regarding Fukushima Near-Term Task Force Recommendation 2.1.<sup>9</sup> The Section 50.54(f) process is being conducted under the current operating licenses for the Diablo Canyon units (*i.e.*, not as part of the license renewal process). PG&E submitted its probabilistic seismic hazard evaluation and prioritization screening report<sup>10</sup> and its final flooding hazard reevaluation report<sup>11</sup> on March 11, 2015. As noted in the SAMA Report, these reports were

---

<sup>7</sup> *Id.* The fragility curves are distinct from the seismic hazard curves developed in a probabilistic seismic hazard evaluation. The hazard curves show the likelihood of earthquakes for different ground accelerations. The fragilities for structures, systems, and components relate to the likelihood of equipment failure given the potential ground motions. PG&E will be developing updated fragility curves for the Section 50.54(f) seismic risk evaluation discussed below.

<sup>8</sup> *Id.*

<sup>9</sup> NRC Letter to All Power Reactor Licensees and Holders of Construction Permits in Active or Deferred Status, “Request for Information Pursuant to Title 10 of the Code of Federal Regulations 50.54(f) Regarding Recommendations 2.1, 2.3, and 9.3, of the Near-Term Task Force Review of Insights for the Fukushima Dai-Ichi Accident,” dated March 12, 2012 (ADAMS Accession No. ML12053A340) (“Section 50.54(f) Letter”).

<sup>10</sup> PG&E Letter DCL-15-035, “Response to NRC Request for Information Pursuant to 10 CFR 50.5(f) Regarding the Seismic Aspects of Recommendation 2.1 of the Near-Term Task Force Review of Insights From the Fukushima Dai-Ichi Accident: Seismic Hazard and Screening Report,” dated March 11, 2015 (ADAMS Accession No. ML15071A046) (“Seismic Hazard Report”).

<sup>11</sup> PG&E Letter DCL-15-034, “Final Response to Request for Information Pursuant to 10 CFR 50.54(f) Regarding Recommendations 2.1 Flooding,” dated March 11, 2015 (ADAMS Accession No. ML15071A045) (“Flooding Hazard Report”).

not yet complete in February 2015 when the SAMA update was submitted, nor had this information been incorporated into the Diablo Canyon PRA model. PG&E nonetheless concluded that the “results and insights from the DC03 [PRA] model are reasonable for the purposes of a SAMA evaluation.”<sup>12</sup> PG&E committed to a further evaluation of the effect of the 2015 seismic hazard (not flooding) results on the SAMA analysis by June 2015. In the Section 50.54(f) process, because Diablo Canyon “screened in” for further evaluation, PG&E also is required to complete a seismic risk reevaluation on a schedule to be determined by the NRC Staff.<sup>13</sup>

SLOMFP filed its two proposed SAMA contentions in April. The two proposed contentions are expressly based on the availability and content of PG&E’s two March 2015 Section 50.54(f) reports.<sup>14</sup>

#### APPLICABLE LEGAL STANDARDS

The admissibility of proposed contentions must be evaluated in accordance with the Commission’s standards in 10 C.F.R. Part 2. All contentions must meet the Commission’s admissibility standards, which are “strict by design.”<sup>15</sup> A petitioner must provide sufficient information to demonstrate that there is a genuine dispute with the application on an issue material to the licensing decision. Vague references to documents do not suffice — the petitioner must identify specific portions of documents on which it relies.<sup>16</sup> Conclusory statements also are not

---

<sup>12</sup> SAMA Report at F-34.

<sup>13</sup> See Section 50.54(f) Letter, Enclosure 1 at 6-9.

<sup>14</sup> See Motion at 19.

<sup>15</sup> *Dominion Nuclear Connecticut, Inc.* (Millstone Nuclear Power Station, Units 2 and 3), CLI-01-24, 54 NRC 349, 358 (2001), *pet. for reconsideration denied*, CLI-02-01, 55 NRC 1 (2002).

<sup>16</sup> *Pub. Serv. Co. of N.H.* (Seabrook Station, Units 1 & 2), CLI-89-03, 29 NRC 234, 240-41 (1989).

enough.<sup>17</sup> Contentions must be ruled inadmissible if they offer only “bare assertions and speculation.”<sup>18</sup>

In a license renewal proceeding, the scope of issues is particularly constrained by the technical issues defined in 10 C.F.R. Part 54 and the environmental review required under 10 C.F.R. Part 51. The environmental regulations require (for Diablo Canyon) a SAMA evaluation under Section 51.53(c)(3)(ii)(L). However, the regulations clearly do not encompass review of the Current Licensing Basis (“CLB”) of the plant.<sup>19</sup> The CLB is “effectively addressed and maintained by ongoing agency oversight, review, and enforcement” — in the current operating license term.<sup>20</sup>

A license renewal SAMA analysis is part of the NRC’s environmental review under NEPA, and is therefore governed by the NEPA “rule of reason.”<sup>21</sup> NEPA requires no more (or less) than a “reasonably complete discussion of possible mitigation measures.”<sup>22</sup> As stated by the Commission:

The purpose of the SAMA review is to ensure that any plant changes — in hardware, procedures, or training — that have a potential for significantly improving severe accident safety performance are identified and assessed.

---

<sup>17</sup> *Northeast Nuclear Energy Co.* (Millstone Nuclear Power Station, Unit 3), CLI-01-3, 53 NRC 22, 27 (2001).

<sup>18</sup> *Fansteel, Inc.* (Muskogee, Oklahoma, Site), CLI-03-13, 58 NRC 195, 203 (2003).

<sup>19</sup> See Final Rule, “Nuclear Power Plant License Renewal; Revisions,” 60 Fed. Reg. 22461, 22463-64 (May 8, 1995).

<sup>20</sup> *Florida Power & Light Co.* (Turkey Point Nuclear Generating Plant, Units 3 and 4), CLI-01-17, 54 NRC 3, 9 (2001); see also *Diablo Canyon*, LBP-15-6, slip op. at 8-9.

<sup>21</sup> See, e.g., *Natural Resources Defense Council v. Hodel*, 865 F.2d 288, 294 (D.C. Cir. 1988) (NEPA “should be construed in the light of reason,” and does not demand infinite study and resources).

<sup>22</sup> *Robertson v. Methow Valley Citizens Council*, 496 U.S. 332, 352 (1989).

If the cost of implementing a particular SAMA is greater than its associated benefit, the SAMA would not be considered cost-beneficial. SAMAs, in short, are rooted in a cost-benefit assessment.<sup>23</sup>

A SAMA contention must ultimately demonstrate a “dispute that could lead to a different conclusion on potential cost-beneficial SAMAs.”<sup>24</sup> In guidance to a Licensing Board with respect to SAMA contentions, the Commission emphasized that the petitioner must show that “[u]nless it looks genuinely plausible that inclusion of an additional factor or use of other assumptions or models may change the cost-benefit conclusions for SAMA candidates evaluated, no purpose would be served to further refine the SAMA analysis, whose goal is only to determine what safety enhancements are cost-effective to implement.”<sup>25</sup> If a proposed contention does not address that issue, it does not raise an issue that could lead to any meaningful relief in the proceeding.

## DISCUSSION

### A. Contention C Is Not Admissible

SLOMFP’s first proposed contention asserts that PG&E has given “inadequate consideration of seismic risk in [the] SAMA Analysis” and therefore has failed to satisfy NEPA

---

<sup>23</sup> *Duke Energy Corp.* (McGuire Nuclear Station, Units 1 and 2; Catawba Nuclear Station, Units 1 and 2); CLI-02-17, 56 NRC 1, 5 (2002).

<sup>24</sup> *Entergy Nuclear Generation Co.* (Pilgrim Nuclear Station), CLI-09-11, 69 NRC 529, 533 (2009).

<sup>25</sup> *Entergy Nuclear Generation Co.* (Pilgrim Nuclear Power Station), CLI-10-11, 71 NRC 287, 315 (2010) (emphasis added). The Commission in this decision was reviewing a Licensing Board decision dismissing a contention on summary disposition. Nonetheless, the guidance with respect to SAMA contentions is generic with respect to materiality of a SAMA contention and would apply at any stage of a proceeding. The Commission’s regulations defining the threshold for an admissible contention specifically require that a contention address a material issue in the proceeding. 10 C.F.R. § 2.309(f)(1)(iv); *see also First Energy Nuclear Operating Co.* (Davis-Besse Nuclear Power Station, Unit 1), LBP-11-13, 73 NRC 534, 566 (2011).

and 10 C.F.R. § 51.53(c)(ii)(L).<sup>26</sup> First, in view of PG&E’s labeling PRA model DC03 as “interim” and PG&E’s commitment to update the SAMA analysis based on the March 2015 Seismic Hazard Report, SLOMFP maintains that the SAMA Report is not the “latest” information and therefore does not satisfy NEPA. Second, SLOMFP asserts more substantively, based on a declaration of Dr. David Jackson, that the probabilistic Seismic Hazards Report responding to the NRC’s Section 50.54(f) Letter is based on “unjustified methods and assumptions.”<sup>27</sup> Neither aspect of this contention raises an admissible challenge to the SAMA Report within the scope of license renewal.

*1. The SAMA Analysis Satisfies NEPA*

SLOMFP’s first claim is that the SAMA Report is insufficient to satisfy NEPA simply because the PRA is “interim” and does not incorporate the 2015 seismic hazard information. This claim fails to raise a genuine dispute with the SAMA Report and is contrary to NEPA precedent. PG&E’s PRA model has evolved over time as discussed in the SAMA Report.<sup>28</sup> The PRA used in the revised SAMA was the most up-to-date model available at the time and incorporated the best available probabilistic seismic hazard curves. Going forward, PG&E will continue to develop seismic hazard information and will incorporate information into future versions of the PRA as appropriate. The PRA model will also continue to evolve and be refined as new information and methodologies are developed. However, there is no requirement that a license renewal SAMA evaluation be continually deferred in anticipation of new methodologies and new information. Indeed, under the NEPA “rule of reason,” an agency has discretion to “draw

---

<sup>26</sup> Motion at 2.

<sup>27</sup> *Id.* at 5.

<sup>28</sup> SAMA Report at F-11 to F-35.

the line and move forward with decisionmaking,” notwithstanding that there “will always be more data that could be gathered.”<sup>29</sup> NEPA does not require agencies to use technologies and methodologies that are still under development or “emerging.”<sup>30</sup>

In the SAMA Report PG&E concludes that the PRA model that it utilized provides “results and insights” that are “reasonable for the purposes of a SAMA analysis.”<sup>31</sup> The report specifies reasons for that conclusion. SLOMFP does not directly challenge those stated reasons.<sup>32</sup> In this aspect of the contention SLOMFP complains only that the model “does not include the 2015 [Seismic Hazards Report] or the 2015 (*sic.*) [2014 Seismic Imaging Project Report],” and therefore “the spectral information is not, in fact, the ‘latest’.”<sup>33</sup> In fact, however, the 2014 Seismic Imaging Project Report presents a deterministic (not probabilistic) analysis and does not directly correlate to the PRA. And the 2015 seismic hazard information is yet to be incorporated into the PRA model simply because of the schedule. SLOMFP provides absolutely no basis to suggest how this information would affect the PRA or how it will involve any new and significant information that would impact a SAMA conclusion. Nor does SLOMFP present alternative inputs that it alleges PG&E should have used in the updated SAMA analysis.<sup>34</sup> Therefore, the basis for

---

<sup>29</sup> *Town of Winthrop v. Federal Aviation Administration*, 535 F.3d 1, 12-13 (1<sup>st</sup> Cir. 2008). A NEPA document is not a “research document,” reflecting the frontiers of scientific methodology, studies and data. *Id.* Instead, NEPA allows agencies “to select their own methodology as long as that methodology is reasonable.” *Id.* at 13; *see also The Lands Council v. McNair*, 537 F.3d 981, 1003 (9th Cir. 2008) (an EIS need not be based on the “best scientific methodology available”).

<sup>30</sup> *Id.* at 11-13.

<sup>31</sup> SAMA Report at F-34.

<sup>32</sup> Motion at 4-5.

<sup>33</sup> *Id.* at 5.



the proposed contention does not demonstrate a genuine dispute on an issue germane to this proceeding.

This aspect of the proposed contention also makes no practical sense. SLOMFP is proposing a contention on the basis that the SAMA analysis may further evolve in June 2015. This aspect of the contention will be mooted by the June 2015 update.<sup>35</sup> But, based on PG&E's commitment to an active geosciences program and the ongoing Section 50.54(f) seismic risk evaluation, SLOMFP could again argue that there will be new seismic information and revisions to the PRA in the foreseeable future — in effect keeping the issue open indefinitely. NEPA does not support never-ending contentions alleging only that more information is still to be developed and may provide some new insight.<sup>36</sup> The mere prospect of new information does not create a genuine dispute on a material issue. The agency is not required to defer action in anticipation of new information in the future.<sup>37</sup> Such an approach would lead to licensing “gridlock,” effectively undermining the Commission's commitment to an expeditious license renewal process.

---

<sup>34</sup> SLOMFP vaguely refers in its Motion (at 4) to the updated Turbine Building Shearwall fragility. The SAMA Report explains that LTSP fragility curves were used for systems, structures, and components. SLOMFP does not in any way substantively address this issue. In fact the same fragilities will be used in June because updated fragilities are still under development for the Section 50.54(f) seismic risk reevaluation.

<sup>35</sup> SLOMFP would have the opportunity to substantively challenge that updated analysis based on any new information presented at that time.

<sup>36</sup> Instead, the NRC has an obligation under 10 C.F.R. § 51.92 to supplement the environmental review after new and significant information emerges. That obligation is limited to information that presents a “seriously different” picture of the environmental consequences of a proposed action. *Private Fuel Storage, L.L.C.* (Independent Spent Fuel Storage Installation), CLI-06-03, 63 NRC 19, 28 (2006).

<sup>37</sup> As noted above, under the NEPA “rule of reason,” an agency may “move forward with decisionmaking,” notwithstanding that there “will always be more data that could be gathered.” *Town of Winthrop*, 535 F.3d at 12-13; *see also Pilgrim*, CLI-10-11, 71 at 315.

## 2. *The Challenge to the Seismic Hazard Report Is Beyond the Scope of License Renewal*

The second aspect of proposed Contention C challenges the adequacy of PG&E's Section 50.54(f) seismic hazard evaluation "to support" the updated SAMA evaluation.<sup>38</sup> SLOMFP claims that the Seismic Hazard Report fails to account for nearby earthquakes and fails to account for potential large earthquakes. SLOMFP in particular challenges the "scaling relations" in the seismic reevaluation,<sup>39</sup> the application of scaling "not just to fault length, but to segment length,"<sup>40</sup> and the weighing of the earthquake magnitude distribution in the reevaluation.<sup>41</sup> These, however, are all issues related to the seismic reevaluation in the Section 50.54(f) process. Nowhere in the basis for the contention does SLOMFP ever address the SAMA update, the particular SAMAs considered in the report, or the potential impact of any particular seismic hazards model change on the cost-benefit evaluation for the SAMAs considered. Nor does SLOMFP ever assert a genuine dispute with respect to the material SAMA issue — that is, whether any particular "safety enhancements would be cost-effective to implement."<sup>42</sup>

The Diablo Canyon Section 50.54(f) seismic reevaluation is being reviewed by the NRC in a Part 50 process specifically defined to consider the adequacy of the seismic CLB. The evaluation was developed in accordance with the process outlined in the NRC's Section 50.54(f) Letter — including the Senior Seismic Hazard Analysis Committee ("SSHAC") process. The issues raised by SLOMFP and Dr. Jackson are all appropriate for consideration in that process.

---

<sup>38</sup> Motion at 5.

<sup>39</sup> *Id.* at 8.

<sup>40</sup> *Id.* at 9.

<sup>41</sup> *Id.* at 11-12.

<sup>42</sup> *Pilgrim*, CLI-10-11, 71 NRC at 315.

Indeed, Dr. Jackson's issues were considered in the SSHAC process and were addressed in the SSHAC Report.<sup>43</sup> A Part 54 license renewal proceeding is not a forum to litigate Section 50.54(f) CLB issues with no connection to a SAMA. The license renewal evaluation of alternatives under NEPA is not a regulatory "worm hole" that allows litigation of a current CLB issue already being addressed in a Part 50 process.<sup>44</sup>

Indeed, this aspect of the contention is particularly odd in the present context, because it attacks the updated SAMA evaluation for alleged deficiencies in the Section 50.54(f) seismic hazard evaluation that is not even incorporated in the SAMA evaluation. At a minimum, the proposed contention is premature. But, in any event, it cannot be admitted at any time absent further specificity related to the SAMA evaluation within the scope of the license renewal environmental review.

For all of the above reasons, Contention C is inadmissible.

---

<sup>43</sup> See "Seismic Source Characterization for the Diablo Canyon Power Plant, San Luis Obispo County, California," dated March 2015 (available at <http://www.pge.com/en/safety/systemworks/dcpp/sshac/index.page>) ("SSC Report"). Dr. Jackson participated in the SSHAC workshops as a Proponent Expert and presented models and methods for the SSHAC Technical Integration ("TI") team to consider, including his views on the topics raised in Contention C. While the final SSC model incorporates many technically defensible features of Dr. Jackson's interpretations within the model uncertainty, other aspects of his models did not reflect the consensus of the expert community. The degree to which Dr. Jackson's interpretations are incorporated into the final model reflect the judgment of the TI team when considering Dr. Jackson's interpretations along with alternative interpretations. In particular, several interpretations raised by the contention — including consideration of larger maximum magnitudes and the elimination of the characteristic earthquake model — are addressed within the "Magnitude Distribution Model Sensitivity" (SSC Report Section 14.2.7 and Figure 14-8). These hazard sensitivity results show that selection of alternative, technically-defensible models of maximum magnitudes and earthquake magnitude-frequency distribution has minimal impact on the overall uncertainty in the hazard results. In other words, the concerns raised in Contention C have minimal consequences for the overall site-specific probabilistic seismic hazard analysis for Diablo Canyon.

<sup>44</sup> *Turkey Point*, CLI-01-17, 54 NRC at 9; see also *Diablo Canyon*, LBP-15-6, slip op. at 8-9.

B. Contention D Is Not Admissible

SLOMFP's second proposed contention challenges the updated SAMA analysis based on PG&E's March 2015 Section 50.54(f) Flooding Hazard Report. SLOMFP asserts that the SAMA Report is "not based on a sufficiently rigorous or up-to-date analysis of flooding risks."<sup>45</sup> In particular, citing the Section 50.54(f) evaluation, SLOMFP asserts that PG&E has failed to consider information about the risk of flooding caused by hypothetical Local Intense Precipitation ("LIP") events.<sup>46</sup> However, mitigation of these events is already addressed in the flooding report itself and is being addressed on a deterministic basis as a current operating issue. SLOMFP has not shown that a genuine dispute exists with respect to the SAMA analysis. SLOMFP has again failed to demonstrate a "dispute that could lead to a different conclusion on potential cost-beneficial SAMAs."<sup>47</sup>

PG&E has considered the risk of external flooding events since it developed models to support the NRC's risk assessments in the 1980s. In general, as explained in the SAMA Report, external flooding events have never been a significant contributor to core damage frequency ("CDF").<sup>48</sup> The February 2015 SAMA Report also specifically considered external flooding events in Sections F.4.6.2 and F.5.1.7. There can be no "contention of omission" on this issue. Further, Section F.4.6.2 explains that the Diablo Canyon PRA model includes fire and seismic

---

<sup>45</sup> Motion at 16.

<sup>46</sup> *Id.*

<sup>47</sup> *Pilgrim*, CLI-09-11, 69 NRC at 533; *see also Pilgrim*, CLI-10-11, 71 NRC at 315.

<sup>48</sup> For example, PG&E submitted the Individual Plant Examination of External Events ("IPEEE") report to the NRC in June 1994. The results of the IPEEE showed that no vulnerabilities to severe accidents at the plant due to external events, including external flooding, were identified. SAMA Report at F-16. Specifically, the IPEEE results indicated that the core damage frequency due to non-fire/non-seismic events was less than 1.0E-06 per year and that the events were screened out as a result. *Id.* at F-17.

results and notes that non-fire/non-seismic external events, including external flooding, are relatively small contributors to risk. Section F.5.1.7 explains that, while it is possible that SAMAs could be developed to reduce the risk associated with external flooding, the low contribution to core damage frequency implies that it is unlikely that any SAMAs could be cost beneficial. The SAMA analysis goes on to conclude that the potential averted cost-risk for external flooding is “below the minimum expected cost of implementation for a SAMA.”<sup>49</sup> Because of the low contribution to CDF and the low potential averted cost-risk, PG&E did not consider any particular flooding mitigation SAMAs (*i.e.*, they “screened out”). SLOMFP does not acknowledge or address this part of the SAMA Report. Nor does SLOMFP propose any additional mitigation measure or show how it would reduce CDF or be cost-beneficial.

SLOMFP instead points only to PG&E’s Flooding Hazards Report filed in response to the Section 50.54(f) Letter. So, like proposed Contention C, SLOMFP is again raising a matter that is being addressed through current oversight processes (as a post-Fukushima issue) and that involves the adequacy of the CLB in the present license term. These are matters beyond the scope of the license renewal review. Without a specific connection in the proposed contention and the basis to the SAMA results, there is no genuine dispute with respect to a material license renewal environmental review issue.

Moreover, SLOMFP focuses on only one event — the LIP event analyzed in PG&E’s Section 50.54(f) response.<sup>50</sup> The reevaluation methodology is described in the Flooding Hazards Report, in Section 3.1. The reevaluation is a deterministic engineering evaluation that

---

<sup>49</sup> SAMA Report at F-91.

<sup>50</sup> Motion at 17.

utilizes current methodologies and the most recent data available.<sup>51</sup> The LIP events were compared against the existing design basis analysis without regard to event frequency. Accordingly, where the results were not bounded by the existing flooding analysis, interim mitigation measures were implemented.<sup>52</sup> This has been accomplished as a corrective action taken in accordance with the operating licenses and the NRC's Part 50 oversight. But none of this addresses the probability of these scenarios or the cost-benefit of some unspecified additional SAMA.

In fact, SLOMFP neglects to reference Section 3.1.3 of the very Flooding Hazards Report that it relies upon for its contention. Section 3.1.3 explains that the calculated 1-hour maximum LIP is 4.5 inches — an event with a return period of approximately 129,000,000 years.<sup>53</sup> This can be fairly characterized as an unlikely event, and one that would not be expected to greatly influence a probabilistic risk assessment or CDF. Add to that the fact that interim corrective actions have already been implemented, further reducing the risk of external flooding. As a result, any additional SAMA to address the theoretical residual risk would have a probability-weighted benefit that is vanishingly small — consistent with the conclusions in Section F.5.1.7 of the SAMA Report. Because SLOMFP has selectively taken data from the Flooding Hazards Report and failed to provide a basis for a contention addressing a material issue (the cost-benefit of an additional SAMA), SLOMFP has not demonstrated a genuine dispute on a material issue.

For all of the above reasons, Contention D is inadmissible.

---

<sup>51</sup> Flooding Hazards Report at 3-1.

<sup>52</sup> *Id.* at 5-1. The mitigation actions involve utilizing existing weather forecasting technologies to deploy temporary barriers as needed. Longer-term mitigation actions are to be addressed in the next integrated assessment. *Id.*

<sup>53</sup> *Id.*

### CONCLUSION

For the reasons discussed above, the Motion should be denied. The proposed contentions are not admissible in this license renewal proceeding.

Respectfully submitted,

/s/ signed electronically by

David A. Repka  
Tyson R. Smith  
Winston & Strawn LLP  
1700 K Street, NW  
Washington, DC 20006

Executed in accord with 10 C.F.R. 2.304(d)

Jennifer Post  
Pacific Gas and Electric Company  
77 Beale St., B30A  
San Francisco, CA 94105

COUNSEL FOR THE PACIFIC GAS  
AND ELECTRIC COMPANY

Dated at Washington, District of Columbia  
this 11th day of May 2015

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of:	)	
	)	
PACIFIC GAS AND ELECTRIC	)	Docket No. 50-275-LR
COMPANY	)	Docket No. 50-323-LR
	)	
(Diablo Canyon Power Plant, Units 1 and 2)	)	

CERTIFICATE OF SERVICE

I hereby certify that copies of “PACIFIC GAS AND ELECTRIC COMPANY’S ANSWER OPPOSING PROPOSED SAMA CONTENTIONS” in the captioned proceeding have been served via the Electronic Information Exchange (“EIE”) this 11th day of May 2015, which to the best of my knowledge resulted in transmittal of the foregoing to those on the EIE Service List for the captioned proceeding.

Respectfully submitted,

/s/ signed electronically by  
Tyson R. Smith  
Winston & Strawn LLP  
1700 K Street, NW  
Washington, DC 20006

COUNSEL FOR THE PACIFIC GAS  
AND ELECTRIC COMPANY