



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001**

July 1, 2015

Will Steele
Regional Administrator, West Coast Region
National Marine Fisheries Service
501 West Ocean Boulevard, Suite 4200
Long Beach, CA 90802-4213

John Stadler
Essential Fish Habitat Coordinator, West Coast Region
National Marine Fisheries Service
510 Desmond Drive SE, Suite 103
Lacey, WA 98503

SUBJECT: NOTICE OF INTENT TO REINITIATE THE ENVIRONMENTAL SCOPING
PROCESS AND REQUEST FOR CONCURRENCE WITH LIST OF FEDERALLY
LISTED SPECIES AND HABITATS FOR THE REVIEW OF THE DIABLO
CANYON POWER PLANT, UNITS 1 AND 2, LICENSE RENEWAL
APPLICATION

Dear Mr. Steele and Mr. Stadler:

The U.S. Nuclear Regulatory Commission (NRC) is reviewing an application submitted by Pacific Gas & Electric Company (PG&E) for the renewal of the operating licenses for Diablo Canyon Power Plant (DCPP), Units 1 and 2. The application for renewal was submitted in a letter dated November 23, 2009, pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR) Part 54. If approved, the NRC's issuance of the renewed licenses would authorize PG&E to operate DCPP, Units 1 and 2, for an additional 20 years beyond the current licensing periods, which expire on November 2, 2024 and August 26, 2025, respectively.

The purpose of this letter is to provide you and your staff with updated information on the status of the NRC's National Environmental Policy Act of 1969, as amended (NEPA) process and upcoming opportunities for public comment and involvement. This letter also provides information on the status of the NRC's review of impacts to species which are Federally listed as endangered or threatened under the Endangered Species Act of 1973, as amended (ESA), and their critical habitats, and as well as essential fish habitat protected under the Magnuson-Stevens Fishery Conservation and Management Act.

Project Description

DCPP is a two-unit pressurized water reactor nuclear plant. Each of the units is licensed to produce 3,411 megawatts-thermal. The DCPP site lies adjacent to the Pacific Ocean in San Luis Obispo County, California, approximately 12 miles west-southwest of the city of San Luis Obispo. The site encompasses 750 acres of land near the mouth of Diablo Creek. PG&E controls approximately 165 acres of coastal property north of Diablo Creek and 585 acres of

land adjacent to and south of Diablo Creek. The site is bounded on the west by the Pacific Ocean. To the northwest, the site is bordered by the Montana de Oro State Park. To the north and south, PG&E owns and leases approximately 12,000 acres of land for livestock grazing. These 12,000 acres are not part of the DCPD site.

The proposed DCPD license renewal would include continued operation and maintenance of DCPD's two nuclear-powered electrical generating units. The principle structures on the site include two reactor containment buildings and related structures, a switchyard, office buildings, warehouses, parking lots, equipment storage facilities, an Independent Spent Fuel Storage Installation, and a storage facility for an old steam generator. PG&E does not plan to construct any new buildings or transmission lines, undertake any other land-clearing or ground-disturbing activities, or otherwise alter current operating conditions during the license renewal term.

DCPD's cooling water is supplied through a once-through cooling system that draws seawater from and discharges heated effluent to the Pacific Ocean. During full power operations, DCPD circulates approximately 2.45 billion gallons of seawater per day through the main steam condensers. Heated effluent from the main condensers of each unit combines and flows through a common shoreline outfall. Once discharged, the thermal effluent mixes with the receiving water and dissipates across the ocean surface. The California Regional Water Quality Control Board, Central Coast Region regulates station discharges to the Pacific Ocean under National Pollutant Discharge Elimination System (NPDES) Permit No. CA0003751.

The DCPD site and cooling system is further described in PG&E's Environmental Report (ER) dated November 24, 2009 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML093340123), ER Amendment 1, dated December 22, 2014 (ADAMS Accession No. ML14364A259) and ER Amendment 2, dated February 25, 2015 (ADAMS Accession No. ML15057A102).¹

NEPA Process and Scoping

The NRC has established that, as part of the review of any nuclear power plant license renewal application, a site-specific Supplemental Environmental Impact Statement (SEIS) to its "Generic Environmental Impact Statement for License Renewal of Nuclear Plants," NUREG-1437, will be prepared pursuant to 10 CFR Part 51, the NRC's regulation that implements NEPA. The SEIS documents the NRC staff's independent analysis of pertinent environmental issues, including impacts to fish and wildlife and species listed as endangered or threatened.

In accordance with the requirements of 10 CFR Part 51.29, the NRC staff conducted a public scoping process to aid in the identification of issues to be considered in preparation of the SEIS. The scoping process was completed on April 12, 2010. By letter dated May 31, 2011, prior to issuance of a draft SEIS, the NRC informed PG&E that it would delay completion of further milestones associated with the environmental review of the DCPD license renewal application to allow PG&E time for the completion of certain seismic studies to address concerns raised during the State of California's Coastal Zone Management Act consistency review. On December 22, 2014, and February 25, 2015, PG&E amended its environmental report to incorporate additional

¹ References with ADAMS accession numbers can be accessed through the NRC's web-based ADAMS search engine at <http://adams.nrc.gov/wba/>. Click on the "Advanced Search" tab and choose the following criteria under Document Properties: "Accession Number" in the Property box, "is equal to" in the Operator box, and the ADAMS Accession Number of the document in the "Value" box.

information necessary for the NRC staff to complete its review of the DCPD license renewal application.

On April 29, 2015, the NRC staff issued a revised schedule for the completion of the DCPD license renewal application review. Because of the length of time since the completion of the original scoping period, the NRC staff has prepared a Notice of Intent advising the public that the NRC intends to reopen the scoping process to aid in the identification of issues that may have emerged in the interim. You and your staff are invited to participate in the environmental scoping process. As discussed in the enclosed *Federal Register* notice (Enclosure 1), the NRC staff is providing the public with the opportunity to participate in two environmental scoping meetings to be held on August 5, 2015. The meetings will be held at the Courtyard by Marriott San Luis Obispo, 1605 Calle Joaquin Road, San Luis Obispo, CA 93405. The first session will be held in the afternoon, and the second session, covering the same subjects, will be held in the evening. The afternoon session will be from 1:30 p.m. to 4:30 p.m., and the evening session will be from 7:00 p.m. to 10:00 p.m. The NRC plans to hold a one-hour open house prior to each meeting. In addition, during the week of September 28, 2015, the NRC staff plans to conduct a site audit at DCPD, which you and your staff are invited to attend.

The anticipated publication date for the draft SEIS is August 2016. Your office will receive a copy of the draft SEIS along with a request for comments.

Endangered or Threatened Species and Habitats

To ensure compliance with the ESA, the NRC staff will consider effects of the proposed license renewal on species listed as endangered or threatened and their habitats during the staff's NEPA review. The NRC corresponded with your office regarding listed species prior to the delay in the environmental review. In a letter dated March 9, 2010, the NRC requested a list of species that could be affected by the DCPD license renewal. In a letter dated May 10, 2010, NMFS responded to this request and provided NRC with a list of species under its jurisdiction.

During its preliminary review, the NRC staff has identified 21 Federally listed species that may occur near DCPD (see Table 1 in Enclosure 1). Table 1 reflects a revision to the scope of the NRC's review of the transmission lines since the staff restarted its review. Because the proposed license renewal would not require PG&E to construct new transmission lines or upgrade existing lines and because all existing lines would remain energized regardless of license renewal, the NRC is no longer considering transmission lines beyond the onsite DCPD switchyard to be part of the proposed action.

The NRC will consider the species identified in Table 1 its assessment of impacts resulting from the proposed license renewal. The NRC requests your concurrence with its table of Federally listed species (Table 1) per 50 CFR 402.12(d).

If during the environmental review, the NRC staff determines that the proposed license renewal "may affect" any listed species or critical habitat, the NRC will either: (1) request your concurrence with a "not likely to adversely affect" determination under the provisions of 50 CFR 402.13, or (2) request formal consultation under the provisions of 50 CFR 402.14 if effects are not discountable, insignificant, or beneficial.

If you or your staff have any further information concerning Federally listed species or critical habitats on or near the DCPD site that might assist the NRC at this preliminary stage of the staff's review, please provide such information as part of the NEPA scoping process.

Essential Fish Habitat

To ensure compliance with the Magnuson-Stevens Fishery Conservation and Management Act, the NRC staff will consider effects of the proposed license renewal on essential fish habitats during the staff's NEPA review. In a letter dated March 9, 2010, the NRC requested a list of species with essential fish habitat that could be affected by the DCPD license renewal. On May 22, 2010, NMFS sent the NRC an email regarding the essential fish habitat assessment. In addition, on September 14, 2010, staff from the NRC and NMFS held a conference call to discuss the contents of the essential fish habitat assessment for DCPD. If you or your staff have any additional information concerning essential fish habitats on or near the DCPD site that might assist the NRC at this preliminary stage of the staff's review, please provide such information as part of the NEPA scoping process.

Conclusion

If you have any questions or require additional information regarding the project, please contact Michelle Moser, Biologist, by phone at 301-415-6509 or by e-mail at Michelle.Moser@nrc.gov.

Sincerely,

/RA Kevin Folk for/

David J. Wrona, Chief
Environmental Review and
Guidance Update Branch
Division of License Renewal
Office of Nuclear Reactor Regulation

Docket Nos. 50-275 and 50-323

Enclosures:
As stated

cc w/encls: Listserv

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cc w/encl: Listserv

ADAMS Accession Nos.: ML15177A308 (package), ML15160A261 (letter)
Enclosure: ML15140A594 (FRN)

*concurred via email

OFFICE	LA:DLR	AB:RERB:DLR	AB:RERB:DLR	BC:RPB2:DLR	BC:RERB:DLR
NAME	IBetts	MMoser	BGrange	BWittick	DWrona (KFolk for)
DATE	6/11/15	6/25/15	6/25/15	6/25/15	7/1/15

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JLindell, OGC

EWilliamson, OGC

THipschman, SRI

JReynoso, RI

GMiller, RIV

WWalker, RIV

DMcIntyre, OPA

VDricks, OPA

WMaier, RIV

AMoreno, OCA

MWaters, EDO

john.stadler@noaa.gov

Table 1. Federally Listed Species that may occur on or near Diablo Canyon Power Plant

Scientific name	Common name ^(a)	Federal status ^(b)	Typical habitat	Designated critical habitat ^(c)
Mollusks				
<i>Haliotis cracherodii</i>	black abalone	E	rocky intertidal to shallow subtidal with rocks or other surfaces that contain crevices, holes, or cracks	Yes*
<i>Haliotis sorenseni</i>	white abalone	E	subtidal coastal environments with rocks and boulders interspersed with sand channels	No
Fish				
<i>Acipenser medirostris</i>	green sturgeon (Southern DPS)	T	freshwater rivers and streams, estuaries and bays, and marine coastal and offshore waters	Yes
<i>Oncorhynchus kisutch</i>	coho salmon (Central California Coastal ESU)	E	freshwater rivers and streams, estuaries, and coastal marine waters	Yes
<i>Oncorhynchus mykiss</i>	steelhead trout (South-Central California coast DPS)	T	freshwater rivers and streams, estuaries, and coastal and offshore marine waters	Yes*
Reptiles				
<i>Caretta caretta</i>	loggerhead turtle (Northern Pacific Ocean DPS)	E	coastal and offshore marine waters	Proposed

<i>Chelonia mydas</i>	green turtle (East Pacific DPS [proposed])	T ^(d)	shallow coastal areas with algae, seagrasses and offshore marine waters	Yes
<i>Dermochelys coriacea</i>	leatherback turtle	E	coastal and offshore marine waters	Yes*
<i>Lepidochelys olivacea</i>	Olive ridley turtle	T ^(d)	coastal and offshore marine waters	No
Mammals				
<i>Arctocephalus townsendi</i>	Guadalupe fur seal	T	coastal and offshore marine waters; during breeding seasons will inhabit coastal rocky habitats and caves	No
<i>Balaenoptera borealis</i>	sei whale	E	offshore marine waters	No
<i>Balaenoptera musculus</i>	blue whale	E	coastal and offshore marine waters	No
<i>Balaenoptera physalus</i>	fin whale	E	offshore marine waters	No
<i>Eubalaena japonica</i>	North Pacific right whale	E	coastal and offshore marine waters	Yes
<i>Megaptera novaeangliae</i>	humpback whale	E	coastal and offshore marine waters	No
<i>Orcinus orca</i>	killer whale (Southern Resident DPS)	E	coastal and offshore marine waters	Yes
<i>Physeter macrocephalus</i>	sperm whale	E	offshore marine waters	No

(a) DPS= Distinct Population Segment; ESU = Evolutionarily Significant Unit

(b) E = Endangered; T = Threatened

(c) * = Designated critical habitat within the vicinity of DCP

(d) Mexican breeding population is endangered; other populations are threatened

Sources:

[NMFS]. National Marine Fisheries Service. 2006. Endangered Species Act Section 7 Consultation Biological Opinion and Incidental Take Statement, Formal Consultation on the Continued Operation of the Diablo Canyon Nuclear Power Plant and San Onofre Nuclear Generating Station. September 18, 2006. ADAMS Accession No. ML063000348.

[NMFS]. National Marine Fisheries Service. 2010. Letter from R. McInnis, Regional Administrator, NMFS, to D. Wrona, Chief, NRC, Regarding the application by Pacific Gas &

Electric (PG&E) for the renewal of the operating license for Diablo Canyon Nuclear Power Plant (DCPP), Units 1 and 2. May 10, 2010. ADAMS Accession No. ML101390396.

[NMFS] National Marine Fisheries Service. 2015. "Threatened and Endangered Marine Species under NMFS' Jurisdiction." Available at <
<http://www.fisheries.noaa.gov/pr/species/esa/listed.htm>> accessed on 23 June 2015.