UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
1600 E LAMAR BLVD
ARLINGTON, TX 76011-4511

August 21, 2014

Mr. Edward D. Halpin
Senior Vice President and
Chief Nuclear Officer
Pacific Gas and Electric Company
Diablo Canyon Power Plant
P.O. Box 56, Mail Code 104/6
Avila Beach, CA 93424

SUBJECT: NOTICE OF ENFORCEMENT DISCRETION FOR PACIFIC GAS AND ELECTRIC COMPANY (TAC NO. MF4645, NOED NO. 14-4-001)

Dear Mr. Halpin:

By letter dated August 19, 2014, (ML 14231B337), Pacific Gas and Electric Company requested that the U.S. Nuclear Regulatory Commission (NRC) exercise discretion to not enforce compliance with the actions required in Diablo Canyon Power Plant (DCPP), Unit 2, Technical Specification (TS) 3.8.1, "AC Sources – Operating," Required Action H.2. This letter documented information previously discussed between Mr. Barry Allen and other members of your staff and the NRC, in a telephone conference on August 15, 2014, at approximately 1:30 p.m. (all time references below will be in Pacific Daylight Time). The principal NRC Staff members who participated in the August 15, 2014, telephone conference are listed in the enclosure. The NRC staff determined that the information in your letter requesting the enforcement discretion was consistent with your verbal request.

On August 10, 2014, at 6:56 a.m., diesel generator 2-2 was removed from service for a maintenance outage. During the maintenance, a diesel fuel oil inlet to fuel header capscrew was discovered broken. An extent of condition review was performed and a similar capscrew was discovered to have an ultrasonic test indication on diesel generator 2-3. Diesel generator 2-3 was declared inoperable August 14, 2014, at 4:31 p.m., when DCPP Unit 2 entered TS 3.8.1, Condition E, Required Action E.1, to ensure at least two diesel generators are operable within two hours. The capscrew on diesel generator 2-3 was replaced, but during preparations to return the diesel generator to service, a separate, unrelated failure of the engine driven fuel oil booster pump shaft seal occurred.

At 6:31 p.m., August 14, 2014, DCPP Unit 2 entered TS 3.8.1, Condition H, Required Action H.1, to be in Mode 3 within six hours. The licensee began shutdown of Unit 2 at 8:31 p.m. and entered Mode 3 at 11:51 p.m. August 14, 2014. If both diesel generators remain inoperable, TS 3.8.1, Condition H, Required Action H.2 requires the unit to be in Mode 5 in 36 hours. The licensee requested enforcement discretion to permit additional time to make repairs and restore diesel generator 2-3 to operable status before starting a plant cooldown in sufficient time to enter into Mode 5 within 36 hours, as required. The licensee requested an additional 3 hours to restore diesel generator 2-3 such that the completion time of Required Action H.2 would expire

at 9:31 a.m. on August 16, 2014. Your staff first informed the resident inspectors of a potential Notice of Enforcement Discretion (NOED) request the morning of August 15, 2014. This letter documents the telephone conversation on August 15, 2014, which concluded at approximately 2:45 p.m. between DCPP and the NRC staff. The NRC staff verbally issued this NOED at 3:07 p.m. on August 15, 2014. We understand that the condition causing the need for this NOED was corrected with the restoration of diesel generator 2-3 to operable status, allowing DCPP Unit 2 to exit TS 3.8.1, Required Action H.2, and this NOED at 6:00 p.m. on August 15, 2014. Further, we understand that diesel generator 2-2 was restored to operable status at 2:21 p.m. on August 17, 2014.

During the teleconference on August 15, and further elaborated in your August 19, 2014, letter, you indicated that from a risk perspective it was undesirable to place DCPP Unit 2 into a Mode 5 configuration. Unit 2 was in Mode 3 in a stable configuration with offsite power available to support the non-safety and safety related buses. Based on actual plant conditions on August 15, 2014, your staff quantitatively estimated the Incremental Conditional Core Damage Probability (ICCDP) for DCPP Unit 2 for a 14.5 hour extension to be approximately 4.98E-07, and the Incremental Conditional Large Early Release Probability (ICLERF) to be approximately 2.01E-08. Additionally, it was noted that the estimated ICCDP and ICLERF values did not take into account that Unit 2 was in Mode 3 and thus, the use of the at-power probabilistic risk assessment is conservative. The results of the licensee's quantification were compared to the guidance thresholds in Inspection Manual Chapter 0410, "Notices of Enforcement Discretion," (ML13071A487).

Your staff stated that NOED Criteria a.2, to reduce shutdown risk by avoiding a system realignment that does not provide an overall safety benefit was satisfied. From a qualitative perspective, your staff noted that maintaining Unit 2 in the Mode 3 Hot Standby condition provided additional redundancy and diversity for core cooling through the auxiliary feedwater system. However, if the unit would have been required to transition to Mode 5, core cooling is provided by the residual heat removal (RHR) system.

In Mode 5 with a postulated station blackout scenario all RHR cooling is lost, while in a loss of offsite power in Mode 5, only one RHR pump and one component cooling water pump is available. You also stated that there was no net increase in radiological risk to the public.

Your staff stated that you would implement compensatory risk management measures for the proposed enforcement discretion and ensured these compensatory measures remained in effect throughout the proposed period of discretion. These additional compensatory risk management measures included: (1) protecting the turbine driven auxiliary feedwater pump and the steam supply to it; (2) protecting diesel generator 2-1; (3) protecting offsite 230-kV and 500-kV power and prohibiting all work in the DCPP 230-kV/500-kV, Morrow Bay, and Mesa 230-kV switchyards; (4) protecting the vital Unit 2, 125 VDC, 480V, and 4-kV Bus G; (5) protecting component cooling water pump 2-2; (6) protecting makeup water capability to the condensate storage tank and any alternative sources for AFW supply; (7) providing a continuous fire watch in the Unit 2 cable spreading room and Unit 2 solid state protection system room; (8) prohibiting welding and cutting in fire areas 3-BB-115 and 5-B-4; (9) providing a pre-job brief to the operating crew on the operator action to provide backup cooling to the charging pumps with firewater; and (10) providing a pre-job brief to the operating crew on the operator action to back feed offsite power from the 500-kV system. Your staff also stated that no severe weather was forecast which could challenge offsite power availability during the proposed period of enforcement discretion, grid conditions were normal, and no maintenance would be performed on safety-related equipment.

Your staff stated that the proposed change did not involve a significant hazard based on the three standards set forth in 10 CFR 50.92(c), and did not involve adverse consequences to the environment such that the proposed change meets the categorical exclusion set forth in 10 CFR 51.22(c)(9). The DCPP Plant Staff Review Committee reviewed and approved the NOED request on August 15, 2014, prior to the verbal request for an NOED. Because the request was a one-time extension of the required completion time for repairs and a license amendment for risk informed completion times is currently under review by the NRC, your staff stated that a follow-up license amendment request was not required.

Based on the NRC staff's evaluation of Pacific Gas and Electric's request, the staff has concluded that granting this NOED is consistent with the NRC's Enforcement Policy and staff guidance, and would have no adverse impact on public health and safety. Therefore, as communicated to your staff at 3:07 p.m. on August 15, 2014, the NRC exercised discretion to not enforce compliance with Technical Specification 3.8.1, Condition H, Required Action H.2, to be in Mode 5 in 36 hours. The NOED provided for an additional period of 3 hours, which expired at 9:31 a.m. on August 16, 2014.

In addition, as discussed on August 15, 2014, the NRC staff agreed with your determination that a follow-up Technical Specification amendment is not needed. The staff concluded that an amendment (either a temporary or permanent amendment) is not necessary because the request was a one-time extension of the required completion time for repairs and a license amendment for risk informed completion times is currently under review by the NRC.

As stated in the Enforcement Policy, action will be taken, to the extent that violations were involved for the root cause that led to the noncompliance for which this NOED was necessary.

Sincerely,

/RA/

Michael C. Hay, Acting Director
Division of Reactor Projects

Dockets: 50-275; 50-323
Licenses: DPR-80; DPR-82

Enclosure: List of Participants

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Michael C. Hay, Acting Director
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Enclosure: List of Participants
DISTRIBUTION: See Next Page

ADAMS ACCESSION NUMBER: ML14233A614

ADAMS: ☐ No ☑ Yes	☑ SUNSI Review Complete	Reviewer Initials: TDB
	☑ Publicly Available	☑ Non-Sensitive
.	☐ Non-publicly Available	☐ Sensitive

SPE:RIV/DRP/A	C:RIV/DRP/A	SRA:RIV/DRS	C:RIV/ACES
TBuchanan/dll	WWalker	DLoveless	VCampbell
/RA/	**/RA/E-Buchanan**	**/RA/**	**/RA/**
8/20/14	8/20/14	8/20/14	8/20/14
PM:NRR/DORL/LPL4	D:RIV/DRS	DD:NRR/DORL	DD:RIV/DRP
BSingal	AVegel	MMarkley	MHay
/RA/	**/RA/VGaddy for**	**/RA/E-Buchanan**	**/RA/**
8/20/14	8/21/14	8/21/2014	8/21/14

Letter to Ed Halpin from Michael Hay dated August 21, 2014

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