



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

August 31, 2007

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: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN -
DIABLO CANYON POWER PLANT

Dear Mr Keenan:

On August 7, 2007, the NRC staff completed its performance review of Diablo Canyon Power Plant, Units 1 and 2 for the first half of the calendar year 2007 assessment cycle. Our technical staff reviewed performance indicators (PIs) for the most recent quarter and inspection results over the previous twelve months. The purpose of this letter is to inform you of our assessment of your safety performance during this period and our plans for future inspections at your facility.

This performance review and enclosed inspection plan do not include security information. A separate letter designated and marked as "Official Use Only-Security Information" will include the security cornerstone review and resultant inspection plan.

Plant performance for the most recent quarter at Diablo Canyon Power Plant, Unit 1 and 2 was within the Licensee Response column of the NRC's Action Matrix, based on all inspection findings being classified as having very low safety significance (Green) and all PIs indicating performance at a level requiring no additional NRC oversight (Green). In addition to baseline inspections, we also plan on implementing Inspection Procedure 50001, "Steam Generator Replacement Inspection," for Unit 2 and Temporary Instruction 2515/166, "Pressurized Water Reactor Containment Sump Blockage," for Unit 2.

The enclosed inspection plan details the inspections, except those related to security, scheduled through December 31, 2008. The inspection plan is provided to allow for the resolution of any scheduling conflicts and personnel availability issues well in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last nine months of the inspection plan are tentative and may be revised at the end-of-cycle review.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC 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.html> (the Public Electronic Reading Room).

The NRC is currently evaluating the scope and frequency of all the baseline inspection procedures. If the results of the evaluation, or any other circumstances, cause us to change the inspection plan, we will contact you to discuss the change as soon as possible. Please contact me at 817-860-8141 with any questions you may have regarding this letter or the inspection plan.

Sincerely,



Vincent Gaddy, Chief
Reactor Projects Branch B
Division of Reactor Projects

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Enclosure:
Diablo Canyon Inspection/Activity Plan

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SUNSI Review Completed: VGG ADAMS: Yes No Initials: VGG
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R:_REACTORS\EOC and Midcycle\Midcycle Assessment Letters\2007\DC

RIV/C.DRP/B concurrence	D.DRS	D.DRP	C.DRP/B signature
VGGaddy; scg	DDChamberlain	ATHowell III	VGGaddy
/RA/	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>
08/20/07	08/20/07	08/20/07	08/21/07

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Diablo Canyon
Inspection / Activity Plan
09/01/2007 - 12/31/2008

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	EB1-2/17 - 50.59 & PERMANENT PLANT MODS		2			
1,2	IP 7111102	Evaluation of Changes, Tests, or Experiments		09/10/2007	09/14/2007	Baseline Inspections
1,2	IP 7111117B	Permanent Plant Modifications		09/10/2007	09/14/2007	Baseline Inspections
	RP-ORS5 - OCCUPATIONAL RADIATION SAFETY-ALARA		1			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		11/05/2007	11/09/2007	Baseline Inspections
1,2	IP 7112101	Access Control to Radiologically Significant Areas		11/05/2007	11/09/2007	Baseline Inspections
1,2	IP 7112102	ALARA Planning and Controls		11/05/2007	11/09/2007	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		11/05/2007	11/09/2007	Baseline Inspections
	BRQ-SIM - BIENNIAL REQUAL SIM ONLY		1			
1,2	IP 7111111B	Licensed Operator Requalification Program		12/10/2007	12/13/2007	Baseline Inspections
	U2 SG - STEAM GENERATOR REPLACEMENT - UNIT 2		1			
2	IP 50001	Steam Generator Replacement Inspection		02/01/2008	04/30/2008	Other Routine
	EB1 08 - U2 ISI/ UNIT 1&2 PWR SUMP TI 166 CLOSEOU		4			
1,2	IP 2515/166	Pressurized Water Reactor Containment Sump Blockage [NRC GENERIC LETTER 2004-02]		02/11/2008	02/15/2008	Safety Issues
2	IP 7111108P	Inservice Inspection Activities - PWR		02/11/2008	02/15/2008	Baseline Inspections
2	IP 7111108P	Inservice Inspection Activities - PWR		02/25/2008	03/01/2008	Baseline Inspections
	RP-ORS1 - OCCUPATIONAL RADIATION SAFETY-ALARA		1			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		03/17/2008	03/21/2008	Baseline Inspections
1,2	IP 7112102	ALARA Planning and Controls		03/17/2008	03/21/2008	Baseline Inspections
2	IP 71151-OR01	Occupational Exposure Control Effectiveness		03/17/2008	03/21/2008	Baseline Inspections
1	IP 71151-PR01	RETS/ODCM Radiological Effluent		03/17/2008	03/21/2008	Baseline Inspections
	EXAM - INITIAL EXAMINATION		4			
1	X02377	DIABLO CANYON UNIT1-INITIAL EXAM (08/2008)		05/19/2008	05/23/2008	Not Applicable
	EXAM - INITIAL EXAMINATION		5			
2	X02378	DIABLO CANYON UNIT 2 - INITIAL EXAM (11/2008)		05/19/2008	05/23/2008	Not Applicable
	EXAM - INITIAL EXAMINATION		4			
1	X02377	DIABLO CANYON UNIT1-INITIAL EXAM (08/2008)		06/16/2008	06/27/2008	Not Applicable
	EXAM - INITIAL EXAMINATION		5			
2	X02378	DIABLO CANYON UNIT 2 - INITIAL EXAM (11/2008)		06/16/2008	06/27/2008	Not Applicable
	EB2-07B - BIENNIAL HEAT SINK INSPECTION		1			
1,2	IP 7111107B	Heat Sink Performance		07/21/2008	07/25/2008	Baseline Inspections
	EB2-52B - BIENNIAL PI&R INSPECTION		4			
1,2	IP 71152B	Identification and Resolution of Problems		08/11/2008	08/15/2008	Baseline Inspections
1,2	IP 71152B	Identification and Resolution of Problems		08/25/2008	08/29/2008	Baseline Inspections

This report does not include INPO and OUTAGE activities.
This report shows only on-site and announced inspection procedures.

Diablo Canyon
Inspection / Activity Plan
 09/01/2007 - 12/31/2008

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	EB1-21 - CDBI		7			
1,2	IP 7111121	Component Design Bases Inspection		09/08/2008	09/12/2008	Baseline Inspections
1,2	IP 7111121	Component Design Bases Inspection		09/22/2008	10/03/2008	Baseline Inspections
	EP1 - EP EXERCISE		3			
1,2	IP 7111401	Exercise Evaluation		10/27/2008	10/31/2008	Baseline Inspections
	RP-ORS2 - OCCUPATIONAL RADIATION SAFETY-ACCESS		1			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		11/03/2008	11/07/2008	Baseline Inspections
1,2	IP 7112102	ALARA Planning and Controls		11/03/2008	11/07/2008	Baseline Inspections
1	IP 71151-OR01	Occupational Exposure Control Effectiveness		11/03/2008	11/07/2008	Baseline Inspections
2	IP 71151-PR01	RETS/ODCM Radiological Effluent		11/03/2008	11/07/2008	Baseline Inspections
	RP TEAM - RADIATION SAFETY TEAM INSPECTION		5			
1,2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		12/08/2008	12/12/2008	Baseline Inspections
1,2	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		12/08/2008	12/12/2008	Baseline Inspections
1,2	IP 7112202	Radioactive Material Processing and Transportation		12/08/2008	12/12/2008	Baseline Inspections
1,2	IP 7112203	Radiological Environmental Monitoring Program (REMP) And Radioactive Material Control F		12/08/2008	12/12/2008	Baseline Inspections

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