



NUCLEAR REGULATORY COMMISSION

[Docket Nos. 50-275 and 50-323; NRC-2026-1255]

Pacific Gas and Electric Company;

Diablo Canyon Nuclear Power Plant, Units 1 and 2;

Exemption

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice; issuance.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) has issued an exemption from the regulation that would have required the application for renewal of Facility Operating License Nos. DPR-80 and DPR-82 for Diablo Canyon Nuclear Power Plant, Units 1 and 2, respectively, to be referred to the Advisory Committee on Reactor Safeguards for a review and report, with any report being made part of the record of the application and made available to the public, except to the extent that security classification prevents disclosure. Due to this exemption, such referral, review, and report are no longer required.

DATES: The exemption was issued on March 6, 2026.

ADDRESSES: Please refer to Docket ID NRC-2026-1255 when contacting the NRC about the availability of information regarding this document. You may obtain publicly available information related to this document using any of the following methods:

- **Federal Rulemaking Website:** Go to <https://www.regulations.gov> and search for Docket ID NRC-2026-1255. Address questions about Docket IDs in Regulations.gov to Bridget Curran; telephone: 301-415-1003; email: Bridget.Curran@nrc.gov. For technical questions, contact the individual listed in the “For Further Information Contact” section of this document.

- **NRC’s Agencywide Documents Access and Management System**

(ADAMS): You may obtain publicly available documents online in the ADAMS Public Documents collection at <https://www.nrc.gov/reading-rm/adams.html>. To begin the

search, select "Begin ADAMS Public Search." For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1-800-397-4209, at 301-415-4737, or by email to PDR.Resource@nrc.gov.

- **NRC's PDR:** The PDR, where you may examine and order copies of publicly available documents, is open by appointment. To make an appointment to visit the PDR, please send an email to PDR.Resource@nrc.gov or call 1-800-397-4209 or 301-415-4737, between 8 a.m. and 4 p.m. eastern time (ET), Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Brian Harris, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; telephone: 301-415-2277; email: Brian.Harris2@nrc.gov.

SUPPLEMENTARY INFORMATION: The text of the exemption is attached.

Dated: March 9, 2026.

For the Nuclear Regulatory Commission.

Brian Harris, Project Manager,
License Renewal Projects Branch,
Division of New and Renewed Licenses,
Office of Nuclear Reactor Regulation.

Attachment – Exemption.

NUCLEAR REGULATORY COMMISSION

Docket Nos. 50-275 and 50-323

Pacific Gas and Electric Company

Diablo Canyon Nuclear Power Plant, Units 1 and 2

Exemption

I. Background.

Pacific Gas and Electric Company (PG&E, the licensee) is the holder of Facility Operating License Nos. DPR-80 and DPR-82 for Diablo Canyon Nuclear Power Plant (DCPP), Units 1 and 2, respectively. The licenses provide, among other things, that the licensee is subject to all rules, regulations, and orders of the U.S. Nuclear Regulatory Commission (NRC, the Commission) now or hereafter in effect. The DCPP consists of two pressurized-water reactors with licensed power levels of 3,411 megawatts thermal, and it is located in San Luis Obispo County, California.

On November 7, 2023, PG&E submitted to the NRC an application for renewal of Facility Operating License Nos. DPR-80 and DPR-82 for DCPP, Units 1 and 2, respectively, pursuant to title 10 of the *Code of Federal Regulations* (10 CFR) Part 54, “Requirements for Renewal of Operating Licenses for Nuclear Power Plants,” requesting renewal for a period of 20 years beyond the current facility operating licenses’ expiration dates of November 2, 2024, for Unit 1, and August 26, 2025, for Unit 2. A final NRC decision on this application is expected on or before March 31, 2026.

The regulations governing license renewal and that are applicable to the DCPP license renewal application include 10 CFR 54.25, “Report of the Advisory Committee on Reactor Safeguards.” This regulation states that “[e]ach renewal application will be referred to the Advisory Committee on Reactor Safeguards for a review and report. Any report will be made part of the record of the application and made available to the public, except to the extent that security classification prevents disclosure.” The December 13, 1991, rulemaking that promulgated 10 CFR 54.25 (Nuclear Power Plant License

Renewal (56 FR 64943, 64966)) specifically noted that review by the Advisory Committee on Reactor Safeguards (ACRS) of license renewal applications was desirable but not required by statute.

On May 23, 2025, the President issued Executive Order (EO) 14300 (90 FR 22587), "Ordering the Reform of the Nuclear Regulatory Commission." Section 4(b) of EO 14300 directs, in part, that "[r]eview by ACRS of permitting and licensing issues shall focus on issues that are truly novel or noteworthy."

In June 2025, the NRC issued "Safety Evaluation Related to the License Renewal of Diablo Canyon Nuclear Power Plant, Units 1 and 2" (ML25153A508) documenting the NRC's safety review of the DCPD license renewal application. As part of this safety review, the NRC did not identify any issues that are "truly novel or noteworthy."

Pursuant to 10 CFR 54.15, "Specific exemptions," exemptions from the requirements of 10 CFR part 54 may be granted by the Commission in accordance with 10 CFR 50.12, "Specific exemptions." Pursuant to 10 CFR 50.12, the Commission may, upon application by any interested person or upon its own initiative, grant exemptions from its requirements when (1) the exemptions are authorized by law, will not present an undue risk to the public health and safety, and are consistent with the common defense and security and (2) special circumstances are present. Under 10 CFR 50.12(a)(2)(vi), special circumstances are present when there is present any material circumstance not considered when the regulation was adopted for which it would be in the public interest to grant an exemption. That regulation also provides that if this condition is relied on exclusively for satisfying the special circumstances requirement, then the exemption may not be granted until the Executive Director for Operations (EDO) has consulted with the Commission.

II. Action.

Based on the direction in EO 14300, the regulatory history of 10 CFR 54.25, and the fact that the NRC's safety review of the DCPD license renewal application did not

identify any issues that are “truly novel or noteworthy,” the NRC has determined that the granting of an exemption upon its own initiative, pursuant to 10 CFR 54.15 and 10 CFR 50.12, from the requirements of 10 CFR 54.25 with respect to the DCPD license renewal application would be warranted. Moreover, for the reasons explained below, the NRC has determined that the requirements of 10 CFR 54.15 and 10 CFR 50.12 are met. Therefore, an exemption from the requirements of 10 CFR 54.25 with respect to the DCPD license renewal application may be granted.

III. Discussion.

As described in 10 CFR 1.13, “Advisory Committee on Reactor Safeguards,” the ACRS was established by the Atomic Energy Act of 1954, as amended (AEA). Among other things, the ACRS reviews and reports on safety studies and applications for construction permits and facility operating licenses and advises the Commission with regard to hazards of proposed or existing reactor facilities and the adequacy of proposed reactor safety standards. The ACRS also reviews any generic issues or other matters referred to it by the Commission for advice.

As previously stated, 10 CFR 54.25 requires that each renewal application be referred to the ACRS for a review and report. The rulemaking that promulgated this regulation (56 FR 64966) explained the regulation as follows:

Section 182.b of the AEA states:

The ACRS shall review each application under section 103 or section 104b. for a construction permit or an operating license for a facility, any application under section 104c. for a construction permit or an operating license for a testing facility, any application under section 104a. or c. specifically referred to it by the Commission, and any application for an amendment to a construction permit or an amendment to an operating license under section 103 or 104a., b., or c. specifically referred to it by the Commission....

Section 182.b does not explicitly refer to applications for renewal of an operating license as requiring ACRS review. However, the Commission believes that review by the ACRS is desirable. Accordingly, [10 CFR] 54.25 of the final rule requires ACRS review of a license renewal application.

The Commission has not changed 10 CFR 54.25 since its promulgation. Further, no subsequent amendments of the AEA have set forth a requirement for the ACRS to review license renewal applications.

The Exemption is Authorized by Law

The exemption would remove the requirement for the DCPD license renewal application to be referred to the ACRS for a review and report. As previously stated, 10 CFR 54.15 and 10 CFR 50.12 allow the NRC to grant exemptions from the requirements of 10 CFR part 54, including 10 CFR 54.25, when the exemptions are authorized by law. The requirement of 10 CFR 54.25 is not required by the AEA or any other law. As noted by the Commission (56 FR 64966), the AEA does not explicitly refer to applications for renewal of an operating license as requiring ACRS review. Therefore, the NRC finds that the exemption is authorized by law.

The Exemption Will Not Present an Undue Risk to the Public Health and Safety

The exemption would remove the requirement for the DCPD license renewal application to be referred to the ACRS for a review and report. As previously stated, 10 CFR 54.15 and 10 CFR 50.12 allow the NRC to grant exemptions from the requirements of 10 CFR part 54, including 10 CFR 54.25, when the exemptions will not present an undue risk to the public health and safety. The standards and criteria that must be met before the Commission issues renewed licenses would not be affected by an exemption from 10 CFR 54.25. That is, regardless of the ACRS review required under 10 CFR 54.25, the regulation at 10 CFR 54.29, "Standards for issuance of a renewed license," would continue to set forth the safety criteria that must be met before renewed licenses may be issued. Moreover, the NRC staff, which has a robust process for reviewing applications for renewed licenses, has completed its detailed review of how the DCPD license renewal application addresses the standards in 10 CFR 54.29 (and other relevant regulations). The results of the NRC staff's safety review are documented in its safety evaluation. The safety evaluation confirmed that all of the safety standards required for the issuance of DCPD renewed licenses have been met. Additionally, the

safety evaluation did not identify any “truly novel or noteworthy” issues. On this basis, the NRC finds that the exemption presents no undue risk to the public health and safety.

The Exemption is Consistent with the Common Defense and Security

The exemption would remove the requirement for the DCCP license renewal application to be referred to the ACRS for a review and report. As previously stated, 10 CFR 54.15 and 10 CFR 50.12 allow the NRC to grant exemptions from the requirements of 10 CFR part 54, including 10 CFR 54.25, when the exemptions are consistent with the common defense and security. The NRC staff has determined that the exemption does not impact the common defense and security because the common defense and security is not within the scope of license renewal reviews, which, instead, focus on the effects of aging on systems, structures, and components. When promulgating revisions to its license renewal rule in 1995 (60 FR 22461, 22463-64), the Commission re-affirmed its philosophy that the existing regulatory process is adequate to ensure that the licensing bases of all currently operating plants provide and maintain an acceptable level of safety so that operation will not be inimical to the public health and safety or common defense and security. Similarly, any ACRS review of a license renewal application would not relate to the issue of the common defense or security. Therefore, the NRC finds that the exemption is consistent with the common defense and security.

Special Circumstances are Present

The exemption would remove the requirement for the DCCP license renewal application to be referred to the ACRS for a review and report. As previously stated, 10 CFR 54.15 and 10 CFR 50.12 allow the NRC to grant exemptions from the requirements of 10 CFR part 54, including 10 CFR 54.25, when special circumstances are present. One such special circumstance is that there is present any material circumstance not considered when the regulation was adopted for which it would be in the public interest to grant an exemption. The direction in EO 14300 to limit ACRS review to issues that are truly novel or noteworthy is a material circumstance and since it was issued in 2025, it was not considered when the NRC adopted 10 CFR 54.25 in 1991 and decided to

broadly require all license renewal applications to be referred to the ACRS, even though such referrals are not required by the AEA. Additionally, following the direction of EO 14300 is in the public interest, which is served by not performing requirements, such as the referral of the DCPD license renewal application to the ACRS, that are unnecessary. The NRC staff has reviewed approximately 100 license renewal applications to date and as part of those reviews discussed and took appropriate action upon identifying any novel or noteworthy issues (e.g., issues related to buried gray cast iron piping). The NRC staff applied this well-established process to its review of the DCPD license renewal application and did not identify any novel or noteworthy issues. Therefore, the referral of this application to the ACRS is not necessary and it would be in the public interest for the NRC to grant an exemption from the regulation requiring that referral. Finally, because the NRC is exclusively relying on the special circumstance of 10 CFR 50.12(a)(2)(vi) for satisfying 10 CFR 50.12(a)(2), the EDO consulted with the Commission, as required. On this basis, the NRC finds that special circumstances are present.

Environmental Considerations

The exemption would remove the requirement for the DCPD license renewal application to be referred to the ACRS for a review and report. The NRC has determined that this exemption does not have a significant effect on the human environment and, therefore, that a categorical exclusion under 10 CFR 51.22, "Criterion for categorical exclusion; identification of licensing and regulatory actions eligible for categorical exclusion or otherwise not requiring environmental review," is appropriate. Specifically, under 10 CFR 51.22(c)(25), categories of actions that are categorical exclusions include the granting of an exemption from the requirements of any NRC regulation, provided that: (i) there is no significant hazards consideration; (ii) there is no significant change in the types or significant increase in the amounts of any effluents that may be released offsite; (iii) there is no significant increase in individual or cumulative public or occupational radiation exposure; (iv) there is no significant construction impact; (v) there

is no significant increase in the potential for or consequences from radiological accidents; and (vi) the requirements from which the exemption is sought involve an item listed in 10 CFR 51.22(c)(25)(vi)(A)-(I), where 10 CFR 51.22(c)(25)(vi)(A), (B), and (I) are “recordkeeping requirements,” “reporting requirements,” and “other requirements of an administrative, managerial, or organizational nature,” respectively. As explained below, these criteria are satisfied for this exemption.

An exemption involves no significant hazards consideration if, as provided in 10 CFR 50.92(c), operation of the facility in accordance with the proposed exemption would not (1) involve a significant increase in the probability or consequences of an accident previously evaluated; or (2) create the possibility of a new or different kind of accident from any accident previously evaluated; or (3) involve a significant reduction in a margin of safety. The instant exemption would remove the requirement for the DCPD license renewal application to be referred to the ACRS for a review and report and the NRC has not identified any novel or noteworthy issues that could justify referring that application to the ACRS; therefore, the exemption has no bearing on the operation of DCPD. Referring (or declining to refer) the application to the ACRS would not change any manner in which the facility would operate and, accordingly, the exemption would not significantly change the types or significantly increase the amounts of any effluents that may be released offsite, would not significantly increase individual or cumulative public or occupational radiation exposure, would have no significant construction impact, and would not significantly increase the potential for or consequences from radiological accidents. Finally, the requirement from which the exemption is sought involves recordkeeping requirements, reporting requirements, or other requirements of an administrative, managerial, or organizational nature. Accordingly, the exemption from 10 CFR 54.25 meets the eligibility criteria for categorical exclusion set forth in 10 CFR 51.22(c)(25). Pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared in connection with the issuance of the exemption.

IV. Conclusions.

Accordingly, the Commission has determined that, pursuant to 10 CFR 54.15 and 10 CFR 50.12, the exemption from the requirements of 10 CFR 54.25 with respect to the DCPD license renewal application is authorized by law, will not present an undue risk to the public health and safety, and is consistent with the common defense and security. Also, special circumstances are present. Therefore, the Commission hereby grants an exemption from the requirements of 10 CFR 54.25 and, accordingly, the DCPD license renewal application is no longer required to be referred to the ACRS for a review and report.

The exemption is effective upon issuance.

Dated: March 6, 2026.

For the Nuclear Regulatory Commission.

/RA/

Michele Sampson, Director,
Division of New and Renewed Licenses,
Office of Nuclear Reactor Regulation.

[FR Doc. 2026-04777 Filed: 3/10/2026 8:45 am; Publication Date: 3/11/2026]