

January 10, 2002

Mr. Gregory M. Rueger
Senior Vice President, Generation and
Chief Nuclear Officer
Pacific Gas and Electric Company
Diablo Canyon Nuclear Power Plant
P.O. Box 3
Avila Beach, CA 94177

SUBJECT: DIABLO CANYON NUCLEAR POWER PLANT, UNIT NOS. 1 AND 2 -
REQUEST FOR WITHHOLDING INFORMATION FROM PUBLIC DISCLOSURE
RE: APPLICATION FOR LICENSE TRANSFERS AND CONFORMING
ADMINISTRATIVE LICENSE AMENDMENTS (TAC NOS. MB3523 AND MB3524)

Dear Mr. Rueger:

By your application dated November 30, 2001, and affidavit dated November 21, 2001, Pacific Gas and Electric Company (PG&E) submitted an application for license transfers and conforming administrative license amendments, and requested that Enclosure 8 of the application that contains confidential commercial or financial information, be withheld from public disclosure pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR) Section 2.790. A nonproprietary copy of Enclosure 8 has been placed in the Nuclear Regulatory Commission's (NRC's) Public Document Room and added to the Agencywide Documents Access and Management Systems Publicly Available Records System (ADAMS PARS) Library.

The affidavit stated that the submitted information should be considered exempt from mandatory public disclosure for the following reasons:

- (a) This information is and has been held in confidence by PG&E and its affiliated companies.
- (b) This information is of a type that is held in confidence by PG&E and its affiliates, and there is a rational basis for doing so because the information contains sensitive financial information concerning assets, projected revenues and operating expenses.
- (c) This information was transmitted to the NRC in confidence.
- (d) Other than the information included in the bankruptcy filing, this information is not available in public sources and could not be gathered readily from other publicly available information.
- (e) Public disclosure of this information would create substantial harm to the competitive position of PG&E and its successors by disclosing internal financial projections.

We have reviewed your application and the material in accordance with the requirements of 10 CFR 2.790 and, on the basis of your statements, have determined that the submitted information sought to be withheld contains proprietary commercial information and should be withheld from public disclosure.

Therefore, the version of the submitted information marked as proprietary will be withheld from public disclosure pursuant to 10 CFR 2.790(b)(5) and Section 103(b) of the Atomic Energy Act of 1954, as amended.

Withholding from public inspection shall not affect the right, if any, of persons properly and directly concerned to inspect the documents. If the need arises, we may send copies of this information to our consultants working in this area. We will, of course, ensure that the consultants have signed the appropriate agreements for handling proprietary information.

If the basis for withholding this information from public inspection should change in the future such that the information could then be made available for public inspection, you should promptly notify the NRC. You also should understand that the NRC may have cause to review this determination in the future, for example, if the scope of a Freedom of Information Act request includes your information. In all review situations, if the NRC makes a determination adverse to the above, you will be notified in advance of any public disclosure.

If you have any questions regarding this matter, I may be reached at 301-415-8439.

Sincerely,

/RA/

Girija S. Shukla, Project Manager, Section 2
Project Directorate IV
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-275
and 50-323

cc: See next page

We have reviewed your application and the material in accordance with the requirements of 10 CFR 2.790 and, on the basis of your statements, have determined that the submitted information sought to be withheld contains proprietary commercial information and should be withheld from public disclosure.

Therefore, the version of the submitted information marked as proprietary will be withheld from public disclosure pursuant to 10 CFR 2.790(b)(5) and Section 103(b) of the Atomic Energy Act of 1954, as amended.

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Sincerely,

/RA/

Girija S. Shukla, Project Manager, Section 2
Project Directorate IV
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Office of Nuclear Reactor Regulation

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Diablo Canyon Power Plant, Units 1 and 2

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