



*Pacific Gas and  
Electric Company*

**David H. Oatley**  
Vice President and  
General Manager

Diablo Canyon Power Plant  
P.O. Box 56  
Avila Beach, CA 93424

805.545.4350  
Fax: 805.545.4234

September 23, 2004

PG&E Letter DCL-04-120

U.S. Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Washington, DC 20555-0001

Docket No. 50-275, OL-DPR-80  
Docket No. 50-323, OL-DPR-82  
Diablo Canyon Units 1 and 2  
Docket No. 72-26  
Diablo Canyon ISFSI  
10-Day Response to NRC Letter, dated September 10, 2004, "Implementation Status of Independent Spent Fuel Storage Installation Interim Compensatory Measures (TAC No. MC 2913 and MC 2914)"

Dear Commissioners and Staff:

The NRC letter, "Implementation Status of Independent Spent Fuel Storage Installation Interim Compensatory Measures (TAC No. MC 2913 and MC 2914)," dated September 10, 2004, requested, within 10 days of receipt of the letter, a written response stating whether or not the implementation of Independent Spent Fuel Storage Installation (ISFSI)-related security provisions of the ISFSI Interim Compensatory Measures (ICM) Order have been modified or revised since responding to the ISFSI Orders, EA-02-104, dated October 16, 2002.

Pacific Gas & Electric Company (PG&E) was not an addressee nor required to respond to the ISFSI ICM Orders, EA-02-104. PG&E Letters DCL-04-054, dated April 28, 2004, and DCL-04-113 dated September 8, 2004, submitted the Diablo Canyon Power Plant (DCPP) Physical Security Plan (PSP) per NRC Orders dated April 29, 2003. The NRC letter, "Diablo Canyon Independent Spent Fuel Storage Installation Application – Physical Security Program Changes (TAC No. L23399)," dated February 3, 2004, states that the NRC staff has completed its review of the proposed changes to the DCPP PSP, the Safeguards Contingency Plan, and the Training and Qualification Plan, and has determined that the revisions to these plans to address the interim storage of spent fuel in the proposed ISFSI comply with the requirements of 10 CFR Part 73 and are acceptable. The February 3, 2004 letter further states, in the safeguards portion of the letter, that the NRC will issue an ISFSI security order to DCPP, and that PG&E will implement the order prior to the initial fuel transfer to the DCPP ISFSI. No changes were made to the DCPP PSP in response to the Order, which would decrease the effectiveness of the ISFSI security provisions.

A member of the STARS (Strategic Teaming and Resource Sharing) Alliance

Callaway • Comanche Peak • Diablo Canyon • Palo Verde • South Texas Project • Wolf Creek

IE53



Should you have any questions or require additional information, please contact Ronald Todaro at 805-545-4309.

Sincerely,

A handwritten signature in black ink, appearing to read 'D.H. Oatley'.

David H. Oatley

swh/A0618513

cc: James R. Hall, NRC Senior Project Manager, SFPO  
Bruce S. Mallett, NRC Regional Administrator, Region IV  
David L. Proulx, NRC Senior Resident Inspector  
Girija S. Shukla, NRC Project Manager  
Deirdre W. Spaulding, NRC, Project Manager, Security Plan Review Team  
Diablo Distribution