P.O. Box 15830, Sacramento, CA 95852-1830; 1-888-742-SMUD (7683)

NQA 07-017

March 22, 2007

U.S. Nuclear Regulatory Commission Document Control Desk Washington, DC 20555

Docket No. 50-312 Rancho Seco Nuclear Generating Station License No. DPR-54

ANNUAL REPORT OF PROPERTY INSURANCE LEVELS

Attention: John Hickman

In accordance with 10 CFR 50.54(w), we are reporting the following level of property insurance for Rancho Seco.

Coverage	<u>Underwriter</u>	Policy Number	Expiation Date	Policy Limit
Primary	NEIL	PP07-077	04/01/08	\$100,000,000

If you, or members of your staff, have questions requiring additional information or clarification, please contact me at (916) 732-4843.

Sincerely.

Robert E. Jones

Supervising Quality Engineer

Cc: NRC, Region VI

MO01