

SAFEGUARDS INFORMATION

October 5, 2007

Mr. John S. Keenan
Senior Vice President and Chief Nuclear Officer
Pacific Gas and Electric Company
Mail Code B32
77 Beale Street
San Francisco, CA 94105

SUBJECT: DIABLO CANYON NUCLEAR STATION - SECURITY INSPECTION
05000275/2007202, 05000323/2007202

Dear Mr. Keenan,

On August 10, 2007, the U.S. Nuclear Regulatory Commission (NRC) completed a security baseline inspection at the Diablo Canyon Nuclear Station. The inspection covered one or more of the key attributes of the security cornerstone of the NRC's Reactor Oversight Process. The enclosed inspection report documents the inspection results, which were discussed on August 10, 2007, with Mrs. Donna Jacobs and other members of your staff.

The inspection examined activities conducted under your license as they relate to security and compliance with the Commission's rules and regulations and with the conditions of your license. The inspectors reviewed selected procedures and records, observed activities, and interviewed personnel. No findings of significance were identified.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be 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 Website at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room). However, because of the security-related concerns contained in the enclosure, and in accordance with 10 CFR 2.390, a copy of this letter's enclosure will not be available for public inspection.

Enclosure contains **Safeguards Information**. Upon removal, this letter is decontrolled.

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J. Keenan

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Should you have any questions concerning this letter, please contact us. Your cooperation is appreciated.

Sincerely,

/RA/

Ronald J. Albert, Chief
Security Performance Evaluation Branch
Security Oversight
Division of Security Operations
Office of Nuclear Security and Incident Response

Docket Nos.: 50-275, 50-323
License Nos.: DPR-80, DPR-82

Enclosure: NRC Inspection Report No. 05000275/2007202, 05000323/2007202

cc w/encl: Bob Zimkowski, Site Security Manager
Diablo Canyon Power Plant
P.O. Box 56
Avila Beach, California 93424

cc w/o encl: Matthew R. Bettenhausen, Director
California Office of Homeland Security
State Capitol
Sacramento, CA 95814

Director, Radiological Health Branch
State Department of Health Services
P.O. Box 997414, MS 7610
Sacramento, CA 95899-7414

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cc w/encl: Bob Zimkowski, Site Security Manager

cc w/o encl: Matthew R. Bettenhausen, Director
California Office of Homeland Security

Director, Radiological Health Branch
State Department of Health Services

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NAME:	J. Beardsley		Dona Allen Acting SRI (by eMail)		M. Shannon		R. Albert	
DATE:	9/18/2007		8/21/2007		9/20/2007		10/05/2007	

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