

June 22, 2007

Mr. Noriyuki Kuwata
Executive Vice President
Mitsubishi Nuclear Energy Systems, Inc.
1700 K Street, Suite 440
Washington, D.C. 20006

Dear Mr. Kuwata:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of May 11, 2007, requesting authorization for Mitsubishi Nuclear Energy Systems, Inc. (MNES) to establish and implement a Safeguards Information (SGI) protection system as prescribed by Title 10 of the *Code of Federal Regulations* Part 73. After careful review of your request, the Commission believes that your request has merit.

As stated in the letter from the NRC's Office of New Reactors to Mr. Keith Paulson (MNES), dated May 17, 2007 (ML071360212), the Commission has directed the NRC staff to provide Safeguards and, if necessary, Classified Information associated with the proposed Aircraft Impact Assessment rulemaking to plant designers. The staff also explained in the letter that, in order to implement the Commission's direction, it was preparing to issue an Order to you to ensure that the SGI was properly controlled and provided only to authorized individuals. That effort is currently underway. The establishment of an SGI protection system under that Order will be available for the management of all SGI provided to you in connection with your nuclear power plant design operations. After MNES has met the prerequisites for an SGI protection system as set forth in the Order, you will receive written notice that your SGI protection system has been approved for the program's initial implementation in Pittsburgh, Pennsylvania, and Washington, D.C. The NRC will continue to work with your staff regarding your additional request for access in Tokyo and Kobe.

I have instructed Mr. Roy P. Zimmerman, Director of NRC's Office of Nuclear Security and Incident Response, to coordinate this effort with your organization. Mr. Zimmerman and his staff will contact you in order to establish an SGI protection system that can be approved by the NRC. Should you have any questions regarding this issue, please feel free to contact Mr. Zimmerman, or have a member of your staff contact Ms. A. Lynn Silvius, Chief, Information Security Branch, at (301) 415-2214.

Sincerely,

/RA/

Dale E. Klein

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