



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

November 22, 2006

EA-06-276

EA-06-277

Mr. John S. Keenan  
Senior Vice President - Generation  
and Chief Nuclear Officer  
Pacific Gas and Electric Company  
Humboldt Bay Power Plant  
77 Beale Street, 32nd Floor  
San Francisco, California 94105

**SUBJECT: ISSUANCE OF ORDERS FOR INTERIM SAFEGUARDS AND SECURITY  
COMPENSATORY MEASURES AND FOR IMPLEMENTATION OF  
ADDITIONAL SECURITY MEASURES ASSOCIATED WITH ACCESS  
AUTHORIZATION FOR HUMBOLDT BAY POWER PLANT INDEPENDENT  
SPENT FUEL STORAGE INSTALLATION**

Dear Mr. Keenan:

The U.S. Nuclear Regulatory Commission (NRC or the Commission) has issued the enclosed Orders (Enclosures 1 and 3), which modify the specific license for your proposed independent spent fuel storage installation (ISFSI), to require compliance with the specified: (a) interim compensatory measures (ICMs) for security and safeguards (Enclosure 2)(Attachment 1 to Enclosure 1); and (b) additional security measures (ASMs) associated with access authorization (Enclosure 4)(Attachment 1 to Enclosure 3). Enclosure 5 is an NRC Regulatory Information Summary regarding the NRC Threat Advisory and Protective Measures System for ISFSIs. Enclosures 2, 4, and 5 contain SGI.

The Commission has determined that ICMs and ASMs are required, since the events of September 11, 2001, and has concluded that the security measures should be embodied in Orders, consistent with the established regulatory framework. The requirements of the enclosed Orders must be in place before first receipt of spent fuel and initial operations at your ISFSI.

**WARNING: Violation of Section 147 of the Atomic Energy Act, "Safeguards Information," is subject to Civil and Criminal Penalties.**

**Notice: Upon removal of Enclosures 2, 4, and 5 to the Letter, this document and the enclosed Orders (Enclosures 1 and 3) are DECONTROLLED.**

~~SAFEGUARDS INFORMATION~~

J. Keenan

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The Orders do not obviate the need for licensees to continue to meet and maintain the effectiveness of existing security measures taken in response to the events of September 11, 2001. The requirements will remain in effect until the Commission determines otherwise.

The enclosed Orders call for responses and actions within specified time frames. With respect to the notices and submission required by Sections III.B and III.C of the Orders, for any requirement of the ICMs or ASMs (SGI attachments to the Orders), that requires an analysis or is contingent on completion of another requirement of the ICMs or ASMs, it will be a sufficient response if the licensee states in its 20-day submission:

- (1) That completion of the requirement depends on completion of an analysis or other requirement;
- (2) The expected date of completion of the analysis or other requirement; and,
- (3) That on such completion, the licensee will promptly submit the results of such analysis, or inform NRC of the completion of the other requirement and the actions thereafter proposed, with respect to the requirement at issue, as well as the projected date of completion.

If Pacific Gas and Electric Company wishes to preserve its right to request a hearing on any requirement, contingent on completion of an analysis or other requirement, a request for an extension of time to request a hearing must be filed within 20 days of the date of these Orders, in accordance with Section IV of the Orders. Such a request may seek a reasonable period of time to request a hearing beyond the date that the staff informs the licensee whether the actions proposed and completion date for the requirement(s), contingent on an analysis or other requirement, are satisfactory.

Please note that letters of response to Sections III.B and III.C of the Orders should be addressed to the ATTN: Document Control Desk, Director, Division of Spent Fuel Storage and Transportation, Office of Nuclear Material Safety and Safeguards. Answers to the Orders should be addressed to the Secretary, Office of the Secretary of the Commission, as stated in Section IV of the Order.

Please contact Paul J. Kelley, Jr., at 301-415-6101, for the ICM Order, or Bradley Baxter at 301-415-6742, for the ASM Order, in the Office of Nuclear Security and Incident Response; or L. Raynard Wharton at 301-415-1396, of my staff, to facilitate resolution of any issues related to compliance with the requirements in the enclosed Orders, or to facilitate answers to any other questions you may have. The enclosed Orders have been forwarded to the Office of the Federal Register for publication.

~~SAFEGUARDS INFORMATION~~

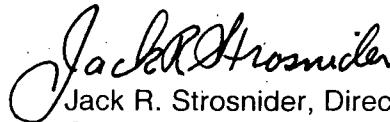
~~SAFEGUARDS INFORMATION~~

J. Keenan

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The material in Enclosures 2, 4, and 5 contains SGI, as defined by 10 CFR 73.21, and its disclosure to unauthorized individuals is prohibited by Section 147 of the Atomic Energy Act of 1954, as amended. Therefore, the material in Enclosures 2, 4, and 5 will not be made available for public inspection. However, the material in Enclosures 1, and 3 will be made available electronically for public inspection in the NRC Public Document Room, or from NRC's Agencywide Documents Access and Management System, accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Sincerely,



Jack R. Strosnider, Director  
Office of Nuclear Material Safety  
and Safeguards

Docket No: 72-27

- Enclosures:
1. ICM Order
  2. Attachment 1 to Enclosure 1, ICMs for Dry ISFSI (SGI)
  3. ASM Order
  4. Attachment 1 to Enclosure 3, ASMs for Dry ISFSI (SGI)
  5. Regulatory Issue Summary 2002-12D (SGI)

cc: w/Enclosures 1, and 3 only, see next page.  
Mr. Zane Easley, Security Supervisor (w/SGI)

~~SAFEGUARDS INFORMATION~~

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J. Keenan

-3-

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Sincerely,

Jack R. Strosnider, Director  
Office of Nuclear Material Safety  
and Safeguards

Docket No: 72-27

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  2. Attachment 1 to Enclosure 1, ICMs for Dry ISFSI (SGI)
  3. ASM Order
  4. Attachment 1 to Enclosure 3, ASMs for Dry ISFSI (SGI)
  5. Regulatory Issue Summary 2002-12D (SGI)

cc: w/Enclosures 1, and 3 only, see next page.  
Mr. Zane Easley, Security Supervisor (w/SGI)

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G:\SFPO\Security - ICMS & Orders\Fall - 06 mailings\Humboldt Bay\Issuance Letter for ICM & ASM Orders.wpd

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<b>NAME:</b>	R. Wharton		E. Ziegler		EKraus		R. Lewis		CCarpenter		JGoldberg	
<b>DATE:</b>	10/ 26 /06		10/27 /06		10/ 31 /06		10 / 30 /06		11/ 03 /06		11/ 02 /06	
<b>OFFICE:</b>	DSP:D		SFST:DD	G	SFST:D		NMSS:D					
<b>NAME:</b>	PHolahan		WRuland	WHR	EWBrach		JStrosnider					
<b>DATE:</b>	11/ 16 /06		11/ 22 /06		11/ 22 /06		1 / /06					

C = COVER      E = COVER & ENCLOSURE (non-SGI only)      N = NO COPY

**OFFICIAL RECORD COPY**

Pacific Gas and Electric Company  
Humboldt Bay Power Plant, Unit 3  
Docket Nos. 50-133, 72-27

cc:

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