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UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV
612 EAST LAMAR BLVD, SUITE 400
ARLINGTON, TEXAS 76011-4125

September 1, 2011

John T. Conway
Senior Vice President-Energy &
Supply and Chief Nuclear Officer
Pacific Gas and Electric Company
Diablo Canyon Nuclear Plant
77 Beale Street, Mail Code B32
San Francisco, CA 94105

SUBJECT: MIDCYCLE SECURITY PERFORMANCE REVIEW AND INSPECTION PLAN -
DIABLO CANYON POWER PLANT, UNITS 1 AND 2

Dear Mr. Conway:

On August 18, 2011, the NRC staff completed its performance review of Diablo Canyon Power Plant, Units 1 and 2, for the first half of the calendar year 2011 assessment cycle. Our technical staff reviewed performance indicators (PIs) for the most recent quarter and inspection results over the previous 12 months. The purpose of this letter is to inform you of our assessment of your security performance during this period and our plans for future security inspections at your facility.

Security performance for the most recent quarter, as well as the first three quarters of the assessment period, were within the Degraded Cornerstone column of the NRC's security action matrix based on 3 White findings. On January 13, 2011, we were notified by your staff of your readiness for the NRC to conduct a supplemental inspection to review the actions taken to address the three White findings. On April 22, 2011, the NRC completed the supplemental inspection pursuant to Inspection Procedure 95002, "Supplemental Inspection for One Degraded Cornerstone or Any Three White Inputs in a Strategic Performance Area," at your facility. As documented in NRC Inspection Report 05000275/2011405 and 05000323/2011405, this supplemental inspection was performed to assess your station's evaluation of the root causes, contributing causes, and corrective actions associated with the White findings. No inspection findings were identified. Based on these results, the White findings are closed effective June 30, 2011, placing the facility in the Licensee Response column of the NRC's security action matrix effective July 1, 2011. Therefore, at this time, we plan to conduct security baseline inspections at your facility.

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The enclosed inspection plan lists the security inspections scheduled through December 31, 2012. The inspection plan is provided to allow for the resolution of any scheduling conflicts and personnel availability issues well before our inspectors arrive onsite. The inspections in the last 9 months of the inspection plan are tentative and the plan may be revised at the end-of-cycle performance review. Routine force-on-force inspections are conducted approximately every 3 years. You will be notified by separate correspondence 8 to 10 weeks in advance of any force-on-force inspections scheduled for your facility.

If we change the inspection plan, we will contact you to discuss the change as soon as possible. Please contact Michael Hay at (817) 276-6527 with any questions you may have regarding this letter or the inspection plan.

While we are fully committed to our goal of ensuring openness in our regulatory process, we must balance that goal with the more immediate need of ensuring the continued safety and secure operation of nuclear facilities and the protection of nuclear materials in our country. Thus, due to the security-related information contained in this correspondence and in accordance with NRC Policy for Handling, Marking and Protecting Sensitive Unclassified Non-Safeguards Information, a copy of this letter and its enclosure will not be available for public inspection in either the NRC Public Document Room or the Publicly Available Records (PARS) component of NRC's document system (ADAMS).

Sincerely,

/RA/

Elmo E. Collins
Regional Administrator

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Enclosure:
Diablo Canyon Power Plant, Units 1 and 2,
Security Inspection Plan

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cc w/o enclosure:

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Security Related Complete Letter - OOU:

SUNSI Review Completed: Y N ADAMS: Yes No Initials: MCH
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