

SAFEGUARDS INFORMATION



UNITED STATES NUCLEAR REGULATORY COMMISSION REGION V

1450 MARIA LANE
WALNUT CREEK, CALIFORNIA 94596-5368

DEC 1 1 1992

Dockets No. 50-275 and 50-323
Licenses No. DPR-80 and DPR-82

Pacific Gas and Electric Company
Nuclear Power Generation, B14A
77 Beale Street, Room 1451
P.O. Box 770000
San Francisco, California 94177

Attention: G. M. Rueger
Senior Vice President and General Manager
Nuclear Power Generation Business Unit

SUBJECT: NRC INSPECTION REPORT 50-275/92-32 AND 50-323/92-32

This refers to the inspection conducted by L. R. Norderhaug and D. W. Schaefer of this office on November 16-19, 1992. The inspection included a review of activities authorized for your Diablo Canyon Power Plant. At the conclusion of the inspection, the findings were discussed with those members of your staff identified in the enclosed report.

Areas examined during the inspection are identified in the enclosed report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with facility and contract personnel, and observations of activities in progress. The inspection findings are documented in the enclosed inspection report.

Based on the results of this inspection, certain of your activities appeared to be in violation of NRC requirements, as specified in the enclosed Notice of Violation (Notice). The violation pertains to your failure to withdraw from the Security Safeguards Access List, the names of two individuals whose employment had been previously terminated. This violation is of particular concern because of the large number of individuals included on the Security Safeguards Access List, the number of "defects" found in a small sample from that "population" and the length of time these defects had existed.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In your response, you should document the specific actions taken and any additional actions you plan to prevent recurrence. After reviewing your response to this Notice, including your proposed corrective actions and the results of future inspections, the NRC will determine whether further NRC enforcement actions is necessary to ensure compliance with NRC regulatory requirements.

ENCLOSURE CONTAINS
SAFEGUARDS INFORMATION.
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Q PDR

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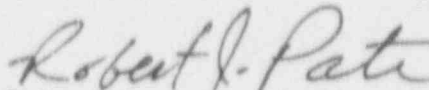
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The response directed by this letter and the enclosed Notice is not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, Pub. L. No. 96-511.

The material enclosed herewith contains Safeguards information as defined by 10 CFR Part 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 will not be placed in the Public Document Room.

Should you have any questions concerning this letter, we will be pleased to discuss them with you.

Sincerely,



Robert J. Pate, Chief
Safeguards, Emergency Preparedness
and Non-Power Reactor Branch

Enclosures:

- A. Notice of Violation
- B. Inspection Report Nos. 50-275/92-32 and 50-323/92-32

cc w/enclosure:

- J. A. Sexton, PG&E
- J. D. Townsend, Vice President/Plant Manager, PG&E
- C. J. Warner, Esq. Attorney
- D. A. Taggart, Director, Quality Support, PG&E
- B. Thomas, News Services, PG&E
- T. L. Grebel, Regulatory Compliance Supervisor, PG&E
- L. Shaffer, Director, Corporate Security, PG&E
- R. Todaro, Security Director, Diablo Canyon

cc w/o enclosure:

State of California
Bob Hendrix

bcc w/enclosure:
Docket File
B. Faulkenberry
J. Martin

bcc w/o enclosure:
Project Inspector
Resident Inspector
G. Cook
M. Smith
J. Zollicoffer

Region/ann

LNorderhaug
12/8/92

DSchaefer
12/8/92

PJohnson
12/9/92

RHuey
12/8/92

REQUEST COPY
YES / NO

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RPate
12/11/92

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SEND TO PDR
YES / NO

Letter only