



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION IV  
611 RYAN PLAZA DRIVE, SUITE 400  
ARLINGTON, TEXAS 76011-4005

~~OFFICIAL USE ONLY - SECURITY - RELATED INFORMATION~~

December 6, 2006

John S. Keenan  
Senior Vice President - Generation  
and Chief Nuclear Officer  
Pacific Gas and Electric Company  
P.O. Box 770000  
Mail Code B32  
San Francisco, CA 94177-0001

SUBJECT: DIABLO CANYON POWER PLANT, UNITS 1 AND 2 - NRC SECURITY  
INSPECTION REPORT 05000275/2006006 AND 05000323/2006006

Dear Mr. Keenan:

On November 16, 2006, the U.S. Nuclear Regulatory Commission (NRC) completed a security baseline inspection at your Diablo Canyon Power Plant, Units 1 and 2. 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 that were discussed on November 16, 2006, with Michael Meko, Site Services Director and other members of your staff.

This 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 the 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.

~~OFFICIAL USE ONLY - SECURITY - RELATED INFORMATION~~

~~OFFICIAL USE ONLY - SECURITY - RELATED INFORMATION~~

Pacific Gas and Electric Company

- 2 -

In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response, if any. This practice will ensure that your response will not be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system ADAMS. If Safeguards Information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21. Otherwise, mark your entire response Security Related Information - Withhold under 10 CFR 2.390" and follow the instructions for withholding in 10 CFR 2.390(b)(1).

Sincerely,

**/RA/**

Michael P. Shannon, Chief  
Plant Support Branch  
Division of Reactor Safety

Dockets: 50-275, 50-323

Licenses: DPR-80, DPR-82

Nonpublic Enclosure: Inspection Report 05000275/2006006 and 05000323/2006006  
w/Attachments: Supplemental Information

cc w/encl:

Donna Jacobs  
Vice President, Nuclear Services  
Diablo Canyon Power Plant  
P.O. Box 56  
Avila Beach, CA 93424

James R. Becker, Vice President  
Diablo Canyon Operations and  
Station Director, Pacific Gas and  
Electric Company  
Diablo Canyon Power Plant  
P.O. Box 56  
Avila Beach, CA 93424

Richard F. Locke, Esq.  
Pacific Gas and Electric Company  
P.O. Box 7442  
San Francisco, CA 94120

~~OFFICIAL USE ONLY - SECURITY - RELATED INFORMATION~~