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UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
612 EAST LAMAR BLVD, SUITE 400
ARLINGTON, TEXAS 76011-4125

August 11, 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: DIABLO CANYON POWER PLANT - NRC SPECIAL INSPECTION REPORT
05000275/2011406 AND 05000323/2011406

Dear Mr. Conway:

On June 30, 2011, the U.S. Nuclear Regulatory Commission (NRC) completed the onsite portion of a Special Inspection pursuant to Inspection Procedure 93812 at your Diablo Canyon Power Plant, Units 1 and 2, to follow up on a May 15, 2011, event involving a potential security issue. The enclosed inspection report documents the inspection results, which were discussed at an exit meeting on June 30, 2011, with Mr. K. Peters, Vice President, Engineering and Projects, 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.

“Enclosure transmitted herewith contains SUNSI. When separated from enclosure, this transmittal document is decontrolled.”

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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 C. Hay, Chief
Plant Support Branch-1
Division of Reactor Safety

Docket Nos.: 50-275, 50-323
License Nos.: DPR-80, DPR-82

Nonpublic Enclosure: NRC Inspection Report 05000275/2011406
and 05000323/2011406 w/Attachment:
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Security-Related Complete Report - OUO:

SUNSI Review Completed: JRL ADAMS: Yes Initials: JRL
 Non-Publicly Available Sensitive

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SUNSI Review Completed: JRL ADAMS: Yes Initials: JRL
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RIV:PSB	Peer Review	C:PSB1	C:DRP/B	C:PSB1
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