



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

September 1, 2010

Mr. Ross T. Ridenoure  
Senior Vice President and  
Chief Nuclear Officer  
Southern California Edison Company  
San Onofre Nuclear Generating Station  
P.O. Box 128  
San Clemente, CA 92674-0128

SUBJECT: MIDCYCLE PERFORMANCE REVIEW AND INSPECTION PLAN – SAN  
ONOFRE NUCLEAR GENERATING STATION

Dear Mr. Ridenoure:

On August 11, 2010, the NRC staff completed its performance review of San Onofre Nuclear Generating Station (SONGS). Our technical staff reviewed performance indicators (PIs) for the most recent quarter and inspection results for the period from July 1, 2009, through June 30, 2010. The purpose of this letter is to inform you of our assessment of your safety performance during this period and our plans for future inspections at your facility.

This performance review and enclosed inspection plan do not include security information. A separate letter designated and marked as "Official Use Only - Security-Related Information," will include the security cornerstone review and resultant inspection plan.

Plant performance for the most recent quarter at SONGS, Unit 2, was within the Regulatory Response column of the NRC's Action Matrix, based on one White finding in the Mitigating Systems Cornerstone. Plant performance for the most recent quarter at SONGS, Unit 3, was within the Licensee Response Column of the NRC's action matrix, based on all inspection findings being classified as having very low safety significance (Green) and all PIs indicating performance at a level requiring no additional NRC oversight (Green). The NRC is currently waiting for notification from your staff of your readiness for the NRC to conduct follow-up supplemental Inspection Procedure 95001, "Inspection for One or Two White Inputs in a Strategic Performance Area," to review your actions taken to address the White finding. When this notification is received, we will work with your staff to schedule that supplemental inspection.

In our annual assessment letter dated March 3, 2010, we informed you of a continuing substantive crosscutting issue (SCCI) in the area of Human Performance. This SCCI was associated with three safety culture components: (1) decision making involving the theme of using conservative assumptions [H.1(b)]; (2) resources involving the theme of providing adequate design documentation, procedures, and work instructions [H.2(c)]; and (3) work practices involving the theme of using human error prevention techniques [H.4(a)]. We also

informed you that the NRC identified an additional theme in the work practices component involving ensuring supervisory and management oversight of work activities [H.4(c)]. During this assessment period the NRC identified a new theme with eight findings in the work practices component involving communicating expectations regarding procedural compliance and personnel following procedures [H.4(b)]. During this assessment period, the NRC also identified four or more findings in each of the four previously identified themes, except [H.4(a)] which had three findings. There were 33 total findings in the Human Performance area.

In the annual assessment letter we also informed you of a continuing SCCI in the area of Problem Identification and Resolution. This SCCI was associated with the safety culture component of the corrective action program. This component involved the theme of thoroughly evaluating problems such that the resolutions address causes and extent of conditions [P.1(c)]. We informed you that the NRC identified two additional themes in the corrective action program component, involving implementing the corrective action program with a low threshold for identifying issues [P.1(a)] and taking appropriate corrective actions to address safety issues in a timely manner, commensurate with their safety significance [P.1(d)]. During this assessment period, the NRC identified four more findings in two of these themes, and three findings in [P.1(d)]. There were 19 total findings in the Problem Identification and Resolution area.

Based on our inspection results we determined that, although you have developed corrective actions to resolve the SCCIs, the corrective actions you have implemented have not been fully effective. Consequently, the seven existing themes supporting the two SCCIs will remain open and we are opening a new Human Performance theme [H.4(b)]. This is the sixth consecutive assessment cycle with SCCIs identified in both Human Performance and Problem Identification and Resolution.

On March 2, 2010, the NRC issued SONGS a Chilling Effect Letter. This letter was issued in response to numerous observations including employees expressing difficulty or inability to use the corrective action program, a lack of knowledge or mistrust of the Nuclear Safety Concerns Program (NSCP), a substantiated case of a supervisor creating a chilled work environment in their work group, and a perceived fear of retaliation for raising safety concerns. During calendar year 2009 the NRC received an elevated number of safety conscious work environment (SCWE) related allegations from SONGS. The Chilling Effect Letter contained a number of actions for SONGS to take to improve its working environment, including: (1) development of a SCWE improvement plan; (2) implementation of a communication plan aimed at Southern California Edison and contract personnel; and (3) participation in a public meeting (scheduled for September 16, 2010) to discuss your progress and additional planned actions to address your SCWE issues.

Issuance of a Chilling Effect Letter, due to the performance issues listed above, meets the NRC criteria for a crosscutting theme in the area of SCWE. The NRC is not opening a substantive crosscutting issue in the area of SCWE at this time because you are in the process of taking action to improve the working environment such that employees feel free and unencumbered in raising safety concerns by all available means. The effectiveness of these actions will be evaluated through normal resident and regional inspections, and through two additional focused team inspections discussed below.

During this assessment period the number of findings with Human Performance crosscutting issues increased from 23 to 33, and those with Problem Identification and Resolution issues increased from 13 to 19, as compared to the end-of-cycle assessment period. The NRC recognizes that you had established and are currently revising a Site Integrated Business Plan to facilitate organizational and operational improvement. The NRC plans to conduct additional inspections, above the baseline inspection program, to evaluate the effectiveness of your performance improvement efforts. These inspections are discussed in the NRC Deviation memorandum, approved by the Executive Director for Operations on April 30, 2010. Specifically, the NRC is planning a team inspection in early October 2010 to assess operations and maintenance work practices. Following the receipt of a letter from you informing us of SONGS' readiness for inspection, the NRC will perform an inspection to assess the effectiveness of your corrective actions in addressing each of the nine identified safety-culture themes. These inspections will focus on evaluating SONGS' progress in developing and implementing those corrective actions and the metrics and measures used to determine performance improvement effectiveness.

The NRC will close each identified theme when you have demonstrated sustained and measurable improvement. When all of the crosscutting themes supporting their respective SCCI are closed, the NRC will review the SCCI to determine if your corrective actions have been effective and all previously closed themes continue to show sustained or improving performance.

During the assessment period, the NRC identified four violations that involved failure to make a report to the NRC. Consequently, the NRC will be conducting a follow-up inspection using Inspection Procedure 92723, "Follow Up Inspection for Three or More Severity Level IV Traditional Enforcement Violations in the Same Area in a 12-Month Period." The NRC is also planning to conduct a follow-up inspection in November 2010 to review your maintenance and technical training area. This inspection will assess the effectiveness of training accomplished in this area and your progress in completing your training improvement plan.

In NRC Inspection Report 05000361;362/2010010, we informed you that all elements of Confirmatory Order EA 07-732 had been completed and verified through our inspection activities. We also informed you that due to the duration of time that the Order has been in effect, we will conduct an additional inspection to review the sustainability of the actions you have taken prior to our determination of satisfaction of the Order. We are planning to conduct this inspection during the October 2010 focused inspection of operations and maintenance work practices.

The NRC plans to conduct additional public meetings in the next six months, beginning with the Chilling Effect Letter follow-up meeting scheduled for September 16, 2010, followed by a meeting in December 2010 to discuss your performance improvement progress.

To support our continuing assessment efforts, and our inspection planning through calendar year 2010, we request you provide us with a copy of those initiatives associated with the open NRC crosscutting themes in the Human Performance, Problem Identification and Resolution, and Safety Conscious Work Environment areas included in the Site Integrated Business Plan, within 30 days of the issue date of this letter. We understand you are revising this plan to specifically address the White finding, the Chilling Effect Letter, and the SCCIs in Human Performance and Problem Identification and Resolution. This submittal should include those

specific corrective actions, including schedules, milestones, and performance monitoring measures, that you have taken and plan to take to effect performance improvement at your facility.

The enclosed inspection plan details the inspections, less those related to physical protection, scheduled through December 31, 2011. This inspection plan includes an infrequently performed inspection due to the steam generator replacement outage scheduled to occur during this period. The inspection plan is provided to allow for the resolution of any scheduling conflicts and personnel availability issues well in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last nine months of the inspection plan are tentative and may be revised at the end-of-cycle review.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, and its enclosure, will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

If circumstances arise which cause us to change this inspection plan, we will contact you to discuss the change as soon as possible. Please contact Ryan Lantz at (817)860-8173 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

  
Elmo E. Collins  
Regional Administrator  
NRC Region IV

Docket Nos. 50-361, 50-362  
License Nos. NPF-10, NPF-15

Enclosure: San Onofre Nuclear Generating Station Inspection/Activity Plan

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R:\ Reactors\EOC and Midcycle\Midcycle Assessment Letters\2010\

SUNSI Rev Compl.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	ADAMS	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Reviewer Initials	DBA
Publicly Avail	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Sensitive	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Sens. Type Initials	DBA
<b>C:DRP/D</b>	<b>D:DRS</b>	<b>D:DRP</b>	<b>RA</b>		
RLantz	RJCaniano	AVegel	EECollins		
<b>/RA/</b>	<b>/RA/</b>	<b>/TPruett for/</b>	<b>/CCasto for/</b>		
8/26/10	8/26/10	8/27/10	8/27/10		

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T=Telephone

E=E-mail

F=Fax

Unit Number	Planned Dates Start	Planned Dates End	Inspection Activity	Title	No. of Staff on Site
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3	01/01/2010	12/31/2010	SGR U3 IP 50001	- STEAM GENERATOR REPLACEMENT - UNIT 3 Steam Generator Replacement Inspection	2
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Comments:

Unit Number	Planned Dates Start	Planned Dates End	Inspection Activity	Title	No. of Staff on Site
2	09/20/2010	09/24/2010	EXAM X02445	- INITIAL EXAM INITIAL EXAM-SONGS (10/2010)	5
2,3	09/20/2010	09/24/2010	X02446	INITIAL EXAM UNIT 3-SONGS (10/2010)	
2	10/18/2010	10/22/2010	X02445	INITIAL EXAM-SONGS (10/2010)	
3	10/18/2010	10/22/2010	X02446	INITIAL EXAM UNIT 3-SONGS (10/2010)	

Comments:

2,3	08/25/2010	09/23/2010	TI 180 IP 2515/180	- TI 180 INSPECT MANAGING FATIGUE Inspection of Procedures and Processes for Managing Fatigue	2
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Comments:

2,3	10/04/2010	10/15/2010	2CA-SCCI IP 71152	- OPS/MAINT WORK OBS AND CONF ORDER Identification and Resolution of Problems	8
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Comments:

3	11/12/2010	12/29/2010	PSB2-08P IP 2515/172	- INSERVICE INSPECTION - U3 Reactor Coolant System Dissimilar Metal Butt Welds	3
3	11/12/2010	12/29/2010	IP 7111108P	Inservice Inspection Activities - PWR	

Comments: Onsite Dates TBD

2,3	11/01/2010	11/05/2010	RS12 IP 2515/179	- OCCUPATIONAL RADIATION SAFETY Verification of Licensee Responses to NRC Requirement for Inventories of Materials Tracked in NSTS	2
2,3	11/01/2010	11/05/2010	IP 71124.01	Radiological Hazard Assessment and Exposure Controls	
2,3	11/01/2010	11/05/2010	IP 71124.02	Occupational ALARA Planning and Controls	
2	11/01/2010	11/05/2010	IP 71151-OR01	Occupational Exposure Control Effectiveness	

This report does not include INPO and OUTAGE activities.

This report shows only on-site and announced inspection procedures.

Unit Number	Planned Dates Start	Planned Dates End	Inspection Activity	Title	No. of Staff on Site
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3	11/01/2010	11/05/2010	RS12 - OCCUPATIONAL RADIATION SAFETY	RETS/ODCM Radiological Effluent	2
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Comments:

2, 3	11/01/2010	11/05/2010	BRQ - OPERATOR REQUAL INSPECTION	Licensed Operator Requalification Program	3
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Comments:

2, 3	11/22/2010	11/26/2010	2TRNG EV - 2ND EVAL NEED FOR 41500 TRNG INSPECTION	Identification and Resolution of Problems	2
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Comments:

2, 3	11/17/2010	11/18/2010	IP 92723 - TRAD ENF FOLLOWUP	Follow Up Inspection for Three or More Severity Level IV Traditional Enforcement Violations in the S	1
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Comments:

2, 3	04/11/2011	04/15/2011	EP1 - BIENNIAL EP EXERCISE INSPECTION	Exercise Evaluation	3
2, 3	04/11/2011	04/15/2011	IP 7111401	Emergency Action Level and Emergency Plan Changes	
2, 3	04/11/2011	04/15/2011	IP 7111404	Drill/Exercise Performance	
2, 3	04/11/2011	04/15/2011	IP 71151-EP01	ERO Drill Participation	
2, 3	04/11/2011	04/15/2011	IP 71151-EP02	Alert & Notification System	
2, 3	04/11/2011	04/15/2011	IP 71151-EP03		

Comments:

2	09/12/2011	09/16/2011	EXAM - INITIAL OPERATOR EXAM	INITIAL EXAM - UNIT 2 - SONGS (10/2011)	5
3	09/12/2011	09/16/2011	X02476	INITIAL EXAM - UNIT 3 - SONGS (10/2011)	
2	10/17/2011	10/28/2011	X02477	INITIAL EXAM - UNIT 2 - SONGS (10/2011)	
			X02476		

This report does not include INPO and OUTAGE activities.  
 This report shows only on-site and announced inspection procedures.

Unit Number	Planned Dates Start	Planned Dates End	Inspection Activity	Title	No. of Staff on Site
3	10/17/2011	10/28/2011	EXAM X02477	INITIAL OPERATOR EXAM INITIAL EXAM - UNIT 3 - SONGS (10/2011)	5
Comments:					
2, 3	06/13/2011	07/15/2011	EB1-21 IP 7111121	COMPONENT DESIGN BASIS INSPECTION Component Design Bases Inspection	1
Comments:					
2, 3	06/06/2011	06/10/2011	RS45 IP 71124.04	RADIATION SAFETY Occupational Dose Assessment	2
2, 3	06/06/2011	06/10/2011	IP 71124.05	Radiation Monitoring Instrumentation	
Comments:					
2	10/03/2011	10/21/2011	PSB2-08P IP 7111108P	INSERVICE INSPECTION - U2 Inservice Inspection Activities - PWR	3
Comments:					
2, 3	10/24/2011	10/28/2011	RP123 IP 71124.01	RADIATION SAFETY Radiological Hazard Assessment and Exposure Controls	2
2, 3	10/24/2011	10/28/2011	IP 71124.02	Occupational ALARA Planning and Controls	
2, 3	10/24/2011	10/28/2011	IP 71124.03	In-Plant Airborne Radioactivity Control and Mitigation	
2, 3	10/24/2011	10/28/2011	IP 71151-OR01	Occupational Exposure Control Effectiveness	
2, 3	10/24/2011	10/28/2011	IP 71151-PR01	RETS/ODCM Radiological Effluent	
Comments:					

This report does not include INPO and OUTAGE activities.

This report shows only on-site and announced inspection procedures.