EA-04-190 April 11, 2005

Mr. Dwight E. Nunn
Executive Vice President
Southern California Edison Company
P.O. Box 128
San Clemente, CA 92674

SUBJECT: SAN ONOFRE NUCLEAR STATION, UNITS 2 AND 3 - REQUEST FOR EXTENSION OF TIME TO REPLY TO NOVEMBER 5, 2004, ORDER IMPOSING REQUIREMENTS FOR PROTECTING CERTAIN SAFEGUARDS INFORMATION

Dear Mr. Nunn:

By letter dated November 22, 2004, you requested an extension of time to respond to the above referenced Order. You requested the extension until 20 days after receiving clarifications from the U.S. Nuclear Regulatory Commission (NRC) regarding differences between the implementation of the SAFEGUARDS information - MODIFIED HANDLING (SGI-M) requirements provided in the November 5, 2004, Order, and the SAFEGUARDS Information program carried out by your facility for handling SAFEGUARDS information (SGI) pertaining to special nuclear material under the provisions of Title 10 of the *Code of Federal Regulations* (10 CFR) Part 73.21. In your extension request, you indicated that the SGI-M designated information transmitted with the Order would be managed during the extension period under the provisions of the 10 CFR Part 73 SAFEGUARDS Information program currently being used at your facility.

Licensees who currently have a SAFEGUARDS Information program approved under 10 CFR 73.21 may use that program to control SGI-M, as designated by Commission Orders. The NRC considers that 10 CFR Part 73 SAFEGUARDS Information programs are adequate for protection of SGI-M. As a general matter, an acceptable response to the November 5, 2004, Order, is that the designated SGI-M will be handled under the same provisions as the current 10 CFR Part 73 SAFEGUARDS Information program.

Licensees who currently have a SAFEGUARDS Information program approved under 10 CFR 73.21 will find it necessary to ensure that their program adequately addresses the following circumstances associated with SGI-M:

1. When information is transmitted, whether by letter or electronic means, to a licensee who only has an SGI-M program, the handling provisions described in the November 5, 2004, Order, must be followed to prevent the receiving licensee from potentially violating the provisions of the Order. Specifically, licensees with approved 10 CFR Part 73 SAFEGUARDS Information programs should ensure that the provisions of the November 5, 2004, Order, associated with double wrapping, electronic transfer, portion marking, and top and bottom SGI-M page designations on each page are carried out when information is transmitted to a licensee who has an SGI-M program.

   These SGI-M handling provisions need only be applied to SGI-M which is received or generated after the date of the November 5, 2004, Order. It should not be construed that SGI documents administered under the 10 CFR Part 73 SAFEGUARDS Information program are to be retroactively modified to conform to the SGI-M marking designations.

2. SGI-M may be stored in a key-locked filing cabinet, whereas 10 CFR Part 73 SGI must be stored in an approved security container. Licensees who currently have a SAFEGUARDS Information program approved under 10 CFR 73.21, and respond that all SGI-M will be managed under the 10 CFR Part 73 program, could either: (a) store SGI-M in accordance with its SAFEGUARDS Information program under 10 CFR Part 73; or (b) modify their procedures to allow SGI-M storage in a key-locked filing cabinet, in compliance with the November 5, 2004, Order. This modification, if adopted, would help to avoid potential inadvertent violations of the facility's SAFEGUARDS Information program, if the SGI-M is not stored in a security container approved for SGI.

This letter clarifies the issues you raised, which constituted good cause for an extension, and grants your request for an extension of time to respond to the November 5, 2004, Order, until 20 days from the date of this letter.

Please contact the NRC licensing project manager if you have any questions regarding these clarifications.

Sincerely,

/RA/
J. E. Dyer, Director
Office of Nuclear Reactor Regulation

Docket Nos. 50-361 and 50-362

cc: See next page

1. When information is transmitted, whether by letter or electronic means, to a licensee who only has an SGI-M program, the handling provisions described in the November 5, 2004, Order, must be followed to prevent the receiving licensee from potentially violating the provisions of the Order. Specifically, licensees with approved 10 CFR Part 73 SAFEGUARDS Information programs should ensure that the provisions of the November 5, 2004, Order, associated with double wrapping, electronic transfer, portion marking, and top and bottom SGI-M page designations on each page are carried out when information is transmitted to a licensee who has an SGI-M program.

   These SGI-M handling provisions need only be applied to SGI-M which is received or generated after the date of the November 5, 2004, Order. It should not be construed that SGI documents administered under the 10 CFR Part 73 SAFEGUARDS Information program are to be retroactively modified to conform to the SGI-M marking designations.

2. SGI-M may be stored in a key-locked filing cabinet, whereas 10 CFR Part 73 SGI must be stored in an approved security container. Licensees who currently have a SAFEGUARDS Information program approved under 10 CFR 73.21, and respond that all SGI-M will be managed under the 10 CFR Part 73 program, could either: (a) store SGI-M in accordance with its SAFEGUARDS Information program under 10 CFR Part 73; or (b) modify their procedures to allow SGI-M storage in a key-locked filing cabinet, in compliance with the November 5, 2004, Order. This modification, if adopted, would help to avoid potential inadvertent violations of the facility's SAFEGUARDS Information program, if the SGI-M is not stored in a security container approved for SGI.

This letter clarifies the issues you raised, which constituted good cause for an extension, and grants your request for an extension of time to respond to the November 5, 2004, Order, until 20 days from the date of this letter.

Please contact the NRC licensing project manager if you have any questions regarding these clarifications.

Sincerely,
/RA/
J. E. Dyer, Director
Office of Nuclear Reactor Regulation

Docket Nos. 50-361 and 50-362

cc: See next page

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cc:
Mr. Daniel P. Breig, Plant Manager
Nuclear Generation
Southern California Edison Company
San Onofre Nuclear Generating Station
P. O. Box 128
San Clemente, CA 92674-0128

Mr. Douglas K. Porter
Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, CA 91770

Mr. David Spath, Chief
Division of Drinking Water and
Environmental Management
P. O. Box 942732
Sacramento, CA 94234-7320

Chairman, Board of Supervisors
County of San Diego
1600 Pacific Highway, Room 335
San Diego, CA 92101

Eileen M. Teichert, Esq.
Supervising Deputy City Attorney
City of Riverside
3900 Main Street
Riverside, CA 92522

Mr. Gary L. Nolff
Power Projects/Contracts Manager
Riverside Public Utilities
2911 Adams Street
Riverside, CA 92504

Regional Administrator, Region IV
U.S. Nuclear Regulatory Commission
611 Ryan Plaza Drive, Suite 400
Arlington, TX 76011-8064

Mr. Michael Olson
San Diego Gas & Electric Company
P.O. Box 1831
San Diego, CA 92112-4150

Mr. Ed Bailey, Chief
Radiologic Health Branch
State Department of Health Services
Post Office Box 997414 (MS7610)
Sacramento, CA 95899-7414

Resident Inspector/San Onofre NPS
c/o U.S. Nuclear Regulatory Commission
Post Office Box 4329
San Clemente, CA 92674

Mayor
City of San Clemente
100 Avenida Presidio
San Clemente, CA 92672

Mr. Dwight E. Nunn, Vice President
Southern California Edison Company
San Onofre Nuclear Generating Station
P.O. Box 128
San Clemente, CA 92674-0128

Mr. James D. Boyd, Commissioner
California Energy Commission
1516 Ninth Street (MS 31)
Sacramento, CA 95814

Mr. Ray Waldo, Vice President
Southern California Edison Company
San Onofre Nuclear Generating Station
P.O. Box 128
San Clemente, CA 92764-0128

Mr. Steve Hsu
Department of Health Services
Radiologic Health Branch
MS 7610, P.O. Box 997414
Sacramento, CA 95899