

June 7, 2005

Mr. Harold B. Ray, Executive Vice President
Southern California Edison Company
San Onofre Nuclear Generating Station
P.O. Box 128
San Clemente, CA 92674-0128

SUBJECT: GROUTING OF SUBSURFACE COMPONENTS AND PARTIAL SITE RELEASE
OF THE COOLING WATER INTAKE AND DISCHARGE SYSTEM AT SAN
ONOFRE, UNIT 1 SITE

Dear Mr. Ray:

During the recent inspection of San Onofre Unit 1, conducted on May 2 - 5, 2005, the U.S. Nuclear Regulatory Commission (NRC) and Southern California Edison Company (SCE) discussed SCE's plans for the Unit 1 turbine building below the 8-foot, 6-inch level, and the disposition of the off-shore cooling system. To address the turbine building first, in Section III.C of its post shutdown decommissioning activities report (PSDAR) dated December 15, 1998, SCE states that it will:

... [proceed with] the decontamination and dismantlement of the majority of plant systems . . . and the construction of an independent spent fuel storage facility (ISFSI) . . . SCE will decontaminate and dismantle the facilities and structures that will remain to support spent fuel . . . storage . . . after the spent fuel . . . is removed from the site.

During the inspection, SCE stated that this meant, in part, that the turbine building "basement" and footings, including embedded pipe, will remain in place until final site remediation for license termination. For a period of time, pipes, sumps and expansion joints will be grouted to fix any residual contamination, the area will be backfilled with clean material and the ISFSI expansion will be constructed on top of it. During final site decommissioning, after Units 2 and 3 have ceased operation, SCE plans to remove the remainder of the Unit 1 turbine building. After review of its regulations and guidance, NRC concludes that this action is within NRC regulations and encompassed by the PSDAR.

However, SCE also mentioned the possibility that it may reevaluate the total excavation option during formulation of its license termination plan (LTP), and may decide to leave some equipment or turbine building structure in place. In its review of this alternative, SCE should be aware that its current sampling program for the turbine building, as ascertained by NRC, does not appear to support leaving the material in place and terminating the license for unrestricted use. That is, SCE may not be collecting sufficient data with adequate quality assurance controls to demonstrate compliance with derived concentration guideline levels (DCGLs), that it will develop as part of its LTP. Therefore, at the time of license termination, complete delineation of any remaining contamination, including inside embedded pipes, would be necessary for the final status survey if the material were to remain on site. As an alternative, SCE could ensure that its current survey plan conforms to the guidelines provided in NUREG-

1575, "Multi-Agency Radiation Survey and Site Investigation Manual (MARSSIM)," Revision 1, Section 5.3, Characterization Surveys. If that data meets the relevant data quality objectives, it could then be compared to the NRC approved DCGLs to determine compliance without the need for additional sampling.

In response to an SCE question, NRC review and approval of a final status survey plan (FSSP) is not appropriate at this time, because the purpose of an FSSP is to demonstrate compliance with approved DCGLs, which do not yet exist. As we discussed during the inspection, if SCE elects to pursue the detailed survey option at this time, it would be useful for SCE to offer NRC the opportunity to perform confirmatory surveys prior to grouting or permanently sealing potentially contaminated areas. This regulation requires licensees, prior to taking an action permitted under §50.59, to notify the NRC in writing before performing any decommissioning activity inconsistent with or making any significant schedule change from those actions and schedules described in the PSDAR.

Concerning the issue of the off-shore cooling system, on March 10, 2005, Mr. D. F. Pilmer of your staff provided the NRC with a copy of the Notice of Availability of an Environmental Impact Report regarding the disposition of the Unit 1 offshore cooling water system. Briefly, SCE proposes leaving the subterranean pipes in place and removing above-the-seabed intake and discharge structures. Note that NRC has approved several other similar actions in other LTPs. However, because this activity is not addressed in the PSDAR, SCE must describe the decommissioning of this plant system in accordance with §50.82(a)(7). This regulation allows licensees to perform a §50.59 analysis on any decommissioning activity that is not specified in the PSDAR and notify NRC prior to implementing the action.

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SCE also indicated it plans to release this system from NRC regulation. The NRC has concluded that such an action constitutes a partial site release prior to approval of the LTP, as stipulated 10 CFR 50.83 (68 FR 19727, April 22, 2003). Section 50.83(a) specifies the actions that a licensee must take to demonstrate that any residual contamination in the system is less than unrestricted release limits. Section 50.83(d) defines the content of the licensee's application for the amendment to its license, and Subsections (e) and (f) identify NRC actions to review and approve such a request. The staff is available to discuss any questions SCE may have on actions related to §50.83.

Sincerely,

/RA BAW for/

James C. Shepherd, Project Engineer
Decommissioning Directorate
Division of Waste Management
and Environmental Protection
Office of Nuclear Material Safety
and Safeguards

Docket No. 50-206

cc: See next page

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