

December 9, 2009

U.S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington, D.C. 20555

Subject: Docket Nos. 50-361 and 50-362
Reply to Notice of Violation; EA-09-270
Inspection Report No. 05000361/2009004 and 05000362/2009004
San Onofre Nuclear Generation Station, Units 2 and 3


References: Letter from Mr. M. C. Hay (NRC) to Ross T. Ridenoure (SCE) dated
November 05, 2009

Dear Sir or Madam:

The reference letter transmitted the results of NRC Inspection Report No. 05000361/2009004 and 05000362/2009004 to Southern California Edison (SCE). The NRC Integrated Inspection was conducted between June 24, 2009 through September 23, 2009 at San Onofre Nuclear Generating Station (SONGS), Units 2 and 3. The referenced report also transmitted a Notice of Violation (EA-09-270). The attachment to this letter provides the required response to the Notice of Violation.

If you have any questions, please feel free to contact me or Mr. R. St Onge.

Sincerely,

 FOR ROSS T. RIDENOURS
STATION MANAGER

Enclosure: As stated

cc: E. E. Collins, Regional Administrator, NRC Region IV
G. Warnick, NRC Senior Resident Inspector, San Onofre Units 2 and 3

Mail Stop D45
P.O. Box 128
San Clemente, CA 92672
(949) 368-6255 PAX 86255
Fax: (949) 368-6183
Ross.Ridenoure@sce.com

TEO/
NR

**ENCLOSURE
REPLY TO A NOTICE OF VIOLATION**

The Enclosure to Mr. M. C. Hay's letter dated November 05, 2009, states in part:

During an NRC inspection conducted on June 24 through September 23, 2009, a violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

Title 10 CFR 50.65(a)(4), states in part, that before performing maintenance activities (including but not limited to surveillance, postmaintenance testing, and corrective and preventive maintenance), the licensee shall assess and manage the increase in risk that may result from the proposed maintenance activities.

Contrary to the above, on August 25-27, 2009, work control and operations personnel failed to adequately assess and manage the increase in risk associated with maintenance activities. Specifically, maintenance activities in or near the electrical switchyard and offsite power components were not included in the on-line risk assessment.

This violation is associated with a Green Significance Determination Process finding.

SCE RESPONSE TO VIOLATION

BACKGROUND AND EVENT SUMMARY

SCE performed Steam Generator Replacement Project (SGRP) activities near the Reserve Auxiliary Transformers (RATs) without Plant Operations and Work Control performing a risk assessment and identifying any necessary risk management actions before performing the work. The consequences of this event include the potential to cause a loss of offsite power event and reduce equipment availability to mitigate the consequences of an accident.

As discussed with the Nuclear Regulatory Commission during the Residents Inspection Exit meeting on September 24, 2009, SCE does not contest the violation or the NRC's determination of its significance.

1. Reason for the Violation

SCE risk assessment and management procedures did not provide clear directions for consistent risk assessment and risk management of work activities as required by 10CFR50.65(a)(4). SCE programs addressed the risk of working on important to safety equipment, but the programs were not adequate in fully assessing the potential risk impact of work in the vicinity of important to safety equipment. The SGRP risk management scope considered the risk associated with specific project activities, but did not fully consider all Maintenance Rule requirements such as the qualitative risk associated with working around, but not on, important to safety systems, structures, and components (SSCs).

SCE processes, procedures, and practices for assessing and managing risk were not appropriately integrated across the station and station personnel did not fully understand the qualitative risk aspects of 10CFR50.65(a)(4). The SCE work management process did not provide consistent risk assessment and risk management of SGRP work activities in that only a small number of selected activities were reviewed. The Shift Technical Advisor (STA) reviewed work activities daily to assess risk per the Maintenance Rule; however, this review did not include most SGRP work activities. This led to maintenance activities near offsite power components not being included in the on-line risk assessment.

2. Corrective Actions Taken and Results Achieved

On August 25, 2009, SCE activated the "High Impact Switchyard Maintenance" activity option in the Safety Monitor software. This Safety Monitor selection conservatively raises the baseline probability of the loss of offsite power due to switchyard activities, which establishes an increased risk profile. The Safety Monitor is a real time risk assessment tool that assesses plant risk for various configurations based on equipment out of service, system alignments, and environmental conditions such as high impact switchyard activities.

On August 28, 2009, SCE increased the emphasis on risk sensitive activities, including SGRP activities, in the SONGS Daily Planning Meeting. SGRP activities were added as an agenda discussion item for the Daily Planning Meeting to ensure potential risk affecting activities were routinely discussed. These discussions include crane activities in the switchyard/reserve auxiliary transformers area for which Operations activates the "High Impact Switchyard Maintenance" activity option in the Safety Monitor.

On September 8, 2009, SCE revised Work Control procedure SO23-XX-8, "Integrated Risk Assessment." This revision added multiple attachments to provide specific direction for assessing and managing risk associated with plant activities. The added attachments include checklists for assessing individual activities, assessing scheduled activities in aggregate, and providing specific tools for use in managing identified risk significant activities. Additionally, management approval requirements for medium and high risk activities were added. The procedure revision also included questions designed to identify and manage additional types of risk, including Nuclear, Industrial, Radiological, Corporate, and Environmental risk.

3. Corrective Actions That Will Be Taken

SCE is developing an Integrated Risk Assessment and Management Program to better ensure compliance with 10CFR50.65(a)(4). This program will provide an integrated process to ensure risk is managed using current industry practices, by identifying all activities that have the potential to impact important to safety equipment and putting in place appropriate contingency plans and mitigating actions before maintenance activities are started. The risk assessment and management program will assess and manage risk at the task level as well as the aggregate risk associated with outage windows or on-line work weeks, and will ensure emergent work is evaluated appropriately.

SCE revised the Work Control Integrated Risk Assessment procedure SO23-XX-8 to improve its risk management processes. Lessons learned during the implementation of this revision are being captured and assessed to further clarify and improve the risk assessment guidance. These actions are included in the Change Management Plan for Integrated Risk Assessment and Management.

SCE is performing a Training Needs Analysis to identify improvements needed in Work Control, Operations, Maintenance and Engineering training relating to 10CFR50.65(a)(4) risk assessment requirements. SCE will implement appropriate training to address knowledge weaknesses in areas identified in the Training Needs Analysis assessments.

The Nuclear Oversight Department (NOD) is developing an oversight plan to verify the effectiveness of the actions taken to implement the Integrated Risk Assessment and Management Program.

Individually, these corrective actions are ongoing and will be completed in accordance with the dates established by the Station's Corrective Action Program. These actions are scheduled to be completed by 07/31/2010.

4. Date When Full Compliance Will Be Achieved

On August 25, 2009, SCE activated the "High Impact Switchyard Maintenance" activity option in the Safety Monitor software to address the nonconformance identified by the NRC Resident inspectors. On August 28, 2009 SGRP activities were added as an agenda discussion item for the Daily Planning Meeting to ensure potential risk affecting activities were routinely discussed. These discussions include crane activities in the switchyard/reserve auxiliary transformers area for which Operations activates the "High Impact Switchyard Maintenance" activity option in the Safety Monitor. Full compliance with 10CFR50.65(a)(4) was achieved August 28, 2009 when these two activities were put in place to address the quantitative and qualitative risk associated with maintenance activities in or near the electrical switchyard and offsite power components.