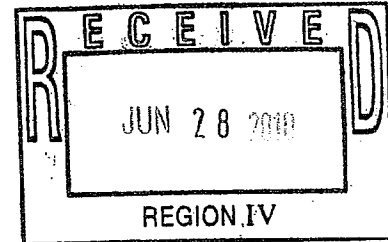


June 25, 2010

Elmo E. Collins, Regional Administrator, Region IV  
U.S. Nuclear Regulatory Commission  
612 East Lamar Blvd., Suite 400  
Arlington, Texas 76011-4125



**Subject:** Docket Nos. 50-361, 50-362, 50-206, and 72-41  
Response to Confirmatory Order EA 07-232 and Notice of Violation EA 07-141  
Inspection Report Nos. 05000361/2007016, 05000362/2007016,  
05000361/2007017, and 05000362/2007017  
San Onofre Nuclear Generating Station

References: See Attachment 1

Dear Mr. Collins:

On January 11, 2008, the U.S. Nuclear Regulatory Commission (NRC) issued Confirmatory Order EA 07-232 to Southern California Edison Company (SCE) in response to willful violations that occurred at San Onofre Nuclear Generating Station (SONGS) (Reference 1).

The Confirmatory Order requires that SCE complete 14 action items to address NRC concerns with willful violations at SONGS. SCE provided the NRC with its closure criteria for each of the 14 action items in References 4 and 8, and has completed each action item in accordance with these criteria. To date, the NRC has inspected and closed 12 of the 14 action items (References 5 and 9). Attachment 2 provides the terms and status of each action item.

The two remaining open Confirmatory Order actions include Items 2c and 2l. SCE has completed Item 2c, involving ethics training in 2008 - 2009, which is ready for NRC inspection.

This letter fulfills Item 2l, which requires SCE to provide the NRC with a letter discussing its basis for concluding that the Confirmatory Order has been satisfied. The closure criteria for Item 2l specify that: (1) Items 1 through 2k meet their respective completion criteria and (2) the corrective actions have been determined to be effective in accordance with the monitoring program.

As discussed above, Items 1 through 2k were completed in accordance with the established closure criteria. To determine the effectiveness of SCE's corrective actions taken under the Confirmatory Order, SCE established a Monitoring Program as provided in References 6 and 7. SCE used the collective results of the Monitoring Program (rather than any single component) to determine that the Confirmatory Order has been satisfied. The four components of the Monitoring Program and their results are described below:

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## 1. Targeted Surveillances

SCE incorporated targeted surveillances into the SONGS oversight surveillance program that include periodic sampling of repetitive rounds and log-keeping activities associated with Security, Fire Watches, Operations, Health Physics, and conduct of on-the-job training. The intent of these surveillances is to provide reasonable assurance that actions to deter and detect instances of deliberate non-compliance are effective and to serve as a deterrent to willful violations.

This targeted surveillance program has proven to be effective in detecting instances of deliberate non-compliance in the areas under surveillance. For example, in January 2010, a deliberate non-compliance was identified when it was discovered that a non-licensed operator, on multiple occasions, did not complete a room inspection after reporting he did so. SCE took prompt corrective actions in response to that event and notified the NRC resident inspector.

## 2. Reporting and Evaluation Process

SCE instituted a reporting and evaluation process that screens and assesses Nuclear Notifications to identify whether a deliberate non-compliance may have occurred. Under this process, situations identified in which an individual (1) did not comply with a requirement and (2) it appears more likely than not that the individual made a conscious decision to violate a known requirement, are evaluated to identify deliberate non-compliance with site and/or NRC requirements.

SCE's reporting and evaluation process has proven effective by identifying a number of instances in which the evidence suggested a deliberate non-compliance occurred. SCE took prompt action as warranted for each of these cases. SCE also used such instances as further opportunities to reinforce expectations to the site population.

SCE trends the results of these evaluations and recently performed a common cause evaluation after identifying an adverse trend in the number of deliberate non-compliance occurrences to determine whether additional actions are warranted. Results of the evaluation indicate that actions are in place to address deliberate non-compliances, but ongoing monitoring programs to detect deliberate non-compliance should be continued.

The Monitoring Program included a provision to compare the results of the targeted surveillances (Item 1 above) with the results of the reporting and evaluation process (this Item 2) to provide a qualitative assessment as to whether the surveillances are sensitive to the types of actual deliberate non-compliance identified. SCE completed this assessment and identified no meaningful gaps between the two programs.

## 3. Effectiveness Reviews

The following targeted effectiveness reviews were performed to gauge effectiveness of training and communications associated with the Confirmatory Order action items.

- Knowledge gaps specific to training performed in accordance with the Confirmatory Order were identified through post-training surveys. Corrective actions to address the gaps are ongoing, including remedial training and further enhancements to existing training programs.

- Focus group interviews, performed twice in 2009, indicated that, generally, personnel at SONGS understand (1) the definition of a willful violation, (2) requirements for procedure compliance at SONGS, and (3) the potential consequences of deliberate non-compliance. Ongoing corrective actions to improve leadership engagement (committed in Reference 11) and to resolve issues with the primary software tool (SAP) used for reporting at SONGS (committed in Reference 12), are fulfilling recommendations resulting from the Focus Group Interviews.
- Site-wide surveys from March 2009 through May 2010 indicated that worker perceptions of leadership engagement met the established success criteria throughout the survey period. In addition, ongoing actions in this area to improve leadership engagement were committed in SCE's response to the 2009 NRC Mid-Cycle Performance Review Letter (Reference 11).

#### 4. Performance Indicators

Maintaining the underlying safety culture at SONGS is key to ensuring an environment that minimizes instances of deliberate non-compliance. Therefore, the Monitoring Program included the following performance indicators to measure progress in addressing safety culture issues at SONGS.

##### Metrics

Four metrics were selected to monitor progress of improvements in safety culture characteristics most likely to drive a reduction in deliberate non-compliances.

- SCE is using the industrial safety indicator to provide an indication of progress in improving the safety culture at SONGS. This metric has demonstrated an improving trend since July 2008.
- The indicator associated with leadership engagement has met its success criteria since November 2009.
- The indicators associated with procedure quality and procedure use and adherence do not yet meet their respective success criteria. To some extent this is due to the fact that these indicators are driven by numbers of issues identified. This is an expected result from the increased emphasis SCE has placed on these issues and communicated to the workforce. SCE recognizes that this is an area in which further improvement is required, and a site-wide initiative is in progress to address this issue as committed in Reference 11.

##### Nuclear Safety Culture Survey

The Monitoring Program has a provision to compare the results of the 2008 and 2009 nuclear safety culture surveys and assessments to identify trends in safety culture attributes. The results of this survey comparison indicate there was no decline. SCE developed and is implementing an action plan to address findings from the 2009 survey and assessment, which was committed to the NRC in a response to the 2009 Mid-Cycle Performance Review letter (Reference 10).

June 25, 2010

Root Cause Evaluations (RCEs)

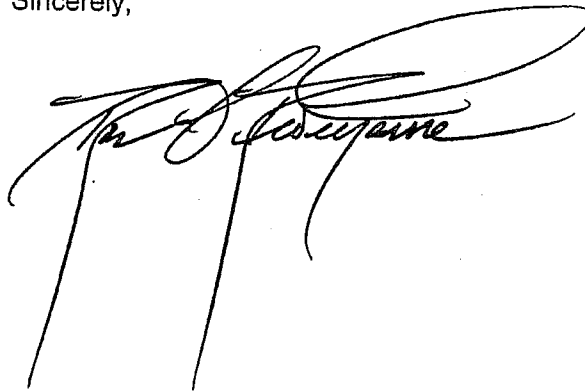
The SONGS cause evaluation process was revised to include a separate Safety Culture Review for each RCE to identify significant safety culture event contributors.

In summary, SCE has completed the actions required by the Confirmatory Order and determined the collective results of the Monitoring Program demonstrate that effective processes and procedures are in place to ensure that deliberate non-compliances are detected and addressed. Additionally, SCE committed to implementing site-wide action plans to continue to improve the safety culture at SONGS and create an environment that results in minimal instances of deliberate non-compliance. Accordingly, SCE has concluded that the Confirmatory Order has been satisfied.

SCE recognizes that integrity and compliance are at the heart of nuclear safety, and remains committed to detecting, addressing, and preventing deliberate non-compliances.

There are no new commitments in this letter.

Sincerely,



Attachments: As stated.

cc: NRC Document Control Desk  
R. Hall, NRC Project Manager, San Onofre Units 2 and 3  
G. G. Warnick, NRC Senior Resident Inspector, San Onofre Units 2 and 3

Attachment 1  
References  
Docket Nos. 50-361, 50-362, 50-206, and 72-41

1. Letter, Mr. E. E. Collins (NRC) to Mr. R. M. Rosenblum (SCE), dated January 11, 2008, Confirmatory Order
2. Letter, Mr. J. T. Reilly (SCE) to U.S. Nuclear Regulatory Commission Document Control Desk, dated February 8, 2008, Response to the Confirmatory Order Item 3
3. Letter, Mr. J. T. Reilly (SCE) to U.S. Nuclear Regulatory Commission Document Control Desk, dated February 28, 2008, Response to the Confirmatory Order Item 2
4. Letter, Mr. A. E. Scherer (SCE) to U. S. NRC Document Control Desk, dated November 14, 2008, Confirmatory Order Closure Criteria
5. Letter, Mr. A. Vogel (USNRC) to Mr. R. T. Ridenoure (SCE), dated December 3, 2008, San Onofre Nuclear Generating Station Units 2 and 3 – NRC Problem Identification and Resolution Inspection Report 05000361/2008012 and 0500362/2008012, and Confirmatory Order (EA-07-232) Follow-up Inspection

In this inspection report, the NRC closed 8 of the Confirmatory Order action items (Items 1, 2.d, 2.e, 2.f, 2.i, 2.j, 2.k and 3).

6. Letter, Mr. R. T. Ridenoure (SCE) to U.S. NRC Document Control Desk, dated January 14, 2009, Confirmatory Order Status and Monitoring Program
7. Letter, Mr. A. E. Scherer (SCE) to U. S. NRC Document Control Desk, dated May 29, 2009, Confirmatory Order Monitoring Program Update
8. Letter, Mr. A. E. Scherer (SCE) to U. S. NRC Document Control Desk, dated June 22, 2009, Confirmatory Order Item 2g Closure Criteria Update
9. Letter, Mr. A. Vogel (USNRC) to Mr. R. T. Ridenoure (SCE), dated July 31, 2009, San Onofre Nuclear Generating Station – NRC Integrated Inspection Report 05000361/2009003 and 05000362/2009003

In this inspection report, the NRC closed 4 of the Confirmatory Order action items (Items 2.a, 2.b, 2.g and 2.h).

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10. Letter, Mr. R. T. Ridenoure (SCE) to Mr. E. E. Collins (NRC), dated October 29, 2009, Response to 2009 NRC Mid-Cycle Performance Review - Independent Safety Culture Assessment Results and Action Plans
  11. Letter, Mr. R. T. Ridenoure (SCE) to Mr. E. E. Collins (NRC), dated October 30, 2009, Response to 2009 NRC Mid-Cycle Performance Review
  12. Letter, Mr. R. T. Ridenoure (SCE) to Mr. E. E. Collins (NRC), dated March 31, 2010, Response to Work Environment Issues at SONGS
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Attachment 2  
 Completion Status of Confirmatory Order Actions  
 Docket Nos. 50-361, 50-362, 50-206, and 72-41

Item	Description	Completion Status	NRC Closure Status
1	<b>Common Cause Evaluation</b> —"By January 31, 2008, SCE will perform a common cause evaluation of known recent events, actually or potentially involving willful events to determine the root and contributing causes for the collective issues. This evaluation will include an analysis to determine if any deficiencies of safety culture components, as defined by NRC's Inspection Manual Chapter (IMC) 0305, "Operating Reactor Assessment Program," were significant contributors. The results of this evaluation will be factored into the Corrective Action Program and addressed in other ongoing related efforts, as appropriate."	Complete	Closed 12/03/08 (Ref. 5)
2a	<b>Corrective Action Plan &amp; Monitoring Program</b> —"By February 29, 2008, SCE will provide the NRC with a Corrective Action Plan that includes the results of Item 1 and provides the following key elements: A monitoring program to determine the effectiveness of the Corrective Action Plan developed pursuant to this Item 2."	Complete (Ref. 3, 6, 7)	Closed 07/31/09 (Ref. 9)
2b	<b>Multi-Day Interventions</b> —"By June 30, 2008, SCE will conduct multi-day interventions that reinforce fundamental company values. SCE will ensure that this effort includes the elements of a strong nuclear safety culture to prevent deliberate violations. The intent of the interventions will be to focus leaders and managers on the importance of balancing accountability and encouraging workers to self-report errors and the importance of communicating this to their workers."	Complete	Closed 07/31/09 (Ref. 9)
2c	<b>Ethics Training for 2008-2009</b> —"SCE will expand the Corporate Ethics Program to encompass long-term (i.e., greater than 90 days) managers and supervisors of independent contract workers at SONGS, who will be required to take the integrity training in 2008. SCE will conduct training for SONGS managers and supervisors in 2008 and other SCE SONGS employees in 2009."	Complete	Ready to Close
2d	<b>2008 Safety Culture Assessment by 3rd Party</b> —"SCE will conduct a safety culture assessment by an independent third-party organization by April 1, 2008. By June 30, 2008, the results of this assessment will be factored into the Corrective Action Program and addressed in other ongoing related efforts, as appropriate."	Complete	Closed 12/03/08 (Ref. 5)
2e	<b>New Employee Orientation; General Employee Training</b> —"By April 1, 2008, SCE will further enhance the new employee orientation and the general employee training programs to better ensure that new and periodically retrained personnel clearly understand that deliberate acts of non-compliance with regulations or procedures will not be tolerated and could result in a significant disciplinary action up to and including termination."	Complete	Closed 12/03/08 (Ref. 5)
2f	<b>Training on Techniques to Monitor Worker Compliance</b> —"By September 30, 2008, SCE will develop and begin conducting training for managers and supervisors on techniques that can be used to monitor that workers are implementing procedures as instructed."	Complete	Closed 12/03/08 (Ref. 5)

Attachment 2  
 Completion Status of Confirmatory Order Actions  
 Docket Nos. 50-361, 50-362, 50-206, and 72-41

Item	Description	Completion Status	NRC Closure Status
2g	<b>Disciplinary Process</b> —"By April 1, 2008, SCE will enhance its existing disciplinary process to provide more detailed guidance in cases involving a deliberate misconduct-related violation. This process will communicate to the workforce specific escalating disciplinary actions that may be taken in response to initial and/or repeat deliberate misconduct by individual contributors and supervisors/managers. Communication of process enhancements will focus personnel on the importance of balancing accountability and encouraging workers to self-report errors and the importance of communicating this with their workers."	Complete	Closed 07/31/09 (Ref. 9)
2h	<b>Training for On-the-Job Training Trainers</b> —"By April 1, 2008, SCE will revise the SONGS training lesson for On-the-Job Training (OJT) trainers and provide this training to all OJT trainers and trainees. The revised OJT training will reinforce the responsibilities of the trainer and the trainees. Emphasis will be placed on the expectations of a trainer while his/her trainee is performing work during an OJT session."	Complete	Closed 07/31/09 (Ref. 9)
2i	<b>Incentives for On-Site Contractors</b> —"SCE will take steps to develop and implement incentives for on-site service contractors to help SCE address the issues that have resulted in deliberate misconduct-related violations. If SCE is unable to negotiate acceptable programs by a particular contractor, then SCE will impose additional oversight to ensure the performance of the contractor and its personnel meets specified criteria."	Complete	Closed 12/03/08 (Ref. 5)
2j	<b>Periodic Sampling of Repetitive Rounds and Log-Keeping Activities</b> —"By April 1, 2008, SCE will incorporate into the SONGS oversight surveillance program, periodic sampling of repetitive rounds and log keeping activities to provide reasonable assurance that actions to deter and detect instances of deliberate non-compliance are effective. This oversight will include sampling of SCE and contractor activities."	Complete	Closed 12/03/08 (Ref. 5)
2k	<b>Site-Wide Communications</b> —"SCE will use multiple site-wide communication tools to emphasize to employees and contractors at SONGS the need to comply with job rules, regulations, and procedures and potential consequences when compliance does not occur."	Complete	Closed 12/03/08 (Ref. 5)
2l	<b>Completion Letter</b> —"Upon completion of the terms of the Confirmatory Action Order, SCE will provide the NRC with a letter discussing its basis for concluding that the Order has been satisfied."	Complete	Ready to Close
3	<b>Response to 3 Specific NRC Issues</b> —"By 30 days after issuance of the order, SCE will provide to the NRC under separate letter its response to the three issues addressed by the NRC in its letter dated September 27, 2007, (EA 07-232) and for NRC letter dated November 7, 2007, (EA 07-141), the extent to which trainers may fail to follow the procedural requirements of Section 6.3.2 of SONGS Training Procedure SO123-XV-27."	Complete (Ref. 2)	Closed 12/03/08 (Ref. 5)