

June 4, 2013

MEMORANDUM TO: Douglas Broaddus, Chief  
San Onofre Special Projects Branch  
Division of Operating Reactor Licensing  
Office of Nuclear Reactor Regulation

FROM: Christopher M. Regan, Chief **/RA/**  
Financial Analysis and International Projects Branch  
Division of Inspection and Regional Support  
Office of Nuclear Reactor Regulation

SUBJECT: SOUTHERN CALIFORNIA EDISON – 2013 DECOMMISSIONING  
FUNDING STATUS REPORTS – REQUEST FOR ADDITIONAL  
INFORMATION

Enclosed is the subject Request for Additional Information (RAI) for Southern California Edison (SCE) for San Onofre Nuclear Generating Station Units 2 and 3, 2013 Decommissioning Funding Status (DFS) reports, from the Financial Analysis and International Projects Branch (IFIB). IFIB staff requests that the RAI be issued to the licensee with a response to be provided 30 days from issuance.

Enclosure:  
As stated

CONTACT: Richard H. Turtill, NRR/DIRS  
301-415-2308

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DATE:	6/3/13	6/4/13

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REQUEST FOR ADDITIONAL INFORMATION  
BY THE OFFICE OF NUCLEAR REACTOR REGULATION  
2013 DECOMMISSIONING FUNDING STATUS REPORT  
FOR SOUTHERN CALIFORNIA EDISON (SCE) SAN ONOFRE  
NUCLEAR GENERATING STATION UNITS 2 AND 3 (SONGS 2 and 3)

The requests for additional information (RAIs) provided are in response to SCE's 2013 Decommissioning Funding Status (DFS) report. On March 27, 2013, SCE submitted to the Nuclear Regulatory Commission (NRC) the 2013 Decommissioning Funding Status (DFS) report for SONGS 2 and 3 (see ML 13091A073) as required under 10 CFR 50.75(f)(1). The NRC staff has reviewed the information provided in the submittal and determined that the following additional information is required in order to complete its review. SCE should provide a response within 30 days from the date of this letter.

**RAI #1 for SONGS 2 and 3: Reporting Requirements**

Indicate what portion of the accumulated fund balances are for radiological decommissioning activities only. Specify if any of the \$1,666,100,000 for SONGS 2 and \$1,890,800,000 for SONGS 3, is for non-radiological decommissioning costs such as spent fuel management or other non-radiological decommissioning activities.

On March 27, 2013, SCE provided the amount accumulated in the decommissioning trust fund at the end of the calendar year preceding the date of the report for items included in 10 CFR 50.75 (b) and (c). Confirm that the dollar amounts identified above are exclusively for radiological decommissioning.

Per 10 CFR 50.75(f)(1), licensees must identify "the amount accumulated to the end of the calendar year preceding the date of the report." This actual amount is dedicated for NRC decommissioning activities as defined in 10 CFR 50.2.

**RAI #2 for SONGS 2 and 3: Reporting Requirements**

Indicate whether there are any material changes to the trust agreements from the last submittal dated March 30, 2011 (document may be found at NRC Agencywide Documents Access and Management System access number ML110900660).

On March 27, 2013, SCE reported that neither SONGS 2 or SONGS 3 were relying on any contracts pursuant to 10 CFR 50.75(e)(1)(v) and that there were no modifications to their method of providing decommissioning funding assurance. However, SCE did not indicate if there were any material changes to the trust agreements from the last submittal.

As stated under 10 CFR 50.75(f)(1):

[T]he information in [the DFS] report must include [. . .] any contracts upon which the licensee is relying under paragraph (e)(1)(v) of this section; any modifications occurring to a licensee's current method of providing financial assurance since the last submitted report; and any material changes to trust agreements. . .

**RAI #3 for SONGS 2 and 3: Citation for Site-Specific Study**

Provide the site-specific decommissioning cost estimate for SONGS 2 and 3, unless it was previously submitted to NRC. If the decommissioning cost estimate was previously submitted to NRC, then provide a reference to its submittal. The site-specific decommissioning cost estimate should include a summary schedule of annual expenses, projected earnings, end-of-year fund balances, expressed in 2012 dollars, and cost escalation factors with associated basis for the factors. Pursuant to 10 CFR 50.75(b), the cost estimate shall be in an amount that may be more, but not less, than the amount estimated to be required under 10 CFR 50.75(b) and (c).

On March 27, 2013, SCE provided to the NRC a site-specific decommissioning cost estimate for the amount of decommissioning funds that it reported had been previously provided to the California Public Utilities Commission (CPUC) on April 3, 2009, and approved by CPUC on July 29, 2010. SCE did not include the cost escalation factor(s) that would be used to escalate the site-specific decommissioning cost estimate to 2012 dollars.

Per 10 CFR 50.75(d)(2)(iii), the licensee is to "provide a description of the means of adjusting the cost estimate and associated funding level" over the life of the facility. And per 10 CFR 50.75(e)(1)(i) and (ii), the licensee must specifically describe the safe storage period in order to take credit for projected future earnings when it uses a site-specific estimate as the basis for using the prepayment or external sinking fund methods of financial assurance.