

January 28, 2014

10CRF50.75 (f)(1)
10CFR50.82 (a)(8)(v)-(vii)

U. S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555-0001

Subject: **Docket No. 50-206**
Response to Request for Additional Information –
Unit 1 Decommissioning Funding Status Report
San Onofre Nuclear Generating Station, Unit 1

- References: (1) Letter from Marlayna Vaaler (NRC) to Richard J. St. Onge (SCE),
Subject: "San Onofre Nuclear Generating Station, Unit 1, 2013
Decommissioning Funding Status Report - Request for
Additional Information" dated December 30, 2013
- (2) Letter R. J. St. Onge (SCE) to Document Control Desk (NRC),
Subject: "Docket No. 50-206 10 CFR 50.75(f)(1)
Decommissioning Funding Report, San Onofre Nuclear Generating
Station Unit 1", dated March 27, 2013

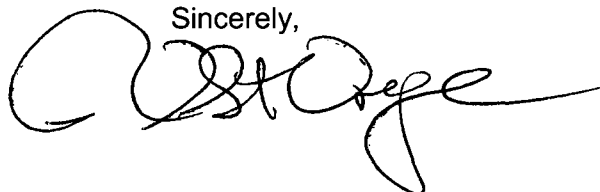
Dear Sir or Madam:

By letter dated December 30, 2013 the Nuclear Regulatory Commission (NRC) issued a Request for Additional Information (Reference 1) regarding San Onofre Nuclear Generating Station Unit 1 Decommissioning Funding Status Report (Reference 2). Enclosure 1 provides Southern California Edison's (SCE's) response.

There are no new regulatory commitments contained in this letter.

If you have any questions or require additional information, please contact Mr. Mark Morgan, at (949) 368-6745.

Sincerely,



Enclosure: 1. Response to Request for Additional Information – San Onofre Unit 1
2013 Decommissioning Funding Status Report

cc: M. Dapas, Regional Administrator, NRC Region IV
J. C. Shepherd, NRC Project Manager, San Onofre Unit 1
G. G. Warnick, NRC Senior Resident Inspector, San Onofre Units 2 and 3

Enclosure 1

**Response to Request for Additional Information -
San Onofre Unit 1
2013 Decommissioning Funding Status Report**

RAI #1: Decommissioning Costs

In its March 27, 2013 letter, Southern California Edison and San Diego Gas & Electric did not provide the difference between actual and estimated costs for decommissioning work performed during the previous year.

Per 10 CFR 50.82 (a)(8)(v):

The report must include the following information, current through the end of the previous calendar year: an estimate of the costs to complete decommissioning, reflecting any difference between actual and estimated costs for work performed during the year, and the decommissioning criteria upon which the estimate is based.

Accordingly, please provide the difference between actual and estimated costs for decommissioning work performed during the previous year.

SCE Response:

The March 27, 2013 letter provided the status of the decommissioning funding for San Onofre Nuclear Generating Station (SONGS) Unit 1 as of December 31, 2012. The estimated (budgeted) costs reflect the budget for 2012 SONGS 1 decommissioning costs that was presented to and approved by the two SONGS 1 co-owners, SCE and SDG&E, at the beginning of 2012. The estimated (budgeted) and actual (recorded) costs for SONGS 1 decommissioning work performed during 2012 are summarized below:

Description	Major Activities	(2012 \$000)		
		Budget	Recorded	Variance
SONGS 1 Decommissioning Activities	Total	1,050.4	1,002.2	48.2

RAI #2 Managing Irradiated Fuel

In its March 27, 2013, letter, Southern California Edison and San Diego Gas & Electric did not provide the total amount of dollars accumulated at the end of the appropriate year designated for managing irradiated fuel.

Per 10 CFR 50.82 (a)(8)(v)-(vii):

The licensee must annually submit to the NRC, by March 31, a report on the status of its funding for managing irradiated fuel. The report must include the following information, current through the end of the previous calendar year: The amount of funds accumulated to cover the cost of managing the irradiated fuel; the projected cost of managing irradiated fuel until title to the fuel and possession of the fuel is transferred to the Secretary of Energy; and if the funds accumulated do not cover the projected cost, a plan to obtain additional funds to cover the cost.

Accordingly, please provide the total amount of dollars accumulated at the end of the appropriate year designated for managing irradiated fuel

SCE Response:

In its March 27, 2013, letter, Southern California Edison and San Diego Gas & Electric provided the following information:

- 1)(b) The San Onofre Unit 1 site-specific estimate for decommissioning includes the following radiological decommissioning costs associated with terminating the site license, non-radiological site restoration costs, and spent fuel storage costs:

	<u>San Onofre Unit 1</u>
Estimate of License Termination Costs	\$ 694.7 million
Less: Actual Lic. Termination Costs through 12/31/2012	<u>\$ 510.3 million</u>
Estimated "To Go" License Termination Costs	\$ 184.4 million
Estimate of Site Restoration Costs	\$ 172.4 million
Less: Actual Site Restoration Costs through 12/31/2012	<u>\$ 161.6 million</u>
Estimated "To Go" Site Restoration Costs	\$ 10.8 million
Estimate of Fuel Storage Costs	\$ 93.7 million
Less: Actual Fuel Storage Costs through 12/31/2012	<u>\$ 82.4 million</u>
Estimated "To Go" Fuel Storage Costs	\$ 11.3 million
Estimated Total "To Go" Costs as of 1/1/2013	\$ 206.5 million

- 2) The Decommissioning Trust Fund amount remaining at the end of calendar year 2012 (net of estimated capital gains taxes) is:

Owner	<u>San Onofre Unit 1</u>
SCE	\$ 197.9 million
<u>SDG&E</u>	<u>\$ 97.8 million</u>
TOTAL	\$ 295.7 million

Therefore, as of December 31, 2012, \$16.2 million was available for the costs to manage SONGS 1 irradiated fuel, as shown in the table below.

SONGS 1	Estimated "To Go" Decommissioning Cost	Cost Ratios in Cost Estimate	12/31/2012 Trust Balance
License Termination Costs	\$ 184.4 million	89.3%	\$ 264.0 million
Site Restoration Costs	\$ 10.8 million	5.2%	\$ 15.5 million
Spent Fuel Management Costs	<u>\$ 11.3 million</u>	<u>5.5%</u>	<u>\$ 16.2 million</u>
TOTAL	\$ 206.5 million	100.0%	\$ 295.7 million

RAI #3 Decommissioning Costs

In its March 27, 2013 letter, Southern California Edison and San Diego Gas & Electric did not provide the difference between actual and estimated costs for decommissioning work performed during the previous year.

Per 10 CFR 50.82 (a)(8)(v):

...the licensee must annually submit to the NRC, by March 31, a financial assurance status report. The report must include the following information, current through the end of the previous calendar year: The amount spent on decommissioning, both cumulative and over the previous calendar year, the remaining balance of any decommissioning funds, and the amount provided by other financial assurance methods being relied upon.

Accordingly, please provide the total amount of dollars spent on decommissioning over the previous calendar year.

SCE Response:

As shown in SCE's Response to RAI # 1, the total amount of dollars spent for on decommissioning, including recorded cost associated with SONGS 1 decommissioning during 2012 was \$1.0022 million.