



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION IV  
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March 3, 2010

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Chief Nuclear Officer  
Southern California Edison Company  
San Onofre Nuclear Generating Station  
P.O. Box 128  
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SUBJECT: ANNUAL ASSESSMENT LETTER – SAN ONOFRE NUCLEAR GENERATING STATION (NRC INSPECTION REPORTS 05000361/2010001 and 05000362/2010001)

Dear Mr. Ridenoure,

On February 17, 2010, the NRC staff completed its performance review of San Onofre Nuclear Generating Station (SONGS), Units 2 and 3. Our technical staff reviewed performance indicators (PIs) for the most recent quarter and inspection results for the period from January 1 through December 31, 2009. The purpose of this letter is to inform you of our assessment of your safety performance during this period and our plans for future inspections at your facility.

This performance review and enclosed inspection plan do not include security information. A separate letter designated and marked as "Official Use Only--Security Information" will include the security cornerstone review and resultant inspection plan.

SONGS Units 2 and 3 operated in a manner that preserved public health and safety and fully met all cornerstone objectives.

The NRC continues to identify performance problems in human performance and problem identification and resolution. This is the fifth consecutive assessment cycle where substantive cross-cutting issues were identified in both of these cross-cutting areas. Corrective actions you have taken to address these substantive cross-cutting issues have been ineffective.

Plant performance for Unit 2 for the most recent quarter was within the Regulatory Response column of the NRC's Action Matrix, based on one White finding in the Mitigation Systems cornerstone. The finding involved the failure to establish appropriate instructions for replacement of a safety-related battery output breaker resulting in the battery being inoperable between March 2004 and March 2008. The NRC was informed on October 19, 2009, of your staff's readiness for our review of your actions to address the White finding. In December 2009, the NRC conducted supplemental inspection IP 95001, "Inspection For One or Two White Inputs in a Strategic Performance Area," and concluded that the White finding will remain open because some corrective actions were not fully developed and there is a lack of assurance that your corrective actions will be effective. Unit 3 plant performance remained in the Licensee

Response Column of the NRC's action matrix, based on all inspection findings having very low safety significance (Green) and all PIs indicating performance at a level requiring no additional NRC oversight (Green).

In our mid-cycle assessment letter dated September 1, 2009, we advised you of a continuing substantive cross-cutting issue in the area of Human Performance associated with two components, the component of resources involving the theme of failing to provide adequate design documentation, procedures and work instructions; and the component of work practices in the theme of ineffective use of human error prevention techniques. Also during the mid-cycle assessment period the NRC identified an additional theme in the area of human performance in the component of decision making associated with a theme of failing to use conservative assumptions. During this assessment period, the NRC identified four or more findings in each of these cross-cutting themes. Based on these inspection results we determined that your corrective actions have not demonstrated performance improvement to close these substantive cross-cutting issues. Additionally during this assessment period the NRC identified a new human performance theme with four findings in the component of work practices associated with ensuring supervisory and management oversight of work activities.

Also in our mid-cycle assessment letter the NRC advised you of a continuing substantive cross-cutting issue in the area of Problem Identification and Resolution associated with the corrective action program component involving instances of failing to thoroughly evaluate problems such that the resolutions effectively address the causes and extent of conditions. During this assessment period the NRC identified five findings with this theme, therefore this problem identification and resolution substantive cross-cutting issue will remain open. Additionally during this assessment period the NRC identified two new problem identification and resolution themes in the component of the corrective action program. One new theme, with four findings, was associated with implementing the corrective action program with a low threshold for identifying issues. The other new theme, which also had four findings during the assessment period, was associated with taking appropriate corrective actions to address safety issues in a timely manner, commensurate with their safety significance.

During this assessment period existing performance problems have persisted and new ones have emerged. These include 4 persistent themes and 3 additional themes associated with longstanding substantive cross-cutting issues in Human Performance and Problem Identification and Resolution. NRC recognizes that you have established a site improvement plan to facilitate organizational and operational improvement. In addition, the NRC plans to conduct additional inspections, above the baseline inspection program, to evaluate the effectiveness of your performance improvement efforts. The NRC plans to conduct periodic public meetings in 2010, beginning with the End of Cycle meeting scheduled for March 24, 2010, to discuss your progress in improving performance. In subsequent assessment periods, the NRC will consider closing the substantive cross-cutting issues in Human Performance and Problem Identification and Resolution when your performance has demonstrated through sustained improvement that your corrective actions have been effective.

In the 2008 Annual Assessment Letter dated March 4, 2009, the NRC required you to conduct an independent assessment of the safety culture at SONGS. The NRC reviewed the results of that assessment, and also performed focus group interviews to validate the results, and

identified differences between our assessment and yours. In addition, allegations concerning SONGS are at 10 times the national median. Trends in allegations claiming discrimination and retaliation, as well as anonymous allegations, have increased significantly over previous years. As a result of our assessment of your safety conscious work environment, the NRC issued a chilling effect letter on March 2, 2010. The purpose of the chilling effect letter is to verify that you are taking appropriate actions to ensure SONGS is a workplace that fosters an environment where employees feel free, and are encouraged, to raise safety concerns. The chilling effect letter requested specific actions from you to address these issues.

On January 11, 2008, the NRC issued a Confirmatory Order to you as the result of a successful alternative dispute resolution mediation session related to falsification of firewatch certification sheets. Corrective actions have been taken, and some have been effective. The NRC will perform a follow up inspection following receipt of your letter discussing your basis for concluding that the Order has been satisfied.

Also, the recent NRC inspection to follow up on corrective actions for the White finding discussed above was unable to conclude that your corrective actions were fully developed and would be effective. The NRC will perform another supplemental inspection IP 95001 for the White finding when your staff informs us that you are ready for our review.

The enclosed inspection plan details the inspections, less those related to security scheduled through June 30, 2011. The NRC intends to conduct an NRC inspection procedure IP 50001, "Steam Generator Replacement Inspection" in the fall of 2010 concurrent with the Unit 3 steam generator replacement outage. The NRC also plans to conduct inspections in addition to baseline inspections to review the effectiveness of your performance improvement initiatives. The inspection plan is provided to allow for the resolution of any scheduling conflicts and personnel availability issues well in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last nine months of the inspection plan are tentative and may be revised at the mid-cycle review.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

If circumstances arise which cause us to change this inspection plan, we will contact you to discuss the change as soon as possible. Please contact Ryan Lantz at 817-860-8173 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

***/RA/ R. Caniano for***

Elmo E. Collins  
Regional Administrator

Docket Nos. 50-361, 50-362  
License Nos. NPF-10, NPF-15

Enclosure: San Onofre Nuclear Generating Station Inspection / Activity Plan

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SUNSI Rev Compl.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	ADAMS	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Reviewer Initials	RL
Publicly Avail	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Sensitive	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Sens. Type Initials	RL
C:DRP/D	D:DRS	D:DRP	RA		
RLantz	RJCaniano	DDChamberlain	ECollins		
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3/3/2010	3/3/2010	3/3/2010	3/3/2010		

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## San Onofre

## Inspection / Activity Plan

04/01/2010 - 06/30/2011

Unit Number	Planned Dates		Inspection Activity	Title	No. of Staff on Site
	Start	End			
			<b>SGR U3 - STEAM GENERATOR REPLACEMENT - UNIT 3</b>		<b>2</b>
3	01/01/2010	12/31/2010	IP 50001	Steam Generator Replacement Inspection	
			<b>TSB-52B - BIENNIAL PI&amp;R</b>		<b>9</b>
2,3	04/05/2010	04/09/2010	IP 71152B	Identification and Resolution of Problems	
2,3	04/19/2010	04/23/2010	IP 71152B	Identification and Resolution of Problems	
			<b>EB2-05T - TRIENNIAL FIRE PROTECTION</b>		<b>4</b>
2,3	06/14/2010	06/18/2010	IP 7111105T	Fire Protection [Triennial]	
2,3	06/28/2010	07/02/2010	IP 7111105T	Fire Protection [Triennial]	
			<b>RP678GPI - RADIATION SAFETY TEAM INSPECTION</b>		<b>3</b>
2,3	08/02/2010	08/06/2010	IP 2515/173	Review of the Implementation of the Industry Ground Water Protection Voluntary Initiative	
2,3	08/02/2010	08/06/2010	IP 71124.06	Radioactive Gaseous and Liquid Effluent Treatment	
2,3	08/02/2010	08/06/2010	IP 71124.07	Public Radiation Safety	
2,3	08/02/2010	08/06/2010	IP 71124.08	Radioactive Solid Waste Processing and Radioactive Material Handling, Storage, and Transportation	
2	08/02/2010	08/06/2010	IP 71151-OR01	Occupational Exposure Control Effectiveness	
2	08/02/2010	08/06/2010	IP 71151-PR01	RETS/ODCM Radiological Effluent	
			<b>EXAM - INITIAL EXAM</b>		<b>5</b>
2	09/20/2010	09/25/2010	X02445	INITIAL EXAM-SONGS (10/2010)	
3	09/20/2010	09/25/2010	X02446	INITIAL EXAM UNIT 3-SONGS (10/2010)	
2	10/18/2010	10/29/2010	X02445	INITIAL EXAM-SONGS (10/2010)	
3	10/18/2010	10/29/2010	X02446	INITIAL EXAM UNIT 3-SONGS (10/2010)	
			<b>PSB2-08P - INSERVICE INSPECTION - U3</b>		<b>3</b>
3	10/12/2010	10/22/2010	IP 2515/172	Reactor Coolant System Dissimilar Metal Butt Welds	
3	10/12/2010	10/22/2010	IP 7111108P	Inservice Inspection Activities - PWR	
			<b>EP-1 - BIENNIAL EP PROGRAM INSPECTION</b>		<b>1</b>
2,3	11/15/2010	11/19/2010	IP 7111402	Radiological Environmental Monitoring Program	
2,3	11/15/2010	11/19/2010	IP 7111403	Emergency Response Organization Augmentation Testing	
2,3	11/15/2010	11/19/2010	IP 7111404	Emergency Action Level and Emergency Plan Changes	
2,3	11/15/2010	11/19/2010	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies	
2,3	11/15/2010	11/19/2010	IP 71151-EP01	Drill/Exercise Performance	
2,3	11/15/2010	11/19/2010	IP 71151-EP02	ERO Drill Participation	
2,3	11/15/2010	11/19/2010	IP 71151-EP03	Alert & Notification System	
			<b>RS12 - OCCUPATIONAL RADIATION SAFETY</b>		<b>2</b>
2,3	11/01/2010	11/05/2010	IP 71124.01	Radiological Hazard Assessment and Exposure Controls	
2,3	11/01/2010	11/05/2010	IP 71124.02	Occupational ALARA Planning and Controls	
2	11/01/2010	11/05/2010	IP 71151-OR01	Occupational Exposure Control Effectiveness	

This report does not include INPO and OUTAGE activities.  
This report shows only on-site and announced inspection procedures.

**San Onofre**  
**Inspection / Activity Plan**  
**04/01/2010 - 06/30/2011**

Unit Number	Planned Dates		Inspection Activity	Title	No. of Staff on Site
	Start	End			
			<b>RS12 - OCCUPATIONAL RADIATION SAFETY</b>		<b>2</b>
3	11/01/2010	11/05/2010	IP 71151-PR01	RETS/ODCM Radiological Effluent	
			<b>BRQ - OPERATOR REQUAL INSPECTION</b>		<b>3</b>
2,3	11/01/2010	11/05/2010	IP 7111111B	Licensed Operator Requalification Program	
			<b>EP1 - BIENNIAL EP EXERCISE INSPECTION</b>		<b>3</b>
2,3	04/11/2011	04/15/2011	IP 7111401	Exercise Evaluation	
2,3	04/11/2011	04/15/2011	IP 7111404	Emergency Action Level and Emergency Plan Changes	
2,3	04/11/2011	04/15/2011	IP 71151-EP01	Drill/Exercise Performance	
2,3	04/11/2011	04/15/2011	IP 71151-EP02	ERO Drill Participation	
2,3	04/11/2011	04/15/2011	IP 71151-EP03	Alert & Notification System	
			<b>RP123 - RADIATION SAFETY</b>		<b>2</b>
2,3	04/11/2011	04/15/2011	IP 71124.01	Radiological Hazard Assessment and Exposure Controls	
2,3	04/11/2011	04/15/2011	IP 71124.02	Occupational ALARA Planning and Controls	
2,3	04/11/2011	04/15/2011	IP 71124.03	In-Plant Airborne Radioactivity Control and Mitigation	
			<b>EB1-21 - COMPONENT DESIGN BASIS INSPECTION</b>		<b>1</b>
2,3	06/13/2011	07/15/2011	IP 7111121	Component Design Bases Inspection	

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