



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
1600 EAST LAMAR BLVD
ARLINGTON, TEXAS 76011-4511

September 3, 2013

Mr. Peter Dietrich
Senior Vice President and
Chief Nuclear Officer
Southern California Edison Company
San Onofre Nuclear Generating Station
P.O. Box 128
San Clemente, CA 92674-0128

SUBJECT: MIDCYCLE ASSESSMENT LETTER, TERMINATION OF REACTOR
OVERSIGHT PROCESS, AND COMMENCEMENT OF DECOMMISSIONING
INSPECTION PROGRAM FOR SAN ONOFRE NUCLEAR GENERATING STATION,
UNITS 2 AND 3 (REPORT 05000361/2013006 AND 05000362/2013006)

Dear Mr. Dietrich:

On August 15, 2013, the NRC completed its midcycle performance review of San Onofre Nuclear Generating Station, Units 2 and 3. The NRC reviewed the most recent quarterly performance indicators (PIs) in addition to inspection results and enforcement actions from July 1, 2012, through June 30, 2013. The purpose of this letter is to inform you of our assessment of plant performance and to notify you of our decision to cease implementation of NRC Inspection Manual Chapter (IMC) 0351, "Implementation of the Reactor Oversight Process for Reasons Other Than Significant Performance Problems," and IMC 2515, "Light Water Reactor Inspection Program – Operations Phase," for the San Onofre Nuclear Generating Station as of July 22, 2013.

On June 12, 2013, you submitted a Certification of Permanent Cessation of Power Operations to the NRC, certifying that Units 2 and 3 have permanently ceased power operations (ML131640201). On June 28 and July 22, 2013, Southern California Edison certified that all fuel had been permanently removed from the Units 3 and 2 reactors, respectively (ML13183A391 and ML13204A304). Therefore, the San Onofre Nuclear Generating Station will no longer be assessed under IMC 0351. Effective July 23, 2013, the NRC's oversight of your licensed activities is being conducted under the provisions in IMC 2561, "Decommissioning Power Reactor Inspection Program." The objectives of IMC 2561 are to verify that decommissioning activities are being conducted safely, that spent fuel is safely stored onsite or transferred to another licensed location, and that site operations and licensee termination activities are in conformance with applicable regulatory requirements, licensee commitments, and management controls.

The NRC determined that the performance at San Onofre Nuclear Generating Station, Units 2 and 3, during the most recent quarter was within the Licensee Response Column of the NRC's Reactor Oversight Process (ROP) Action Matrix. Units 2 and 3 had been in the regulatory

response column prior to April 2013 due to one or more greater-than-green Security Cornerstone inputs. In our March 4, 2013, end-of-cycle assessment letter, the NRC staff stated that you had performed an acceptable evaluation of the greater-than-green finding(s) and that the NRC considered the finding(s) closed. Units 2 and 3 were returned to the Licensee Response Column effective April 1, 2013.

With the transition to IMC 2561, it is no longer necessary for you to report ROP performance indicator data associated with the San Onofre Nuclear Generating Station, as described in IMC 0608, "Performance Indicator Program." Although the inspection program for NRC oversight at your facility has changed, all license commitments remain in effect until altered by formal action from the NRC.

The enclosed inspection plan lists the inspection procedures scheduled through December 31, 2014, as part of our IMC 2561 inspection program. The NRC will contact you to discuss the inspection plan should circumstances warrant any changes. This inspection plan does not include security-related inspections. Information regarding security-related inspections will be sent via separate, non-publicly available correspondence.

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

Please contact Ryan Lantz at (817) 200-1173 with any questions you have regarding this letter.

Sincerely,

/RA/

Arthur T. Howell III
Team Manager
SONGS Special Project

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

Enclosure:
Master Inspection Plan

Electronic distribution by RIV:

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R:_REACTORS_SONGS\2013\Termination of ROP – Midcycle Letter

ADAMS Accesssion Number:

ADAMS: <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes		<input checked="" type="checkbox"/> SUNSI Review Complete		Reviewer Initials: REL	
Release date: 9/5/13		<input checked="" type="checkbox"/> Publicly Available		<input checked="" type="checkbox"/> Non-Sensitive	
		<input type="checkbox"/> Non-publicly Available		<input type="checkbox"/> Sensitive	
RIV:SPE:SPB/ORA	C:SPB/ORA	RSLO	SPAO	C:RSFSB/DNMS	
NHTaylor	RELantz	WAMaier	VLDricks	DBSpitzberg	
/RA/	/RA/	<i>E - RELantz</i>	/RA/	/RA/	
8/19/13	8/19/13	8/20/13	8/20/13	8/28/13	
D:DRP	D:DRS	D:DNMS	C:SPB/ORA	Team Manager	
KMKennedy	TBlount	AVegel	RELantz (reconcur)	ATHowell III	
/RA/	/RA/	/RA/	/RA via phone/	/RA/	
8/28/13	8/30/13	8/30/13	8/30/13	9/3/13	

PROPOSED CY 2014
MASTER INSPECTION PLAN

Inspection Manual Chapters:

IMC 2561, "Decommissioning Power Reactor Inspection Program"

IMC 2690, "Inspection Program for Dry Storage of Spent Reactor Fuel at Independent Spent Fuel Storage Installations and for 10 CFR Part 71 Transportation Packagings"

Physical Security (Due to Current IMC 2561, Security Procedures Not Incorporating Post 9/11 Changes to the ROP Baseline Security Procedures Will Be Completed in CY 2014)

See RPS Report 24, "Security Activity Plan."

Proposed CY 2014 MIP

The following procedures will be used during Calendar Year 2014. The maximum allowed inspection hours are listed as guidance.

Inspection Procedures	Titles	Core / Discretionary (C or D)	Inspection Hours (maximum available hours)
36801	Organization, Management, and Cost Controls at Permanently Shutdown Reactors	C	52
37801	Safety Reviews, Design Changes, and Modifications at Permanently Shutdown Reactors	C	32
40500 ¹	Evaluation of Licensee Self-Assessment Capability	D	50
40801	Self Assessment, Auditing, and Corrective Action at Permanently Shutdown Reactors	C	64
42700	Plant Procedures	D	40
60801	Spent Fuel Pool Safety at Permanently Shutdown Reactors	C	25
60855.1	Operation of an ISFSI Independent Spent Fuel Storage Installation at Operating Plants	C	8
60856	Review of 10 CFR 72.212(b) Evaluations	C	24
60857	Review of 10 CFR 72.48 Evaluations	C	8
61726	Surveillance Observations	D	40
62706	Maintenance Rule	D	60
62801	Maintenance and Surveillance at Permanently Shutdown Reactors	C	56
71714 ²	Cold Weather Preparations	C	6 (if needed)

71801	Decommissioning Performance and Status Review at Permanently Shutdown Reactors	C	32
83750	Occupational Radiation Exposure	C	64
83726	Control of Radioactive Material and Contamination Surveys and Monitoring	D	32
83728	Maintaining Occupational Exposures ALARA	D	30
84750	Radioactive Waste Treatment and Effluent and Environmental Monitoring	C	40
86750	Solid Radioactive Waste Management and Transportation of Radioactive Materials	C	72
TI 2515/186	Inspection of Procedures and Processes for Responding to Potential Aircraft Threats	TBD	TBD
		Total	675

Note 1: IP 40500 is no longer active, use IP 71152.

Note 2: IP 71714 is no longer active, use IP 71111.01 if needed.

Physical Security

This plan is subject to change based on changing licensee plans and addenda will be approved by the requisite branch chiefs.