



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
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March 4, 2003

Harold B. Ray, Executive Vice President
San Onofre, Units 2 and 3
Southern California Edison Co.
P.O. Box 128, Mail Stop D-3-F
San Clemente, California 92674-0128

**SUBJECT: ANNUAL ASSESSMENT LETTER - SAN ONOFRE NUCLEAR GENERATING
STATION (REPORT 50-361/03-01 AND 50-362/03-01)**

Dear Mr. Ray:

On February 5, 2003, the NRC staff completed its end-of-cycle plant performance assessment of the San Onofre Nuclear Generating Station, Units 2 and 3. The end-of-cycle review for the San Onofre Nuclear Generating Station involved the participation of all technical divisions in evaluating performance indicators for the most recent quarter and inspection results for the period of January 1 through December 31, 2002. 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 so that you will have an opportunity to prepare for these inspections and to inform us of any planned inspections which may conflict with your plant activities.

Overall, San Onofre Nuclear Generating Station operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance for the most recent quarter, as well as for the first three quarters of the assessment cycle, was within the Licensee Response Column of the NRC's Action Matrix, based on all inspection findings being classified as having very low safety significance (Green) and all performance indicators indicating performance at a level requiring no additional NRC oversight (Green). However, on February 5, 2003, the NRC staff identified that San Onofre Nuclear Generating Station, Unit 2, crossed the threshold from Green to White for the Unplanned Scrams per 7000 Critical Hours performance indicator.

The enclosed inspection plan details the inspections scheduled through March 31, 2004. In addition to the baseline inspection program, Temporary Instruction 2515/150, "Reactor Pressure Vessel Head and Vessel Head Penetration Nozzles (NRC Bulletin 2002-02)," will be performed at San Onofre, Unit 2, during this inspection cycle. Also, we plan to conduct a supplemental inspection to review the actions taken in response to the Unplanned Scrams per 7000 Critical Hours performance indicator and a special inspection to review the circumstances associated with the recent failures and degradation of safety-related linestarters. The inspection plan is provided to minimize the resource impact on your staff and to allow for scheduling conflicts and personnel availability to be resolved in advance of inspector arrival

onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last six months of the inspection plan are tentative and may be revised at the Midcycle Review meeting.

As you are aware, since the terrorist attacks on September 11, 2001, the NRC has issued several Orders and threat advisories to enhance security capabilities and improve guard force readiness. We have conducted inspections to review your implementation of these requirements and have monitored your actions in response to changing threat conditions. For calendar year 2003, we plan to continue these inspections and conduct portions of the security baseline inspection program, as well as perform additional inspections to evaluate your compliance with new requirements that may be ordered. Based on our final determinations in this regard, we will notify you of any inspection plan changes.

In accordance with 10 CFR 2.790 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 me at (817) 860-8282 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Claude E. Johnson, Chief
Project Branch C
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Dockets: 50-361
50-362

Licenses: NPF-10
NPF-15

Enclosure:
San Onofre Nuclear Generating Station
Inspection /Activity Plan

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/RA/	/RA/	/RA/	/RA/	
2/27/03	2/28/03	3/3/03	3/3/03	

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San Onofre 2
Inspection / Activity Plan
03/02/2003 - 03/31/2004

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	SPECIAL1	- SPECIAL INSPECTION 1 - FAILED RELAYS	2			
2	IP 93812	Special Inspection		03/10/2003	03/14/2003	Event Response Insp
	EMB	- HEAT SINKS	1			
2	IP 7111107B	Heat Sink Performance		05/12/2003	05/16/2003	Baseline Inspections
	PSB-EP1	- EP EXERCISE BASELINE INSPECTION	3			
2	IP 7111401	Exercise Evaluation		10/20/2003	10/24/2003	Baseline Inspections
2	IP 7111404	Emergency Action Level and Emergency Plan Changes		10/20/2003	10/24/2003	Baseline Inspections
2	IP 71151	Performance Indicator Verification		10/20/2003	10/24/2003	Baseline Inspections
	OB-RQ	- REQUALIFICATION INSPECTION	2			
2	IP 7111111B	Licensed Operator Requalification		10/27/2003	10/31/2003	Baseline Inspections
	PSB-S1	- SECURITY BASELINE INSPECTION	1			
2	IP 7113002	Access Control (Search of Personnel, Packages, and Vehicles: Identification and Authorizat		10/27/2003	10/31/2003	Baseline Inspections
2	IP 7113003	Response to Contingency Events (Protective Strategy and Implementation of Protective Str		10/27/2003	10/31/2003	Baseline Inspections
2	IP 71151	Performance Indicator Verification		10/27/2003	10/31/2003	Baseline Inspections
	OB-IN	- INITIAL EXAMINATION	4			
2	X02242	SONGS UNIT 2 - INITIAL EXAM (12/03)		11/17/2003	11/21/2003	Not Applicable
2	X02242	SONGS UNIT 2 - INITIAL EXAM (12/03)		12/15/2003	12/19/2003	Not Applicable
	ALARA3	- ALARA PLANNING AND CONTROLS	1			
2	IP 7112102	ALARA Planning and Controls		12/01/2003	12/05/2003	Baseline Inspections
	EMB	- MAINTENANCE RULE	1			
2	IP 7111112B	Maintenance Effectiveness		01/26/2004	01/30/2004	Baseline Inspections
	RP TEAM	- RP SAFETY TEAM	4			
2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		01/26/2004	01/30/2004	Baseline Inspections
2	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		01/26/2004	01/30/2004	Baseline Inspections
2	IP 7112202	Radioactive Material Processing and Transportation		01/26/2004	01/30/2004	Baseline Inspections
2	IP 7112203	Radiological Environmental Monitoring Program		01/26/2004	01/30/2004	Baseline Inspections
	TI-150	- RPV AND VESSEL HEAD PENET. NOZZLES	1			
2	IP 2515/150	Reactor Pressure Vessel Head and Vessel Head Penetration Nozzles (NRC Bulletin 2002-0		02/23/2004	03/23/2004	Safety Issues
	ACCESSPI	- ACRSA/PIV	1			
2	IP 7112101	Access Control to Radiologically Significant Areas		03/08/2004	03/12/2004	Baseline Inspections

San Onofre 3
Inspection / Activity Plan
03/02/2003 - 03/31/2004

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	RPC-TI - TI 2515/145, VHP INSPECTIONS, UNIT 3		1			
3	IP 2515/145	Circumferential Cracking of Reactor Pressure Vessel Head Penetration Nozzles (NRC Bulle		01/04/2003	03/15/2003	Safety Issues
	SPECIAL1 - SPECIAL INSPECTION 1 - FAILED RELAYS		2			
3	IP 93812	Special Inspection		03/10/2003	03/14/2003	Event Response Insp
	EMB - HEAT SINKS		1			
3	IP 7111107B	Heat Sink Performance		05/12/2003	05/16/2003	Baseline Inspections
	PSB-EP1 - EP EXERCISE BASELINE INSPECTION		3			
3	IP 7111401	Exercise Evaluation		10/20/2003	10/24/2003	Baseline Inspections
3	IP 7111404	Emergency Action Level and Emergency Plan Changes		10/20/2003	10/24/2003	Baseline Inspections
3	IP 71151	Performance Indicator Verification		10/20/2003	10/24/2003	Baseline Inspections
	OB-RQ - REQUALIFICATION INSPECTION		2			
3	IP 7111111B	Licensed Operator Requalification		10/27/2003	10/31/2003	Baseline Inspections
	PSB-S1 - SECURITY BASELINE INSPECTION		1			
3	IP 7113002	Access Control (Search of Personnel, Packages, and Vehicles: Identification and Authorizat		10/27/2003	10/31/2003	Baseline Inspections
3	IP 7113003	Response to Contingency Events (Protective Strategy and Implementation of Protective Stra		10/27/2003	10/31/2003	Baseline Inspections
3	IP 71151	Performance Indicator Verification		10/27/2003	10/31/2003	Baseline Inspections
	OB-IN - INITIAL EXAMINATION		4			
3	X02243	SONGS UNIT 3 - INITIAL EXAM (12/03)		11/17/2003	11/21/2003	Not Applicable
3	X02243	SONGS UNIT 3 - INITIAL EXAM (12/03)		12/15/2003	12/19/2003	Not Applicable
	ALARA3 - ALARA PLANNING AND CONTROLS		1			
3	IP 7112102	ALARA Planning and Controls		12/01/2003	12/05/2003	Baseline Inspections
	EMB - MAINTENANCE RULE		1			
3	IP 7111112B	Maintenance Effectiveness		01/26/2004	01/30/2004	Baseline Inspections
	RP TEAM - RP SAFETY TEAM		4			
3	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		01/26/2004	01/30/2004	Baseline Inspections
3	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		01/26/2004	01/30/2004	Baseline Inspections
3	IP 7112202	Radioactive Material Processing and Transportation		01/26/2004	01/30/2004	Baseline Inspections
3	IP 7112203	Radiological Environmental Monitoring Program		01/26/2004	01/30/2004	Baseline Inspections
	ACCESSPI - ACRSA/PIV		1			
3	IP 7112101	Access Control to Radiologically Significant Areas		03/08/2004	03/12/2004	Baseline Inspections