



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION IV  
611 RYAN PLAZA DRIVE, SUITE 400  
ARLINGTON, TEXAS 76011-4005**

March 3, 2004

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, CA 92674-0128

**SUBJECT: ANNUAL ASSESSMENT LETTER - SAN ONOFRE NUCLEAR GENERATING  
STATION (NRC REPORT 05000361/2004001; 05000362/2004001)**

Dear Mr. Ray:

On February 4, 2004, the NRC staff completed its end-of-cycle plant performance assessment of the San Onofre Nuclear Generating Station. The end-of-cycle review for the San Onofre Nuclear Generating Station involved the participation of all technical divisions in evaluating performance indicators (PI) for the most recent quarter and inspection results for the period from January 1 through December 31, 2003. 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 that may conflict with your plant activities.

Overall, the 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 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 PIs indicating performance at a level requiring no additional NRC oversight (Green). Therefore, we plan to conduct baseline inspections and Temporary Instructions (TI) 2515/150, "Reactor Pressure Vessel Head and Vessel Head Penetration Nozzles (NRC Bulletin 2002-02)," TI 2515/153, "Reactor Containment Sump Blockage," and TI 2515/154, "Spent Fuel Material Control and Accounting at Nuclear Powers Plants," at San Onofre, Units 2 and 3, through September 30, 2005.

While plant performance for the most recent quarter is within the Licensee Response Column of the Action Matrix, Unit 2 plant performance was within the Regulatory Response Column of the NRC's Action Matrix during the first quarter of the assessment cycle. During the first quarter, the Unit 2 performance indicator for Unplanned Scrams per 7000 Critical Hours was White. This performance indicator returned to Green in the second quarter of 2003. A supplemental inspection, performed in accordance with Inspection Procedure 95001, "Inspection for One or Two White Inputs in a Strategic Performance Area," determined that you performed a comprehensive and thorough evaluation in which specific problems were identified, an adequate root cause evaluation was performed, and corrective actions were taken or planned to prevent recurrence.

As you are aware, the NRC has issued several Orders and threat advisories to enhance security capabilities and improve guard force readiness since the terrorist attacks on September 11, 2001. 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 2004, we plan to continue inspections of Order implementation combined with newly developed portions of the security baseline inspection program. The enclosed inspection plan details the inspections scheduled through September 30, 2005. 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 12 months of the inspection plan are tentative and may be revised at the midcycle review meeting.

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 Mr. Kriss Kennedy at (817/860-8144) with any questions you may have regarding this letter or the inspection plan.

Sincerely,

***/RA/ by MASatorius for***

Arthur T. Howell III, Director  
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Dockets: 50-361  
50-362

Licenses: NPF-10  
NPF-15

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San Onofre Nuclear Generating Station  
Inspection/Activity Plan

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 Staff Chief, DRP/TSS (**PHH**)  
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**RidsNrrDipmlipb**

ADAMS:  Yes     No    Initials: \_\_wcw\_\_  
 Publicly Available     Non-Publicly Available     Sensitive     Non-Sensitive

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RIV:C:DRP/C	D:DRS	D:DRP		
KMKennedy;df	DDChamberlain	ATHowell		
<b>WCWalker for</b>	<b>/RA/</b>	<b>MASatorius for</b>		
2/19/04	2/26/04	3/3/04		

**San Onofre 2**  
**Inspection / Activity Plan**  
**03/01/2004 - 10/01/2005**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	<b>TI154SO</b>	<b>- TI154 SONGS SPENT FUEL MAT. CON.&amp;ACC</b>	<b>2</b>			
2	IP 2515/154	Spent Fuel Material Control and Accounting at Nuclear Power Plants		01/01/2004	04/07/2004	Safety Issues
	<b>TI-153</b>	<b>- TEMPORARY INSTRUCTION TI-153</b>	<b>1</b>			
2	IP 2515/153	Reactor Containment Sump Blockage (NRC Bulletin 2003-01)		02/09/2004	03/24/2004	Safety Issues
	<b>TI-150</b>	<b>- RPV AND VESSEL HEAD PENET. NOZZLES</b>	<b>1</b>			
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
	<b>ACCESSPI</b>	<b>- ACRSA/PIV</b>	<b>1</b>			
2	IP 7112101	Access Control to Radiologically Significant Areas		03/08/2004	03/12/2004	Baseline Inspections
	<b>PSB-S1</b>	<b>- AA-AC-FFD-PI</b>	<b>2</b>			
2	IP 7113001	Access Authorization		04/19/2004	04/23/2004	Baseline Inspections
2	IP 7113002	Access Control		04/19/2004	04/23/2004	Baseline Inspections
2	IP 7113008	Fitness For Duty Program		04/19/2004	04/23/2004	Baseline Inspections
2	IP 71151	Performance Indicator Verification		04/19/2004	04/23/2004	Baseline Inspections
	<b>PEB-12B</b>	<b>- MAINTENANCE RULE</b>	<b>2</b>			
2	IP 7111112B	Maintenance Effectiveness		06/28/2004	07/02/2004	Baseline Inspections
	<b>EB-21/02</b>	<b>- SSD&amp;PCI, 50.59, &amp; PERMANENT MODS</b>	<b>5</b>			
2	IP 7111102	Evaluation of Changes, Tests, or Experiments		07/12/2004	07/16/2004	Baseline Inspections
2	IP 7111121	Safety System Design and Performance Capability		07/12/2004	07/16/2004	Baseline Inspections
2	IP 711117B	Permanent Plant Modifications		07/26/2004	07/30/2004	Baseline Inspections
2	IP 7111121	Safety System Design and Performance Capability		07/26/2004	07/30/2004	Baseline Inspections
	<b>PEB-05T</b>	<b>- TRIENNIAL FIRE PROTECTION INSPECTION</b>	<b>4</b>			
2	IP 7111105T	Fire Protection		08/09/2004	08/20/2004	Baseline Inspections
	<b>OB-EP1</b>	<b>- EP PROGRAM INSPECTION</b>	<b>1</b>			
2	IP 7111402	Alert and Notification System Testing		07/26/2004	07/30/2004	Baseline Inspections
2	IP 7111403	Emergency Response Organization Augmentation Testing		07/26/2004	07/30/2004	Baseline Inspections
2	IP 7111404	Emergency Action Level and Emergency Plan Changes		07/26/2004	07/30/2004	Baseline Inspections
2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		07/26/2004	07/30/2004	Baseline Inspections
2	IP 71151	Performance Indicator Verification		07/26/2004	07/30/2004	Baseline Inspections
	<b>ALARA1</b>	<b>- ALARA PLANNING AND CONTROLS</b>	<b>1</b>			
2	IP 7112102	ALARA Planning and Controls		08/02/2004	08/06/2004	Baseline Inspections
	<b>PEB-52</b>	<b>- BIENNIAL PIR</b>	<b>4</b>			
2	IP 71152B	Identification and Resolution of Problems		09/13/2004	09/24/2004	Baseline Inspections
	<b>OB-INIT</b>	<b>- INITIAL EXAM</b>	<b>4</b>			
2	X02279	SONGS UNIT 2 (11/04) INITIAL EXAM		04/04/2005	04/08/2005	Not Applicable

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



**San Onofre 2**  
**Inspection / Activity Plan**  
**03/01/2004 - 10/01/2005**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	<b>OB-INIT - INITIAL EXAM</b>		<b>4</b>			
2	X02279	SONGS UNIT 2 (11/04) INITIAL EXAM		04/25/2005	04/29/2005	Not Applicable
	<b>ALARA2 - ALARA PLANNING AND CONTROLS</b>		<b>1</b>			
2	IP 7112102	ALARA Planning and Controls		01/10/2005	01/14/2005	Baseline Inspections
	<b>EB17B - PERMANENT PLANT MODS</b>		<b>2</b>			
2	IP 7111117B	Permanent Plant Modifications		01/24/2005	01/28/2005	Baseline Inspections
	<b>ACRSA - ACCESS CONTROLS TO RAD SIGNIFICANT AREAS</b>		<b>1</b>			
2	IP 7112101	Access Control to Radiologically Significant Areas		03/14/2005	03/18/2005	Baseline Inspections
	<b>OB-EP EX - EMERGENCY PREPAREDNESS EXERCISE</b>		<b>3</b>			
2	IP 7111401	Exercise Evaluation		04/11/2005	04/15/2005	Baseline Inspections
2	IP 7111404	Emergency Action Level and Emergency Plan Changes		04/11/2005	04/15/2005	Baseline Inspections
2	IP 71151	Performance Indicator Verification		04/11/2005	04/15/2005	Baseline Inspections
	<b>OB-RQ - REQUAL INSPECTION</b>		<b>2</b>			
2	IP 7111111B	Licensed Operator Requalification Program		09/26/2005	09/30/2005	Baseline Inspections

**San Onofre 3**  
**Inspection / Activity Plan**  
**03/01/2004 - 10/01/2005**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	<b>TI154SO - TI154 SONGS SPENT FUEL MAT. CON.&amp;ACC</b>		<b>2</b>			
3	IP 2515/154	Spent Fuel Material Control and Accounting at Nuclear Power Plants		01/01/2004	04/07/2004	Safety Issues
	<b>ACCESSPI - ACRSA/PIV</b>		<b>1</b>			
3	IP 7112101	Access Control to Radiologically Significant Areas		03/08/2004	03/12/2004	Baseline Inspections
	<b>PSB-S1 - AA-AC-FFD-PI</b>		<b>2</b>			
3	IP 7113001	Access Authorization		04/19/2004	04/23/2004	Baseline Inspections
3	IP 7113002	Access Control		04/19/2004	04/23/2004	Baseline Inspections
3	IP 7113008	Fitness For Duty Program		04/19/2004	04/23/2004	Baseline Inspections
3	IP 71151	Performance Indicator Verification		04/19/2004	04/23/2004	Baseline Inspections
	<b>PEB-12B - MAINTENANCE RULE</b>		<b>2</b>			
3	IP 711112B	Maintenance Effectiveness		06/28/2004	07/02/2004	Baseline Inspections
	<b>EB-21/02 - SSD&amp;PCI, 50.59, &amp; PERMANENT MODS</b>		<b>5</b>			
3	IP 7111102	Evaluation of Changes, Tests, or Experiments		07/12/2004	07/16/2004	Baseline Inspections
3	IP 7111121	Safety System Design and Performance Capability		07/12/2004	07/16/2004	Baseline Inspections
3	IP 711117B	Permanent Plant Modifications		07/26/2004	07/30/2004	Baseline Inspections
3	IP 7111121	Safety System Design and Performance Capability		07/26/2004	07/30/2004	Baseline Inspections
	<b>PEB-05T - TRIENNIAL FIRE PROTECTION INSPECTION</b>		<b>4</b>			
3	IP 7111105T	Fire Protection		08/09/2004	08/20/2004	Baseline Inspections
	<b>OB-EP1 - EP PROGRAM INSPECTION</b>		<b>1</b>			
3	IP 7111402	Alert and Notification System Testing		07/26/2004	07/30/2004	Baseline Inspections
3	IP 7111403	Emergency Response Organization Augmentation Testing		07/26/2004	07/30/2004	Baseline Inspections
3	IP 7111404	Emergency Action Level and Emergency Plan Changes		07/26/2004	07/30/2004	Baseline Inspections
3	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		07/26/2004	07/30/2004	Baseline Inspections
3	IP 71151	Performance Indicator Verification		07/26/2004	07/30/2004	Baseline Inspections
	<b>ALARA1 - ALARA PLANNING AND CONTROLS</b>		<b>1</b>			
3	IP 7112102	ALARA Planning and Controls		08/02/2004	08/06/2004	Baseline Inspections
	<b>PEB-52 - BIENNIAL PIR</b>		<b>4</b>			
3	IP 71152B	Identification and Resolution of Problems		09/13/2004	09/24/2004	Baseline Inspections
	<b>EB-08P - ISI UNIT 3</b>		<b>2</b>			
3	IP 7111108P	Inservice Inspection Activities - PWR		10/04/2004	10/08/2004	Baseline Inspections
3	IP 7111108P	Inservice Inspection Activities - PWR		10/18/2004	10/22/2004	Baseline Inspections
	<b>TI-150 - RPV AND VESSEL HEAD PENET. NOZZLES</b>		<b>1</b>			
3	IP 2515/150	Reactor Pressure Vessel Head and Vessel Head Penetration Nozzles (NRC Bulletin 2002-0		10/05/2004	11/03/2004	Safety Issues

This report does not include INPO and OUTAGE activities.  
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**San Onofre 3**  
**Inspection / Activity Plan**  
**03/01/2004 - 10/01/2005**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	<b>TI-153 - TEMPORARY INSTRUCTION TI-153</b>		<b>1</b>			
3	IP 2515/153	Reactor Containment Sump Blockage (NRC Bulletin 2003-01)		10/08/2004	11/11/2004	Safety Issues
	<b>OB-INIT - INITIAL EXAM</b>		<b>4</b>			
3	X02280	SONGS UNIT 3 (11/04) - INITIAL EXAM		04/04/2005	04/08/2005	Not Applicable
3	X02280	SONGS UNIT 3 (11/04) - INITIAL EXAM		04/25/2005	04/29/2005	Not Applicable
	<b>ALARA2 - ALARA PLANNING AND CONTROLS</b>		<b>1</b>			
3	IP 7112102	ALARA Planning and Controls		01/10/2005	01/14/2005	Baseline Inspections
	<b>EB17B - PERMANENT PLANT MODS</b>		<b>2</b>			
3	IP 7111117B	Permanent Plant Modifications		01/24/2005	01/28/2005	Baseline Inspections
	<b>ACRSA - ACCESS CONTROLS TO RAD SIGNIFICANT AREAS</b>		<b>1</b>			
3	IP 7112101	Access Control to Radiologically Significant Areas		03/14/2005	03/18/2005	Baseline Inspections
	<b>OB-EP EX - EMERGENCY PREPAREDNESS EXERCISE</b>		<b>3</b>			
3	IP 7111401	Exercise Evaluation		04/11/2005	04/15/2005	Baseline Inspections
3	IP 7111404	Emergency Action Level and Emergency Plan Changes		04/11/2005	04/15/2005	Baseline Inspections
3	IP 71151	Performance Indicator Verification		04/11/2005	04/15/2005	Baseline Inspections
	<b>OB-RQ - REQUAL INSPECTION</b>		<b>2</b>			
3	IP 7111111B	Licensed Operator Requalification Program		09/26/2005	09/30/2005	Baseline Inspections