

FROM: Pacific Gas & Electric Company
 San Francisco, California 94106
 F.T. Seherla

DATE OF DOCUMENT: Feb. 26, 1971	DATE RECEIVED: Mar. 2, 1971	NO.: 888	
LTR: X	MEMO:	REPORT:	OTHER:
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CLASSIF: U POST OFFICE REG. NO:

FILE CODE: 50-323(ENVIRO FILE)

DESCRIPTION: (Must Be Unclassified)
 Ltr re our 1-14-71 ltr...re status of
 water certification on Diablo Canyon
 Unit No. 2 & trans the following:

REFERRED TO	DATE	RECEIVED BY	DATE
Long Knuth w/4 cys for ACTION	3-3-71		

ENCLOSURES:
 Certification of Conformance with Water
 Quality Standards
 Policy regarding the Control of
 Temperature in the Coastal & Interstate
 Water & Enclosed Bays & Estuaries of
 California
 (1 cy ea encl rec'd)

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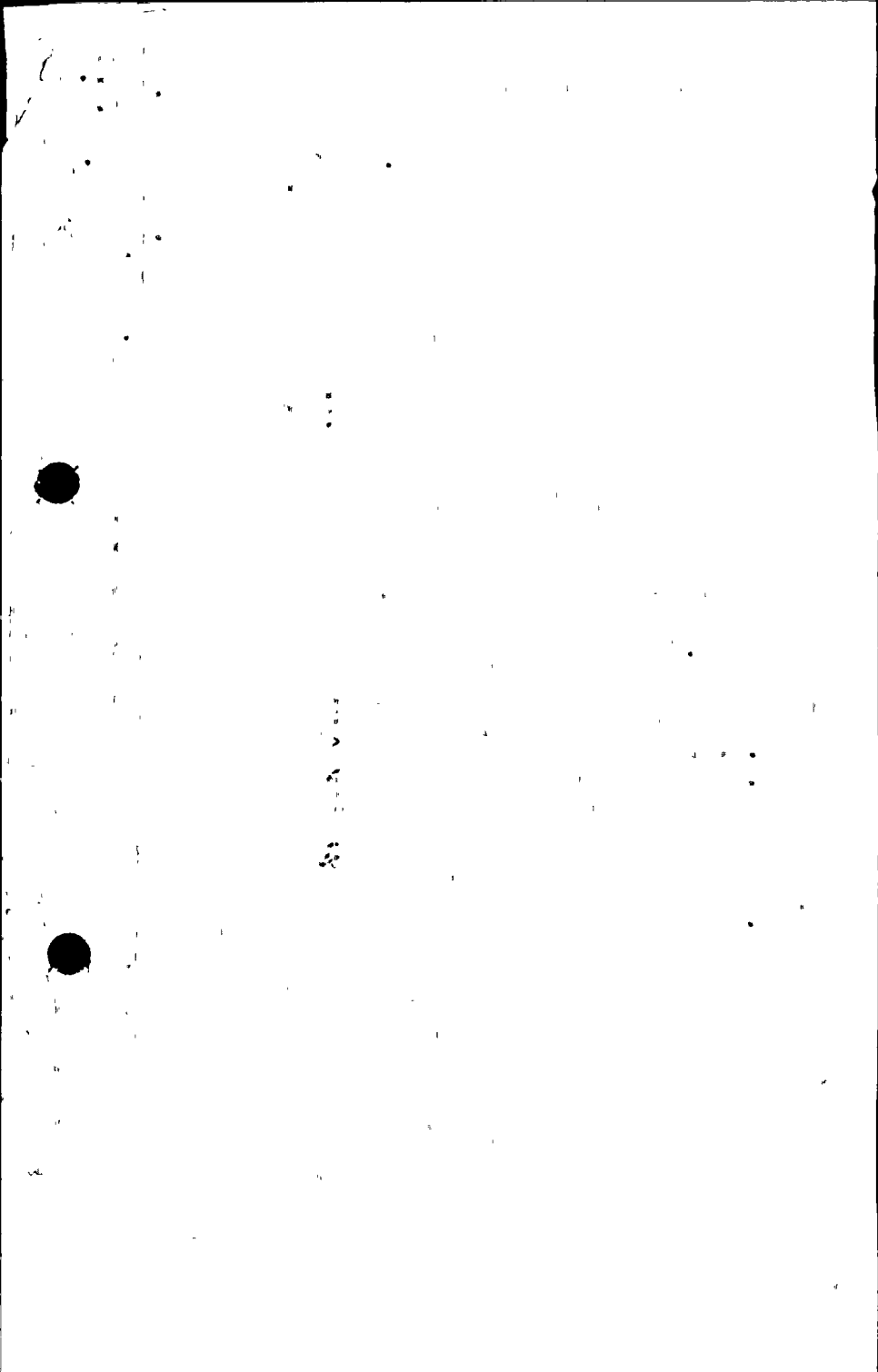
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REMARKS:
 PDR CYS TO LA & SAN FRANCISCO

E. Price N. Dube	SLR	DO NOT WRITE ACKNOWLEDGED	
T.R. Wilson Compliance (2) Morris/Schroeder	(B. Critzer) (2)		

U.S. ATOMIC ENERGY COMMISSION

MAIL CONTROL FORM FORM AEC-3265 (8-60)



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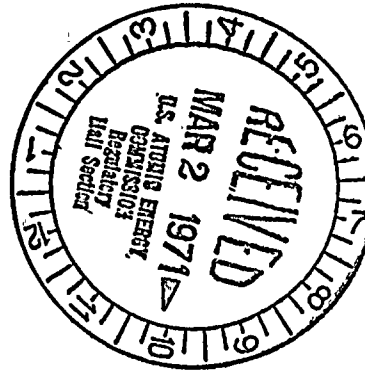
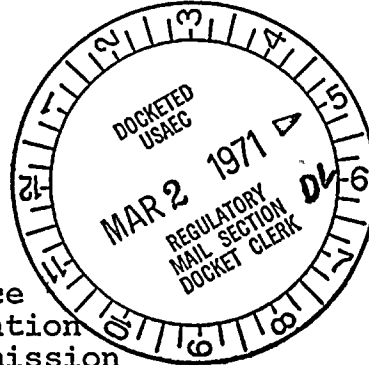
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February 26, 1971



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Mr. Harold L. Price
Director of Regulation
Atomic Energy Commission
Washington, D. C. 20545

Re: Diablo Canyon Unit 2
Docket No. 50-323

Dear Mr. Price:

This is in response to your letter dated January 14, 1971 to Mr. Richard H. Peterson concerning the status of our efforts to obtain a certification from the State pursuant to § 21(b)(8) of the Federal Water Pollution Control Act.

The State of California adopted a water quality policy for thermal discharges in coastal and interstate waters on January 7, 1971, and recently the State adopted procedures for obtaining certification as required by the Water Quality Improvement Act of 1970. (These two documents are attached for your reference.) The State policy considers Diablo Canyon Unit 2 as an existing facility. As such it will meet the State Water Quality Policy for both existing as well as new discharges.

We are in the process of preparing our application for State water quality certification. If processing is handled diligently by the responsible agencies State certification for the Unit should be obtained in time to provide your Commission with water quality certification before December 9, 1971, which is the anniversary date of the construction permit for Unit 2 at Diablo Canyon.

The State Water Quality Policy was submitted on January 27, 1971 to the Environmental Protection Agency for approval as required by the Federal Water Pollution Control Act. As you know, the act has no time limit for approval of State standards by EPA, and it is possible that the agency may not approve the policy or that it may recommend different Federal standards. If delay at the Federal

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Mr. Harold L. Price

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February 26, 1971

level causes delay in our obtaining State certification, that situation could cause a period of uncertainty which could seriously affect our construction and operation schedule at Diablo with resulting detrimental effects on the power resources of northern California.

We will keep you advised of developments.

Sincerely,

F. T. Seaver

FTS:TC
Attachments

CC: The Honorable William D. Ruckelshaus
Environmental Protection Agency

Mr. Paul de Falco, Jr.
Regional Administrator
Environmental Protection Agency

Mr. Kerry W. Mulligan, Chairman
State Water Resources Control Board



1. The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that this is crucial for ensuring the integrity of the financial statements and for providing a clear audit trail. The text also mentions that proper record-keeping is essential for identifying trends and anomalies in the data.

2. The second part of the document focuses on the role of internal controls in preventing fraud and errors. It highlights that a strong internal control system is necessary to ensure that all transactions are properly authorized and recorded. The text also notes that internal controls should be designed to be effective and efficient, and should be regularly reviewed and updated.

3. The third part of the document discusses the importance of segregation of duties in the accounting process. It explains that this is a key principle of internal control that helps to reduce the risk of fraud and errors. The text also mentions that segregation of duties should be implemented in a way that is practical and does not create unnecessary inefficiencies.

4. The fourth part of the document addresses the need for regular reconciliations of accounts. It states that this is a critical step in the accounting process that helps to ensure that the balances in the general ledger are accurate and consistent with the balances in the supporting accounts. The text also notes that reconciliations should be performed on a regular basis and should be reviewed by someone other than the person who prepared the accounts.

5. The fifth part of the document discusses the importance of maintaining up-to-date and accurate financial statements. It explains that these statements are essential for providing a clear and concise summary of the company's financial performance and position. The text also mentions that the financial statements should be prepared in accordance with the applicable accounting standards and should be reviewed and approved by the appropriate management personnel.

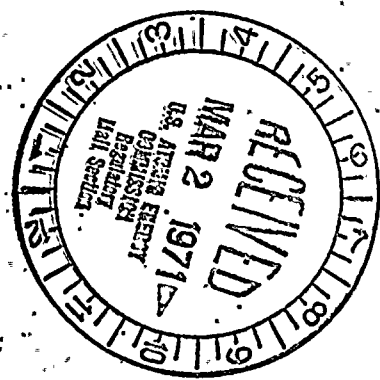
6. The sixth part of the document concludes by emphasizing the overall importance of sound financial management practices. It states that these practices are essential for ensuring the long-term success and sustainability of the company. The text also notes that the information provided in this document is intended to serve as a guide and should be adapted to the specific needs and circumstances of the organization.

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE
(Pursuant to Government Code Section 11380.1)

Regulatory

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SUBCHAPTER 11. CERTIFICATION OF CONFORMANCE
WITH WATER QUALITY STANDARDS

2340. Filing of Applications. Applicants for federal

licenses or permits and other persons who are required by federal law to obtain certification from the State that their activities will conform with applicable water quality standards, shall submit five copies of their application for certification and all supporting material to the executive officer of the appropriate regional board.

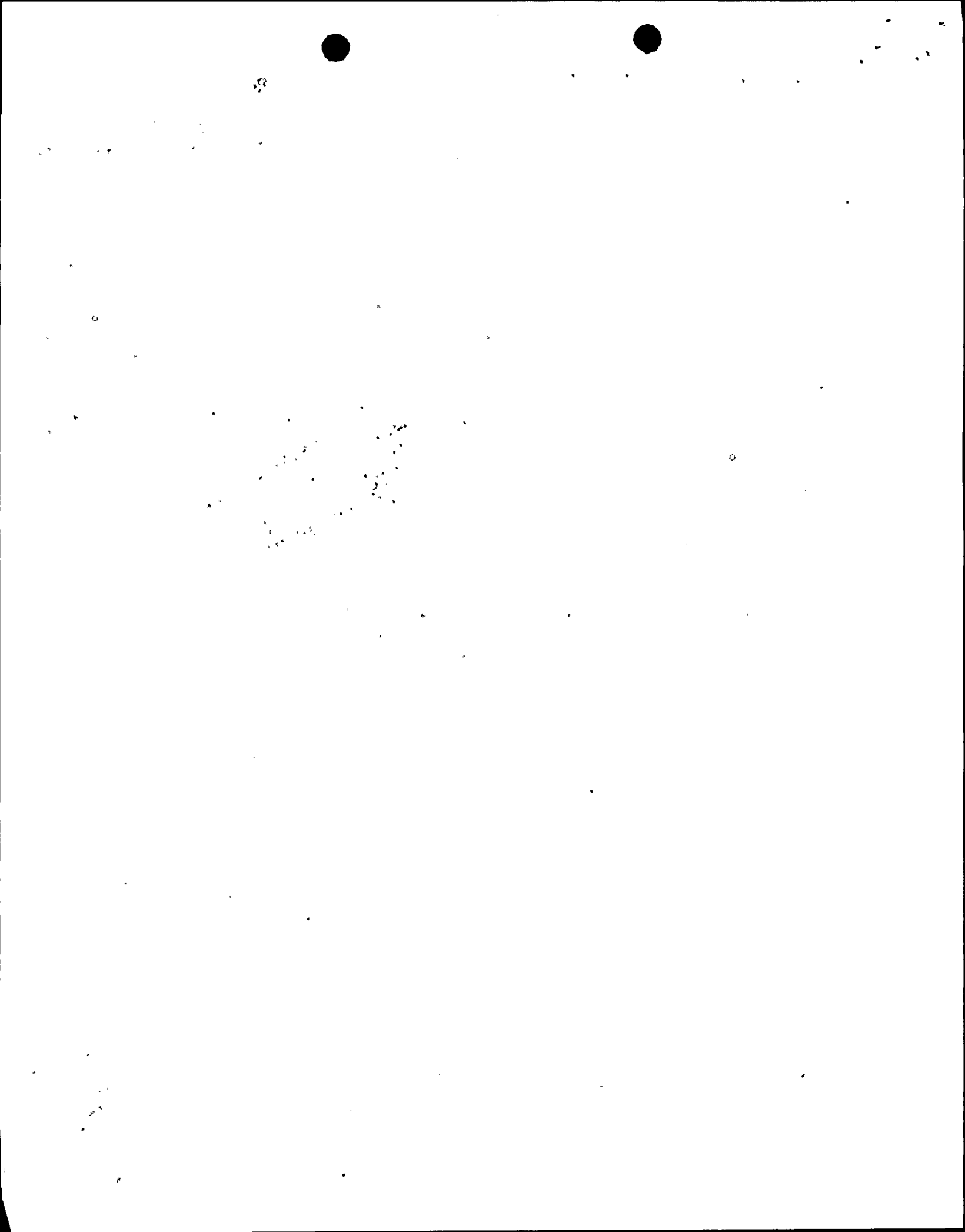
2341. Contents of Applications. Applications for

certification shall include but not be limited to the following information:

(a) Name and address of the applicant.

(b) Description of the activity for which certification is sought, including necessary schematic or engineering drawings,

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CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE
(Pursuant to Government Code Section 11380.1)

and a description of the function and operation of the activity.

(c) Address and site map of location of the activity.

(d) Description of the effect of the activity in terms of quantity and quality of waste discharged during construction and operation of the activity.

(e) Dates of construction and operation of the activity.

2342. Amendments to Applications. An amendment to an application shall be submitted in the same manner as the original application and shall be considered a part of the application it amends.

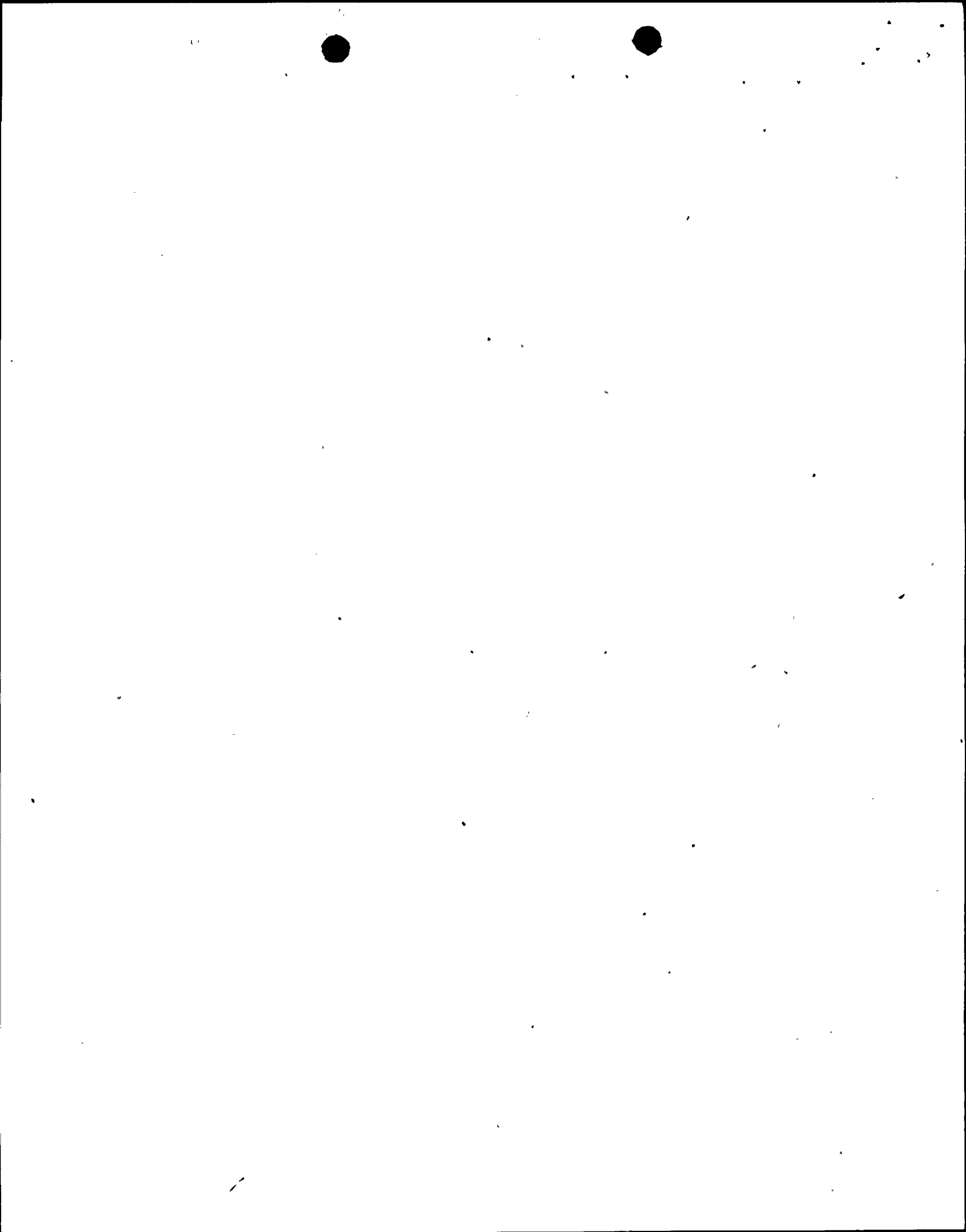
2343. Activities Which Could Affect Water Quality.

If the activity could affect the quality of the waters of the State, a report of waste discharge as required under Section 13260 of the Water Code shall be submitted with the application for certification.

2344. Review and Acceptance of Applications. Upon receipt of the application it shall be reviewed to determine if it is complete. If incomplete, the applicant shall be notified promptly of the specific additional information needed. When complete, the application shall be accepted and the applicant notified.

2345. Notices of Applications. The executive officer shall prepare a notice of each application and shall forward the notice to the applicant with instructions to publish at his expense one or more times in a newspaper of general

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CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
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(Pursuant to Government Code Section 11300.1)

circulation in the area of the proposed activity. Proof of publication of the notice shall be submitted to the executive officer.

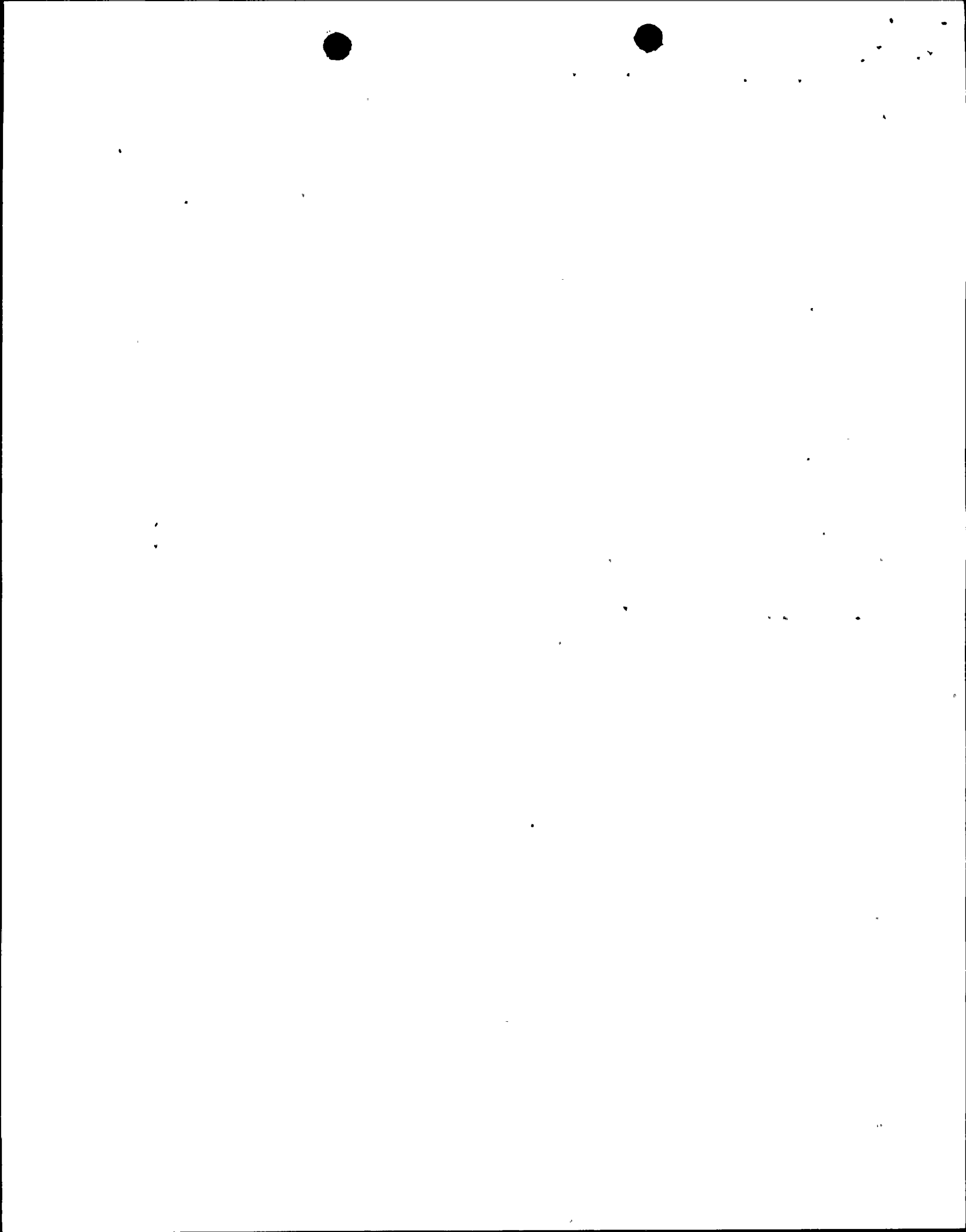
2346. Copies of Application and Notice. Four copies of the application for certification and notice shall be forwarded immediately to the state board which will forward one copy of each to the Federal Water Quality Administration, Bureau of Sports Fisheries and Wildlife, and the federal agency requiring the certification.

2347. Initiation of Waste Discharge Requirement Procedures. If a report of waste discharge accompanies the application for certification, waste discharge requirement procedures shall be initiated immediately.

2348. Recommendation of Regional Board Executive Officer.
(a) The executive officer shall not recommend certification prior to the establishment of waste discharge requirements if in his judgment such requirements should be established.

(b) The executive officer shall recommend to the state board certification or denial of certification, or a public hearing.

(c) Certification shall be recommended if there is reasonable assurance that the proposed facility will not adversely affect the aquatic environment and will be in compliance with all applicable water quality control plans, waste discharge requirements, and waste discharge prohibitions.



CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE
(Pursuant to Government Code Section 11300.1)

(d) If the applicant can demonstrate that immediate certification is necessary for public health or welfare and that no significant threat to water quality will result from the proposed activity, the executive officer may recommend certification in the absence of waste discharge requirements for short-term activities.

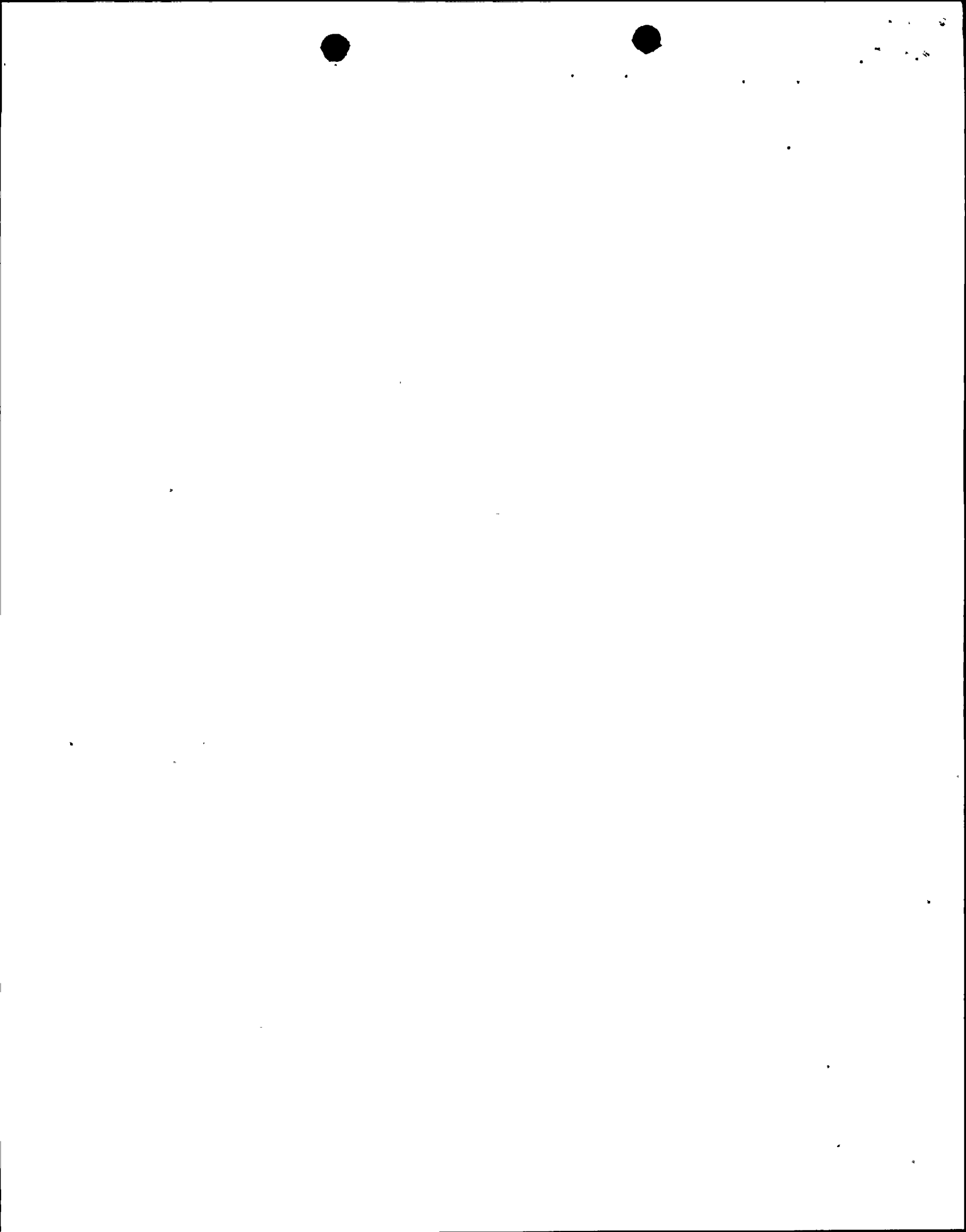
(e) If denial of certification or a public hearing is recommended by the executive officer, a staff report detailing the reasons for denial or hearing shall accompany the recommendations.

2349. Hearings by Regional Boards. The state board may request the regional board to conduct a public hearing in which case the recommendation shall be that of the regional board instead of that of the executive officer.

2350. Authority of Executive Officer of State Board. The executive officer of the state board is authorized to take all actions in connection with applications for certification in the name of the state board except when a public hearing is held by the state board.

2351. Hearings by State Board. (a) A public hearing will be held by the state board, unless held by the regional board at state board request, when there is a significant threat to the quality of the waters of the State as a result of the activity, or may be held at the request of the applicant or other concerned persons.

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(b) Notice of public hearings shall be given at least ten days prior to the hearing date by publication and by mailing to parties known by the board to be affected.

2352. Further Procedures. (a) Except when a public hearing is held by the state board, the executive officer will act on the application for certification after consideration of the recommendation of the regional board or its executive officer.

(b) The certification and one copy shall be transmitted immediately to the applicant and copies shall also be sent to the regional board, Federal Water Quality Administration, and the federal agency requiring the certification.

(c) If the board refuses to certify the activity, the applicant shall be notified. Copies of this notification will be sent to the regional board, Federal Water Quality Administration, and the federal agency requiring the certification.

2353. Time Limits. (a) In those cases where report of waste discharge is not required, recommendation shall be transmitted to the state board by the regional board executive officer within 30 days, but not sooner than 14 days, after proof of publication is received by the executive officer.

(b) In those cases where report of waste discharge is required, recommendations shall be transmitted to the state board by the regional board executive officer within 14 days after adoption of the waste discharge requirements unless a public hearing on the application for certification is held by the regional board at state board request.

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(c) In those cases where a public hearing is held by the regional board, the board recommendations shall be transmitted to the state board within 45 days after the hearing.

(d) The executive officer of the state board will act on the recommendation of the regional board within 30 days after receipt of the recommendation unless a public hearing is held by the state board.

(e) In any event, the state board will take final action to certify or refuse certification within one year after submission of a complete application for certification to the regional board by the applicant.

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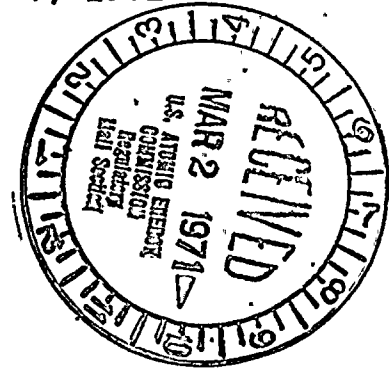
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January 7, 1971

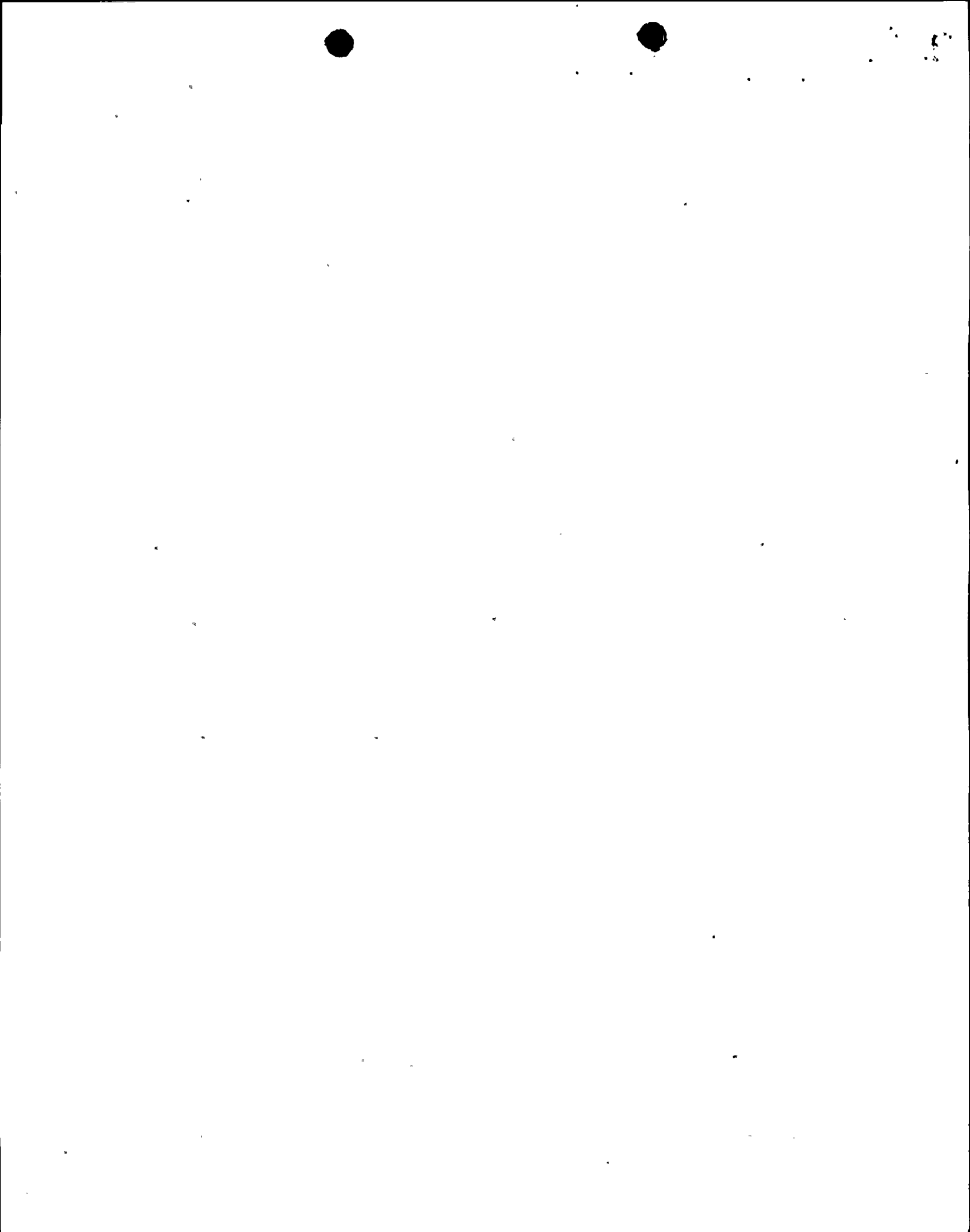
State Water Resources Control Board

POLICY REGARDING THE CONTROL OF
TEMPERATURE IN THE
COASTAL AND INTERSTATE WATERS
AND ENCLOSED BAYS AND ESTUARIES
OF CALIFORNIADEFINITION OF TERMS

1. Thermal Waste - Cooling water and industrial process water used for the purpose of transporting waste heat.
2. Elevated Temperature Waste - Liquid, solid, or gaseous material including thermal waste discharged at a temperature higher than the ambient temperature of receiving water. Irrigation return water is not considered elevated temperature waste for the purpose of this policy.
3. Ambient Receiving Water Temperature - The temperature of the receiving water at locations, depths, and times which represent conditions unaffected by any elevated temperature waste discharge.
4. Interstate Waters - All rivers, lakes, artificial impoundments, and other waters that flow across or form a part of the boundary with other states or Mexico.
5. Coastal Waters - Waters of the Pacific Ocean outside of enclosed bays and estuaries which are within the territorial limits of California.



6. Enclosed Bays - Indentations along the coast which enclose an area of oceanic water within distinct headlands or harbor works. Enclosed bays will include all bays where the narrowest distance between headlands or outermost harbor works is less than 75 percent of the greatest dimension of the enclosed portion of the bay. This definition includes but is not limited to the following: Humboldt Bay, Bodega Harbor, Tomales Bay, Drakes Estero, San Francisco Bay, Carmel Bay, Morro Bay, Los Angeles Harbor, Upper and Lower Newport Bay, Mission Bay, and San Diego Bay.
7. Estuaries and Coastal Lagoons - Waters at the mouths of streams which serve as mixing zones for fresh and ocean water during a major portion of the year. Mouths of streams which are temporarily separated from the ocean by sandbars shall be considered as estuaries. Estuarine waters will generally be considered to extend from a bay or the open ocean to the upstream limit of tidal action but may be considered to extend seaward if significant mixing of fresh and saltwater occurs in the open coastal waters. This definition includes but is not limited to the following: Smith River, Klamath River, Mad River, Eel River, Noyo River, Russian River, Sacramento River (including Suisun Bay) downstream to Carquinez Bridge, Sacramento-San Joaquin Delta as defined by Section 12220 of the California Water Code.
8. Cold Interstate Waters - Streams and lakes having a range of temperatures generally suitable for trout and salmon including but not limited to the following: Lake Tahoe,

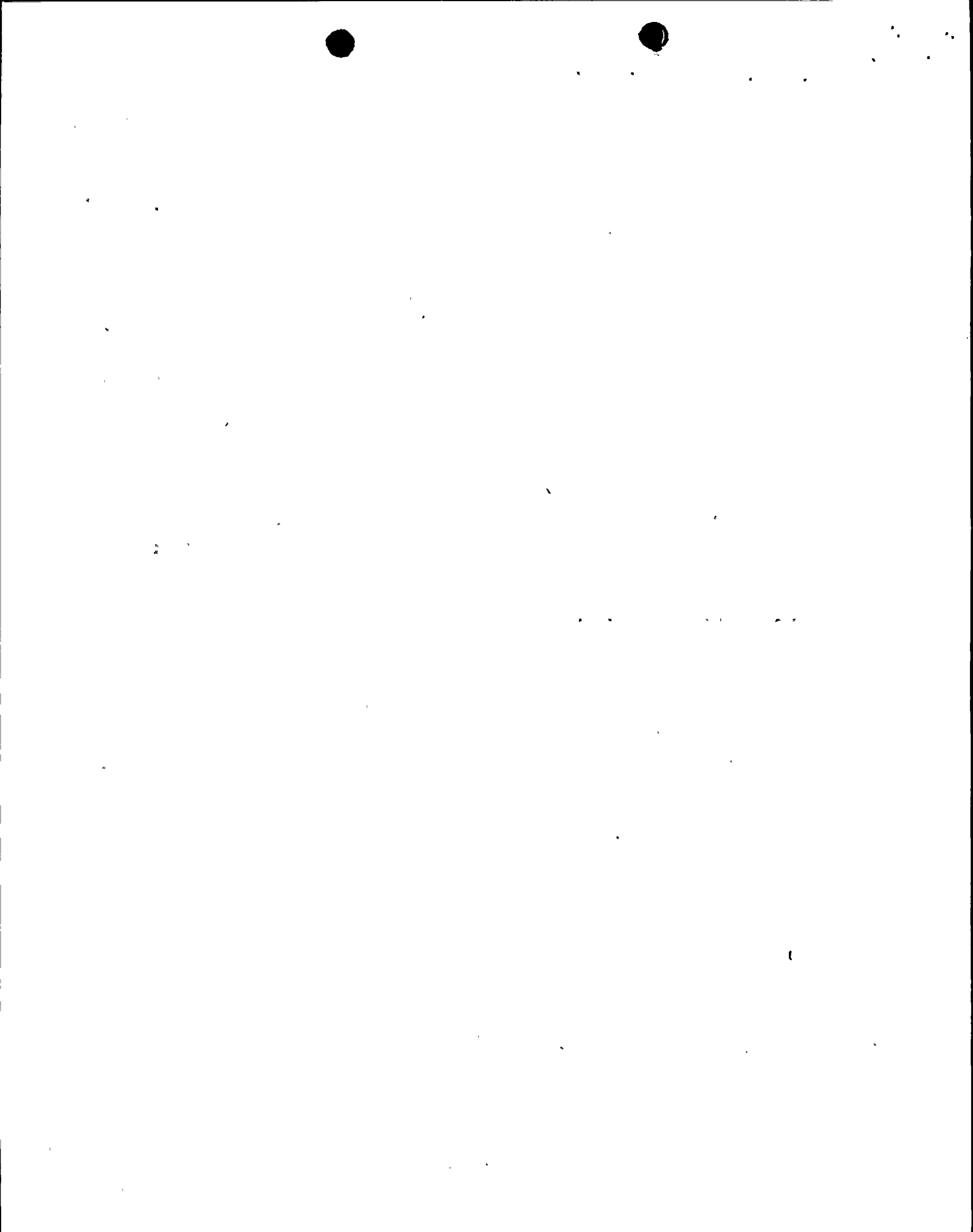


Truckee River, West Fork Carson River, East Fork Carson River, West Walker River and Lake Topaz, East Walker River, Minor California-Nevada waters, Klamath River, Smith River, Goose Lake, and Colorado River from stateline to the Needles-Bullhead City Highway Bridge.

9. Warm Interstate Waters - Interstate streams and lakes having a range of temperatures generally suitable for warm water fishes such as bass and catfish. This definition includes but is not limited to the following: Colorado River from the Needles-Topock Highway Bridge to the northerly international boundary of Mexico, Tijuana River, New River, and Alamo River.
10. Existing Discharge - Any discharge (a) which is presently taking place or (b) for which waste discharge requirements have been established and construction commenced prior to the adoption of this policy. Commencement of construction shall include execution of a contract for on-site construction or for major equipment which is related to the condenser cooling system.

Major thermal discharges under construction which are included within this definition are:

- A. Diablo Canyon Units 1 and 2, Pacific Gas and Electric Company
- B. Ormond Beach Generating Station Unit 1, Southern California Edison Company
- C. Pittsburg No. 7 Generating Plant, Pacific Gas and Electric Company



D. South Bay Generating Plant, San Diego Gas and Electric Company

11. New Discharge - Any discharge which is not presently taking place and for which waste discharge requirements have not been established, and any existing discharge for which a material change is proposed except when the material change is waste from facilities the construction of which commenced, within the meaning of paragraph 10, prior to adoption of this policy.

SPECIFIC WATER QUALITY OBJECTIVES

1. Cold Interstate Waters

- A. Elevated temperature waste discharges into cold interstate waters are prohibited.

2. Warm Interstate Waters

- A. Thermal waste discharges having a maximum temperature greater than 5°F above ambient receiving water temperature are prohibited.

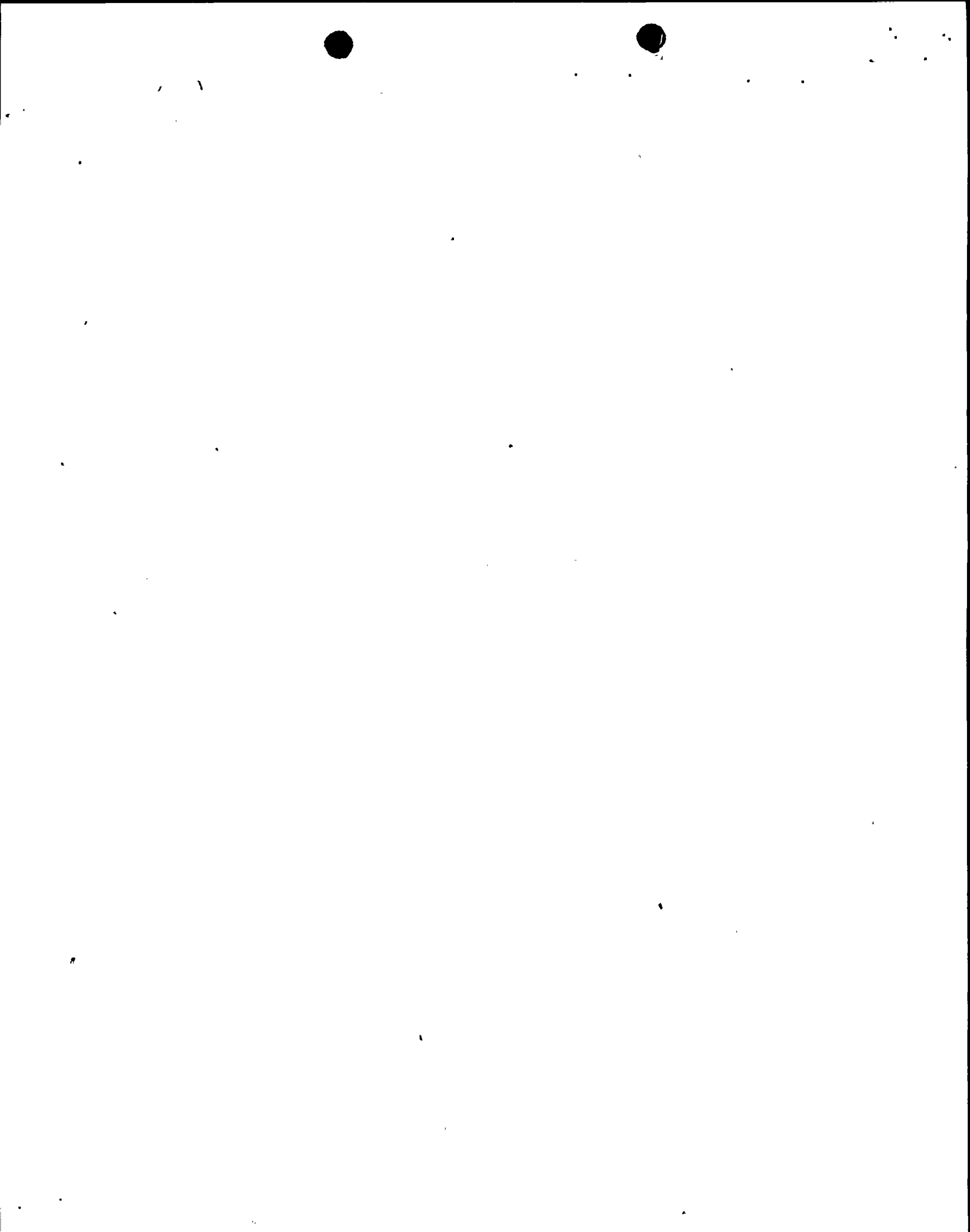
- B. Elevated temperature wastes shall not cause the temperature of warm interstate waters to increase by more than 5°F.

- C. Lost River - Elevated temperature wastes discharged to the Lost River shall not cause the temperature of the receiving water to increase by more than 2°F when the receiving water temperature is less than 62°F, and 0°F when the receiving water temperature exceeds 62°F.

3. Coastal Waters

- A. Existing discharges:

- (1) Elevated temperature wastes shall comply with specific temperature limitations and other



restrictions necessary to assure protection of the beneficial uses including areas of special biological significance.

B. New discharges:

- (1) Elevated temperature wastes shall be discharged a sufficient distance from areas of special biological significance to assure the maintenance of ambient temperature in these areas.
- (2) The maximum temperature of thermal waste discharges shall not exceed the ambient temperature of receiving waters by more than 20°F.
- (3) Additional limitations shall be imposed when necessary to assure protection of beneficial uses.

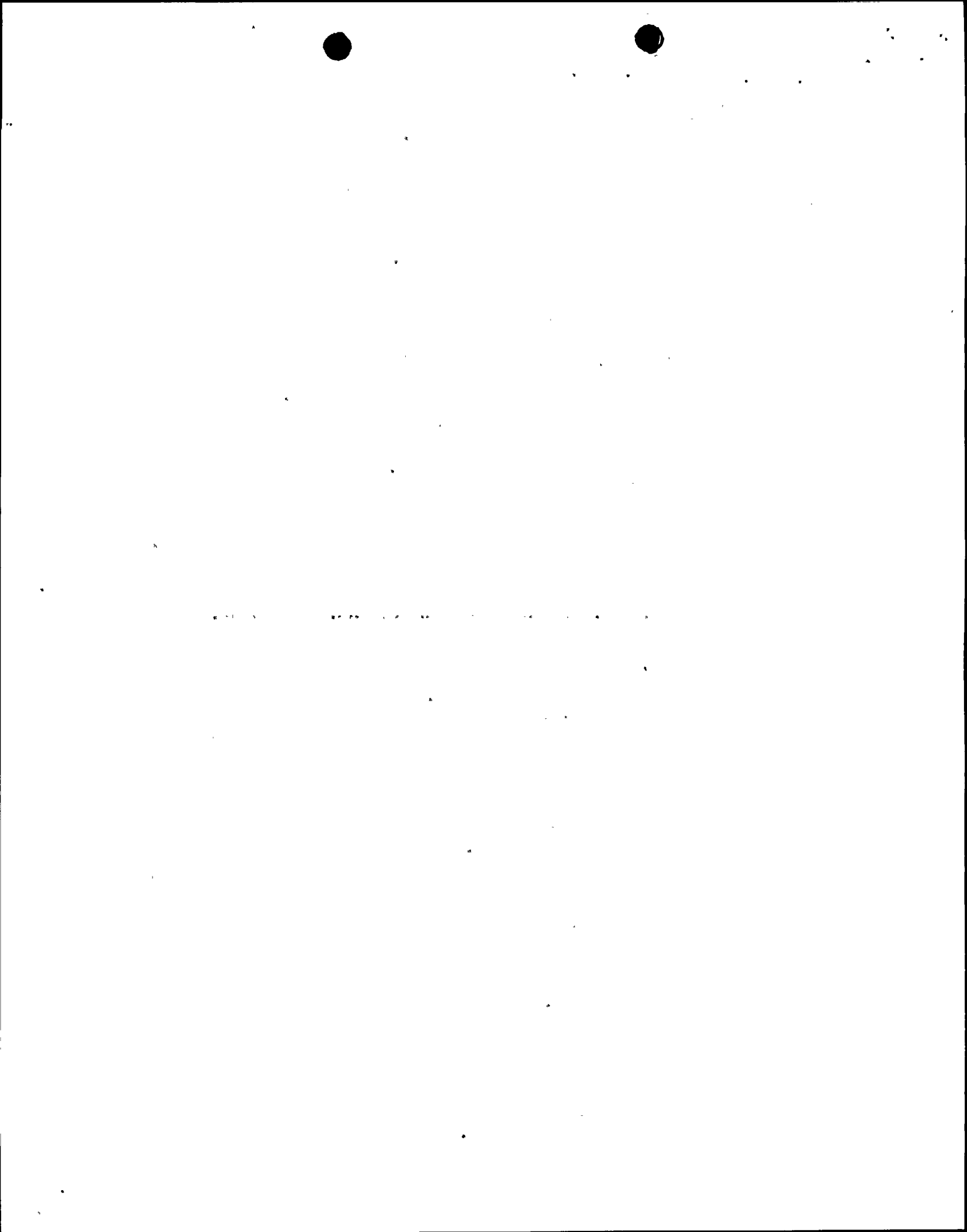
4. Enclosed Bays

A. Existing discharges:

- (1) Elevated temperature waste discharges shall comply with specific temperature limitations and other restrictions necessary to assure protection of beneficial uses.

B. New discharges:

- (1) Elevated temperature waste discharges shall comply with specific temperature limitations and other restrictions necessary to assure protection of beneficial uses. The maximum temperature of waste discharges shall not exceed the ambient temperature of the receiving waters by more than 20°F.



- (2) Thermal waste discharges having a maximum temperature greater than 4°F above the ambient temperature of the receiving water are prohibited.

5. Estuaries

A. Existing discharges:

- (1) Elevated temperature waste discharges shall comply with the following:

a. The maximum temperature shall not exceed the ambient receiving water temperature by more than 20°F.

b. Elevated temperature waste discharges either individually or combined with other discharges shall not create a zone, defined by water temperatures of more than 1°F above ambient

receiving water temperature, which exceeds:

25 percent of the cross-sectional area of a main river channel at any point.

c. No discharge shall cause a surface water temperature rise greater than 4°F above the ambient temperature of the receiving waters at any time.

d. Additional limitations shall be imposed when necessary to assure protection of beneficial uses.

- (2) Thermal waste discharges shall comply with the provisions of 5A(1) above and, in addition, the



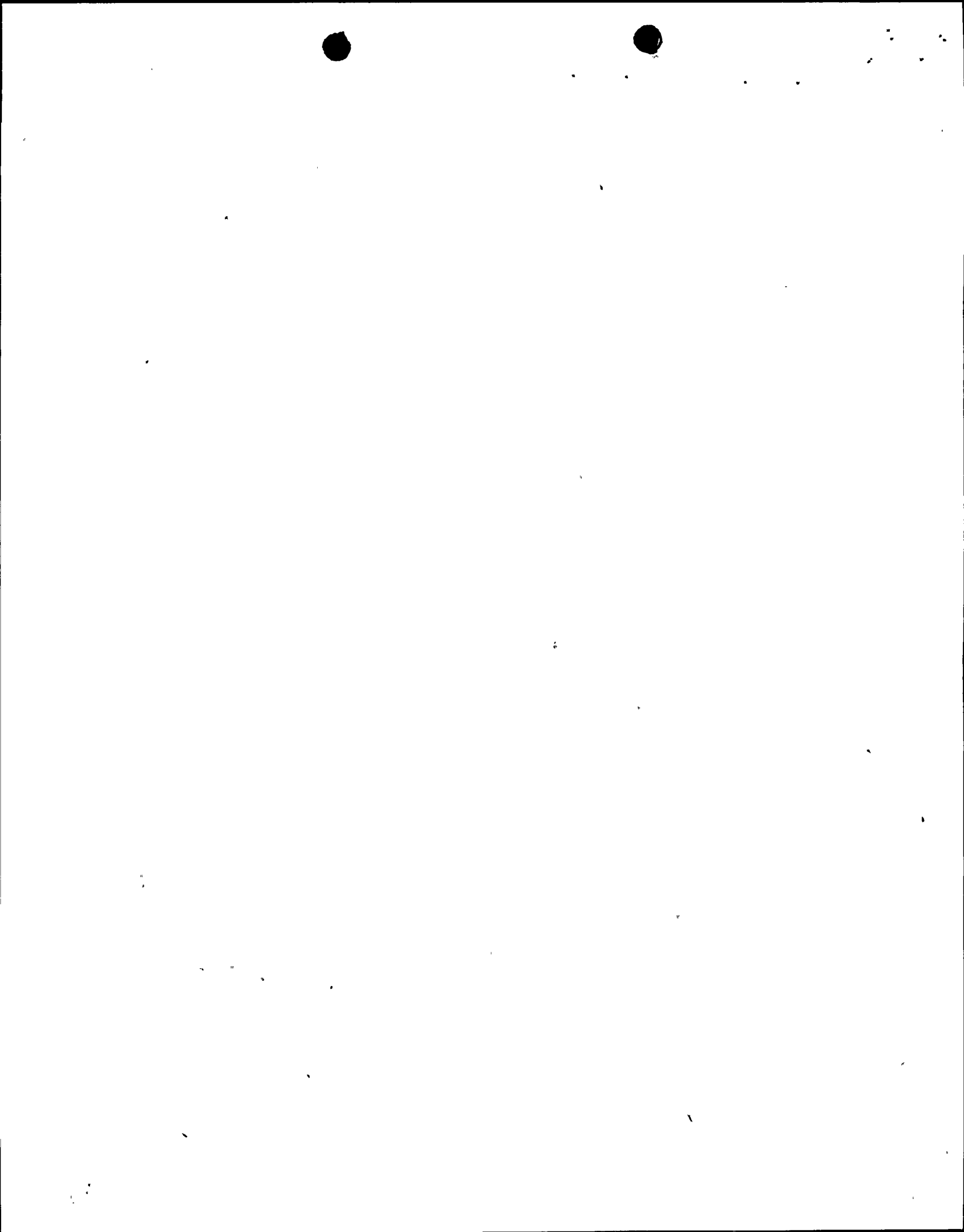
maximum temperature of thermal waste discharges shall not exceed 86°F.

B. New discharges:

- (1) Elevated temperature waste discharges shall comply with item 5A(1) above.
- (2) Thermal waste discharges having a maximum temperature greater than 4°F above the ambient temperature of the receiving water are prohibited.
- (3) Additional limitations shall be imposed when necessary to assure protection of beneficial uses.

GENERAL WATER QUALITY PROVISIONS

1. Additional limitations, including discharge prohibitions, shall be imposed if necessary for the protection of specific beneficial uses including areas of special biological significance.
2. The cumulative effects of elevated temperature waste discharges shall not cause temperatures to be increased except as provided in specific water quality objectives contained herein.
3. The reclamation of waste heat energy from cooling water shall be encouraged.
4. Exceptions to the provisions of this policy may be included in waste discharge requirements to allow the use of heat on an intermittent basis to control fouling organisms if it has been determined that other alternative methods will result in a greater potential for deleterious effects upon beneficial uses. . .



5. A conditional modification of the objectives of the policy may be authorized upon a finding that an elevated temperature waste discharge operating in compliance with modified objectives will result in the enhancement of beneficial uses.
6. Ambient water temperature will be compared with waste discharge temperature by near-simultaneous measurements accurate to within 1°F. In lieu of near-simultaneous measurements, measurements may be made under calculated conditions of constant waste discharge and receiving water characteristics.
7. Areas of special biological significance shall be designated by the State Board after review of regional board recommendations and public hearing.

IMPLEMENTATION

1. ~~The State Water Resources Control Board and the California~~

Regional Water Quality Control Boards will administer this policy by establishing waste discharge requirements for discharges of elevated temperature wastes.

2. This policy is effective as of the date of adoption by the State Water Resources Control Board and the sections pertaining to temperature control in each of the 32 policies for the individual interstate and coastal waters shall be void and superseded by all applicable provisions of this policy.
3. Existing discharges:
 - A. All dischargers of thermal waste shall be required to conduct a study to define the effect of the discharge on beneficial uses and submit the results thereof to the appropriate regional board prior to January 1973.



- B. Waste discharge requirements for elevated temperature wastes shall be reviewed to determine the need for studies on the effect of the discharge on beneficial uses, changes in monitoring programs and revision of waste discharge requirements.
- C. The scope of any necessary studies shall be as outlined by the regional board or State Board for each discharge.
- D. The regional board shall review all studies and shall make necessary revisions to waste discharge requirements prior to July 1973 to assure compliance with all applicable provisions of this policy.
- E. Revised waste discharge requirements shall include a time schedule which assures compliance at the earliest possible date but not later than January 1976.

4. ~~New discharges:~~

- A. Every discharger of thermal waste shall submit a pre-discharge study to the appropriate regional board defining the effect of the discharge on beneficial uses prior to the establishment of waste discharge requirements. Dischargers of elevated temperature wastes may be required by the regional board to submit such studies prior to the establishment of waste discharge requirements. The regional board shall include in its requirements appropriate postdischarge studies by the discharger.



SUMMARY OF

STATE THERMAL POLICY
(Approved by SWRCB 1/7/71)

Definition of Terms

1. Thermal Wastes - includes power plant cooling
5. Coastal Waters - all waters outside enclosed bays and estuaries
6. Enclosed Bays - indentations along coast where narrowest distance between headlands is less than 75 percent of the greatest dimension of enclosed portion of the bay (Humboldt, Bodega, San Francisco, Morro Bays included).
7. Estuaries - waters at mouths of streams which serve as mixing zones for fresh and ocean waters. (Sacramento-San Joaquin Delta downstream to Carquinez Bridge included)
10. Existing Discharges - any discharge (a) which is presently taking place or (b) for which waste discharge requirements have been established and construction commenced prior to the adoption of this policy. (Diablo Canyon Units 1 and 2 are included under this definition)
11. New Discharge - Any discharge which is not presently taking place and for which waste discharge requirements have not been established.

Specific Water Quality Objectives

3. Coastal Waters - A. Existing discharges shall comply with specific temperature limitations necessary to protect beneficial uses including areas of special biological significance.
B. New discharges
 1. Discharge a sufficient distance from areas of special biological significance
 2. Delta T, 20° F



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4. Enclosed Bays - A. Policy for existing discharges same as coastal waters
B. New discharge
 1. Delta T, 4° F
5. Estuaries - A. Existing discharge
 1. Delta T, 20° F
 2. Temperature effect within 25 percent of cross-sectional area
 3. Surface water temperature not greater than 4° F above ambient
 4. Maximum temperature not to exceed 86° FB. New discharge
 1. Same as existing except Delta T, 4° F

General Water Quality Provisions

4. Heat treatment to control fouling organisms allowed for both existing and new discharges.
7. Areas of special biological significance shall be designated by the State Board with public hearing procedure.

Implementation

3. Existing Discharges- A. All discharges to conduct study to define the effect on beneficial uses and submit to regional board by January 1973.
D. Regional board shall review all studies and make revisions to waste discharge requirements prior to July 1973 to assure compliance with policy.
E. Compliance by January 1976
4. New Discharges - A. Pre and post discharge studies

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