



**Pacific Gas and
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PG&E Letter DCL-17-034

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555-0001

Docket No. 50-275, OL-DPR-80
Docket No. 50-323, OL-DPR-82
Diablo Canyon Power Plant, Units 1 and 2
2016 Annual Non-Radiological Environmental Operating Report

Dear Commissioners and Staff:

Enclosed is the 2016 Annual Non-Radiological Environmental Operating Report for Diablo Canyon Power Plant, Units 1 and 2, submitted in accordance with Subsection 5.4.1 of the Environmental Protection Plan, Appendix B of the Facility Operating Licenses DPR-80 and DPR-82.

Pacific Gas and Electric Company makes no new or revised regulatory commitments (as defined by NEI 99-04) in this letter.

Sincerely,

James M. Welsch

Enclosure

armb/4743/64142520

cc/enc: Kriss M. Kennedy, NRC Region IV Administrator
Christopher W. Newport, NRC Senior Resident Inspector
John M. Robertson, Executive Officer, CCRWQCB
Balwant K. Singal, NRC Senior Project Manager
Diablo Distribution

Enclosure
PG&E Letter DCL-17-034

**2016 ANNUAL NON-RADIOLOGICAL ENVIRONMENTAL
OPERATING REPORT
DIABLO CANYON POWER PLANT, UNITS 1 AND 2**

Pacific Gas & Electric Company
April 2017

1. Introduction

PG&E has prepared the 2016 Annual Non-Radiological Environmental Operating Report in accordance with the Environmental Protection Plan (EPP), Appendix B of Facility Operating Licenses DPR-80 and DPR-82 for Diablo Canyon Power Plant (DCPP), Units 1 and 2. The report describes implementation of the EPP per the routine reporting requirements of EPP Subsection 5.4.1. PG&E remains committed to minimizing the environmental impact of operating DCPP.

2. Environmental Monitoring

2.1. Aquatic Issues

Aquatic issues are addressed by the effluent limitations and receiving water monitoring/reporting requirements contained in the DCPP National Pollutant Discharge Elimination System (NPDES) permit. The NPDES permit includes applicable requirements of the California State Water Resources Control Board's Ocean Plan and Thermal Plan.

2.1.1. Routine Influent and Effluent Monitoring

During 2016, DCPP submitted quarterly NPDES reports containing routine influent and effluent monitoring data and permit compliance summaries to the Central Coast Regional Water Quality Control Board (CCRWQCB). The reports were submitted electronically during the month following the end of each quarter via the California Integrated Water Quality System (CIWQS), an internet database application. DCPP also submitted an annual NPDES report for 2016 to the CCRWQCB in February 2017 via the CIWQS application. The annual report contained monitoring data summaries in tabular and graphical form, and a summary of permit compliance and corrective actions, as applicable, for 2016. Copies of the quarterly and annual reports were provided concurrently in hardcopy format to the Nuclear Regulatory Commission (NRC).

2.1.2. Receiving Water Monitoring Program

The NPDES Receiving Water Monitoring Program, required by the CCRWQCB, included the ecological monitoring, temperature measurements, and State Mussel Watch Program activities.

Environmental monitoring programs have recorded biological changes in the discharge area since plant start-up. These programs monitor intertidal and subtidal communities of invertebrates, algae, and fish in the discharge cove and at stations north and south of DCPP. During 2016, environmental monitoring continued under the revised Receiving Water Monitoring Program (RWMP). The revised RWMP continued historical monitoring tasks, including temperature monitoring, State Mussel Watch Program activities, and intertidal

and subtidal surveys (with additional stations and increased sampling frequencies).

The NPDES permit remains under administrative extension. In 2000, DCPD reached a tentative agreement with CCRWQCB staff that addressed current and future impacts on receiving waters from ongoing power plant cooling water discharge. This agreement, and the associated NPDES permit renewal application, did not receive the expected approvals from the CCRWQCB in July 2003. Currently, final resolution of outstanding issues related to receiving water impacts, as well as NPDES permit renewal, remain pending. Based on the tentative agreement, future receiving water monitoring requirements will be significantly reduced or potentially eliminated upon approval of a renewed NPDES permit. Power plant wastewater discharge effluent monitoring would continue under a revised NPDES permit.

DCPD submitted PG&E Letter No. DCL-2016-518, "Receiving Water Monitoring Program 2015 Annual Report," to the CCRWQCB and the NRC on April 27, 2016. The 2016 Receiving Water Monitoring Annual Report will be submitted at the end of April 2017.

2.1.3. Thermal Effects Study

DCPD submitted the final thermal effects comprehensive assessment report to the CCRWQCB and the NRC in 1998.

2.1.4. 316(b) Studies

DCPD submitted the final 316(b) report in PG&E Letter No. DCL-2000-514, "316(b) Demonstration Report" to the CCRWQCB and the NRC on March 1, 2000.

2.2. Terrestrial Issues

2.2.1. Herbicide Application and Erosion Control

Herbicides are used as one component of an overall land vegetation management program that includes transmission line corridors and rights-of-way. The company continues to use only herbicides registered by the Environmental Protection Agency and approved by State authorities, and applies them in accordance with all applicable regulations.

Another component of the vegetation management program is mastication. Mastication is utilized to reduce fuel loads, create fire breaks, maintain line clearance, and increase line of sight in rights-of-ways. Mastication is a vegetation management tool that reduces ground disturbance and is effective at controlling vegetation when used in conjunction with herbicides.

PG&E continues to implement erosion control activities at the plant site and in the transmission line corridors as part of an overall land management program. These erosion control activities consist of routine maintenance and prevention efforts performed periodically on an as-needed basis, including seasonal storm and wildfire damage repair.

2.2.2. Preservation of Archaeological Resources

A. CA-SLO-2 Site Management

Archaeological site CA-SLO-2 is managed in compliance with the Archaeological Resource Management Plan (ARMP) and DCPD Interdepartmental Administrative Procedure EV1.ID2, "CA-SLO-2 Site Management." All projects undertaken within site CA-SLO-2, or immediately adjacent, are reviewed to determine whether archaeological deposits associated with the site are present and, if so, an impact assessment is completed. PG&E would invoke the notification, monitoring, and mitigation procedures identified in the ARMP if a project-related impact were identified.

The annual photo-monitoring of CA-SLO-2 was completed on December 20, 2016, by the PG&E Senior Cultural Resource Specialist with the assistance of a PG&E Terrestrial Biologist.

The overall condition of site CA-SLO-2 is stable, with the exception of areas on the western and southwestern margins of the site that are subject to natural erosion of the marine terrace. In addition, erosion of the steep road cut on the eastern margin of the site continued at a gradual pace during 2016 despite soil stabilization and revegetation work completed in late 2011. Nonetheless, no significant changes were observed since the last monitoring event completed in 2015. The barriers in place along the established roadways have proven effective in keeping vehicular traffic off sensitive portions of the site and restricting traffic to previously disturbed areas. The signage around site CA-SLO-2 is in place and in good condition, instructing all visitors to contact DCPD Management prior to entering the controlled site boundary.

Dense vegetation that covers much of the site has stabilized loose soil, limiting erosion and obscuring surface artifacts. The gradual loss of deposits along portions of the marine terrace subject to natural erosion is being monitored.

In September 2016, during annual site wide vegetation management activities, herbicide was mistakenly applied on a boundary portion of the archeological site along the northern Diablo Creek Road shoulder. Application of herbicide within the site boundary is not permissible under the ARMP. The application was a spot treatment of individual plants (primarily invasive pampass grass). Subsequent field observation by PG&E's Senior Cultural

Resources Specialist determined the herbicide application was below the cultural stratum within the road cut, and no artifacts, features, or midden were adversely affected. Following this inadvertent event, corrective actions included development of herbicide treatment maps that more clearly delineate areas on the overall power plant site in which herbicide application is prohibited, and Cultural Resource Specialist review has been established for routine vegetation management work at the facility. Per the ARMP, a nonroutine report was not required for this minor event, which did not adversely impact cultural artifacts, features, or the midden deposit.

B. Northern Chumash Correspondence

Over the course of 2016, PG&E corresponded and met with representatives of the local Northern Chumash community in connection with projects and land stewardship initiatives unrelated to the management of CA-SLO-2. No Native American site visits were made to CA-SLO-2 in 2016.

3. Unusual or Important Environmental Events

There were no unusual or important environmental events during 2016.

4. Plant Reporting Requirements

4.1. EPP Noncompliance

There were no EPP noncompliances during 2016.

4.2. Changes In Station Design

There were no changes in plant design or operation, tests, or experiments that involved an unreviewed environmental question or a change to the EPP.

4.3. Nonroutine Reports

There were no nonroutine events during 2016 per the EPP, and therefore no nonroutine reports were submitted to the NRC.