

## DEPARTMENT OF THE NAVY

NAVAL FACILITIES ENGINEERING COMMAND SOUTHWEST 1220 PACIFIC HIGHWAY SAN DIEGO, CA 92132-5190

> 11011 Ser EV1.BB/111 July 17, 2019

Ms. Messeret Yilma Manager of Government Lands Southern California Edison Company 2 Innovation Way, 2nd Floor Pomona, CA 91768

Subj: SAN ONOFRE NUCLEAR GENERATING STATION (SONGS) EASEMENT TERMS AND CONDITIONS

Ref: (a) SONGS Plant Grant of Easement N6871190P00P84 of 12 May 1964

- (b) Railroad Spur Grant of Easement N6871190RP00P83 of 12 May 1964
- (c) Road and Utility Grant of Easement N6871190RP00P81 of 12 May 1964
- (d) Electrical and Communication Lines Grant of Easement N6247479RP00P69 of 12 May 1979
- (e) Mesa Lease Parcels 8 & 9 N6247310RP00168 of 1 Apr 2011
- (f) Road Grant of Easement N6247480RP00P38 of 12 May 1979
- (g) Federal Facility Agreement Under CERCLA Section 120, Administrative Docket Number 91-3

Dear Ms. Yilma,

The Department of Navy's (DoN) guiding principle for return of property used at the San Onofre Nuclear Generating Station (SONGS) Easement, including, without limitation, property used pursuant to the real estate instruments at references (a) through (f), is that the property shall be available for unconstrained use. Please note that any previous correspondence, including the 20 Aug 2015 Naval Facilities Engineering Command (NAVFAC) Southwest letter to Southern California Edison (SCE) for cleanup requirements at the Mesa Lease and specifically reference (e), shall be superseded by this letter, as Parcels 8 and 9 will remain under lease and shall be used during decommissioning activities.

Per reference (g), the DoN is a signatory to a Federal Facility Agreement (FFA) governing environmental contamination throughout Marine Corps Base Camp Pendleton (MCB CamPen). The regulatory agency signatories to this FFA are: 1) the U.S. Environmental Protection Agency (EPA); 2) the California Department of Toxic Substances Control (DTSC); and 3) the Regional Water Quality Control Board (RWQCB). The Grantees/Lessees are required to ensure that all contamination attributable to SONGS operations are remediated to levels that would be imposed on the DoN under the FFA after relinquishment of the land back to DoN control. As such, the DoN requires that the site be remediated to levels that achieve unlimited use/unrestricted exposure (UU/UE) for any potential chemical and/or radiological contamination with reference to both federal and state standards. This includes meeting the necessary requirements of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and other applicable laws.

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To demonstrate that these requirements have been met, and in addition to meeting the U.S. Nuclear Regulatory Commission's (NRC) requirements for decommissioning and termination of the SONGS NRC license, prior to relinquishment of the land back to DON, the Grantees/Lessees must obtain the following:

- 1. A "No Further Action" letter (or equivalent) from regulatory agencies indicating that the site meets the standard for UU/UE. In accordance with reference (g), Section 6.5, the Grantee/Lessee may enter into a separate agreement with the FFA signatories documenting the cleanup plan the third party will pursue to satisfy FFA requirements. This agreement must be signed by the EPA, DTSC and RWQCB. Collaboration with these regulatory agencies will allow SCE to ensure that applicable clean-up thresholds for any soil and/or groundwater contamination are achieved.
- 2. A "Radiological Unrestricted Release Recommendation" (RURR, or equivalent) letter(s) from the California Department of Public Health (CDPH) for any area(s) with known or suspected (past or present) radiological concerns, unless such requirement is waived by CDPH. The State of California has historically required the DoN to obtain this type of letter as documentation that radiologically impacted property is cleared for UU/UE, and is suitable for transfer out of Federal ownership.

As an alternative to obtaining an UU/UE determination from each of the FFA signatories and RURR from CDPH, for either chemical and/or radiological contamination, SCE may obtain written documentation specific to SONGS from each of these agencies, including:

- A. Acknowledgment that the FFA at MCB CamPen (reference g) does not and will not in the future include SONGS-related current or historical activities on MCB CamPen;
- B. Confirmation that it will defer to NRC on SONGS-related current or historical activities and that each agency accepts, in perpetuity, NRC's federal release criteria for UU/UE at SONGS. Alternatively, the agency can provide numerical chemical cleanup goals and numerical radiological release criterion in terms of dose and guidance (such as acceptance of NUREG-1575, Multi-Agency Radiation Survey and Site Investigation Manual (MARSSIM) in designing and implementing radiological survey plans to demonstrate the release criterion has been met), in order to achieve the agencies' definition of UU/UE; and
- C. Commitment to clearly and permanently absolve the DoN from any future requirements for SONGS-related current or historical activities on MCB CamPen. NRC's regulatory unrestricted release determination will provide the DoN UU/UE for the property, i.e., the DoN will be free to reuse, lease, or transfer the property out of Federal ownership without further evaluation.

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At this time, the DoN cannot provide definitive terms and conditions for removal of SONGS substructures, the seawall, or other features associated with the restoration of the SONGS facility to its final end state. Those decisions will be made consistent with the terms of the existing real estate instruments, after careful evaluation, when there is sufficient information to make such evaluation.

Similar to the process of environmental site investigations and associated remedial activities currently underway at the SONGS Mesa, the DoN will continue to participate in SCE's overall progress with federal and state (if applicable) regulators for the investigation, cleanup and decommissioning to UU/UE of the SONGS Easement and other associated areas, as described by references (a) through (f). The DoN's participation in these activities continues to foster a good relationship amongst the parties and will ultimately aide in an efficient turnover of the properties at the appropriate milestone in the decommissioning timeline.

If you have any questions, please contact Bryce Bartelma at (619) 532-4953 or at bryce.bartelma@navy.mil, or Greg Magnuson at (619) 532-3007 or greg.magnuson@navy.mil.

Sincerely

David B. Bixler

Real Estate Contracting Officer

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