

**CALIFORNIA POLLUTION
CONTROL FINANCING AUTHORITY**

915 CAPITOL MALL, ROOM 280
SACRAMENTO 95814
(916) 445-9597



MEMBERS:

Jesse M. Unruh, Chairman
State Treasurer

Kenneth Cory
State Controller

Jesse R. Huff
Director of Finance

July 2, 1985

Mr. Harold R. Denton, Director
Office of Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Dear Mr. Denton:

Re: SAN DIEGO GAS & ELECTRIC CO.
Application No. 420

The California Pollution Control Financing Authority is required by Health and Safety Code Section 44533(b) to obtain certificates from various pollution control agencies before it sells Bonds to assist companies with financing their projects.

Section 44533(b) reads:

"No project relating to the improvement of air or water quality or solid waste control shall be eligible for financing under this division unless, prior to the issuance of bonds or notes, a local, regional, state, or federal environmental authority exercising jurisdiction over the project certifies that the project, as designed, will further compliance with federal, state or local pollution control standards and requirements..."

The Authority has received the enclosed supplemental application #2 for financing. Thus, in accordance with the provisions of the law, we are asking your agency to review the description of the proposed project and to provide us with any comments or reservations you may have.

The Authority met on February 20, 1985, and approved supplement #2 to the Initial Resolution for the project.

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Mr. Harold R. Denton
July 2, 1985
Page Two

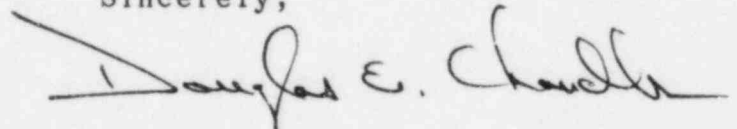
Section 44533(c) reads:

"No certification issued pursuant to subdivision (b) shall be admissible in evidence, constitute an admission, or bind any certifying authority in any proceeding in which the compliance of a participating party's facilities with any applicable pollution control, land use, zoning or other similar law is an issue or in any application or proceeding for a permit to locate or construct facilities."

I have enclosed a copy of the certificate you signed in connection with our earlier financing for this facility. We require a similar signed certificate prior to approval of a Final Resolution to proceed with additional financing.

Thank you for your attention to these matters.

Sincerely,

A handwritten signature in dark ink, appearing to read "Douglas E. Chandler". The signature is fluid and cursive, with a long horizontal stroke at the end.

DOUGLAS E. CHANDLER
Executive Secretary

Enclosures

DEC 14 1984

CERTIFICATE

SAN ONOFRE NUCLEAR GENERATING STATION

UNIT 3

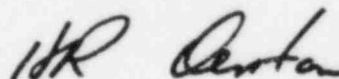
POLLUTION CONTROL FACILITIES

The Nuclear Regulatory Commission (the NRC) hereby certifies as follows:

(a) that it has examined (1) Part 3.2 of San Diego Gas and Electric's and Southern California Edison's supplemental application for financing, dated August 31, 1984 attached hereto which describes certain facilities which have been constructed, and (2) Appendix 3.2 of the supplemental application attached hereto which lists certain facilities which are under construction or are to be constructed at the San Onofre Nuclear Generating Station, a nuclear electric power generating plant located on the Pacific Coast approximately 2 miles south of the City of San Clemente, California, undivided interests in which plant are owned by Southern California Edison Company, San Diego Gas & Electric Company, and the Cities of Anaheim and Riverside; and

(b) that such facilities, as designed, are in furtherance of the purpose of abating or controlling atmospheric pollutants or contaminants or water pollutants resulting from the generation of electricity at the San Onofre Nuclear Generating Station.

FOR THE NUCLEAR REGULATORY COMMISSION



Harold R. Denton, Director
Office of Nuclear Reactor Regulation

Dated at Bethesda, Maryland
this 14th day of December 1984

Supplement No. 2

to

Application of San Diego Gas and Electric Company for
Financing of Pollution Control, Solid Waste Disposal and
Sewage Disposal Facilities at San Onofre Nuclear Generating
Station

PART 2. FINANCIAL INFORMATION

2.1 Financial statements from the three most recent fiscal years. Attached are the following:

2.1.1 Balance Sheet. Quarterly Report to Shareholders for the quarter ended September 30, 1984.

2.1.2 Income Statement. Quarterly Report to Shareholders for the quarter ended September 30, 1984.

2.1.3 Statements of Sources of Funds Used for Construction Expenditures. Quarterly Report to Shareholders for the quarter ended September 30, 1984.

PART 3. PROJECT INFORMATION

3.2 (3.2.1 - 3.2.4)

Radwaste Processing Facility

Radwaste processing facility is to be built in the southwest portion of the Unit 1 protected area. This facility will be used for collection, storage, processing, decontamination and packaging of solid radwaste from the San Onofre Site. This waste consists primarily of dry active waste including radioactively contaminated trash, rags, scrap, discarded tools and equipment as well as other solid waste materials. Solid radwaste of this type is useless and

of no value. The Company does not expect to sell, or to be able to sell, this solid waste at any price.

The new radwaste processing building will include the following types of radwaste equipment:

- o Sorter
- o Shredder
- o Ultrasonic cleaners
- o Decontamination equipment

The building will enclose about 8800 square feet of floor space for this equipment and for waste container storage, as well as related supervisory/administrative office space.

RCRA WASTE HANDLING AND STORAGE

Facilities are provided for handling and storage of liquid (and possibly some solid) wastes as required under the Resource Conservation and Recovery Act (RCRA). These wastes include materials such as toxics, corrosives and flammables which must be collected, stored and disposed of in special facilities. These facilities include storage and handling facilities consisting of concrete pads, berms, drains, sumps and other support equipment. Existing facilities include two concrete storage areas with associated equipment.

Improvements and additions to be installed include covers for two of the existing storage areas and new storage areas.

3.2.5 An Engineering Certification based on an independent review of a qualified engineer is attached as Appendix 3.2.5(Supp. No. 2).

3.3 Estimated Construction Period

3.3.1 Starting Date

Radwaste Processing Facility: July 1985

RCRA Waste Handling and Storage: July 1985

3.3.2 Completion Date

Radwaste Processing Facility: February 1986

RCRA Waste Handling and Storage: December 1985

3.4 An architect-engineer has not yet been selected for facilities described in this Supplement.

PART 4. BOND ISSUE

This Part 4 supercedes Part 4 of the Supplement to the original Application, dated August 31, 1984.

4.1 Estimated total amount of the financing with a tabulated use of bond proceeds. \$103,000,000

4.1.1 Project cost (from Part 3). \$85,071,000

4.1.2 Legal, printing and related fees.

Rating Fee	\$ 66,000
PUC Filing Fee	70,000
Printing	119,000
Accounting Fee	60,000
Legal	930,000
Trustee	117,000
Miscellaneous	<u>86,000</u>
	\$1,448,000

4.1.3 Financing costs and fees.

Underwriting Discount \$ 1,600,000

4.1.4 Capitalized interest. \$ 14,366,000

4.1.5 Other costs, including CPCFA and guaranteed fees:

Administrative fees which

include \$10,000 filing fees \$ 515,000

4.2 Estimated target date of financing.

Before January 1, 1986

4.3 Estimated terms of financing.

Still to be determined.

4.4 Type of bond sale (private placement, underwritten offering).

Still to be determined.

APPLICANT CERTIFICATION

I hereby certify that the foregoing application, as supplemented, to the best of my knowledge and belief, contains no false or incorrect information or data; and the application, as supplemented, including exhibits and attachments hereto, is descriptive of the project.

I further represent that San Diego Gas and Electric Company is familiar with the provisions of the California Pollution Control Financing Authority Act and its regulations, as amended.

R. L. Haney
Vice President and Treasurer

Dated: February __, 1985

SAN ONOFRE NUCLEAR GENERATING STATION
ESTIMATED POLLUTION CONTROL, SOLID WASTE DISPOSAL
AND SEWAGE DISPOSAL FACILITY COSTS

<u>SYSTEM</u>	<u>COST</u> <u>(\$000)</u>
1. Existing Radwaste Facilities	
a. Liquid and Coolant Radwaste Systems	
b. Coolant and Boric Acid Recycle System	
c. Gaseous Radwaste System	
d. Radwaste Structure	
e. Steam Generator Blowdown Processing System	
f. Fuel Handling Buildings	
	<hr/> \$49,686
2. Existing Non-Radwaste Facilities	
a. Cooling Water System	
	<hr/> 16,859
3. Planned Radwaste Facility Improvements	
a. Solidified Resin Handling System	
b. Interim Waste Storage Facilities	
c. Solidification Process Sampling System	
d. High Density Compaction Facility	
e. Incineration (Volume Reduction) Facility	
f. Liquid Radwaste Holdup Capacity Augmentation	

<u>SYSTEM</u>	<u>COST</u> <u>(\$000)</u>
g. Filter Handling System	
h. DAW Handling and Disposal Facility	
i. Containment Purge Radiation Monitoring System	
j. Steam Generator Blowdown Spent Resin Treatment Facilities	
k. Full Flow Condensate Polishing Demineralizer Resin Regeneration System	
l. Laundry and Decontamination Facility	
m. Fuel Handling Building Decontamination Modifications	
n. Radwaste Processing Facility	
<hr/>	
	16,192
4. Planned Non-Radwaste Facility Improvements	
a. Nonradioactive Wastewater Handling System	
b. RCRA Waste Handling and Storage	
c. Make-Up Treatment Plant Modifications	
<hr/>	
	2,334
TOTAL:	85,071

ENGINEERING CERTIFICATION

by

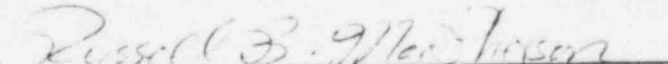
RUSSELL B. MACPHERSON, P.E.

Data contained in this supplement has been prepared and furnished to me by Southern California Edison Company. Based on my independent review of this information, I conclude that:

- o The project, as designed, is in furtherance of the purpose of abating air and/or water pollution, and disposing of solid and liquid wastes.
- o The project has no significant purpose other than pollution control and solid and liquid waste disposal (except as disclosed in this supplement).
- o The project will further compliance with applicable Federal, State or local pollution control standards and requirements.
- o The project components described in the supplement are all necessary for the proper installation and operation of the project as a pollution control and solid and liquid waste disposal system, and the cost estimates provided are reasonable as of the time they were made.

The undersigned further certifies that to the best of his knowledge there are no other facts, estimates or circumstances that would materially change the facts, descriptions, characterizations, estimates or projections set forth in this Engineering Certificate.

Dated: February 4, 1985


Russell B. MacPherson, P.E.



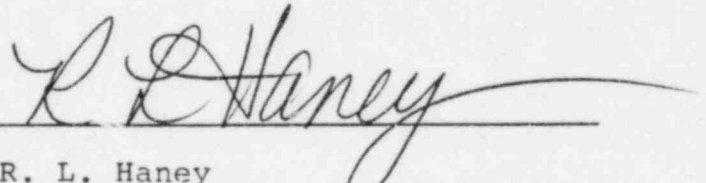
San Diego Gas & Electric

APPLICANT CERTIFICATION

FILE NO.

I hereby certify that the foregoing application, as supplemented, to the best of my knowledge and belief, contains no false or incorrect information or data; and the application, as supplemented, including exhibits and attachments hereto, is descriptive of the project.

I further represent that San Diego Gas & Electric Company is familiar with the provisions of the California Pollution Control Financing Authority Act and its regulations, as amended.


R. L. Haney
Vice President and Treasurer

Dated: February 4, 1985