

**Interoffice Memorandum**

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| TO (Name and Location)<br>Mr. C. E. Steel  | DATE<br>June 11 1980        |
| FROM (Name and Location)<br>C. E. Loeffler | REFERENCE NO.<br>CEL-660-80 |

cc: M. A. John  
A. A. Miller  
H. N. O'Neal  
B. C. Stephens

PLAINTIFF'S EXHIBIT

CEL-1047

PLANT ENVIRONMENTAL PROGRAM

Our environmental program with its attendant policies and procedures has expanded and become more visible and important in both daily and future plant operation. Purpose of this letter is to better define the philosophy of how the environmental program does or should operate. This will form a basis for any future adjustments by the new Manager of Safety, Health, and Environment.

The plant environmental maintenance coordinator is a staff position currently reporting to the Technical Manager. The workload of Mr. Mullins should be addressed by new Manager, Safety, Health, and Environment. The whole environmental area is becoming much more complex and burdensome as more laws are passed. Just to read all the new requirements is very time consuming. Since all the plants are a little different with Pampa being considerably different from the Gulf Coast plants, it is not likely that Bob Maurer or Hayden Head, Jr. can become totally familiar with all environmental regulations that concern Pampa. Our Environmental Coordinator is not likely to be totally familiar either, but I feel that his efforts to be informed are worthwhile. Another significant workload that is increasing is the number of government and internal questionnaires which must be processed on a timely basis. Frequent communications are required with the regulatory agencies on the great number of projects currently active. These and other duties indicate that another person, possibly a young engineer interested in the environment, should be added to the environmental organization.

Operation of the present environmental facilities at Pampa is a divided responsibility. The evaporation ponds, air emission control facilities, liquid and solid incinerators, and coal ash disposal pits are supervised by the Operations Department. The other disposal pits such as those for waste oils, crushed drums, MFA containers, and asbestos are supervised by the Maintenance Department. Maintenance also handles routine operation of the vacuum trucks which transfer sump and ditch cleanings to the approved disposal sites and of the trucks which haul DP Still solids to the coal pile area and waste trash to the solids incinerator.

The Environmental Coordinator also provides staff assistance to these routine operations by giving advice to Operations and Maintenance on how to modify the facilities or the daily procedures as needed to ensure compliance with all applicable regulations and laws. It is most important to have Mr. Mullins' assistance when we are called upon to dispose of unusual wastes such as

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radioactive needles or PCB containing capacitors and transformers. The plant budget system for compiling all of these routine environmental expenses is well established. These categories include: 115 (incineration), 302 (steam - which includes ash handling), 308 (effluent), and 999 (maintenance). Nothing of an environmental nature is budgeted in 604 (factory general).

Environmental duties associated with the Air Emissions Control Project are carried out within the Project Team framework with Mr. Juenger having overall responsibility. Mr. Mullins is working for Mr. Juenger on the regulatory agency contacts associated with the pond registration with the TWQB and the air emissions aspects of off-gas burning with the TACB. Mr. Mullins also provides expertise and guidance on how the facilities should be designed so that the environment can be protected and the applicable government guidelines followed. Funds for the PAEC facilities and required technical services such as consulting, monitor and lysimeter wells, and soil analyses are covered under the RFA provided the scope of the environmental regulations was defined accordingly in the RFA.

Environmental studies are often required which are non-routine in nature. Examples include (1) the consulting work with Underground Resource Management which is addressing the integrity of both closed and existing waste disposal sites, (2) the emission inventory program to sample and analyze and measure flows of all plant effluent streams, and (3) the studies required to reclassify our fly and bottom ash and to assess its suitability for various end use applications. The expense charges for studies such as these should be budgeted currently in 500 (Technical) and in the future in the Safety, Health, and Environment budget. The prime responsibility for coordinating these non-routine activities should rest with the Environmental Coordinator and his supervision. Obviously, it makes good sense to keep the line organization informed and involved in all of this work and not to undertake certain activities which should be best handled by the appropriate area of expertise. Examples here would include obtaining assistance (1) of Engineering in working with well drillers and surveyors, (2) of the Laboratory in sending out samples for outside analyses, and (3) of Process in taking samples for the emission inventory.

Procedures for compliance reporting and agency contacts seem to be well understood in the plant and are working well. Prompt communications on upsets and excursions from the Operations and Maintenance Departments to Mr. Mullins are important. Mr. Mullins should be the primary contact as outlined in the Company Environmental Procedures. Having a number of changing contacts from Pampa would only lead to more confusion at the agency. It is standard procedure to advise Bob Maurer prior to each contact, but to not delay in reporting major excursions. All of the written and many of the verbal communications with the agencies are also approved by our Company Legal Counsel, Mr. Hayden Head, Jr.

*C E Loeffler*

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