

April 13, 2009

**Public Notice for Water Quality Certification and/or Waste
Discharge Requirements (Dredge/Fill Projects)**

Pacific Gas and Electric Company – Fuel Oil Pipeline Removal, Olson’s Wharf to
Humboldt Bay Power Plant
WDID No. 1B07181WNHU

Humboldt County

On December 10, 2007, the North Coast Regional Water Quality Control Board (Regional Water Board) received an application from the Pacific Gas and Electric Company (applicant), requesting Federal Clean Water Act, section 401, Water Quality Certification for activities associated with removal of a retired fuel oil pipeline that is buried in Humboldt Bay. On March 17, 2008, Regional Water Board staff sent a letter to the applicant stating that the application was not complete and requesting additional information and documentation to complete the application. The Regional Water Board did not receive an adequate response to the written request for additional information and the request for certification was denied without prejudice on January 14, 2009.

Denial without prejudice does not reflect a judgment regarding the merits of the proposed project and the applicant was given a one-year deadline to submit the required documentation to reactivate the application and request for certification. On February 14, 2009, the Regional Water Board received the additional requested information and the application was deemed complete. The proposed project will cause disturbances to waters of the United States associated with the Humboldt Bay in the Eureka Plain Hydrologic Unit No. 110.00.

The purpose of the proposed project is to remove and/or abandon approximately 4,200 linear feet of retired 14-inch diameter fuel oil pipeline running from Olson’s Wharf to the Humboldt Bay Power Plant. The pipeline was placed in service in 1955 and has been inactive since 1991. In 1992, fuel oil was removed and the pipeline was filled with water. The pipeline is not needed for any future operations at the Humboldt Bay Power Plant (HBPP). One end of the pipeline is attached to the dock at Olson’s Wharf, approximately 550 feet is buried in the bay mud, approximately 1,200 feet lies on the mudflats from a turn point in the bay to the shoreline, approximately 750 feet is half buried in wetlands before reaching King Salmon Road where it becomes buried again and remains underground for another 1,700 feet until it reached the power plant’s tank farm area.

The pipeline will be abandoned in place from the storage tanks on the HBPP property to the plant fence line. This segment will be vacuum drained of liquid, filled with concrete slurry, and capped at both ends. All pipeline segments will be cut using cold-cutters, saws, or torch (if pipeline can be verified as gas-free). The pipeline will be removed from the plant fence line to the edge of the plant access road/King Salmon Avenue. This section of pipe lies beneath an existing peninsula of marsh habitat and plant landscaping. The resulting trench void will be backfilled with appropriate fill and the surface returned to previous grade and contour. The project proposes to abandon in

place the segment beneath the paved portions of the HBPP access road and King Salmon Avenue. This abandoned segment will be vacuum drained of liquid, swabbed clean, filled with concrete slurry, and capped at both ends. The pipeline will be removed from the underside of the old King Salmon Avenue bridge (over King Salmon Slough) with a boom or crane situated on the bridge deck or adjacent roadside to support the pipeline as sections are cut from the underside of the bridge and lifted to the roadside staging area for transport.

From the west side of the old King Salmon Avenue bridge, the pipeline enters the ground and proceeds south along King Salmon Avenue where it makes its first crossing over Buhne Slough. The slough at this point has entered into a concrete culvert to pass beneath the roadway. Impacts to the slough are not expected as the watercourse is within the roadway culvert at the pipeline crossing point. The section of pipeline in the roadway will be excavated with a back-hoe or excavator and lifted out to the roadside staging area. Topsoil (top 6-12 inches) will be segregated from the rest of the excavated spoils for reuse as topsoil to restore the surface. The trench will be back filled with the excavated material and additional clean fill to fill the pipeline void.

The pipeline turns southwest through the marsh where it is paralleled by an existing service road to the bay levee. The pipeline is visible on the ground surface along this section. The pipeline will have existing plant growth pulled away from the exposed portion so that it can be lifted from the ground by a back-hoe or excavator and supported to facilitate cutting into manageable sections. Sections will be loaded onto a truck or trailer stationed along the service road and hauled out. The existing service road may require minor improvement (gravel surfacing) to accommodate the pipeline removal activity.

Buhne Slough skirts the marsh area (along the base of the bay levee) to northwest of the bridge (Buhne Slough connects directly to King Salmon Slough via a top-hinge culvert tidegate located approximately 150-feet west of the bridge) and then turns south to where the pipeline crosses Buhne Slough for the second time at the mudflat/marsh interface. At this point, the pipeline free-spans over Buhne Slough and passes through the levee. In addition to the pipeline spanning over the slough, a wood pole foot-bridge also spans here. Both pipeline and foot-bridge removal from the slough channel is proposed by attaching a boom/crane sling to the span segment and then cutting the segment off at each bank. The pipeline is encased within a concrete block on the east bank of the slough. The concrete block is mostly exposed and will be lifted back towards the bank and removed. Crews will work from the top of the slough banks and from the service road to accomplish these activities to minimize impacts to the slough banks and channel. To avoid compromising the integrity of the levee, that segment will be abandoned in place. The abandoned section will be cleaned, filled with slurry, and capped on both ends.

The pipeline sits along the surface or is partially buried within the tidal mudflat out to about the point (the turning point) where it begins to drop off into the deepwater bay

channel. Removal of this portion of pipeline located within the mudflat and bay channel is proposed by the following methods:

Crews will make several strategic cuts to facilitate safe removal and to minimize impacts to the tidal mud flats and bay channel. Abatement and cutting of the pipe will generally be performed during low tide events. The initial cuts will be made at the bay levee, then at the turning point in the pipeline, and finally at the Olson's Wharf riser. The cut ends will be capped or plugged with industrial pipe plugs for pipeline removal. Secondary containment plastic sheets will be used to prevent any inadvertent releases at all pipe cuts. As each pipe section is cut free, the cut ends will be wrapped in plastic wrap to protect the exposed ends of the asbestos containing pipe wrapping. The pipeline segment between the bay levee and the turning point will be floated at high tide events and removed by pulling the cut segment towards the levee.

Crews will work at low tide to hand secure floats/skids under the pipeline from the bay levee to the Turning Point; these floats create buoyancy and effectively help to lift the pipeline out of the mud to facilitate removal. The pipeline would then be attached to a cable pull line that will be attached to a diesel winch or air tugger to pull the pipeline over the levee during a high tidal event. An abatement structure will be located on the levee and the pipeline will be pulled through the structure, abated, and cut in 18 foot segments for disposal. The pipe segments will be double wrapped in 6 mil polyethylene sheet and placed in transportation containers for disposal.

The segment between the Olson's Wharf and the Turning Point will be uncovered and removed using one or more excavator(s) mounted on work barges or flotation device. The pipe segment from the Turning Point to Olson's Wharf will require the movement of approximately 3,100 cubic yards of overburden that covers the pipe (burial depth is up to 20 feet). Excavators on barges will be used to remove the sediment. Floating booms with attached silt curtains will be used to contain turbidity within the excavation and staging locations. Certified underwater SCUBA team members will assist in the installation, demobilization and movement of the silt curtain. It is anticipated that removed trench sediments will be winnowed next to the pipeline trench along the bay channel floor for use as trench backfill after the pipeline is removed. The exposed pipeline segment will be lifted onto the floating work barge, abated and cut into manageable lengths. The pipe sections will then be transported to the wharf for placement into transportation containers for disposal. Sediment samples will be collected at 50 foot intervals or more frequently, and at bends and joints in the pipeline.

Floating booms with attached silt curtains will be installed surrounding aquatic work areas to contain turbidity within marine environments. Certified underwater SCUBA team members will assist in the installation, demobilization, and movement of the silt curtain. Silt fencing will be erected along the pipeline removal work area boundaries within the marsh habitat and adjacent to all three slough crossings to contain soil and sediment that is disturbed during the removal process. The three waterway crossings (King Salmon Slough and twice over Buhne Slough) do not require in-channel work to remove the pipeline and do not require dewatering or flow diversion. Should removal

activities require any in-channel work; crews will install silt fencing within the active channel up and down stream of the work area to prevent turbid water from flowing out of the work area. A sand bag coffer dam will be hand-placed upstream and downstream of the crossing (within the sediment barriers) to temporarily isolate the work area. Any standing water within the work area will be dewatered to the adjacent land surface. Vegetation that exists along the pipeline alignment may require trimming or removal to accommodate the pipeline removal. Impacts to large shrubs and trees over six-inches diameter at breast height will be avoided and will only be removed if absolutely necessary.

The initial step in the pipeline removal process involves draining the fluid from the pipeline. The drainage process will be started at the plant end of the pipeline, the highest point, and then will go to the dock to vacuum drain the lowest point between the Wharf and the Turning Point. Liquids drained from the pipeline (estimated at approximately 30,500 gallons) will be temporarily placed into holding tanks located at the HBPP. The liquid will be subsequently tested and processed through the HBPP water treatment system.

The outer somastic wrap of the insulated pipe contains three percent asbestos. Where cutting is needed, the somastic wrap will be abated using appropriated abatement methods to contain the asbestos. Exposed ends of the remaining pipe wrap will be sealed with two layers of six mil polyethylene when necessary. The removed pipeline with outer wrap will be hauled out of the project area and disposed/recycled accordingly. Soil from excavation of the land portions of the alignment will be tested for presence of contaminants before backfilling. Contaminated soil will be hauled away for disposal at an appropriate location.

Pipeline removal areas along terrestrial portions of the alignment will be restored to pre-project conditions by returning the ground to previous grade and contour and re-seeding/re-planting as necessary. Aquatic portions of the alignment (mudflats and deep water channel) will also be returned as close as possible to the surrounding grade and contour.

The proposed project will result in 0.38 acre of temporary impacts to bay floor sediments between the turning point and Olson's Wharf, 0.06 acre of temporary impacts to mudflat and eel grass beds, and 0.028 acres of temporary impacts to salt marsh habitat. Compensatory mitigation is not required for the temporary impacts to wetlands. Noncompensatory mitigation includes restoration of disturbed surfaces to conform to surrounding slopes and grades, removal of non-native and invasive plants to the extent practicable, revegetation with appropriate eel grass and wetland species, and monitoring to ensure that planted vegetation is self sustaining by the end of the five-year monitoring period. Noncompensatory mitigation also includes the use of Best Management Practices for sediment and turbidity control and for operation of heavy equipment in wetlands and Humboldt Bay. The proposed project is scheduled to begin as soon as all necessary permits and authorizations are obtained. The project is expected to take three months to complete.

The applicant has applied for authorization from the United States Army Corps of Engineers to perform the project under Nationwide Permit No. 12 (File No. 2007-00792N), pursuant to Clean Water Act, section 404. A Lake or Streambed Alteration Agreement from the California Department of Fish and Game is not required. The Humboldt Bay Harbor, Recreation and Conservation District prepared a Mitigated Negative Declaration (SCH No. 2008052111) for the proposed project in order to comply with CEQA. The Regional Water Board has considered the environmental document and any proposed changes incorporated into the project or required as a condition of approval to avoid significant effects to the environment.

The information contained in this public notice is only a summary of the applicant's proposed activities. The application for Water Quality Certification in the Regional Water Board's file contains additional details about the proposed project including maps and design drawings. The application and Regional Water Board file are available for public review.

Regional Water Board staff are proposing to regulate this project pursuant to Section 401 of the Clean Water Act (33 USC 1341) and/or Porter-Cologne Water Quality Control Act authority. In addition, staff will consider all comments submitted in writing and received at this office by mail during a 21-day comment period that begins on the first date of issuance of this letter and ends at 5:00 p.m. on the last day of the comment period. If you have any questions, please contact staff member Dean Prat at (707) 576-2801 within 21 days of the posting of this notice.