235 Montgomery Street, Suite 935, San Francisco, CA 94104-3002
Tel. 415-955-4775, Fax 415-955-4776, www.aspeneg.com

PROJECT MEMORANDUM
PG&E – TRI-VALLEY 2002 CAPACITY INCREASE PROJECT

To: Jensen Uchida, CPUC
From: Vida Strong, Aspen Project Manager
Date: November 22, 2006
Subject: Final Walk-Through Report: October 13, 2006 & October 17, 2006

CPUC Environmental Monitor (EM): Anne Sweet Coronado

Mainline construction of the project is complete. PG&E energized the Phase Three segment on Friday, September 29th. NVC crews continued to conduct site cleanup and restoration activities. The CPUC EM, CPUC Lead EM, Opus and PG&E representatives met for a final walk-through of the project on Friday, October 13th. A minor punch list was compiled and the CPUC EM returned to the site on October 17th to assess progress on addressing these outstanding items. The construction of two additional mitigation areas remain and are tentatively scheduled to begin in the spring of 2007. A Variance Request is currently being prepared to address the schedule change in regard to completion of the project.

Due to landowner and access issues, as well as physical access constraints, Towers #2 through #12 were not toured during the final walk-through. PG&E has provided photo-documentation of the tower sites to the CPUC and Aspen. Additional photographs will be submitted by Opus showing the completion of the outstanding punch list items listed at the end of the section.

The October 13th tour began at the Cayetano Substation and progressed north along the underground alignment. Along the alignment between Vaults 2 and 4 the backfill of the eastern trench and vault areas show poor vegetative cover (see Figure 1). The areas appear to have been over-compacted during construction and stringing operations. PG&E committed to disc the area. The CPUC EM confirmed that the area had been disced during the follow up visit conducted on October 17th (see Figure 2).

Grass seeding had occurred last year after installation of the underground line. However, some areas appeared to need additional seeding prior to the next rainy season. NVC hand seeded some areas including the steep slope west of Vault 5 (see Figure 3).

The October 13th tour progressed along Road 5. The CPUC EM identified a stretch of torn silt fence which needed to be removed. Silt fence is currently installed along most of the length Road 5 to protect Cayetano Creek, which runs adjacent to the road. Because fairly recent road widening work has occurred along Road 5, the silt fence shall be left in place until the end of the next rainy season.

The October 13th tour progressed along Road 7 where hay bales previously installed to protect culvert areas were still in place the time of the tour (see Figure 4). PG&E agreed to cut and remove the bailing, and will let the bales disintegrate in place. The Vault 6 pad, which lies along Road 7, showed pour cover at the time of the tour and PG&E provided that it will be de-compacted and seeded (see Figure 5). The cut slope above Vault 7 also showed poor cover. A decision was made to leave the installed straw wattles in place over the next rainy season for slope stability. The area will also be reseeded (see Figure 6).

During construction activities on September 18th, spoils were deposited and compacted adjacent to the base of Road 6 in order to create a new turnaround area at the request of the land owner. The work occurred approximately 50 feet from Cayetano Creek, a sensitive resource area and CDFG jurisdictional waterway. PG&E reported to have had no prior knowledge that NVC crews were conducting the turnaround area work. On October 5th, NVC removed the compacted dirt to the original contour where the

existing vegetation was still intact. During the final walk-through it was decided to remove the mesh encased straw wattles which were installed around the area, because the installation occurs so close (within 20 feet) of California Red Legged Frog (CRLF) habitat. It was also decided that discing would not be appropriate at the location because it serves as prime aestivation habitat. PG&E provided that they will seed and spread straw over the area.

The October 13th tour progressed up Road 6 which ends at the Transition Station (see Figure 7). The CPUC EM noted that areas directly off Road 6 which had been used as approved staging locations appeared disturbed. PG&E provided that they will restore the areas. During early October, NVC crews removed a large number of wattles installed prior to last winter along Roads 6 and 7. A dumpster was brought on-site for the used materials and will be hauled off. Some wattles were purposely not removed and will remain in place along a swale downslope of Road 6 through the winter. PG&E will continue to inspect the project areas for erosion throughout the nest rainy season. Erosion controls will be maintained and removed as needed.

The tower staging and assembly laydown yard off Doolan Canyon Road was also inspected (see Figure 8). The laydown area looked good and PG&E noted that the population of invasive star thistle appears reduced compared to pre-construction. A star thistle abatement program is active in the area and many of the property owners participate.

The October 13th tour progressed along Moller Road. NVC crews have removed a spoils pile along Moller Road and plan to seed and project straw over the area. Most of the erosion controls have been removed. During the follow up tour on October 17th an area downslope of Moller was identified where erosion controls should remain in order to protect a slope in close proximity to Tassajara Creek (see Figure 9). The PG&E EM provide that the area will be seeded and a non-monofilament mat will most likely be installed for stabilization. During the October 13th tour, PG&E provide that NVC will hydro seed the area around the substation wall that was disturbed during irrigation line and landscape installation. Crews were seeding the area during the follow up tour on October 17th (see Figure 10). The area around Tower #1 was re-contoured and on October 17th the area was also seeded (see Figure 11).

PG&E contractors continue to water the landscaping around the North Dublin Substation. A Martel Water Systems crew had conducted well drilling for site irrigation; however, after drilling a very deep (over 500 hundred feet) well, they failed to find ground water. The crew abandoned the well location and grouted the hole. They will be drilling at another location at the opposite corner of the site once the county permits are received. The CPUC requested to be notified prior to drilling operations.

The October 13th tour progressed along the mitigation site access road. The engineered pond at the mitigation site is now dry (see Figure 12).

The project Biological Opinion conditions and requirements, resulting from continued correspondence with USFWS, had directed that biologists escort crews within 200 feet of known and potential CRLF and CTS habitat between October 31st and April 30th. Biologists are not currently escorting vehicles along Road 5 or Moller Road; however, these areas continue to be swept by a biologist during restoration activities, which should be completed up by October 31st.

On October 17, Opus Environmental provided a punch list and stated that all of the following items are scheduled for completion within the next two weeks:

- The area surrounding vaults and access points between Vaults 2 and 5 will be decompacted (disced). The final success of vegetative cover will be assessed after the rainy season.
- The non-serviceable silt fence along Road 5 will be removed. However, the remaining silt fencing along Road 5 will be left in place during the rainy season and will be removed in the spring.

- Hay bales located near culvert inlets/outlets throughout the project area will be broken down and spread out.
- The recently installed straw wattle located near the Road 6 crossing of Cayetano Creek will be removed.
- Silt fence and straw wattles near small wetland on Moller Road will be removed.
- Hydroseeding will be conducted at the following areas (straw will be spread on top where appropriate):
  - end of Road 7 (Vault 6 area)
  - large slope cut along Road 7 (above Vault 7)
  - area near Road 6 crossing of Cayetano Creek
  - two small areas between Cayetano Creek and the hill on Road 6
  - area near slope repair areas on Road 6
  - areas lacking vegetation surrounding the North Dublin Substation
  - area where crane pad was located beneath Tower 1
  - any other small areas showing poor vegetation growth
- All erosion control materials left in place during the rainy season and will be removed in the spring.

PHOTOGRAPHS

Figure 1 – Underground trench alignment showing poor grass growth, October 13, 2006.

Figure 2 – Recently disced Vault 2 and extended underground alignment area, October 17, 2006.

Figure 3 – Hand-seeded trench line extending up from the Vault 5 area, October 13, 2006.

Figure 4 – Intact hay bales protecting a culvert area along Road 7, October 13, 2006.

Figure 5 – Vault 6 area along Road 7, October 13, 2006.

Figure 6 – Cut slope above Vault 7 along Road 7, October 13, 2006.

Figure 7 – Transition Station, October 13, 2006.

Figure 8 – Staging area location along Doolan Canyon Road, October 13, 2006.

Figure 9 – Area downslope of Moller Road, October 17, 2006.

Figure 10 – NVC crews hydro-seeding the area around the North Dublin Substation pad, October 17, 2006.

Figure 11 – NVC crews hydro-seeding the graded pad area around Tower #1, October 17, 2006.

Figure 12 –Mitigation Pond, now currently dry, October 13, 2006.