

	California Public Utilities Commission <i>Mitigation Monitoring, Compliance, and Reporting Program</i>
	Central Valley Gas Storage Project Compliance Status Report 04 June 10, 2011

SUMMARY

The California Public Utility Commission (CPUC) is responsible for overseeing implementation of the mitigation measures set forth in the final initial study/mitigated negative declaration (FIS/MND) for the Central Valley Gas Storage (CVGS) project. The CPUC has established a third-party monitoring program and adopted a Mitigation Monitoring, Compliance, and Reporting Program (MMCRP) to ensure that measures approved in the FIS/MND to mitigate or avoid significant impacts are implemented in the field. This MMCRP status report is intended to provide a description of construction activities on the project, a summary of site inspections conducted by the CPUC’s third-party monitors, the compliance status of mitigation measures required by the MMCRP, and anticipated construction activities. This compliance status report covers construction activities for the period of May 28, 2011 to June 10, 2011.

MITIGATION MONITORING, COMPLIANCE, AND REPORTING

Site Inspections/Mitigation Monitoring

A CPUC third-party environmental compliance monitor conducted site observations in areas of active construction, which included the 10-acre compressor station, 5-acre remote well pad site, and three observation well locations. Site observations were completed on June 2 and 9, 2011. Areas of active and inactive construction within the project limits were observed to verify implementation of the measures stipulated in the project’s MMCRP. Daily observations were documented on daily site inspection forms, and applicable mitigation measures were reviewed in the field.

Implementation Actions

Completion of Grading at Compressor Station Site and Remote Well Pad Site, Connection to PG&E Gas Line 172, Observation Well Conversions, and Drilling Operations at the Remote Well Pad Site associated with Injection/Withdrawal Wells

Construction activities at the remote well pad site undertaken during the period covered by this report included equipment mobilization (placement of drilling rig and associated work trailers) for drilling the

Injection Wells, initiation of Injection Well drilling activities, and excavation/trenching associated with the connection to Pacific Gas & Electric (PG&E) gas line 172 (see Photos 1 & 2 – Attachment A).

Work being conducted at the compressor station site during the period covered by this report included the completion of grading operations (see Photo 3 –Attachment A), completion of the driving of construction piles, and the installation of a culvert beneath Southam Road just west of McAusland Road. Work associated with observation well conversion activities included site preparation, grading, and conversion of the Southam #3 well (see Photo 4 –Attachment A) and the Southam #4 well.

Fugitive dust emissions at both sites were minimal during earthwork activities because two water trucks were used to water down access roads (see Photo 5 – Attachment A). Crews have placed best management practices (BMPs) around the perimeter of the work area, consisting of a silt fence to minimize the potential for sediment to be transported beyond the work limits. Silt fences were observed to be in good working order throughout the site. Exclusion fencing has also been placed within areas adjacent to the approved work limits at the direction of the CVGS biologist to ensure that direct impacts to sensitive habitat do not occur during construction (see Photo 6 – Attachment A).

Dirt haulers are still being used to import soil at the compressor station site. Dirt haulers were observed to be covering loads, trucks drove through the operational tire washer and rattle plate and track out at project access points was being swept at the end of the workday.

Mitigation Measure Tracking

Mitigation measures applicable to the construction activities were verified in the field and documented in the CPUC's mitigation measures tracking database. A complete list of mitigation measures and applicant proposed measures is included in Section 6 of the FIS/MND (Certification of Public Convenience and Necessity (CPCN) Application A.09-08-008, SCH No. 2010042067). The status of each mitigation measure, including measures applicable to the design and pre-construction phases, is included in the project's mitigation measure tracking database, which is available upon request.

Compliance

Pre-construction mitigation measures have been completed as indicated in Notice to Proceed (NTP) No. 1, No. 2, No. 5A, No. 6A, No. 6B, No. 6D, No. 9A and No. 10A (Attachment B). Applicable mitigation measures were verified during site inspections and were determined to be implemented in accordance with the MMCRP.

CONSTRUCTION PROGRESS

CVGS has completed pad site preparation and grading at the compressor station and remote well pad sites. Grading work for observation well conversions (Southam #2, #3, and #4 and Sara Louise #1) has begun and is expected to continue through September 2011. Injection/withdrawal well drilling has begun at the remote well pad site and is expected to continue through August 2011. Initial site preparation for

installation of civil foundations, piping systems, and associated equipment at the remote well pad site has begun, but has not yet been completed.

CONSTRUCTION SCHEDULE

Compressor Station – CVGS began construction on April 11, 2011, and anticipates completion of construction by April 2012.

Remote Well Pad Site (includes saltwater tank) – CVGS began construction on April 11, 2011, and anticipates completion of construction by December 2011.

Observation Well Conversions – CVGS anticipates starting construction on May 31 and completing construction by October 2011.

Saltwater Disposal Well – CVGS anticipates starting construction on May 13 and completing construction by December 2011.

Metering Station – CVGS anticipates starting construction on June 1 and completing construction by August 2011.

Natural Gas Connecting Pipeline (Segment A) – CVGS anticipates starting construction on July 1 and completing construction by January 2012. Preparation of the Natural Gas Connecting Pipeline (Segment A) right-of-way is expected to begin on April 18 and to be completed by June 2011.

Natural Gas Connecting Pipeline (Segment B) – CVGS anticipates starting construction on July 11 and completing construction by October 2011.

Line 172 Connection Pipeline – CVGS began construction on May 16 and completing construction by December 2011.

ATTACHMENT A

Photos



Photo 1: Drilling rig set up at the remote well pad site.



Photo 2: PG&E gas line 172 connection at the remote well pad site.

ATTACHMENT A (Continued)



Photo 3: Completed grading at the compressor station site. Note silt fence intact at edge of construction area (at left edge of photo).



Photo 4: Graded area at the Southam #3 observation well.

ATTACHMENT A (Continued)



Photo 5: Dust control measures being implemented at the remote well pad site.



Photo 6: Exclusion fencing at the western edge of the remote well pad site to ensure protection of sensitive habitats.

ATTACHMENT B Notices to Proceed

NTP No.	Date Issued	Segment/Component	Conditions Included (Y/N)
1	March 21, 2011	Compressor Station, Remote Well Pad, and Observation Wells	Y
10A	April 18, 2011	Berm Installation for Preparation of Natural Gas Pipeline Right-of-Way	Y
9A	May 11, 2011	Test Boring at Horizontal Directional Drilling (HDD) Locations along 24-inch Pipeline Alignment	Y
2	May 13, 2011	Southam #3, #4, and Sara Louise #1; inspection and work-over activities	Y
6A	May 16, 2011	L-172 meter and interconnection	Y
5A	May 17, 2011	Drill up to 10 injection/withdrawal wells at remote well pad site	Y
6B	May 31, 2011	Remote well pad civil foundations, piping systems, temporary compressor, and equipment installation	Y
6D	May 31, 2011	Pacific Gas & Electric electrical pole relocation on Southam Road and new electrical pole installation on McAusland Road	Y

ATTACHMENT C Variance Requests

Variance Request #	Submitted	Description	Status	Approval
1	April 6, 2011	Realignment of the 24-inch gas pipeline, including the Southam Pipeline, Weller Pipeline, and Perez Pipeline will be performed. The intent of realignment is to minimize impacts to irrigation systems and agricultural lands.	Approved	April 25, 2011