



Central Valley Gas Storage LLC
3333 Warrenville Road
Suite 300
Lisle, IL 60532

Phone 630 245-6150
Fax 630 245-7835
Internet www.CVGasStorage.com

June 28, 2011

Mr. Eric Chiang
California Public Utilities Commission
505 Van Ness Ave, 4th Floor
San Francisco, CA 94610

Subject: Central Valley Natural Gas Storage Project – Request for Issuance of a Notice to Proceed (NTP #10b) to Conduct Right-of-Way Preparation for the Pipeline System

Dear Eric:

Central Valley Gas Storage, LLC (CVGS) is requesting the CPUC's issuance of a notice to proceed (NTP #10b) to complete preparation of the right of way (ROW) for the natural gas pipeline system which includes the 24-inch gas pipeline, 16-inch dual gas gathering line, and Line 401 interconnection. This work area occurs between the compressor station and PG&E's Line 401 (west of the meter station) and is shown on the attached biological survey map set that is provided with this NTP request. To support this NTP 10b request for pipeline ROW preparation and future NTPs associated with construction of the natural gas pipeline system (NTPs 4, 9b, 11, and 13), we are providing the following submittals:

1. A table (Table 1) that summarizes applicant proposed measures (APMs) and mitigation measures applicable to preparation of the pipeline ROW and future construction of the pipeline system.
2. Exhibit 4 from the construction contract that describes environmental specifications (see reference to APMs and mitigation measures in Table 1).
3. Engineering drawings for the pipeline system which includes plan profiles with existing elevations (in compliance with APM AGRI-2).
4. A copy of the Lake and Streambed Alteration Agreement (LSAA) from the California Department of Fish and Game (DFG) (in compliance with APMs BIO-2 and BIO-13, and Mitigation Measures BIO-1, BIO-2, and BIO-3).
5. A copy of the Frac-Out Contingency Plan (required by DFG as a condition of the LSAA).
6. Biological report and associated maps that document biological resource survey methods and findings for the pipeline system (required by APM BIO-3, BIO-4, BIO-7, BIO-8, BIO-9, BIO-10, BIO-11, BIO-12, and BIO-14).

7. A copy of the Dewatering and Discharge Plan (required by APM HYDRO-2).
8. Documentation of coordination with the Central Valley Regional Water Quality Control Board (RWQCB) regarding the appropriate approval required to discharge water produced by hydrotesting of the pipelines (compliance with Mitigation Measure U-1).
9. Documentation of coordination with landowners that have orchard trees within 15 feet of the canopy dripline of agricultural trees (compliance with Mitigation Measure AG-3).
10. Documentation of coordination with the National Wildlife Refuge (compliance with APM REC-1).

In compliance with Mitigation Measure AG-2, CVGS' ROW agent (PPC Land) has been and will continue to coordinate with all landowners along the pipeline alignment. This coordination effort includes sending letters to landowners, calling and discussing access issues with landowners, and documenting concerns.

Please let me know if you have any questions.

Regards,

A handwritten signature in black ink that reads "Jim Kiefer". The signature is written in a cursive, flowing style.

Jim Kiefer
Director Project Development
Central Valley Gas Storage

CC:
Tim Hermann/Nicor Enerchange
David Hochart/Scott Eckardt, Dudek
Homer Savage, Fluor
Sue Bushnell Bergfalk, ICF International