

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND
COMPLIANCE DIVISION
Energy Branch

RESOLUTION G-2964
SEPTEMBER 25, 1991

R E S O L U T I O N

RESOLUTION G-2964. SOUTHERN CALIFORNIA GAS COMPANY'S REQUEST FOR COMMISSION APPROVAL TO RECORD IN AN INTEREST BEARING ACCOUNT REMEDIATION COSTS UP TO \$1,191,000 FOR OLYMPIC BASE TOWNE GAS SITE.

BY ADVICE LETTER 2057 FILED ON JULY 9, 1991.

SUMMARY

1. Southern California Gas Company (SoCalGas) requests approval to record in an interest bearing memorandum account expenses for remedial work at its Olympic Base Towne Gas Site in an amount not to exceed \$1,191,000.
2. This Resolution grants the requests.

BACKGROUND

1. An oil-gas plant was constructed on this site in 1907. SoCalGas took over the control and operation of this site in 1910, and continued operations until 1927. From 1927 until 1952 the oil-gas plant was operated only to provide gas in emergencies.
2. The operation of an oil-gas plant on this site has resulted in soil contamination by polynuclear aromatic hydrocarbons which are listed as a hazardous substance.
3. SoCalGas has stipulated to a Consent Order in administrative proceeding brought by the Department of Health Services, Health and Welfare Agency. This proceeding was Docket No. HSA 86/87-014-RA; with the Order becoming effective December 19, 1986.

NOTICE

1. Public notice of this Advice Letter has been made by publication in the Commission's Calendar on July 15, 1991, and by mailing copies of the Advice Letter to other utilities and government agencies.

PROTESTS

1. No protests to this Advice Letter have been received by Commission Advisory and Compliance Division.

DISCUSSION

1. Legislation, both federal and state, impose requirements for the cleanup of sites contaminated by hazardous substances. The current property owner, with any contributor to the contamination, is financially liable for the costs of this cleanup. National Oil and Hazardous Substances Pollution Contingency Plan Title 40 Code of Federal Regulations (CFR) 300.61 et. seq., Resource Conservation and Recovery Act Hazardous Waste Regulations Title 40 CFR 260 et. seq., Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 amended and reauthorized in 1986, California Environmental Quality Act Public Resources Code (PRC) 21000 et. seq., Hazardous Substance Account Act California Health and Safety Code (H&S) Division 20 Chapter 6.8, and California Hazardous Waste Regulations Title 22 of the California Code of Regulations.
2. SoCalGas has been the owner of this site since 1910 and operated an oil-gas plant on the site for seventeen years.
3. Operation off the oil-gas plant, as a byproduct of operation, resulted in the production of various heavy oils which have contaminated the soil at this location. These heavy oils are now recognized as hazardous substances.

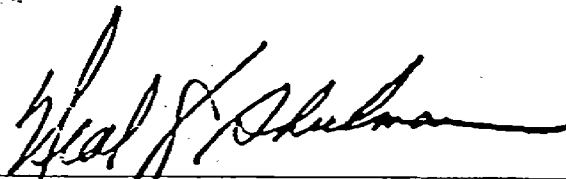
FINDINGS

1. There is site contamination by polynuclear aromatic hydrocarbons, which are considered a hazardous substance.
2. SoCalGas, and its predecessor, in operating the oil-gas plant made a significant contribution to this site contamination.
3. SoCalGas has signed a Consent Order with the California Department of Health Services, obligating itself to undertake and complete the hazardous waste removal from this site.

THEREFORE, IT IS ORDERED that:

1. Southern California Gas Company is authorized to record in an interest bearing Memorandum Account costs for the remedial work required at the Olympic Base Town Gas Site.
2. Southern California Gas Company is limited to recording a maximum of one million one hundred ninety-one thousand dollars (\$1,191,000) into this Memorandum Account.
3. Proceedings to determine the reasonableness and prudence of the entries into this Memorandum Account shall be done at a later date.
4. Advice Letter 2057 shall be marked to show that it was approved by Commission Resolution G-2964.
5. This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on September 25, 1991. The following Commissioners approved it:



Neal J. Shulman
Executive Director

PATRICIA M. ECKERT
President
JOHN B. OHANIAN
DANIEL Wm. FESSLER
NORMAN D. SHUMWAY
Commissioners

I abstain

G. MITCHELL WILK
Commissioner