October 14, 2011

Ms. Christine Stora
Compliance Project Manager
California Energy Commission
1516 9th Street
Sacramento, CA 95614

RE: Grimes Pipeline Project Amendment 97-AFC-02
Staff Assessment Proposed Conditions of Certification

Dear Ms. Stora:

At our September 27, 2011 meeting, Calpine Construction Finance Company, L.P. and CPN Pipeline Company ("Project Owner") discussed with Staff the Staff Analysis of Proposed Modifications to Install the Sutter Grimes Pipeline. One of the matters discussed was possible revision to the Staff’s proposed conditions of certification that would allow the Project Owner the option of conducting a geoarchaeological assessment of the Grimes Pipeline Project and tailoring the archaeological and paleontological monitoring programs to focus on those areas that have the potential to contain buried archaeological or paleontological deposits.

Upon further review of the Staff Analysis, we believe that Staff’s proposed conditions currently provide the CPM with the authority to approve such an approach, without the need to further revise the Staff’s proposed conditions. Proposed CUL-15.6 provides, “[i]n the event that the CRS believes that the current level of monitoring is not appropriate in certain locations, a letter or e-mail detailing the justification for changing the level of monitoring shall be provided to the CPM for review and approval prior to any change in the level of monitoring.”

Therefore, under the currently proposed condition, the CPM would have the authority to approve a change to a lesser level of monitoring where the Project Owner adequately justifies the proposed change in the level of monitoring. At our recent meeting, Staff and Applicant agreed that the results of a properly performed geoarchaeological assessment could provide justification for a change in the level of monitoring. As such, we believe that the CPM has the authority to proceed under the currently proposed CUL-15.6 to review and approve a geoarchaeological assessment and approve any changes in monitoring levels accordingly.
The Staff’s proposed paleontological resources condition PAL-8 allows the
designated paleontological resource monitor (“PRM”) to monitor only those areas where
remnant river terrace deposits have been found, and Sutter Condition PAL-3 gives the
PRM the authority to discontinue monitoring in a location where it is determined that the
likelihood of encountering fossil resources is slight. A geoarchaeological assessment
would determine those areas where remnant river terrace deposits are found, and
therefore also support a PRM decision to reduce monitoring to less than full-time.

Under the geoarchaeological assessment approach, the Project Owner would
contract with qualified archaeologists to conduct a geoarchaeological assessment of the
Grimes Pipeline Project. The geoarchaeological assessment would build on the
information contained in Appendix G of the Grimes Pipeline Amendment via three tasks:
1) expanded literature review, 2) excavation and field documentation of trenches, and 3)
preparation and review of a geoarchaeological assessment report. The literature review
would examine pertinent soil survey data, geologic mapping, archaeological and
paleontological studies, and geotechnical reports. This review would enable the
investigative team to site trenches with maximum efficiency and aid in the interpretation
of field observations. Several trenches would be excavated via backhoe to a depth of
seven feet below ground surface and of sufficient length to characterize soil and
geomorphic conditions along the Grimes Pipeline Project. A Native American monitor
would accompany the archaeologists during field investigations. The archaeologists and
Native American monitor would rake through sediments excavated from the trench to
detect archaeological materials. Stratigraphic and other observations would be made from
within and outside the trenches via photography, soil texture and color characterization,
drawn profiles, and visual search for archaeological materials. Additionally, sufficient
soil organic matter or wood samples would be collected for radiocarbon assays, so that
the age of stratigraphic units can be determined. The geoarchaeological assessment report
would document the methods and findings of the investigation. We anticipate that the
assessment would be completed prior to the start of construction.

Should the geoarchaeological assessment determine that little or no potential
exists in the project area for buried archaeological or paleontological deposits, and the
CPM and PRM agrees, then full-time archaeological and paleontological monitoring
should not be required. Instead, the cultural resource specialist and PRM would remain
on-call in the event that an inadvertent archaeological discovery occurs.

If you agree that the Staff’s currently proposed conditions would grant you the
authority to discontinue full-time cultural monitoring, and supports a determination by
the designated paleontological resource specialist to discontinue monitoring, under the
aforementioned conditions, then no further revisions to the Staff’s proposed conditions
are necessary and this Petition, under the terms set forth in the Staff Assessment, should
be scheduled for adoption by the Commission at its next Business Meeting.
Please contact me at (925) 557-2238 if you have any questions.

Sincerely,

[Signature]

Barbara McBride
Western Regional Director, Environmental Health and Safety