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February 16, 2010

Craig Hoffman Project Manager California Energy Commission 1516 Ninth Street, MS 15 Sacramento, CA 95814-5512 Stakeholder Correspondence-California Energy Commission

DOCKET

09-AFC-3

DATE FEB 16 2010

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Subject: Comments on the Mariposa Energy Project (09-AFC-03)

United States Army Corps of Engineers Wetland Delineation Amendment for the

Mariposa Energy Project - Field Verification Including the

Alternative Water Supply Pipeline Route
Chevron Environmental Management Company

Historical Pipeline Portfolio-Bakersfield to Richmond

Dear Mr. Hoffman:

Chevron Environmental Management Company (CEMC) recently became aware of the Mariposa Energy Plant Project and the Unites States Army Corps of Engineers (USACE) Wetland Delineation Amendment, which proposes an Alternate Water Supply Pipeline (AWSP) route for the energy project. The purpose of this letter is to notify the California Energy Commission as to the location of formerly active crude-oil transportation pipelines with respect to the AWSP route location (Figure 1), and to provide information about the former pipelines. Information regarding the location and construction of these pipelines should be incorporated into the final engineering and environmental plans.

Portions of the former crude-oil pipelines known as the Old Valley Pipeline (OVP) and Tidewater Associated Oil Company (TAOC) systems existed within portions of the proposed AWSP route. Based on the USACE Wetland Delineation Amendment, the proposed AWSP route will parallel the former OVP and TAOC alignments along a 2.5-mile stretch of Byron Road in San Joaquin County.

The OVP was installed in the early 1900s and carried crude oil from the Kern River Oil Fields in and near Bakersfield to the Richmond Refinery until pipeline operations ceased in the 1940s. The TAOC system was also constructed in the early 1900s and transmitted crude oil from the southern San Joaquin Valley to the Bay Area until the 1970s.

The pipelines were originally installed at depths ranging from 18 inches to 10 feet below ground surface. The steel pipelines were typically encased in a protective coating composed of primer, coal tar, and asbestos-containing felt material (ACM). When pipeline operations ceased, the pipelines were taken out of commission. The degree and method of decommission varied; in some instances the pipelines were removed, while in others they remain in place.

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Evidence of historic releases associated with the former OVP and TAOC systems is sometimes identified during the course of underground utility work and other subsurface construction activities near the former pipeline rights of ways (ROWs). Residual weathered crude oil associated with former OVP and TAOC pipeline operations can usually be observed visually; however, analytical testing is necessary to confirm the identity of the affected material. Analytical results from risk assessments performed by CEMC at numerous historical pipeline release sites confirm that soil affected by the historic release of crude oil from the pipelines is non-hazardous, and does not pose significant risks to human health.

Figure 1 illustrates the area where the proposed AWSP will coincide with the former OVP and TAOC ROWs. The proposed AWSP route transects two former CEMC investigation sites where releases related to the former OVP and TAOC pipelines have been documented. Please visit the California State Water Resources Control Board Geotracker website at http://geotracker.swrcb.ca.gov/ for more information regarding the following sites:

- Mountain House Site #1 (site ID # SL0607789794)
- Mountain House Site #2 (site ID # SL0607797863)

CEMC recommends that the project proponent be prepared to address residual weathered crude oil, pipelines, and ACM from the former OVP and/or TAOC systems during subsurface construction activity. This potentiality is easily managed with some advanced planning. CEMC would appreciate being informed of progress regarding the proposed project, any encountered petroleum, pipelines, and pipeline-related ACM, and any additional planned construction and land development projects in the vicinity of the former OVP and TAOC ROWs.

For more information regarding these historic pipelines, please visit http://www.hppinfo.com/. If you have any questions, require additional information, or would like to request more detailed maps, please call SAIC consultants Tom Burns at (916) 979-3748 or Daniel Anzelon at (858) 826-3316.

Sincerely,

Lee Higgins

LPH/klg

Enclosure:

Figure 1. Historical Pipeline Alignments – Mariposa Energy Project

cc: Mr. Tom Burns – SAIC

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Mr. Mike Jenkins – SAIC (letter only)

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