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**PROJECT MEMORANDUM  
LODI GAS KIRBY HILLS NATURAL GAS STORAGE FACILITY PROJECT**

**To:** Junaid Rahman, CPUC  
**From:** Vida Strong, Aspen Project Manager  
**Date:** November 30, 2006  
**Subject:** Weekly Report #27: November 19, 2006 – November 25, 2006

**CPUC ENVIRONMENTAL MONITOR (EM):** Jody Fessler

CPUC EM Jody Fessler was on site November 20<sup>th</sup>.

**PIPELINE SEGMENT:**

**Summary of Activity:**

All 16-inch pipeline work has been completed, as well as right-of-way cleanup. All of the affected landowners have signed off on the work as acceptable.

The cleanup of the staging area off Shiloh Road is complete; equipment and materials have been moved off the site and the area tilled per the specifications of the landowner.

**Environmental Compliance Activities:**

The CPUC EM observed that construction activities were in compliance with mitigation measures adopted in the MND and other permit requirements.

**WELL SITES:**

No work occurred at the well sites during the subject week (see Figure 1).

**Environmental Compliance Activities:**

The CPUC EM observed that construction activities were in compliance with mitigation measures adopted in the MND and other permit requirements.

**KIRBY HILLS COMPRESSOR STATION SITE:**

Work at the Kirby Hills Compressor Station took place Monday through Wednesday of the subject week (no work on Thursday, Thanksgiving Holiday) with some minimal work taking place on Friday and Saturday (see Figures 2 & 3). Crews conducted the following activities:

- Monday through Wednesday, crews prepared suction and discharge piping for hydrostatic testing, conducted hydrostatic testing, excavated for light pole supports, backfilled and compacted piping, poured concrete for miscellaneous pipe supports, poured concrete for the urea tank and vent stack, set urea tank on foundation, and sandblasted and coated piping.
- Compressor building work was conducted Monday through Wednesday, including installation of utility piping inside the building, installation of walkway supports and walkway, and installation of exhaust stack structures.



- Electrical and instrumentation work was conducted Monday through Wednesday and included, adding DC circuit breakers and terminal blocks to the PLC for fire and gas detection terminations, electrical loop checks, completing termination of field devices except CAT panel and SCR system, completing pulling wire to compressor building, installation of instrument tubing to valves and instruments, completing electrical work on fuel gas skid, dosing skids and nox panel set and wire pulled to skids, terminating power wiring to heater on urea skid, ground dosing panel and exhaust stack supports and nox panel, and commissioning electrical systems for south compressor.
- On Wednesday, crews completed all piping systems necessary to begin commissioning the South Compressor. On Friday and Saturday, the South Compressor commissioning was in progress with a minimal electrical crew and operations personnel.

**Environmental Compliance Activities:**

The CPUC EM observed that construction activities were in compliance with mitigation measures adopted in the MND and other permit requirements.

**METERING STATION SITE:**

No work was conducted at the Metering Station during the subject week (see Figure 4).

**Environmental Compliance Activities:**

The CPUC EM observed that construction activities were in compliance with mitigation measures adopted in the MND and other permit requirements.

**NOTICES TO PROCEED (NTP):**

Table 1 presents the NTPs issued by the CPUC for the Lodi Gas Kirby Hills Project to date. No additional NTPs are anticipated.

**TABLE 1  
NOTICES TO PROCEED  
(Updated 11-30-06)**

NTP #	Date Issued	Description
#1	5-19-06	Pipeline Portion
#2	5-31-06	Civil (grading) and piping construction of the well sites, and civil (grading) construction of the compressor station
#3	7-05-06	Compressor station and well site construction. Drilling of three new storage wells.
#4	6-20-06	Civil portion only of the natural gas receiving/metering station
#5	9-06-06	Metering station foundation, structural, piping, electrical, and instrumentation construction. County permit pending.

**VARIANCE REQUESTS:**

Table 2 presents the Variance Requests reviewed and approved by the CPUC for the Lodi Gas Kirby Hills Project to date. No Variance Requests were submitted during the subject week.

**TABLE 2**  
**VARIANCE REQUESTS**  
(Updated 11-30-06)

Variance #	Date Requested	Date Issued	Description
#1	6-01-06	6-05-06	Request to trench through ephemeral wetland area approximately 70 ft. west of Olson Road.
#2	5-31-06	6-08-06	Lodi gas would like permission to trench through an area with a CNPS listed plant (pappose spikeweed). CPUC approval contingent upon CDFG concurrence. 6/21 – CDFG feedback provided and forwarded to J&S.
#3	6-16-06	6-16-06	Request to trench through two ephemeral wetland areas west of Shiloh Road.
#4	6-27-06	6-28-06	Request for additional workspace on the west side of Shiloh Road for the Shiloh bore.
#5	6-28-06	6-29-06	Request for removal of two small eucalyptus trees and trenching through the root system of two larger trees.
#6	7-07-06	7-07-06	Request to use additional workspace at the corner of Shiloh Road and the Kirby Hills access road to support large vehicles and equipment being transported to the Kirby Hills site.
#7	7-07-06	7-18-06	Request to relocate a PG&E distribution line around the S-2 well site. CPUC has requested historical resource information on the drilling “dog house” that is near the site. Jones & Stokes submitted information on 7/17/06.
#8	7-07-06	7-07-06	Request to move the 4-inch temporary gas line.

**ENVIRONMENTAL COMPLIANCE:**

One Project Memorandum has been issued by the CPUC EM for the project to date. On June 27<sup>th</sup>, the CPUC EM observed dump trucks dumping spoils from the Kirby Hills site on a levee road in an adjacent wetland area. This activity was not described in the project description. The CPUC EM requested to review permits for this activity. The landowner provided Lodi Gas with the 2006 Annual Application for the USACE Wetlands Maintenance, a copy of a letter from the USACE to the Suisun Resource Conservation District dated May 31, 2006, and a letter from the Suisun Resource Conservation District to the landowner dated June 5, 2006. The CPUC EM reviewed these documents and has concluded that the work activities are in compliance with the USACE approval. The Project Memorandum serves as a reminder that all permits for construction activities related to the Kirby Hills Natural Gas Storage Facility project be submitted and approved by the CPUC. Also, if changes to project activities as described in the MND occur, a Variance Request shall be submitted.

No Non-Compliance Reports (NCR) have been issued by the CPUC EM for the project to date.

**UPCOMING ITEMS:**

As reported above, Lodi Gas began initial commissioning of the South Compressor. Additional commissioning activities are scheduled for late November and December.

## Photographs



**Figure 1** – Well Site S-2 piping, November 20, 2006.



**Figure 2** – Compressor Station work, November 20, 2006.



**Figure 3** – Right-of-way from Compressor Station to well sites revegetating well, November 20, 2006.



**Figure 4** – Metering Station, November 20, 2006.