

	California Public Utilities Commission <i>Mitigation Monitoring, Compliance, and Reporting Program</i>
	Central Valley Gas Storage Project Compliance Status Report 08 August 17, 2011

SUMMARY

The California Public Utility Commission (CPUC) is responsible for overseeing implementation of the mitigation measures set forth in the final initial study/mitigated negative declaration (FIS/MND) for the Central Valley Gas Storage (CVGS) project. The CPUC has established a third-party monitoring program and adopted a Mitigation Monitoring, Compliance, and Reporting Program (MMCRP) to ensure that measures approved in the FIS/MND to mitigate or avoid significant impacts are implemented in the field. This MMCRP status report is intended to provide a description of construction activities on the project, a summary of site inspections conducted by the CPUC’s third-party monitors, the compliance status of mitigation measures required by the MMCRP, and anticipated construction activities. This compliance status report covers construction activities for the period of August 4, 2011 to August 17, 2011.

MITIGATION MONITORING, COMPLIANCE, AND REPORTING

Site Inspections/Mitigation Monitoring

A CPUC third-party environmental compliance monitor conducted site observations in areas of active construction, which included the 10-acre compressor station site, 5-acre remote well pad site, and portions of the natural gas pipeline alignment. Site observations were completed on August 8, 12, and 17, 2011. Areas of active and inactive construction within the project limits were observed to verify implementation of the measures stipulated in the project’s MMCRP. Daily observations were documented on daily site inspection forms, and applicable mitigation measures were reviewed in the field.

Implementation Actions

Drilling Operations at the Remote Well Pad Site, Work on the Temporary Compressor at the Remote Well Pad, and Foundation work at Compressor Station

Construction activities at the remote well pad site undertaken during the period covered by this report included: completion of drilling of the fifth injection well, breakdown and relocation of the drill rig, and setup of the drill rig at the location of the sixth well; completion of sound wall construction; completion

of pipefitting at the temporary compressor; testing and operation of the temporary compressor (see Photo 1, Attachment A); initial gas injection; completion of the electrical control room; and installation of the permanent fence surrounding the site.

Ongoing work at the compressor station site included construction of building foundations (see Photo 2, Attachment A).

Since major grading operations are now complete, dust emissions at both sites have been minimal (primarily from delivery vehicles on McAusland Road) and the contractor has kept one water truck on site to spray the roads. Crews have placed best management practices (BMPs) around the perimeter of the work area (see Photo 3, Attachment A), consisting of a silt fence to minimize the potential for sediment to be transported beyond the work limits. Silt fences were observed to be in good working order throughout the site. Exclusion fencing has also been placed within areas adjacent to the approved work limits at the direction of the CVGS biologist to ensure that direct impacts to sensitive habitat do not occur during construction (see Photo 6 – Attachment A). One incident of excessive vehicle idling was observed at the remote well pad (8/8/11). The soil stockpile at the north end of the compressor station site has been observed since 7/28/11 and does not have BMP's in place. All work was being conducted within approved work limits and portable toilets and trash bins were provided for workers. Spill kits are maintained at the field office. Traffic control devices were in place on public roadways within and adjacent the project site.

Right-of-Way Preparation and Construction Activities along the Natural Gas Connecting Pipeline

Construction activities along the natural gas connecting pipeline right-of-way undertaken during the period covered by this report included: right-of-way survey and staking; vegetation mowing (between D-10 and Interstate 5); grading (between D-42 and D-44); installation of timber matting at the Wild Goose pipeline crossing (at D-25); staging of equipment; initial excavation for auger boring (at D-30 and D-38) (see Photo 4, Attachment A); potholing (at D-30) (see Photo 5, Attachment A); setting up the HDD rig and associated equipment (at the NRCS wetland/Gunnersfield crossing) (see Photo 6, Attachment A); pipe staging and welding (at D-25 and D-40); and pipe bending (at D-40).

Containment measures at the HDD and auger bore sites were observed to be in working order. Welding crews were transported to the work area by bus. Wildlife escape ramps in excavated areas were installed. Holes resulting from potholing were observed to be covered and secured. Spill kits were observed on equipment. Work along the Pipeline alignment was being conducted within approved work limits and portable toilets and trash bins were available for workers. De-watering operations along portions of the pipeline alignment is on-going. Silt fencing, sensitive resource exclusion fencing, farm infrastructure exclusion fencing, and overhead powerline warning flagging is in place and generally in working condition. Fugitive dust was being controlled by two water trucks on project roadways. Traffic control devices were in place on public roadways within and adjacent the project site.

Mitigation Measure Tracking

Mitigation measures applicable to the construction activities were verified in the field and documented in the CPUC's mitigation measures tracking database. A complete list of mitigation measures and applicant proposed measures is included in Section 6 of the FIS/MND (Certification of Public Convenience and Necessity (CPCN) Application A.09-08-008, SCH No. 2010042067). The status of each mitigation measure, including measures applicable to the design and pre-construction phases, is included in the project's mitigation measure tracking database, which is available upon request.

Compliance

Pre-construction mitigation measures have been completed as indicated in Notice to Proceed (NTP) No. 1, No. 2, No. 4, No. 5A, No. 5B, No. 6A, No. 6B, No. 6C, No. 6D, No. 7, No. 9A, No. 9B, No. 10A, No. 10B, No. 11, No. 12, and No. 13A (Attachment B). Applicable mitigation measures were verified during site inspections and were determined to be implemented in accordance with the MMCRP.

CONSTRUCTION PROGRESS

Remote Well Pad Site/Observation Wells/Saltwater Disposal Well

CVGS has completed pad site preparation and grading at the compressor station and remote well pad sites. Drilling work for observation well conversions at Southam #3, and #4 and Sara Louise #1 is complete. Drilling work on the saltwater disposal well is complete. Injection/withdrawal well drilling has begun at the remote well pad site and is expected to continue through September 2011. To date, five of the injection wells have been completed and drilling at the sixth well is underway. The temporary compressor has been installed and is operational at the remote well pad site. Gas injection has begun at one well at the remote well pad site. Construction of the sound wall at the temporary compressor has been completed. The permanent perimeter fence has been installed.

Compressor Station

Foundation work and wall/column construction for the compressor station utility building is underway. Pipe fabrication, foundation work for other site features, and backfilling for completed foundations is also underway.

Natural Gas Connecting Pipeline

Right-of-way preparation activities are nearly complete, including boundary staking, vegetation mowing, grading, and installation of sensitive resource exclusion fencing, farm infrastructure exclusion fencing, and overhead powerline warning flagging. Timber matting is being installed in numerous areas of the ROW where high water tables create soft soil conditions and where heavy equipment needs to cross existing sub-surface pipelines (at D-25, Wild Goose pipeline). Potholing is underway where sub-surface pipelines are adjacent to the construction area (at D-31). Excavation for auger boring is

underway at D-31 and D-38. Set up of the horizontal directional drilling (HDD) rig and associated equipment is underway at the NRCS wetland/Gunnersfield crossing. Pipe staging/stringing and welding is occurring within the ROW near D-25 and D-40 and pipe bending is underway at D-40. Equipment staging is underway between D-21 and D-26. Daily de-watering of excavated areas associated with auger bore locations is underway along portions of the pipeline alignment where shallow groundwater is encountered.

CONSTRUCTION SCHEDULE

Compressor Station – CVGS began construction on April 11, 2011, and anticipates completion of construction by April 2012.

Remote Well Pad Site (includes saltwater tank) – CVGS began construction on April 11, 2011, and anticipates completion of construction by December 2011.

Observation Well Conversions – CVGS began construction on May 31, 2011 and anticipates completing construction by October 2011.

Saltwater Disposal Well – CVGS began construction on June 15, 2011 and anticipates completing construction by December 2011.

Metering Station – CVGS anticipates starting construction in August 2011 and completing construction by October 2011.

Natural Gas Connecting Pipeline (Segment A) – CVGS began construction on August 8 and anticipates completing construction by January 2012. Preparation of the Natural Gas Connecting Pipeline (Segment A) right-of-way began on August 5, 2011 and is expected to be completed by the end of August 2011.

Natural Gas Connecting Pipeline (Segment B) – CVGS anticipates starting construction in August 2011 and completing construction by November 2011.

Line 172 Connection Pipeline – CVGS began construction on May 16, 2011 and anticipates completing construction by December 2011.

ATTACHMENT A

Photos



Photo 1: Temporary compressor and sound wall completed at the remote well pad site.



Photo 2: Foundation work at the compressor station site.

ATTACHMENT A (Continued)



Photo 3: Sensitive resource exclusion fencing along the southern edge of the remote well pad site.



Photo 4: Auger bore hole excavation at D-31. Hole includes the creation of wildlife escape ramps on both sides. Silt fence has been installed between hole and D-31.

ATTACHMENT A (Continued)



Photo 5: Potholing along the natural gas connecting pipeline alignment (at D-31).



Photo 6: HDD rig setup on the eastern side of the NRCS wetland/Gunnersfield crossing.

ATTACHMENT B Notices to Proceed

NTP No.	Date Issued	Segment/Component	Conditions Included (Y/N)
1	March 21, 2011	Compressor Station, Remote Well Pad, and Observation Wells	Y
10A	April 18, 2011	Berm Installation for Preparation of Natural Gas Pipeline Right-of-Way	Y
9A	May 11, 2011	Test Boring at Horizontal Directional Drilling (HDD) Locations along 24-inch Pipeline Alignment	Y
2	May 13, 2011	Southam #3, #4, and Sara Louise #1; inspection and work-over activities	Y
6A	May 16, 2011	L-172 meter and interconnection	Y
5A	May 17, 2011	Drill up to 10 injection/withdrawal wells at remote well pad site	Y
6B	May 31, 2011	Remote well pad civil foundations, piping systems, temporary compressor, and equipment installation	Y
6D	May 31, 2011	Pacific Gas & Electric electrical pole relocation on Southam Road and new electrical pole installation on McAusland Road	Y
12	June 15, 2011	Complete test well and install saltwater disposal pipeline to remote well pad site	Y
6C	July 7, 2011	Compressor station civil foundations, piping systems, temporary compressor, and equipment installation	Y
10B	July 27, 2011	Preparation of 24-inch pipeline right-of-way	Y
4	August 3, 2011	Construction of 16-inch dual gathering lines and 24-inch pipe segment between compressor station and remote well pad site	Y
9B	August 3, 2011	Horizontal directional drilling (HDD) for 24-inch pipeline	Y
11	August 3, 2011	Construction of 24-inch pipeline between remote well pad and L-401 meter station	Y
13A	August 3, 2011	Construct L-401 meter station and pipeline connection to L-401	Y
5B	August 5, 2011	Gas injection at remote well pad site	Y
7	August 4, 2011	Installation of emitting equipment (compressors, dehydration, generators) at the compressor site	Y

ATTACHMENT C Variance Requests

Variance Request #	Submitted	Description	Status	Approval
1	April 6, 2011	Realignment of the 24-inch gas pipeline, including the Southam Pipeline, Weller Pipeline, and Perez Pipeline will be performed. The intent of realignment is to minimize impacts to irrigation systems and agricultural lands.	Approved	April 25, 2011
2	July 1, 2011	Additional temporary work space for pipe staging adjacent an HDD site. Area within a fallow rice field.	Approved	July 20, 2011
3	July 12, 2011	Install 4 new poles to connect power to the compressor station via PG&E Line along Southam Road.	Approved	July 20, 2011
4	July 8, 2011	Utilize HDD to cross the NRCS wetland to avoid surface impacts.	Approved	August 8, 2011
5	July 12, 2011	Offsite area in the City of Colusa to be utilized by Pipeline contractor for office trailers, materials staging, and storage of equipment.	Approved	July 20, 2011
6	July 28, 2011	Construct four new power poles and relocate one existing power pole within the pipeline construction right-of-way.	Approved	August 9, 2011
7	August 8, 2011	Use of temporary bridges during construction.	Approved	August 15, 2011
8	August 15, 2011	Additional temporary work space for five staging areas.	Pending	Pending