DIVISION OF SPILL PREVENTION AND RESPONSE CONTAMINATED SITES PROGRAM

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November 3, 2005

Duane Parlow Homer Electric Association, Inc. 3977 Lake Street Homer, Alaska 99603

Re: HEA Seldovia Power Plant: ADEC Spill # 2003230128101 No Further Remedial Action Planned

Dear Mr. Parlow:

The 20 September 05 *Report on Contaminated Soil Cleanup and Groundwater Sampling, June 2005* provided data demonstrating that the interim removal action, conducted during the summer of 2005, has reduced the Diesel Range Organics and Benzene soil contaminant levels at the site to below the cleanup levels found in 18 AAC 75.341 Method Two for inhalation and ingestion. Based on the site use, it was felt that the interim cleanup levels would be protective of human health and the environment. Therefore, no further remedial action is required at this time.

The Department's basis for this determination is detailed in the attached Record of Decision (ROD), dated 3 November 05. This determination is subject to all the conditions listed in Section VII of the ROD.

HEA has been provided an electronic version of the Notice of Environmental Contamination (deed notice) that must be attached to the property deed. Any changes to the draft deed notice must be approved by the Department prior to filing in the recorders office. ADEC must be provided an executed copy of the deed notice that has been filed in the recorders office.

In conclusion, ADEC has determined that no further remedial action is required at the HEA Seldovia Power Plant site. However, please be informed that if contamination is identified in the future that may pose a risk to human health or the environment, additional investigative and/or corrective action work may be required.

The soil cleanup levels established for this site are the 18 AAC 75.341 Tables B1 and B2 levels for migration to groundwater in the under 40 inch precipitation zone. The groundwater cleanup levels established for this site are the 18 AAC 75.345 Table C levels. Site closure and removal

of the deed notice will be approved when HEA demonstrates that the soil and groundwater cleanup levels have been met throughout the site.

If you have any questions or need further assistance, please contact me at (907) 262-5210, Ext. 233.

Sincerely,

Don Seagren Environmental Specialist

CC: Larry Helgeson, EMI/Anchorage