STATE OF ALASKA

DEPT. OF ENVIRONMENTAL CONSERVATION DIVISION OF SPILL PREVENTION AND RESPONSE CONTAMINATED SITES PROGRAM

SARAH PALIN, GOVERNOR

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File: 330.38.116

February 27, 2009

Jan Shifflet Alyeska Pipeline Service Company Mail Stop 507 PO Box 196660 Anchorage, AK 99519-6660

Re: Record of Decision (ROD); Alyeska PS 03 SR Generator Spills Cleanup Complete Determination

Dear Mr. Shifflet:

The Alaska Department of Environmental Conservation, Contaminated Sites Program (ADEC) has completed a review of the environmental records associated with Alyeska PS 03 SR Generator Spills located at Mile 311.8, Dalton Highway. Based on the information provided to date, the ADEC has determined that the contaminant concentrations remaining on site do not pose an unacceptable risk to human health or the environment, and this site will be closed.

This decision is based on the administrative record for Alyeska PS 03 SR Generator Spills, which is located in the offices of the Alaska Department of Environmental Conservation (ADEC) in Anchorage, Alaska. This letter summarizes the decision process used to determine the environmental status of this site and provides a summary of the regulatory issues considered in the Cleanup Complete Determination.

Introduction

Site Name and Location:
Alyeska PS 03 SR Generator Spills
Mile 311.8
Dalton Highway
Alaska

Name and Mailing Address of Contact Party: Jan Shifflet Alyeska Pipeline Service Company Mail Stop 507 PO Box 196660 Anchorage, AK 99519-6660

Database Record Key and File Number:

ADEC Reckey: 2007720109401

File: 330.38.116 Hazard ID: 4645

Regulatory authority under which the site is being cleaned up:

18 AAC 75

Background

As part of the Strategic Reconfiguration (SR) activities in 2007 at Pump Station (PS) 03, two 800 kilovolt generators were staged and operated west of the Main Pump Building. Alyeska discovered spills at each of the generators in estimated quantities of less than 5 gallons each.

The South Generator spill was excavated shortly after its discovery in 2007. Confirmation samples contained up to 869 mg/kg DRO.

The North Generator spill was also excavated shortly after its discovery in 2007. No confirmation samples were collected in 2007.

Soil samples collected at this site have been tested for: diesel range organics (DRO); residual range organics (RRO); gasoline range organics (GRO); benzene, toluene, ethylbenzene and xylene (BTEX); and polynuclear aromatic hydrocarbons (PAHs).

Contaminants of Concern

Diesel range organics (DRO);

Cleanup Levels

The cleanup levels for petroleum hydrocarbon-contaminated soil on manmade gravel pads and roads in the Arctic Zone are established in 18 AAC 75.341 Method One, Table A2 and 18 AAC 75.341 Method Two Tables B1 and B2.

A number of factors are considered by ADEC when evaluating site specific cleanup levels in the Arctic Zone including:

- human health (ingestion/inhalation);
- ecological impacts (contamination impacting ecological species other than humans);
- groundwater and surface water quality;
- presence of free phase product; and
- other factors that might cause a deleterious impact to the environment.

In the Arctic Zone, the migration to surface water pathway is evaluated as the primary migration pathway because the migration to groundwater pathway is not considered applicable due to the presence of continuous permafrost. Impacted surface water can adversely affect both human and ecological receptors, depending on the location of the contaminant source, its proximity to surface waters, and water usage in the impacted area. Therefore the migration to surface water pathway is evaluated as a possible risk to human health (drinking water source)

and/or for compliance with Alaska Water Quality standards (18 AAC 70). In addition, the migration to surface water is evaluated as a possible exposure pathway for ecological receptors because of the tundra wetland ecosystem that exists throughout the Arctic region. Potential future use of the property must also be taken into account when determining closure status. Differentiating between a "Cleanup Complete" and a "Cleanup Complete with Institutional Controls" determination will be based on site specific conditions and exposure pathways as determined by ADEC.

Cleanup and Characterization Activities

In 2008, the 2007 excavations were relocated and excavated to remove any remaining soil contamination. Four confirmation samples were collected at each of the two excavations and analyzed for GRO, DRO, RRO, BTEX, and PAHs. All results were below the most conservative Method One and Method Two cleanup levels.

Pathway Evaluation

The exposure pathways for human health that were evaluated include the following: ingestion of soil; indoor and outdoor inhalation of vapors, and dermal contact with soil. These pathways may be complete but the remaining contaminant concentrations do not exceed the most conservative cleanup levels established in 18 AAC 75 for Method One, Table A2, Petroleum Hydrocarbon Soil Cleanup Levels in the Arctic Zone; or for Method Two, Tables B1/B2 "Migration to Groundwater" cleanup levels.

The exposure pathway analysis above was supported by the most recent ADEC Exposure Tracking Model (ETM) ranking. The ETM results showed all pathways to be De Minimis Exposure, Exposure Controlled, or Pathway Incomplete.

ADEC Decision

The cleanup actions to date have served to excavate and adequately remove contaminated soil from the site. Based on the information available, ADEC has determined no further assessment or cleanup action is required. There is no longer a risk to human health or the environment, and this site will be designated as closed on the Department's database.

Although a Cleanup Complete determination has been granted, ADEC approval is required for off-site soil disposal in accordance with 18 AAC 75.325(i). However, since this site has met the most conservative soil cleanup levels, this letter will serve as your approval for future off-site movement and disposal of soil associated with this release. It should be noted that movement or use of potentially contaminated soil in a manner that results in a violation of 18 AAC 70 water quality standards is unlawful.

This determination is in accordance with 18 AAC 75.380 (d) and does not preclude ADEC from requiring additional assessment and/or cleanup action if future information indicates that this site may pose an unacceptable risk to human health or the environment.

Appeal

Any person who disagrees with this decision may request an adjudicatory hearing in accordance with 18 AAC 15.195 -18 AAC 15.340 or an informal review by the Division

Director in accordance with 18 AAC 15.185. Informal review requests must be delivered to the Division Director, 410 Willoughby Avenue, Suite 303, Juneau, Alaska 99801, within 15 days after receiving the department's decision reviewable under this section. Adjudicatory hearing requests must be delivered to the Commissioner of the Department of Environmental Conservation, 410 Willoughby Avenue, Suite 303, Juneau, Alaska 99801, within 30 days after the date of issuance of this letter, or within 30 days after the department issues a final decision under 18 AAC 15.185. If a hearing is not requested within 30 days, the right to appeal is waived.

If you have questions about this closure decision, please contact the ADEC project manager, Keather McLoone at (907) 269-7526.

Sincerely,

Linda Nuechterlein

Environmental Manager

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CC: Gary Shultz, ADNR