STATE OF ALASKA

DEPT. OF ENVIRONMENTAL CONSERVATION

DIVISION OF SPILL PREVENTION AND RESPONSE CONTAMINATED SITES PROGRAM

SEAN PARNELL. GOVERNOR

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File: #2100.38.310 Return Receipt Requested Article No: 7008 1830 0002 6349 4319

March 30, 2010

Daniel Carrier Chevron EMC-MBU 145 South State College Boulevard Room 4068 Brea, CA 92821

Re: **REVISED** Decision Document; Chevron Port of Anchorage Bulk Fuel Terminal Groundwater Use Determination under 18 AAC 75.350

Dear Mr. Carrier:

This letter is intended to replace the Groundwater Use Determination dated February 2, 2010. This iteration contains a revised legal description of the Chevron leasehold as requested by the Alaska Railroad Corporation.

The Alaska Department of Environmental Conservation, Contaminated Sites Program (ADEC) has completed a review of the request for a groundwater use determination under 18 AAC 75.350 included as Appendix A in the *Final Risk Assessment Report* submitted to ADEC in August 2009 for Chevron Bulk Fuel Terminal at the Port of Anchorage. This Decision Document presents ADEC's determination that the shallow aquifer in this area is non-potable based on aquifer characteristics and other evidence that the shallow groundwater is not suitable for use as drinking water. The specific items in support of this decision can be found in Appendix A of the *Final Risk Assessment*, which is available for review upon request at the offices of the ADEC in Anchorage, Alaska.

Site Name and Location Chevron Facility Port of Anchorage 459 West Bluff Road Road Anchorage, Alaska

Legal Description

ARRC Lease Contract No. 4996- NE 1/4, SW 1/4, Section 7, T 13 N, R 3 W, Seward Meridian, Alaska ARRC Lease Contract No. 4872- SE 1/4, NW 1/4, Section 7, T 13 N, R 3 W, Seward Meridian, Alaska and NE 1/4, SW 1/4, Section 7, T 13 N, R 3 W, Seward Meridian, Alaska

ADEC Site Identifiers: Hazard ID #605 CS file # 2100.38.321

Background

This site is located on property leased to Chevron from the Alaska Railroad Corporation (ARRC). The site has been used for bulk petroleum storage and transfer since its construction in the early 1950s. Groundwater monitoring conducted at the facility since the 1980's has documented petroleum contamination in groundwater at several areas of the facility as a result of spills, leaks, and other releases. A risk assessment conducted in 2009 found no human health risk above benchmark criteria, with the assumption that groundwater in the shallow aguifer would not be used as a drinking water source. The shallow aquifer in this area is defined as groundwater contained in soil above the Bootlegger Cove formation, a regionally significant deposit of clay that acts as a confining layer in most areas where it is found.

ADEC Decision

Based on the justification provided in Appendix A of the Final Risk Assessment Report, ADEC approves your request that the shallow aquifer at Chevron Port of Anchorage Bulk Fuel Terminal be declared non-potable based on the following summary information:

- 1. The shallow groundwater in this area is not currently used for a public or private drinking water system and is not in the zone of contribution or recharge area for a private or public water system.
- 2. The shallow groundwater in this area is not a reasonably expected future source of drinking water for this area due to the following which compromise the suitability of this groundwater for use as a drinking water resource: (a) a high concentration of total dissolved solids above USEPA Secondary Drinking Water Standards; (b) the potential for salt water intrusion from Cook Inlet to the shallow aguifer; and (c) petroleum contamination in the shallow aquifer from upgradient source areas. Furthermore, public drinking water is currently available via public utility by the Municipality of Anchorage.

This decision is applicable only to the shallow aquifer at the Chevron lease property and within the boundary shown in Figure 1, and does not address the suitability of the deep aquifer for use as a drinking water resource.

If you have questions about this decision, please contact ADEC Project Manager William O'Connell at (907) 269-3057.

Approved By,

Linda Nuechterlein

Environmental Manager

Recommended By,

William O'Connell

Environmental Program Specialist

J. Neechtlelee Ja

CC: Jacques Gusmano, EPA

Susan Schrader, ARRC

Municipality of Anchorage Onsite Program

Heather Newman, ADEC Drinking Water Program

Attachment A- 18 AAC 75.350 Groundwater Use Determination Area

