



3700 Centerpoint Drive, ANCHORAGE, ALASKA 99519 TELEPHONE (907) 278-1611 FAX 787-8611

December 26, 2015

Letter No: 34189  
ADEC File # 102.38.123

Jim Fish  
Environmental Program Specialist  
Contaminated Sites Program  
Alaska Department of Environmental Conservation  
610 University Ave  
Fairbanks, Alaska 99709

**RE: Response to ADEC Regarding Change in Site Status for Former's Bentley Trust Site**

Dear Mr. Fish,

Alyeska Pipeline Service Company (Alyeska) reviewed your letter dated July 21, 2015, regarding the former Bentley Trust property Lot 201. The letter states that the Alaska Department of Environment Conservation (ADEC) changed the site status for the property from "Cleanup Complete – Institutional Controls (IC)" to "Active". The letter also requests new field assessment, additional analytical methods, and code compliance review for onsite and offsite property owners, along with other actions. Alyeska objects to ADEC's changing the site status and disagrees with the need to perform many of the new actions requested. Alyeska requests a meeting with ADEC to discuss the findings, conclusions, and directives in ADEC's letter and to determine whether Alyeska should continue to be involved with this site in light of the letter.

As background and context to our concerns over the changed site status and assessment work requested by ADEC, Alyeska is not a former or current property owner and there is no record of Alyeska's using or releasing trichloroethylene (TCE) onsite. Alyeska leased a portion of the property from 1969 to 1979 and vacated the property with environmental review and approval of the owner. The property was uncontrolled for approximately 20 years thereafter with known waste dumping occurring onsite over this time. The property is also surrounded by active and former potential industrial, commercial, and military sources of contamination, including a railway spur. Unrelated plumes and contamination are also present downgradient of the site. Nevertheless, Alyeska has spent considerable resources to date on assessment, remediation, and monitoring consistent with historic and ongoing cooperative efforts to address this site.

Alyeska made clear to ADEC in writing on multiple occasions before and during the risk assessment process that we were not the responsible party. Instead, our role was to collaborate with the property owners to evaluate environmental risks associated with site contamination and assist the owners along the pathway to site closure status. From the start, the goal in addressing this site was an appropriate site assessment, risk evaluation, and site closure that were in the best interests of the property owners, former lessees such as Alyeska, the surrounding business and residential community, and ADEC.

The Method 4 Risk Assessment process performed between 2004 and 2007 included robust discussions among ADEC, Alyeska and the property owners that focused on jointly vetting and

resolving issues, identifying objectives that were reasonably attainable, and applying methods that met regulatory requirements and expectations and were consistent with and widely accepted industry standards. That collaborative process led to the final Risk Assessment that was approved after careful review by ADEC and multiple ADEC-hired third party toxicologists. This risk assessment process was also facilitated by clear roles among ADEC, Alyeska and other potential oversight agencies. The site closure goals were achieved with issuance of the Record of Decision (ROD) on January 24, 2007. The ROD was issued to the property owner and the representative of the former property owner, and to Alyeska as a participant in the site assessment and risk evaluation. Alyeska continued to sample groundwater at the site after the ROD was issued.

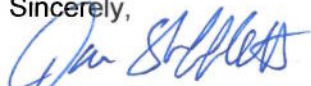
ADEC justifies the change in site status based on 18 AAC 75.380(d)(1) and related language in the 2007 ROD, which provides that *"ADEC may require additional cleanup action if new information is discovered which leads ADEC to make a determination the cleanup described in this ROD is not protective of human health, safety, and the welfare or the environment."* However, there is no such new information that triggers such an action, and the risk calculated and accepted leading up to the 2007 ROD has not increased. The five-year risk review provided by Alyeska's consultant toxicologists, SLR Alaska, confirmed this conclusion.

Reactivating a closed site is not a minor or insignificant action. It affects many parties, exposes all to new business risks, requires expenditure of potentially significant additional resources, and has parallel implications for numerous similar sites statewide. While additional assessment data might provide further insight into the site conditions, it does not change the overarching conclusions of the ROD that risks are acceptable and below allowable levels. Where the risk has not increased as here, the benefits of reopening the site and performing the new actions are nonexistent.

In light of our concerns over ADEC's letter, Alyeska respectfully requests a meeting with ADEC in late January or early February to discuss the validity of and reasoning behind ADEC's proposed site status change and requested actions. Those discussions also should include the agency procedure and review process for changing site status, including the level of management authority required to approve a site status change. Depending on ADEC's insistence that the site remain "Active" and that all the requested actions be performed, Alyeska feels compelled to re-examine its continuing participation in this site. However, notwithstanding our respective positions, Alyeska would like to find a reasonable, comprehensive, and durable solution.

We look forward to meeting with you soon.

Sincerely,



Jan Shifflett  
Response and Remediation SME  
Alyeska Pipeline Service Company

Cc: Carl Rutz, Alyeska Environment Department Manager  
Bill O'Connell, ADEC Environmental Program Manager  
Scott Rose, SLR Alaska  
Mark Stelljes, SLR Alaska  
Steve Hammer, SLR Alaska