

STATE OF ALASKA

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

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File: 102.26.111

April 25, 2007

City Electric Inc.
819 Orca Street
Anchorage, AK 99501

Re: City Electric Property
3540 Holt Road, Fairbanks, Alaska
Event ID 1255

To Whom It May Concern:

The Alaska Department of Environmental Conservation, Contaminated Sites Program (ADEC), reviewed the administrative records for the City Electric property located at 3540 Holt Road in Fairbanks. The records indicate that four underground storage tanks previously located there were removed in the 1990s and soil contamination was identified in the excavated areas. Additional site data was collected in 2006 and confirmed soil and groundwater contamination on site.

Based on this review, ADEC has determined that soil contamination remains above the most stringent 18 AAC 75 cleanup levels but the nature and extent of the contamination does not pose an unacceptable risk to human health or the environment. Therefore, no further cleanup actions are required at this time subject to conditions outlined in this document.

Please note the following information that was considered in determining the environmental status of this site.

Background

The City Electric site is located in an industrialized area north of Van Horn Road in Fairbanks, Alaska. In 1984, a 1,000-gallon underground storage tank (UST) was installed to store used oil generated from company vehicles and/or equipment.

In 1996, Environmental Management Incorporated (EMI) removed the UST from the ground and reported the tank and piping were in good condition with no signs of leaks. There were surface stains next to the building.

After the tank was removed, soil samples from the bottom of the UST and the side of the excavation nearest the building identified diesel range organics (DRO) at 9,300 milligrams per kilogram (mg/kg), residual range organics (RRO) at 8,600 mg/kg and tetrachloroethene (PCE) at 1.6 mg/kg.

The consultant concluded that the contamination was from spills near the fill pipe and contaminated soil remained under the building.

In April 2006, EMI conducted a Phase II investigation that involved the drilling of three soil borings with two of them being completed as groundwater monitoring wells. One of the wells (MW1) was installed directly beneath the former tank location and the second well (MW2) was installed approximately 11 feet downgradient from the tank location. Another soil boring was installed upgradient of the tank.

Each soil boring went down to 12 feet below ground surface (bgs) and groundwater was encountered approximately at 9 feet bgs. The bottom of the former tank was approximately 8 feet bgs and the monitoring wells were installed at 14 feet bgs.

The sample results for the soil and groundwater can be found in Table 1.

Table 1: Soil and groundwater sample results.

Sample Location	Matrix	Depth	DRO	Benzene	TCE	PCE
Borehole #1	Soil	12'	1350 mg/kg	ND	ND	23 ug/kg
Borehole #2	Soil	12'	ND	ND	40.4 ug/kg	ND
Borehole #3	Soil	12'	41.1 mg/kg	ND	ND	ND
ADEC Soil Cleanup Levels			250 mg/kg	20 ug/kg	27 ug/kg	30 ug/kg
MW1	Water		1.18 mg/L	1.93 ug/L	1.47 ug/L	3.33 ug/L
MW2	Water		0.997 mg/L	0.520 ug/L	ND	0.520 ug/L
Onsite well	Water		NA	ND	ND	ND
ADEC Groundwater Cleanup Levels			1.5 mg/L	5 ug/L	5 ug/L	5 ug/L

TCE: trichloroethylene

PCE: tetrachloroethylene

ND: non-detect

NA: not analyzed

mg/L: milligrams per liter

µg/kg: micrograms per kilogram

µg/L: micrograms per liter

Pathways Evaluated

The site is a commercial-industrial use facility and is expected to remain so in the future. However, this decision document considered exposure and/or migration pathways under the residential scenario. The exposure pathways for human health that were evaluated include indoor and outdoor inhalation; ingestion of soil; dermal contact with soil; and ingestion of ground and surface water.

The conceptual site model indicated that there are complete exposure pathways to commercial and construction workers and site visitors from ingestion and inhalation of residual petroleum hydrocarbons and solvents that remain in the soil at the site. However, the contaminated soil that remains is below the ADEC health based cleanup levels established for these exposure pathways and it does not pose an unacceptable risk.

The migration to groundwater pathway was evaluated and it appears contamination was detected in the groundwater but the extent of contaminated soil remaining is minor and contaminant levels do not exceed ADEC cleanup levels. It was also noted that the shallow groundwater in the area is not potable (due to natural conditions) and it is not used for drinking water.

Cleanup Levels

The soil cleanup levels established for the site are: 18 AAC 75.341 Table B1 and B2, under 40 inch zone, migration to groundwater.

The groundwater cleanup levels established for the site are the 18 AAC 75.345 Table C levels.

ADEC Decision

Based on the information provided to date, ADEC has determined that the source(s) of hazardous substances have been removed. There is minor soil contamination remaining on site but it is located in an area that is not practicable to remove. No further remedial action at the City Electric site is required and this site will be conditionally closed. The residual contamination remaining on site does not pose an unacceptable risk to human health or the environment provided site-specific conditions and/or controls are attached to the property.

This determination is subject to the following conditions:

1. A Notice of Environmental Contamination will be established on the ADEC Database identifying the nature and extent of contamination remaining on site.
2. In accordance with 18 AAC 78.274(b), the transport of soil or groundwater from this site requires ADEC review and approval prior to any transport.
3. If the contaminated soil remaining on site becomes accessible and/or is determined to pose a risk in the future, a plan to address the contamination shall be submitted to ADEC for review and approval.
4. The monitor wells shall be decommissioned in accordance with ADEC's April 1992 guidance on Recommended Practices for Monitoring Well Design, Installation and Decommissioning.

In accordance with 18 AAC 78.276, ADEC reserves the right to require additional site assessment, monitoring, remediation, and/or other necessary actions at this facility should new information become available that suggests any contamination at this site may pose a threat to human health or safety, or the environment.

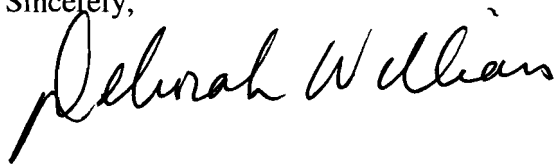
ADEC will consider a Site Closure (and removal of institutional controls) only after the soil and/or groundwater achieves the established cleanup levels for the site.

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, P.O. Box 111800, 410 Willoughby Avenue, Suite 303, Juneau, Alaska 99811-1800, within 15 days of the decision. Adjudicatory hearing requests must be delivered to the Commissioner of the Department of Environmental Conservation, P.O. Box 111800, 410 Willoughby Avenue, Suite

303, Juneau, Alaska 99811-1800 Juneau, Alaska 99801, within 30 days of the decision. If a hearing is not requested within 30 days, the right to appeal is waived.

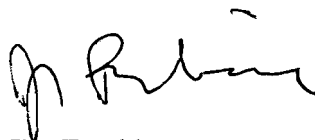
If you have any questions, please contact Deborah Williams at 451-5174 or via e-mail at Deborah_Williams@dec.state.ak.us.

Sincerely,



Deborah Williams
Environmental Program Specialist

Sincerely,



Jim Frechione
Environmental Program Manager

cc: Don Dougherty, EMI (via e-mail)