STATE OF ALASKA

DEPT. OF ENVIRONMENTAL CONSERVATION

DIVISION OF SPILL PREVENTION AND RESPONSE CONTAMINATED SITES PROGRAM

SARAH PALIN, GOVERNOR

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File: 103.38.00 7

Certified Return Receipt Requested
Article No: 7007 3020 0000 1948 8698

March 19, 2009

Kristen Dubois Golden Valley Electric Association (GVEA) P.O. Box 71279 Fairbanks, Alaska 99707-1249

Re: Record of Decision (ROD) GVEA Healy Power Plant Cleanup Complete Determination-Institutional Controls

Dear Ms. Dubois:

The Alaska Department of Environmental Conservation (ADEC), Contaminated Sites Program, has completed review of the environmental records associated with the GVEA Healy Power Plant. 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 no further remedial action will be required as long as the site is in compliance with established institutional controls.

This decision is based on the administrative record for GVEA Healy Power Plant, which is located in the offices of the 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 with Institutional Controls Determination.

Introduction

Site Name and Location: GVEA Healy Power Plant Mile 3.5 Healy Spur Road Healy, Alaska 99743

Name and Mailing Address of Contact Party: Kristen Dubois Golden Valley Electric Association (GVEA) P.O. Box 71279 Fairbanks, Alaska 99707-1249 Database Record Key and File Number:

ADEC Reckey: 1999310120901

File: 103.38.002 Hazard ID: 3228

Regulatory authority under which the site is being cleaned up:

18 AAC 75

Background

In 1999, a lube oil spill of approximately 375 gallons at a diesel emergency generator (DEG) impacted the soil on the north side of the building at the Unit No.1 coal fired power plant

Contaminants of Concern

During the investigation at this site, soil samples were analyzed for residual range organics (RRO). Based on these analyses and knowledge of the source area, the following Contaminant of Concern was identified:

• Residual Range Organics (RRO)

Cleanup Levels

The soil cleanup levels for this site are established in 18 AAC 75.341, Method Two, Table B2 Under 40 inch Zone, Migration to Groundwater.

Contaminant

Site Cleanup Level (mg/kg)

Residual Range Organics (RRO)

11,000

Site Characterization and Cleanup Actions

The initial cleanup response on July 28, 1999 included hand excavation of contaminated soil, use of absorbent pads, and the excavation of a small test pit at the northeast side of the DEG at the spill. During this initial response no significant lube oil accumulations were recovered or observed, but it appeared that the lube oil migrated underneath the DEG building.

On August 10, 1999, additional cleanup actions at the area of the spill included collection of five soil samples, removal of 10 cubic yards of contaminated soil, and a well point installation. The well point was installed 5 feet below ground surface (bgs) for free product recovery via a vacuum truck. No free product was recovered, but the well point did contain less than 1 quart of sheen free pore water. During the well point installation 10 cubic yards of contaminated soils were removed along the north side of the DEG and blended into the coal feed for the unit No.1 power plant. Soil samples collected from the excavated area contained RRO ranging from 23,700 mg/kg below the crankcase drain valve at 1.5 feet bgs, to 254 mg/kg at the sandstone bedrock interface at 3 feet bgs. After the samples were collected the area was covered with a polyethylene liner and capped with clean fill.

Test pits were then excavated east and the south of the DEG building to evaluate the extent of contamination. The total depth of excavation for the four test pits was limited by sandstone bedrock to approximately 3.5 to 5 feet bgs. Underground utilities west of the building and the DEG retaining wall foundation to the north also limited the extent of the investigation area.

Based on visual observation during excavation of the test pits it was determined that the remaining area of contaminated soil under and around the building is approximately 125-150 cubic yards. Groundwater was not encountered during the excavations.

Pathway Evaluation

The exposure pathways for human health that were evaluated include the following: ingestion of soil and groundwater, indoor and outdoor inhalation of vapors, and direct contact with soil.

The ingestion pathway may be complete, but the exposure risk is acceptable as the remaining contamination is primarily located in the subsurface, underneath the building and the facility is in a fenced industrial zone.

The migration to groundwater pathway may be complete, but drinking water is supplied from a well completed at a depth of 300 feet and located approximately 200 feet away from the spill area. The viscous nature of the SAE-40 gear oil, the lack of perched water encountered during excavations, and the presence of a sandstone layer indicate that migration is unlikely. Furthermore a groundwater sample collected from the drinking water well in 2000 did not contain detectable concentrations of contaminants.

The inhalation exposure risk is acceptable as lube oil does not contain the volatile components that typically lead to inhalation risk.

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 either De Minimis or Incomplete.

ADEC Decision

There is contamination remaining above established cleanup levels at GVEA Healy Power Plant, but ADEC has determined there is no unacceptable risk to human health or the environment, and this site will be granted a Corrective Action Complete – Institutional Controls Determination subject to the following:

- 1. A Notice of Environmental Contamination will be recorded on the ADEC database to document that there is residual contamination remaining on site above the most stringent ADEC cleanup levels.
- 2. The soil contamination located under the buildings is currently inaccessible (see attachment B). When the building is removed and/or the soil becomes accessible, the contaminated soil will be excavated in accordance with an ADEC approved work plan.
- 3. Any proposal to dispose soil or groundwater off site requires ADEC approval in accordance with 18 AAC 78.600 (h).
- 4. Movement or use of potentially contaminated soil in a manner that results in a violation of 18 AAC 70 water quality standards is unlawful.
- 5. GVEA must report to the ADEC in accordance with the stipulations listed below under Reporting Requirements.

Reporting Requirements

Because contaminated material remaining underneath the building could pose a risk to receptors, a review of site conditions and current land use, must be conducted and reported to ADEC once every 5 years or as soon as GVEA becomes aware of a change in the land use at the site. Land use changes include: change in ownership, movement of soil, or plans to install drinking water wells. Any such land use change may require the ADEC to reevaluate the potential threat to human health or the environment. The report must include a visual observation of the site and any information pertaining to changes in land use during the reporting period. The Report should be sent to ICUnit@alaska.gov. These reporting requirements and the institutional controls listed above will remain in place until the remaining contaminated soil is removed, or as determined by ADEC.

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. Failure to report to the ADEC on a five year basis will result in site reactivation.

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 Grant Lidren at (907) 269-8685.

Sincerely,

Linda Nuechterlein

Environmental Manager

Sincerely,

Grant Lidren

Environmental Specialist

Attachment A: Cleanup Complete-ICs Agreement Signature Page

Attachment B: Site Figure

103, 38,002

Attachment A: Cleanup Complete-ICs Agreement and Signature Page* ADEC File

Golden Valley Electric Association (GVEA) agrees to the terms of this Cleanup Complete with ICs determination as stated in this Record of Decision (ROD) document dated March 19, 2009 for the GVEA Healy Power Plant, Hazard ID: 3228. Failure to comply with the terms of this agreement may result in ADEC reopening this site and requiring further remedial action in accordance with 18 AAC 75.380(d).

VP Power Supply

Signature of Authorized Representative, Title Golden Valley Electric Association (GVEA)

Hathry K. Lama Wice russ dent Power Soppy Printed Name of Authorized Representative, Title Golden Valley Electric Association (GVEA)

Note to Responsible Person (RP):

After making a copy for your records, please return a signed copy of this form to the ADEC project manager, Grant Lidren, at the address on this correspondence within 30 days of receipt of this letter. After ADEC has received your signed copy, the Contaminated Sites database will be updated, and this closure decision will then take effect.

RECEIVED

APR 0 3 2009

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^{*}Attention ADEC Administration Staff: Please do not file this form until the ADEC project manager has updated the database.

Attachment B: Site Figure

