STATE OF ALASKA

FRANK H. MURKOWSKI, GOVERNOR

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

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File: 102.26.132

July 20, 2006

FILE COPY

Ms. Anastasia Duarte-Wilkinson, RS
Retail Environmental Remediation Administrator
Tesoro Refining and Marketing Company
3450 South 344th Way, Suite 201
Auburn, WA 98001-5931

Re: **Record of Decision** – Conditional Closure
Tesoro Northstore #115 Fairbanks, Alaska
Spill #1997-31-00-281-01, UST Facility I.D. #112, Event ID #1343

Dear Ms. Duarte-Wilkinson:

On June 28, 2006, the Alaska Department of Environmental Conservation (ADEC), Contaminated Sites Program, received the *Summary Report and Request for NFRAP (Revised)* for the above referenced facility. This June 22, 2006 report was submitted by Montgomery Watson Harza (MWH) on behalf of Tesoro.

Based on the information submitted in the MWH report, as well as all other pertinent site documentation available to us, ADEC has determined that Tesoro Northstore #115 shall be conditionally closed since the hazardous substance contamination has been adequately addressed. Although soil contamination remains at the site above the most stringent 18 AAC 75.341 soil cleanup levels, the nature and extent of this residual contamination should no longer pose an unacceptable risk to human health or the environment. Because of the residual soil contamination, this determination is contingent upon specific conditions.

This letter summarizes the decision process used to determine the environmental status of this site and is based on the information submitted in the above report and other pertinent site documentation. The following is a summary of the regulatory issues considered in the ADEC determination.

Introduction

Site name and location:
Tesoro Northstore #115 located at 101 College Road, Fairbanks, Alaska

Legal Description:
N Portion Block 25 Lemeta out of Block 25 Lemeta

Regulatory authority:
This project was reviewed under the applicable regulatory authority in 18 AAC 75, Article 3, and 18 AAC 78, Articles 2 and 6, as amended through January 30, 2003.

Responsible Party: Tesoro Refining and Marketing Company
3450 South 344th Way, Suite 201
Auburn, WA 98001-5931

Background
The site currently operates as an active retail fuel sales facility. Residual contaminated soil remains beneath the existing dispensers, the on-site building, and in the area of the former underground storage tanks (USTs). Asphalt or concrete pavement currently covers these areas of residual contamination.

In October 1997, one 15,000-gallon gasoline and one 15,000-gallon diesel underground storage tank (UST) was removed from the Tesoro Northstore #115 facility. The associated piping and dispensers were removed in July 1998 and contaminated soil was encountered during the UST system closure activities. Contaminated soil was transported off-site to an ADEC approved soil treatment facility for thermal treatment. In August 1998, a release investigation was conducted and benzene was detected in the groundwater.

In March 2001, a Soil Vapor Extraction (SVE) system was installed and operated until November 2003. Also, in August 2001, three monitoring wells were installed at the down gradient area of the property. No petroleum hydrocarbon contaminants were detected in the down gradient monitoring wells.

In June 2002, a second site assessment was performed during excavation activities to install the foundation of a new store building. Approximately 80 tons of contaminated soil was excavated and transported to an ADEC approved soil treatment facility for thermal treatment.

Contaminants of Concern
Contaminants at the site include the following petroleum hydrocarbon compounds related to the storage and distribution of gasoline and diesel fuel products:

- Benzene, toluene, ethylbenzene, and xylenes (BTEX)
- Gasoline range organics (GRO)
- Diesel range organics (DRO)

Soil Contamination
Soil contamination beneath the dispenser islands and the former USTs exceeded 18 AAC 75.341 'migration to groundwater' and 'inhalation' cleanup levels. Cleanup efforts removed contaminated soil in locations where it was accessible. However, not all contaminated soil could be removed due to the depth it had migrated and/or the potential for compromising the existing underground fueling system. Contaminants remaining in place above the soil cleanup levels at that time included BTEX, GRO and DRO.

An assessment was conducted in June 2002 during excavation activities for the construction of the on-site building. Contaminated soil was excavated to a depth of 15 feet below ground surface (bgs) in the vicinity of the former tanks to prepare for construction of a new store building. This area was backfilled with clean fill material and a concrete slab on-grade foundation was installed for the building. Benzene concentrations remaining in this area ranged from 0.0218 mg/kg to 0.0245 mg/kg. In addition, GRO was detected in one sample at 578 mg/kg.

Groundwater Contamination

The groundwater beneath this site is encountered approximately 19 feet below ground surface (bgs) depending on the location and the season of the year.

Groundwater monitoring was conducted over a six year period and a declining trend in the groundwater contaminant plume was documented. Groundwater at the site now meets the 18 AAC 75.345 Table C cleanup levels in each monitoring well.

A well search was conducted for a ¼ mile radius around this site. Seven drinking water wells were located within and/or near this radius, but all are considered up-gradient and across Noyes Slough from this site. Based on analytical results from monitoring wells located near the property boundaries, there is no evidence of off-site migration.

The subject property is provided community water and sewer services from the local utility company.

Exposure Pathways Identified

The following exposure and/or migration pathways were considered in this decision document.

The exposure pathways for human health that were evaluated include: indoor and outdoor inhalation; ingestion of soil; dermal contact with soil; and ingestion of groundwater or surface water.

Asphalt or concrete pavement currently covers most of the property. This minimizes the possible exposure pathways of ingestion, dermal contact, and outdoor inhalation. However, there may be exposure issues if residual soil contamination is excavated or otherwise exposed. To minimize and control this risk, any excavation activities in areas of residual soil contamination will require prior notification of ADEC and the oversight of a qualified third-party environmental consultant.

The groundwater ingestion pathway is not an issue because groundwater now meets the 18 AAC 75.345 Table C cleanup levels.

The indoor air and surface water exposure pathways are considered incomplete. Indoor air isn't affected due to the separation distance from the residual soil contamination to existing buildings, and there are no indication of contaminant migration to the nearby surface water body (Noyes Slough).

The contaminant migration pathways that were evaluated include: migration to groundwater; migration to surface water; and migration to indoor air.

The migration to groundwater pathway is considered incomplete because groundwater meets the 18 AAC 75.345 Table C cleanup levels.

The surface water and indoor air migration pathways are considered incomplete, since surface water is not affected and there is no indication of impacts to indoor air.

Cleanup Levels

The soil cleanup levels established for this site are in accordance with 18 AAC 75.341, Tables B1 and B2 migration to groundwater pathway (Under 40 inch zone). The 'migration to groundwater' pathway is the most stringent soil cleanup level and will allow unrestricted closure if the levels are achieved.

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

Table 1: Cleanup Levels for Tesoro Northstore #115

Contaminant	Soil Cleanup Level (mg/kg)	Groundwater Cleanup Level (mg/L)
Benzene	**0.02**	0.005
Ethylbenzene	**5.5**	0.7
Toluene	**5.4**	1.0
Xylenes (total)	**78**	10.0
GRO	**300**	1.3
DRO	**250**	1.5
RRO	10,000	1.1

Bolded values identify contaminants remaining on site which exceed cleanup level.

ADEC Decision

Based on the information provided to date, ADEC has determined that the cleanup actions employed at the former Tesoro Northstore #115 facility in Fairbanks, Alaska were effective in removing a majority of impacted soil resulting from the former UST system. ADEC evaluated the soil contaminant concentrations remaining on site and determined that, with the following conditions, it no longer poses an unacceptable risk to human health or the environment.

This decision will be noted as "Conditional Closure" on the ADEC database and is subject to the following conditions:

1. In accordance with 18 AAC 78.274(b), ADEC approval must be obtained prior to removal and/or disposal of contaminated soil from this site. Tesoro shall provide the services of a qualified, impartial environmental professional as required in 18 AAC 78, in order to properly monitor, assess, manage, treat, and dispose of any contaminated soils. Future excavation activities shall be coordinated with ADEC. Tesoro shall provide for the excavation and treatment of any contaminated soils encountered in accordance with all applicable ADEC regulations at that time.

2. Permanent closure and/or change in service for the existing UST system must be conducted in accordance with 18 AAC 78.085.

These conditions remain in effect until a written determination from ADEC is issued stating that soil at the site has been shown to meet the applicable soil cleanup levels.

In accordance with 18 AAC 78.276(f)(2), ADEC may require additional assessment and/or cleanup action if future information leads to a revised determination that this site poses an unacceptable risk to human health or the environment.

An institutional control will be listed on the ADEC database to document that there are areas at this facility where soil contamination remains above the most stringent ADEC soil cleanup levels.

Site closure (without conditions) can be achieved when soil sampling confirms that all soil meets the 18 AAC 75.341 Tables B1 and B2 'migration to groundwater' soil cleanup levels.

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 Conditional Closure decision, or any of the conditions attached to this decision, please contact me at (907) 262-5210 extension 229.

Sincerely,

Monica T. English
Environmental Program Specialist

C: Michael Zidek, MWH – Anchorage