STATE UF ALASKA

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

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March 10, 2003

Mr. Richard Reeve, President Frosty Fuels, Inc. 4700 West International Airport Road Anchorage, AK 99502-1091

RE: Frosty Fuel, Inc. Pipeline Release, Cold Bay, Alaska ADEC Reckey 1992250103501.

Dear Mr. Reeves:

The Alaska Department of Environmental Conservation(DEC), Contaminated Sites Program, reviewed the site file to evaluate your request for No Further Action (NFA) relative to a portion of the site described as Lot 5, Block 3, Cold Bay Alaska Subdivision. The following describes the property and DEC's decision related to your request.

The property relative to this decision is owned by the University of Alaska and is located on the north side of the Reeve Avenue Right-of-Way and to the east of the Buchner Street Right-of-Way. Figure 1 attached depicts the property location. As a result of a 1992 release from a pipeline rupture identified on Figure 1, contamination migrated along Reeve Avenue via storm water runoff to a culvert that passes under Reeve Avenue, discharging fuel product to Lot 5, Block 3, Cold Bay Alaska Subdivision.

During previous soil testing, contamination was detected in the drainage area from this culvert. In 1999, the storm water flow pattern was defined and additional soil samples were collected for laboratory analysis. The soil sampling effort began at the culvert outfall and extended along 175 feet of the drainage pattern. All soil samples were below the cleanup levels established in 18 AAC 75.345 Tables B1 and B2.

Based on the evaluation of the data provided, DEC does not consider Lot 5, Block 3, Cold Bay Alaska Subdivision to be contaminated and no further remedial action is required there. This decision applies only to the property described above and does not address other areas possibly impacted by the 1992 release. This decision is conditional on information presented to date, if contamination is identified in the future that may pose a risk to human health and/or the environment, additional site characterization or cleanup action may be necessary.

Please contact me at 269-7551 if you have any questions regarding this decision.

Sincerely,

David J. Pikul

cc: Mitchail Shestakov, Aleut Enterprise Corp.

Hermino Muniz, HartCrowser

Nelda Carlson, UA