



Aspen *Environmental Group*

PROJECT MEMORANDUM

LODI GAS KIRBY HILLS NATURAL GAS STORAGE FACILITY PROJECT

To: Junaid Rahman, CPUC
From: Vida Strong, Aspen Project Manager
Date: June 7, 2006
Subject: Weekly Report #2: May 28, 2006 – June 3, 2006
CPUC Environmental Monitor (EM): Jody Fessler

CPUC EM Jody Fessler was on site May 30th and June 1st.

PIPELINE SEGMENT:

Summary of Activity:

Notice to Proceed (NTP #1) was issued on Friday, May 19th by the CPUC for the pipeline and flow line portion of the Lodi Gas Kirby Hills Natural Gas Storage Facility Project (see Table 1). The pipeline portion of the project consists of the installation of approximately 5.9 miles of an underground 16-inch pipeline from a metering station to the Kirby Hills compressor station and installation of the 1.35-mile, 4-inch temporary gas injection pipeline. The flow line consists of the installation of 1.1 miles of underground 12-inch flow line from the compressor station to the injection/withdrawal wells.

Construction activities continued this week with the grading of the trench right-of-way near Olson Road and heading west. There is an ephemeral wetland area fenced off that crews worked around (see Figure 1). On June 1st, Variance Request #1 was submitted by Lodi Gas to the CPUC requesting to work through the ephemeral wetland area (see Table 2). Based on the annual land use of the area, Variance Request #1 was approved by CPUC on June 5th. Trenching activities continued west behind the grading activities. Crews started welding pipe sections together starting at the east end of the pipeline near Birds Landing Road (see Figure 2). Two ephemeral drainages at the eastern end of the pipeline alignment were bored this week and pipe pulled back through (see Figures 3 & 4).

The staging area off Shiloh Road is being used for the staging of materials and equipment. Lodi Gas and Rockford, the construction contractor, also have work trailers staged on the site.

Jones & Stokes Environmental Inspector (EI) was on-site to ensure compliance with mitigation measures adopted in the Mitigated Negative Declaration (MND), Storm Water Pollution Prevention Plan (SWPPP), and other permit requirements.

Environmental Compliance Activities:

The CPUC EM observed that all construction activities were in compliance with mitigation measures adopted in the MND and other permit requirements.

WELL SITES:

NTP #2 was issued by CPUC on May 31st for the civil and piping work at the well sites (see Table 1). Crews began work at the well sites in the Kirby Hills on Thursday, June 1st. Work included replacing the packer and screen before beginning grading and construction of the piping and other well site components at Well Site #2.

Environmental Compliance Activities:

The CPUC EM observed that all construction activities were in compliance with mitigation measures adopted in the MND and other permit requirements.

NOTICES TO PROCEED (NTP):

Table 1 presents the NTPs issued by the CPUC for the Lodi Gas Kirby Hills Project to date.

**TABLE 1
NOTICES TO PROCEED
(Updated 6-07-06)**

NTP #	Date Issued	Description
#1	5-19-06	Pipeline Portion
#2	5-31-06	Civil and piping construction of the well sites, and civil construction of the compressor station
#3	Under Review	Civil/Structural construction on the compressor station and well sites

VARIANCE REQUESTS:

Table 2 presents the variances requested and issued by the CPUC for the Lodi Gas Kirby Hills Project to date.

**TABLE 2
VARIANCE
(Updated 6-07-06)**

NTP #	Date Requested	Date Issued	Description
#1	6-01-06	6-05-06	Request to trench through ephemeral wetland area approximately 70 ft. west of Olson Road.
#2	5-31-06		Lodi Gas's environmental consultant, Jones & Stokes, sent in Variance Request information to CDFG. Lodi gas would like permission to trench through an area with a CNPS listed plant.

ENVIRONMENTAL COMPLIANCE:

No Non-Compliance Reports (NCR) or Project Memorandums (PMs) have been issued by the CPUC EM for the project to date.

UPCOMING ITEMS:

Lodi Gas holds a weekly conference call on Thursdays at 1:00 p.m. (PST) to review issues and upcoming events.

AGENCY PERSONNEL CONTACTS:

None at this time.

Photographs



Figure 1 – Ephemeral wetland fenced off in right-of-way approximately 70 feet west of Olson Road, May 30, 2006



Figure 2 – Crews welding pipe along trench alignment, June 1, 2006



Figure 3 – View looking west of the bore crew boring under the middle ephemeral drainage surrounded by ESA fencing, June 1, 2006.



Figure 4 – Crews excavating bore pits on either side of the eastern ephemeral drainage, June 1, 2006