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**PROJECT MEMORANDUM  
LODI GAS KIRBY HILLS NATURAL GAS STORAGE FACILITY PROJECT**

**To:** Junaid Rahman, CPUC  
**From:** Vida Strong, Aspen Project Manager  
**Date:** December 21, 2006  
**Subject:** Weekly Report #30: December 10, 2006 – December 16, 2006

**CPUC ENVIRONMENTAL MONITOR (EM):** Jody Fessler

CPUC EM Jody Fessler was on site December 14<sup>th</sup>.

**PIPELINE SEGMENT:**

**Summary of Activity:**

All 16-inch pipeline work has been completed, as well as right-of-way cleanup. All of the affected landowners have signed off on the work as acceptable. The right-of-way is revegetating well (see Figure 1).

The cleanup of the staging area off Shiloh Road is complete; equipment and materials have been moved off the site and the area tilled per the specifications of the landowner.

**Environmental Compliance Activities:**

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

**WELL SITES:**

Work at the Well Sites S-1 and S-10 occurred Monday through Saturday of the subject week. On Saturday, electrical crews mounted four light poles at Well Sites S-1 and S-10, and pulled wire to one light pole.

On Monday and Wednesday, crews fabricated piping for Well Site S-1. On Thursday, crews constructed forms for light pole foundations at Well Sites S-1 and S-10 (see Figure 2). On Friday, crews poured concrete for the light poles and panel foundation at Well Sites S-1 and S-10.

**Environmental Compliance Activities:**

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

**KIRBY HILLS COMPRESSOR STATION SITE:**

Work at the Kirby Hills Compressor Station took place Monday through Saturday (see Figures 3 and 4). No civil or mechanical work was conducted on Saturday. Crews conducted the following activities:

- Monday through Friday, crews continued fabrication of utility piping inside the compressor building, continued to install lube oil pump and associated piping outside the compressor building, continued form work for pipe supports and miscellaneous foundations, completed nitrogen pressure test for the North Compressor fuel gas and starting air piping, re-routed 2-inch pipe from urea tank to dosing skids, worked on commissioning of North Compressor unit, and worked on fabrication and modification of exhaust stack structural supports.



- Monday through Saturday, crews conducted electrical and instrumentation work which included: Argillon personnel commissioning the SCR system, installing instrument tubing for the SCR system, installing fiber optic patch cords in various panels, terminating all wire possible for the thermal oxidizer and regeneration skid, installing conduit for lighting, checking loops and miscellaneous support for the North Compressor commissioning, installing compressor building lighting conduit, installing conduit for yard lighting areas, working on yard area lights, replacing temporary receptacles with permanent receptacles in the compressor building, and working on grounding system punch list items.
- On Friday, a crew spread gravel around the Compressor Station facility.

**Environmental Compliance Activities:**

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

**METERING STATION SITE:**

PG&E crews worked throughout the week at the Metering Station (see Figure 5). Lodi Gas also conducted some work at the Metering Station. On Friday, crews installed conduit. On Saturday, crews pulled wire to instruments near the pig launcher and sonic flowmeter.

**Environmental Compliance Activities:**

The CPUC EM observed that 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. No additional NTPs are anticipated.

**TABLE 1  
NOTICES TO PROCEED  
(Updated 12-21-06)**

NTP #	Date Issued	Description
#1	5-19-06	Pipeline Portion
#2	5-31-06	Civil (grading) and piping construction of the well sites, and civil (grading) construction of the compressor station
#3	7-05-06	Compressor station and well site construction. Drilling of three new storage wells.
#4	6-20-06	Civil portion only of the natural gas receiving/metering station
#5	9-06-06	Metering station foundation, structural, piping, electrical, and instrumentation construction. County permit pending.

**VARIANCE REQUESTS:**

Table 2 presents the Variance Requests reviewed and approved by the CPUC for the Lodi Gas Kirby Hills Project to date. No Variance Requests were submitted during the subject week.

**TABLE 2**  
**VARIANCE REQUESTS**  
(Updated 12-21-06)

Variance #	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	6-08-06	Lodi gas would like permission to trench through an area with a CNPS listed plant (pappose spikeweed). CPUC approval contingent upon CDFG concurrence. 6/21 – CDFG feedback provided and forwarded to J&S.
#3	6-16-06	6-16-06	Request to trench through two ephemeral wetland areas west of Shiloh Road.
#4	6-27-06	6-28-06	Request for additional workspace on the west side of Shiloh Road for the Shiloh bore.
#5	6-28-06	6-29-06	Request for removal of two small eucalyptus trees and trenching through the root system of two larger trees.
#6	7-07-06	7-07-06	Request to use additional workspace at the corner of Shiloh Road and the Kirby Hills access road to support large vehicles and equipment being transported to the Kirby Hills site.
#7	7-07-06	7-18-06	Request to relocate a PG&E distribution line around the S-2 well site. CPUC has requested historical resource information on the drilling “dog house” that is near the site. Jones & Stokes submitted information on 7/17/06.
#8	7-07-06	7-07-06	Request to move the 4-inch temporary gas line.

**ENVIRONMENTAL COMPLIANCE:**

One Project Memorandum has been issued by the CPUC EM for the project to date. On June 27<sup>th</sup>, the CPUC EM observed dump trucks dumping spoils from the Kirby Hills site on a levee road in an adjacent wetland area. This activity was not described in the project description. The CPUC EM requested to review permits for this activity. The landowner provided Lodi Gas with the 2006 Annual Application for the USACE Wetlands Maintenance, a copy of a letter from the USACE to the Suisun Resource Conservation District dated May 31, 2006, and a letter from the Suisun Resource Conservation District to the landowner dated June 5, 2006. The CPUC EM reviewed these documents and has concluded that the work activities are in compliance with the USACE approval. The Project Memorandum serves as a reminder that all permits for construction activities related to the Kirby Hills Natural Gas Storage Facility project be submitted and approved by the CPUC. Also, if changes to project activities as described in the MND occur, a Variance Request shall be submitted.

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

**UPCOMING ITEMS:**

As previously reported, Lodi Gas began commissioning of the South Compressor in November. Additional commissioning activities are scheduled for December.

At the request of Solano County, Aspen made an inquiry to Lodi Gas regarding the planned facility lighting. Lodi Gas is preparing a written response in coordination with PG&E.

## Photographs



**Figure 1** – Right-of-way heading west out of Metering Station, December 14, 2006.



**Figure 2** – Work at S-1 Well Site, December 14, 2006.



**Figure 3** – Compressor Station site looking northwest, December 14, 2006.



**Figure 4** – Lighting installed at Compressor Station facility, December 14, 2006.



**Figure 5** – Odorizing tank installed at the Metering Station, December 14, 2006.