STATE OF CALIFORNIA

### PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298

August 9, 2002

Tel. No. (415) 703-1691



GRAY DAVIS, Governor

Advice Letter 3170

Mr. Sid Newsom Regulatory Tariff Administration Southern California Gas Company - GT14D6 555 West Fifth Street Los Angeles, CA 90013-1011

Subject: Additional hazardous substance site

Dear Mr. Newsom:

Advice Letter 3170 is effective August 26, 2002. A copy of the advice letter is returned herewith for your records.

Sincerely,

Douglas Long **Energy Division** 



J. Steve Rahon Director Tariffs & Regulatory Accounts

8315 Century Park Ct. San Diego, CA 92123-1550 Tel: 858.654.1773 Fax 858.654.1788 srahon@SempraUtilities.com

July 17, 2002

<u>Advice No. 3170</u> (U 904 G)

Public Utilities Commission of the State of California

## Subject: Additional Hazardous Substance Site

Southern California Gas Company (SoCalGas) hereby requests Commission approval to include the Park Avenue Easement for Line 2003 (Site) in the Hazardous Substance Cost Recovery Account as referenced within SoCalGas' Preliminary Statement Part V.C, in compliance with Decision No. (D.) 94-05-020.

## **Background**

D.94-05-020 requires California utilities to file an advice letter in order to include additional sites as part of the Hazardous Substance Mechanism. For each site the advice letter shall list: 1) the name of the site, 2) the location of the site; 3) the source, nature and approximate date of the contamination; 4) utility operations (historical and current) at the site, if any; and 5) environmental agency and oversight regarding the site, if any.

In addition, D.96-07-016 requires utilities to demonstrate that: 1) clean-up costs for which recovery is being sought are not being recovered through base rates or through any other recovery procedure; and 2) all of the costs for which recovery is being sought are hazardous waste clean-up costs (including insurance costs) found appropriate for recovery in the Collaborative Report.

### **Required Information**

The relevant information for the Site is as follows:

Site Name: SoCalGas Park Avenue Easement (Line 2003)

Location: 8020 Park Avenue, Cudahy, California

## Utility Operations (Historical and Current) at the Site

The Site is currently used as an easement for a high-pressure gas pipeline. The easement is a part of a school property known as "Park Avenue Elementary School" which is owned by Los Angeles County Unified School District (LAUSD). The easement comprises part of a parking area for the Park Avenue Elementary School. The pipeline was constructed during early 50's.

## Source, Nature, and Approximate Date of Contamination

The easement is a part of a larger area that was an active dump (known as "Vloedman Dump" and "Park Avenue Dump") from 1927 to 1960. During its operation, Vloedman Dump received waste glass, general rubbish, waste oil, and sludge. The glass was reprocessed in a glass-recycling factory, the rubbish was disposed in an open access dump, and the waste oil and sludge were disposed into a waste impoundment area. From the late 1940's to 1950's the glass-recycling factory reportedly accumulated broken glass, rinsed it with solvents, and reformed the glass into other products. The waste handling practices of the facility is unknown. The open access dump was located southwest of the glass recycling factory. No records were maintained concerning the types of wastes received at the dump. Previous investigations have noted up to 14 feet of fill material containing cable, steel, household trash, concrete, wire, bricks, asphalt, tin, paper, wood, glass, and steel bars have been found in the dump.

The waste impoundments were operated concurrently with the open access dump on the eastern part of the Vloedman Dump, which is now, at least in part, below the School playground, the Easement, and the adjacent Park. No documentation was maintained as to the types of wastes disposed of at the impoundments. Previous investigations noted that aerial photographs indicate the impoundments were approximately 191,000 to 284,000 square feet in area and may have been as much as 10 feet deep. Also, long time residents and City officials were reportedly interviewed and stated that the impoundments received waste oil from service stations, refinery sludge, and refinery tank bottom sludge, and other similar materials. After World War II, a branch of the U.S. military reportedly abandoned several ship-to-shore barges in the impoundment area.

## **Environmental Agency Actions and Oversight**

The oversight environmental agency for this project is California Department of Toxic Substances Control (DTSC).

## Nature of Costs

The Park Avenue Easement cleanup costs that SoCalGas is seeking to recover through the procedure are not being recovered through base rates or through any other recovery procedure. All cleanup costs included by SoCalGas in the procedure will be hazardous waste cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report, dated November 19, 1993.

## Protest

Anyone may protest this Advice Letter to the California Public Utilities Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and must be received within 20 days of the date this Advice Letter was filed with the Commission. There is no restriction on who may file a protest. The address for mailing or delivering a protest to the Commission is:

Energy Division - IMC Branch California Public Utilities Commission 505 Van Ness Avenue, 4th Floor San Francisco, CA 94102

Copies of the protest should also be sent via e-mail to the attention of both Jerry Royer (<u>jir@cpuc.ca.gov</u>) and to Honesto Gatchalian (<u>inj@cpuc.ca.gov</u>) of the Energy Division. A copy of the protest should also be sent via both e-mail <u>and</u> facsimile to the address shown below on the same date it is mailed or delivered to the Commission.

Attn: Sid Newsom Tariff Manager - GT14D6 555 West Fifth Street Los Angeles, CA 90013-1011 Facsimile No. (213) 244-4957 E-mail: snewsom@SempraUtilities.com

Attn: Masood Hosseini Site Assessment and Mitigation Senior Project Manager – GT16G2 (Authorized Representative for SoCalGas Company) 555 W. Fifth Street Los Angeles, CA 90013-1011 Facsimile No. (213) 244-8020 E-Mail: <u>mhosseini@SempraUtilities.com</u>

## Effective Date

In accordance with D.94-05-020, this advice letter shall be treated as a compliance filing under General Order 96-A for Commission approval within 40 days after the filing, which is August 26, 2002, if no protest letters are received. If protests are received, the Commission will either issue a resolution, or require the utility to file an application seeking inclusion of specified costs in the Hazardous Substance Mechanism.

## <u>Notice</u>

In accordance with Section III.G of General Order No. 96-A, a copy of this advice letter is being sent to the parties listed on Attachment A, which includes the parties in Application No. 91-04-044.

J. STEVE RAHON Director Tariffs and Regulatory Accounts

Attachment

ATTACHMENT A

Advice No. 3170

(See Attached Service Lists)

ACN Energy Hans Herzog hans.herzog@acnenergy.com

AFBCA/DB March 3430 Bundy Ave., Bldg. 3408 March AFC, CA 92518-1504

Alcantar & Kahl Kari Harteloo klc@a-klaw.com

Barkovich & Yap Catherine E. Yap ceyap@earthlink.net

#### CPUC

Consumer Affairs Branch 505 Van Ness Ave., #2003 San Francisco, CA 94102

California Energy Market Lulu Weinzimer Iuluw@newsdata.com

City of Azusa Light & Power Dept. 215 E. Foothill Blvd. Azusa, CA 91702

City of Colton Thomas K. Clarke 650 N. La Cadena Drive Colton, CA 92324

City of Long Beach, Gas Dept. Chris Garner 2400 East Spring Street Long Beach, CA 90806-2385

City of Riverside Stephen Aronson saronson@ci.riverside.ca.us ACN Energy Mark Warno mark.warno@acnenergy.com

Aglet Consumer Alliance James Weil jweil@aglet.org

Alcantar & Kahl LLP Phil Vizcarra 120 Montgomery Street, Ste 2200 San Francisco, CA 94104

Berliner, Camdon & Jimison John Jimison johnj@bcjlaw.com

# CPUC

Energy Rate Design & Econ. 505 Van Ness Ave., Rm. 4002 San Francisco, CA 94102

Calpine Corp Avis Clark aclark@calpine.com

City of Banning Paul Toor P. O. Box 998 Banning, CA 92220

City of Glendale Larry Silva Isilva@ci.glendale.ca.us

City of Los Angeles City Attorney 1700 City Hall East Los Angeles, CA 90012

City of Vernon Kenneth J. DeDario kdedario@ci.vernon.ca.us ACN Energy Tony Cusati tony.cusati@acnenergy.com

Alcantar & Kahl Elizabeth Westby egw@a-klaw.com

BP Amoco, Reg. Affairs Marianne Jones 501 West Lake Park Blvd. Houston, TX 77079

Beta Consulting John Burkholder burkee@cts.com

CSC Energy Ron McKillip rmckilli@csc.com

City of Anaheim Ben Nakayama Public Utilities Dept. P. O. Box 3222 Anaheim, CA 92803

City of Burbank Fred Fletcher/Ronald Davis 164 West Magnolia Blvd., Box 631 Burbank, CA 91503-0631

City of Lompoc H. Paul Jones 100 Civic Center Plaza Lompoc, CA 93438

City of Pasadena Manuel A. Robledo 150 S. Los Robles Ave., #200 Pasadena, CA 91101

Coral Energy Walter Cinibulk wcinibulk@coral-energy.com

#### Advice Letter Distribution List - Advice 3170

County of Los Angeles Otto Radtke 1100 Northeastern Ave., Rm. 101 Los Angeles, CA 90063

Davis, Wright, Tremaine Judy Pau judypau@dwt.com

Downey, Brand, Seymour & Rohwer Ann Trowbridge atrowbridge@dbsr.com

Dynegy Joseph M. Paul jmpa@dynegy.com

Energy Law Group, LLP Andrew Skaff askaff@energy-law-group.com

Gas Purchasing BC Gas Utility Ltd. 16705 Fraser Highway Surrey, British Columbia, Canada V3S 2X7

Goodin, MacBride, Squeri J. H. Patrick hpatrick@gmssr.com

Imperial Irrigation District K. S. Noller P. O. Box 937 Imperial, CA 92251

Jones, Day, Reavis, & Pogue Norman A. Pedersen, Esq. 555 West 5th Street, #4600 Los Angeles, CA 90013-1025

Law Offices of William H. Booth William Booth wbooth@booth-law.com Crossborder Energy Tom Beach tomb@crossborderenergy.com

Dept. of General Services Celia Torres celia.torres@dgs.ca.gov

Downey, Brand, Seymour & Rohwer Phil Stohr pstohr@dbsr.com

Edson & Modisette 925 L Street, Ste 1490 Sacramento, CA 95814

Energy Law Group, LLP Diane Fellman difellman@energy-law-group.com

General Services Administration Dir., Public Utility Services Div. Public Bldgs. Serv., Rm. 7325 18th and F Streets, N.W. Washington, D.C. 20405

Goodin, MacBride, Squeri James D. Squeri jsqueri@gmssr.com

JBS Energy Jeff Nahigian jeff@jbsenergy.com

LADWP Nevenka Ubavich nubavi@ladwp.com

LeBoeuf, Lamb, Greene Christopher Hilen chilen@llgm.com Davis Wright Tremaine, LLP Edward W. O'Neill One Embarcadero Center, #600 San Francisco, CA 94111-3834

Dan Douglass douglass@energyattorney.com

Downey, Brand, Seymour & Rohwer Dan Carroll dcarroll@dbsr.com

El Paso Natural Gas Company Richard O. Baish P. O. Box 1492 El Paso, TX 79978

Enserch Gas Marketing, Inc. Cathy Hawes 353 Sacramento, St., Suite 400 San Francisco, CA 94111

General Services Administration Facilities Management (9PM-FT) 450 Golden Gate Ave. San Francisco, CA 94102-3611

David Huard dhuard@manatt.com

Jeffer, Mangels, Butler & Marmaro One Sansome Street, 12th Floor San Francisco, CA 94104-4430

LADWP Randy Howard P. O. Box 51111, Rm. 956 Los Angeles, CA 90051-0100

Luce, Forward, Hamilton & Scripps John Leslie jleslie@luce.com

#### Advice Letter Distribution List - Advice 3170

MRW & Associates Robert Weisenmiller mrw@mrwassoc.com

Navigant Consulting, Inc. Katie Elder katie\_elder@rmiinc.com

Pacific Gas & Electric Co. John Clarke Regulatory R77 Beale, B30A B10C San Francisco, CA 94105

Regulatory & Cogen Services, Inc. Donald W. Schoenbeck 900 Washington Street, #1000 Vancouver, WA 98660

Southern California Edison Co Karyn Gansecki 601 Van Ness Ave., #2040 San Francisco, CA 94102

Southern California Edison Co. Kevin Cini cinikr@sce.com

Suburban Water System Bob Kelly 1211 E. Center Court Drive Covina, CA 91724

TURN Mike Florio mflorio@turn.org

Western Division, Naval Facilities Engineering Code 1642 900 Commodore Dr. San Bruno, CA 94066-2402 Matthew Brady & Associates Matthew Brady matt@bradylawus.com

Office of Energy Assessments Bill Knox bill.knox@dgs.ca.gov

Praxair Inc Rick Noger rick\_noger@praxair.com

Richard Hairston & Co. Richard Hairston hairstonco@aol.com

Southern California Edison Co. Colin E. Cushnie cushnice@sce.com

Southern California Edison Company Martin Collette martin.collette@sce.com

Sutherland, Asbill & Brennan Keith McCrea kmccrea@sablaw.com

Transwestern Pipeline Co. Kelly Allen kelly.allen@enron.com

White & Case Regulatory Affairs regaffairs@sf.whitecase.com National Utility Service, Inc. Jim Boyle One Maynard Drive, P. O. Box 712 Park Ridge, NJ 07656-0712

PG&E National Energy Group Eric Eisenman eric.eisenman@neg.pge.com

Questar Southern Trails Lenard Wright lenardw@questar.com

Southern California Edison Co Fileroom Supervisor 2244 Walnut Grove Ave., Room 290, GO1 Rosemead, CA 91770

Southern California Edison Co. John Quinlan john.quinlan@sce.com

Southwest Gas Corp. Edward Zub P. O. Box 98510 Las Vegas, NV 89193-8510

TURN Marcel Hawiger marcel@turn.org

Vandenberg AFB Ken Padilla ken.padilla@vandenberg.af.mil Case Id: A9104044

Case Description: SoCalGas HazWaste Reasonableness

CPUC - ALJ Division Anand Garde 505 Van Ness Avenue San Francisco, CA 94102

California EPA Peter M. Rooney P. O. Box 2815 Sacramento, CA 95812-2815

Southern California Edison Co. Dawn L. Wilson 2244 Walnut Grove Avenue Rosemead, CA 91770

U. S. EPA Fred Leif 7500 Hawthorne Street San Francisco, CA 94105 CPUC - Legal Division James E. Scarff 505 Van Ness Avenue - Rm 5121 San Francisco, CA 94102

Pacific Gas & Electric Co. Gail L. Slocum 77 Beale Street, #3151, MC B30A San Francisco, CA 94105

Southern California Edison Co. Stephen Pickett 2244 Walnut Grove Ave. PO Box 800 Rosemead, CA 91770 CPUC - ORA Martin Homec 505 Van Ness Avenue, Room 3102 San Francisco, CA 94102

Southern California Edison Co. Bill Ostrander P.O. Box 800, 2244 Walnut Grove Ave Rosemead, CA 91770

TURN Robert Finkelstein 711 Van Ness Ave., #350 San Francisco, CA 94102