PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298 Tel. No. (415) 703-1691



March 1, 2006

Advice Letter 3596

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

RECEIVED

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REGULATORY S

TARIFFS

Subject: Additional hazardous substance site – Ventura/Olive Street station

Dear Mr. Newsom:

Advice Letter 3596 is effective March 19, 2006. A copy of the advice letter is returned herewith for your records.

Sincerely,

Sean H. Gallagher, Director

Energy Division



J. Steve Rahon
Director
Tariffs & Regulatory Accounts

8330 Century Park Ct. San Diego, CA 92123-1548 Tel: 858.654.1773 Fax 858.654.1788 srahon@SempraUtilities.com

February 17, 2005

Advice No. 3596 (U 904 G)

Public Utilities Commission of the State of California

Subject: Additional Hazardous Substance Site – Ventura/Olive Street Station

Purpose

Southern California Gas Company (SoCalGas) hereby requests Commission approval to include the former underground storage tank area located at 1555 N. Olive Street in Ventura, California (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.

SoCalGas owns and operates the property located at 1555 N. Olive Street in Ventura, California.

Required Information

The relevant information for the Site is as follows:

Site Name: Southern California Gas Company Ventura Maintenance Yard former Underground Storage Tank Area

Location: 1555 N. Olive Street, Ventura, California

Utility Operations (Historical and Current) at the Site

The Site is located within SoCalGas' maintenance yard located at 1555 North Olive Street in the City of Ventura, Ventura County, California. The Site is owned and operated by SoCalGas. The primary function of this facility was to service and maintain fleet vehicles that provide natural gas services for the city of Ventura. Former gasoline and diesel underground storage tanks (USTs) at this facility were used to refuel the maintenance vehicles.

Source, Nature, and Approximate Date of Contamination

The Site contained gasoline and diesel underground storage tanks used for refueling the maintenance vehicles. In January 2001, in order to re-pipe the tanks, the top of the tanks, product piping, and dispenser were exposed. Soil impacted with petroleum hydrocarbons was noted to be present beneath the former dispenser. Approximately 55 tons of gasoline-impacted soil was excavated from beneath the dispenser and transported off site for disposal.

On December 8, 2004 the USTs and their associated piping and the dispenser were excavated and removed off-site for disposal/recycling. During the removal soil samples were collected and analyzed. A review of the analytical results indicated the presence of petroleum hydrocarbons beneath the former gasoline underground storage tank.

Based on the available information, it appears that the source of contamination was the former gasoline underground storage tank and its associated piping and the time of release appears to be sometime prior to January 2001.

Environmental Agency Actions and Oversight

The Ventura County Environmental Health Division (EDH) is the oversight regulatory agency with jurisdiction over the site. EDH in their April 25, 2005 letter to SoCalGas indicated that EDH had reviewed the UST closure report and had several comments. The EDH requested that the SoCalGas conduct an additional investigation at the UST site to determine the extent of the gasoline-related contamination previously identified. EDH also required additional lead analytical data from soils in the gasoline UST and fuel dispenser areas of the site. In addition, the pertinent electronic data were required to be uploaded to the State of California Water Resource Control Board database (Geo Tracker).

To discuss the scope of work required to achieve "no further action" status for the site, a meeting between representatives of SoCalGas and EDH was held on July 18, 2005. The scope of work discussed and agreed during the July 18, 2005 meeting was developed to meet EDH's requirements to achieve "no further action" or, if deemed necessary, to undertake further action for the site.

Nature of Costs

The soil and groundwater investigation 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 investigation/cleanup costs included by SoCalGas in the procedure will be hazardous waste investigation/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 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 received within 20 days of the date of this Advice Letter. 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 (ijr@cpuc.ca.gov) and Honesto Gatchalian (inj@cpuc.ca.gov) of the Energy Division. A copy of the protest shall also be sent via both e-mail and 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

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 30 days after the filing, which is March 19, 2006, if no protests 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.

Notice

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 (Hazardous Waste Reasonableness).

J. STEVE RAHON
Director
Tariffs and Regulatory Accounts

Attachments

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)		
Company name/CPUC Utility No. SOUTHERN CALIFORNIA GAS COMPANY/ U 904 G		
Utility type:	Contact Person: Sid Newsom	
☐ ELC ☐ GAS	Phone #: (213) 244-2846_	
☐ PLC ☐ HEAT ☐ WATER	E-mail: snewsom@semprautilities.com	
EXPLANATION OF UTILITY TYPE (Date Filed/ Received Stamp by CPUC)		
ELC = Electric GAS = Gas PLC = Pipeline HEAT = Heat	WATER = Water	
Advice Letter (AL) #:		
Subject of AL: Additional Hazardous Substance Site - Ventura/Olive Street Station		
Keywords (choose from CPUC listing): <u>Balancing Account, Hazardous Waste</u>		
AL filing type: Monthly Quarterly Annual One-Time Other		
If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:		
Decision No. 94-05-020		
Does AL replace a withdrawn or rejected AL? If so, identify the prior ALN/A		
Summarize differences between the AL and the prior withdrawn or rejected AL ¹ :N/A		
Resolution Required? Yes No		
Requested effective date: 3/19/06 No. of tariff sheets: 0		
Estimated system annual revenue effect: (%): Negligible		
Estimated system average rate effect (%): Negligible		
When rates are affected by AL, include attachment in AL showing average rate effects on customer		
classes (residential, small commercial, large C/I, agricultural, lighting).		
Tariff schedules affected: none		
Service affected and changes proposed ¹ :		
Pending advice letters that revise the same tariff sheets: <u>N/A</u>		
Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:		
CPUC, Energy Division		outhern California Gas Company
Attention: Tariff Unit 505 Van Ness Avenue		ttention: Sid Newsom
San Francisco, CA 94102		55 West Fifth Street, ML GT14D6 os Angeles, CA 90013-4957
jjr@cpuc.ca.gov and jnj@cpuc.ca.gov		newsom@semprautilities.com

 $^{^{\}mbox{\tiny 1}}$ Discuss in AL if more space is needed.

ATTACHMENT A

Advice No. 3596

(See Attached Service Lists)

Aglet Consumer Alliance James Weil

jweil@aglet.org

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

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CPUC Consumer Affairs Branch

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CPUC - ORA

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CPUC - ORA Galen Dunham gsd@cpuc.ca.gov

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California Energy Market Lulu Weinzimer

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164 West Magnolia Blvd., Box 631

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

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Culver City Utilities County of Los Angeles Crossborder Energy Stephen Crouch Tom Beach **Heustace Lewis** 1100 N. Eastern Ave., Room 300 tomb@crossborderenergy.com Heustace.Lewis@culvercity.org Los Angeles, CA 90063 **Davis Wright Tremaine, LLP** Davis, Wright, Tremaine **Davis Wright Tremaine, LLP** Christopher Hilen Edward W. O'Neill Judy Pau chrishilen@dwt.com One Embarcadero Center, #600 judypau@dwt.com San Francisco, CA 94111-3834 **Dept. of General Services** Douglass & Liddell Douglass & Liddell **Celia Torres** Dan Douglass Donald C. Liddell celia.torres@dgs.ca.gov douglass@energyattorney.com liddell@energyattorney.com Downey, Brand, Seymour & Rohwer Downey, Brand, Seymour & Rohwer **Duke Energy North America Ann Trowbridge** Dan Carroll **Melanie Gillette** atrowbridge@downeybrand.com dcarroll@downeybrand.com mlgillette@duke-energy.com **Gas Purchasing General Services Administration Dynegy** Joseph M. Paul BC Gas Utility Ltd. Facilities Management (9PM-FT) 450 Golden Gate Ave. impa@dynegy.com 16705 Fraser Highway Surrey, British Columbia, V3S 2X7 San Francisco, CA 94102-3611 Goodin, MacBride, Squeri, Ritchie & Goodin, MacBride, Squeri, Ritchie & Hanna & Morton Day, LLP Day, LLP Norman A. Pedersen, Esq. J. H. Patrick James D. Squeri npedersen@hanmor.com hpatrick@gmssr.com jsqueri@gmssr.com **Imperial Irrigation District** Jeffer, Mangels, Butler & Marmaro JBS Energy K. S. Noller Jeff Nahigian 2 Embarcaero Center, 5th Floor P. O. Box 937 jeff@jbsenergy.com San Francisco, CA 94111 Imperial, CA 92251 **LADWP LADWP Kern River Gas Transmission Company** Janie Nielsen Nevenka Ubavich Randy Howard Janie.Nielsen@KernRiverGas.com nevenka.ubavich@ladwp.com P. O. Box 51111, Rm. 956 Los Angeles, CA 90051-0100 Law Offices of Diane I. Fellman Law Offices of William H. Booth Luce, Forward, Hamilton & Scripps Diane Fellman William Booth John Leslie diane_fellman@fpl.com wbooth@booth-law.com jleslie@luce.com MRW & Associates **Manatt Phelps Phillips** Manatt, Phelps & Phillips, LLP

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