

## CALIFORNIA COASTAL COMMISSION

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# Th20b

June 9, 2009

**TO:** Coastal Commissioners and Interested Parties

**FROM:** Alison J. Dettmer, Deputy Director, Energy, Ocean Resources, and Federal Consistency Division  
Tom Luster, Staff Environmental Scientist

**SUBJECT:** Addendum to E-09-005 – Pacific Gas & Electric Company, Preparatory Work for Decommissioning at Humboldt Bay Power Plant

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**STAFF RECOMMENDED MODIFICATIONS:** This addendum describes a minor change to PG&E's proposed project design, which will reduce by about half the amount of cut and fill generated during construction of Access Road #2 and will reduce the number of project-related truck trips.

The proposed modification is shown below in ~~strikeout~~ and **bold underline**:

**Change to Main Project Activities, first bullet, page 7:**

- **“Constructing a new access road:** PG&E will construct a new paved road (shown on Exhibit 2 as “Access Road #2) between Access Road #1 and the ISFSI Road. The road will be ~~24 feet wide and about 430 feet long;~~ **and 16 feet wide with a two-foot wide shoulder and guardrail on the downhill side.** It will allow workers, delivery trucks, and equipment to access the site without having to go through the main plant entrance. Construction will require about ~~2,500~~ **1,100** cubic yards of cut and ~~1,300~~ **630** cubic yards of fill, with some of the excess material slated for use in the project component described below. Stormwater will be directed to a new stormwater inlet at the base of the road to an existing stormwater system at the nearby parking lot.”

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Date Filed:	May 15, 2009
49 <sup>th</sup> Day:	July 3, 2009
180 <sup>th</sup> Day:	November 11, 2009
Staff:	T. Luster-SF
Staff Report:	May 21, 2009
Hearing Date:	June 11, 2009

## STAFF REPORT COASTAL DEVELOPMENT PERMIT APPLICATION

- APPLICATION NO.:** E-09-005
- APPLICANT:** Pacific Gas and Electric Company
- PROJECT LOCATION:** Humboldt Bay Power Plant near the community of King Salmon on the shoreline of Humboldt Bay, in Humboldt County.
- PROJECT DESCRIPTION:** Modify the site of the Humboldt Bay Power Plant (HBPP) to prepare for power plant demolition and decommissioning activities.
- LOCAL APPROVALS:** None required.
- EXHIBIT 1:** Area Map with Project Location
- EXHIBIT 2:** Site Plan
- EXHIBIT 3:** Wetland Impact Areas
- EXHIBIT 4:** Proposed Wetland Mitigation Site
- SUBSTANTIVE FILE DOCUMENTS:**
- PG&E's Coastal Development Permit application and associated documents, submitted in March and April 2009.
  - "Biological Resources Evaluation and Delineation of Wetlands and Waters of the US for Humboldt Bay Power Plant Phase 2 Decommissioning Preparatory Project", prepared by Mad River Biologists and CH2M Hill, April 2009.
  - "Buhne Point Wetlands Preserve Mitigation and Monitoring Plan for Humboldt Bay Repowering Project", PG&E, July 2007; approved and modified by the Commission pursuant to CDPs E-07-005 and E-08-003.
  - "Buhne Point Wetlands Preserve Mitigation and Monitoring Plan for LFO Tank Removal Project", PG&E, April 2008.

## SUMMARY

Pacific Gas & Electric Company (PG&E) plans to decommission two gas-fired and one nuclear-powered electrical generating units at its Humboldt Bay Power Plant (HBPP), located near King Salmon in Humboldt County, California. To prepare for the eventual decommissioning, PG&E is proposing site modifications and improvements at the power plant site that include:

- Expanding an existing access road;
- Constructing a new access road within the site;
- Grading and placing gravel to create areas for worker parking, material laydown, and equipment staging;
- Installing a radiation monitor and control building;
- Installing a prefabricated security guard booth and gate;
- Placing about 7,000 square feet of modular office buildings; and,
- Modifying a building to secure it for turbine and condenser removal.

The proposed project will result in minor impacts to coastal resources, including wetlands. PG&E has proposed several measures to mitigate for wetland impacts, including enhancing an area of wetlands within its Buhne Point Wetland Preserve, which is adjacent to the power plant site and which was established through previous permit approvals by the Coastal Commission and Energy Commission. Commission staff is also recommending three Special Conditions to ensure the project conforms to the Coastal Act's resource protection policies. **Special Condition 1** would require PG&E to submit for Executive Director review and approval a Construction Stormwater Plan and associated Best Management Practices that ensure impacts to wetlands and coastal waters are minimized. **Special Condition 2** would require PG&E to submit a site restoration plan for Commission review and approval. **Special Condition 3** would ensure that wetland mitigation PG&E proposes as part of this project is consistent with the other wetland mitigation at the site previously approved by the Commission.

As conditioned, staff believes the project will be carried out consistent with applicable sections of Chapter 3 of the Coastal Act. Staff recommends that the Commission **approve** the proposed project, as conditioned.

**Note:** While portions of the project are associated with PG&E's nuclear generating unit, the project components addressed in this staff report do not include radiological issues. The federal Nuclear Regulatory Commission (NRC) has exclusive jurisdiction over radiological aspects of PG&E's decommissioning of the nuclear unit, and the state is preempted from imposing upon operators of nuclear facilities any regulatory requirements concerning radiation hazards and nuclear safety. The state may, however, impose requirements related to other issues.

## 1.0 RECOMMENDED MOTION AND RESOLUTION

Staff recommends **approval** of the permit application, subject to Standard and Special conditions.

### **Motion:**

*I move that the Commission approve Coastal Development Permit E-09-005 subject to conditions specified below.*

Staff recommends a **YES** vote. Passage of this motion will result in approval of the permit as conditioned and adoption of the following resolution and findings. The motion passes only by affirmative vote of a majority of Commissioners present.

### **Resolution:**

*The Commission hereby approves a Coastal Development Permit for the proposed development and adopts the findings set forth below on grounds that the development as conditioned will be in conformity with the policies of Chapter 3 of the Coastal Act. Approval of the permit complies with the California Environmental Quality Act because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the development on the environment, or 2) there are no further feasible mitigation measures or alternatives that would substantially lessen any significant adverse impacts of the development on the environment.*

## 2.0 STANDARD CONDITIONS

1. **Notice of Receipt and Acknowledgment:** This permit is not valid and development shall not commence until a copy of the permit, signed by the applicant or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
2. **Expiration:** If development has not commenced, the permit will expire two years from the date on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
3. **Interpretation:** Any questions of intent of interpretation of any condition will be resolved by the Executive Director or the Commission.
4. **Assignment:** The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
5. **Terms and Conditions Run with the Land:** These terms and conditions shall be perpetual, and it is the intention of the Commission and the Permittee to bind all future owners and possessors of the subject property to the terms and conditions.

### 3.0 SPECIAL CONDITIONS

1. **Wetland and Water Quality Protection:** PRIOR TO ANY PROJECT-RELATED GRADING OR FILLING, the Permittee shall provide for the Executive Director's review and approval a Construction Stormwater Plan that describes all Best Management Practices that will be implemented during project activities. The Plan shall describe all measures necessary to ensure project-related impacts to wetlands and coastal waters do not exceed the impacts described in the Permittee's coastal development permit application or those evaluated in the Commission's Findings. The Permittee shall implement the Plan as approved by the Executive Director.
2. **Site Restoration:** No later than January 1, 2020, or at least one year before completing the decommissioning of the existing power plant, whichever is sooner, the Permittee shall submit a complete coastal development permit application describing proposed measures to restore the areas affected by the development activities approved pursuant to this permit.
3. **Compensatory Wetland Mitigation:** No later than September 1, 2009, the Permittee shall submit to the Executive Director for review and approval documentation demonstrating that the compensatory wetland mitigation described herein is consistent with the mitigation goals, objectives, performance standards, and monitoring requirements of the "Buhne Point Wetlands Preserve Mitigation and Monitoring Plan for Humboldt Bay Repowering Project", previously approved by the Commission pursuant to Coastal Development Permits E-07-005 and E-08-003.

Subject to the above-referenced Executive Director review and approval, the Permittee shall implement 0.099 acres of compensatory mitigation described in the April 2009 "Biological Resources Evaluation and Delineation of Wetlands and Waters of the US for Humboldt Bay Power Plant Phase 2 Decommissioning Preparatory Project", including any modifications required as part of the Executive Director's approval.

## 4.0 FINDINGS AND DECLARATIONS

### 4.1 PROJECT PURPOSE AND DESCRIPTION

The project will allow Pacific Gas & Electric Company (PG&E) to prepare the site of its Humboldt Bay Power Plant (HBPP) for the planned decommissioning and dismantling of the power plant.

**Background:** PG&E is decommissioning its Humboldt Bay Power Plant, located along the shoreline of Humboldt Bay about five miles south of Eureka, in Humboldt County (see Exhibit 1). The power plant consists of three generating units – Units 1 and 2 are gas-powered electrical generating units and Unit 3 is a nuclear-powered unit.<sup>1</sup> The project components addressed in this staff report do not include radiological issues.

The decommissioning project and associated preparatory work are being done in several phases, due in part to site constraints, the complexity of concurrently decommissioning a nuclear unit and dismantling two gas units, and because PG&E is also building a replacement generating facility on the same site. Although the site covers about 143 acres, much of it includes wetlands or other coastal resources associated with the Humboldt Bay shoreline, which PG&E has attempted to avoid while implementing these projects.

The site has been used for the existing power plant since the mid-1950s. Units 1 & 2, which are fossil fuel units, were built in 1956 and 1958, respectively. The nuclear Unit 3 operated from about 1963 to 1976 when it was shut down for refueling and seismic modifications. Upon reviewing the costs for the various modifications and upgrades, PG&E announced in 1983 its intention to decommission Unit 3. In 1985, the NRC issued PG&E a “possession only” license amendment and the plant has since been maintained in the NRC’s SAFSTOR status.<sup>2</sup> In 1988, the NRC approved PG&E’s decommissioning plan, which was superseded by PG&E’s 1998 “Post Shutdown Safety Analysis Report”.

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<sup>1</sup> Radiological aspects of the Unit 3 decommissioning are solely under the jurisdiction of the federal Nuclear Regulatory Commission (NRC). The NRC has exclusive jurisdiction over radiological aspects of PG&E’s Unit 3 decommissioning. The state is preempted from imposing upon operators of nuclear facilities any regulatory requirements concerning radiation hazards and nuclear safety. The state may, however, impose requirements related to other issues. The U.S. Supreme Court, in *Pacific Gas and Electric Company v. State Energy Commission*, 461 U.S. 190, 103 S.Ct. 1713 (1983), held that the federal government has preempted the entire field of “radiological safety aspects involved in the construction and operation of a nuclear plant, but that the states retain their traditional responsibility in the field of regulating electrical utilities for determining questions of need, reliability, costs, and other related state concerns.” The facility’s current and proposed possession, handling, storage, and transportation of nuclear materials are therefore precluded from state regulation. The Coastal Commission findings herein address only those state concerns related to conformity to applicable policies of the Coastal Act, and do not evaluate or condition the proposed project with respect to nuclear safety or radiological issues.

<sup>2</sup> The NRC defines “SAFSTOR” as “a method of decommissioning in which the nuclear facility is placed and maintained in such condition that the nuclear facility can be safely stored and subsequently decontaminated to levels that permit release for unrestricted use.” See <http://www.nrc.gov/reading-rm/basic-ref/glossary/safstor.html>, accessed April 27, 2009.

Along with the planned decommissioning, PG&E is implementing two other major projects at the site, due in part to the shutdown of the nuclear unit and the increasing age of the gas-fired units. PG&E is constructing a new power plant<sup>3</sup> to replace the existing units and recently constructed a spent nuclear fuel storage facility<sup>4</sup>, which was needed to allow decommissioning of the nuclear unit. Other associated projects have included removing various fuel tanks and pipelines, dismantling the Unit 3 stack, and adding parking, access roads, office space and other amenities to help implement the ongoing changes at the site.<sup>5</sup>

The currently proposed project would allow PG&E to conduct preparatory work needed to dismantle and decommission the existing power units. The Commission will evaluate decommissioning and dismantling under a separate coastal development permit application that PG&E is now preparing. PG&E expects to have that application ready for Commission review in December of 2009. PG&E's currently anticipated schedule would start demolition of Units 1 and 2 after the new power plant is online sometime in late 2010. After Units 1 and 2 are demolished, Unit 3 will be decommissioned, dismantled, and transported to an offsite location. PG&E expects to complete these activities by about 2020. Completion of decommissioning and final site specifications are subject to review and approval by the NRC. Implementing the project described herein will not result in irreversible impacts that would require the Commission to approve a subsequent decommissioning application and will not eliminate potential alternatives to any particular proposed decommissioning project.

**Main Project Activities:** The proposed project activities reviewed in these findings include:

- **Improving an existing access road:** PG&E will improve and widen a temporary access road between King Salmon Avenue and a parking lot within the power plant site (shown on Exhibit 2 as Access Road #1). The Commission approved construction of the road under Coastal Development Permits E-08-003 and E-08-003-A1. PG&E proposes to increase the road width from 24 feet to 28 feet, which will result in a two-foot wide shoulder on the south side of the road, a 22-foot paved travel way, and a four-foot wide grass-lined drainage swale on the north side of the road. The widening will allow use of the road by heavy equipment expected during decommissioning and will incorporate a drainage swale to handle road runoff. Constructing the swale will result in impacts to up to about 0.088 acres (about 3,800 square feet) of jurisdictional wetlands.

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<sup>3</sup> The California Energy Commission approved PG&E's Humboldt Bay Generating Station pursuant to 06-AFC-07 in September 2008.

<sup>4</sup> The Commission approved PG&E's Independent Spent Fuel Storage Installation (ISFSI) pursuant to CDP #E-05-001 in September 2005.

<sup>5</sup> See, for example, CDPs #E-07-005 (October 2007), E-08-003 (May 2008) and E-08-008 (September 2008), which authorized early parts of this decommissioning preparatory work and allowed PG&E to construct modular office buildings, laydown and storage areas, access roads, and other project components, and removal of a fuel storage tank.

- **Constructing a new access road:** PG&E will construct a new paved road (shown on Exhibit 2 as “Access Road #2) between Access Road #1 and the ISFSI Road. The road will be 24 feet wide and about 430 feet long, and will allow workers, delivery trucks, and equipment to access the site without having to go through the main plant entrance. Construction will require about 2,500 cubic yards of cut and 1,300 cubic yards of fill, with some of the excess material slated for use in the project component described below. Stormwater will be directed to a new stormwater inlet at the base of the road to an existing stormwater system at the nearby parking lot.
- **Constructing Equipment Laydown/Storage/Parking Areas:** PG&E anticipates developing about 1.9 acres of the site for parking and equipment storage and laydown (shown on Exhibit 2). This will cover two main areas – one between the power plant and the ISFSI, and the other between the power plant and the security fence along the bluff to the north of the plant. The first area is generally level and will require minimal grading and placement of about 1,100 cubic yards of gravel to provide a 4- to 6-inch gravel base. The second area will require about 800 cubic yards of imported fill, along with about 1,800 cubic yards of soil currently stockpiled at the site or available from the Access Road #2 cuts described above. Construction of this project component will result in fill of about 0.011 acres (about 480 square feet) of jurisdictional wetlands.
- **Installing a Radiation Portal Monitor:** PG&E will install a Radiation Portal Monitor (RPM) on the access road near the ISFSI.<sup>6</sup> An RPM consists of a frame structure wide and tall enough for trucks to pass through. The RPM includes radiation detectors and an adjacent control booth. The installation will allow vehicles leaving the site to drive through the RPM to determine whether they contain radioactive materials.
- **Installing a Security Guard Booth and Gate:** PG&E will install a security booth and gate near the junction of Access Road #2 and the ISFSI loop. The booth will be about six feet square and about eight feet high, and will include overhead power and phone lines.
- **Installing Modular Office Buildings:** PG&E estimates it will need about 7,000 square feet of additional office space on site during decommissioning. Within the area shown on Exhibit 2, PG&E plans to place several 12-foot by 40-foot single-story modular office buildings in any of several possible configurations and will tie them in to already existing utility connections at the site. The buildings will be off-white in color and similar in appearance to other modular buildings already at the site.
- **Modifying Unit 3 for Demolition Preparation:** Using an existing on-site crane, PG&E will remove portions of the Unit 3 turbine building roof and walls to prepare for eventual removal of some Unit 3 components. PG&E will use then install another crane within the building frame and erect a fabric structure over the building to provide protection. This tent-like structure will be about 33 feet wide, 60 feet long, and 32 feet high, and will be connected to the existing Unit 3 utilities and ventilation system.

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<sup>6</sup> PG&E notes that the monitor location could be changed slightly from the location shown on Exhibit 2 due to potential changes in NRC security requirements.



Other activities associated with the above-referenced main project elements will include producing about several thousand cubic yards worth of cut and fill, removing about two acres of grasses, disposing of construction waste, and other similar construction-related activities. The project components will cover about 4.4 acres of the approximately 143-acre power plant site. Parts of the project will occur within the “Owner Controlled Area”, which is an NRC designation requiring heightened security and safety procedures. Some project elements – e.g., the radiation portal and guard shack – are required pursuant to the NRC’s safety and security procedures. PG&E plans to remove all project components and restore the site at the end of power plant decommissioning, which is expected to be about 2020.

**Other Permits and Approvals:** The project will also be subject to the following permits and approvals:

- **Regional Water Quality Control Board:** Construction Storm Water Permit and Stormwater Pollution Prevention Plan (SWPPP).
- **Humboldt County:** Grading permits for Access Road #2 and the Unit 3 Fill Area.
- **Nuclear Regulatory Commission:** The NRC retains ongoing authority over aspects of the project related to nuclear and radiological issues. Parts of the project within PG&E’s Owner Secured Area will be subject to the NRC’s ongoing review and approval and to conditions of PG&E’s NRC-approved “possession only” license amendment, “Post Shutdown Safety Analysis Report”, and SAFSTOR status.

Humboldt County has determined that the proposed project is categorically exempt from CEQA requirements, pursuant to Section 15303(a) & (e) and 15304 of the CEQA Guidelines.

#### **4.2 COASTAL COMMISSION JURISDICTION AND STANDARD OF REVIEW**

The proposed project is within the Commission’s retained jurisdiction. The standard of review is the Chapter 3 policies of the Coastal Act.

#### **4.3 CONFORMITY TO APPLICABLE COASTAL ACT POLICIES**

##### **4.3.1 Maintaining Wetland and Water Quality and Placing Fill in Wetlands**

Coastal Act Section 30231 states:

*The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface waterflow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.*

Coastal Act Section 30233(a) states:

*The diking, filling, or dredging of open coastal waters, wetlands, estuaries, and lakes shall be permitted in accordance with other applicable provisions of this division, where there is no feasible less environmentally damaging alternative, and where feasible mitigation measures have been provided to minimize adverse environmental effects, and shall be limited to the following:*

- (1) New or expanded port, energy, and coastal-dependent industrial facilities, including commercial fishing facilities.*
- (2) Maintaining existing, or restoring previously dredged, depths in existing navigational channels, turning basins, vessel berthing and mooring areas, and boat launching ramps.*
- (3) In open coastal waters, other than wetlands, including streams, estuaries, and lakes, new or expanded boating facilities and the placement of structural pilings for public recreational piers that provide public access and recreational opportunities.*
- (4) Incidental public service purposes, including, but not limited to, burying cables and pipes or inspection of piers and maintenance of existing intake and outfall lines.*
- (5) Mineral extraction, including sand for restoring beaches, except in environmentally sensitive areas.*
- (6) Restoration purposes.*
- (7) Nature study, aquaculture, or similar resource-dependent activities.*

Parts of the proposed project will occur in and adjacent to wetlands on the power plant site (see Exhibit 3). The HBPP site includes a wide variety of wetland types, from areas of relatively high quality riparian, freshwater, and salt marshes to lower quality grasslands with wetland characteristics. The higher quality areas are generally part of the extensive wetland complex that extends along the shoreline of Humboldt Bay, and the lower quality wetlands are generally those within the developed areas of the power plant complex. Although the site is occupied by an active power plant and associated infrastructure, its location on the bay shore results in some of these wetland areas having relatively high levels of wildlife, raptor, and shorebird use. The power plant site and surrounding area is known to provide habitat for various federal- or state-listed species of concern, including several salmon species that use Humboldt Bay, the Northern

red-legged frog, ospreys and other raptors; however, the project area and the wetlands directly affected by the project do not provide habitat suitable for those species, and PG&E's wildlife monitoring during the spring of 2009 detected no species of concern in those areas.

The project will result in several minor direct wetland impacts described in PG&E's "Biological Resources Evaluation and Delineation of Wetlands and Waters of the U.S. for Humboldt Bay Power Plant Phase 2 Decommissioning Preparatory Project" (Biological Evaluation). The Biological Evaluation describes direct impacts to about 0.099 acres (about 4300 square feet) in three separate areas of Coastal Commission-delineated wetlands (see Exhibit 3):

- **DP2 CCW-1:** This area consists of about 0.088 acres (about 3,800 square feet) of single-parameter (vegetation) wetland adjacent to the north side of Access Road #1. The wetland is dominated by two species – perennial ryegrass (FAC) and buttercup (FACW).<sup>7</sup> PG&E's proposal to widen the existing access road includes locating a drainage swale within this 0.088-acre area. This area is within a wetland the Commission allowed to be partially filled for construction of the access road pursuant to E-08-003. The new road is within a corridor believed to be an abandoned farm road from before the power plant was constructed.
- **DP2 CCW-2:** This area consists of about 0.006 acres (about 260 square feet) of a narrow swale with hydrophytic vegetation, including perennial ryegrass (FAC), and bird's foot trefoil (FAC). This area would be within the equipment laydown, storage, and parking area on the north side of the project site.
- **DP2 CCW-3:** This is a shallow depression of about 0.005 acres (about 220 square feet) within a mowed grassy area adjacent to an existing roadway to the ISFSI. The vegetation includes slough sedge (OBL), perennial ryegrass (FAC), bird's foot trefoil (FAC), and sweet vernal grass (FACU). This area would be within the same equipment laydown, storage, and parking area as described above for CCW-2.

**Conformity to Section 30233(a):** This Coastal Act policy imposes a three-part test on proposed wetland filling or dredging: (1) the development must fall within one of seven allowable categories of use; (2) there must be no feasible less environmentally damaging alternative to such development; and, (3) the development must be mitigated to the maximum extent feasible. As shown below, the project will be consistent with the requirements of this three-part test:

- 1) Allowable use:** The project is part of the ongoing development associated with PG&E's Humboldt Bay Power Plant, which is a coastal-dependent industrial facility. The project will expand areas within the power plant complex to accommodate activities needed for power plant decommissioning. The Commission therefore finds the proposed project meets the first test of Section 30233(a).

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<sup>7</sup> The capitalized letters following each plant name in this bulleted list refer to the plant species' status as a wetland indicator as determined by its presence or absence in wetlands. A FAC, or facultative species, is found in wetlands about as often as not (between 34 and 66% of the time); a FACU, or facultative upland species, is found in wetlands about 1 to 34% of the time; a FACW, or facultative wetland species, is found in wetlands from 66 to 99% of the time; and an OBL, or obligate species, is found in wetlands about 99% of the time. For purposes of wetland designation, facultative plants are considered indicators of wetland characteristics.

2) **No feasible less environmentally damaging alternative:** The project purpose is to prepare the site for decommissioning and removal of outdated power plant generating units and associated equipment. The site includes a number of constraints to alternative project layouts, including the existing infrastructure associated with the old power plant, a new replacement power plant that is under construction, extensive wetlands on or near much of the site, and the bay shoreline along one side of the property. The proposed configuration of project elements uses existing developed areas to the extent possible and avoids the most sensitive onsite resources – for example, PG&E has designed the access roads to be within already developed corridors and has located all project components outside of the higher quality wetland areas at the site. Additionally, a “no project” alternative would not be less environmentally damaging, as removing the old equipment, including nuclear components, aging infrastructure, and contaminated materials, will reduce the environmental risks at the project site. The Commission therefore finds the proposed project meets the second test of Section 30233(a).

3) **Mitigated to the extent feasible:** PG&E proposes to mitigate for project-related impacts to wetlands in several ways:

- **Avoidance:** As noted above, the project layout avoids direct impacts to the site’s higher quality and more sensitive wetlands.
- **Minimization:** PG&E will minimize some potential impacts by not filling part of the 0.088 acres of impact area identified in Wetland DP2 CCW-1. The area will be used as a drainage swale next to Access Road #1, but most of it will not be filled. Because the slope of the road and swale are relatively slight (less than 1% grade), the swale can be vegetated rather than filled with cobble armoring. PG&E proposes to plant the swale with obligate wetland plants, which will allow the area to maintain some level of wetland function.

PG&E will also implement stormwater Best Management Practices (BMPs) to minimize the potential effects of construction-related runoff into nearby wetlands or other coastal waters. BMPs will include measures such as temporary fencing to prevent vehicles and equipment from entering biological sensitive areas, barriers and filters to prevent untreated runoff from entering wetland areas not identified as part of the project impact areas, use of biological materials for slope stabilization, and other similar measures. The County requires BMPs to be implemented during the year’s wetter period (from October 15<sup>th</sup> through April 15<sup>th</sup>) and the project will be subject to a Construction Stormwater Permit from the Regional Water Quality Control Board to ensure it meets the state’s water quality requirements. To ensure the project BMPs are adequate to protect coastal resources and will result in conformity to applicable Coastal Act policies, **Special Condition 1** requires PG&E to submit for Executive Director review and approval a construction stormwater plan that describes the BMPs it will implement and that meets the water quality provisions established by the Regional Board. Additionally, project components within the already developed areas of the power plant site will be subject to HBPP’s existing stormwater discharge permit from the Regional Board.

- **Restoration:** PG&E plans to restore the affected wetland areas at the end of the decommissioning project, which it expects to last until about 2020. **Special Condition 2** requires PG&E to submit a restoration plan for Commission review and approval by that date. Although impacts to the wetlands would continue throughout the project, the planned restoration will ensure the impacts are not permanent, and **Special Condition 2** ensures the eventual restoration will meet Commission requirements.
- **Compensatory Mitigation:** PG&E has proposed compensatory wetland mitigation in its adjacent Buhne Point Wetland Preserve area, which PG&E established to meet previously-required permit conditions of both the Coastal Commission and Energy Commission.<sup>8</sup> The Preserve includes about six acres where PG&E is creating, restoring, or enhancing various wetland habitats pursuant to several provisions of approvals by both Commissions. The approvals include wetland performance standards and criteria for the Preserve, required planting and monitoring plans, and other similar components of Commission-approved mitigation.

For this current project, PG&E proposes to enhance about 0.099 acres within the Preserve's MIT-B area (see Exhibit 4). The proposed enhancement would create transitional wetland herbaceous habitat area between a salt marsh area and an adjacent single-parameter area of grassy vegetation. PG&E will remove about 50 cubic yards of fill to allow vegetation to intercept the existing groundwater table, and will plant several species found in nearby wetland areas, including tufted hairgrass, common rush, Pacific potentilla, western manna grass, and slough sedge. PG&E plans to coordinate this work with other wetland mitigation work planned for the fall of 2009. The location, grading, planting, and monitoring are more fully described in PG&E's Biological Evaluation submitted as part of this project and in documents PG&E submitted as part of the previously-referenced Commission approvals.

PG&E has included with this project several mitigation elements meant to provide consistency with the existing goals, performance criteria, monitoring requirements, and other aspects of the previously approved wetland plans for the Buhne Point Wetland Preserve. For example, PG&E will implement mitigation for this project at the same time it is implementing mitigation required by the previous approvals, including grading, planting, monitoring, and other similar activities. This will reduce overall impacts during mitigation and will better allow the overall wetland preserve area to function as an integrated mitigation site. **Special Condition 3** ensures that the compensatory mitigation occurring pursuant to this proposed project is consistent with previously approved mitigation plans for the Preserve area.

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<sup>8</sup> Mitigation at the Preserve area has been required pursuant to previous Commission's approvals, including CDPs E-07-005 and E-08-003, and through the Energy Commission's September 2008 approval of PG&E's new power plant pursuant to 06-AFC-07.

Although this 0.099 acre MIT-B mitigation area is the same size as the identified areas of direct project-related impacts, the resulting mitigation ratio will, for at least two reasons, be somewhat higher than 1:1: first, the area for compensatory mitigation is meant to mitigate for wetlands that are not being filled (i.e., about 0.08 acres of the swale along Access Road #1); additionally, the wetlands affected by the project will be restored at the end of decommissioning and the mitigation wetlands will be protected in perpetuity through a deed restriction covering the compensatory mitigation area. Thus, the mitigation wetlands will be protected even after the impacted wetlands are fully restored.

With the mitigation measures described above, and as conditioned, the Commission finds that the proposed project meets the third test of Section 30233(a).

**Conclusion:** In sum, the Commission concludes that successful completion of the proposed mitigation will result in higher overall wetland functions and values than those lost due to the project. The bulk of the proposed project's impacts occur within low quality single-parameter wetlands, and the proposed compensatory mitigation will enhance a relatively low quality area of wetlands. The mitigation proposed in Area MIT-B will enhance a wetland area that is within a larger wetland complex and **Special Condition 3** will ensure the mitigation provides a greater net benefit than the wetlands directly affected by the project. Additionally, PG&E plans to restore the wetland areas at the end of the project, and **Special Condition 2** ensures that proposed restoration meets the Commission's requirements. Further, the project will include a number of measures to protect water quality, including those required through the Regional Board's Construction Stormwater Permit and Stormwater Pollution Prevention Plan and as reviewed and approved by the Executive Director pursuant to **Special Condition 1**. Therefore, based on the project description and the reasons above, the Commission finds that the proposed development, as conditioned, is consistent with Coastal Act Section 30231 and 30233(a).

#### **4.3.2 Spill Prevention and Response**

Coastal Act Section 30232 states:

*Protection against the spillage of crude oil, gas, petroleum products, or hazardous substances shall be provided in relation to any development or transportation of such materials. Effective containment and cleanup facilities and procedures shall be provided for accidental spills that do occur.*

Coastal Act Section 30232 requires an applicant to undertake measures to prevent spills and to clean up spills should they occur. The project will involve the use of heavy equipment and vehicles near coastal waters, and so will require measures to address potential spills of fuel, oil, and related products. Most work will occur on already developed parts of the site, although as noted above, some will be within wetland areas or near the bay shoreline.

The existing power plant complex is subject to an existing Spill Prevention and Contingency Plan (SPCP), and PG&E has committed to implement project-specific spill prevention and cleanup measures based on those in the SPCP. PG&E maintains a supply of oil spill cleanup items, including absorbent booms, pads and other absorbing material at various locations at the power plant site, which are available for quick response if needed. As part of the project, PG&E

will provide emergency spill response training for project personnel as well as daily briefings on safety and environmental protection related to the activities for the day. The SPCP includes several BMPs to avoid and minimize the potential for spills on the HBPP site and in nearby wetlands, including installing fiber rolls in riparian areas alongside the temporary access road to absorb oil and keep eroded soil out of the wetlands, maintaining an environmental boundary fence (silt fence) to direct vehicles along the access road and away from wetlands or other sensitive areas, and placing other spill response equipment where the greatest risk of release exists (e.g., near storm drains, near wetlands, etc.). Further, and as noted previously, PG&E's BMPs and Construction Stormwater Plan, which are subject to Executive Director review and approval pursuant to **Special Condition 1**, will provide greater assurance that PG&E implements project activities in a manner that reduces the potential for spills.

**Conclusion:** With implementation of the measures discussed above, the Commission finds that the project will provide adequate protection against spills and effective containment and clean up for spills that do occur. The Commission therefore finds the project is consistent with Section 30232 of the Coastal Act.

#### **4.3.3 Public Access**

Coastal Act Section 30211 states:

*Development shall not interfere with the public's right of access to the sea where acquired through use or legislative authorization, including, but not limited to, the use of dry sand and rocky coastal beaches to the first line of terrestrial vegetation.*

Coastal Act Section 30212(a) states:

*Public access from the nearest public roadway to the shoreline and along the coast shall be provided in new development projects except where (1) it is inconsistent with public safety, military security needs, or the protection of fragile coastal resources, (2) adequate access exists nearby, or (3) agriculture would be adversely affected. Dedicated accessway shall not be required to be opened to public use until a public agency or private association agrees to accept responsibility for maintenance and liability of the accessway.*

The Coastal Act generally requires that development not limit public access to the shoreline and that projects located between the first public road and the sea in most cases provide public access. Project activities will occur primarily within the existing power plant site, which is located between the first public road and the sea, but which is also subject to a number of public access restrictions, including the high security requirements associated with the shut-down but not yet decommissioned nuclear power plant and waste storage facility.

The project site includes an existing public access trail along the Humboldt Bay shoreline that PG&E recently improved and protected via a deed restriction to ensure long-term public access of the shoreline.<sup>9</sup> The trail extends along the toe of a bluff and along riprap placed along the bay shore. The deed restriction reflects that this accessway is to move with the shoreline if necessitated by events such as coastal erosion or sea level rise.

Several hundred feet of the trail are adjacent to the project's proposed equipment storage, laydown and parking areas. The trail is separated from these areas by a chain link fence and for some distance by elevation differences or vegetation, though the areas will be visible to trail users along part of the trail. However, project activities in these areas are expected to be similar to those already occurring at the site, so are expected to pose no more than relatively minor changes in trail usage. Additionally, while the deed restriction for the trail reflects that the accessway is to move with the shoreline, it is unlikely that the accessway will need to be moved during the expected life of the project components, which will be until the anticipated end of the decommissioning project in about 2020.

The project will also involve numerous vehicle trips to and from the power plant along King Salmon Avenue. PG&E conducted a traffic survey as part of its 2006 *Application For Certification* to the Energy Commission that showed construction of its new power plant would maintain traffic flows along King Salmon Avenue at Levels of Service A or B (which indicate no more than insignificant or minimal delays). Activities for the currently proposed project will include relatively minor additions to the traffic entering or exiting the site, with possible short delays at times when trucks are delivering or removing materials. During those times, PG&E would post flaggers to assist with traffic flow. The effects of project-related traffic on public access to the shoreline are therefore expected to be minimal.

**Conclusion:** Based on the project description and as shown above, the Commission finds the project will not adversely affect public access to and along the coast and is therefore consistent with Sections 30211 and 30212(a) of the Coastal Act.

#### ***4.3.4 Scenic and Visual Qualities***

Coastal Act Section 30251 states:

*The scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. Permitted development shall be sited and designed to protect views to and along the ocean and scenic coastal areas, to minimize the alteration of natural land forms, to be visually compatible with the character of surrounding areas, and, where feasible, to restore and enhance visual quality in visually degraded area.*

Activities associated with the proposed project will cause visual effects due to the presence of construction equipment and use of motorized equipment during the project period. Some of the project activities will occur in areas visible from publicly-accessible areas along the shoreline, particularly along the shoreline trail adjacent to the project site. However, most of the activities are similar to those already occurring at this industrial site – e.g., use of heavy equipment,

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<sup>9</sup> See **Special Condition 5** of CDP E-05-001 for the ISFSI facility.



ingress and egress of heavy trucks, etc. – therefore, any adverse visual impacts that occur are expected to be similar to those already present at the site. Additionally, PG&E has selected for most of the project’s structural components several neutral or muted colors – e.g., the modular buildings will be off-white and the Unit 3 tent will be a neutral tone – which will reduce potential adverse visual impacts. PG&E has also stated it will direct all project-related lighting downward and inward to the extent feasible for project operations and safety, which will also reduce adverse visual effects at nearby publicly-accessible areas. Because the project’s visual effects will be relatively minor in relation to other existing uses, the proposed project is not expected to result in significant adverse impacts to coastal views.

**Conclusion:** Based on the project description and as shown above, the Commission finds that the proposed development will not adversely affect views to and along the scenic coastal area where it is located and that it is consistent with Section 30251 of the Coastal Act.

## **5.0 CALIFORNIA ENVIRONMENTAL QUALITY ACT**

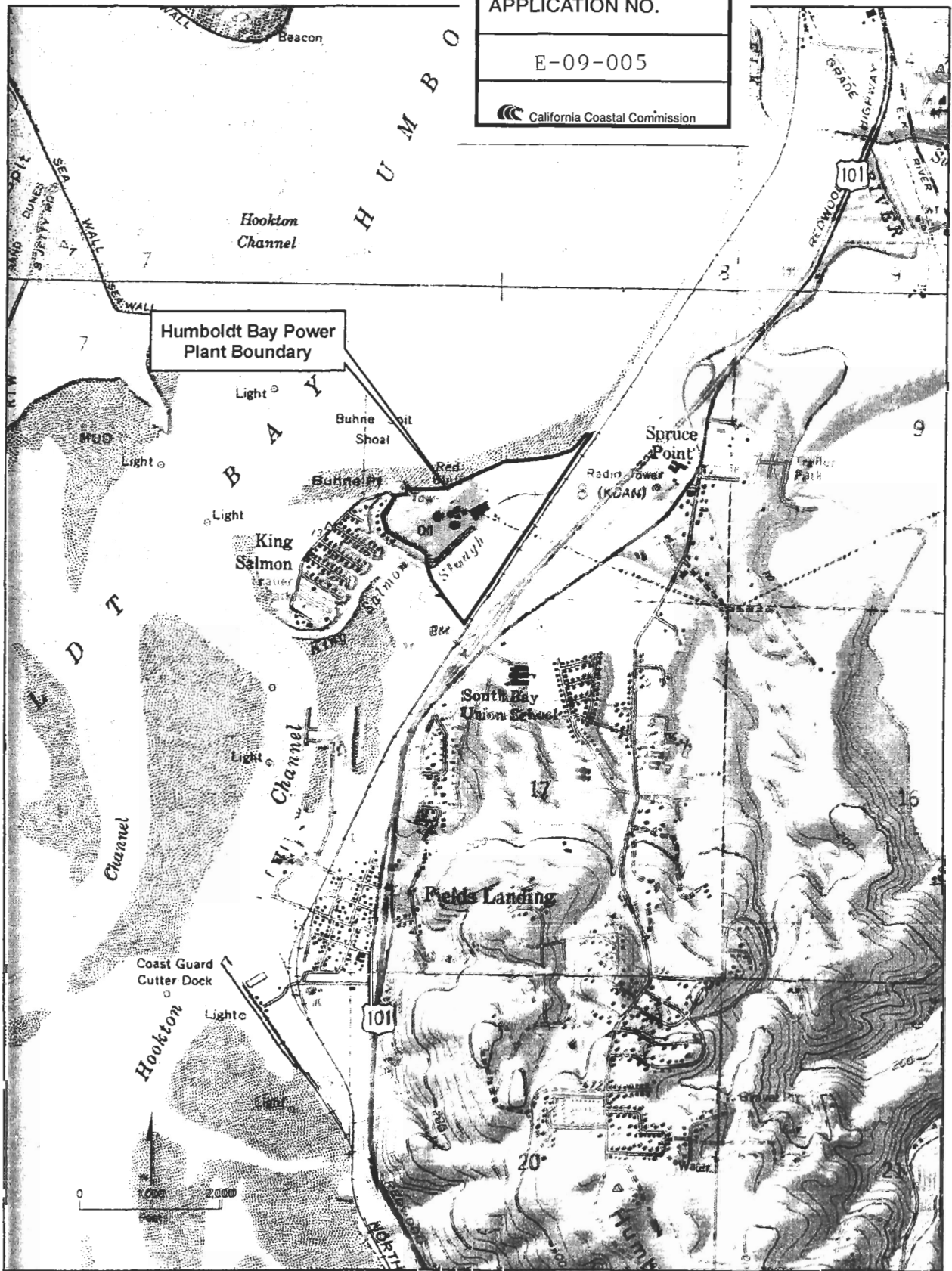
Section 13096 of the Commission’s administrative regulations requires Commission approval of CDP applications to be supported by a finding showing the application, as modified by any conditions of approval, to be consistent with any applicable requirements of the California Environmental Quality Act (CEQA). Section 21080.5(d)(2)(A) of the CEQA prohibits approval of a proposed development if there are feasible alternatives or feasible mitigation measures available that would substantially lessen any significant impacts that the activity may have on the environment. Mitigation measures that will minimize or avoid all significant adverse environmental impacts have been required. As conditioned, there are no feasible alternatives or feasible mitigation measures available, beyond those required, which would substantially lessen any significant adverse impact that the activity would have on the environment. Therefore, the Commission finds that the proposed project, as conditioned to mitigate the identified impacts, can be found consistent with the requirements of the Coastal Act and to conform to CEQA.

EXHIBIT NO. 1

APPLICATION NO.

E-09-005

California Coastal Commission



LEGEND

 Humboldt Bay Power Plant Boundary

VICINITY MAP

DECOMMISSIONING PREPARATORY SITE  
MODIFICATIONS AND IMPROVEMENTS - PHASE 2  
HUMBOLDT COUNTY, CALIFORNIA

**EXHIBIT NO. 2**

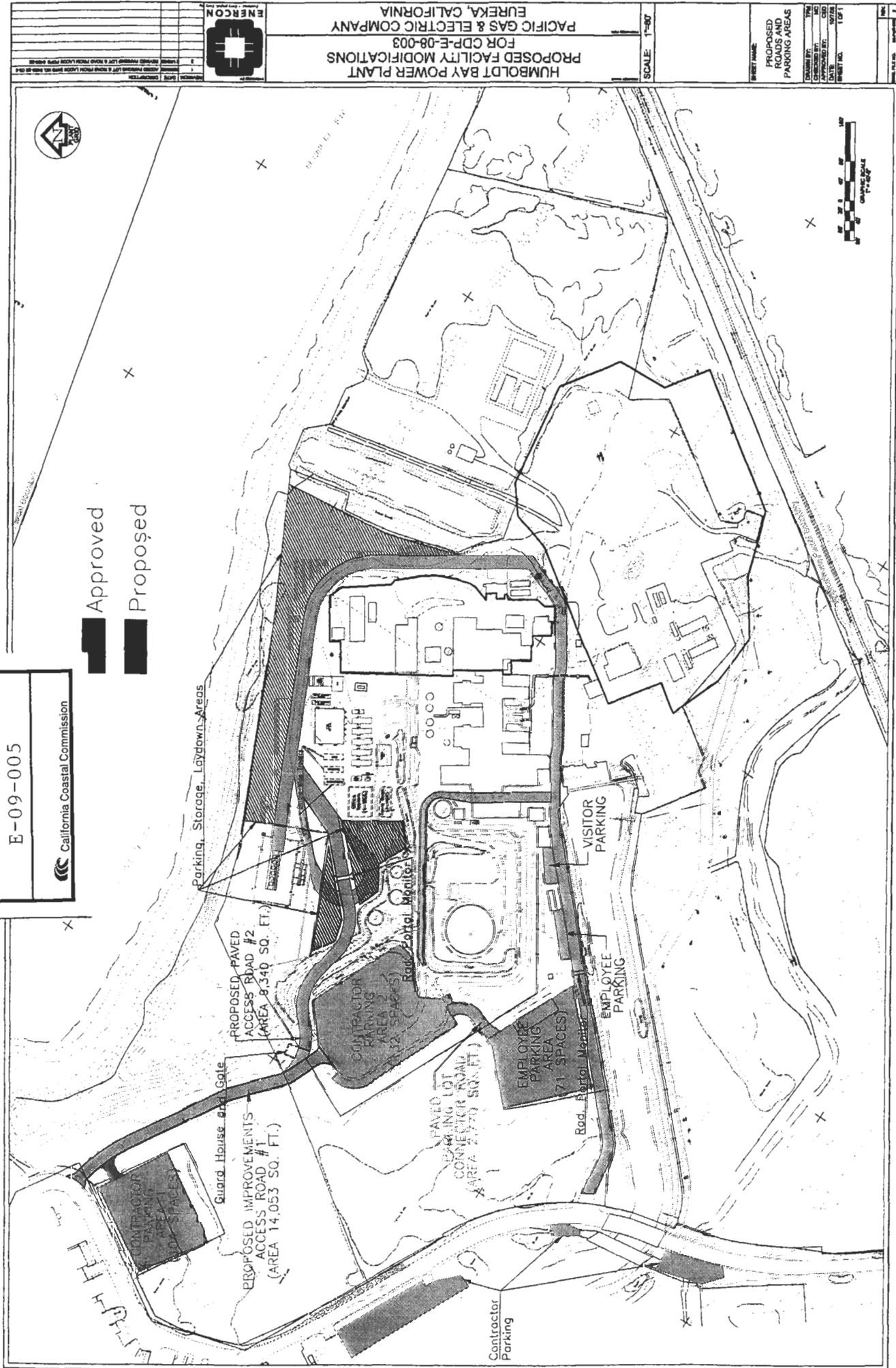
**APPLICATION NO.**

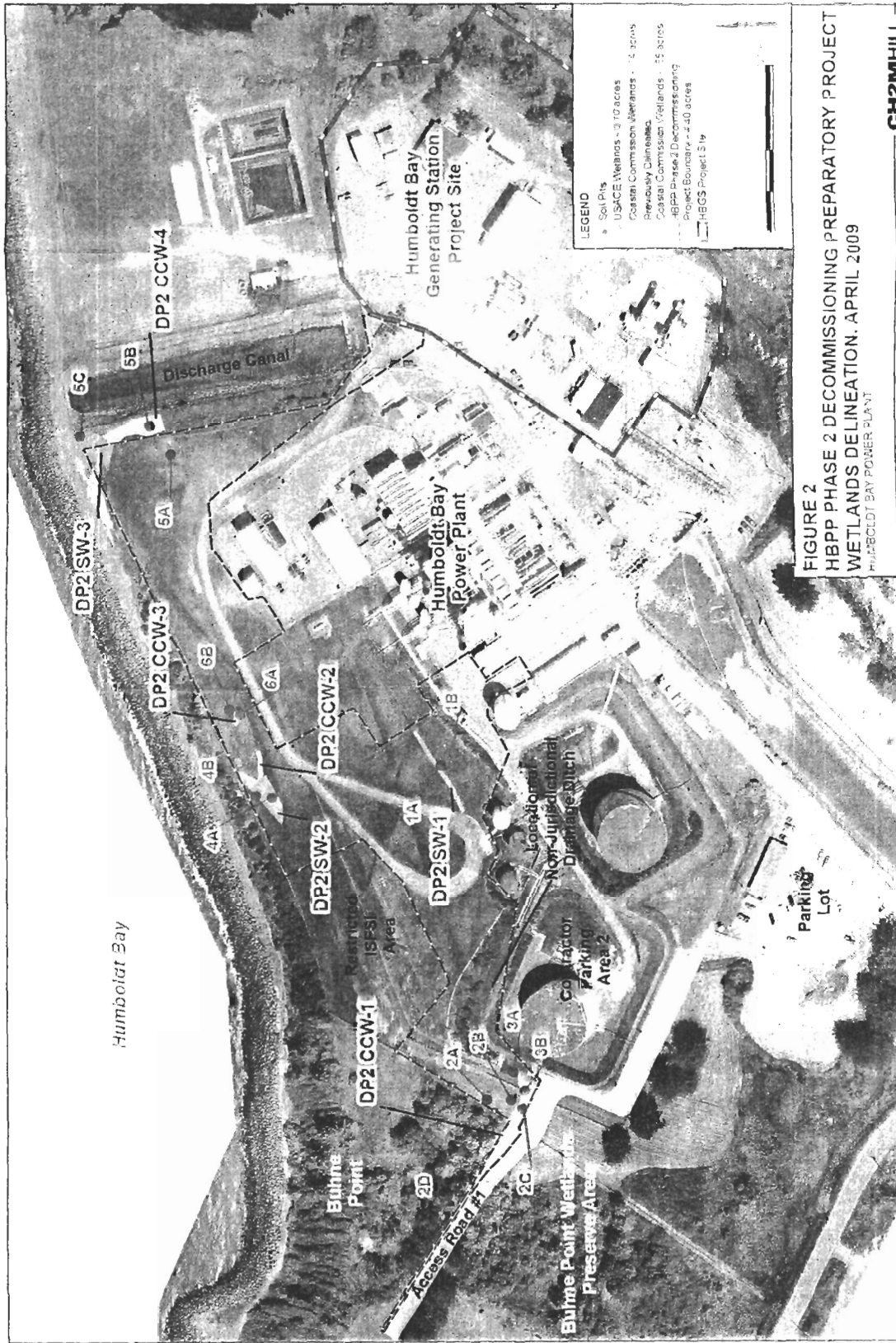
E-09-005

California Coastal Commission

Approved

Proposed

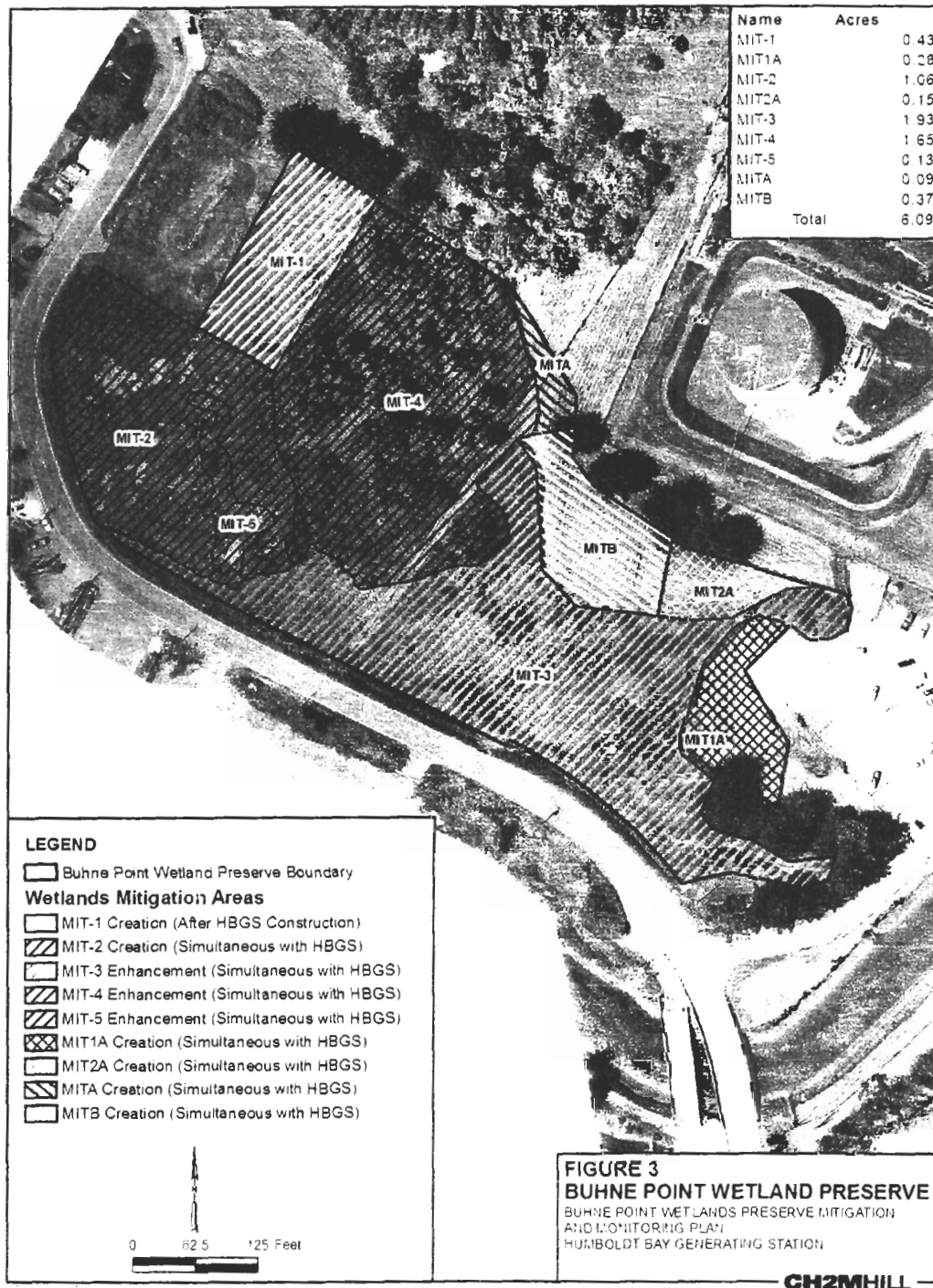




**FIGURE 2**  
**HBPP PHASE 2 DECOMMISSIONING PREPARATORY PROJECT**  
**WETLANDS DELINEATION, APRIL 2009**  
 HUMBOLDT BAY POWER PLANT

**CH2MHILL**

<b>EXHIBIT NO.</b> 3
<b>APPLICATION NO.</b>
E-09-005
California Coastal Commission



<b>EXHIBIT NO. 4</b>
<b>APPLICATION NO.</b>
E-09-005
California Coastal Commission