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Staff: Tiffany S. Tauber
Staff Report: November 17, 2000
Hearing Date: December 15, 2000
Commission Action:

STAFF REPORT: REGULAR CALENDAR

APPLICATION NO.: 1-00-036

APPLICANT: PACIFIC GAS & ELECTRIC

PROJECT LOCATION: Along a fuel oil pipeline extending across diked wetlands toward the PG&E Humboldt Bay Power Plant off of King Salmon Avenue in King Salmon, Humboldt County (APN 305-1431-32)

PROJECT DESCRIPTION: Maintain the cathodic protection system for an existing oil pipeline by 1) excavating five 1-foot-wide x 8-foot-deep holes, 2) installing two pre-packaged magnesium cathodic protection anodes in each hole and backfilling with excavated material, 3) excavating a 1-foot-wide x 2-foot-deep x 110-foot-long trench to bury anode header cables and backfill with excavated material, 4) attaching a new terminal box to the existing test station post, and 5) disposing of approximately ½ cubic yard of excavated material in an upland parking area at the power plant site.

GENERAL PLAN DESIGNATION: Commercial Recreation, MR/CR

ZONING DESIGNATION: Commercial Recreation (CR/C,F,W)

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LOCAL APPROVALS RECEIVED: None Required

OTHER APPROVALS RECEIVED: Army Corps of Engineers Nationwide Permit No. 18

OTHER APPROVALS REQUIRED: Regional Water Quality Control Board Conditional Waiver of Waste Discharge Requirements

SUBSTANTIVE FILE DOCUMENTS: Humboldt County LCP

STAFF NOTE:

1. Standard of Review

The proposed project is located in the Commission's retained jurisdiction. Humboldt County has a certified LCP, but the site is within an area shown on State Lands Commission maps over which the state retains a public trust interest. Therefore, the standard of review that the Commission must apply to the project is the Chapter 3 policies of the Coastal Act.

SUMMARY OF STAFF RECOMMENDATION:

Staff recommends approval with special conditions of the proposed maintenance of the corrosion protection system for the existing oil pipeline at the PG&E Humboldt Bay Power Plant located south of King Salmon Avenue in Humboldt County. The oil pipeline was installed in 1955. The 14-inch-diameter pipeline extends approximately 4,000 feet from Olsen Wharf through a portion of Humboldt Bay and diked wetlands to fuel storage tanks at the Humboldt Bay Power Plant. The principal electrical generating units in use at the power plant are two 50-megawatt fossil-fueled units that burn either natural gas or fuel oil. At the present time, PG&E primarily uses natural gas to fuel these units, but maintains a reserve of fuel oil. In 1993, PG&E de-oiled the pipeline and the marine terminal at the plant and the pipeline has been laid up with water. Oil is trucked in to the plant instead of shipped by barge. Currently, PG&E does not plan to use the pipeline for any future transfers of oil and has tentative plans to remove the pipeline entirely in the near future, possibly in 2001. Until plans for removal are finalized, PG&E continues to maintain the pipeline to the same standards as when it was in full operation. Because the pipeline is void of oil, there is no risk of an oil spill from the proposed project.

The integrity of the oil pipeline is protected by a magnesium cathodic anode protection system that absorbs corrosion that would otherwise affect the pipeline, potentially causing it to weaken and leak. The corrosion protection system consists of underground magnesium anodes that are connected by copper wire to the pipeline and an existing test station.

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The project site is a diked wetland adjacent to Humboldt Bay. An unimproved roadway runs through the wetland area and is used weekly by PG&E personnel to access the existing test station. The new anode bed would be located underground within the road bed of the existing access road and the wires connecting the anode bed to a proposed terminal box would be buried in a trench located adjacent to the road within the diked wetland. The proposed filling and dredging of the diked wetland is for an incidental public service purpose because it is part of a major public service facility and the maintenance to be performed on the corrosion protection system is incidental to the operation of both the power plant and the fuel oil pipeline itself. Additionally, the proposed project is associated with an existing energy industrial facility. Therefore, the project is an allowable use for dredging and filling of wetlands consistent with Coastal Act Sections 30233(a)(5) and 30233(a)(1).

The specific development includes 1) excavating five 1-foot-wide x 8-foot-deep holes approximately 3 feet apart, 2) installing two pre-packaged magnesium cathodic protection anodes in each hole and backfilling with excavated material, 3) excavating a 1-foot-wide x 2-foot-deep x 110-foot-long trench to bury anode header cables and backfill with excavated material, 4) attaching a new terminal box to the existing test station post, and 5) disposing of approximately ½ cubic yard of excavated material at an existing upland gravel parking area on property owned by PG&E. The work would be performed using a backhoe and auger operating from the existing access road and is expected to take a few days to complete. The excavated material not used for backfilling the holes and trench (approximately ½ cubic yard) would be spread over an existing gravel parking lot located at the power plant site approximately 500 feet from any wetland areas.

To ensure that the proposed project does not result in adverse impacts to wetland habitat values consistent with the resource protection provisions of Section 30233, staff recommends two special conditions. These recommended conditions would require that: (1) any equipment required for project completion (i.e. backhoe) operate from and be stored along the existing access road and not in the adjacent wetland; (2) any and all surplus excavated material and debris resulting from construction activities be removed from the site within 5 days of project completion, (3) temporary stockpiles be located on the existing access road and covered with plastic liner; (4) all surplus excavated material be disposed of in the upland gravel parking lot location specified by the applicant, (5) the project site be restored to pre-construction contours (no pits or mounds) following project completion, and (6) a new coastal development permit or an amendment to Permit No. 1-00-036 be obtained for any proposed development not included in Permit No. 1-00-036, including but not limited to reinitiating active transfer of oil through the pipeline.

As conditioned, staff has determined that the proposed development would be consistent with the Chapter 3 policies of the Coastal Act.

I. MOTION, STAFF RECOMMENDATION AND RESOLUTION:

The staff recommends that the Commission adopt the following resolution:

Motion:

I move that the Commission approve Coastal Development Permit No. 1-00-036 pursuant to the staff recommendation.

STAFF RECOMMENDATION OF APPROVAL:

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 the Commissioners present.

RESOLUTION TO APPROVE THE PERMIT:

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.

II. STANDARD CONDITIONS: See Attachment A.

III. SPECIAL CONDITIONS:

1. Construction Responsibilities and Debris Removal

The permittee shall comply with the following construction-related requirements:

- (a) Equipment required for project completion (i.e. backhoe) shall operate from the existing access road and shall not be operated from or stored within any part of the adjacent wetland;
- (b) Any and all surplus excavated material and debris may be temporarily stockpiled on the existing access road during construction but shall not be placed in the wetland or so close to the wetland that material from the stockpiles could slough off into the wetland. The stockpiles shall be removed from the site within 5 days

of project completion. All stockpiles shall be covered with plastic liner to prevent contact and dispersal with rainfall.

- (c) All surplus excavated material shall be disposed of in the upland gravel parking lot location specified by the applicant and shown in Exhibit No. 5. Any proposed changes to the approved disposal site shall be reported to the Executive Director. Any proposed disposal in the coastal zone shall require an amendment to Permit No. 1-00-036 from the Coastal Commission and/or an additional coastal development permit from the Commission or applicable certified local government.
- (d) The project ground site shall be restored to pre-construction contours (no pits or mounds) following project completion.

2. Future Development Permits

This permit is only for the development described in Coastal Development Permit No. 1-00-036. Except as provided in Public Resources Code section 30610 and applicable regulations, any future development as defined in PRC section 30106, including but not limited to reinitiating active use of the pipeline to transport oil, shall require an amendment to Permit No. 1-00-036 from the California Coastal Commission or shall require an additional Coastal Development Permit from the California Coastal Commission or from the applicable certified local government.

The Commission hereby finds and declares:

1. Site Description & Project Description

The applicant proposes to perform maintenance work on the corrosion protection system for a fuel oil transfer pipeline by installing a new magnesium anode bed and attaching it to the pipeline and the existing test station. The fuel oil transfer pipeline is a 14-inch-diameter pipe that extends 4,276 feet from Olsen Wharf through a portion of Humboldt Bay and diked wetland to the Humboldt Bay Power Plant. The pipeline was installed in 1955 to receive and transfer fuel oil from barges docking at Olsen Wharf at Fields Landing on Humboldt Bay to on-site storage tanks at the nearby Humboldt Bay Power Plant in King Salmon (see Exhibit Nos.1-4). Now, however, fuel oil is transported to the site by truck rather than by barge, and the pipeline is no longer in use.

The principal electrical generating units in use at the power plant are two 50-megawatt fossil fueled units that burn either natural gas or fuel oil. At the present time, PG&E primarily uses natural gas to fuel these units. PG&E has historically reserved the use of fuel oil for periods when natural gas usage throughout the region is at a peak and natural gas usage must be curtailed at the plant to ensure enough supply of natural gas to meet the demands of customers.

In 1993, PG&E de-oiled the pipeline and the marine terminal at the plant and the pipeline has been laid up with water. Currently, PG&E does not plan to use the pipeline for any future transfers of oil and has tentative plans to remove the pipeline entirely in the near future. PG&E finds that it is not cost effective to retain the oil pipeline facility due to the high costs of maintaining the pipeline and leasing the docking facility, and the high cost of fuel oil. Although maintaining the pipeline is not currently necessary to prevent oil spills or leakage because the pipeline is void of oil, PG&E has a continued interest in maintaining the structural integrity of the pipeline, as keeping the pipeline in tact will facilitate ease of removal in the future, possibly in 2001. In addition, should PG&E decide to reinitiate active use of the pipeline for oil transfer rather than pursue current plans for abandonment and removal, the pipeline would remain structurally functional. Until plans to permanently abandon the oil pipeline become finalized in the near future, PG&E maintains the pipeline at the same standards as when it was in full operation. As discussed below in Finding 4, approvals and permits from a variety of agencies would be required prior to reinitiating active use of the oil pipeline.

The structural integrity of the oil pipeline is protected with a magnesium cathodic anode system that absorbs corrosion that would otherwise affect the pipeline, potentially causing it to weaken and leak. The cathodic protection station consists of magnesium anodes buried in the soil, which are connected by underground copper wire to the pipeline and an existing test station. Due to its lower oxidation potential, as the magnesium oxidizes (corrodes), an induced current is created from the magnesium to the iron. This current inhibits the corrosion reaction in the iron of the pipeline. Eventually, the magnesium is depleted and must be replaced with fresh metal. The subject permit application is to maintain the existing cathodic protection system by installing a new sacrificial magnesium anode bed at an existing anode station approximately 100 feet northeast of the dike. There are three existing underground anode beds in the project area that were installed in 1956, 1975, and 1993 (CDP #1-92-132) which continue to offer some amount of corrosion protection, but are nearing depletion. An unimproved roadway runs through the wetland area and is used weekly by PG&E personnel to access the existing test station. The new anode bed would be located underground along the existing access road and the trench to bury the wires would be located adjacent to the road within the diked wetland. (Exhibit Nos. 3 & 4)

Specifically, the proposed project involves 1) excavating five 1-foot-wide x 8-foot-deep holes approximately 3 feet apart, 2) installing two pre-packaged magnesium cathodic protection anodes in each hole and backfilling with excavated material, 3) excavating a 1-foot-wide x 2-foot-deep x 110-foot-long trench to bury anode header cables and backfill with excavated material, 4) attaching a new terminal box to the existing test station post, and 5) disposing of approximately ½ cubic yard of excavated material at an existing upland gravel parking area on property owned by PG&E. The work would be performed using a backhoe and auger operating from the existing access road and is expected to take a few days to complete. The excavated material not used for backfilling the holes and trench (approximately ½ cubic yard) would be spread over an existing gravel parking lot located at the power plant site approximately 500 feet from any wetland areas. (Exhibit No. 5)

The diked wetland area where the work would occur is colonized by a Northern Coastal Scrub plant community characterized by low shrubs, usually dense but with scattered grassy openings. The dominant plant species present within this community are coyote brush, California blackberry, bush lupine, poison hemlock, and deerweed. In addition, the site contains many introduced species of weedy plants. No rare or endangered plant species have been located at the site. No work would occur within near the portion of the pipeline that extends through Humboldt Bay.

2. Need for Permit

Section 30601(d) of the Coastal Act exempts certain "Repair and Maintenance" activities from coastal development permit requirements. Section 30610 states in applicable part that:

Notwithstanding any other provision of this division, no coastal development permit shall be required pursuant to this chapter for the following types of development and in the following areas:

- (d) *Repair or maintenance activities that do not result in an addition to or enlargement or expansion of, the object of those repair or maintenance activities; provided, however, that if the commission determines that certain extraordinary methods of repair and maintenance involve a risk of substantial adverse environmental impact, it shall, by regulation, require that a permit be obtained pursuant to this chapter.*

The proposed project involves maintaining an existing cathodic protection system without resulting in addition to, enlargement, or expansion of the oil pipeline, and therefore constitutes a repair and maintenance activity. However, the development is the kind of repair and maintenance activity that the Commission, as authorized by Section 30610(d) of the Coastal Act, has determined should require a permit because of potential adverse impacts on coastal resources. Section 13252 of the Commission's administrative regulations states in applicable part:

- (a) *For purposes of Public Resources Code Section 30610(d), the following extraordinary methods of repair and maintenance shall require a coastal development permit because they involve a risk of substantial adverse environmental impact:*
- (3) *Any repair or maintenance to facilities or structures or work located in an environmentally sensitive habitat area, any sand area, within 50 feet of the edge of a coastal bluff or environmentally sensitive habitat area, or within 20 feet of coastal waters or streams that include:*

(A) The placement or removal, whether temporary or permanent, of rip-rap, rocks, sand or other beach materials or any other forms of solid materials;

(B) The presence, whether temporary or permanent of mechanized equipment or construction materials.

The proposed project is located within an environmentally sensitive habitat area, involves the placement and removal of solid materials, and involves the use of mechanized equipment and construction materials. Therefore, the repair and maintenance project is not exempt from permit requirements under Coastal Act Section 30610(d) as the development involves an extraordinary method of repair involving a risk of substantial adverse environmental impact.

3. Filling and Dredging of Wetlands

The proposed project involves excavating material from within a diked wetland to place a new anode bed and to create a trench to lay copper wires from the anode bed to the existing test station. The excavated holes and trench would be backfilled with the native material following placement of the anodes and the wires. The temporary excavation, placement of anodes and wire, and replacement of substrate adjacent to the existing access road and pipeline within the diked wetland are forms of filling and dredging in wetlands. Coastal Act Section 30233 allows filling and dredging in wetlands only where there is no feasible less environmentally damaging alternative, where feasible mitigation measures have been provided to minimize adverse environmental effects, and where the project is limited to one of eight specified uses.

Section 30233(a) of the Coastal Act states, in applicable part:

(a) 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.

...

(5) 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.

...

(c) In addition to the other provisions of this section, diking, filling, or dredging in existing estuaries and wetlands shall maintain or enhance the functional capacity of the wetland or estuary...

The above policies set forth a number of different limitations on what development projects may be allowed in coastal wetlands. For analysis purposes, the limitations can be grouped into four general categories or tests. These tests are:

- a. that the purpose of the filling, diking, or dredging is for one of the eight uses allowed under Section 30233;
- b. that the project has no feasible less environmentally damaging alternative;
- c. that feasible mitigation measures have been provided to minimize adverse environmental effects; and
- d. that the biological productivity and functional capacity of the habitat shall be maintained and enhanced where feasible.

(a) Allowable Use for Dredging and Filling of Wetlands

The first test set forth above is that any proposed filling, diking or dredging in wetlands must be for an allowable purpose as specified under Section 30233 of the Coastal Act. Section 30233(a)(5) allows filling and dredging for incidental public service purposes. The project involves maintaining the corrosion protection system for an existing pipeline at the Humboldt Bay Power Plant. The power plant is the major power generating facility for the north coast region. Therefore, the pipeline is part of a major public service facility. In addition, the maintenance to be performed on the corrosion protection system for the pipeline is incidental to the operation of both the power plant and the fuel oil pipeline itself. Furthermore, because the proposed project involves the temporary excavation and replacement of substrate within the diked wetland, the project is very similar to burying cables or maintenance of existing intake and outfall lines, two activities specifically listed in Section 30233(a)(5) as incidental public service purposes for which filling and dredging is allowed. Moreover, the proposed dredge and fill is an allowable use under Section 30233(a)(1), as the project involves maintenance to an energy facility.

Therefore, as conditioned herein, the project is consistent with the use limitations of Section 30233 on filling and dredging in wetlands, as the project is for an incidental public service purpose and is associated with an energy facility.

(b) Alternatives

The second test set forth by the Commission's fill policies is that the proposed fill project must have no feasible less environmentally damaging alternative. Commission staff and the applicant

have considered the various identified alternatives and determined that there is no feasible less environmentally damaging alternative to the project as conditioned. Alternatives that have been identified include (1) the "no project" alternative, (2) locating the trench within the existing roadway, and (3) locating the anode bed and trench closer to the test station. As explained below, each of these alternatives are infeasible and/or do not result in a project that is less environmentally damaging than the proposed project.

(1) No Project Alternative

The proposed project is intended to maintain the corrosion protection system to preserve the structural integrity of the oil pipeline. Not maintaining the cathodic protection system would cause the pipeline to eventually corrode, causing it to weaken and break. As noted previously, the pipeline has been void of oil since 1993 and is currently laid up with water. Therefore, at the present time, the corrosion protection system is not essential for preventing oil from spilling or leaking from the pipeline. PG&E has tentative plans to remove the pipeline entirely within the next few years. However, these plans for abandonment and removal are not confirmed at this time and until they are, there remains a chance that the pipeline could be used again. Therefore, should transfer of oil through the pipeline be reinitiated in the future, a corroded pipeline could result in oil spills and leaks that would be far more disastrous to the wetlands and Humboldt Bay than the impacts from the proposed maintenance project. Additionally, keeping the pipeline in sound structural condition would ease its removal if PG&E does decide to move forward with those plans. Removing a structurally sound pipeline would likely require less excavation and environmental impact than removing a pipeline that is corroded. The no project alternative means that no maintenance to the corrosion protection system would occur and the resulting corrosion would impair the structural integrity of the pipeline. Therefore, the no project alternative is not a feasible less environmentally damaging alternative to the proposed project.

(2) Locating the Trench Within the Existing Access Road

Following staff discussions with the applicant about alternative configurations for the trench and anode bed, the applicant revised the site plan to locate the anode bed within the existing roadway to minimize the amount of excavation required within the diked wetland area. Locating the trench to lay the wires within the existing roadway as well would further minimize the amount of excavation required within the wetland. However, the applicant clarified that by doing so, the trench would interfere with the existing underground anode beds. The existing anode beds still function to provide some amount of protection to the pipeline and to disturb them by trenching through the area would potentially damage and/or disable their protective function. Thus, locating the trench along the existing access road is not feasible. Therefore, this alternative is not the least environmentally damaging feasible alternative.

(3) Locating the Trench and Anode Bed Closer to the Test Station

Locating the trench and anode bed as close to the existing test station as possible would limit the amount of excavation required and would thereby limit the amount of disturbance to the diked

wetland. The applicant has indicated that siting the anode bed and trench closer to the test station would interfere with the three existing anode beds which still have some protective functioning. Additionally, to ensure proper functioning of the system, the anodes must be at least 10 feet, (preferably 12-15 feet) away from the pipeline to establish the proper electrical circuit. Locating the new anodes between the existing anodes and the pipeline would not provide the required minimum 10-foot separation. The Commission therefore finds that this would not be a feasible less environmentally damaging alternative.

Therefore, the Commission finds that the proposed maintenance of the cathodic protection system, as conditioned, involves the least environmentally damaging feasible alternative as required by Section 30233(a).

(c) Protection of Coastal Wetlands and Water Quality

The third test set forth by Section 30233 is whether feasible mitigation measures have been provided to minimize adverse environmental impacts. Depending on the manner in which the proposed maintenance is conducted, the project could have potential adverse impacts to wetland habitat and to water quality. The potential impacts and their mitigation are discussed in the following sections:

(i) Wetland Habitat

A portion of the proposed project is located within a diked wetland adjacent to Humboldt Bay. The diked wetland area was originally subject to tidal action but was diked off from Humboldt Bay decades ago and partially filled. Due to its low elevation, the diked area is subject to seasonal ponding from rain and runoff and also has a high groundwater table. The wetland vegetation on the site is not particularly abundant and diverse in comparison with other wetland habitats around Humboldt Bay. As noted previously, the area is colonized by a Northern Coastal Scrub plant community characterized by low shrubs, usually dense but with scattered grassy openings. The dominant plant species include coyote brush, California blackberry, bush lupine, poison hemlock, and deerweed. In addition, the site contains mainly introduced species of weedy plants. No rare plant species have been located at the site. Nonetheless, the area does provide some wetland habitat and is considered to be an environmentally sensitive habitat area.

Commission staff has consulted with the Department of Fish and Game (DFG) to assess potential impacts and appropriate mitigation at the site. The DFG has indicated that they have no concerns about the project and that impacts are minimal and temporary. The DFG indicated that it would not be necessary to require the area to be revegetated and/or monitored following project completion as the vegetation present will rapidly reestablish on its own as evidenced by a similar maintenance project previously conducted at the site.

The Commission finds that although the vegetation directly impacted by the excavation activity would rapidly reestablish, the heavy equipment could cause significant adverse impacts to a larger area of wetland vegetation if it is operated from or stored within the wetland area rather

than on the existing access road. To ensure that adverse impacts to the wetland are minimized, the Commission attaches Special Condition No. 1(a) that requires all equipment required for project completion (i.e. backhoe) to operate from and be stored along the existing access road and not within the adjacent wetland.

(ii) Water Quality

Potential adverse impacts to coastal waters and wetlands could occur in the form of sedimentation or debris from the project being allowed to enter coastal waters. The nearest receiving water is a slough that runs perpendicular to the access road, about 200 feet from the project. The slough discharges to Humboldt Bay and no runoff from the project is anticipated to enter the slough.

The proposed project has been referred to the Regional Water Quality Control Board (RWQCB) for section 401 certification. The RWQCB determined that there will be minimal impacts on water quality and is proposing to regulate the project under a conditional waiver of waste discharge requirements. Additionally, the applicant has secured a Nationwide Permit 18 from the U.S. Army Corps of Engineers which includes conditions requiring all excess excavated material to be disposed of in an upland location and requiring that the ground surface be restored to pre-construction contours following project completion.

To ensure that adverse impacts to water quality are minimized, the Commission attaches Special Condition Nos. 1(b) and 1(c). Special Condition No. 1(b) allows excavated material to be temporarily stockpiled on the access road during project construction, but requires that any and all surplus excavated material and debris resulting from construction activities be removed from the site within 5 days of project completion. Special Condition No. 1(b) also requires that the temporary stockpiles be covered with plastic liner to prevent contact and dispersal with during rainfall events. Covering the temporary stockpiles will ensure that the excavated material does not enter into the adjacent wetland. Due to the short duration of project construction, the relatively small amount of material to be temporarily stockpiled, and the absence of nearby waterways, the Commission finds that other water quality Best Management Practices beyond covering the stockpiles are not necessary. Special Condition No. 1(c) requires all surplus excavated material be disposed of in the upland gravel parking lot location specified by the applicant (Exhibit No.5).

To ensure that the project site is restored to its pre-construction hydrological regime, the Commission attaches Special Condition No. 1(d) which requires the applicant to restore the ground elevation to pre-construction contours with no mounds or pits. This condition is consistent with the condition attached by the Army Corps of Engineers under the Nationwide Permit 18 issued for the project.

The Commission finds that as conditioned, all potential significant adverse impacts on coastal resources have been minimized to the maximum extent feasible.

(d) Maintenance and Enhancement of Marine Habitat Values

The fourth general limitation set by Section 30233 is that any proposed dredging or filling in coastal wetlands must maintain and enhance the biological productivity and functional capacity of the habitat, where feasible.

As discussed above in the section of this finding on mitigation, the conditions of the permit will ensure that the project will not have significant adverse impacts on the diked wetland or water quality. The Department of Fish and Game has also indicated that the proposed project would not adversely affect the biological productivity and functional capacity of the diked wetland. The Commission finds that the project, as conditioned, will maintain the biological productivity and functional capacity of the habitat consistent with the requirements of Section 30233 of the Coastal Act.

(e) Conclusion

The Commission thus finds that the project is an allowable use, that there is no feasible less environmentally damaging alternative, that feasible mitigation is required for potential impacts associated with the dredging and filling of coastal wetlands, and that marine habitat values will be maintained or enhanced. Therefore, the Commission finds that the proposed development, as conditioned, is consistent with Section 30233 of the Coastal Act.

4. Oil Spill Protection

Section 30232 of the Coastal Act 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.

The proposed project would maintain the existing cathodic protection system to protect the structural integrity of the oil pipeline. As noted previously, the proposed maintenance work does not present any possible risk of an oil spill because the pipeline was de-oiled in 1993 and is laid up with water. PG&E does not have any current plans to use the pipeline again for transferring oil, but rather, has tentative plans to abandon and remove the pipeline entirely in the near future. The proposed maintenance would keep the pipeline in a functional condition should PG&E choose to reinitiate active use of the pipeline for transferring oil rather than pursue plans to remove it. In addition, the project would keep the pipeline in tact which would ease removal should abandonment plans become finalized.

PG&E received approval from the U.S. Coast Guard in 1995 to place the pipeline in caretaker status and the PG&E's Letter of Adequacy was rescinded. In January 1997, the Department of Fish and Game (DFG) and the Office of Oil Spill Prevention and Response (OSPR) approved

PG&E's request for exemption from oil spill contingency plan regulations for the Humboldt Bay Power Plant pursuant to de-oiling the facility. Because PG&E's plans to abandon and remove the pipeline have not been finalized, the Commission notes the possibility that the pipeline could be used again to transfer oil from the docking facility to the power plant. According to the applicant, reinstating use of the pipeline would require filing a new Letter of Adequacy with the U.S. Coast Guard, updating its Operations Manual, and filing a Facility Response Plan with the U.S. Environmental Protection Agency and the Department of Fish and Game for the terminal and pipeline.

The Commission finds that reinitiating use of the oil pipeline would constitute a change in the intensity of use and would be considered "development" pursuant to Section 30106 of the Coastal Act. As noted above, Section 30232 of the Coastal Act requires any development to protect against the spillage of crude oil, gas, petroleum products, or hazardous substances and requires that effective containment and cleanup facilities and procedures be provided for accidental spills should they occur. To ensure that the Commission would have the opportunity to address impacts to coastal resources from reinitiating the transfer of oil through the pipeline and to ensure that adequate protection from spills and appropriate contingency plans are in place, the Commission attaches Special Condition No. 2. Special Condition No. 2 clarifies that coastal development permit No. 1-00-036 is only for the development described herein and requires an amendment to Permit No. 1-00-036 from the Commission or an additional coastal development permit from the Commission or from the applicable certified local government for any future development as defined in Section 30106 of the Coastal Act, including but not limited to reinitiating active use of the pipeline to transport oil. The Commission notes that removal of the pipeline would also require a coastal development permit.

Therefore, requiring a permit or permit amendment to actively utilize the pipeline for oil transfer would ensure that the Commission would have the opportunity to require protection of coastal resources against the spillage of oil and to ensure that effective containment and cleanup facilities and procedures are provided for accidental spills that may occur. Therefore, as conditioned, the Commission finds the proposed project would be consistent with Section 30232 of the Coastal Act.

5. Visual Resources

Section 30251 of the Coastal Act states that the scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance, and requires in applicable part that permitted development be sited and designed to protect views to and along the ocean and scenic coastal areas, to minimize the alteration of natural land forms, and to be visually compatible with the character of surrounding areas. Furthermore, Section 30240(b) of the Coastal Act states that development in areas adjacent to parks and recreation areas shall be sited and designed to prevent impacts which would significantly degrade those areas, and shall be compatible with the continuance of those recreation areas.

The PG&E Humboldt Bay Power Plant is visible from many vantage points in and around Humboldt Bay including from Highway 101. The power plant has existed at the site for many years and the proposed project, located within a diked wetland adjacent to Humboldt Bay, will not result in a change to the site that would adversely impact coastal views to or from Humboldt Bay. The project would involve the temporary use of heavy equipment for excavation and backfilling purposes within the diked wetland area to place a new anode bed and associated wires underground. The ground elevations would be restored to pre-project conditions.

Therefore, the Commission finds that the proposed development is consistent with Section 30251 of the Coastal Act as the development will not block views to and along the coast, will not involve any alteration of land forms, and the proposed maintenance of the corrosion protection system will not result in any change to the visual character of the Humboldt Bay area.

5. Public Access

Coastal Act Section 30210 requires in applicable part that maximum public access and recreational opportunities be provided when consistent with public safety, private property rights, and natural resource protection. Section 30212 of the Coastal Act requires that access from the nearest public roadway to the shoreline be provided in new development projects except where it is inconsistent with public safety, military security, or protection of fragile coastal resources, or adequate access exists nearby. Section 30211 requires that development not interfere with the public's right to access gained by use or legislative authorization. In applying these sections of the Coastal Act, the Commission is also limited by the need to show that any denial of a permit application based on these sections, or any decision to grant a permit subject to special conditions requiring public access, is necessary to avoid or offset a project's adverse impact on existing or potential access.

The proposed project is located within a diked wetland area adjacent to Humboldt Bay just south of King Salmon Avenue. The area is owned by PG&E and vehicle traffic is restricted to PG&E personnel by an existing locked gate in front of the access road that leads through the wetland to the dike along Humboldt Bay. The site does receive some foot traffic, as it is adjacent to the bay and King Salmon Cove, which is used by fishermen, bird watchers, and clam diggers. Although the project is located between the first public road, and Humboldt Bay, an inlet of the sea, it would not adversely affect existing public access. There are no public trails or other public roads that provide shoreline access within the vicinity of the project. Furthermore, the proposed maintenance project would not change the nature or intensity of visitor-serving commercial use, and thus would not create any new demand for public access or otherwise create any additional burdens on public access.

Therefore, the Commission finds that the proposed project does not have any adverse effect on public access, and that the project as proposed without public access is consistent with the requirements of Coastal Act Sections 30210, 30211, and 30212.

6. California Environmental Quality Act

Section 13096 of the Commission's administrative regulations requires Commission approval of a coastal development permit application to be supported by findings showing that the application, as modified by any conditions of approval, is consistent with any applicable requirement of the California Environmental Quality Act (CEQA). Section 21080.5(d)(2)(A) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available, which would substantially lessen any significant adverse effect the proposed development may have on the environment.

The Commission incorporates its findings on Coastal Act consistency at this point as if set forth in full. As discussed above, the proposed project has been conditioned to be found consistent with the policies of the Coastal Act. Mitigation measures which will minimize or avoid all significant adverse environmental impact 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.

EXHIBITS:

1. Regional Location Map
2. Vicinity Map
3. Site Map
4. Site Plan
5. Proposed Disposal Location

ATTACHMENT A

Standard Conditions:

1. Notice of Receipt and Acknowledgment. The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee 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.

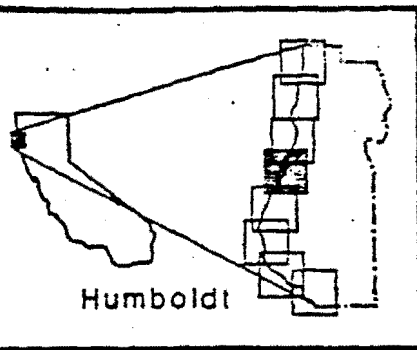
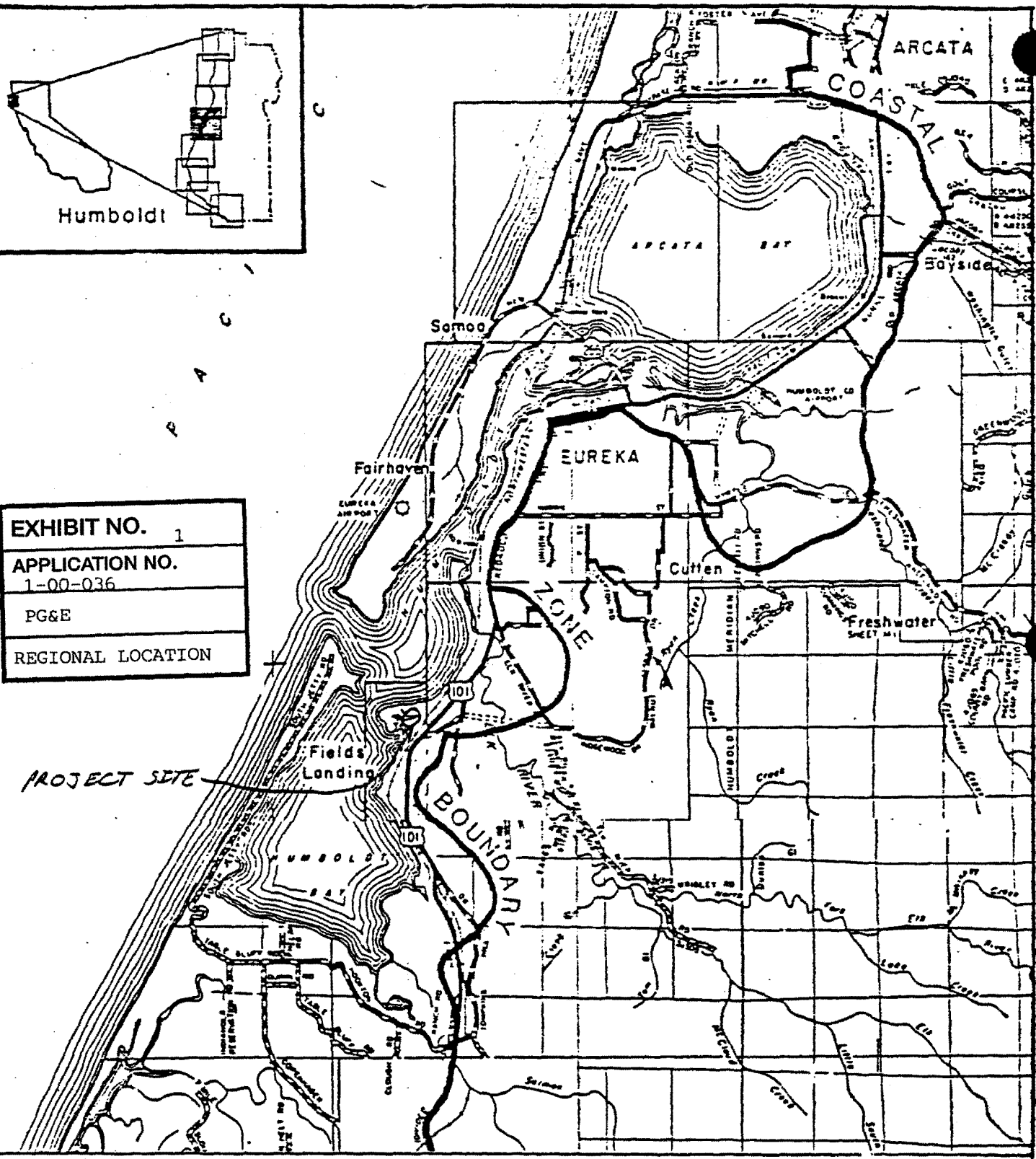


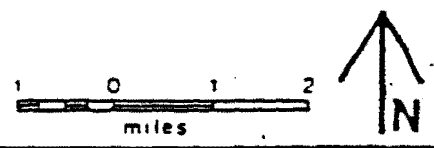
EXHIBIT NO.	1
APPLICATION NO.	1-00-036
PG&E	
REGIONAL LOCATION	

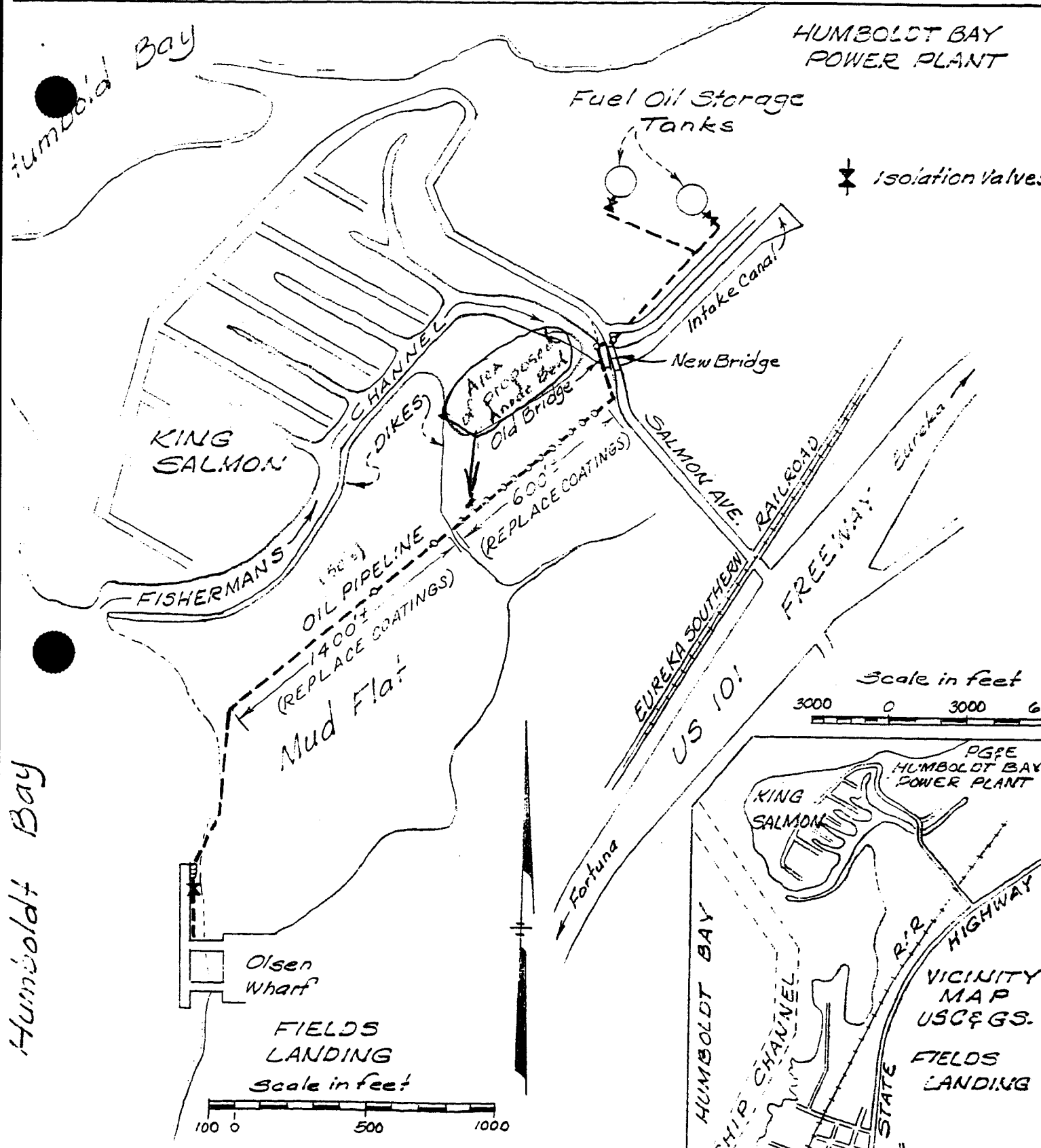
PROJECT SITE



California Coastal Commission

LOCATION MAP





PURPOSE:

DATUM

ADJACENT PROPERTY OWNERS:

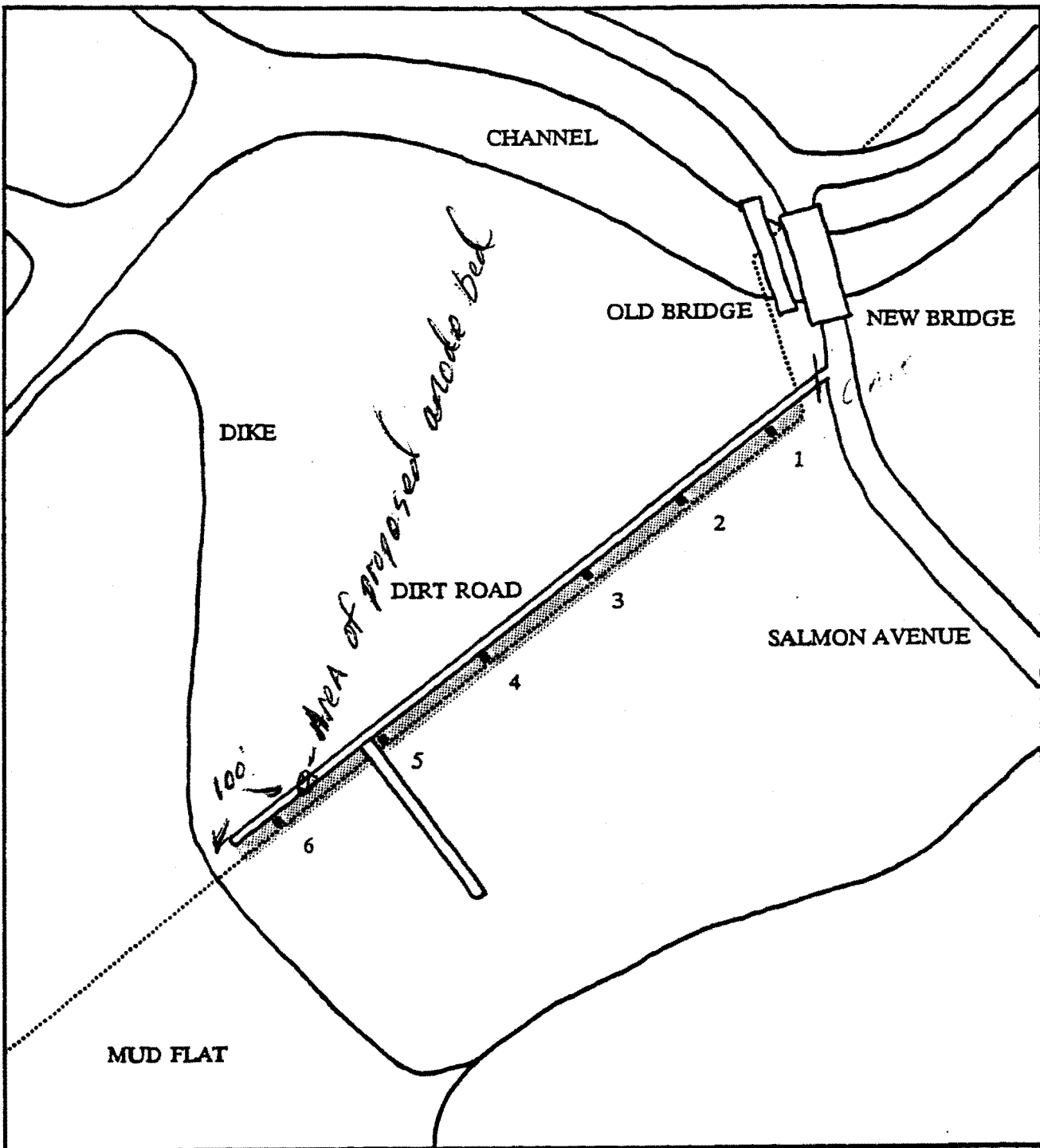
①

②

INT
AT
COUNTY OF
APPLICATION BY

SHEET OF

EXHIBIT NO.	2
APPLICATION NO.	1-00-036
PG&E	
VICINITY MAP	



1 INCH = 140 FEET

----- PIPELINE

■ JURISDICTIONAL WETLANDS
SUBJECT TO IMPACT

■ SAMPLE LOCATION



FIGURE 1.

HUMBOLDT BAY POWER PLANT FUEL OIL 1

EXHIBIT NO. 3

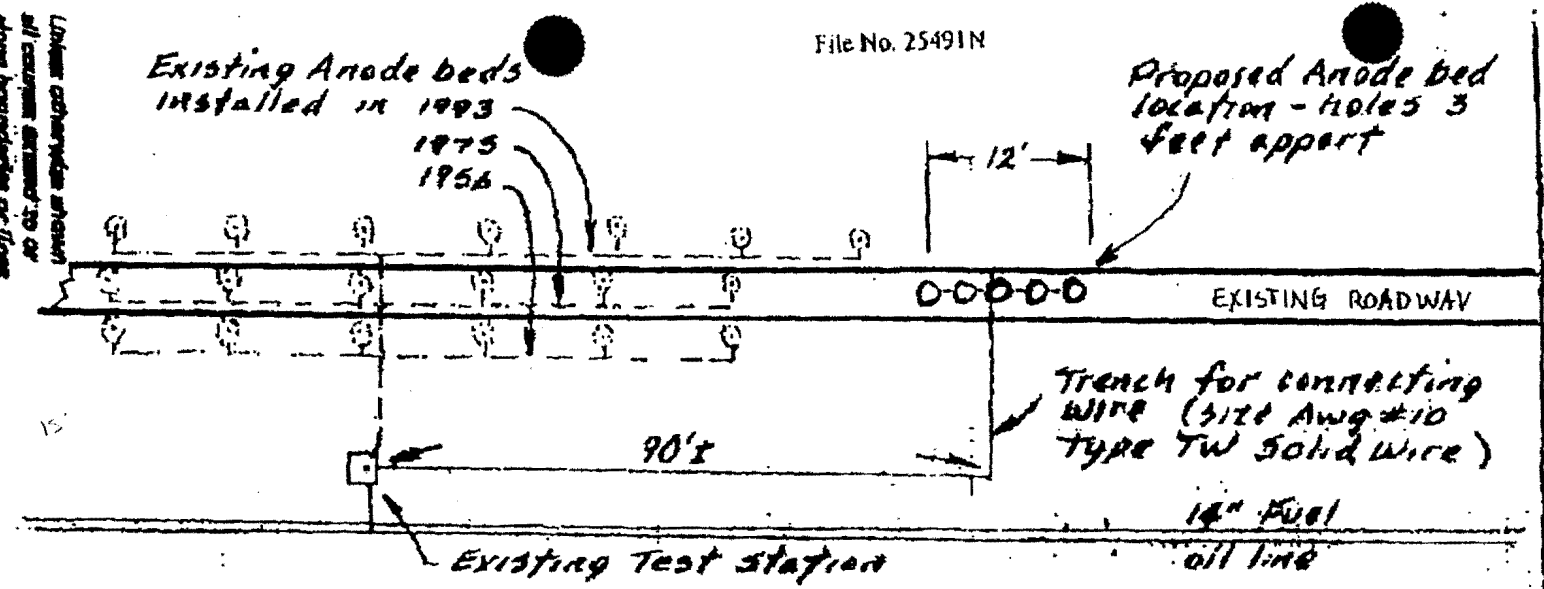
APPLICATION NO.
1-00-036

PG&E

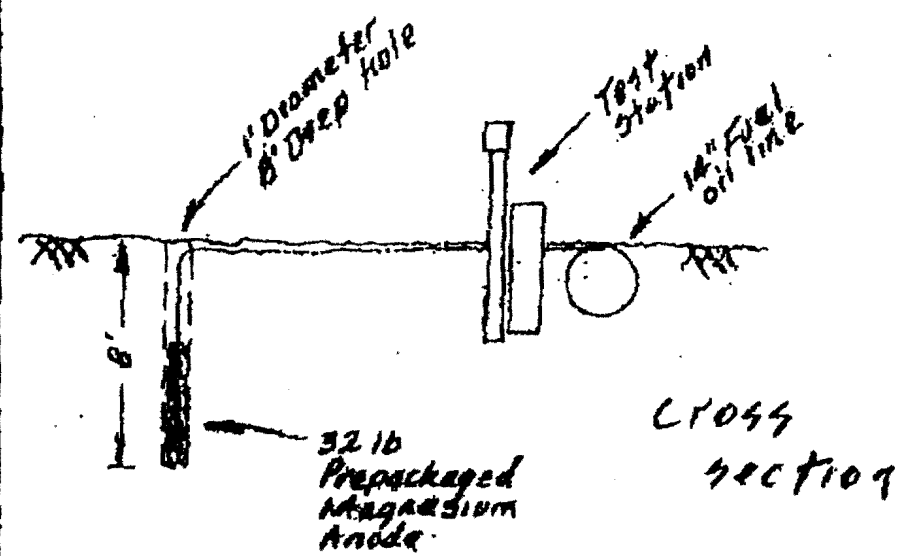
SITE MAP

CG-1-23-00 10:30 FROM: HUMBOLDT BAY POWER PLANT

File No. 25491N



Plan View



Cross section

Purpose: Replace Cathodic Protection Anodes, For Oil Pipeline; At: Humboldt Bay Power Plant; King Salmon Avenue, Lo: Wetlands Adjacent to Humboldt Bay, County: Humboldt; State: CA; Application By: Pacific Gas & Electric Company Date: 10-23-00

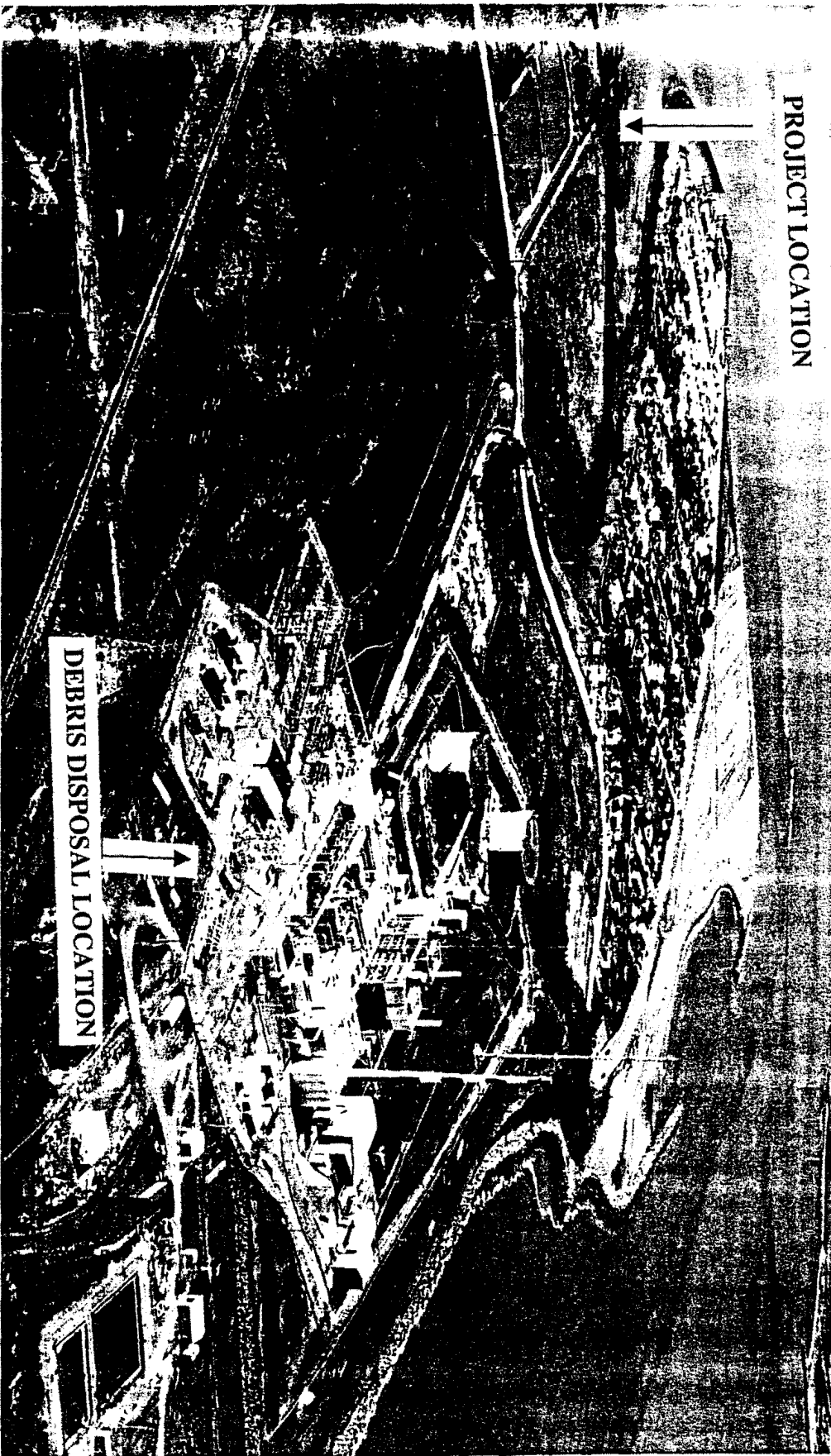
NEW ANODE BED

SECTION	8	TOWNSHIP	4N	RANGE	1W	ACRES	10-23-00
COUNTY OF	Humboldt						
SCALE	None						
DATE	10-23-00						
EXHIBIT NO.	4						
APPLICATION NO.	1-00-036						
PG&E	PG&E						
SITE PLAN	SITE PLAN						

SW of SW

PG&E No. 14 East 2018625

12/1



*Deposit approximately 1/2 cu yd
from Project location to "Dump Site"
(spread evenly over existing ground)*

EXHIBIT NO.	5
APPLICATION NO.	1-00-036
PG&E	
DEBRIS DISPOSAL SITE	