CALIFORNIA COASTAL COMMISSION

45 FREMONT, SUITE 2000 SAN FRANCISCO, CA 94105-2219 VOICE AND TDD (415) 904-5200 FAX (415) 904-5400



Th₆a

Date Filed: March 2, 2007 49th Day: April 20, 2007 180th Day: August 29, 2007

Staff: TRL-SF

Staff Report: March 22, 2007 Hearing Date: April 12, 2007

STAFF REPORT: REGULAR CALENDAR

APPLICATION FILE NO.: E-07-002

APPLICANT: Pacific Gas and Electric Company

PROJECT LOCATION: At the Humboldt Bay Power Plant near the

shoreline of Humboldt Bay, in the County of

Humboldt.

PROJECT DESCRIPTION: Drilling up to 25 exploratory borings for a

geotechnical survey to determine whether

subsurface conditions are suitable for a temporary

road and parking area to be used during

construction of a replacement power plant at the

site.

LOCAL APPROVALS: None required.

EXHIBIT 1: Area Map with Project Location

SUMMARY

This staff report evaluates a proposed geotechnical survey that would include up to 25 exploratory borings, several of which would require vehicle and equipment access across wetlands on the site of the Humboldt Bay Power Plant. The survey is intended to provide information about whether subsurface characteristics would allow a temporary road and parking area to be built for use during construction of a proposed replacement power plant at the site.

Note: The proposed power plant is undergoing separate review by the California Energy Commission. This staff report reviews the proposed geotechnical survey work only.

Staff has determined that the proposal, as conditioned, will comply with Coastal Act sections 30231 (water quality and marine biological resources), 30232 (spill prevention and response), and 30251 (scenic and visual resources). Staff therefore recommends that the Commission **approve** the proposed project, as conditioned.

1.0 STAFF RECOMMENDATION

The staff recommends approval of the permit application, subject to standard conditions.

Motion:

I move that the Commission approve Coastal Development Permit E-07-002 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.

1.1 Standard Conditions

- 1. <u>Notice of Receipt and Acknowledgment</u>. The 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. <u>Expiration</u>. 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. <u>Interpretation</u>. Any questions of intent of interpretation of any condition will be resolved by the Executive Director or the Commission.
- 4. <u>Assignment</u>. 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. <u>Terms and Conditions Run with the Land</u>: 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.

2.0 PROJECT DESCRIPTION, SETTING, AND BACKGROUND

The proposed project involves performing geotechnical tests at up to 25 locations on the site of the Humboldt Bay Power Plant (HBPP), as shown on Exhibit 1. The entire power plant site is within the Commission's retained permit jurisdiction. The project purpose is to determine whether subsurface characteristics are suitable for an access road and parking area that would be built for use during PG&E's planned replacement of the existing power plant. The existing power plant includes natural gas-fired generators and a shut-in nuclear generating unit, all of which will be retired and decommissioned after the replacement plant is built. The proposed power plant replacement is currently being reviewed by the California Energy Commission. Results of the proposed geotechnical tests are needed as part of that review to determine whether it is feasible to site the road and parking area along the proposed alignment. ¹

Access to six of the 25 locations would require that vehicles and equipment be driven across several areas of wetland within the power plant site. The wetland areas provide very few habitat or water quality functions, as they are largely wet grassland areas with non-native species and are mowed regularly as part of PG&E's plant security requirements.

The proposed project activities include drilling test bores and performing Cone Penetrometer Tests to determine subsurface characteristics. Test bores may extend to about 120 feet below the ground surface. The Cone Penetrometer Tests would extend to about 15 to 30 feet below the surface. Soil samples from several of the test bores will be sent to offsite laboratories for testing. Bore holes will be backfilled with grout. Those in already developed sites will be capped with an asphalt patch and those in vegetated areas will be capped with native materials. Work is expected to take from one to two weeks, depending on weather. Project activities would occur between 7 a.m. and 5 p.m. on weekdays only.

PG&E last year submitted a CDP application for the same type of work at the site, although the test bore locations for that project did not require access through wetlands. On July 14, 2006, the Commission concurred with the Executive Director's issuance of a waiver for those activities.

Humboldt County has determined that the proposed project is categorically exempt from CEQA requirements, pursuant to Section 15302(c) of the CEQA Guidelines. The County also determined the proposal meets applicable zoning requirements and needs no local permits.

Conformity to Section 30233 requires a proposed fill activity to meet a three-part test – first, the proposed fill must be for one of seven allowable categories of uses; second, there must be no feasible and less environmentally damaging alternatives; and third, feasible mitigation measures must be provided to minimize adverse environmental effects. The proposed geotechnical work is associated with the expansion of an existing coastal-dependent industrial facility, which is one of the allowable use categories, so it therefore meets the first of the three tests above. However, the Commission cannot yet determine the conformity of these proposed activities to the other two tests, since the amount, location, and mitigation for probable future wetland fill for the proposed power plant has not yet been determined. The Commission will determine full conformity with Section 30233 through its review of proposed power plant under the Energy Commission's review process and Section 30413(d) of the Coastal Act.

¹ Although this proposed geotechnical work does not involve the placement of fill in wetlands, such work could be viewed as an initial but necessary stage in an overall project involving the replacement of the Humboldt Bay Power Plant, which, if approved, is expected to include some amount of wetland fill. As so understood, the present project could be argued to be subject to review under Coastal Act Section 30233, which governs the placement of fill in coastal wetlands.

3.0 FINDINGS AND DECLARATIONS

<u>Standard of Review</u>: The standard of review is whether the project complies with the policies of Chapter 3 of the Coastal Act.

3.1 Wetland Protection

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 water flow, encouraging waste water reclamation, maintaining natural vegetation buffer areas, that protect riparian habitats, and minimizing alteration of natural streams.

Project activities would occur in and adjacent to wetlands on the power plant site. PG&E conducted wetland surveys in March and May of 2006 and in February 2007. Although none of the test bore sites would be in wetlands, gaining access to six of those sites would require driving vehicles and equipment across some wetland areas. The proposed routes across wetlands would include up to six eight-foot wide swaths, each less than 100 feet long, for a total of less than 5000 square feet (or about 0.10 acre).

Potential impacts to the wetlands include soil compaction due to the weight of the vehicles and equipment. The largest vehicle would be a mobile drill rig about 25 feet long and eight feet wide and weighing approximately 10,000 pounds. The CPT tests would be done using a smaller vehicle weighing about 6,000 pounds. Impacts would also include disruption of vegetation in the wetlands. However, these wetlands are within landscaped areas of the power plant site that PG&E mows regularly due to security requirements, so potential impacts to the existing vegetation are likely to be minimal.

Wetland areas that would be affected have relatively limited value for habitat or water quality. The soil in those areas is a mix of fill from wetland and upland areas placed during power plant construction in the 1950s. The random placement of this fill created a patchy distribution of soil types within the fill, which in turn created a patchy distribution of soil moisture and a mosaic of both wetland and upland vegetation types. The area was delineated as a wetland under Coastal Commission's method due to it meeting just the vegetation criteria (i.e., just one of the three parameters of hydric soil, hydrology, and hydrophytic vegetation). The area has the characteristic of a wet grassland with a number of non-native species.

PG&E has included in the proposed project several measures that will minimize the potential adverse effects of project activities on these wetland areas. The access routes across the wetland areas have been selected to minimize the amount of wetland area affected. As noted above, these routes would cover in total about 0.10 acre of wetland area. To reduce the potential for soil compaction or creation of wheel ruts, vehicles and equipment would not be driven across these areas until after four consecutive days without rain. Additionally, PG&E would also ensure that vehicles drive across plywood or other matting placed across the wetland areas to minimize compaction and to avoid wheel ruts from forming. PG&E will also employ containment measures to ensure soil borings do not spill into wetland areas. A biological monitor would be present during all geotesting activities to ensure these measures are adhered to and to help prevent other potential impacts.

Conclusion: With these measures, the Commission finds that the project will not adversely affect water quality and marine biological resources. Therefore, for the reasons above, the Commission finds the project consistent with Section 30231 of the Coastal Act.

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.

The proposed project could potentially increase the risk of oil spills in or adjacent to coastal waters due to its use of motor vehicles and equipment. Coastal Act section 30232 requires an applicant to undertake measures to prevent an oil spill.

Work would be subject to the spill plan already in place at the power plant. PG&E has also included several measures in the project meant to avoid or reduce the potential for oil or fuel spills. PG&E anticipates that the vehicles will not need to be refueled because of the project's relatively short duration. However, if they need to be refueled, PG&E would move the vehicles to a paved and bermed area on the site and away from wetlands. PG&E also maintains a supply of spill cleanup items, including absorbent pads and other absorbing material, which will be made immediately available if needed.

Overall, the potential for oil or fuel spills is considered very low, due in part to the short duration of the project work at any site, and due in part to the proposed mitigation measures. Additionally, measures described previously that would reduce the potential for drill cuttings to enter wetlands would also reduce the potential for spills.

Conclusion: With these measures, the Commission finds that the project will provide adequate protection against spills and will ensure necessary containment should a spill occur. For the reasons above, the Commission therefore finds that the project is consistent with Section 30232 of the Coastal Act.

3.3 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.

The proposed project activities will result in minor and temporary visual effects due to the use of vehicles and test equipment during the anticipated xx weeks of project activities. The work would occur on the site of the existing power plant and the types of vehicles and equipment used would be similar to the types generally present at the facility. Because the project activities would be temporary and relatively minor, and because they would be similar in nature to other ongoing work at the power plant site, the proposed project will not result in significant adverse impacts to coastal views.

Conclusion: For the reasons 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.

4.0 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 CEOA.

