

CALIFORNIA COASTAL COMMISSION

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Staff:	C. Teufel - SF
Staff Report:	8-21-08
Hearing Date:	9-11-08

STAFF REPORT COASTAL DEVELOPMENT PERMIT APPLICATION

CDP Application No.: **E-08-008**

Applicant: **Pacific Gas and Electric Company**

Project Location: Humboldt Bay Power Plant site, 1000 King Salmon Avenue, City of Eureka, Humboldt County.

Project Description: Installation of 12 modular office buildings, a radiation portal monitor and materials storage and construction staging areas within existing Humboldt Bay Power Plant site.

Substantive File Documents: See Appendix A

EXECUTIVE SUMMARY

The proposed project is for the Pacific Gas and Electric Company (PG&E) to install facilities necessary to support the future decommissioning of units 1, 2, and 3 of the Humboldt Bay Power Plant. PG&E anticipates that decommissioning would require approximately 12 years to complete and would be carried out as part of the Humboldt Bay Replacement Project currently undergoing permit review by the California Energy Commission. These decommissioning activities are not being considered as part of this coastal development permit.

The facilities proposed to be installed as part of this project include 12 new modular office buildings, a radiation portal monitor device to provide passive, non-intrusive screening of trucks for the presence of nuclear and radiological materials, a materials storage building on a concrete slab and several graded gravel employee parking, materials storage and staging areas. The radiation portal monitor is a device capable of detecting radiation but it *does not* emit any radiation or contain any radioactive materials. All proposed activities would occur within a small portion of the existing 143 acre Humboldt Bay Power Plant site, as shown in Exhibit 1.

Commission staff is recommending two Special Conditions. **Special Condition 1** would require all structures associated with the materials storage and lay-down area to be painted or finished in neutral colors that would minimize their visibility from public areas such as the nearby public access trail along the Humboldt Bay shoreline. **Special Condition 1** would also require all external lighting in this area to be directed downward and inward towards the interior of the power plant site. Upon completion of the approximately 12 years of decommissioning activities, **Special Condition 2** would require PG&E to apply for an amendment to this coastal development permit to remove the facilities proposed to be installed and constructed as part of this project. The structures to be removed include the radiation portal monitor and control booth, the modular office buildings, the materials storage building and the concrete pads associated with these structures.

Staff has determined that the proposal, as conditioned, will comply with Coastal Act sections 30230 and 30231 (marine resources and water quality protection), 30232 (spill prevention and response), 30211 and 30212(a) (public access), 30251 (scenic and visual resources), 30240(b) (environmentally sensitive habitat areas), and 30253 (erosion and geologic instability). Staff therefore recommends that the Commission **approve** the proposed project, as conditioned.

1 STAFF RECOMMENDATION

Approval with Conditions

The staff recommends conditional approval of the permit application.

Motion:

I move that the Commission approve Coastal Development Permit E-08-008 subject to conditions set forth in the staff recommendation 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 the Coastal Development Permit for the proposed project 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 STANDARD CONDITIONS

This permit is subject to the following 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.

3 SPECIAL CONDITIONS

This permit is subject to the following special conditions:

- 1. Visual Resources:** All structures and fixtures at the materials receipt, storage and lay-down site visible from public areas shall be painted or otherwise finished in neutral tones that minimize their visibility from those public areas. Lighting at the storage area shall be directed downward and inward to the extent allowed by safety and operational requirements.
- 2. Site Restoration:** Within six months of completing the decommissioning of Humboldt Bay Power Plant Units 1, 2, and 3, PG&E shall submit to the Commission a request for an amendment to this permit that proposes removal of all development associated with this project and restoration of those areas directly and indirectly affected by this project. PG&E shall thereafter implement removal and restoration in accordance with the approved amendment.

4 FINDINGS AND DECLARATIONS

The Commission finds and declares as follows:

4.1 Project Description and Background

The proposed project area is located entirely within the 143 acre Humboldt Bay Power Plant (HBPP) site. The Humboldt Bay Power Plant site consists of two gas-fired electrical generating units and a nuclear generating unit that was shut down in 1976 and is situated near the Pacific coastline adjacent to Humboldt Bay. Highway 101 runs to the east of the power plant in a north-south direction parallel to the coast. The power plant and highway lie in the flat areas along the coast with hills rising to the east. These hills and other surrounding land consist of a mix of wooded, agricultural, and residential landscapes. The closest community to the power plant, King Salmon, is built along King Salmon Avenue on a small peninsula of land to the south and west of the power plant. Most views from King Salmon to the power plant are blocked by a wooded hill. As shown by the areas highlighted in blue in Exhibit 1, the proposed project includes the use of several separate portions of the power plant site to install three facilities required by PG&E to support several future projects at HBPP, including decommissioning and removal of the existing once-through-cooling gas-fired generating stations and nuclear plant.¹

¹ The demolition and decommissioning of the three existing plants will be subject to future reviews by the Coastal Commission and by the federal Nuclear Regulatory Commission. In addition, the California Energy Commission is currently reviewing the proposed construction of a new air-cooled gas fired power plant on the HBPP site.

The three facilities proposed by PG&E as part of this project include a staff augmentation office complex, a radiation portal monitor, and a materials receipt, storage and lay-down area.

Staff Augmentation Office Complex

The proposed office complex would be comprised of 12 new 12 foot wide by 40 foot long modular office trailers to be installed at two locations on the power plant site. Eight of the offices would be installed adjacent to four similar modular office trailers that currently exist on site and were installed as part of the Independent Spent Fuel Storage Installation project (CDP No. E-05-001). These eight office trailers would be installed in an area that is mostly covered in gravel and has been used as a parking area for the employees working in the existing four trailers. The proposed modular office trailers would tie into the existing sewer, water and communications lines that serve the four trailers currently on site and connect to existing plant services. Because the power supply for the existing four trailers is inadequate to support the proposed new trailers, PG&E has proposed to install a 450 foot long 12 kilovolt underground feeder line through previously disturbed ground from a nearby power pole. This power line would be connected to a proposed outdoor distribution center to be located adjacent to the office trailer complex area. In addition to the new office trailers in this area, PG&E has also proposed to expand the existing gravel parking area by approximately 15,000 square feet to allow personnel to locate their cars adjacent to the proposed office complex. The proposed parking area is currently undeveloped and covered by grassland vegetation that has been substantially disturbed due to adjacent development associated with the Independent Spent Fuel Storage Installation (ISFSI) project and the long-term presence of the power plant. To facilitate the installation of this parking lot, PG&E is proposing to remove existing vegetation, level the site and cover it with gravel using heavy machinery such as graders, scrapers and dump trucks. During construction, PG&E proposes to implement erosion and sediment control best management practices including silt fencing and straw wattles to ensure that erosion and sediment loss from the site is minimized.

The remaining four office trailers proposed to be installed as part of the staff augmentation complex would be located between and adjacent to the existing power plant access road and an existing 2.7 million gallon above ground fuel oil storage tank. This area currently supports a paved parking facility used by PG&E power plant employees. Sewer and water connections would not be required for these office trailers and power would be provided by underground conduit from the existing administration building (approximately 75 feet away), then in conduit along the tops of the remaining three trailers. The underground power conduit would be installed in a shallow trench through an area that is currently paved. Because the proposed installation site for these four trailers is currently paved and level, additional site preparation activities are not proposed.

Radiation Portal Monitor

The radiation portal monitor (RPM) proposed to be installed as part of this project is a device that provides a passive, non-intrusive means to screen trucks and other conveyances for the presence of nuclear and radioactive materials. Conceptually similar to an airport metal detector, the RPM would consist of a steel frame with detector panels mounted on the sides and top of the frame. The frame would be placed along the power plant access road near the plant entrance and would be located in close proximity to the four office trailers also proposed to be installed in this

area. Trucks and other vehicles leaving the power plant site would be required to pass through the RPM so that they may be screened for the presence of radioactive materials. The RPM would be approximately 10-15 feet tall and 2 feet wide and its construction and operation would not emit any radiation or require the use of any hazardous materials. It would be installed within the existing paved surface area of the power plant entrance road. To facilitate the proper use of the RPM, PG&E has also proposed to construct a control booth adjacent to the monitor. The booth would consist of a prefabricated steel building about 10 feet by 20 feet and 9 feet high which would be installed on a 12 foot by 22 foot concrete pad to be placed on the site of an existing paved parking area adjacent to the power plant entrance road.

Materials Receipt, Storage and Lay-down Area

An area between the power plant's existing radiation waste building and the access road for the ISFSI facility has been identified by PG&E for the proposed receipt, storage and lay-down of materials required for future power plant decommissioning activities. PG&E has proposed to use this area to construct a pre-fabricated metal building housing an office, as well as materials storage, equipment maintenance and decommissioning support functions such as sand blast and painting equipment storage and use. The proposed building would be approximately 60 feet wide by 120 feet long and would be 30 feet high. Construction of this building would require an existing 30 foot wide by 30 foot long by 30 foot high pre-fabricated metal structure and its associated concrete pad to be removed and an 8-inch thick concrete slab approximately 62 feet by 122 feet in size to be installed on the existing building site and the flat paved and gravel surface that currently surrounds it. Construction of this pad would require roughly 140 cubic yards of soil to be excavated and hauled off site for disposal. In addition, PG&E has proposed to use an approximately 4,400 square foot area surrounding the proposed building footprint for the outside storage and laydown of materials. Use of this area would require the removal of vegetation from an approximately 1,300 foot grass covered section and the installation of crushed gravel in its place. In total, construction of the storage building and outside staging area would require approximately 20 truck trips of soil and concrete waste to be removed from the project site. This material would be disposed of at an authorized disposal location offsite.

At its closest point, the proposed materials receipt, storage and lay-down area would be set back 75 feet from the edge of the bluff near the power plant site's bayfront side and would be about 130 feet from the existing Humboldt Bay shoreline trail at the base of the bluff in this area and 175 feet from the shoreline itself.

Removal of Temporary Facilities

All of the facilities proposed to be installed as part of this project and described above would only be used temporarily during the power plant decommissioning project and would be removed when decommissioning is completed. PG&E anticipates that the decommissioning project will last approximately 12 years. **Special Condition 2** would require PG&E to apply to the Commission for an amendment to this permit to carry out these removal activities within six months of completing the decommissioning project.

4.2 Visual Resources

Coastal Act Section 30251 states, in relevant part:

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 areas...

The materials storage and laydown facilities and the parking area for the office complex would be located near the top of a coastal bluff about 175 feet from the shoreline of Humboldt Bay. The storage structure would be located near the top of a visually prominent coastal bluff. Although this project element is similar to those facilities and structures currently in place at the power plant, including the existing 30 foot by 30 foot structure to be replaced by the larger proposed warehouse, the materials storage building would nevertheless represent an expansion of those visual effects into a new area visible from public viewpoints on the adjacent coastal waters, from parts of the nearby community of King Salmon, and from public roads. These areas are valued in part for their views of the Bay, for wildlife and bird watching, and for other activities done in part in appreciation of the scenic qualities of Humboldt Bay.

However, the materials storage building would be a temporary addition to the HBPP site and, as required by **Special Condition 2**, its removal would be required at the completion of the power plant decommissioning project. To further reduce the project's impacts on visual resources, **Special Condition 1** requires PG&E to use neutral tones on all aspects of the materials storage structure visible from public areas and direct all necessary lighting downward and inward to the extent allowed by safety and operational requirements.

Conclusion: Based on the above, the Commission finds that the project, as conditioned, conforms to the policies of Coastal Act Sections 30251.

4.3 Oil Spills

Coastal Act Section 30232 states:

Protection against 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 adjacent to coastal waters due to its use of motor vehicles and equipment during both construction and ongoing use of the project components. However, construction would involve the transport of very limited quantities of petroleum products to the project site by service vehicles and while onsite servicing may result in accidental spills, these spills would be small in volume and limited to land areas where they could be quickly contained and cleaned up through the removal of contaminated soil. Coastal Act Section 30232 requires an applicant to undertake measures to prevent an oil spill and to clean up spills should they occur.

The proposed project would be subject to the spill plan already in place at the power plant. PG&E also maintains a supply of spill cleanup items, including absorbent pads and other absorbing material, which are immediately available, if needed. PG&E's proposed project includes a commitment to adhere to the existing Spill Prevention and Contingency Plan for the HBPP which includes several measures meant to avoid or reduce the potential for oil or fuel spills and a variety of Best Management Practices (BMPs). As proposed, the project requires PG&E to adhere to BMPs to minimize the potential for spills in or near wetlands on the HBPP site and Humboldt Bay itself by requiring the maintenance of an environmental boundary fence to direct vehicles away from wetlands or other sensitive areas and the installation of barriers to filter runoff from construction sites. In addition, all heavy machinery to be used would be equipped with spill response kits and all equipment servicing would be performed away from water bodies to prevent contamination of water in the event of a fuel or hydraulic fluid spill. If a spill were to occur on soil or in water, appropriate measures would be taken, as described in the HBPP Spill Prevention and Contingency Plan and efforts would be made to collect and properly dispose of all contaminated materials.

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

4.4 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.

Coastal Act provisions require generally 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.

This proposed project would be located between the first public road and the sea; however, it would be at a site that does not currently allow public access. The project site is entirely within the existing power plant complex, which is 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's main potential for affecting public access would be due to the several dozen additional vehicle trips to and from the power plant each day along the road to the shoreside community of King Salmon; however, these additional trips will not interfere with the public's access to the coast.

Parts of the proposed project would, however, be visible from an existing public access trail along the Humboldt Bay shoreline, just outside PG&E's security fence and approximately 130 feet from the nearest project element – the materials receipt and storage area. Pursuant to CDP E-05-001 which the Commission issued in 2005 for PG&E's Independent Fuel Storage Facility Installation (IFSFI), PG&E recently improved and protected this trail via a deed restriction to ensure long-term public access to the shoreline. Although portions of the proposed project would be visible from the trail, the project will not result in any additional security or limitations to public access to the area. The proposed project's effects on access would consist primarily of visual intrusion to trail users; however, this is expected to be relatively minor since much of the view of the proposed project from the trail would have the existing power plant complex in the background.

Conclusion: For the reasons stated above, the Commission finds that the proposed development will not adversely affect public access to and along the coast and that it is consistent with Sections 30211 and 30212(a) of the Coastal Act.

4.4 Marine Resources and Water Quality

Coastal Act Section 30230 states:

Marine resources shall be maintained, enhanced, and where feasible, restored. Special protection shall be given to areas and species of special biological or economic significance. Uses of the marine environment shall be carried out in a manner that will sustain the biological productivity of coastal waters and that will maintain healthy populations of all species of marine organisms adequate for long-term commercial, recreational, scientific, and educational purposes.

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.

Several proposed project components, including the staff augmentation office complex and the materials storage area, would be built about 175 feet from Humboldt Bay and would involve vegetation removal, grading and excavation, soil removal, and placement of new impervious surfaces at the power plant site. The HPBB is currently subject to an NPDES permit issued by

the North Coast Regional Water Quality Control Board. The permit includes conditions related to allowable amounts of intake water from the Bay, allowable volumes and types of non-radiological discharges from the various facilities on the site, and other measures meant to prevent adverse impacts to coastal waters.

Construction of the proposed project would be subject to additional review and possible permitting by the North Coast Regional Water Quality Board for conformity to requirements for managing stormwater during construction activities. These discharges are subject to Best Management Practices to avoid and minimize adverse effects to nearby waterbodies. Most project activities would take place in areas where much of the runoff is currently subject to Best Management Practices and other water quality control measures. Ongoing use of the proposed project facilities would result in minor changes to the drainage patterns and stormwater runoff from the site. The facility's NPDES permit would likely be modified to incorporate any discharges related to these facilities. Additionally, when the proposed power plant decommissioning project is completed **Special Condition 2** would require all temporary project structures and facilities to be removed and the site restored. With Best Management Practices and water quality measures in place, normal use of the proposed facilities will not adversely affect marine resources or coastal water quality, and with the eventual decommissioning of the power plant and restoration of the proposed project areas, may result in improvements to water quality.

Conclusion: Based on the above, the Commission finds that the project, as conditioned, conforms to the policies of Coastal Act Sections 30230 and 30231.

4.5 Terrestrial Biological Resources

Coastal Act Section 30240(b) states:

Development in areas adjacent to environmentally sensitive habitat areas and 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 habitat and recreation areas.

Much of the HBPP site is former coastal prairie terrace, although the power plant's presence during the past nearly fifty years has resulted in significant areas of development, impervious surfaces, and other disturbances on the site. Nearby, however, are extensive coastal marshes, primarily to the north and east, and the waters and shoreline of Humboldt Bay.

Within the HBPP site several wetlands and sensitive habitat areas exist, including areas of relatively high quality riparian marsh and salt marsh as well as lower quality grasslands with wetland characteristics. Although the site is occupied by an active power plant and associated infrastructure, its location on the shoreline of Humboldt Bay results in some of these areas having relatively high levels of wildlife and shorebird use. No federal or state-listed species occur within the project site; however, Northern red-legged frogs, a state-listed Species of Concern, and other amphibians, reptiles and small mammals are known to inhabit the wetland areas and adjacent habitats. These wetland and sensitive habitat areas exist predominantly on the

westernmost edge of the HBPP site, approximately 400-600 feet from the nearest development associated with the proposed project.

The majority of the proposed project would occur on previously disturbed sites that are currently either paved, covered in gravel or support existing buildings and/or foundations. The remaining project elements would be located in areas that currently support mowed grass and ruderal and introduced species of vegetation. These areas comprise approximately 16,300 square feet within the center of the HBPP site that are routinely mowed and have been consistently used in recent years by various major projects at the HBPP, including the removal of the Unit 3 stack and the recently completed ISFSI project (CDP No. E-05-001). Additionally, these areas are separated from all known wetland and more intact habitat areas within the HBPP site by substantial infrastructure and existing development such as paved and gravel roads, the ISFSI facility, and oil storage tanks and associated berms.

Given the distance and infrastructure that separates the proposed project sites from known sensitive habitat areas and wetlands as well as the low quality habitat represented by the mowed grass areas within the project footprint, the proposed project will not result in adverse effects to environmentally sensitive habitat.

Conclusion: Based on the above, the Commission finds that the project conforms to the policies of Coastal Act Section 30240(b).

4.6 Minimization of Adverse Impacts

Coastal Act Section 30253 states:

New development shall:

...

(2) Assure stability and structural integrity, and neither create nor contribute significantly to erosion, geologic instability, or destruction of the site or surrounding area...

Whenever large areas of earth are deprived of vegetative cover and exposed in a disturbed state, the potential occurrence of wind- and/or water-borne erosion increases. To minimize the occurrence of erosion during the construction of the office complex, its associated parking area, and the materials storage area, PG&E has committed to implement proposed erosion and sediment control best management practices such as silt fencing and straw wattles to ensure that erosion and sediment loss from the site is minimized.

Conclusion: The Commission therefore finds the project, as designed, will not contribute significantly to erosion and is therefore consistent with Coastal Act Section 30253(2).

5 CALIFORNIA ENVIRONMENTAL QUALITY ACT

Section 13096 of the Commission's administrative regulations requires Commission approval of coastal development permit 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 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. The project as conditioned herein incorporates measures necessary to avoid any significant environmental effects under the Coastal Act, and there are no less environmentally damaging feasible alternatives or mitigation measures. Therefore, the proposed project is consistent with CEQA.

APPENDIX A

Substantive File Documents

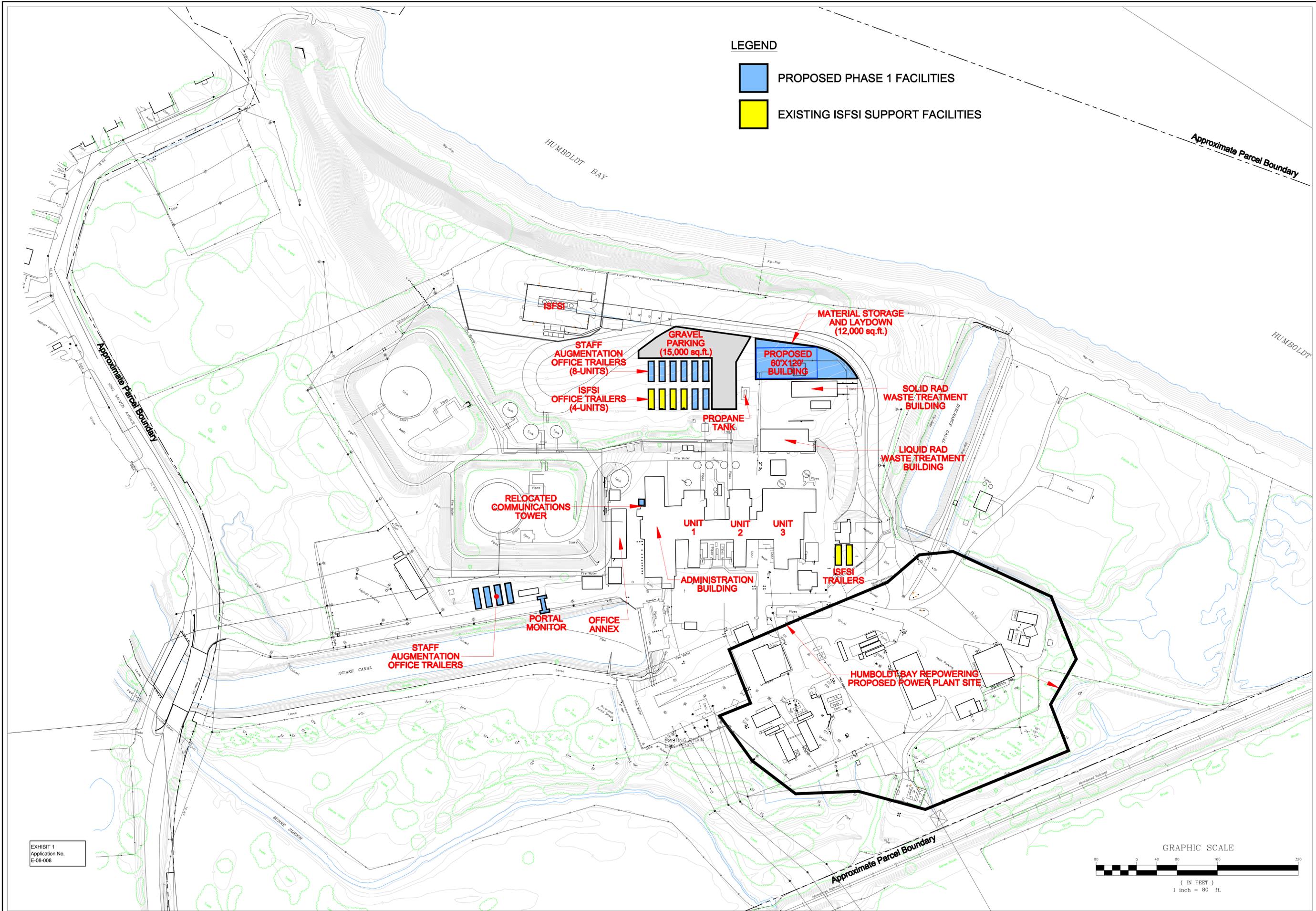
Coastal Development Permit Application, Pacific Gas and Electric Company, February 29, 2008.

Coastal Development Permit Application Supplement, Pacific Gas and Electric Company, July 3, 2008.

Coastal Development Permit No. E-05-001

Coastal Development Permit No. E-07-005

Coastal Development Permit No. E-08-003



LEGEND

- PROPOSED PHASE 1 FACILITIES
- EXISTING ISFSI SUPPORT FACILITIES

REVISION	DATE	DESCRIPTION
1	02/08	RELOCATED COMMUNICATIONS TOWER



**HUMBOLDT BAY POWER PLANT
DECOMMISSIONING PROJECT**
**PACIFIC GAS & ELECTRIC COMPANY
EUREKA, CALIFORNIA**

SCALE: 1"=80'

SHEET NAME:
**FIGURE 1
PROPOSED
PHASE 1
SITE
MODIFICATIONS**

DRAWN BY: TPM
CHECKED BY: CED
APPROVED BY:
DATE: 10/21/07
SHEET NO. 1 OF 1

DWG. NO. 07-PGE024-SF2
REV. A

EXHIBIT 1
Application No.
E-08-008

