

STAFF REPORT

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PRC 5438.1-C
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M. Schroeder

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CONSIDER APPROVAL FOR REMOVAL AND ABANDONMENT-IN-PLACE OF DECOMMISSIONED NATURAL GAS PIPELINE

LESSEE:

Pacific Gas and Electric Company (PG&E)

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the Stanislaus River, near Ripon, San Joaquin and Stanislaus Counties.

AUTHORIZED USE:

Lease No. PRC 5438.1-C includes 12 pipelines and allows for the continued use and maintenance of existing transportation, distribution, and gathering pipelines to transport natural gas. It is one of six PG&E leases for 129 pipeline crossings throughout the State.

LEASE TERM:

20 years, beginning January 1, 2012.

CONSIDERATION:

\$5,400 per year, with an annual California Consumer Price Index (CPI) adjustment as provided for in the lease.

PROPOSED APPROVAL:

The Lessee has applied for approval to slurry fill, remove an approximately 20-foot section, and abandon-in-place the remaining sections of a retired steel 12-inch-diameter natural gas transmission pipeline, number 1615-01, pursuant to Section 2, paragraph 12 of its existing lease. The Commission's approval shall be conditioned upon the Lessee complying with all existing lease provisions in addition to the provisions on the attached Exhibit C to ensure that the removal and abandonment will not be adverse to public health and safety or the Public Trust.

Upon the completion of the abandonment and removal, the Lessee shall be relieved of its obligation under the lease to pay \$450 in annual rent for that

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pipeline, beginning on the first anniversary of the lease following verification by staff of the abandonment and removal.

STAFF ANALYSIS AND RECOMMENDATION:

Authority:

Public Resources Code sections 6005, 6216, 6301, 6501.1, and 6503;
California Code of Regulations, title 2, sections 2000 and 2003.

Public Trust and State's Best Interests Analysis:

On January 26, 2012, the Commission authorized termination of a holdover tenancy of Lease No. PRC 5438.1 and authorized issuance of six General Leases – Right-of-Way Use, Nos. PRC 5438.1-A, PRC 5438.1-B, PRC 5438.1-C, PRC 5438.1-D, PRC 5438.1-E, and PRC 5438.1-F in its place ([Item C33, January 26, 2012](#)). The previously retired natural gas transmission pipeline, number 1615-01, crossing the Stanislaus River was included in PRC 5438.1-C.

The Lessee has an easement for the upland adjoining the lease premises. A bathymetric, geodetic, and depth-of-pipe survey was prepared for the Lessee in December 2013. The depth of cover of the pipeline, number 1615-01, below the river bottom was approximately 10 feet, except for the exposed 20-foot portion of the pipeline near the southeast end of the river crossing. The section of pipeline has become exposed due to erosion. The subject pipeline has been retired and capped for several years and was installed many years ago. Removal of the approximately 20-foot section of the pipeline is required as the exposed section of pipeline is a potential hazard to the public and can impact recreational use of the Stanislaus River. The Lessee has applied to remove the exposed portion of an existing 12-inch-diameter natural gas transmission pipeline, number 1615-01.

Abandonment-in-place of the remaining section of pipeline is preferable to full removal. The portion of the pipeline that will not be removed underlies the protective levee and is approximately 10 feet below the bottom of the river. The entire removal could impact the integrity of the levee at this location. In addition, removing the entire 12-inch-diameter gas pipeline from below the riverbed would require significantly more disturbance to the river bottom habitat than only removing the exposed portion of the pipeline. The lease requires the Commission's approval prior to the Lessee removing or abandoning any pipeline crossing.

In the proposal, the retired pipeline will be filled with concrete slurry prior to removal of the approximately 20-foot section of exposed pipeline. Once

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the concrete slurry has cured, the 20-foot section of exposed pipeline will be cut with a torch and transported to an offsite disposal center. The remaining pipeline will be capped.

Half of the proposed project area lies on the north side of the Stanislaus River within the city of Ripon in San Joaquin County and the other half of the project lies on the south side of the river in an unincorporated area of Stanislaus County. The project area is undeveloped with no existing structures and is situated along a riverine corridor surrounded by agricultural lands.

Staff reviewed environmental justice data that indicated high pollution burdens to the surrounding communities. These burdens may result in impacts to health such as asthma, low birth weight, and cardiovascular disease. In addition, the same data showed high burdens to drinking water. Furthermore, the data revealed the neighboring communities are disadvantaged. Staff believes that the removal of the exposed portion of pipeline will result in an overall benefit to the nearby communities by enhancing access and eliminating a potential risk. As part of an environmental justice outreach effort, staff contacted several environmental justice communities in the San Joaquin and Stanislaus counties providing notification of the proposed project. No comments on the project were received as a result of the outreach. The letter sent to several environmental justice communities included a brief description of the project and a staff person as a point of contact.

The lease includes provisions requiring the Lessee to inspect, repair, insure, and indemnify the State for those facilities abandoned-in-place. In addition, staff believes that the use does not substantially interfere with the Public Trust needs and values at this location because the portion of the pipeline that is buried will have a negligible, if any, impact on recreational use in the Stanislaus River and the portion of the pipeline that is exposed will be removed and eliminate impacts on recreational use in the Stanislaus River.

Climate Change:

The project area is not tidally influenced and therefore, would not be subject to sea-level rise. However, as stated in *Safeguarding California Plan: 2018 Update* (California Natural Resources Agency 2018), climate change is projected to increase the frequency and severity of natural disasters related to flooding, drought, and storms. In rivers, more frequent and powerful storms can result in increased flooding conditions and damage from storm-created debris. Conversely, prolonged droughts could

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dramatically reduce river flow and water levels, leading to loss of public access and navigability. Climate change will further influence riverine areas by changing erosion and sedimentation rates, and flooding and storm flow, as well as runoff, will likely increase scour, decreasing bank stability at a faster rate.

The purpose of the project is to remove an exposed portion of an existing, previously retired pipeline, abandon the pipeline portion under the river in place, and restore any disturbed areas. The effects of climate change are not anticipated to affect the abandoned pipeline since it is beneath the river and is not likely to be subject to erosion and scour.

Conclusion:

For all the reasons above, staff believes this approval will not substantially interfere with the public rights to navigation, fishing, and commerce; or substantially interfere with the Public Trust needs and values at this location; and is in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. This action is consistent with Strategy 1.1 of the Commission's Strategic Plan to deliver the highest levels of public health and safety in the protection, preservation, and responsible economic use of the lands and resources under the Commission's jurisdiction.
2. **Abandon-in-Place Portion of Pipeline:** Staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, title 2, section 2905, subdivision (a)(2).
3. **Removal Portion of Pipeline:** Staff recommends that the Commission find that this activity is exempt from the requirements of CEQA as a categorically exempt project. The project is exempt under Class 4, Minor Alteration to Land; California Code of Regulations, title 2, section 2905, subdivision (d)(3).

Authority: Public Resources Code section 21084 and California Code of Regulations, title 14, section 15300 and California Code of Regulations, title 2, section 2905.

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EXHIBITS:

- A. Land Description
- B. Site and Location Map
- C. Additional Provisions

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Abandon-in-Place Portion of Pipeline: Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, title 14, section 15061 as a categorically exempt project, Class 1, Existing Facilities; California Code of Regulations, title 2, section 2905, subdivision (a)(2).

Removal Portion of Pipeline: Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, title 14, section 15061 as a categorically exempt project, Class 4, Minor Alteration to Land; California Code of Regulations, title 2, section 2905, subdivision (d)(3).

PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the proposed removal of a portion of and abandonment-in-place of a portion of a natural gas pipeline will not be materially adverse to public health and safety; or substantially interfere with the public's right to navigation and fishing or with the Public Trust needs and values at this location; and is in the best interests of the State.

AUTHORIZATION:

1. Approve the removal of a portion of and abandonment-in-place of a portion of a cement slurry-filled steel 12-inch-diameter retired natural gas transmission pipeline (number 1615-01) beneath the Stanislaus River, near Ripon, San Joaquin and Stanislaus Counties as described in Exhibit A and shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof, effective October 24, 2019. This approval shall be conditioned upon the Lessee complying with all existing lease provisions in addition to the provisions set forth in the attached Exhibit C.
2. Relieve the Lessee of its obligation to pay \$450 in annual rent for the pipeline (number 1615-01), upon completion of the abandonment and removal, beginning with the next lease

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anniversary pursuant to Section 2, paragraph 12, subparagraph (g) of the lease.

EXHIBIT A

PRC 5438.1C

LAND DESCRIPTION

A 5-foot strip of submerged land in the bed of the Stanislaus River lying adjacent to Section 31, T2S, R8E, MDM., as shown on Official Government Township Plat, approved December 30, 1854, Counties of San Joaquin and Stanislaus, State of California, the centerline more particularly described as follows:

BEGINNING at a point on the centerline of an existing deactivated natural gas pipeline, said point being Station 2+57.29 as shown on that map entitled PG&E Pipeline Water Crossing Line 1615-01 Deactivated Stanislaus River, Drawing Number 028.61-13.37-2 on file at the Sacramento Offices of the California State Lands Commission, said point bearing S05°25'25"E 319.19 feet from a brass disk, Point Number A-94 as shown on said map, thence southeasterly along said centerline to Station 3+71.92 as shown on said map, said point being the TERMINOUS of the herein described strip.

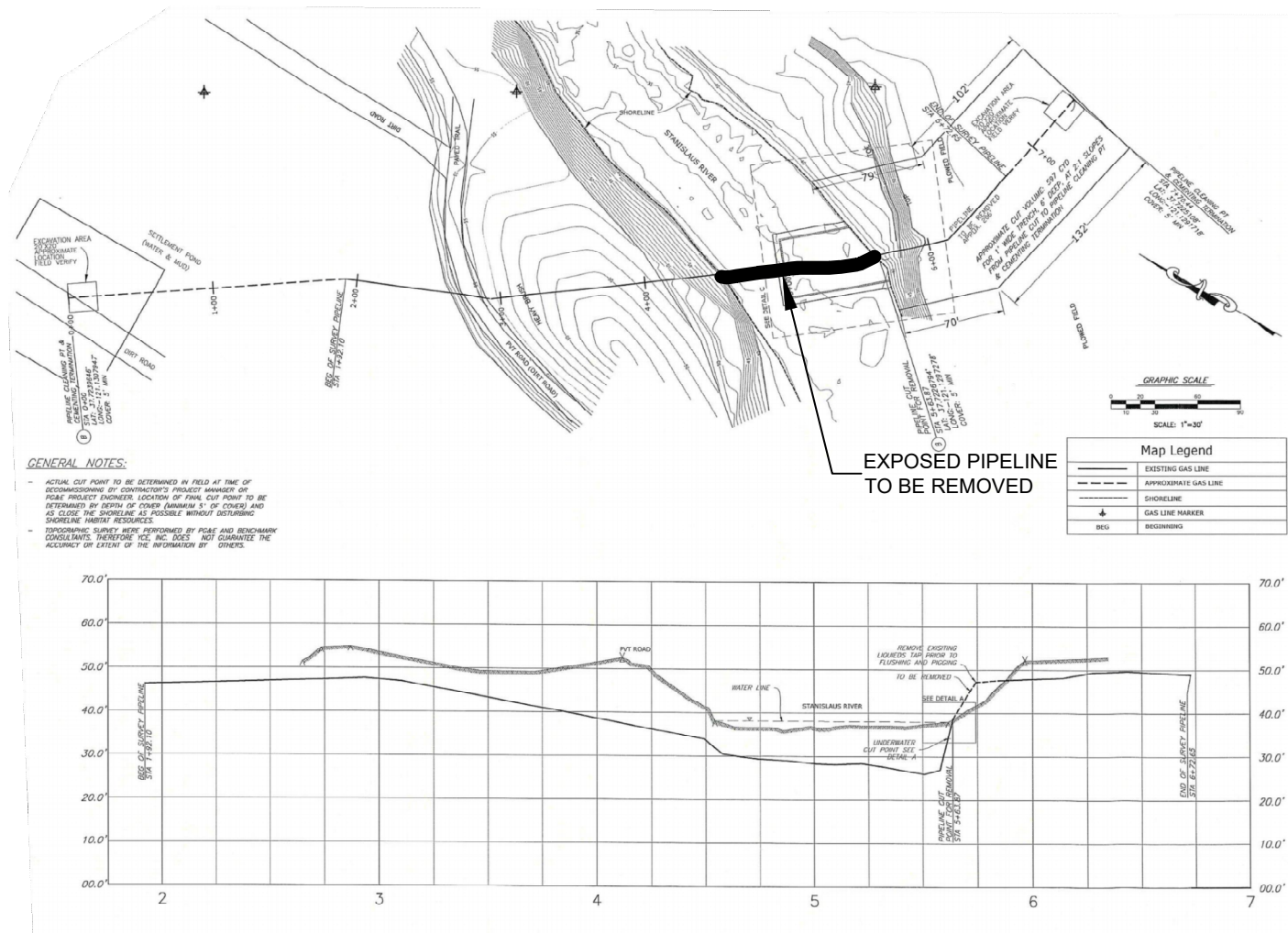
EXCEPTING THEREFROM any portion lying landward of the low water mark of the right and left banks of the Stanislaus River.

Prepared April 29, 2019 by the California State Lands Commission Boundary Unit.



NO SCALE

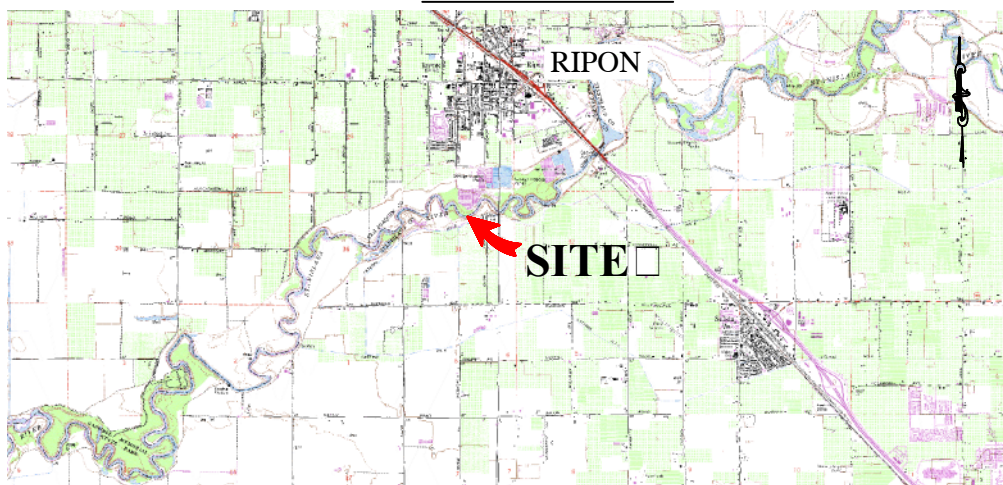
SITE



NATURAL GAS PIPELINE, HALL ROAD, RIPON

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.

Exhibit B

PRC 5438.1C

PG&E

APN 003-011-010

GENERAL LEASE -
RIGHT-OF-WAY USE

SAN JOAQUIN &
STANISLAUS COUNTIES



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Exhibit C – Additional Provisions

1. Lessee shall purge the pipeline to be decommissioned of all combustible, hazardous materials and fill it with non-corrosive, environmentally safe materials with the ends capped and sealed. Prior to the decommissioning, the pipeline shall be pigged and flushed until the residual hydrocarbon levels are 15 parts per million (ppm) or less with confirmation of laboratory test results. The test results shall be promptly submitted to Lessor at no cost.
2. At least 90 days prior to start of construction, Lessee shall provide the following for Lessor's review and approval:
 - a. A final set of decommissioning drawings as issued for construction, certified (stamped, signed, and dated) by a California registered Civil/Structural Engineer, showing the existing pipeline horizontal alignment with key control points referenced to the California Coordinate System 1983 revision (CCS83) and vertical profile data with elevations referenced to Mean Lower Low Water (MLLW) datum, if applicable, or other applicable vertical datums such as the National Geodetic Vertical Datum of 1929 (NGVD 29), and the North American Vertical Datum of 1988 (NAVD 88). The drawings are to provide detailed information including but not limited to the proposed pipeline segments to be abandoned in place and removed, extent of the excavation, riverbank restoration, etc. The Lessor's lease boundaries shall be delineated on the drawings.
 - b. For the portion of the riverbank where the excavation will be conducted, provide a slope stability analysis certified (stamped, signed, and dated) by a California registered Civil/Geotechnical Engineer.
 - c. A Contractor's Work Execution Plan providing details of step-by-step procedures for the entire project, manpower, equipment, vessel, safe procedures, site restoration, etc. Please note that dumping of any debris into State Waters is not allowed.
 - d. A project-specific hazardous spill contingency plan for the Lease premises. It shall include but not be limited to procedures to be implemented, specific designation of the on-site person who will have responsibility for implementing the plan, on-site spill response materials/tools/equipment, and spill notification protocol and procedures. The plan shall include a complete list of the agencies (with telephone number) to be notified, including but not limited to California State Lands Commission's 24-hour emergency notification number (562) 590-5201, California Governor's Office of Emergency Services (Cal OES) contact number (800) 852-7550, etc.

- e. A construction schedule timeline chart showing all significant work activities planned during the course of the project.
- 3. At least fifteen (15) days prior to start of construction, a Local Notice to Mariners shall be submitted to the U.S. Coast Guard. A copy of the published Notice is to be filed by the Lessee with the State Lands Commission office.
- 4. All construction activities shall be carried out in accordance with all applicable safety regulations, permits, and conditions of other involved agencies.
- 5. Any vehicles, equipment, or machinery to be used on the Lease Premises are limited to those which are directly required to perform the authorized use and shall not include any vehicles, equipment, or machinery that may cause damage to the Lease Premises or lands subject to Lessor's jurisdiction.
- 6. No vehicle or equipment refueling, maintenance, or repairs are permitted within 100 feet of the waterway.
- 7. All waste material and debris created by Lessee shall be promptly and entirely removed from the Lease Premises and lands subject to Lessor's jurisdiction.
- 8. Within 60 days of completion of the decommissioning activities within the Lease Premises, Lessee shall provide Lessor the following for review and approval:
 - a. A set of "as built" drawings, certified by a California registered Civil/Structural Engineer, showing all design changes or other amendments to the construction as originally approved.
 - b. A post construction written narrative report confirming completion of the pipeline abandonment and removal with discussion of any significant field changes or other modifications to the approved execution plan, and providing details of any extraordinary occurrences such as spill incidents, critical operations curtailment, accidents involving serious injury or loss of life etc. In addition, it shall include written confirmation of site clean-up verification with videography/photography records.
- 9. Lessee shall perform a burial depth survey of the abandoned pipeline segments upon project completion and at least once every five years thereafter. Copies of the surveys shall be promptly submitted to Lessor, whenever available, at no cost.