

July 15, 2009

Mr. Dana Bayuk  
Oregon Department of Environmental Quality  
Northwest Region, Portland Office  
Portland Harbor Section  
2020 SW Fourth Avenue, Suite 400  
Portland Oregon 97201-4987

HAI Project No. 2708  
DEQ ECSI File No. 84

**SUBJECT: Progress Report, NW Natural Gasco Property, 7900 NW St. Helens Avenue, Portland, Oregon**

Dear Mr. Bayuk:

Hahn and Associates, Inc. (HAI) has prepared this monthly Progress Report summarizing Remedial Investigation/Feasibility Study (RI/FS) and source control-related work activities conducted by NW Natural that have occurred relating to the Gasco property during the month of June 2009. NW Natural is completing upland investigatory activities at the subject property under the Voluntary Agreement No. ECVV-WMCVC-NWR-94-13 between NW Natural and the Oregon Department of Environmental Quality (DEQ).

**1.0 Communications and Document Submittals**

Anchor QEA and Siltronic have prepared a report of vibration test findings for DEQ. The Vibration Study Data Report was submitted to DEQ June 1, 2009.

In correspondence dated June 5, 2009 (Dana Bayuk to Bob Wyatt), DEQ provided comments from review of the Anchor QEA documents: *Groundwater Flow Model and DNAPL Evaluation Supplemental Report*, dated October 2008, and *Evaluation of Potential DNAPL Mobilization in Former Effluent Pond Area by Shoreline Extraction Wells*, dated March 18, 2009.

In correspondence dated June 10, 2009 (Dana Bayuk to Bob Wyatt), DEQ provided comments from review of the HAI document: *2009 Groundwater Monitoring Program, Gasco Facility*, dated March 25, 2009. DEQ approved the monitoring program subject to several conditions.

In e-mail correspondence dated June 10, 2009 (Carl Stivers to Dana Bayuk), Anchor QEA summarized a June 10 teleconference in which DEQ agreed that submittal of the Interim Design Report for Shoreline Source Control Measures could be rescheduled from June to July. The new submittal date is needed to be able to incorporate key design parameter information that NW Natural is waiting to receive from DEQ, as well as to provide for a pre-submittal review of the draft document by Siltronic.

In e-mail correspondence dated June 16, 2009 (Dana Bayuk to John Edwards), DEQ provided comments from review of the Severson Environmental Services document:

*NW Natural Gas Company, Wastewater Pilot Plant Testing Plan*, dated April 2009. DEQ requested that the pilot testing sampling and analysis plan (SAP) be revised consistent with their comments, that supplemental information be provided, and that one weeks' notice be provided prior to initiating the pilot testing.

In e-mail correspondence dated June 18, 2009 (Dana Bayuk to Carl Stivers), DEQ provided clarifications concerning the June 10, 2009 teleconference (described above), and confirmed that the submittal date for the Interim Design Report has been extended to July 31, 2009.

Representatives of NW Natural and DEQ conducted a teleconference on June 22, 2009, with the focus of the meeting related to the pending (July) pilot testing of the wastewater treatment system.

In correspondence dated June 25, 2009 (Rob Ede to Dana Bayuk), HAI provided DEQ-requested evaluation and technical justification for changing the sampling frequency of new monitoring wells at the Site from quarterly to semi-annual. The correspondence also provided a response to DEQ's request to modify the groundwater monitoring list with regard to various forms and test methodologies for cyanide.

In correspondence dated June 25, 2009 (Daryll Hughes to Bob Wyatt), The City of Portland transmitted the renewal of Industrial Wastewater Discharge Permit #500.022 for groundwater remediation effluent discharge to the sanitary sewer. The permit renewal is effective from July 2, 2009 until February 15, 2012.

## **2.0 □ Field Work**

Sevenson Environmental Services and Anchor QEA are mobilizing equipment to the site and are in the process of setting up to conduct the treatment system pilot test. The tentative schedule is to start treatment testing the week of July 13.

Field activities related to monitoring and maintenance of the dense non-aqueous phase liquid (DNAPL) extraction system at the surficial fill MW-6-32 well location occurred during May. Approximately 29 gallons of DNAPL / water was pumped from well MW-6-32 during June. Based on visual observations during select pumping cycles, it is estimated that approximately 40% to 75% of the liquid pumped in June was DNAPL.

Discharge of treated water (groundwater from the LNG containment basin) to the City of Portland sanitary sewer was initiated on March 16, 2007 under Temporary Wastewater Discharge Permit 500.022 (expires February 15, 2012). Results of NW Natural's effluent sampling are provided to BES in Discharge Monitoring Reports that are submitted for any month that effluent sampling occurs – which is at least every other month in accordance with the permit. As of June 26, 2009, a total of 5,138,197 gallons of treated water have been discharged to the sanitary sewer in 2009.

Those construction-derived wastes approved by DEQ for disposal in their April 2, 2009 correspondence, were loaded and transported to the Waste Management, Inc. Hillsboro Landfill for disposal as non-hazardous contaminated soil under Waste Management, Inc. Permit # 103210OR on June 11, 2009. In total, 133.45 tons of soils derived from water line repair and steam line construction activities were disposed.

Ongoing visual sheen monitoring, consistent with a DEQ-approved monitoring plan, of the boom / sheen containment area immediately offshore of the Gasco/Siltronic property boundary were conducted during June.

### **3.0 Anticipated Activities in July and August 2009**

Meetings with NW Natural and DEQ will occur through July and August 2009 as needed to expedite discussions and resolution of issues concerning design of groundwater/DNAPL source control, as well as other project related items such as upland risk assessment and feasibility study activities.

NW Natural and Koppers are working on an agreement to secure access to the Koppers Leasehold portion of the Gasco property for the purpose of stormwater sampling as per the November 30, 2007 *Source Control Data Gaps Work Plan, Section 2, Catch Basin Sediment and Stormwater Sample Collection, Processing, and Analysis Procedures*. NW Natural will schedule stormwater sampling for the remainder of the property after receipt of approval from DEQ on the October 23, 2008 *Draft Source Control Data Gaps Catch Basin Sediment Sampling Report*.

An Environmental Monitoring Report, to include groundwater elevation maps, DNAPL thickness measurements, and final laboratory data and validation reports for the third and fourth quarters of 2008 will be submitted to DEQ.

Remedial Investigation activities anticipated to be conducted by NW Natural at the Siltronic property during this timeframe include Doane Creek sampling-related activities with the assumption that access from BNSF is received and executed during this timeframe.

Plans and schematic depiction for the proposed plumbing and operation of an automated DNAPL recovery system at the MW-13-31 (surficial fill) location are expected to be submitted to DEQ for approval.

The third quarter 2008 groundwater monitoring event is anticipated to occur on the Gasco and Siltronic properties during the August or September 2009 timeframe.

The following activities in support of groundwater source control are in progress.

- Anchor QEA is preparing a Segment 2 Capture Zone Field Test Plan for DEQ
- Anchor QEA is preparing the source control Interim Design Report. NW Natural is planning to meet with DEQ in July to discuss the Interim Design Report.
- Severson Environmental Services and Anchor QEA are mobilizing equipment to the site and are in the process of setting up to conduct the treatment system pilot test. The tentative schedule is to start treatment testing the week of July 13.

The following reports and work plans on the Site have been submitted to DEQ for review and comment.

- Revised Baseline Ecological and Human Health Risk Assessment Report, December 2004, Anchor Environmental, LLC.

- Remedial Investigation Report, NW Natural – Gasco Facility, 7900 NW St. Helens Road, Portland, Oregon, April 30, 2007, Hahn and Associates, Inc.
- Draft Source Control Data Gaps Catch Basin Sediment Sampling Report, October 23, 2008 Anchor Environmental, LLC.
- Source Control Evaluation Report, "Segment 3" Siltronic Property Related to NW Natural "Gasco" Site, February 19, 2009.
- *Monitoring Frequency Evaluation – New Wells, Groundwater Monitoring Program for Gasco and Siltronic Properties*, June 25, 2009. This document includes a response to DEQ's request for additional cyanide testing as part of the routine groundwater monitoring program.

Should you have any questions, please contact the undersigned.

Sincerely,



Rob Ede, R.G.  
Principal

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- c: Ms. Sandra Hart, NW Natural  
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Ms. Patty Dost, Schwabe, Williamson & Wyatt  
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Mr. Tom McCue, Siltronic Corporation  
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