

**HAHN AND ASSOCIATES, INC.**  
ENVIRONMENTAL CONSULTANTS

January 17, 2012

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 December 2011. NW Natural is completing upland investigatory activities at the subject property under the Voluntary Agreement No. ECVC-WMCVC-NWR-94-13 (Voluntary Agreement) between NW Natural and the Oregon Department of Environmental Quality (DEQ).

**1.0 Communications and Document Submittals**

In correspondence dated December 7, 2011 (Dana Bayuk to Bob Wyatt and Tom McCue), DEQ provided a reply to Siltronic's September 30, 2011 responses and NW Natural's November 4, 2011 responses to DEQ's September 22, 2011 review of the *Revised Groundwater Source Control Interim Design Report*.

In correspondence dated December 12, 2011 (Rob Ede to Dana Bayuk), HAI, on behalf of NW Natural, provided notification to DEQ of pending field activities (fourth quarter groundwater monitoring event).

A meeting/teleconference with representatives of NW Natural, Siltronic, DEQ, and EPA was held on December 20, 2011 to discuss groundwater source control design issues, NPDES permitting, and overall scheduling.

In correspondence dated December 21, 2011 (John Edwards to Dana Bayuk), AQ, on behalf of NW Natural, provided responses to DEQ's December 7, 2011 letter regarding completion of design and construction of groundwater source control.

**2.0 Field Work**

Field activities related to monitoring and maintenance of the dense non-aqueous phase liquid (DNAPL) extraction system at surficial fill well locations MW-6-32 and MW-13-30 occurred during December. The system recovered approximately 21 gallons of fluids (primarily DNAPL) during December.

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 December 30, a total of 10,813,544 gallons of treated water have been discharged to the sanitary sewer in 2011.

The Fourth Quarter 2011 groundwater monitoring event (water level measurements and DNAPL checks) was conducted by NW Natural at all Gasco well locations and select Siltronic well locations on December 16, 2011.

### **3.0 Anticipated Activities in January and February 2012**

NW Natural and DEQ technical working group meetings are anticipated to occur during January and February 2012, as needed, so that discussion of critical items related to upland risk assessment and groundwater source control tasks may be conducted.

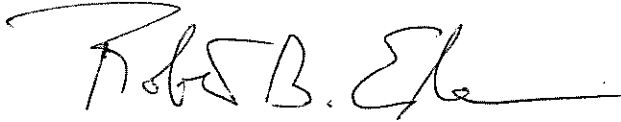
The First Quarter 2012 routine groundwater monitoring event is anticipated to occur in February.

The following reports and work plans for the Site have been submitted to DEQ through the end of December. Unless otherwise noted, these reports and work plans have not received DEQ review and comment.

- *Source Control Evaluation Report, “Segment 3” Siltronic Property Related to NW Natural “Gasco” Site*, February 19, 2009, Anchor QEA. Based on DEQ feedback, DEQ review of this document is prioritized behind reviews for Segments 1 and 2 Source Control Design documents and upland Risk Assessment-related reviews.
- *Final Stormwater Source Control Data Summary Report*, September 2010, Anchor QEA. Based on DEQ feedback, DEQ review of this document is prioritized behind reviews for Segments 1 and 2 Source Control Design documents and upland Risk Assessment-related reviews.
- *Remedial Investigation Data Summary Report, Historical Manufactured Gas Plant Activities, Siltronic Corporation Property*, March 31, 2011, HAI. Based on DEQ feedback, it is understood that DEQ review is being conducted at this time.
- *Updated Beneficial Use Determination for Groundwater, NW Natural Gasco and Siltronic Properties, 7900 NW St. Helens Road and 7200 NW Front Avenue, Portland, Oregon*, October 21, 2011, HAI. (DEQ review comments received January 5, 2012).
- *Summary of Agreements for Remaining Issues Related to the NW Natural Gasco Uplands Risk Assessments*, November 30, 2011, Anchor QEA. (DEQ comments received January 5, 2012).

Should you have any questions, please contact the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "Rob Ede". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Rob Ede, R.G.  
Principal

robe@hahnenv.com

- c: Ms. Sandra Hart, NW Natural (electronic only)
- Mr. Bob Wyatt, NW Natural (electronic only)
- Ms. Patty Dost, Pearl Legal Group PC (electronic only)
- Ms. Sarah Riddle, Pearl Legal Group PC (electronic only)
- Mr. Carl Stivers, Anchor QEA, L.L.C. (electronic only)
- Mr. John Edwards, Anchor QEA, L.L.C. (electronic only)
- Mr. Ben Hung, Anchor QEA, L.L.C. (electronic only)
- Mr. Ryan Barth, Anchor QEA, L.L.C. (electronic only)
- Mr. Henning Larsen, DEQ NW Region (electronic only)
- Mr. Tom Gainer, DEQ NW Region (electronic only)
- Mr. Tom McCue, Siltronic Corporation (electronic only)
- Ms. Kristine Koch, Region 10 EPA (electronic only)
- Mr. Sean Sheldrake, Region 10 EPA (electronic only)
- Mr. Rene Fuentes, Region 10 EPA (electronic only)
- Mr. Chip Humphrey, Region 10 EPA (electronic only)
- Mr. Lance Peterson, CDM, Inc. (electronic only)