SENT VIA USPS AND E-MAIL:

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<u>Draft Remedial Action Plan (RAP)</u> for the Newport Banning Ranch Oilfield Abandonment

The South Coast Air Quality Management District (SCAQMD) staff appreciates the opportunity to comment on the above-mentioned document. The following comments are meant as guidance for the Lead Agency and should be incorporated into the Final Remedial Action Plan.

Project Description

The Draft RAP includes activities that involve decommissioning and abandonment of oilfield operations including 66 out of the 85 existing active and idle wells, field facilities and supporting infrastructure on the Newport Banning Ranch (NBR) property (the Site). These 66 oil wells are located outside of two future oil consolidation areas where ongoing oil production operations will continue with current production estimated at over 180 barrels a day. The two consolidated oil sites occupy about 17-acres of the total 401-acre NBR Site. The remainder of the Site is planned to be developed with residential dwelling units, a resort inn, commercial uses, parklands, open space and other uses based on the project description in the certified Newport Banning Ranch Final Environmental Impact Report (NBR FEIR).

The Draft RAP presents the steps involved in the remediation process of the oilfield impacts at the Site and the continued cleanup of one site within one of the two future oil consolidation areas. The proposed remediation of the non-oil consolidation areas will take approximately three years to complete but will overlap with the proposed development of the Newport Banning Ranch Project. The remediation will involve up to 362,000 cubic yards of materials including approximately 182,000 cubic yards of hydrocarbon-impacted soil and approximately 180,000 cubic yards of surface road materials, asphalt like materials, and concrete. Although most of the remediated soil is planned to be used as backfill on the site, the amount of soil that cannot be cleaned,

¹ The Final EIR was certified by the City of Newport Beach City Council on July 23, 2012.

reused on-site, and therefore will be exported from the designated Haul-Off Stockpile was not estimated in the NBR FEIR or described in the Draft RAP.

Adverse Health Effects and Other Air Quality Impacts from Remediation Activities

Based on the discretionary action of the proposed NBR project, the SCAQMD staff is concerned that the potential air quality and health effect impacts from the soil remediation should be evaluated with a CEQA document to disclose potential impacts to regional and localized air quality emissions, health risk impacts and greenhouse gas emissions from on- and off-site equipment emissions, potential toxic air contaminant emissions and greenhouse gas emissions like methane that might result from the bioremediation process. Since future residents on-site and other sensitive receptors near the site could be exposed to these potential impacts during the remediation process, the SCAQMD staff recommends that an air quality analysis that follows our guidance² be conducted for the proposed RAP to disclose these potential impacts in a CEQA document that is publicly reviewable. The estimated impacts should then be compared to recognized thresholds of significance, and if significant impacts are determined, feasible mitigation should be applied.

Emission from Haul-Off Stockpile Activities

The Draft RAP describes impacted soil that could not be remediated (e.g., soil containing more mobile oil fractions and/or tar-like materials) that would be designated to be removed for off-site disposal. Based on our review of the NBR FEIR and the Draft RAP, the amount of this potential type of soil export was not estimated. The SCAQMD staff recommends that the estimated amount of soil and any associated impacts from the export from the Haul-Off Stockpile be included in the Lead Agency's air quality and health affect analyses. Emission sources related to the remediation, e.g., soil disturbance (fugitive dust and toxic air contaminants), daily truck trips, vehicle miles traveled to the disposal site(s), etc., should be included in the applicable analyses: regional, localized, greenhouse gas and health risk affect impacts. Otherwise, the project air quality impacts from this part of the remediation process are not accounted for in either the NBR FEIR or the Final RAP.

SCAQMD As a Responsible Agency

Based on the project description, the proposed remediation will require permit review by SCAQMD Engineering and Enforcement Staff. Although the Draft RAP cited compliance with rules including SCAQMD Rule 403 – Fugitive Dust for Large Operations³ and Rule 1166 – Volatile Organic Compound (VOC) Emissions From

² Available here: http://www.aqmd.gov/home/regulations/ceqa/air-quality-analysis-handbook

³ SCAQMD Engineering and Compliance Staff Contact Information for Rule 403 Large Operations: (909) 396-2372.

Decontamination of Soil for a VOC Contaminated Soil Mitigation Plan,⁴ permit applications may also be required for the rock crushing equipment (the excavator-mounted hydraulic hammers and breakers, etc.) described under crushing activities. Permit questions for the rock crushing equipment can be directed to SCAQMD Engineering and Compliance staff at (909) 396-2352. As a responsible agency, SCAQMD would need to rely on previously prepared CEQA document(s) that meet our standard of review for any permitted activity before it could issue any permits.

Please provide written responses to all comments contained herein prior to the adoption of the Final RAP document. The SCAQMD staff is available to work with the Lead Agency to address these issues and any other air quality questions that may arise. Please contact Gordon Mize, Air Quality Specialist – CEQA Section, at (909) 396-3302, if you have any questions regarding these comments.

Sincerely,

Ian MacMillan

Planning and Rules Manager

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⁴ SCAQMD Engineering and Compliance Staff Contact Information for Rule 1166 – Volatile Organic Compound (VOC) Emissions From Decontamination of Soil VOC Contaminated Soil Mitigation Plan: (909) 396-2684.