1.0 PROJECT AND AGENCY INFORMATION

1.1 PROJECT TITLE

GWF Outfall Removal Project (Project)

1.2 LEAD AGENCY AND PROJECT APPLICANT

California State Lands Commission (CSLC)
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825

Contact person:
Holly Wyer, Environmental Scientist
Division of Environmental Planning and Management
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(916) 574-2399

Applicant:

GWF Power Systems, L.P. (GWF or Applicant)
2100 Third Avenue North, Suite 600
Birmingham, AL 35203

Contact person:
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kkilgro@harbert.net
(205) 987-5544

1.3 PROJECT LOCATION

The proposed Project is located in Suisun Bay, in unincorporated Contra Costa County
approximately 0.6 mile east of the Concord Naval Weapons Station Military Ocean
Terminal, 0.8 mile south of Middle Ground Island, 3 miles west of the mouth of the
Sacramento River, and 0.9 mile north of Port Chicago Highway.

Refer to Section 2, Project Description, for further details on the Project location.

1.4 ORGANIZATION OF MITIGATED NEGATIVE DECLARATION

This Mitigated Negative Declaration (MND) is intended to provide the CSLC, as lead
agency under the California Environmental Quality Act (CEQA; Pub. Resources Code §
21000 et seq.), and other responsible agencies with the information required to exercise
their discretionary responsibilities with respect to the proposed Project. The document is
organized as follows:
1.5 Project Background and Objectives

GWF is proposing to remove an existing outfall pipeline and ancillary structures (i.e., piping, diffusers and timber pile markers) that are no longer in service. The outfall was used to discharge industrial process wastewater (i.e., cooling tower blowdown) from a now demolished power plant. The outfall was operated in compliance with the San Francisco Bay Area Regional Water Quality Control Board (SFRWQCB) through the National Pollutant Discharge Elimination System (NPDES) Order No. R2-2010-0096, NPDES No. CA0029122.

GWF is currently subject to the terms and conditions of an existing lease (PRC 7230.1) with the CSLC related to the outfall structures, and is proposing to remove all specified...

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1 The State CEQA Guidelines are found in California Code of Regulations, Title 14, section 15000 et seq.
improvements so that the lease can be terminated. To meet its obligations, GWF has identified the following Project objectives:

- Remove the existing 275-foot-long high-density polyethylene (HDPE) piping, diffusers, and steel materials associated with the outfall structure that remain offshore within the current CSLC jurisdiction;
- Remove the two wood pilings at the shoreline terminus of the HDPE pipeline by cutting to at least 24 inches below the mudline;
- Cap the terminus of the onshore portion of the wastewater pipeline; and
- Terminate CSLC Lease No. PRC 7230.1 upon successful Project completion.

1.6 PUBLIC REVIEW AND COMMENT

Pursuant to State CEQA Guidelines sections 15072 and 15073, a lead agency must issue a proposed MND for a minimum 30-day public review period. Local, regional, State, and federal agencies and the public will have the opportunity to review and comment on the document. Responses to written comments received by the CSLC during the 30-day public review period will be incorporated as appropriate into the proposed MND. In accordance with State CEQA Guidelines section 15074, subdivision (b), the CSLC will review and consider the proposed MND, together with any comments received during the public review process, prior to taking action on the MND and the Project.

1.7 APPROVALS AND REGULATORY REQUIREMENTS

The CSLC’s authority is set forth in Division 6 of the California Public Resources Code and it is regulated by the California Code of Regulations, Title 2, sections 1900–2970. The CSLC has authority to issue leases or permits for the use of sovereign lands held in the public trust, including all ungranted tidelands, submerged lands, and the beds of navigable lakes and waterways, as well as certain residual and review authority for tidelands and submerged lands legislatively granted in trust to local jurisdictions (Pub. Resources Code, §§ 6301, 6306). All tidelands and submerged lands, granted or ungranted, as well as navigable lakes and waterways, are subject to the protections of the Common Law Public Trust. As general background, the State of California acquired sovereign ownership of all tidelands and submerged lands and beds of navigable lakes and waterways upon its admission to the U.S. in 1850. The State holds these lands for the benefit of all people of the State for statewide Public Trust purposes, which include but are not limited to waterborne commerce, navigation, fisheries, water-related recreation, habitat preservation and open space. On tidal waterways, the State’s sovereign fee ownership extends landward to the mean high tide line, except for areas of fill or artificial accretion. For the proposed Project, the CSLC has received an application for removal of the outfall.
The CSLC must comply with CEQA when it undertakes an activity defined by CEQA as a "project" that must receive some discretionary approval (i.e., the CSLC has the authority to deny the requested lease, permit, or other approval) which may cause either a direct physical change in the environment or a reasonably foreseeable indirect change in the environment. CEQA requires the CSLC to identify the significant environmental impacts of its actions and to avoid or mitigate those impacts, if feasible.

In addition to the CSLC, the Project is subject to the review and approval of other federal, State and local entities with statutory and/or regulatory jurisdiction over various aspects of the Project (see Table 1-1).

Table 1-1. Other Agencies with Review/Approval over Project Activities

<table>
<thead>
<tr>
<th>Permitting Agency</th>
<th>Anticipated Approvals/Regulatory Requirements</th>
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<tbody>
<tr>
<td><strong>Federal</strong></td>
<td></td>
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<tr>
<td>U.S. Army Corps of Engineers (USACE)</td>
<td>Clean Water Act (CWA) Section 404 (under Nationwide Permit No. 12)</td>
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<tr>
<td>U.S. Fish and Wildlife Service (USFWS)</td>
<td>Section 7 Consultation under Federal Endangered Species Act (if necessary)</td>
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<tr>
<td>National Marine Fisheries Service (NMFS)</td>
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<tr>
<td><strong>State</strong></td>
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<tr>
<td>California Department of Fish and Wildlife (CDFW)</td>
<td>California Endangered Species Act review</td>
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<tr>
<td>San Francisco Bay Regional Water Quality Control Board (SFBRWQCB)</td>
<td>Clean Water Act Section 401 Water Quality Certification</td>
</tr>
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<td>San Francisco Bay Conservation and Development Commission (BCDC)</td>
<td>Minor Permit Amendment</td>
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</tbody>
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Because Project components are proposed in Suisun Bay within the jurisdiction of the San Francisco Bay Conservation and Development Commission (BCDC), Table 1-2 identifies coastal-related U.S. and California laws and programs that are relevant to the Project; specific policies are listed in Section 3, Environmental Analysis and Checklist, of this MND for each environmental issue area.
Table 1-2. Major Coastal Laws, Regulations, and Policies (Multiple Environmental Issues)

| U.S. | Coastal Zone Management Act (CZMA) (42 USC 4321 et seq.) | The CZMA recognizes a national interest in coastal zone resources and in the importance of balancing competing uses of those resources, giving full consideration to aesthetic, cultural and historic, ecological, recreational, and other values as well as the needs for compatible economic development. Pursuant to the CZMA, coastal states develop and implement comprehensive coastal management programs (CMPs) that describe uses subject to the CMP, authorities and enforceable policies, and coastal zone boundaries, among other elements. The CZMA also gives state coastal management agencies regulatory control (“federal consistency” review authority) over federal activities and federally licensed, permitted or assisted activities, if the activity affects coastal resources; such activities include military projects at coastal locations and outer continental shelf oil and gas leasing, exploration and development. The California Coastal Commission (CCC) and San Francisco Bay Conservation and Development Commission (BCDC) coordinate California’s federally approved CMPs and federal consistency reviews within their respective jurisdictions. |
| CA | McAteer-Petris Act (Gov. Code §§ 66650-66661) | BCDC, which was created by the State Legislature in 1965, is charged with: |
| | Suisun Marsh Preservation Act of 1977 (Pub. Resources Code §§ 29000-29014) | • Regulating filling and dredging in San Francisco Bay (including San Pablo and Suisun Bays, sloughs and certain creeks and tributaries that are part of the Bay system, salt ponds, and certain other areas diked-off from the Bay). |
| | Coastal Management Program for San Francisco Bay | • Protecting Suisun Marsh, the largest remaining wetland in California, by administering the Suisun Marsh Preservation Act in cooperation with local governments. |
| | | • Regulating new development within the first 100 feet inland from the Bay to ensure that maximum feasible public access to the Bay is provided. |
| | | • Minimizing pressures to fill the Bay by ensuring that the limited amount of shoreline area suitable for high priority water-oriented uses is reserved for ports, water-related industries, water-oriented recreation, airports and wildlife areas. |
| | | • Pursuing an active planning program to study Bay issues so that BCDC plans and policies are based upon the best available current information. |
| | | • Administering the federal CZMA within the San Francisco Bay segment of the California coastal zone to ensure that federal activities reflect BCDC policies. |
| | | • Participating in a region wide program to prepare a Long Term Management Strategy for dredging and dredge material disposal in San Francisco Bay. |
| | | • Participating in California’s oil spill prevention and response planning program. |

The McAteer-Petris Act authorizes BCDC to prepare an enforceable plan for the long-term use of the bay and its shoreline through the San Francisco Bay Plan (Bay Plan) and to incorporate the Plan’s policies into State law. Permits from BCDC are required for most projects proposed along the shoreline within its jurisdiction. Nearly all of the policies and the implementing authority for the Coastal Management Program for San Francisco Bay are contained in individual pieces of comprehensive coastal zone management legislation (McAteer-Petris and Suisun Marsh Preservation Acts), in separate comprehensive plans (e.g., Bay Plan and Suisun Marsh Protection Plan), and in other appendices to the Program document.