

Memorandum

To: Mike Murphy
From: Mick Leat
Date: 06/28/02
cc: Mike Valde, Dave Wornson, Cal Lundberg
Re: PRP Information on Former Manufactured Gas Plant Sites

After the DNR meeting with MidAmerican Energy on Wednesday, June 19, we decided that this was an appropriate time to approach MidAmerican Energy Company (MEC) for their PRP determination on several "orphan" MGP sites for which the Department has no identified responsible party. As Cathy Wollums of MEC stated in the meeting, "MidAmerican Energy would like to get out of the MGP cleanup business." I believe that in order to do so, MEC must clarify their positions regarding these "orphan" MGP sites. I consider each MGP site to be a potential hazardous condition because of the significant quantities of hazardous substances commonly disposed of at these sites (coal tars and petroleum products) and the potential public health concerns associated with exposure to them.

I think that the Department should draft a letter to MEC requesting that they investigate their PRP status on these sites and notify us of their determinations. This would allow us to move forward on those sites for which they have liability and remove MEC as PRPs from the others.

I have separated this memo into 2 parts, the first (List A) consisting of those MGPs for which MEC has stated, in writing, that they may have potential liability, and the second (List B) being those sites which have some evidence of potential MEC (or its predecessors') involvement.

List A

I reviewed an MGP site list that Midwest Gas provided the Department in 1991 as an Appendix to a proposed multi-site consent order with them. It consisted only of those MGP sites that were formerly owned or operated by Iowa Public Service Company (predecessor to Midwest Gas). That order was prepared by Mr. Gary Johnson, a senior attorney for Midwest Gas (predecessor to MEC), but was never executed. That list includes several of the sites that the Department is currently working on with

MEC, in addition to a couple sites that later became EPA-lead CERCLA sites. Removing from that list those sites currently under agreement with the Department or EPA, results in the following MGP sites which I believe MEC may be a PRP:

1. Des Moines; Lots 5 and 6, Block 28 of the original town of Fort Des Moines. This site is located between 2nd and 3rd Streets and Market and Elm Streets, in downtown Des Moines. It is vacant land owned by the City of Des Moines and is located in the Riverpoint Urban Revitalization District. It is shown on the 1868 panoramic map of Des Moines and on a 1875-era panoramic map of Des Moines. Both maps show a large gas holder, among other buildings. This original plant does not appear on the known Sanborn maps that started around 1884. This site is likely the source of the coal tar contamination that the City of Des Moines ran into in 1990/1991 during sewer construction at (1) the railroad tracks located near Vine Street and Second Avenue (information located in the Des Moines Coal Gas/8LTU41 file located on film, roll #16 and cover #12) and also at (2) the intersection of Walnut Street and Second Avenue (spill file #05281-RK-1640). The City incurred additional costs dealing with this contamination but neither the City nor the DNR could locate the source of the coal tar contamination. DNR met with Midwest Gas personnel and asked them if they would voluntarily take part in assessment and cleanup activities and Midwest Gas declined. This plant predates the Capital City Gas Light Company, the Des Moines Gas Light Company, and the Des Moines Gas Company MGP sites constructed and operated on the east side of the Des Moines River in the 1880's and later. These sites have been collectively referred to as the Two Rivers Service Center MGP site which has been under a consent order since 1994.
2. Dubuque; West 23rd Street and Central Avenue. This site is the original Key City MGP site. Apparently, the company moved near the turn of the century and built a new MGP at a different site which is currently referred to as the Key City MGP site. No other information is known about this site, but MEC is a PRP for the other Key City MGP site and the Peoples MGP in Dubuque. The original Key City site is located approximately 14 blocks from the others.
3. Fort Madison; Part of Lots Four (4), Five (5), and Seven (7), Section Two (2), Township Sixty-seven (67) North, Range Four (4) West, Lee County. This MGP was operated by the Fort Madison Gas Company and is located in or near the Fort Madison Penitentiary. It is shown located east of the penitentiary on the 1889 panoramic map of Fort Madison. Shown on the 1889 map are a gas holder and several buildings.
4. Sheldon; 5th Avenue and 11th Street. This MGP was operating in 1918 as the Sheldon Gas Company. It was under the ownership of Central West Public

Service Company by 1933, and then it appears to have been sold to Iowa Public Service Company, a predecessor to MEC.

5. Waterloo; Park Street. This was Waterloo's original gas plant and was constructed on the east bank of the Cedar River in the late 1870's. Based upon historical documentation, the Illinois Central Depot was constructed on the site of this original gas plant. It appears that this early plant was operated by the Waterloo Gas and Electric Light Company. MEC is a PRP on two other MGP sites in Waterloo, one operated by Waterloo Gas and Electric Light Company and the other operated by Citizens Gas and Electric Company.

I have also attached an April 24, 1989 letter from Bob Buschbom to Johanshir Golchin that lists the MGP sites of which Midwest Gas thought they may be PRPs. In this letter, MEC presented a summary of investigations performed to date and a ranking system that Midwest Gas used to prioritize MGP activities.

List B

There are also several other MGP sites where, in the past, MEC staff has told DNR staff that MEC may have some liability. Statements made in these conversations were never verified in writing by MEC. In addition, there are other MGP sites that appear to have ties to MEC or its predecessor companies, based upon my information. The information relating to several of these sites is sketchy, often including the actual location of the plant within each town.

1. Ames; Iowa Public Service Company, within the areas bounded on the south by Lincoln Way, north by railroad tracks, east by North Elm Street, and west by North Oak Streets. This site was operated by Iowa Public Service Company, which was a predecessor company to Midwest Gas and MidAmerican Energy.
2. Cedar Falls; Citizens Gas and Electric Company, 612 East 12th Street. This MGP is located on property currently owned by the Cedar Falls Utility Company. Prior to the early 1920's, the Citizens Gas and Electric Company owned and operated the gas distribution system for the residential gas users in Cedar Falls. The Citizens Gas and Electric Company was the owner and operator of the Waterloo Sycamore Street MGP, for which MEC is a PRP.
3. Cedar Rapids; Peoples Gas and Fuel Company. The 1911 Brown's Directories of America's Gas Companies lists a new gas company incorporated in 1910, Peoples Gas and Fuel Company, and states that this companies' officers and associated railroads are the same as those of the Cedar Rapids Gas Light Company, which was a predecessor company to MEC. No exact location is known for this site.

4. Ida Grove; Sioux City Gas and Electric Company. Sioux City Gas and Electric Company owned and/or operated this gas plant. The actual location of this plant is unknown. Sioux City Gas and Electric Company was a predecessor company to Iowa Public Service Company, which was a predecessor company to MEC.
5. Iowa City, Lower Muscatine Road. This is a former Iowa-Illinois Gas and Electric site located in the NE part of Iowa City. Iowa-Illinois Gas and Electric merged with Midwest Gas to form MEC.
6. Lake City; Sioux City Gas and Electric Company. Sioux City Gas and Electric Company owned and/or operated this gas plant. The actual location of this plant is unknown. Sioux City Gas and Electric Company was a predecessor company to Iowa Public Service Company, which was a predecessor company to MEC.
7. Mapleton; Sioux City Gas and Electric Company, 107 South Front Street. This MGP was owned and/or operated by Sioux City Gas and Electric Company. Sioux City Gas and Electric Company was a predecessor company to Iowa Public Service Company, which was a predecessor company to MEC.
8. Marion; A. L. Daniels gas plant, Intersection of 8th Avenue and 11th Street. There was an explosion at this plant in 1906 and a predecessor company to MEC took over the Marion gas distribution system thereafter.
9. Ottumwa; Ottumwa Railway and Light Company. A second MGP was located in Ottumwa that was operated by the Ottumwa Railway and Light Company in 1910. This company is a predecessor to Iowa-Illinois Gas and Electric Company, which was a predecessor to MEC. This site is separate from the MGP site currently being investigated by MEC.
10. Primghar; Sioux City Gas and Electric Company. This MGP site was owned and/or operated by Sioux City Gas and Electric Company. Sioux City Gas and Electric Company was a predecessor company to Iowa Public Service Company, which was a predecessor to MEC. The exact location of the plant is unknown.
11. West Des Moines; at the RR Depot. This plant was located in Valley Junction near the site of the railroad depot but the exact location is not known.