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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE

STATE OF CALIFORNIA

Application of Southern California Edison Company (U 338-E) for Authority to Increase Rates for its Class C Catalina Water Utility and Recover Costs from Water and Electric Customers.	**Application No. A.20-10-018** (Filed October 30, 2020)

EXHIBIT 4 (of 5)
TO THE

PROTEST OF

CITY OF AVALON
CATALINA ISLAND CHAMBER OF COMMERCE
SANTA CATALINA ISLAND COMPANY
SANTA CATALINA ISLAND CONSERVANCY
GUIDED DISCOVERIES
HAMILTON COVE HOMEOWNERS ASSOCIATION

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EXHIBIT 4

60-DAY NOTICE OF VIOLATION

60-DAY NOTICE OF VIOLATION

SENT IN COMPLIANCE WITH THE CITIZEN SUIT PROVISIONS OF
THE TOXIC SUBSTANCES CONTROL ACT SECTION 20 (15 U.S.C. §2619);
RESOURCE CONSERVATION AND RECOVERY ACT (42 U.S.C. §6972);
SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT
(CALIFORNIA HEALTH AND SAFETY CODE §25249.7)

DATE: January 16, 2014

TO: Ron Hite, District Manager, Southern California Edison Company
California Attorney General's Office
Los Angeles County District Attorney's Office
City Attorney for Avalon, California
Gina McCarthy, Administrator, U.S. Environmental Protection Agency
Jared Blumenfeld, Administrator, U.S. Environmental Protection Agency, Region 9
Steven John, Director, U.S. Environmental Protection Agency, So. California Field Office

FROM: Vicki L. Rogers

I. INTRODUCTION

My name is Vicki L. Rogers. I am a resident of Avalon, California, which is located on Catalina Island, and I own a home there. Catalina Island, other than the City of Avalon, is an unincorporated area of Los Angeles County. I was employed by the Southern California Edison Company ("SCE") from May 1983 until January 20, 2012. From 1993 until I was terminated, I worked On Catalina Island.

SCE is a California corporation doing business in the City of Avalon and on Catalina Island, County of Los Angeles, State of California. SCE is a public utility duly authorized by the California Public Utilities Commission ("CPUC") to provide electricity, water and gas to residents of Catalina Island, including those residing in the City of Avalon. SCE's headquarters, generating plant, storage yard, gas storage and desalination plant are located in the Pebbly Beach Area of Catalina Island ("SCE's Pebbly Beach Facility"). SCE has other facilities on Catalina Island as necessary to provide electric, gas and water service.

From July 2004 to January 2012 when I was terminated, I had the following duties:

a) Perform and oversee Hazardous Material and Hazardous Waste management. "Hazardous Material" means any material identified by Federal, California or local authorities as "hazardous," requiring special handling in accordance with applicable laws and regulations. "Hazardous Waste" means waste containing Hazardous Material;

b) Perform or obtain an analysis of waste to determine the correct Waste Profiles in order to assure proper handling and disposition of the waste;

c) Assure that waste was properly labeled before disposal;

d) Schedule and manage Hazardous, Non-Hazardous, Universal and E-Waste disposal and maintain accurate records regarding waste transportation;

e) Prepare and maintain Bills of Lading and Hazardous and Non-Hazardous Manifests;

f) Manage the disposal of tires, batteries, wood and scrap metal and oversee the "Big Green Box" battery recycling program;

g) Prepare and update Hazardous and Non-Hazardous Waste Characterization Forms and Material Profiles;

h) Provide recommendations and resolve waste related issues;

i) Manage the Waste and Material Daily Evaluation Area;

j) Coordinate with SCE Hazardous Waste Specialists and Contractors handling Hazardous Waste;

k) Administer the Transformer and Other Oil Filled Electric Equipment Management Program on Catalina Island;

l) Perform pre-audit inspections on all SCE Catalina Island facilities;

m) Prepare and maintain on-line Hazardous Waste Generator Activity Reports;

n) Perform weekly and monthly inspections of Hazardous Waste storage areas and of the general plant and prepare and maintain Inspection Reports;

o) Instruct SCE employees as to correct waste handling procedures;

p) Utilize the Work Management System to assign and track work being performed;

q) Perform monthly inspections of Fire Extinguishers, Eyewash and First Aid Equipment and prepare Inspection Reports;

r) Maintain and update "Approved Chemical List" to comply with air quality permits and SCAQMD requirements; and

s) Maintain and update Material Systems Data Sheets.

The aforesaid duties are collectively referred to as my "Waste Management and Safety Duties." I learned the information contained herein while performing my Waste Management and Safety Duties.

I am represented by the law firm Bishton • Gubernick. Bishton • Gubernick and its partner, Norris J. Bishton, Jr., are very involved with Catalina Island. Bishton Gubernick represented all of SCE's water ratepayers in a class action, Curtin, et al. v. Southern California Edison Company, et al., Los Angeles Superior Court Case No. BC417712, which involved SCE charging water ratepayers for 3/4" meters when almost all the ratepayers had 5/8" meters. The case also involved charging ratepayers with sprinkler systems, starting in 1977, a fire protection fee, even though the CPUC had never authorized it to do so. The case was settled with the ratepayers recovering 100% of the overcharges and wrongful charges, plus some interest.

In December 2010, SCE filed an application with the CPUC to increase its water rates by 83% and to add $15,980,000 in capital expenditures to its Rate Base, Application No. A.10-11-009. Bishton • Gubernick represents the major stakeholders on Catalina Island who protested the increase, including the City of Avalon, the Santa Catalina Island Conservancy, which owns 88% of the Island, the Santa Catalina Island Company, which owns 11% of the Island, and the Hamilton Cove Homeowners Association, the third largest landowner on the Island. After extensive litigation, the Administrative Law Judge denied SCE any increase and determined that the amount allowed SCE for capital improvements, $7,780,000, should be paid by SCE's electric ratepayers on the Island and the mainland. The CPUC urged that the parties try to reach a settlement. A settlement of this matter is pending approval by the CPUC.

Because of Bishton • Gubernick's efforts on behalf of water ratepayers on Catalina Island, I have retained them to represent me in this matter. I seek to cause SCE to comply with the various Federal and California laws and regulations applicable to Hazardous Wastes and Hazardous Materials. SCE's failure to comply with the applicable laws and regulations jeopardized and

continues to jeopardize the health and safety of SCE's employees on Catalina Island; employees of contractors employed by SCE on Catalina Island and those who dealt with waste shipped from Catalina Island; SCE's water customers and anyone coming in contact with water furnished by SCE on Catalina Island; and members of the public on Catalina Island who were exposed to health and safety hazards by reason of the conduct of SCE. The violations covered by this Notice consist of exposure to PCBs and asbestos.

I also seek to require SCE to take all reasonable steps to notify those who have been exposed to Hazardous Wastes and Hazardous Materials, as detailed below, of their possible exposure so that they may evaluate whether or not any health problems they may have had or have are traceable to such exposure.

This notice is provided to the public agencies listed above pursuant to the Toxic Substances Control Act Section 20 (15 U.S.C. §2619); Resource Conservation and Recovery Act (42 U.S.C. §6972); and Safe Drinking Water and Toxic Enforcement Act (California Health and Safety Code §25249.7). As noted above, notice is being provided to the alleged violator, SCE.

II. NATURE OF ALLEGED VIOLATIONS

A. PCBs

PCBs, originally a byproduct of coal tar, were later synthesized and widely used as a coolant in transformers and as a plasticizer in epoxy paint, to name just a few of their many uses. Until they were banned, epoxy paint containing PCBs was widely used to coat the interior of water tanks. As the negative health effects of PCBs were realized, they were gradually banned, and great efforts have been and are being expended to remove PCBs and material contaminated with PCBs from the environment. Both Federal and California laws regulate PCBs and the disposal of material contaminated with PCBs. There is great concern that PCBs not contaminate drinking water. For drinking water, the maximum allowable contaminant level for PCBs is .5 parts per billion ("ppb").

B. Million Gallon Tank Lined with Epoxy Paint Containing PCBs

The Isthmus area water supply system on Catalina Island uses a large steel storage tank, known as the "Million Gallon Tank," reflecting its capacity, as the core of its operation. The Million Gallon Tank was constructed in 1967 as a part of the "Enlarged Water Facilities" project in order to meet the fire and drinking water needs of the University of Southern California ("USC") Marine Biology Laboratory located in Fisherman's Cove, now known as the USC Wrigley Institute

for Environmental Studies (the "USC Wrigley Institute"). The tank was constructed to hold 900,000 gallons of fire water storage and an extra 100,000 gallons of storage capacity to provide water to residents and visitors to the Isthmus community, the students, faculty and USC employees located at the USC Wrigley Institute, and to others in various areas on the west end of Catalina Island. The Million Gallon Tank feeds the Isthmus area and two smaller steel tanks known as the "Twin Tanks," which also serve coves located on the west end when their normal water supply is low.

Since its installation in 1967 to the present, solid material in the water in the Million Gallon Tank precipitates to the floor of the tank and must be removed. This material is referred to herein as "Million Gallon Tank Sediment." Million Gallon Tank Sediment is laced with the epoxy lining from the interior of the tank, which tends to blister and flake off as it deteriorates. On information and belief, with few exceptions, the Million Gallon Tank Sediment has been disposed of by SCE by placing it on the ground on Catalina Island.

In November 1998, a dive inspection of the Million Gallon Tank performed by the Boyle Engineering Corporation determined that the interior coating of the tank was in poor condition. On information and belief, upon receipt of the report, SCE did nothing to further examine the interior of the tank, to repair or replace the deteriorating interior coating of the tank or to determine whether the lining or sediment removed from the Million Gallon Tank contained Hazardous Materials.

Between October 20-24, 2005, Aquatic Inspections, Inc., inspected the Million Gallon Tank. A dive inspection of the interior confirmed that the interior lining was in poor condition, blistering and delaminating. Specifically, Aquatic Inspections, Inc., found as follows with regard to the interior lining of the Million Gallon Tank:

- A "residue" is located on the majority of the bottom two rings (#3 and #4) up to approximately 16" above the floor.

- The Manway appeared to be coated with coal tar enamel. The coating is in poor condition. The coating is extremely blistered. A considerable amount of a "residue" is loosely adhering to the Manway.

- The coating on the interior of the Outlet Line is in poor condition. During times of high demand, sediment was drawn into the line.

- The Inlet Line shows signs of coating failure.

- The diver had difficulty finding the Drain Line because of the corrosion. Removal of the sediment revealed a Drain Line that was completely covered with sediment. Corrosion was observed throughout the interior of the Drain Line.

- The interior of the Shell appears to be coated with coal tar enamel and what appears to be Super Tank Solution. The bulk of the coating on the shell is in poor condition.

- The coating is extremely blistered in many areas on rings #2, #3 and #4.

- 16" of "residue" as referenced above was encountered by the diver. Slight contact by the diver dislodged the "residue." When the diver wet cleaned from many areas on ring #4, many pieces of failed coating delaminated from the Shell.

- The bulk of the coating on ring #1 above the waterline is in extremely poor condition. The coating is losing flexibility and cracking/ delaminating in many areas on ring #1 above the water line.

- The floor was covered with between 1/2" to 3" of sediment. The heaviest concentrations of sediment were located near the base of the Shell. The bulk of the sediment consisted of extremely fine silt. A considerable amount of coating that had delaminated from the roof structure was found on the floor. The floor was coated with coal tar enamel. The coating is in poor condition. The coating is extremely blistered in many areas. Many of the blisters have ruptured. Delaminating of the coating was observed in many areas.

- Extensive coating failure is located throughout the interior of the tank. The bulk of the coating has delaminated from the roof structure. The coal tar coating near the base of the shell and on the floor is losing adhesion and delaminating. The age of the coating has resulting in the majority of the coating failures observed in the interior of the tank.

- Recommendations. The majority of the coating on the inside of the tank is in extremely poor condition. Sandblast and recoat the interior of the tank with epoxy.

To the best of my knowledge, upon receipt of the report, SCE did nothing to further examine the interior of the tank, to repair or replace the deteriorating interior coating of the tank or to determine whether the lining or sediment removed from the Million Gallon Tank contained Hazardous Materials.

In November 2005, I discovered three 55 gallon drums in the storage yard at SCE's Pebbly Beach Facility containing Million Gallon Tank Sediment. I believe that the Million Gallon Tank Sediment was removed from the tank in connection with the inspection by Aquatic Inspections, Inc., in October 2005, referenced above. I asked Brice Babbitt ("Babbitt"), then the SCE Safety and Environmental Specialist assigned to Catalina Island, what the drums contained, and was told they contained Million Gallon Tank Sediment that had to be disposed of. I suggested that the Million Gallon Tank Sediment be tested so it could be properly disposed of. Babbitt agreed. In order to have the material tested, I prepared Purchase Order Y1071302 for the disposal of a "[s]ample of sediment and paint chips from the interior of a [potable] water tank. The paint chips are from the tanks (sic) lining which is painted on the interior of the tank."

In November 2005, I sent a sample of the Million Gallon Tank Sediment to Clean Harbors Environmental Services, Inc. ("Clean Harbors") for testing. Clean Harbors is the company I regularly used for testing and disposing of waste and it was the company SCE instructed me to use for testing and disposal of waste. On or about December 5, 2005, I gave written instructions to Clean Harbors to test for "PH, Flash, TTLC, PCB and VOC8260" and to report the results to John Slayton ("Slayton"), SCE's Manager-Programs and Contracts, T&D Safety and Environmental Services.

Clean Harbors tested the Million Gallon Tank Sediment sample, and on December 15, 2005, reported PCBs in the sample greater than 50 parts per million ("ppm"). I believe the following SCE employees were advised of the test results:

- James A. Kelly ("Kelly"), SCE's Senior Vice President of Transmission & Distribution
- Rosemary Rohaley ("Rohaley"), the SCE's Region Manager for Catalina Island
- Ron Jensen ("Jensen"), Manager, Water/Waste Group, Corporate Environmental, Health and Safety Division
- Ron Hite ("Hite"), SCE's District Manager for Catalina Island
- Dennis Bauern

- Brice Babbitt
- Joshua Nichols
- Richard Asti
- Richard Tom
- William Messner
- John Slayton
- Ken Bomgrebe
- Beverly McCormick

These SCE employees are referred to herein as the "SCE MGT PCB Working Group."

On December 20, 2005, a meeting of some or all of the SCE MGT PCB Working Group was held. At the meeting, it was agreed that a sample of the interior coating of the Million Gallon Tank via the Manway would be obtained and analyzed for PCBs. On December 21, 2005, Jensen decided this could not be accomplished without placing a diver into the tank to collect the samples from the interior walls. Because customers such as USC and residents of the Empire Landing Area were receiving water directly from the Million Gallon Tank, Jensen recommended against any activity inside the Million Gallon Tank. Jensen warned that such activity would agitate settled solids in the water or dislodge the interior coating of the Million Gallon Tank. Jensen ordered that a sample of the intact portions of the coating of the Million Gallon Tank not be collected. Jensen informed the SCE MGT PCBWorking Group **"that paint chips/coating fragments had been discreetly collected"** from the three 55 gallon drums of Million Gallon Tank Sediment located in SCE's storage yard and were being sent to Weck Laboratories and Montgomery Watson Laboratory for PCB analysis. Jensen warned that the waste in the three drums that contained PCBs greater than 50 ppm could be stored for only 30 days. Jensen ordered that the waste be disposed of within 30 days of the date the first analysis showed the waste exceeded the greater than 50 ppm threshold rather than the date the waste was first collected.

On December 21, 2005, Slayton informed Jensen that the waste had been generated on November 9, 2005. On December 22, 2005, I began taking steps to dispose of the waste in the three 55 gallon drums.

I believe that the **"paint chips/coating fragments discreetly collected"** from the three 55 gallon drums of Million Gallon Tank Sediment located in SCE's storage yard sent to Weck Laboratories and Montgomery Watson Laboratory for PCB analysis tested for PCBs greater than 50 ppm.

In January or early February 2006, Rohaley called a meeting of SCE's employees on Catalina Island and told them that a number of unspecified things would be going on in the next few weeks and everyone should do what they are told, not ask questions and not discuss what is going on with anyone. I was present at the meeting.

In early February 2006, I came upon two SCE Water and Gas Mechanics, Mike Hiniker ("Hiniker") and Mick Foote ("Foote") (deceased) standing at a sink in SCE's headquarters on Catalina Island picking paint chips and flakes out of samples of the Million Gallon Tank Sediment. Ron Radde, SCE's Plant Superintendent was guarding the door to the area where the sink was located. The following conversation ensued:

- I asked Hiniker and Foote what they were doing.
- Hiniker said they are just doing what they were told to do.
- I asked Hiniker why they were taking the paint chips out of the samples.
- Hiniker said the test of the second sample verified that the PCBs were in the paint chips.
- I informed Hiniker and Foote that what they were doing was wrong and reminded Hiniker that he had a sister living in the area served by the Million Gallon Tank who drank the water from the tank.
- I asked why they just didn't let the lab take the paint chips out.
- Hiniker said they were just doing what they had been ordered to do.

At the time of the above conversation, I had been told that some governmental agency had become aware of a problem with the Million Gallon Tank and had requested that samples of the interior lining of the Million Gallon Tank be obtained from the roof, sidewall and floor and tested for PCBs. I believe that in addition to doctoring the samples, Hiniker and Foote were creating three "separate" samples that were subsequently represented as having come from the roof, sidewall and floor of the Million Gallon Tank.

I believe the samples cleaned up by Hiniker and Foote were sent to Shaw Environmental & Infrastructures, Inc. ("Shaw") for testing. Babbitt was employed by Shaw before he was employed by SCE. The report from Shaw indicates that the samples were taken on 2/11/06 and received on 2/17/06. I do not believe that Shaw was on the list of companies approved by SCE for testing waste. Shaw had the cleaned-up sample tested for PCBs by Del Mar Analytical, Irvine ("Del Mar"). Del Mar tested three samples labeled "MGT Roof, Area 2-Soil," "MGT Sidewall, Area 2-Soil," and "MGT Floor, Area 2–Soil." No PCBs were detected in the Roof Sample or the Sidewall Sample. The test of the Floor Sample showed PCBs identified as "Aroclor (sic) 1254" in the amount of 1,300 ppm. I believe the fact that the test turned up PCBs in the Floor Sample was a result of Hiniker and Foote's failure to remove all of the paint chips from the sample. The Shaw/Del Mar Report was furnished to SCE in February 2006. The copy available to me is missing the first page.

I believe that the Shaw/Del Mar Report has been used by SCE with governmental authorities and others as representing the material lining the roof, sidewall and floor of the Million Gallon Tank. The results of the Clean Harbor test, the Weck Laboratories and Montgomery Watson Laboratory tests have been concealed by SCE.

On December 21, 2005, as instructed by Slayton, Babbitt took a sample of the Million Gallon Tank Sediment from the three 55 gallon drums and placed it in a glass jar. A short time later, Babbitt gave the jar to me and told me to dispose of it with the three 55 gallon drums of Million Gallon Tank Sediment. Written on the label on the jar in Babbitt's handwriting is the following: "12/21/05 Million Gallon Tank Sediment & Paint Chips Sample. Return with 55 gallon drums. B. Babbitt" (the "2005 Babbitt MGT Sediment Sample"). I retained the 2005 Babbitt MGT Sediment Sample and maintained it in my possession at all times until I turned it over to Bishton • Gubernick. Bishton • Gubernick maintained the 2005 Babbitt MGT Sediment Sample in their possession at all times until they turned it over to Keith G. Farrell, PG, CEG ("Farrell") for testing. Farrell has maintained and continues to maintain the 2005 Babbitt MGT Sediment Sample in his possession.

Farrell had the 2005 Babbitt MGT Sediment Sample tested for PCBs. **The 2005 Babbitt MGT Sediment Sample contains 18,900 ppm of PCB (Arochlor 1254).**

The three 55 gallon drums were shipped to Clean Harbors on January 5, 2006, falsely labeled as "PCB Contaminated Debris (<1000 PPM)."

After the Shaw/Del Mar Report was received, Kelly called a meeting of the SCE employees on Catalina Island. I attended the meeting. Also present at the meeting were various members of the SCE MGT PCB Working Group. Kelly informed the meeting that sediment from the Million Gallon Tank had been tested three times to make certain the water was safe from PCBs

and there were no PCBs detected. Bauern told the meeting attendees that thousands of dollars had been wasted on the testing and if anyone in the future reported a problem and thousands of dollars were spent testing and nothing was found, it could cost the person his or her job. From that day forward, I feared that I would be retaliated against and that I would lose my job if I reported improper handling and disposal of Hazardous Materials.

In February 2008, a number of 55 gallon drums containing Million Gallon Tank Sediment were placed in the disposal yard at SCE's Pebbly Beach Facility. I asked for the analysis of the contents and was told the contents had not been analyzed. I was told that the waste stream for the sediment had been established in 2005. I believed that the Million Gallon Tank Sediment in the drums was contaminated with a high level of PCBs. I was ordered to prepare the necessary paperwork to ship the drums off of Catalina Island as "Non-Hazardous Soil and Debris" and to use Waste Profile 22731. Fearing for my job, on February 21, 2008, I caused the drums to be shipped as Non-Hazardous Waste pursuant to Straight Bill of Lading, Doc. No. 211535. Before shipping the drums, I took a sample of the sediment in the drums (the "2008 MGT Sediment Sample").

I maintained the 2008 MGT Sediment Sample in my possession at all times until I turned it over to Bishton • Gubernick. Bishton • Gubernick maintained the 2008 MGT Sediment Sample in their possession at all times until they turned it over to Farrell for testing. Farrell has maintained and continues to maintain the 2008 MGT Sediment Sample in his possession.

Farrell had the 2008 MGT Sediment Sample tested for PCBs. **The 2008 MGT Sediment Sample contains 19,700 ppm of PCB (Arochlor 1254).**

Keith Carpenter is an SCE employee who is involved with certain aspects of tanks, such as the Million Gallon Tank. I asked him what SCE had been doing with the Million Gallon Tank Sediment all these years. Keith Carpenter informed me that SCE had been throwing it on the ground.

In 2008, SCE prepared an Engineering Assessment of the Million Gallon Tank ("2008 MGT Engineering Assessment"). Attached to the 2008 MGT Engineering Assessment is the October 2005 Inspection Report prepared by Aquatic Inspections, Inc. In addition, the Shaw/Del Mar Report, which is missing the first page, is attached. The 2008 MGT Engineering Assessment is signed by various SCE employees who knew the truth about the Shaw/Del Mar Report and the truth about the lining of the Million Gallon Tank.

The 2008 MGT Engineering Assessment states the following:

- The November 1998 dive inspection of the Million Gallon Tank by Boyle Engineering reported the interior coating to be in poor condition.
- The October 2005 Aquatic Inspections, Inc., dive inspection noted that the interior coating was found to be in poor condition and that the interior coal based lining was blistering and delaminating.
- The Million Gallon Tank was in dire need of relining.
- Currently, blistering of the coal tar lining is causing flakes to be released into the water.
- Relining the tank in the near tem will leave the tank protected for another thirty years.
- The cost to remove, collect and dispose of the interior coating, to clean the interior and to epoxy the interior is estimated to be $420,000.
- Repairing the interior would generate approximately 3 tons of chipped off coal tar enamel from the tank floor and approximately 36 tons of interior spent abrasive.
- The Shaw/Del Mar Report would be the basis for handling the material from the interior, noting that samples taken from the roof and sidewalls were free of detectable PCBs.
- Spent abrasive from blasting the portion of the interior free of PCBs according to the Shaw/Del Mar Report may qualify for recycle as non-hazardous.
- Spent abrasive from removing the floor lining would have to be carefully handled.

The 2008 MGT Engineering Assessment did not contain the results of the tests run by Clean Harbors, Weck Laboratories and Montgomery Watson Laboratory, which found that PCBs greater than 50 ppm were contained in Million Gallon Tank Sediment.

In connection with SCE's 2010 Application for Authority to Increase Rates for Water Service, Ron Hite, SCE's District Manager currently in charge on Catalina Island, testified that "the Million Gallon Tank was found to be in need of exterior repair [and] interior lining." The

2008 MGT Engineering Assessment was presented to the CPUC to justify the $975,147 SCE sought to be added to its Rate Base for work done on the Million Gallon Tank.

Despite the fact that it has been repeatedly told that the epoxy lining of the Million Gallon Tank is flaking and delaminating and despite the fact that the Million Gallon Tank Sediment contains high levels of PCBs, SCE has concealed this information from governmental authorities, the CPUC, USC and water users on that portion of Catalina Island served by the Million Gallon Tank. I believe that SCE has never tested the water in the Million Gallon Tank for PCBs. I also believe that SCE has continued to dispose of Million Gallon Tank Sediment by placing it on the ground on Catalina Island.

C. BAKER TANKS LINED WITH EPOXY PAINT CONTAINING PCBS

The water system operated by SCE to serve the residents of Avalon, California, utilizes steel tanks located at an elevation above the residential area in order to provide sufficient pressure to the system. Water is pumped from wells to the Wrigley Reservoir, and from there to the steel tanks. Water from the desalination plant is also pumped to the tanks. For many years until they were removed in 2008, there were three steel tanks serving Avalon. The tanks were each 24 feet high by 30 feet in diameter. Each tank had a capacity of 1,000 gallons. They were commonly referred to as Baker Tanks No. 1, No. 2 and No. 3 (the "Baker Tanks"). The Baker Tanks had been in place for many years dating back to when such tanks were lined with epoxy paint containing PCBs.

I believe that the Baker Tanks were lined with an epoxy paint containing PCBs. I further believe that SCE never tested the sediment from the Baker Tanks or the linings of the Baker Tanks for PCBs, even after SCE learned in December 2005 that the lining of the Million Gallon Tank contained PCBs. I also believe that SCE never tested the water in the Baker Tanks for PCBs.

SCE caused the Baker Tanks to be inspected by Aquatic Inspections, Inc., on May 8-9, 2007. The Inspection Reports noted the following with regard to the interior of the tanks:

a) Baker Tank No. 2:

- The Manway is coated with extremely blistered epoxy.
- The Square Access Hatch is coated with extremely blistered epoxy.
- Portions of the Shell are coated with extremely blistered epoxy. Corrosion is located in many areas. Fiberglass cloth was applied at the base of the shell and then coated with epoxy. Moderate to dense

corrosion is present in the locations where the coating/fiberglass has cracked.

- The Support Column is partially coated with epoxy and there is some corrosion.
- The Overflow Line is in poor condition. Corrosion has partially consumed the line. The interior of the line is heavily corroded. There is dense corrosion at the end of the line.
- The floor is coated with epoxy. The floor is covered with between 1/8" to 1/4" of sediment. Many small pieces of corroded steel were observed on the floor near the common line. Cracks in the coating/fiberglass were observed in many areas at the transition from vertical walls-floor. Moderate to dense corrosion was present in various locations.
- The epoxy coating on ring #3 is extremely blistered in many areas.
- Overall there is interior coating failure – blistering.

b) Baker Tank No. 3:

- The Manway is coated with extremely blistered epoxy, the majority of which have ruptured.
- The Square Access Hatch is coated with extremely blistered epoxy. The bulk of the blisters have ruptured.
- The interior of drain line is coated with epoxy.
- Portions of the Shell are coated with extremely blistered epoxy. The majority of the blisters have ruptured. There is corrosion located in many areas. Fiberglass cloth was applied at the base of the Shell and then coated with epoxy. Moderate to dense corrosion is present in the locations where the coating/fiberglass have cracked.
- The Support Column is partially coated with epoxy and there is some corrosion.

- The Overflow Line is in poor condition. Corrosion has partially consumed the line. The interior of the line is heavily corroded. There is dense corrosion at the end of the line.

- The floor is coated with epoxy. The floor was covered with between 1/8" to 1/4" of sediment. Many small pieces of corroded steel were observed on the floor near the common line. Cracks in the coating/fiberglass were observed in many areas at the transition from vertical walls-floor. Moderate to dense corrosion was present in various locations.

- The epoxy coating on ring #3 is extremely blistered in many areas.

- The majority of the blisters in blistered areas are small in size and have ruptured.

- Overall – interior coating failure – blistering.

The Aquatic Inspections, Inc., Inspection Reports recommended as follows:

a) Baker Tank No. 2:

- Strongly recommend addressing the locations where the epoxy coating/fiberglass cloth have cracked.

- Recoat the entire interior with epoxy.

b) Baker Tank No. 3:

- Strongly recommend addressing the locations where the epoxy coating/fiberglass cloth have cracked.

- Recoat the entire interior with epoxy.

I do not have any inspection reports for Baker Tank No. 1. However, I believe that the condition of Baker Tank No. 1 was comparable to Baker Tanks Nos. 2 and 3.

. On May 10, 2007, a fire occurred on Catalina Island and spread to the area where the Baker Tanks were located. In 2008, SCE decided to replace the Baker Tanks, ostensibly because of damage caused by the fire. In order to do so, the Banker Tanks had to be dismantled, cut up and

the material shipped off of Catalina Island. The dismantling, cutting up and disposal of metal tanks lined with an epoxy containing PCBs are governed by applicable Federal and California laws and regulations. I believe that SCE made no effort to comply with such laws and regulations. I further believe that prior to dismantling, cutting up and shipping the material from the Baker Tanks off of Catalina Island, SCE failed to test the tanks for the presence of PCBs. I also believe that SCE failed to warn the contractor or the SCE employees involved in the dismantling and cutting up of the Baker Tanks of the potential that the tanks were lined with epoxy containing PCBs.

After the Baker Tanks were dismantled and cut up, the material was shipped off of Catalina Island as Scrap Metal to Alpert & Alpert Iron & Metal, Inc. ("Alpert & Alpert") located in Los Angeles, California, for disposal. I believe that SCE represented to Alpert & Alpert and others involved with the dismantling and cutting up of the Banker Tanks and handling the resulting material that the material contained no Hazardous Material or PCBs. I further believe that after the material from the Baker Tanks was received by Alpert & Alpert, it was tested and found to be coated with an epoxy containing PCBs. Alpert & Alpert took issue with SCE for having misrepresented the character of the material shipped to it.

To summarize, I believe the following with regard to the three Baker Tanks:

a) The epoxy used to line the Baker Tanks contained PCBs;

b) The epoxy lining deteriorated and blistered causing the lining to flake off of the interior surfaces to which it had been applied;

c) As a result of the flaking, the water inside of the Baker Tanks contained particulate matter containing PCBs;

d) Some of the particulate matter containing PCBs settled to the bottom of the Baker Tanks;

e) From time to time, SCE removed the sediment containing PCBs from the bottom of the Baker Tanks and disposed of the sediment on the ground on Catalina Island;

f) At no time did SCE test the sediment from the Baker Tanks for PCBs or other Hazardous Materials prior to disposing of the sediment;

g) At no time did SCE test the water in the Baker Tanks, which was the primary source of fresh water for the residents of the City of Avalon, for the presence of PCBs;

h) By reason of the above, people on Catalina Island have been and continue to be exposed to PCBs and to be harmed thereby; and

i) SCE's actions and failure to act as alleged above were and are in violation of applicable Federal and State of California laws and regulations.

Even though it was my responsibility to deal with the disposal of waste, SCE excluded me from dealing with the disposal of sediment in the Baker Tanks and the material generated by the dismantling and cutting up of the Baker Tanks.

E. IMPROPER DISPOSAL OF OLD TRANSFORMER CARCASSES AND OIL CONTAMINATED WITH PCBS

Once it was learned that PCBs had been widely used in transformers, both Federal and California laws and regulations were established requiring transformers containing oil with PCBs to be registered. On information and belief, SCE failed to register transformers located on Catalina Island. In addition, said laws and regulations control the removal and disposal of such transformers and the contaminated oil contained within the transformers.

When SCE's Catalina management first learned in December 2005 that the Million Gallon Tank Sediment contained PCBs, concern developed that there were PCBs in the water. Rohaley ordered a barge load of fresh water sent from the mainland to have on standby in case the water being supplied to water users on Catalina Island turned out to be contaminated with PCBs. I believe that SCE's Catalina management immediately caused transformers containing oil contaminated with PCBs, including transformers leaking oil, to be removed from power poles, particularly those in the vicinity of the Thompson Reservoir and the wells from which SCE was obtaining water, on the chance that they might be leaking oil contaminated with PCBs which was getting into the water system.

Once the removal of transformers commenced, I observed old transformers leaking oil being stored at SCE's Pebbly Beach Facility. I regularly communicated orally and by email with SCE' s Catalina management with regard to the matters involving the proper disposal of transformers and the oil they contained. I sought to have SCE store and dispose of the old transformers it removed from out of service power poles as required by the applicable laws and regulations. Various members of SCE's Catalina management refused to do so.

F. OUT OF SERVICE POWER POLES WITH LEAKING TRANSFORMERS

An extensive fire began on Catalina Island on May 10, 2007. While inspecting SCE facilities in the area of the fire, I realized that there were a number of out of service power poles in

the Empire Landing Area, which was where some of the leaking transformers referenced above had come from. While touring the Empire Landing Area with two SCE Safety and Environmental Specialists from the mainland, I found transformer platforms on poles that evidenced oil leaks. The SCE Safety and Environmental Specialists noticed that oil had leaked from transformers and noticed areas on the ground in the vicinity of the poles that showed signs that oil had leaked on to the ground. I was concerned because the areas with the signs of leaking oil on the ground were areas in which the children living at Empire Landing played.

I recommended to SCE's Catalina management that the soil where oil had apparently leaked be tested, and if the tests indicated PCBs, to have the areas cleaned in accordance with applicable laws and regulations. Various members of SCE's Catalina management refused to have the soil tested and refused to clean up the ground where the oil had leaked, asserting that this was the responsibility of the Santa Catalina Island Company from whom it had purchased the electric, water and gas utilities in 1962. I believe that SCE never notified the Santa Catalina Island Company that it was Santa Catalina Island Company's responsibility to clean up the leaked oil.

G. DISPOSAL OF ASBESTOS COATED PIPES

Asbestos is a naturally occurring silicate mineral that was widely used in numerous products until it was found to be toxic to humans. Both Federal and California laws regulate asbestos and the disposal of material contaminated with asbestos. Asbestos containing materials have the potential to be friable and release fibers into the workspace or surrounding area and potentially expose workers or the public to harmful effects from inhaling the fibers. Exposed water pipes that are coated with asbestos containing materials have the risk of being disturbed or damaged, causing fiber releases. The condition and friability of the materials, coupled with enclosure and proximity to workers, are the factors that determine individual exposure through respiration of the released fibers in the air.

The majority of the water pipes used by SCE on Catalina Island are coated with asbestos containing materials. Most of the water pipes were installed many years ago when coating such pipes with asbestos containing materials was common. Some of the water pipes are intentionally exposed on the ground and some water pipes originally installed underground become exposed from time to time. From time to time, SCE unearths water pipes coated with material containing asbestos when it replaces underground water pipes. From time to time, SCE would replace exposed water pipes coated with material containing asbestos by bypassing sections of pipe with new pipe and simply leaving the exposed pipes in place.

In the course of performing my Waste Management and Safety Duties, I discovered exposed water pipes, including water pipes that had been replaced and left lying on the ground or cut up and simply stacked. These water pipes were coated with material containing asbestos.

The fire that occurred in May 2007, referenced above, damaged water pipes coated with material containing asbestos, which had to be replaced. The fire also destroyed vegetation that had hidden miles of pipes coated with material containing asbestos installed on the ground, some abandoned and some still in use. I regularly communicated orally and by email with my supervisors with regard to the matters involving asbestos coated pipes described above. I repeatedly urged SCE's Catalina management to assure that pipes be properly handled and properly disposed of. SCE's Catalina management continuously refused to do so.

III. STATUTES VIOLATED

The conduct of SCE described above constitutes a violation of the Toxic Substances Control Act, 15 U.S.C. §1501 et seq. ("TSCA"), the Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq. ("RCRA") and the Safe Drinking Water and Toxic Enforcement Act, California Health and Safety Code §25249.5 et seq.("SDWTEA").

IV. CONTACT INFORMATION

Please direct all questions concerning this Notice to me through my counsel's office at the following address:

Vicki L. Rogers
c/o Norris J. Bishton, Jr., Esq.
Bishton • Gubernick
6701 Center Drive West, Suite 925
Los Angeles, CA 90045

phone: (310) 337-4866
email: bishgub@aol.com

V. RESOLUTION OF NOTICED CLAIMS

Based on the allegations set forth in this Notice, I intend to file a citizen's enforcement lawsuit against SCE, unless SCE enters into a binding agreement to:

1. At its own expense, without any effort to pass on any expense to water ratepayers including USC, replace the Million Gallon Tank and any portion of the Isthmus Area Water Supply system that may have been contaminated with PCBs;

2. At its own expense, without any effort to pass on any expense to water or electric ratepayers, undertake to determine where sediment from the Million Gallon Tank and the Baker Tanks has been disposed of on Catalina Island, test such areas and, if PCBs are present in the soil, take appropriate remedial action to remove and dispose of such soil in accordance with applicable law;

3. At its own expense, without any effort to pass on any expense to water or electric ratepayers, undertake to determine where oil may have leaked from transformers, test such areas, and, if PCBs are present in the soil, take appropriate remedial action to remove and dispose of such soil in accordance with applicable law;

4. At its own expense, without any effort to pass on any expense to water ratepayers, remove, replace and dispose of in accordance with applicable laws all exposed water pipes coated with asbestos material;

5. Agree to handle and dispose of pipes coated with asbestos materials in accordance with all applicable laws and regulations;

6. Test all of the remaining tanks on Catalina Island other than the replacement Baker Tanks to determine if they are lined with epoxy paint containing PCBs. If any tank tests positive, at its own expense without any effort to pass on any expense to water ratepayers, replace any such tank and any portion of the water system contaminated by PCBs from said tank;

7. Commit to regularly test the water furnished to water ratepayers on Catalina Island for PCBs and to report the findings of such tests;

8. Pay an appropriate civil penalty or penalties pursuant to Section 16 of TSCA, Section 3008 of RCRA, and Section 25249.7(b) of SDWTEA;

9. Pay attorneys' fees as authorized by statute and case law; and

10. Enter into a stipulated judgment containing the above provisions so that performance of said provisions may be supervised by the court.

PROOF OF SERVICE

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

I am a citizen of the United States and employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action; my business address is: 6701 Center Drive West, Suite 925, Los Angeles, California 90045.

On **January** 16**, 2014**, I served the foregoing document described as **60-DAY NOTICE OF VIOLATION** on the interested parties in this action

[**X**] by placing [ ] the original [**X**] a true copy thereof enclosed in a sealed envelope addressed as follows:

SEE ATTACHED SERVICE LIST

[**X**] **(BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED)** as follows: I am "readily familiar" with the firm's practice of collecting and processing correspondence for mailing. Under that practice, it would be deposited with the U.S. Postal Service on that same day with postage thereon fully prepaid at Los Angeles, California, in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

[ ] **(BY ELECTRONIC MAIL)** I caused such document to be transmitted via electronic mail ("e-mail") to the above addressee(s).

[ ] **(BY EXPRESS OVERNIGHT DELIVERY)** I caused such envelope to be deposited with Federal Express for "FedEx Priority Overnight" delivery to the offices of the addressee(s).

[ ] **(BY PERSONAL SERVICE)** I caused such envelope to be hand-delivered to the offices of the addressee(s).

[ ] **(BY FACSIMILE)** I caused such document to be "faxed" to the above addressee.

Executed on **January** 16**, 2014**, at Los Angeles, California.

[**X**] **(STATE)** I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

[**X**] **(FEDERAL)** I declare that I am employed in the office of a member of the bar of this Court at whose direction the service is made.

CHRISTINE BOUNCE

Christine Bounce

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