

**US Army Corps
of Engineers®**



SPECIAL PUBLIC NOTICE

PUBLIC SCOPING MEETING for the Pacific Energy Crude Oil Marine Terminal and Pipelines Project on Pier 400 (Preparation of a Draft Supplemental Environmental Impact Statement/Supplemental Environmental Impact Report)

LOS ANGELES DISTRICT

Meeting Date: July 8th, 2004

SCOPING MEETING

The U.S. Army Corps of Engineers (USACE or Corps) Los Angeles District and the Los Angeles Harbor Department (LAHD or Port) will jointly conduct a public scoping meeting for the proposed Port of Los Angeles Pacific Energy Crude Oil Marine Terminal and Pipelines Project Draft Supplemental SEIS/SEIR on July 8th, 2004 at **6:30 p.m.**, to receive public comment and assess public concerns regarding the appropriate scope and preparation of the Draft SEIS/SEIR. Participation in the public meeting by federal, state and local agencies and other interested organizations and persons are encouraged. This meeting is to be conducted in English and Spanish. Members of the public who wish to communicate and listen entirely in Spanish are encouraged to attend this meeting. The meeting will be held at:

**Banning's Landing Community Center
100 E. Water Street
Wilmington, CA 90744**

Please see the attached map for the location of public scoping meeting.

This scoping process is intended to provide the Corps and the Port with information the public feels is necessary to establish the appropriate scope for preparing the environmental analysis in the proposed future SEIS/SEIR. The Corps and the Port are not yet requesting public input on the merits or detriments of the overall proposal, nor advice on whether or not to approve or deny the proposal. There will be future opportunity to provide these types of comments during the permit review process.

During the public scoping hearing, anyone wishing to make a statement will be allocated a certain amount of time to provide information on the proposed project. The amount of time each person is allowed will be directly dependent on the number of people who sign up to speak at the public hearing. We would like to encourage

interest groups to designate an official spokesperson to present the group's views. We plan to allocate a larger amount of time to official representatives of such groups.

Groups wishing to designate an official representative must notify the Corps in writing prior to, but not later than, Friday, July 2nd, 2004. The determination of this extended speaking time will be based on the number of responses received by the Corps. This rule will be strictly enforced at the discretion of the Corps' hearing officer.

Written comments to the Corps and Port will be received until **July 16th, 2004**. **Written comments should be addressed to the address below:**

U.S. Army Corps of Engineers, Los Angeles District
Regulatory Branch and the Los Angeles Harbor Department
c/o Joshua Burnam and Dr. Ralph G. Appy
ATTN: CESPL-CO-R-2004-0-0917-JLB
P.O. Box 532711
Los Angeles, California 90053-2325

Parties interested in being added to the Corps' electronic mail notification list for the Port of Los Angeles can register at: www.spl.usace.army.mil/regulatory/register.html. This list will be used in the future to notify the public about scheduled hearings and availability of future public notices.

Contacts:

Army Corps of Engineers Project Manager - Joshua L. Burnam - (213) 452-3294;

Port of Los Angeles Contact - Dr. Ralph Appy - (310) 732-3497

NOTICE OF INTENT/NOTICE OF PREPARATION

Interested parties are hereby notified that a preliminary application has been received for a Department of the Army permit for the activity described herein. The Corps is considering the Port's application for a Department of the Army permit under the Clean Water Act Section 404 and River and Harbor Act Section 10 to construct docking facilities (breasting dolphins) and petroleum product loading apparatus associated with the proposed project.

Interested parties are invited to provide their views on the scope of the Draft Supplemental SEIS/SEIR, which will become a part of the record and will be considered in the development of the SEIS/SEIR. This SEIS/SEIR will be used as part of a permit decision pursuant to Section 10 of the Rivers and Harbors Act of March 3, 1899 (33 U.S.C. 403) and Section 404 of the Clean Water Act of 1972 (33 U.S.C. 1344).

The Corps, in conjunction with the Port, is examining the feasibility of constructing a liquid bulk terminal to receive and transfer of crude oil and intermediate petroleum products at Pier 400 in the Port of Los Angeles. The Corps and the Port independently determined under the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA), respectively, that there are potential significant environmental impacts associated with the proposed action, and an Environmental Impact Statement (EIS) and Environmental Impact Report (EIR) are required.

The primary Federal concerns are related to the construction of structures in or affecting navigable waters of the United States, the discharging of materials within waters of the United States, and potential significant impacts on the human environment from such activities. Therefore, in accordance with the National Environmental Policy Act (NEPA), the Corps is requiring the preparation of an EIS prior to reaching a permit decision. The Corps may ultimately make a determination to permit or deny the above project, or permit modified versions of the above project. The Corps has prepared and published a Notice of Intent (NOI) to prepare an EIS for the proposed project in the *Federal Register*.

Pursuant to the California Environmental Quality Act (CEQA), the Port will serve as Lead Agency for the preparation of an EIR for its consideration of development approvals within its jurisdiction. The Port prepared, as part of the Notice of Preparation (NOP), an Environmental Checklist for the EIR determination, in accordance with current City of Los Angeles Guidelines for the Implementation of the California Environmental Quality Act (CEQA) of the 1970, (Article I); the State CEQA Guideline, (Title 14, California Code of Regulations); and the California Public Resources Code, (Section 21000, et seq.).

The Environmental Checklist is attached to this Public Notice for public review and comment. Public comments should be submitted by July 16th, 2004.

The Corps and the Port have agreed to jointly prepare a Draft SEIS/SEIR in order to optimize efficiency and avoid duplication. The Draft SEIS/SEIR is intended to be sufficient in scope to address both the federal and the state and local requirements and environmental issues concerning the proposed activities and permit approvals.

SUPPLEMENTARY INFORMATION:

Background: USACE and LAHD previously prepared and certified the *Deep Draft Navigation Improvements, Los Angeles and Long Beach Harbors, San Pedro Bay, California Final SEIS/SEIR* (Deep Draft SEIS/SEIR) that in part analyzed the impacts of creation of Pier 400 from dredge material and the subsequent construction and operation of a new liquid bulk terminal on the new Pier 400 land (USACE and LAHD, 1992). LAHD approved the Deep Draft EIS/EIR in its action of November 18, 1992; and the USACE issued a Record of Decision (ROD) on January 21, 1994. The SEIS/SEIR being prepared for this specific action is a supplement to

the Deep Draft EIS/EIR.

Project Purpose and Need: The primary purpose of the proposed project is to provide a deep-water berth that is able to efficiently accommodate the larger 375,000 dead-weight-tons (DWT) deep-draft vessels that are becoming a more common part of the world's oil transport fleet. In line with this primary purpose is the goal of providing a modern terminal to provide efficient, high-volume transfer of crude oil and intermediate petroleum products through a drain-dry pumping, pipeline, and storage system that would maximize the overall crude-handling efficiency and capacity of the terminal. This includes completing the related transfer and storage facilities needed to accommodate the forecasted and planned increases in volume of crude oil and intermediate petroleum products shipped through the Port. In order to meet this purpose and need, the following objectives need to be accomplished:

- Construct and operate a crude oil terminal that maximizes the use of existing waterways and available shoreline;
- Construct sufficient berthing and infrastructure capacity to accommodate foreseeable crude oil and related petroleum product volumes entering the Port; and
- Provide needed terminal accessory buildings and structures to support the anticipated product handling requirements.

Proposed Action: Major project elements to be covered in the Draft SEIS/SEIR include: construction and operation of a new marine terminal, storage terminals, and pipelines. The landside developments will include (1) development and construction of the liquid bulk marine terminal facilities on Pier 400, (2) construction of product storage terminals on Terminal Island and/or other suitable sites, (3) construction of a 42-inch pipeline to connect the Marine Terminal to the Storage Terminals, (4) construction of two 36-inch pipelines from the Storage Terminals to link with an existing 36-inch pipeline running between the ExxonMobil Southwest Terminal on Terminal Island and the Ultramar Liquid Bulk Terminal on Mormon Island (one of the 36-inch pipelines would deliver product to the Exxon/Mobil Southwest Terminal and the other would deliver product to the Ultramar Liquid Bulk Terminal), and (5) construction of a 24-inch pipeline from the Ultramar Terminal to the Ultramar/Valero Refinery located north of the Terminal Island Freeway and south of Anaheim Street. The project site locations and regional vicinity of the proposed project are shown in Figure 1. The layout of the proposed crude oil marine terminal on Pier 400 is shown in Figure 2.

Project Site: The proposed marine terminal portion of this project would be located on the western side (Face C) and southern side (Face D) of Pier 400 in the Port's Planning Area 9 (see Figures 3 and 4). The currently identified new storage terminal sites would be located on Terminal Island and would also be in the Port's Planning Area 9. The proposed terminal would require approximately 4 million barrels of storage capacity. Five sites within the port (described below) with a total storage capacity of approximately 3.5 million barrels have already been identified. The total storage capacity will be limited to 3.5 million barrels pending identification of other sites in or outside the Port that could accommodate the project, in its entirety or in part, or accommodate the remaining needed capacity (approximately 500,000 barrels). Pacific Energy's anchor customer plans to use 1.0 million barrels of capacity and Pacific Energy would use the other 3.0 million barrels to serve other customers. The currently identified storage terminal sites are described in the following paragraphs and are shown on Figure 5.

Reeves Avenue/Navy Way Site. The Reeves Avenue/Navy Way Site is a 10.82-acre (4.4-hectare) site that can accommodate four (4) 250,000-barrel storage tanks plus related manifolds and pumping equipment (see Figure 5). The proposed 42-inch-diameter offloading pipeline from the Pier 400 Marine Terminal dock would terminate at this site. The property that would be utilized by Pacific Energy is under the control of the LAHD

and excludes the nearby strip of land controlled by the U.S. Navy.

Site 6a. This 9.72-acre (3.9-hectare) site, North of Seaside Avenue, is narrow and long and would not provide sufficient width for the construction of 250,000-barrel storage tanks (see Figure 5). However, Pacific Energy could fit 140,000-barrel tanks into this space and would build four (4) tanks for a total capacity of 560,000 barrels.

Naval Reserve Center Site. The Naval Reserve Center Site is located east of Terminal Way between Seaside Avenue and Reeves Avenue. Pacific Energy could build three (3) 250,000-barrel tanks on the property (see Figure 5). Pacific Energy assumes that the easterly half of this property, which is approximately 11 acres (4.5 hectares), could be used for the proposed project since this section of the property is either vacant or is being used for operations which could be easily located elsewhere. Pacific Energy's design maintains the existing entrance to the property, the large parking area on the westerly half, and the main Navy Reserve building in the Northwest corner. LAHD has begun consultation with the U.S. Navy concerning use of this site.

Seaside Avenue/Terminal Way Site. The Seaside Avenue/Terminal Way Site is a 12.47-acre (5.0-hectare) triangular shaped piece of property that is split in half by an active rail system (see Figure 5). However, relocation of the existing rail to the inside edge of the property would allow Pacific Energy to build three (3) 250,000-barrel tanks at this location.

Pier 400 Site. Pacific Energy could build one (1) 500,000-barrel storage tank on the Face D side of Pier 400 (see Figure 4). This tank would be built in conjunction with other offloading equipment required for the new marine terminal such as pumps, manifolds, electrical buildings, and a small 50,000-barrel surge tank to be used for pumping operations. Use of this site will require consultation with the U.S. Fish and Wildlife Service and the California Department of Fish and Game regarding the nearby least tern nesting site on Pier 400.

Proposed Action Construction: Construction would consist of three primary activities, i.e., marine terminal construction, storage terminal (tank farm) construction, and pipeline construction.

Marine Terminal Construction. The principal elements of the proposed marine terminal project are described below.

1. Construct and operate the following marine structures:

- a) Construct approximately 6000 square feet (SF) of unloading platform (ULP) with dock house and placement of 8 steel and/or concrete piles in waters of the U.S.
- b) Construct approximately 8000 SF of breasting dolphins (BD), and placement of approximately 16 steel and/or concrete piles in waters of the U.S.
- c) Construct approximately 8000 SF of north and south trestles (NST) with roadway, and pipe-way, and placement of approximately 20 steel and/or concrete piles in waters of the U.S.
- d) Construct approximately 270-foot wharf (23,500 SF) along the existing rock dike and adjoining the NST, and placement of approximately 70 concrete piles in waters of the U.S.
- e) Construct approximately 4500 SF of walkway, and placement of approximately 8 steel and/or concrete piles in waters of the U.S.
- f) Construct approximately 1500 SF of floating dock and gangway and placement of approximately 8 concrete piles in waters of the U.S.
- g) Construct approximately 6 power capstans (shore mooring points) with approximately 48 concrete piles in waters of the U.S.
- h) Construct control building.
- i) Construct fire protection system.

- j) Construct spill containment boom.

2. Construct and develop 10 acres of backland area for roadway, pipelines, buildings and landscaping.

Offloading Berth. The proposed liquid bulk-offloading berth would be designed to accommodate marine crude oil tankers up to 375,000 DWT, with a length overall (LOA) of 1,200 ft (366 m) and 2.8 million barrel capacity. The maximum allowable vessel draught at the proposed Pier 400 Berth is 79.5 ft (24.2 m). The offloading arms would be designed to deliver crude oil from ships to the proposed storage terminals at rates that average 52,500 gallons per minute (75,000 barrels per hour [BPH]). Initially, the marine terminal would deliver an average of about 150,000 barrels per day from vessels to the proposed storage terminals.

Storage Terminal (Tank Farm) Construction. Storage terminals with 3.5 million barrels of capacity would be constructed at the sites previously described. An additional site with up to 500,000 barrels of capacity has yet to be identified. This remaining unidentified site may be located on or off of Port property.

The proposed tanks would be designed for crude oil storage and service. The total number of tanks will depend on the final selection of tank sites. It is anticipated that the tanks would be external floating roof, drain dry, welded steel crude oil storage tanks, designed and constructed in accordance with the API Standard 650, Welded Steel Tanks for Oil Storage. Although the final dimensions of the tanks would be determined during detailed design, the current proposed dimensions for a 500,000-barrel tank are nominally 285-ft (86.9 m) diameter by 48-ft (14.6 m) tall.

Principal components of the storage terminals to be constructed would be:

- 1) External floating roof, drain dry, welded steel crude oil storage tanks.
- 2) Containment structures and dikes including primary containment structures that encircle all tanks.
- 3) Control, switchgear, and storage buildings.
- 4) Electrical substation and electrical power system.
- 5) Fire suppression and emergency response systems.

Pipeline Construction. Pipelines to be constructed would include a 42-inch pipeline from the Pier 400 Marine Terminal to the Storage Terminals, two 36-inch pipelines from the Storage Terminals to connect to the existing Kinder Morgan Energy Partners (KMEP) 36-inch pipeline at a point on Terminal Island, between ExxonMobil Southwest Terminal, and the Ultramar Liquid Bulk Terminal on Mormon Island. A new 24-inch pipeline would be constructed from the Ultramar Liquid Bulk Terminal on Mormon Island, to the Ultramar/Valero Refinery.

Proposed Action Operation: Activities and system elements that would be associated with the operation of the Marine Terminal, the Storage Terminals, and the Pipelines are listed below.

- 1) Site access and security.
- 2) Process control and safety systems.
- 3) Vapor and leak monitoring/detection.
- 4) Spill detection and containment.
- 5) Storm water drainage and treatment system.
- 6) Wastes/waste handling.
- 7) Chemical storage (lubricating oil, hydraulic fluid, water based solvents, fire fighting foam surfactant, oil drag reducing agents, corrosion inhibitors, etc.).

- 8) Lighting.
- 9) Product transfer operations.
- 10) Fire detection and suppression.
- 11) Cathodic protection system.

Issues: There are several potential environmental issues that will be addressed in the SEIS/SEIR. Additional issues may be identified during the scoping process. Issues initially identified as potentially significant include:

- 1). Impacts to air quality from new air emissions;
- 2). Potential for cultural impacts due to pipeline disturbance of historical resources;
- 3). Geological issues, including risks from known seismic activity and the presence of expansive soils;
- 4). Potential for hazardous materials impacts through transport and use of crude oil products and risk of upset or accident;
- 5). Impacts to hydrology, including known risks due to seiches and tsunamis;
- 6). Potential impacts on public health and safety;
- 7). Potential impacts on aesthetics due to light and glare;
- 8). Potential impacts on biological resources, in particular impact to the least tern nesting area on Pier 400;
- 9). Potential noise impacts during both construction and operation phases;
- 10). Impacts to marine vessel traffic, including marine navigation; and
- 11). Cumulative impacts.

Alternatives: Alternatives initially being considered for the proposed project include the following:

- 1). Proposed Action as described above (does not require dredging activity).
- 2). Expansion of other crude oil terminals within the POLA.
- 3). Development of a new landfill and/or terminal within the POLA.
- 4). Expansion or construction of a crude oil terminal outside of the POLA.
- 5). Lightering of crude from deep-water locations in the Inner or Outer Harbor.
- 6). Development of a deepwater offshore mooring site with connection to onshore storage facilities via underwater pipeline.
- 7). Combination marine terminal/lightering operation.
- 8). Near-shore dredging with wharf setback.
- 9). No Project (no physical changes).
- 10). Relocation of existing liquid bulk facilities with wharf construction.
- 11). No Federal Action (no structures or dredging in waters of the U.S.).

AVAILABILITY OF THE DRAFT SEIS/SEIR

The joint lead agencies expect the Draft SEIS/SEIR to be made available to the public in early 2005. A public hearing will be held during when the Draft is available.

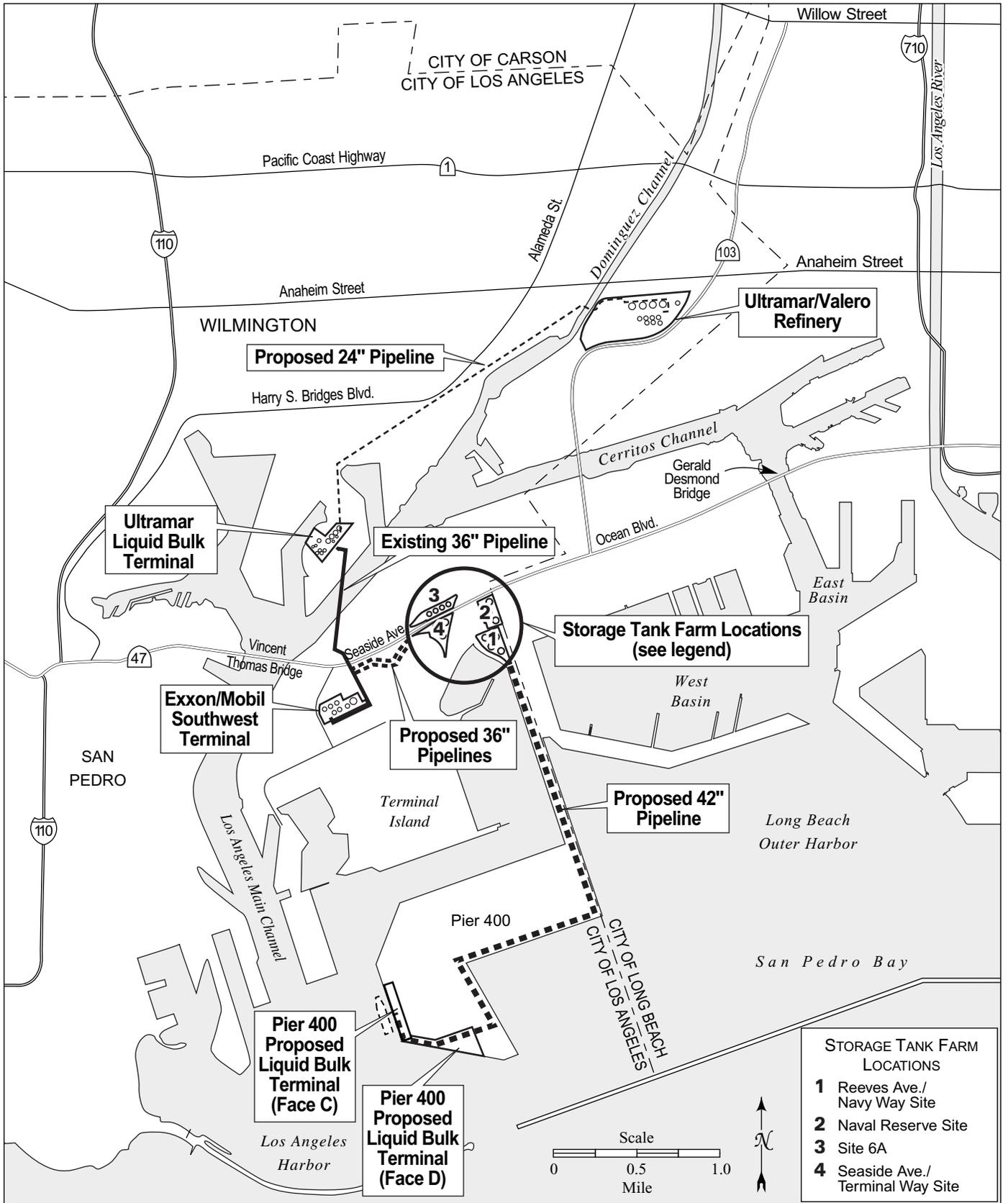


Figure 1. Project Site Locations and Vicinity

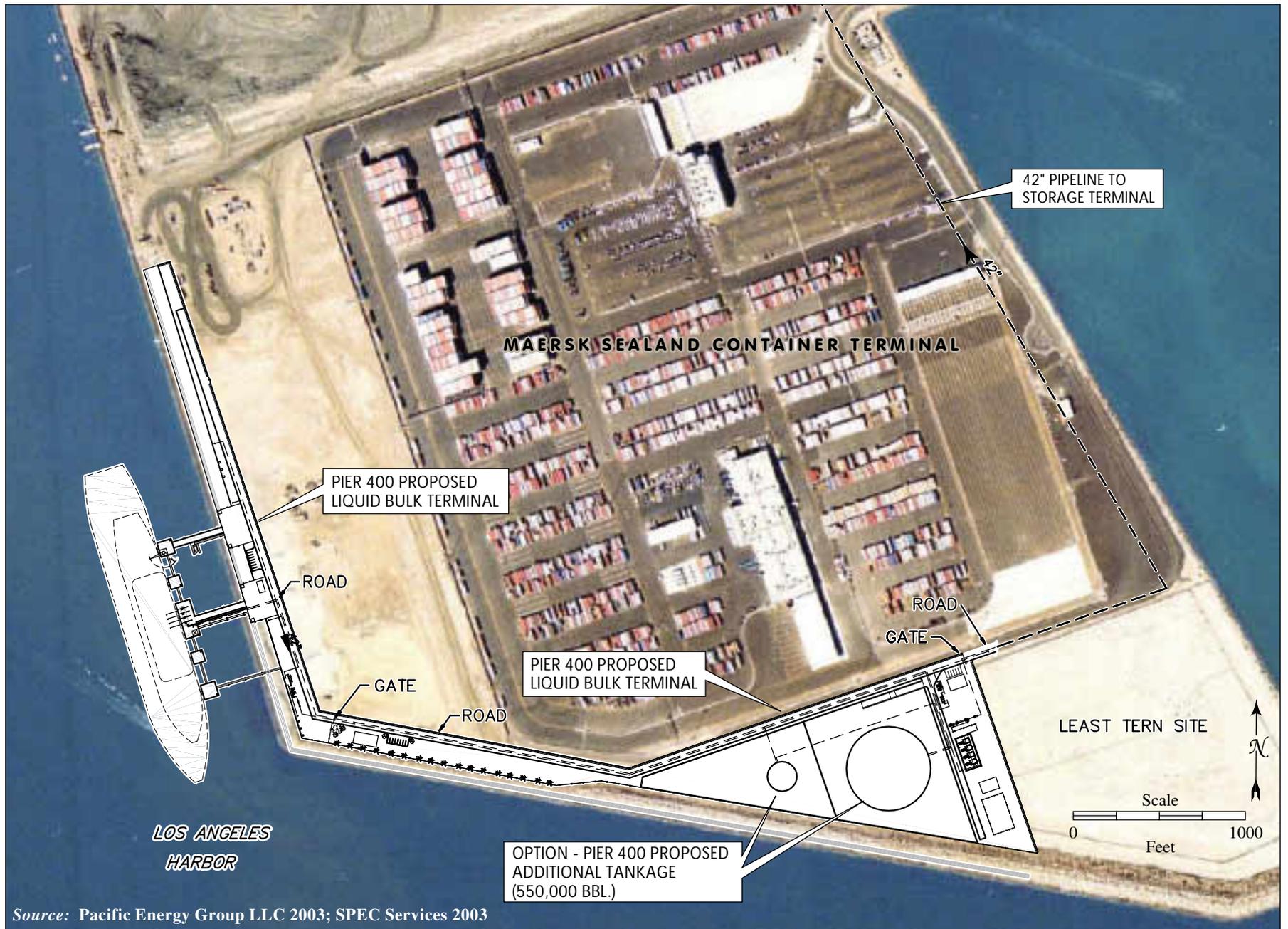


Figure 2. Layout of the Proposed Crude Oil Marine Terminal on Pier 400

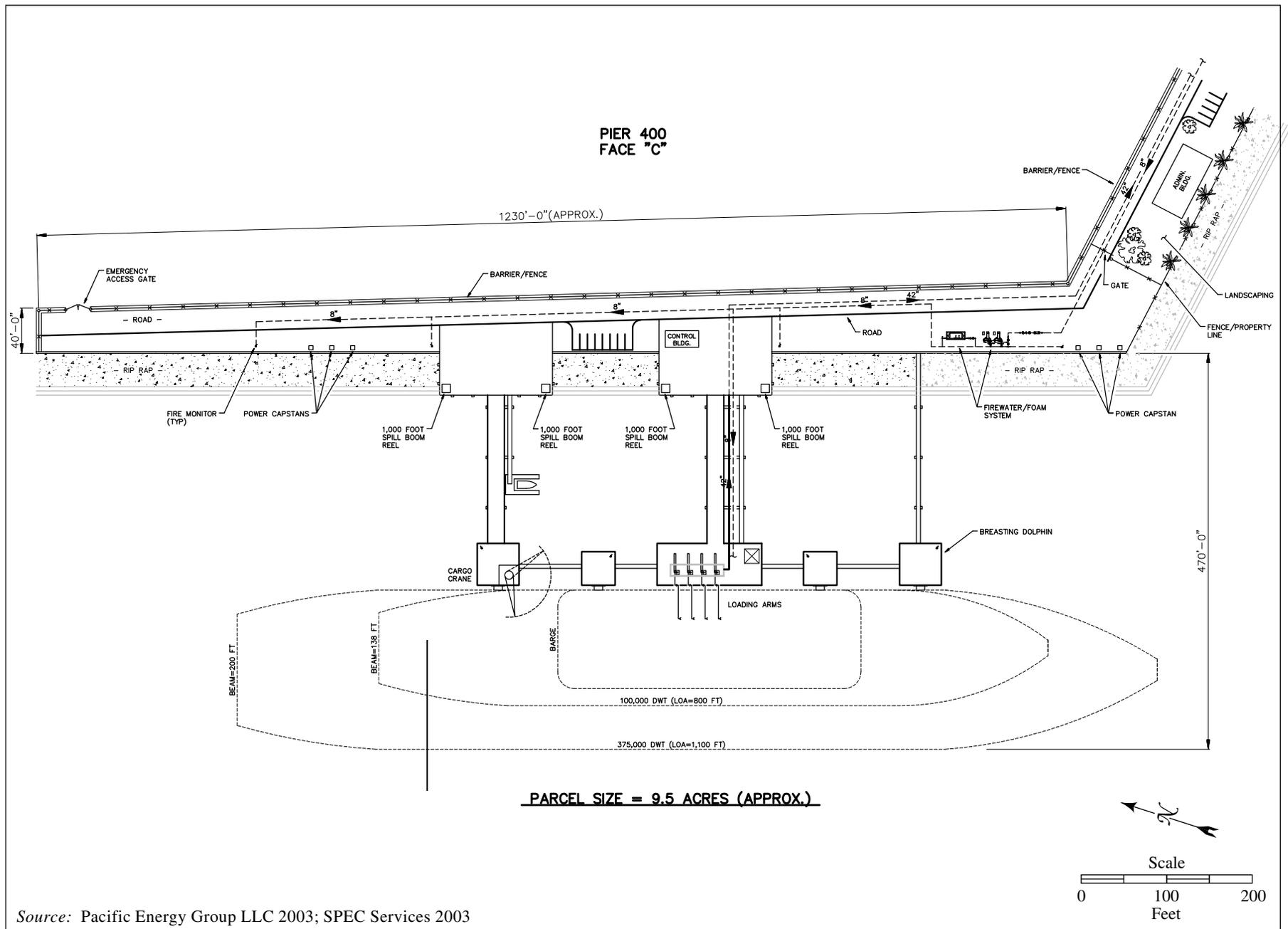


Figure 3. Face C of the Proposed Crude Oil Marine Terminal on Pier 400

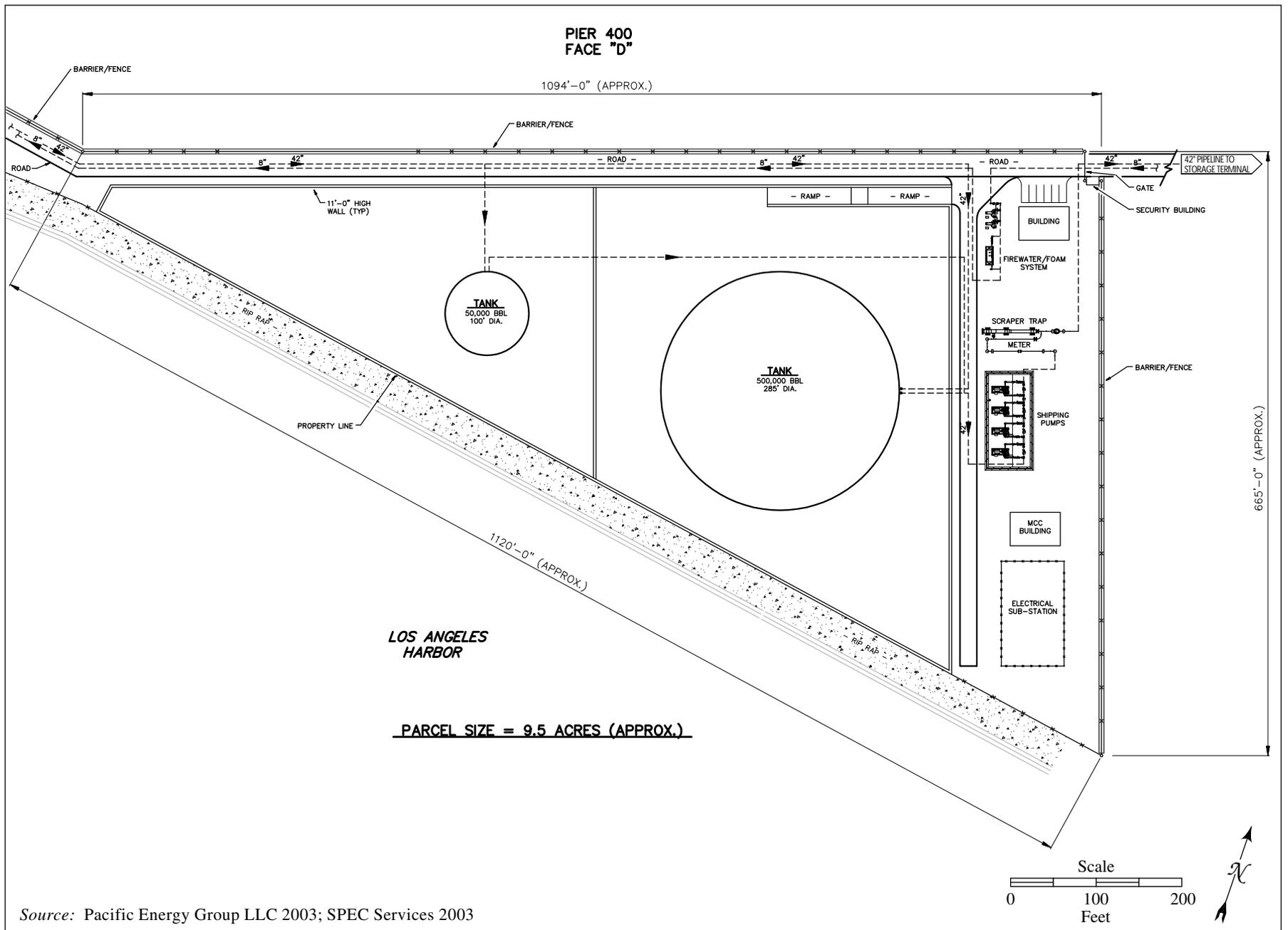


Figure 4. Face D of the Proposed Crude Oil Marine Terminal on Pier 400

