

## TABLE OF CONTENTS

<b>1.0 INTRODUCTION .....</b>	<b>1-1</b>
<b>1.1 THE ENVIRONMENTAL ASSESSMENT PROCESS.....</b>	<b>1-1</b>
<b>1.2 ROLE OF FEDERAL AGENCIES .....</b>	<b>1-2</b>
<b>1.3 ORGANIZATION OF THE EA.....</b>	<b>1-3</b>

## LIST OF TABLES

1-1	Chronology of Major Events Leading up to the Settlement Agreement .....	1-5
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## APPENDIX (See Volume 2)

Appendix 1A: Settlement Agreement

Appendix 1B: Credentials of Environmental Assessment Preparers, Lead Agencies, Contractor Staff, and Subcontractors

## **1.0 INTRODUCTION**

### **1.1 THE ENVIRONMENTAL ASSESSMENT PROCESS**

On March 5, 1999, US District Judge Sam Sparks entered an order stipulating terms for implementation of the settlement agreed to by the defendants, Longhorn Partners Pipeline, L.P. (Longhorn), and the plaintiffs. The Settlement Agreement (Settlement) is the result of a lawsuit (Ethel Spiller, *et al.*, Plaintiffs v. Robert M. Walker, et al., Defendants. CIVIL NO. A-98-CA-255-SS) that was filed to compel the federal government to prepare an Environmental Impact Statement (EIS) before granting approval for the operation of the Longhorn Pipeline System (System) and for minor construction associated with completion of the System. The Settlement, which requires an Environmental Assessment (EA) rather than an EIS, was signed by representatives of the parties to the lawsuit on March 1, 1999, and is contained in Appendix 1A. This EA process for the Longhorn Pipeline is referred to in the Settlement as an “Enhanced EA” because it includes processes and a level usually found in EISs.

As provided for by Judge Sparks’ order, the Settlement, and the National Environmental Policy Act of 1969 (NEPA), this EA was prepared by two federal agencies (hereafter, Lead Agencies)—the US Environmental Protection Agency (EPA) and the US Department of Transportation (DOT)—using the “third-party” concept. The Lead Agencies jointly exercised direction over the third-party independent contractor selected to prepare this report. The third-party contractor (hereafter, Contractor) is an Austin, Texas-based team composed of URS Radian (Radian) and URS Dames & Moore, both companies of URS Corporation.

In the third-party approach, the Lead Agency selects an environmental contractor to assist with the technical analyses and to prepare drafts of the NEPA document. When the project proponent is a private enterprise, it is common for the project proponent—in this case, Longhorn—to fund the technical analysis performed by the contractor. This process is specifically authorized in NEPA regulations at 40 Code of Federal Regulations (CFR) §1506.5(c). Because of agency staff and budget limitations, the third-party concept puts the cost burden on the project proponent while ensuring that the study direction and decision-making remains solely in the control of the federal government.

Table 1-1 provides some key milestone dates leading up to the preparation of this EA.

The Lead Agencies issued a draft EA in October 1999. This was followed by a series of public comment meetings in Houston, El Paso, Fredericksburg, Bastrop, and Austin in November 1999 and early January 2000. During the public comment period, the Lead Agencies received more than 6,000 written comments ranging from post cards to documents of several hundred pages. The comments were combined into categories and are responded to in the Responsiveness Summary that accompanies this final EA.

This final EA is based on the original draft EA as well as the public comments and additional analyses conducted following publication of the October 1999 draft EA.

Longhorn defines the approximately 731-mile long System as including:

- The 694.6 miles from the point of origin in Galena Park in Harris County to the El Paso Terminal;
- The 27.7 miles of intrastate pipeline connecting the Galena Park-to-El Paso mainline to an Odessa, Texas, terminal;
- The El Paso Terminal and existing and future pump stations with several hundred feet of internal pipelines, valves, and other infrastructure;
- An additional 8.3 miles where Longhorn proposes to construct three small-diameter laterals to connect the El Paso Terminal with two interstate pipelines that would transport refined product to New Mexico and Arizona; and
- 2,500 feet of proposed lateral pipeline in Odessa.

## 1.2 ROLE OF FEDERAL AGENCIES

The federal agencies participating in the preparation of the EA have different roles with respect to the pipeline and related environmental and safety issues. The proposed project is not federally owned, operated, or funded. It is a private undertaking initiated by a private company. DOT has statutory responsibility to monitor the operations of pipeline companies and the adequacy of their accident response plans. Neither DOT nor EPA has the statutory authority to grant overall project approval or to determine the routing or placement of pipelines.

**Department of Transportation.** DOT has statutory responsibility for ensuring the safe transportation of hazardous liquids by pipeline. Pursuant to 49 United States Code (USC) 60101 *et seq.*, DOT has promulgated safety standards concerning pipeline construction, operation, and maintenance, 49 CFR Parts 40, 190, 195, and 199. The Office of Pipeline Safety (OPS), a component of DOT's Research and Special Programs Administration (RSPA), enforces these regulations and

inspects pipelines to monitor compliance with DOT safety standards. The pipeline safety statute does not authorize DOT to prescribe the location or routing of a pipeline facility, 49 USC 60104(e). Under the Oil Pollution Act, OPS has responsibility for review and approval of response plans for cleanup in case of a spill; 33 USC 1231, 1321; 49 CFR Part 194.

**Environmental Protection Agency.** In connection with certain construction activities, Longhorn requested from EPA a stormwater discharge permit under Section 402 of the Clean Water Act (CWA), 33 USC 1342. EPA's permitting decisions under this section of CWA are exempted from NEPA, 33 USC 1371(c)(1). In furtherance of its overall mission to ensure and enhance environmental quality, EPA maintains a policy of voluntary compliance with NEPA even where NEPA review is not legally required, 63 Federal Register (FR) 58045 (October 19, 1998). EPA has agreed to take a leading role in the negotiated EA process in order to lend its experience and expertise to the environmental review of the Longhorn project.

**Department of the Army.** The US Army has an interest in the EA because Longhorn has applied for a pipeline right-of-way to cross 6 miles of Fort Bliss, an Army installation in west Texas, and because of the authority of the US Army Corps of Engineers (COE) pursuant to Section 404(a) of the Clean Water Act, 33 USC 1344(a); 33 USC 1362(7), and the Rivers and Harbors Act, 33 USC 403.

### **1.3 ORGANIZATION OF THE EA**

This final EA consists of four volumes. Volume 1 contains the EA report; Volume 2 contains appendices, and Volume 3 contains a graphical depiction of Longhorn Mitigation Commitments by pipeline segments. The Responsiveness Summary is Volume 4.

Volume 1 contains nine chapters. The contents of these chapters are described below.

- Chapter 1—Introduction.
- Chapter 2—Purpose and Need for the Proposed Project: This chapter describes the purpose and the underlying needs for this project.
- Chapter 3—Description of the Proposed Project and Alternatives: This chapter describes the route, operation, maintenance, and remaining construction. It also identifies alternative routes and pollution control and safety measures required to be analyzed under terms of the Settlement.
- Chapter 4—Affected Environment: This chapter describes the existing environment along the route from Houston to El Paso as well as the Odessa Lateral. It focuses on

those areas that are considered sensitive from both public safety and environmental impact criteria.

- Chapter 5—Pipeline Integrity Analysis: This chapter discusses the integrity of the System with a focus on the approximately 50-year old Galena Park Station to Crane Station portion of the System.
- Chapter 6—Overall Pipeline Risk Assessment: This chapter is a probabilistic risk assessment of the integrity for the entire pipeline with greater emphasis on those areas deemed sensitive. This risk assessment seeks to identify the probability and magnitude of product releases along the pipeline.
- Chapter 7—Potential Impacts Analysis: Chapter 7 draws from Chapter 6 to describe how potential leaks, spills, or fires could affect human safety, water quality, wildlife, and other environmental assessment categories. The primary topical focus is on water quality, both ground water and surface water, and human health.
- Chapter 8—Environmental Justice: This chapter describes whether the impacts described in Chapter 7 disproportionately affect minority and low-income populations.
- Chapter 9—Analysis of Alternatives and Mitigation: This chapter identifies and provides analyses of alternative routes and potential mitigation measures to reduce the probability of spills from the proposed project and means to reduce impacts from spills that could occur.

**Table 1-1. Chronology of Major Events Leading up to the Settlement Agreement**

<b>Date</b>	<b>Events</b>
1993	Exxon Pipeline Company (EPC) identified its pipeline from Crane, Texas, to Houston as a potential candidate for conversion to a refined products pipeline.
1994	EPC entered into negotiations with Axis Gas Corporation and The Beacon Group Energy Investment Fund, L.P. (Beacon) for sale of the crude oil pipeline.
June 9, 1995, to October 21, 1997	EPC maintained the pipeline for purposes of selling it. Maintenance activities included aerial surveillance, right-of-way monitoring, one-call response, cathodic protection, repair, lowering and replacement of pipe, inspections, and documentation required under state and federal laws and regulations.
November 1, 1995	EPC discontinued crude oil service and began displacing crude in the pipeline with water that would be used in the hydrotest of the pipeline in accordance with DOT standards. Testing was completed in March 1996.
December 1995	Longhorn was formed (by affiliates of Beacon and Williams Pipeline Company) to develop a pipeline system to provide common carrier transport of refined petroleum products from the Texas Gulf Coast to El Paso and, via connections with other pipelines, to New Mexico and Arizona.
October 21, 1997	Following a lengthy period in which Longhorn sought financing, EPC sold the pipeline to Longhorn. At this time, the partnership was expanded to include other parties such as AMOCO, EPC, and other investors.
April 1998	Two ranchers filed suit in federal court to prevent Longhorn from operating the pipeline until an EIS had been completed under NEPA. Later, the Lower Colorado River Authority, the City of Austin, and the Barton Springs/Edwards Aquifer Conservation District joined as plaintiffs to the case.
August 25, 1998	Federal District Judge Sam Sparks entered preliminary injunction prohibiting Longhorn from transporting any petroleum products until further order from the courts. Judge Sparks directed the EPA and/or DOT to prepare an EIS under NEPA.
Fall 1998	The parties to the lawsuit began negotiations to settle the issue.
March 5, 1999	Judge Sparks signed the Settlement calling for an Enhanced EA.