

**US Army Corps
of Engineers®**



PUBLIC NOTICE

APPLICATION FOR A PERMIT, NOTICE OF AVAILABILITY FOR A DRAFT SEIS/SEIR, AND A PUBLIC HEARING

LOS ANGELES DISTRICT

May 28, 2008

PUBLIC 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 meeting for the proposed Port of Los Angeles Project, the Pacific L.A. Marine Terminal LLC Crude Oil Terminal Supplemental Environmental Impact Statement/ Subsequent Draft Environmental Impact Report (SEIS/SEIR), on **June 26, 2008 at 6:00 p.m.**, to receive public comment and assess public concerns regarding the Draft SEIS/SEIR (Corps File Number 2004-00917-SDM). Participation in the public meeting by federal, state, and local agencies and other interested organizations and persons is 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:

**Board of Harbor Commissioner Hearing Room
425 S. Palos Verdes Street
San Pedro CA 90731**

Please see the attached map for the location of the public meeting. This meeting is intended to provide the Corps and the Port with public feedback on the project and potential environmental impacts.

During the public meeting, 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, June, 20, 2008. 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 29, 2008**. **Written comments should be addressed to the address below:**

U.S. Army Corps of Engineers, Los Angeles District
Regulatory Division
c/o Spencer D. MacNeil D.Env.
ATTN: CESPL-RG-2004-00917-SDM
P.O. Box 532711
Los Angeles, California 90053-2325

and

Dr. Ralph Appy, Director Environmental Management Division
Port of Los Angeles
425 South Palos Verdes Street
San Pedro, CA 90731

Parties interested in being added to the Corps' electronic mail notification list for the Port of Los Angeles can register at: www.cespl.us/regulatory/maillinglist.htm. 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 – Spencer D. MacNeil - (805) 585-2152

Port of Los Angeles Contact – Lena Maun-DeSantis - (310) 732-3950

NOTICE OF AVAILABILITY/NOTICE OF COMPLETION

Federal Action:

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 an application submitted by the Port for a permit, in accordance with Section 404 of the Clean Water Act (CWA) and Section 10 of the River and Harbor Act, to construct berthing facilities and pipelines in and over federal waters.

The primary federal action is the proposed issuance of permits authorizing work and structures in navigable waters of the United States (U.S.), and the discharge of fill material in waters of the U.S. and related direct impacts to the aquatic environment, as well as potential indirect and cumulative impacts on the human environment. For the Corps, approval of a permit under Section 404 of the CWA for construction activities associated with the proposed Project or Project alternative is an action that might result in significant effects on the environment. This SEIS/SEIR would be used by the Corps as part of their permit approval process. 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 EIS and an EIR are required.

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 is publishing a Notice of Availability (NOA) for the proposed project in the *Federal Register*.

Evaluation Factors

The decision whether to issue a permit will be based on an evaluation of the probable impact including cumulative impacts of the proposed activity on the public interest. That decision will reflect the national concern for both protection and utilization of important resources. The benefit that reasonably may be expected to accrue from the proposal must be balanced against its reasonably foreseeable detriments. All factors that may be relevant to the proposal will be considered including the cumulative effects thereof. Factors that will be considered include conservation, economics, aesthetics, general environmental concerns, wetlands, cultural values, fish and wildlife values, flood hazards, flood plain values, land use, navigation, shoreline erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food production and, in general, the needs and welfare of the people. In addition, if the proposal would discharge dredged or fill material, the evaluation of the activity will include application of the USEPA Guidelines (40 CFR 230) as required by Section 404 (b)(1) of the Clean Water Act.

The Corps of Engineers is soliciting comments from the public; Federal, state, and local agencies and officials; Indian tribes; and other interested parties in order to consider and evaluate the impacts of this proposed activity. Any comments received will be considered by the Corps of Engineers to determine whether to issue, modify, condition, or deny a permit for this proposal. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above. Comments are used in the preparation of an Environmental Assessment and/or an Environmental Impact Statement pursuant to the National Environmental Policy Act. Comments are also used to determine the overall public interest of the proposed activity.

Preliminary Review of Selected Factors

EIS Determination: A determination has been made that an EIS is required for the proposed work in waters of the United States. The Draft SEIS/SEIR for the proposed Pacific L.A. Marine Terminal LLC Crude Oil Terminal is being circulated for public comment on **May 28, 2008**, and comments on the above document will be accepted until **July 29, 2008**.

Water Quality: The applicant is required to obtain water quality certification, under Section 401 of the Clean Water Act, from the California Regional Water Quality Control Board (RWQCB). Section 401 requires that any applicant for an individual Section 404 permit provide proof of water quality certification to the Corps of Engineers prior to permit issuance. For any proposed activity on Tribal land that is subject to Section 404 jurisdiction, the applicant will be required to obtain water quality certification from the U.S. Environmental Protection Agency.

Coastal Zone Management: The proposed Project will require a federal Consistency Determination and, as a major coastal energy-related facility, is appealable to the Coastal Commission. The District Engineer hereby requests the California Coastal Commission's concurrence or nonconcurrence that proposed project is consistent with the Coastal Commission approved Port Master Plan.

Cultural Resources: The latest version of the National Register of Historic Places has been consulted and this site is not listed. Furthermore, the Pacific L.A. Marine Terminal LLC Crude Oil Terminal Draft SEIS/SEIR did not identify any cultural or historic resources that would be affected by the proposed project. Moreover, the Native American Heritage Commission (NAHC) was contacted by the Port on October 1, 2004, to request information about traditional cultural properties such as cemeteries and sacred places in the Project area. The NAHC record search of the Sacred Lands file failed to indicate the presence of Native American cultural resources in the immediate Project area. A letter dated November 3, 2004 was received from the NAHC containing a list of Native American tribes and individuals interested in consulting on development projects. An attempt was made to contact each of these individuals/groups by phone in April 2008. Of those contacted, none provided information about traditional cultural properties in the Project area. This review constitutes the extent of cultural resources investigations by the District Engineer, and he is otherwise unaware of the presence of such resources.

Endangered Species: The California least tern (*Sterna antillarum browni*), California brown pelican (*Pelecanus occidentalis californicus*), and Western snowy plover (*Charadrius alexandrinus nivosus*) are known to forage in the vicinity of the proposed Project, and there is a 15-acre California least tern nesting preserve on the southeastern tip of Pier 400, which is adjacent to the proposed Tank Farm 1 area. Based on detailed biological information in the Draft SEIS/SEIR, which includes a draft Biological Assessment, a preliminary determination has been made that the proposed activity may affect California least tern and California brown pelican. Because the proposed action may adversely affect one or more threatened or endangered species, formal consultation under Section 7 of the Endangered Species Act would be required.

Essential Fish Habitat: In accordance with the 1996 amendments to the Magnuson-Stevens Fishery Conservation and Management Act, an assessment of Essential Fish Habitat (EFH) has been prepared and is included in the DEIS/EIR. The proposed Project Berth 408 at the Marine Terminal would be located within an area designated as EFH for two Fishery Management Plans (FMPs): Coastal Pelagics Plan, and Pacific Coast Groundfish Management Plan. The pipeline route from Pier 400 to Terminal Island would be located adjacent to EFH. Of the 94 fisheries management species federally managed under these plans, 19 are known to occur in the Outer Harbor near Pier 400 or near the 42-inch pipeline corridor and could be affected by the proposed Project (Table 3.3-2). One of the five species in the Coastal Pelagics FMP (northern anchovy) is well represented in the proposed Project area, with both adults and larvae

present. Pacific sardine is also common. Both species support a commercial bait fishery in the Outer Harbor. Adult jack mackerel are present and likely prey upon small northern anchovy. Adult Pacific mackerel are also fairly common throughout the Harbor. Only 2 of the 15 Pacific Groundfish FMP species (Pacific sanddab and California scorpionfish) are relatively common in the Outer Harbor.

This notice initiates EFH consultation requirements of the Magnuson-Stevens Fishery Conservation and Management Act. The proposed activities would temporarily impact areas designated as EFH through wharf construction. Temporary disturbances in the water during Berth 408 and temporary mooring construction would cause no substantial alteration of EFH or loss of fish in managed species as described above, including conversion of a small amount of soft bottom (0.1 acre) to hard substrate habitat. Construction activities at the tank farm sites and for new pipeline installation would have no direct impacts on EFH because none is present at those sites. Indirect impacts through runoff of sediments during storm events would be less than significant because such runoff would be controlled through a project-specific SWPPP with BMPs such as sediment barriers and sedimentation basins. In addition, the work would be conducted in compliance with applicable permits, such as the USACE's permit and the LARWQCB's Section 401 Water Quality Certification.

State Action:

LAHD is proposing terminal improvements at Berth 408. The primary purpose of this Draft SEIS/SEIR is to identify the significant environmental effects of the proposed Project so that the decision makers can consider them as part of the proposed Project approval process. Also, LAHD would use this SEIS/SEIR to support permit applications and other actions required to implement the selected Pacific L.A. Marine Terminal LLC Crude Oil Terminal Project or alternative.

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 a Notice of Completion, 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.). Interested parties are invited to provide their views on the Draft EIS/EIR. **Public comments should be submitted by July 29, 2008.**

SUPPLEMENTARY INFORMATION:

Background Information:

Anticipating the importance of containerized and liquid bulk shipping, the LAHD, Port of Long Beach (POLB), and USACE conducted a study between 1981 and 1985 to evaluate the capacity of the San Pedro port complex to accommodate cargo forecasts through the year 2020. That document analyzed, among other issues, the impacts of the 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. LAHD approved the Deep Draft EIS/EIR on November 18, 1992, and the USACE issued a Record of Decision (ROD) on January 21, 1994. The SEIS/SEIR prepared for this specific action is a supplement to the 1992 Deep Draft EIS/EIR.

The 1992 Deep Draft EIS/EIR envisioned three uses for Pier 400: 1) an area to relocate existing hazardous bulk facilities away from populated and sensitive use areas in accordance with the approved Port Risk Management Plan (LAHD 1983); 2) a site for a 150-acre (61-hectare [ha]) container terminal; and 3) a site for a new deep-draft liquid bulk marine terminal. The 1992 Deep Draft EIS/EIR recognized that expansion and additional improvements were needed to improve efficiencies in handling, storing, and transporting existing

and forecasted cargoes, and to provide an area for relocation of hazardous cargo away from critical Port facilities and adjacent communities. It also recognized that national economic benefits and transportation cost savings would result from the use of larger vessels, reductions in transit time, and lower cargo handling costs. Therefore, as a result of creating the Pier 400 landfill for part of the Deep Draft project, irretrievable resources were committed by the LAHD. Over three miles of channel were dredged to a maximum depth of -85 ft mean lower low water (MLLW), and dredged material removed from channels was placed in an area of high-value marine habitat. The impacts to the marine environment were mitigated through the use of offsite mitigation and construction of the Pier 300 shallow water habitat. Specifically, the Port developed an offsite coastal wetland to offset deep soft bottom and water column losses due to landfill construction, restricted the corridor to access Pier 400 to a relatively narrow area to minimize loss of shallow water, and constructed and maintained 136 acres of shallow water habitat in the Harbor.

Circumstances have changed since approval of the Deep Draft EIS/EIR in 1992. The need to relocate existing hazardous facilities to Pier 400 no longer existed after the affected facilities modified operations or closed, or the nearby vulnerable resource closed, in each case eliminating the hazardous classification originally associated with the facilities. The second use of Pier 400, for construction of a container terminal, was fulfilled when the Port certified the Pier 400 Container Terminal and Transportation Corridor Project SEIR (LAHD 1999) and approved a 480-acre (190 ha) container terminal, which is presently being operated by the APM Terminal. However, the -85 ft MLLW channel leading from the ocean to Pier 400, which was dredged specifically for deep-draft vessel operations, remains unutilized for its original purpose because no crude oil terminal has been constructed on Pier 400. The proposed Project would fill this need for a deep-draft crude oil terminal within the Port, consistent with the original use of Pier 400 envisioned in the Deep Draft EIS/EIR.

Although the proposed Project is consistent with the Deep Draft EIS/EIR, the changed environmental and regulatory circumstances and the changed configuration of the current proposed Project from the marine terminal configuration proposed in 1992 have led the USACE and LAHD to prepare a Supplemental EIS and Subsequent EIR, respectively.

Purpose and Need:

NEPA and CEQA respectively require the preparation of an EIS and EIR for actions that could significantly affect the environment. Actions subject to NEPA and CEQA requirements include projects sponsored by a governmental agency and the approval of projects over which the governmental agency has discretionary authority. The purpose of the Draft SEIS/SEIR is to identify the significant impacts of the proposed Project and the Project alternatives, to inform decision makers and the public of reasonable alternatives to the proposed Project (that would avoid or minimize significant impacts or enhance the quality of the human environment), and to indicate the manner in which significant effects can be avoided or mitigated. The USACE will serve as the federal Lead Agency in accordance with NEPA, and the Port of Los Angeles (Port) will serve as the state Lead Agency under CEQA.

Project Description:

Project Location (Figure 1):

The proposed marine terminal and tank farms would be located on Pier 400 (a man-made peninsula) and on Terminal Island in the Port of Los Angeles (POLA), which is 20 miles (32 km) south of downtown Los Angeles and immediately west of the Port of Long Beach (POLB). More specifically:

Marine Terminal: The proposed Marine Terminal portion of the proposed Project would be located on vacant land on the western side (Face C, Berth 408) and southern side (Face D) of Pier 400. The APM Container Terminal is located to the north and east of the proposed Marine

Terminal. Waters of the Los Angeles Outer Harbor are adjacent to both faces on the west and south sides.

Tank Farm Site 1: Site 1 would be located on the southern side (Face D) of Pier 400. Tank Farm Site 1 is 10.7 acres (4.2 ha.) and is currently vacant, unpaved, and ungraded. The site is owned by the LAHD and is adjacent to the APM Terminal to the north and west, a 15-acre California Least Tern nesting preserve to the east, and the Los Angeles Harbor to the south and west.

Tank Farm Site 2: Site 2 would be located on approximately 37.0 acres (15.3 ha) south of Seaside Avenue and west of Terminal Way on the former LAXT property owned by LAHD.

Project Elements:

The proposed Project would include construction and operation of a new marine terminal at Berth 408 on Pier 400 (Marine Terminal), new tank farm facilities with a total of 4.0 million barrels (bbl) of capacity, and pipelines connecting the Marine Terminal and the tank farms to local refineries. The terminal would be operated by Pacific Los Angeles Marine Terminal, LLC (PLAMT) under a 30-year lease from the Los Angeles Harbor District (LAHD). The proposed Project would not require any dredging, as Berth 408 already has sufficient water depth (-81 ft mean lower low water [MLLW]) to accommodate Very Large Crude Carrier (VLCC) vessels (up to 325,000 deadweight tons [DWT]), which would be the largest vessels expected to call at Berth 408. The proposed Project would primarily receive crude oil, partially refined crude oil, and occasional deliveries of Marine Gas Oil (MGO).

Major elements of the proposed Project evaluated in this EIS/EIR include:

- Construction of a new Marine Terminal would be designed to receive crude oil from marine vessels and transfer the oil to tank farms facilities via a new 42-inch diameter, high-volume pipeline.
- Construction of two tank farms
 - Tank Farm Site 1 would be located on Pier 400
 - Tank Farm Site 2 would be located on Pier 300 at Seaside Avenue/Terminal Way
- Construction of new pipelines to connect to existing pipeline facilities.
 - The proposed Project's new tank farm facilities would be connected to the existing ExxonMobil Southwest Terminal on Terminal Island, the existing Ultramar/Valero Refinery on Anaheim Street near the Terminal Island Freeway, and to other Plains pipeline systems near Henry Ford Avenue and Alameda Street via new and existing 36-inch, 24-inch, and 16-inch pipelines.
 - All new pipelines would be installed belowground, with the exception of the water crossings at the Pier 400 causeway bridge and at the Valero utility/pipe bridge that crosses the Dominguez Channel west of the Ultramar/Valero Refinery.

Alternatives:

NEPA (40 *Code of Federal Regulations* [CFR] 1502.14[a]) and CEQA Guidelines Section 15126.6, respectively, require that an EIS and an EIR describe a range of reasonable alternatives to the project, or to the location of the project that could feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any significant environmental impacts while substantially attaining

the basic objectives of the project. The EIS/EIR should compare merits of the alternatives and determine an environmentally preferred alternative (NEPA) and an environmentally superior alternative (CEQA).

Fifteen alternatives (including the proposed Project) were considered during preparation of this Draft EIS/EIR, which included alternative terminal configurations and alternative terminal locations, as follows:

1. Proposed Project
2. No Federal Action Alternative/No Project
3. Reduced Project
4. Expansion of other crude oil terminals inside the Port
5. Use of an existing berth(s) within the Port
6. Development of a new landfill and/or terminal inside the Port
7. Expansion or construction of a terminal outside the Port
8. Use of an offshore mooring site (monobuoy)
9. Shipping to the Bay Area and pipelining to southern California
10. Constraining the size of vessels that could call at Berth 408
11. A non-shipping use of the Pier 400 area
12. Relocation of existing liquid bulk terminals to Pier 400
13. Building a new container terminal on Pier 400
14. Building a liquid bulk terminal on Pier 400 for refined products, instead of crude oil (either petroleum-based products or alternative fuels such as ethanol)
15. Developing renewable energy resources on the project sites

Of the alternatives considered, twelve (numbers 4-15) were considered but eliminated from further consideration and two (numbers 2 and 3) are carried forward with the proposed Project and evaluated in the Draft EIS/EIR. A summary of the No Federal Action Alternative/No Project and the Reduced Project alternatives is presented below.

No Federal Action Alternative

The No Federal Action/No Project Alternative consists of the full range of construction and operational activities the applicant could implement and is likely to implement without a permit from the USACE. The Pier 400 Project site is suitable for use as a liquid bulk terminal. The Pier 300 site is also suitable for liquid bulk storage and has been considered for such use in the past. However, if the proposed Project or the Reduced Project were not approved, it is not likely that another liquid bulk terminal project would be approved as any future proposal for liquid bulk storage would require a separate environmental document and discretionary permits from the USACE and the LAHD. Therefore, the No Federal Action/No Project Alternative analyzed in this document does not include construction or operation of a liquid bulk terminal at the site. The only other allowable activity at Pier 400 is general cargo use (i.e., break-bulk, dry bulk, and containerized cargo). The No Federal Action/No Project Alternative does not, however, include construction and operation of an entirely new general cargo terminal, as the size and configuration of the proposed Project site are not adequate for that purpose. As a result, this SEIS/SEIR considers the only remaining allowable and reasonably foreseeable use of the proposed Project sites: the temporary storage of chassis-mounted containers on the site of Tank Farm Site 1 by the adjacent container terminal on Pier 400, and on Tank Farm Site 2 by two adjacent container terminals. This document describes the No Federal Action/No Project Alternative as consisting of container storage use from approximately 2012 through 2040. In addition, this No Federal Action/No Project Alternative assumes that a portion of the increased demand for imports of crude oil in southern California would be accommodated at existing liquid bulk terminals in the Port and the Port of Long Beach, to the extent of their remaining capacities.

Reduced Project Alternative

CEQA and NEPA require the lead agency to analyze a reasonable range of alternatives to the proposed Project that would avoid or lessen the environmental impacts while still attaining most of the objectives of the proposed project. One potential means for achieving that goal is to define an alternative that is smaller than the proposed Project, which can reduce impacts by having a smaller footprint or lower activity levels than the proposed Project. In the case of a crude oil terminal at Pier 400, building a facility with smaller footprint would not reduce impacts to any significant degree as there is a minimum size of berth and number of tanks necessary to support the importation of large quantities of crude oil. Accordingly, this document examines an alternative with a reduced activity level, defined as a lower throughput of crude oil.

The Reduced Project Alternative would be identical to the proposed Project in terms of the design, construction, and operation of the Marine Terminal, Tank Farm Sites 1 and 2, and pipelines. However, this alternative involves a lease condition imposed by LAHD that would cap permitted throughput of crude oil received at Berth 408. The lease would allow PLAMT to receive up to 127.75 million barrels in 2010 (average of 350,000 bpd) and up to 164.25 million barrels in 2015 through 2040 (average of 450,000 bpd). For intermediate years (2011-2014), the lease stipulation would allow an amount of throughput based on linear interpolation between the benchmark years.

Availability of the Draft SEIS/SEIR

The Draft SEIS/SEIR for the proposed Project is being distributed directly to agencies, organizations, and interested groups and persons for comment during the 60-day formal review period in accordance with Section 15087 of the State CEQA Guidelines and 40 CFR Section 1506.10 of the CEQ NEPA Regulations. During the 60-day public review period, which begins on **May 28, 2008** and ends on **July 29, 2008**, the Draft SEIS/SEIR is available for general public review at the following locations:

Port of Los Angeles
Environmental Management Division
425 South Palos Verdes Street
San Pedro, CA 90731

Los Angeles Public Library
Central Branch
630 West 5th Street
Los Angeles, CA 90071

Los Angeles Public Library
San Pedro Branch
921 South Gaffey Street
San Pedro, CA 90731

Los Angeles Public Library
Wilmington Branch
1300 North Avalon Boulevard
Wilmington, CA 90744

In addition to printed copies of the Draft SEIS/SEIR, members of the public can request a compact disc (CD) that contains the Draft SEIS/SEIR. The Draft SEIS/SEIR is also available on the Port of Los Angeles website at www.portoflosangeles.org. The executive summary has been translated into Spanish and is available to the public on the Port of Los Angeles website as well. To request either a CD-ROM or a Spanish translation of the executive summary, please call the Environmental Management Division at (310) 732-3675.

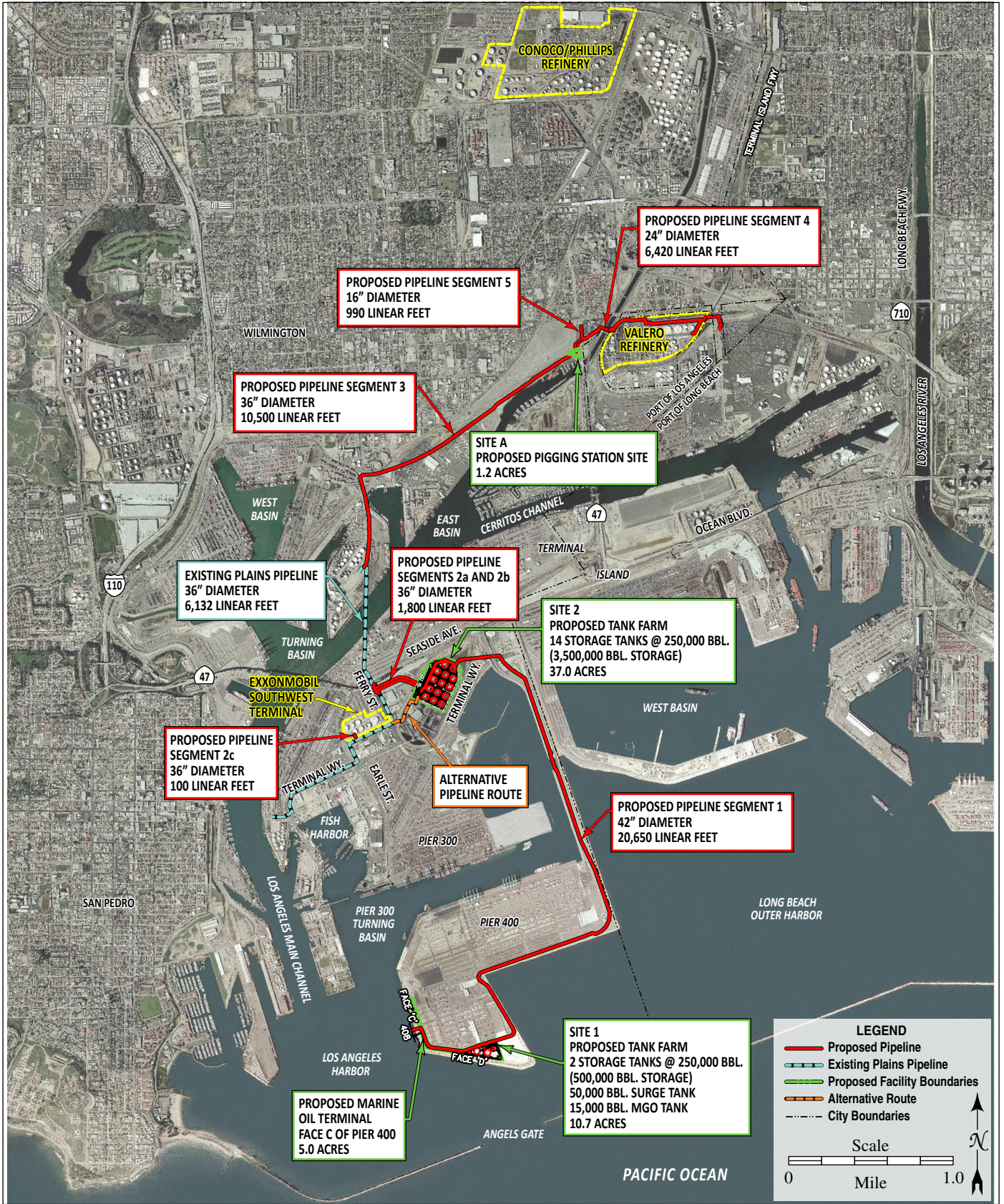


Figure 1 Proposed Project Site Locations (Aerial View)

DIRECTIONS TO BOARD HEARING ROOM, PORT OF LOS ANGELES

BOARD HEARING ROOM

425 S. Palos Verdes Street
Wilmington, CA 90734

