

MINUTE ITEM

This Calendar Item No. 15  
was approved as Minute Item  
No. 15 by the State Lands  
Commission by a vote of 2  
to 0 at its 9/26/85  
meeting.

CALENDAR ITEM

15

A 34

S 25

09/26/85  
W 23559 PRC 6895  
Fong

GENERAL LEASE - RIGHT-OF-WAY USE

APPLICANT: All American Pipeline Company  
1321 Stine Road, Suite B-1  
Bakersfield, California 93309

AREA, TYPE LAND AND LOCATION:  
A 0.58+-acre parcel more or less of school land  
located near Daggett in San Bernardino County.

LAND USE: Installation, use and maintenance of an oil  
transmission pipeline.

TERMS OF PROPOSED LEASE:

Initial period 30 years beginning October 1,  
1985

Surety bond: \$5,000.

Public liability insurance: Combined single  
limit coverage of \$1,000,000.

CONSIDERATION: \$300 per annum; with the State reserving the  
right to fix a different rental on each fifth  
anniversary of the lease.

BASIS FOR CONSIDERATION:

Pursuant to 2 Cal. Adm. Code 2003.

APPLICANT STATUS:

N/A.

PREREQUISITE CONDITIONS, FEES AND EXPENSES:

Filing fee has been received.

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STATUTORY AND OTHER REFERENCES:

- A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.
- B. Cal. Adm. Code: Title 2, Div. 3; Title 14, Div. 6

AB 884:

02/27/86.

OTHER PERTINENT INFORMATION

1 After the Coleron/All American Pipeline Project was reviewed and approved as Minute Item No. 23 by the State Lands Commission at its January 31, 1985 meeting, it came to the attention of staff that the pipeline project also crossed State school lands in Section 23, T9N, R1E, S8M in San Bernardino County. EIR No. 269, State Clearinghouse No. 83110902 was prepared for this project pursuant to the provision of CEQA, reviewed and adopted by the SLC at its January 31, 1985 meeting.

2. This activity involves lands which have NOT been identified as possessing significant environmental values pursuant to P.R.C. 6370, et seq. However, the Commission has declared that all lands are "significant" by nature of their public ownership (as opposed to "environmental significant"). Since such declaration of significance is not based upon the requirements and criteria of P.R.C. 6370, et seq., use classifications for such lands have not been designated. Therefore, the finding of the project's consistency with the use classification as required by 2 Cal. Adm. Code 2954 is not applicable.

EXHIBITS:

- A. Land Description.
- B. Location Map.
- C. EIR/EIS Executive Summary.

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CALENDAR ITEM NO. 15 (CONT'D)

IT IS RECOMMENDED THAT THE COMMISSION:

1. CERTIFY THAT AN EIR NO. 369, STATE CLEARINGHOUSE NO. 93110902, WAS PREPARED FOR THIS PROJECT PURSUANT TO THE PROVISIONS OF CEQA, CERTIFIED AT THE JANUARY 31, 1985 SLC MEETING, AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN. THE REQUIRED CEQA FINDINGS, AS CONTAINED IN CALENDAR ITEM NO. 23 OF THE JANUARY 31, 1985 COMMISSION MEETING, PAGES 119 THROUGH 119.220 ARE ON FILE AT THE OFFICE OF THE COMMISSION LOCATED AT 1807 - 13TH STREET, SACRAMENTO, CALIFORNIA 95814.
2. REAFFIRM, FOR PURPOSES OF THIS ACTION, THE ABOVE-REFERENCED FINDINGS THAT WERE ADOPTED AT THE JANUARY 31, 1985 MEETING, IN COMPLIANCE WITH CEQA (PRC SECTION 2100 AND ET. SEQ.) AND THE STATE EIR GUIDELINES.
3. AUTHORIZE ISSUANCE TO ALL AMERICAN PIPELINE COMPANY OF A 30-YEAR GENERAL LEASE - RIGHT-OF-WAY USE BEGINNING OCTOBER 1, 1985; IN CONSIDERATION OF ANNUAL RENT IN THE AMOUNT OF \$300, WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT RENTAL ON EACH FIFTH ANNIVERSARY OF THE LEASE; FOR THE INSTALLATION, USE AND MAINTENANCE OF AN OIL TRANSMISSION PIPELINE ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

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EXHIBIT "A"

LAND DESCRIPTION

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A strip of California State lieu lands 50 feet wide in San Bernardino County, California, the centerline of said strip being described as follows:

COMMENCING at the southwest corner of Section 23, T9N, R1E, SBM; thence along the west line of said Section 23, N 0° 16' E 51.7 feet, more or less, to the TRUE POINT OF BEGINNING: thence S 81° 08' E along said centerline 328.3 feet, more or less, to a point on the south line of said Section 23 which bears N 89° 48' E 324.6 feet from said southwest corner and the end of the herein described line.

END OF DESCRIPTION

REVISED SEPTEMBER 19, 1985, BY BOUNDARY SERVICES UNIT, M.L. SHAFER, SUPERVISOR

(REVISED 09/20/85)

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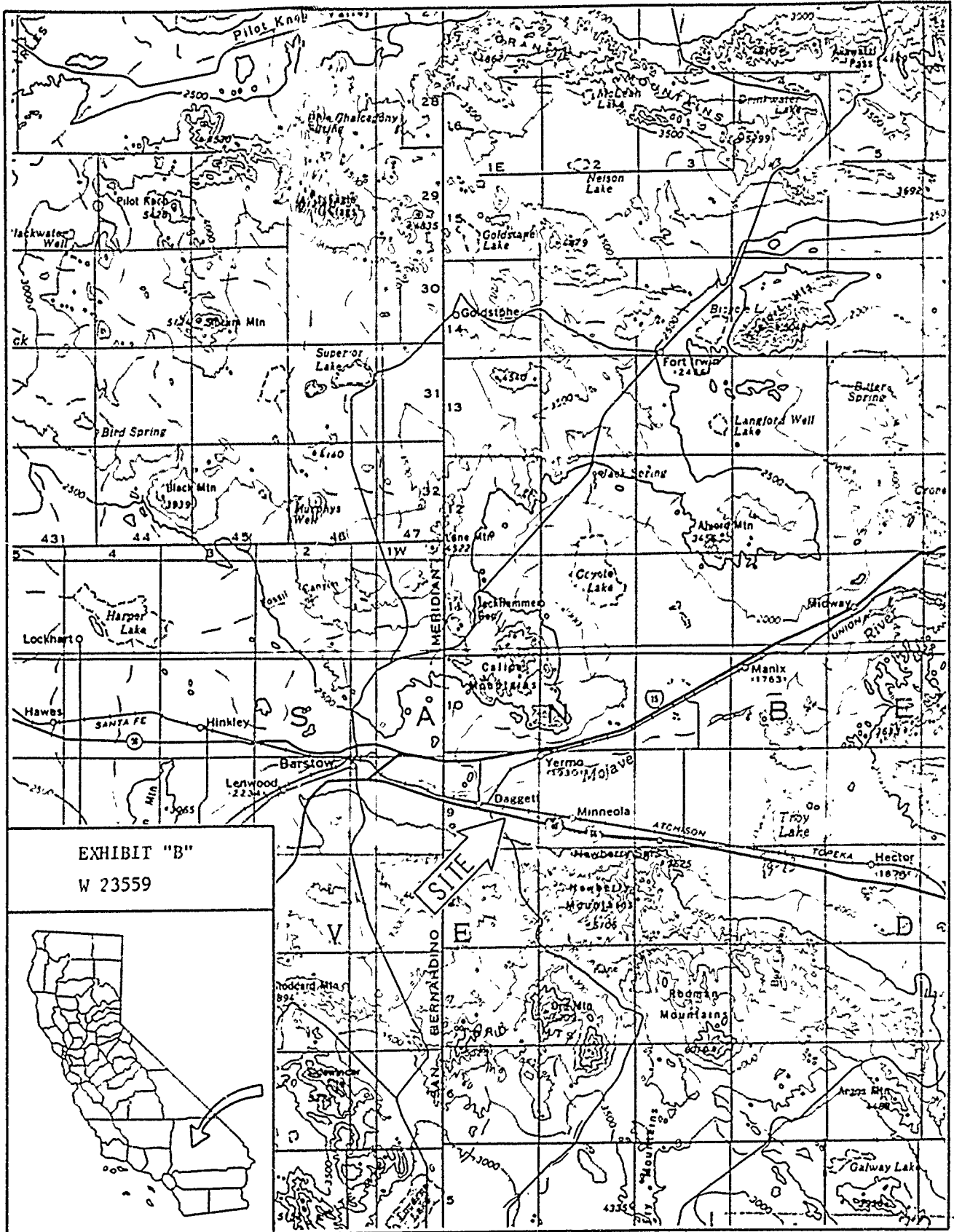


EXHIBIT "B"  
W 23559



EXHIBIT C

EIR/EIS EXECUTIVE SUMMARY

1.1 Introduction

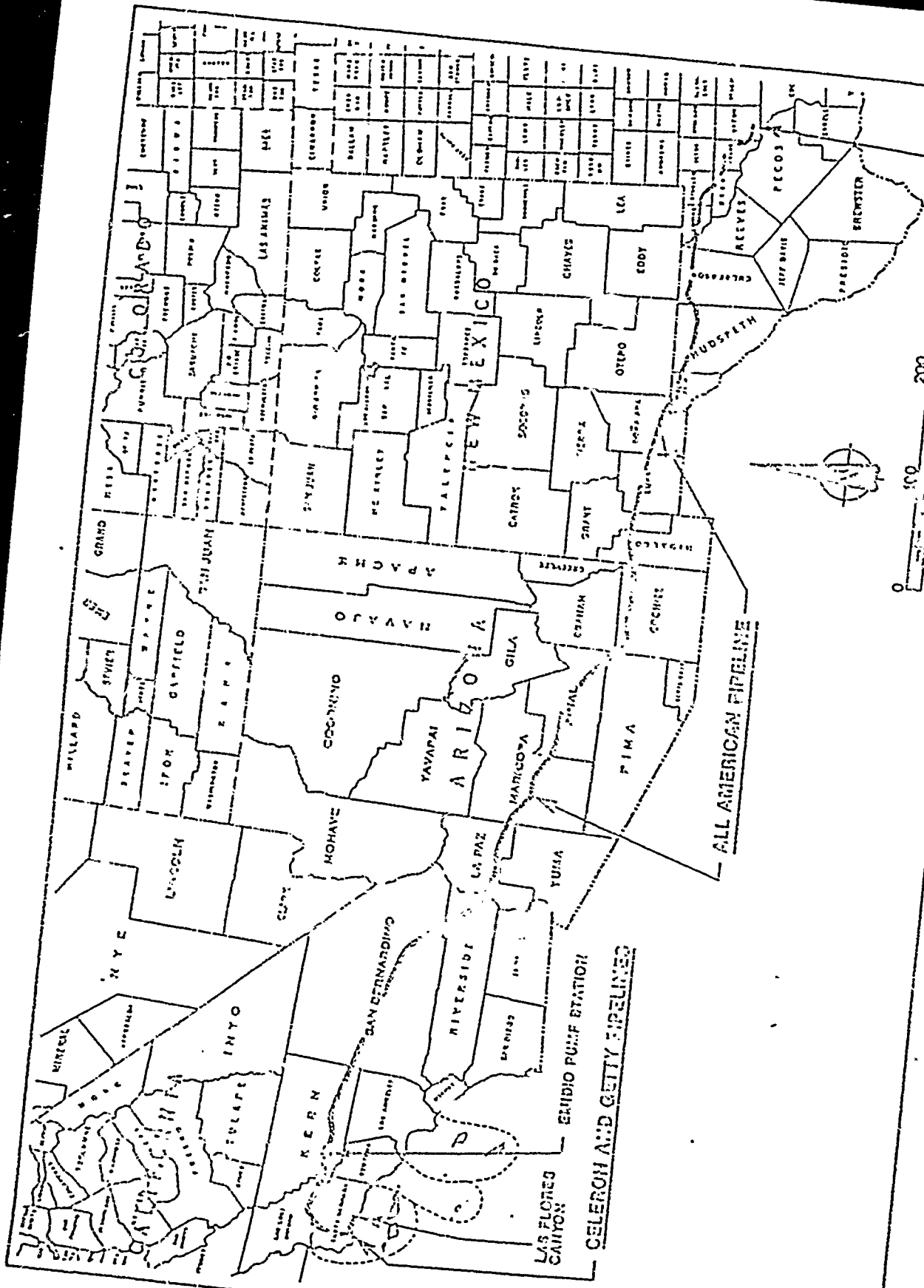
The Celeron/All American and Getty Pipeline Projects EIR/EIS is a joint document prepared for the California State Lands Commission (SLC); and the U.S. Department of the Interior, Bureau of Land Management (BLM). SLC is acting as lead agency pursuant to the California Environmental Quality Act (CEQA) and BLM, as lead agency pursuant to the National Environmental Policy Act (NEPA). SLC, BLM and Santa Barbara County have formed a Joint Review Panel (JRP) to direct the completion of this joint State and Federal document.

The Celeron/All American and Getty Pipeline projects are not dependent upon each other and either or both pipelines could be approved by the agencies independently of the other. Celeron/All American has applied for right-of-way permits from the BLM to cross Federal land managed by the BLM, Forest Service, Fish and Wildlife Service, Air Force, Army, and the Bureau of Reclamation, and from SLC for crossing land at the Colorado River.

Getty has applied for ROW permits from the BLM for crossing Federal lands managed by BLM; and by the Los Padres National Forest (LPRF) and for a Conditional Use Permit from Santa Barbara County. Both applicants must receive U.S. Army Corps of Engineers 404 Permits and various county and local permits. Since the two proposed projects are independent of each other, authorization of the two ROW applications is not an either/or situation. Each project must be reviewed and approved or denied on its own merits.

The two pipeline projects would transport Outer Continental Shelf (OCS) and other locally produced crude oil from the Santa Barbara and Santa Maria Basins to other crude oil transportation networks that serve refiners in the San Joaquin Valley, San Francisco, Los Angeles, and Gulf Coast areas. The Celeron/All American Pipeline would transport up to 300,000 barrels per day (BPD). The 1,200-mile, 24 to 30-inch pipeline would travel from Exxon's proposed Santa Ynez Unit processing facility in Las Flores Canyon, west of Santa Barbara, California, across the Sierra Madre Mountains to the Bakersfield, California area, then to Blythe, California, and across Arizona and New Mexico to the McCarty, Blythe area (Blythe-1). The Getty Pipeline would transport up to 200,000 BPD in a 20 to 30-inch pipeline from Getty's proposed Consolidated Coastal Facility at Gaviota, west of Santa Barbara (and 6 miles east of Las Flores Canyon), to the Bakersfield area (about 113 miles).

The two proposals have similar proposed right-of-ways (ROW) from the coast to a terminal facility at Emidio, southwest of Bakersfield. Therefore, they are being considered in the same document. Getty's Consolidated Coastal Facility was evaluated in an EIR prepared for Santa Barbara County and released for public review in July, 1984; that document is incorporated by reference into this EIR/EIS. Exxon's facility was also evaluated in an EIR/EIS prepared for the County, released for public review in April 1984, finalized in July 1984, and is incorporated by reference into this EIR/EIS.



MAP 1-1 REGIONAL SETTING

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Several pipeline routing alternatives were considered. The Santa Maria Canyon routes (one proposed by Getty and one by Celeron) are alternatives for crossing the Sierra Madre Mountains; the Desert Plan Utility Corridor is an alternative for crossing the California portion of the Mojave Desert; the Brenda route is an alternative around the Kofa National Wildlife Refuge (NWR); and the McCamey to Freeport route is an alternative from West Texas to the Gulf Coast. Single pipeline and no project alternatives were also evaluated. Alternatives considered but eliminated from detailed analysis included transportation alternatives of rail, truck, and other pipeline transportation developments and an alternate route across the Sierra Madre Mountains through Tunnel Canyon. The marine tanker alternative was studied in the Oil Transportation Plan for Santa Barbara County (ADL 1984) which is incorporated herein by reference.

## 1.2 Areas of Environmental Concern and Issues of Public Controversy

Comments on the Draft EIR/EIS identified several areas of environmental concern or issues of public controversy regarding the Celeron/All American and Getty proposals.

Areas of environmental concern include:

- o Potential oil spills (Celeron/All American and Getty).
- o Contamination of groundwater from an oil spill (Celeron/All American and Getty).
- o Burial depth of the pipelines at river crossings (Celeron/All American and Getty).
- o Effects on threatened or endangered species from pipeline construction (Celeron/All American and Getty).
- o Loss of the desert tortoise and its habitat from pipeline construction (Celeron/All American).
- o Crossing the Kofa National Wildlife Refuge (Celeron/All American).
- o Crossing or constructing the pipeline adjacent to Further Planning Areas within the Los Padres National Forest (Celeron/All American and Getty).
- o Crossing the California Desert Conservation Area (Celeron/All American).
- o The McCamey to Freeport Alternative (Celeron/All American).

Responses to these areas of concern are presented in Section 2.3 of this document.

Issues of public controversy centered on oil development and transportation in California. The following paragraphs summarize the



major areas of controversy with additional detail being provided in the responses to comments contained in Section 2.3. Areas of controversy include:

- o The volume of OCS crude oil that will need to be transported.
- o The final destination of crude oil to be shipped from Santa Barbara County and the San Joaquin Valley and the competition of other proposed pipeline projects in southern California.
- o Marine tanker transportation versus pipeline transportation of OCS crude oil.
- o Authorization of one or two crude oil pipelines between the Santa Barbara Coast and Enidie Station (see Preface).

The estimated volume of OCS crude oil that will need to be transported from the Western Santa Barbara Channel and Santa Maria Basin is currently unresolved. The California Department of Conservation (Comment 41-4) estimates that 274,000 BPD of crude oil will be produced, while the DPE/EIS estimated 500,000 to 600,000 BPD. The exact reserves and rates of production are not known because of the proprietary nature of these statistics within the industry. However, both Applicants have proposed a range of throughputs for their pipelines to accommodate a range of final OCS production.

The final destinations of OCS crude oil to be shipped through the proposed Celeron/All American and Catty pipelines and the volume of San Joaquin Valley crude oil to be shipped by Celeron/All American is also unresolved. Both these issues would be determined by the market place at the time the pipelines come online since both pipelines would operate as common carriers, accepting oil from any producer (pipeline capacity permitting). At times with other pipeline systems (Enidie, Cadiz, Wink, Crane, and McCassey), oil producers would have the option of directing their oil to refineries with existing capacity via other pipelines. Other proposed pipeline projects are presented in Table 2-7 in the DPE/EIS.

The transportation of OCS crude oil by marine tanker versus onshore pipeline is a controversial alternative. The issues concerning tanker and pipeline transport are oil spills that could affect recreation, sensitive marine and terrestrial resources, and the cost of that transportation. Uncertainty is associated with the cost estimates for the transportation of OCS crude oil. The tanker alternative was studied in detail in the Oil Transportation Plan for Santa Barbara County (ADL 1964). This EIR/EIS has reviewed studies that have analyzed the question of marine tanker transportation, and concludes at this time that oil can be moved to viable markets by pipeline at costs comparable to tankers.

### 1.3 Major Impact Conclusions

The Celeron/All American and Getty proposals have potential significant construction and operation impacts. Construction impacts would result primarily from the clearing, trenching, and backfilling construction activities, and by the presence and needs of the labor force. Operation impacts would result primarily from potential oil spills and leaks. Potential impacts have been analyzed in detail in Chapter 4 of the Draft EIR/EIS released in August 1984, and mitigation measures to be required of the Applicants are presented in Appendix 4.1 of this document. The impact summary tables summarize the significant impacts that would result from the construction and operation of the Celeron/All American and Getty proposals and the routing alternatives. This summary includes the committed (required) mitigation measures presented in Appendix 4.1; indicated numbers refer to the mitigation measures developed for each discipline. These tables also indicate whether impacts would still be significant following the implementation of mitigation measures (i.e., unavoidable adverse impacts).

### 1.4 Agency Preferred Alternative

Federal agencies are required by the Council on Environmental Quality's NEPA regulations (40 CFR 1502.15) to identify their preferred alternative for a project in the Draft and Final EISs prepared for the project. The preferred alternative is not a final agency decision; it is rather an indication of the agency's preliminary preference. The preferences identified below are those of the Federal lead agency; in the case of the LPNF, the preference was identified by the Forest Service and concurred by the BLM.

Construction of one or both of the proposed pipelines as mitigated in this document (rather than no action) is the Federal preferred alternative for both the Getty and Celeron/All American pipelines.

The preferred alternative through the LPNF is Santa Maria Canyon Alternative B. The Forest Service will require that both pipelines be constructed on a single ROW in order to minimize impacts. Because the alternative avoids further Plinian flows, there would be no impacts on wilderness potential. The alternative would have no impacts on National Forest land, and avoids degradation of stream channels. This alternative has the least disturbance to riparian vegetation and is farther away from gold eagle and prairie falcon nests found along Santa Maria Canyon Alternative A. This alternative offers the greatest potential for concealing the pipeline from public view and would have significantly better future visual conditions and Visual Quality Objectives (VQO) achievement levels than the Celeron/All American and Getty proposals or Santa Maria Canyon Alternative A.

The preferred alternative across the central Mojave Desert is the Applicant's proposed route rather than the Desert Plan Utility Corridor Alternative. A pipeline route through designated corridors would be nearly twice as long (191 miles rather than 114 miles), far more expensive to construct due to its length, and would result in more significant environmental impacts. For example, the alternative would

cross desert tortoise crucial habitat and an unstable slope area. Although both routes cross Wilderness Study Areas (WSA), the area crossed by the Applicant's proposal (the Palen/McCoy WSA) would be avoided by a slight realignment of the route, while no realignment is practicable around the Coxcomb Mountains WSA crossed by the Alternative. The Desert Plan alternative would also affect more known cultural sites and more sites considered eligible for the National Register of Historic Places.

The preferred alternative in western Arizona would be the Brenda Alternative, north of the Kofa National Wildlife Refuge. Brenda is slightly longer than the proposed route through Kofa, and its eastern 20-miles would not follow an existing right-of-way. However, new information received during the public review (see Letter 23, E. Linwood Smith and Associates) indicates that the wildlife impacts of the two routes would not be equal in degree, and that construction in Copper Bottom pass in particular (along the Kofa route west of the refuge) would seriously affect bighorn sheep. The Brenda route is over 2 miles from the nearest bighorn lambing grounds, not within one-quarter mile as stated by the draft EIS. Brenda avoids impairing BLM's New Water Mountains WSA by crossing to the north side of Interstate 10 for several miles east of Quartzite. These two considerations, a lower level of impact on wildlife and the ability to avoid impairment of the WSA, have resulted in modification of the preferred alternative from that identified in the DEIR/EIS.