

Initially, the MB Pipeline will transport less than 100,000 barrels of refined product (motor gasoline, diesel fuel or jet fuel) per day. It is designed, however, to transport up to 100,000 barrels of refined product and may later be used to transport LPG between the United States and Mexico.

II. Alternatives Considered

The Department considered several alternatives to the proposed MB Pipeline. These are described in detail in the final environmental assessment and in a summary fashion below:

Alternative 1: The "no action" alternative would involve continued transportation of refined products to the Brownsville terminal from Matamoros via tanker trucks. While this alternative would avoid the minor or temporary noise and air quality impacts associated with the construction of the MB Pipeline, truck transport is not the better alternative. Up to 50 tanker trucks of refined product might cross the border on a regular basis, resulting in (i) exhaust emissions of NO_x, CO, SO₂, VOC, and particulate matter that exceed that of pipeline transport; (ii) extra loads on busy highways and road bridges, (iii) transportation-related environmental degradation related to operation of a tanker truck fleet, including fueling and maintenance, and (iv) a continuous safety risk in a heavily urbanized area, including increased exposure to emissions, spills, and accidents during truck loading and unloading operations. If, as expected, the demand for cross-border shipments of product were to increase, the need for additional truck transport would result in greater impacts to the transportation infrastructure, public safety, and air quality. The added travel from existing tanker trucks would substantially increase the regional diesel exhaust burden, resulting in 15 to 37.5 tons per year of nitrogen oxides, and smaller amounts of other pollutants compared to the proposed MB Pipeline.

Alternative 2: A second alternative would involve the use of an existing 8 $\frac{5}{8}$ -inch OD POCC pipeline to transport refined products. POCC currently transports LPG through this pipeline, which could, however, be used to transport refined products. There is a second POCC pipeline which has a 6 $\frac{5}{8}$ -inch outer diameter and which runs parallel to the 8 $\frac{5}{8}$ -inch pipeline; this smaller pipeline is not currently being used. Prior to deciding to proceed with its application for authority to construct its own 10 $\frac{3}{8}$ -inch OD pipeline, PMI entered into negotiations with POCC on the use of its 8 $\frac{5}{8}$ -inch OD pipelines. The parties, however, were unable to

reach agreement on a framework for completing due diligence and negotiating a definitive contract.

In addition, PMI has determined that a 10 $\frac{3}{8}$ -inch OD pipeline is consistent with and allows for anticipated growth in demand for pipeline transportation in this system. Overall PMI anticipates a need for increased trans-border commerce, to provide better alternatives to manage Mexican product commercial surpluses and shortfalls. In fact, replacement of truck transport with installation of efficient transportation systems such as the proposed MB Pipeline will likely serve to accelerate the increase in trans-border commerce. Thus, the Department has concluded that utilization of the POCC pipeline is not a viable alternative because (i) the parties were not able to reach agreement on commercial terms on its use, and (ii) it would not fulfill the anticipated long-term needs for a more efficient and effective high-volume transportation system.

Other Alternatives: In 1999, the Department issued a FONSI for the POCC pipeline. In that FONSI, the Department considered three alternate routes for the proposed project: Route A ran to the east of Brownsville and Matamoros; Route B ran through downtown Brownsville directly into Matamoros; and Route C ran through the northern and western suburban portions of Brownsville. Each of these alternatives were set aside. Route A was set aside on environmental grounds; Routes B and C were set aside due to their proximity to residences. For these same reasons, these alternate routes are being set aside for the MB Pipeline.

III. Summary of the Assessment of the Potential Environmental Impacts Resulting From the Proposed Action

A. Impacts of Construction and Normal Operation of the Pipeline

i. Environmental Impacts: The final environmental assessment contains detailed information on the environmental effects of the MB Pipeline and the alternatives outlined above. In particular, the final environmental assessment analyzed the impacts of construction and normal operation of the pipeline on air and sound quality, topography, water resources, soils, mineral resources, biological resources, land use, transportation, socioeconomic resources, and recreation and cultural resources. Based on the detailed environmental assessment and information developed by the Department and other Federal and State agencies in the process of reviewing the

draft environmental assessment, the Department concluded that there would be (i) no impact to or on, among others, geology and topography, ground water, the Heritage status of the Rio Grande, wetlands, mineral resources, and recreation resources; (ii) insignificant, minor or temporary impact to or on, among others, noise, surface waters and canals, soils, protected biological resources, transportation, and land use; and (iii) net benefits to air quality through the elimination of exhaust emissions of CO, NO_x, VOCs, and particulate matter that are generated when tankers move fuel across the border. A more detailed analysis of each of these factors and their cumulative effects is provided in the final environmental assessment, as amended, to address issues raised by Federal and State agencies and the public.

ii. Environmental Justice/Socio-Economic Concerns: The environmental justice assessment for this project analyzed the impact of the potential human, health, socioeconomic, and environmental effects of the MB Pipeline on minority and low-income populations. The population of Cameron County is heavily minority, with outlying, less dense population areas of the county having higher percentages of minorities than the closer-in suburban areas to Brownsville. To the extent that minority and low-income populations reside in the vicinity of the MB Pipeline, they risk exposure to the insignificant, temporary and/or minor potential human health and environmental effects that are discussed in detail in the final environmental assessment and summarized above. These include temporary, minor construction related noise and threats to human safety due to fire or accidental product release. These risks, however, must be weighed against the benefits that would result from the removal of tanker trucks as the primary mode of refined product transportation. The removal of tanker trucks from roads, particularly border crossings, will increase safety at these highly sensitive locations and route refined products away from more populous areas of town while in transit. Also, emissions of hazardous air pollutants during loading operations within the Brownsville Matamoros airshed will be reduced. It is also worth noting that due to the overall makeup of the Brownsville metropolitan area, all of the alternatives for consideration, including the no-action alternative of tanker truck transport of gasoline and other refined products, will impact primarily low-income and minority