

maintenance of pipelines crossing international boundaries. See Executive Order 11423 of August 16, 1968, 33 FR 11741 (1968), as amended by Executive Order 12847 of May 17, 1993, 58 FR 29511 (1993). Valero Logistics LP ("Valero") has applied for a Presidential Permit to construct, connect, operate and maintain an 8⁵/₈ inch outer diameter pipeline ("the Dos Laredos Pipeline") at the U.S.-Mexico border. The pipeline will connect the Valero terminal in Laredo, Texas, with a newly-constructed Valero terminal in the state of Tamaulipas, Mexico. The U.S. portion of the project as described in the final Environmental Assessment consists of approximately 10.6 miles of new pipeline from the Valero terminal to a location on the Rio Grande known as "La Bota" in Laredo, approximately 6 miles northwest of downtown Laredo. The Mexican portion consists of approximately 1.5 kilometers of new pipeline from the Rio Grande crossing to the newly constructed Valero Nuevo Laredo terminal.

A significant portion of the route of the Dos Laredos pipeline will utilize existing utility rights of way and cleared fenceline, minimizing the amount of additional environmental impact. The routing has also been designed to avoid, to the maximum extent possible, populated areas of Webb County.

The Dos Laredos pipeline is being designed to transport up to 32,400 barrels (1.36 million gallons) of LPG daily from the U.S. to Mexico. Originally, the pipeline will service Valero's contractual obligation to supply 5,000 barrels a day to MGI Supply Limited, a subsidiary of Pemex-Gas y Petroquímica Básica, with capacity available for future expansion.

II. Alternatives Considered

The Department considered two routing alternatives and one modal alternative to the proposed Dos Laredos 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 delivery of LPG to Nuevo Laredo via tanker trucks. There are two possible options for this delivery.

The current delivery system involves trucks carrying LPG from the Three Rivers facility to Eagle Pass (approximately 160 miles), crossing the border at Eagle Pass to Piedras Negras, and offloading at a terminal on the Mexican side of the border. A Mexican fleet then transports the LPG the approximately 120 miles from Piedras Negras to Nuevo Laredo to customers.

A second delivery routing could occur after Valero constructs a new LPG terminal to the west of Nuevo Laredo (the planned terminus of the Dos Laredos Pipeline). In this case, tanker trucks would carry LPG approximately 120 miles from Three Rivers to Laredo, cross the border to Nuevo Laredo at the World Trade Bridge, and proceed to the terminal location, where again it would be offloaded for pickup by local service vehicles.

While these "no action" alternatives would avoid the minor or temporary noise and air quality impacts associated with the construction of the pipeline, truck transport is not a preferred alternative. An average of 24 tanker trucks carrying LPG to travel from Three Rivers across the border per day would be needed to meet Valero's contractual obligations. This would result in (i) exhaust emissions of nitrogen oxides (NO_x), carbon dioxide (CO₂), sulfur dioxide (SO₂), volatile organic compounds (VOC), and particulate matter (PM) that exceed that of pipeline transport; (ii) extra loads on busy highways and road bridges, (iii) transportation-related environmental degradation, such as noise impacts and water contamination related to operation of a tanker truck fleet, including fueling and maintenance, (iv) a continuing safety risk, including increased exposure to emissions, spills, and accidents during truck loading and unloading operations, and (v) a long-term commitment to moving these hazardous liquids through more heavily populated transportation corridors in Webb County, rather than through pipeline rights-of-way which have been situated in a way which minimizes potential impacts to existing and currently planned communities.

If, as expected over time, population growth in Northern Mexico creates additional demand for cross-border shipments of LPG, the need for additional truck transport would result in greater impacts to the transportation infrastructure, public safety, and air quality. The added travel from tanker trucks, assuming the shorter round trip directly between Three Rivers and Nuevo Laredo (as compared to the current round trip between Three Rivers to Nuevo Laredo through Eagle Pass/Piedras Negras) would produce a substantially higher regional diesel exhaust burden, resulting in emission of 63 tons per year of NO_x, 30 tons per year of CO₂, 11 tons per year of PM, 8 tons per year of VOC, and 2 tons per year of SO₂.

Alternatives 2 and 3: Alternatives 2 and 3 considered for the project involved pipeline routings that roughly

parallel the proposed route, to the north and south. The existing fencelines/utility corridors, and desire of local landowners not to have large tracts divided by a newly established pipeline corridor, limited the number of possible alternatives. Both routings would have also involved the laying of a new 8⁵/₈ inch diameter pipeline.

The northern alternative was viewed as not preferred because it required approximately 3 additional miles of pipeline, while not providing substantial relief from any of the impacts documented for the proposed pipeline route.

The southern alternative was also viewed as not preferred. While it required roughly the same pipeline distance as the proposal, it passed through industrial corridors along Killen Industrial Road and Mines Road prior to crossing the river. The existing development within these corridors would have made right-of-way much more difficult to obtain, in light of the City of Laredo's existing ordinance requiring a 25-foot setback between any pipeline and a structure. This ordinance makes siting much more practicable in an undeveloped corridor such as that found along the proposed route.

In addition, neither alternative routing provided avoidance or mitigation of any of the unavoidable impacts attributable to the selected corridor. For these reasons, the Department concluded that these alternate routes were not preferred alternatives.

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

The Final Environmental Assessment contains detailed information on the environmental effects of the Dos Laredos 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 the following:

i. *Environmental Concerns:* There will be no impacts to or on, *inter alia*,