

SECTION 1 – INTRODUCTION

1 1.1 PROJECT TITLE

2 Three Rivers Bouldin – Tyler Island Gas Pipeline Project

3 1.2 LEAD AGENCY NAME AND ADDRESS

California State Lands Commission (CSLC) 100 Howe Avenue, Suite 100-South Sacramento, CA 95825-8202	<u>Contact person:</u> Sarah Sugar, Environmental Scientist Division of Environmental Planning and Management, CSLC Sarah.Sugar@slc.ca.gov (916) 574-2274
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4 1.3 PROJECT APPLICANT NAME AND ADDRESS

Three Rivers Acquisition Co. LLC 755 West Covell Road, Suite 100 Edmond, OK 73003	<u>Contact person:</u> Terry L. Shyer (405) 562-9219
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5 1.4 PROJECT LOCATION

6 The proposed Three Rivers Bouldin-Tyler Island Gas Pipeline Project (Project) site is
7 situated within unincorporated areas of Sacramento and San Joaquin Counties,
8 California within the Bouldin Island and Isleton U.S. Geological Survey (USGS) 7.5-
9 minute quads; specifically, the Project area lies within Sections 7 and 8 of Township 3
10 North, Range 4 East, and Sections 5 and 6 of Township 3 North, Range 4 East, Mount
11 Diablo Base and Meridian.

12 Existing land uses within and adjacent to the Project include agriculture (corn [*Zea*
13 *mays*] production), recreation (fishing, hunting, and boating), and natural gas
14 exploration and production. The area surrounding the Project consists of privately and
15 publically owned lands. The city of Isleton is located approximately 2.53 miles northwest
16 of the Project, while the city of Rio Vista is located approximately 6.31 miles west. The
17 pipeline alignment would cross under both State Highway 12 and the Mokelumne River
18 (River). See Section 2 - Project Description for further details on the Project location.

19 1.5 ORGANIZATION OF INITIAL STUDY/FINAL PROPOSED MITIGATED 20 NEGATIVE DECLARATION (IS/MND)

21 This IS/MND is intended to provide the CSLC, as lead agency under the California
22 Environmental Quality Act (CEQA) (Pub. Resources Code, § 21000 et seq.), and other
23 responsible agencies with the information required to exercise their discretionary
24 responsibilities with respect to the Project. The document is organized as follows.

- 1 • **Section 1** provides the Project background, agency and applicant information,
2 Project objectives and necessary agency actions, and a summary of the public
3 review and comment process.
- 4 • **Section 2** describes the Project—including location, layout, equipment, and
5 facilities—and provides an overview of the Project’s operations and schedule.
- 6 • **Section 3** presents an analysis on a range of environmental issues identified in
7 the CEQA Initial Study Checklist. From this analysis, the following identifications
8 are made: (1) the existing setting for each issue; (2) the corresponding range of
9 impacts that may result, including no impact, less than significant impact, less
10 than significant impact with mitigation, or potentially significant impact; and (3) a
11 discussion of Project changes and/or mitigation measures that, if incorporated
12 into the Project, would mitigate or avoid potentially significant impacts, such that
13 no significant effect on the environment would occur. The CSLC conducted the
14 analysis pursuant to State CEQA Guidelines¹ section 15063.
- 15 • **Section 4** includes an environmental justice analysis and discussion consistent
16 with CSLC Environmental Justice policy.
- 17 • **Section 5** presents the Mitigation Monitoring and Reporting Program.
- 18 • **Section 6** presents information on report preparation and references.
- 19 • **Appendices.** The appendices include plans, data, and other information
20 submitted by the Applicant and analyzed in this IS/MND.
 - 21 ○ Appendix A: Construction Schedule
 - 22 ○ Appendix B: Operation, Maintenance and Emergency Response Plan
 - 23 ○ Appendix C: Cultural Resources Survey Report
 - 24 ○ Appendix D: Biological Assessment Report
 - 25 ○ Appendix E: Air Quality and Greenhouse Gas Emissions Technical Appendix
 - 26 ○ Appendix F: Geotechnical Report
 - 27 ○ Appendix G: Best Management Practices

28 **1.6 PROJECT BACKGROUND AND OBJECTIVES**

29 Three Rivers Acquisition Co. LLC (Three Rivers or Applicant) has proposed this Project
30 for the purpose of developing additional natural gas reserves in the State of California.
31 As described by Three Rivers, the Project objective is to transport previously identified
32 and partially developed natural gas reserves to an existing pipeline system that will
33 allow distribution of this natural gas to commercial markets.

34 The Project would involve construction of a natural gas pipeline to connect the Summit
35 Exploration (California), LLC (Summit) DW 8-1 natural gas well (DW 8-1 Well), located

¹ The State CEQA Guidelines are found in California Code of Regulations, Title 14, section 15000 et seq.

1 in the River Island Gas Field on Bouldin Island in San Joaquin County, to the existing
2 Towne Tyler Island Farms 5-2 natural gas well (5-2 Well) gathering line (5-2 Line),
3 located north of the River on Tyler Island, Sacramento County. The DW 8-1 Well was
4 drilled in 2007 by Stream Energy, Inc.; however, the well has remained idle since its
5 construction, as no pipeline is available to transport natural gas off of Bouldin Island. In
6 2010, Summit purchased the well, and Three Rivers is now proposing to construct a
7 pipeline with the capacity to transport natural gas from the DW 8-1 Well as well as from
8 any future natural gas development in the area. Three Rivers would own and operate
9 the pipeline, which is designed to have a capacity of 10,000 million cubic feet (McF) of
10 gas per day. The projected production rate for the DW 8-1 Well is 2,250 McF per day.

11 Proposed improvements include installation of a valve station on the south side of the
12 River and installation of the pipeline under both State Highway 12 and the River, using a
13 HDD bore. See Section 2 - Project Description for further details on the Project
14 construction.

15 **1.7 PUBLIC REVIEW AND COMMENT**

16 Consistent with the direction in State CEQA Guidelines sections 15072 and 15073, this
17 IS/MND was circulated to responsible and trustee agencies and to interested groups
18 and individuals for review and comment. The following entities submitted written
19 comments to the CSLC during the 30-day public review period:

- 20 • U.S. Army Corps of Engineers (USACE)
- 21 • California Department of Transportation (Caltrans)
- 22 • Central Valley Regional Water Quality Control Board (CVRWQCB)
- 23 • Central Valley Flood Protection Board (CVFPB)

24 The CSLC has considered these comments in preparing this Final Proposed MND.

25 **1.8 PERMITS, APPROVALS AND REGULATORY REQUIREMENTS**

26 The CSLC's authority is set forth in Division 6 of the California Public Resources Code
27 and it is regulated by the California Code of Regulations, Title 2, sections 1900–2970.
28 The CSLC has authority to lease sovereign lands held in the public trust, including
29 submerged lands in the Project area beneath the Mokelumne River. In addition to the
30 CSLC, the Project is subject to the review and approval of other federal, State and local
31 entities with statutory and/or regulatory jurisdiction over various aspects of the Project
32 (see Table 1-1).

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Table 1-1.
Federal, State, and Local Permitting Agencies

Permitting Agency		Anticipated Approvals and Regulatory Requirements
Federal	U.S. Army Corps of Engineers (USACE)	Clean Water Act Section 404 (under Nationwide Permit No. 12) Rivers and Harbors Act Section 10 Permit
	U.S. Fish and Wildlife Service (USFWS) National Marine Fisheries Service (NMFS)	Section 7 Consultation under Federal Endangered Species Act (if necessary)
State	California State Lands Commission (CSLC)	CEQA Compliance Application for Lease of State Lands
	California Department of Fish and Wildlife (CDFW)	Lake or Streambed Alteration Fish and Game Code sections 1600-1616 California Endangered Species Act
	California Department of Transportation (Caltrans)	California Streets and Highways Code sections 660-734 Encroachment Permit Transportation Permit (possible)
	Central Valley Flood Protection Board (CVFPB)	California Water Code section 8710 California Code of Regulations, Title 23 Application for CVFPB Encroachment Permit
	Central Valley Regional Water Quality Control Board (CVRWQCB)	Clean Water Act Section 401 Water Quality Certification
Local	Reclamation District # 563	California Water Code section 8710 California Code of Regulations, Title 23, sections 1 thru 93
	Reclamation District # 756	Consultation with CVFPB