



**Thruway
Authority**

**Canal
Corporation**

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Chair

ROBERT L. MEGNA
Executive Director

November 16, 2015

Marc Gerstman
Acting Commissioner
NYS Department of Environmental Conservation
625 Broadway
Albany, NY 12233

Subject: SEQR Lead Agency Coordination
Pilgrim Transportation of New York, Inc.
Pilgrim Pipeline Project

Dear Acting Commissioner Gerstman:

The New York State Thruway Authority (Authority) has received an application from Pilgrim Transportation of New York, Inc. (Pilgrim) to construct, operate and maintain two pipelines from Linden, New Jersey to Albany, New York, as depicted in the enclosed figure. Such application was submitted by Pilgrim's consultant, Spectra Environmental Group, Inc. The following provides the proposed project description that was submitted to the Authority for review:

"Pilgrim is proposing to construct, operate and maintain two new 169.89 mile-long pipelines (the mainline) in a single ditch that is about 6 feet deep and 6 feet wide. One of the pipelines would carry crude oil southbound from Albany, New York to one or more existing refineries and marine terminals in the vicinity of Linden, Carteret and Port Reading, New Jersey (collectively referred to herein as "Linden"): A second parallel pipeline would carry refined products (gasoline, diesel, heating oil, kerosene) northbound from Linden for delivery to existing terminals in Albany, New York and intermediate points in between. Each of two pipelines (the mainline) would be a maximum of 20 inches in diameter and capable of transporting approximately 200,000 barrels per day (bpd) . . . "

"In addition to the mainline pipeline, Pilgrim proposes to construct five laterals in New York to intermediate delivery points (existing terminals): the approximately 1.03 mile-long Buckeye Lateral (BL); 0.71 mile long IPT Product Lateral (IPTL); 0.33 mile-long Citgo and Apex Lateral (CAL); 7.01 mile-long Roseton Product Lateral (RPL); and the 4.44 mile-long Newburgh Product Lateral (NPL). Other Project facilities would include four pump stations and ten meter stations. Pilgrim would lease or purchase space in an existing facility for its operations center.

The majority (79 percent) of the mainline in New York would be located within the New York State Thruway Authority (NYS Thruway) right-of-way (ROW) and another approximately 7.5 percent of the mainline would be within or adjacent to other existing corridors (e.g. roads, utility, railroad). With the exception of the Harriman Pump

corridors (e.g. roads, utility, railroad). With the exception of the Harriman Pump Station, which would be adjacent to the NYS Thruway, the pump stations and meter stations would all be located at existing terminals or distribution facilities.

As part of construction, Pilgrim would lease space for seven contractor and pipe yards interspersed throughout the Project Area in New York. Pilgrim would construct the Project in five sections or "spreads." Numerous access roads are proposed to enable the delivery of supplies, equipment and workers to the pipeline spreads. To the extent possible, Pilgrim has identified existing roads for use, but would require some preparation of new access roads as well. A total of 35 access roads would be permanently maintained for access to Project facilities during operation, the balance of access roads would be restored generally to preconstruction conditions upon completion of Project construction."

Pilgrim's proposed activities would occur over an approximate 10 month period. The construction schedule is subject to the completion of all regulatory reviews, issuance of related approvals, and the granting of authorization relative to the occupation of the Authority's real property.

This project would be considered a State Environmental Quality Review Act (SEQRA) Type 1 action under 6 NYCRR Part 617. As Pilgrim's consultant has prepared and submitted to the Authority for its review a preliminary "Draft Environmental Impact Statement (DEIS)," the Authority is obligated to start the review process relative to the requested occupancy permit. The preliminary DEIS evaluates those alternatives considered with the associated environmental, social, and economic impacts.

Your agency has been identified as a potential involved agency in the SEQRA process due to your possible approval responsibilities within the project area. In addition, there are other agencies that may have project interest. These additional federal, state and local agencies would be identified as interested agencies. If you know of any potential interested agencies, please have them contact the Authority for listing. Project notifications should be made to all involved and interested agencies as appropriate.

Pilgrim is proposing much of the work will be on/within the Authority's property. Consequently, the Authority is considering SEQRA lead agency status for this project. Upon receipt of all necessary approvals, a decision on lead agency will be made once comments have been received and after the 30-day review period. If no other agency claims themselves as lead agency, designation of the Authority as lead agency may be necessary in order to initiate the environmental review process, which must be completed prior to the Authority's potential issuance of an occupancy permit and/or the possible conveyance of an interest in real property. The environmental review process, which will commence after lead agency status is established, will entail a thorough evaluation of all environmental and socio-economic considerations. Therefore, comments on the project documents are not being solicited at this time. During the environmental review process, pursuant to applicable regulations, all involved and interested agencies, the public and any interested stakeholders will have the opportunity to provide comments.

The preliminary DEIS and application for an Authority occupancy permit submitted by Pilgrim can be found on the enclosed compact disc and also online at: www.pilgrimpipeline.com.

Please indicate your agency's consent or desire to become lead agency by December 16, 2015. You may E-mail the Thruway Authority at: public.info@thruway.ny.gov. When responding, please use the subject line of: "Pilgrim Pipeline Lead Agency Reply" for reference purposes. A failure to respond using this subject line by December 16, 2015 shall be construed as an indication that your agency does not desire to become lead agency. Thank you.

Sincerely,



Robert L. Megna
Executive Director

Enclosure

cc: Federal Highway Administration (FHWA)
U.S. Army Corps of Engineers (USACE)
U.S. Fish and Wildlife Service (USFWS)
U.S. Department of Treasury – Bureau of Alcohol, Tobacco and Firearms
U.S. Department of Transportation (USDOT), Pipeline & Haz. Materials Safety Admin. (PHSMA), Office of Pipeline Safety (OPS)
New Jersey Department of Environmental Protection (NJDEP)
New Jersey Department of Transportation (NJDOT)
Pilgrim Transportation of New York, Inc.