UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION, THE CALIFORNIA STATE LANDS COMMISSION, AND THE BUREAU OF LAND MANAGEMENT

North Baja Pipeline, LLC

FERC Docket Nos. CP06-61-000 CP01-23-003 CA State Clearinghouse No. 2006081127 BLM Reference No. CACA-42662

NOTICE OF AVAILABILITY/COMPLETION OF THE DRAFT ENVIRONMENTAL IMPACT STATEMENT/REPORT AND DRAFT LAND USE PLAN AMENDMENT FOR THE PROPOSED NORTH BAJA PIPELINE EXPANSION PROJECT

(September 22, 2006)

The environmental staffs of the Federal Energy Regulatory Commission (FERC or Commission), the California State Lands Commission (CSLC), and the Bureau of Land Management (BLM) (Agency Staffs) have prepared the draft environmental impact statement/environmental impact report and draft land use plan amendment (draft EIS/EIR/plan amendment) to address North Baja Pipeline, LLC's (North Baja) proposed expansion of its natural gas pipeline system.

The draft EIS/EIR/plan amendment was prepared as required by the National Environmental Policy Act (NEPA), the California Environmental Quality Act, and the Federal Land Management and Policy Act. The purpose of this document is to inform the public and the permitting agencies about the potential adverse and beneficial environmental impacts of the proposed North Baja Pipeline Expansion Project (Project or proposed Project) and its alternatives, and recommend mitigation measures that would reduce the significant adverse impacts to the maximum extent possible, and, where feasible, to a less than significant level. The Agency Staffs have concluded that if the Project is constructed and operated in accordance with applicable laws and regulations, North Baja's proposed mitigation, and the Agency Staffs' additional mitigation recommendations, it would be an environmentally acceptable action.

The FERC is the lead Federal agency and will use the document to consider the environmental impacts that could result if it issues North Baja a Certificate of Public Convenience and Necessity and a Presidential Permit amendment under sections 7 and 3,

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respectively, of the Natural Gas Act. The CSLC is the lead State agency and will use the document to consider North Baja's application to amend its existing right-of-way lease across the State's Sovereign and School Lands in conjunction with the environmental impacts that could result from any part of the Project in California.

The BLM is participating as a cooperating agency in the preparation of this document because the Project would cross Federal land under the jurisdiction of the Palm Springs-South Coast, El Centro, and Yuma Field Offices. The Bureau of Reclamation (BOR) is also a cooperating agency in the preparation of this document because lands administered by the BOR would be crossed by the Project. Under section 185(f) of the Mineral Leasing Act of 1920, the BLM has the authority to issue Right-of-Way Grants for all affected Federal lands. The draft EIS/EIR/plan amendment will be used by the BLM to consider whether to amend North Baja's existing Right-of-Way Grant and issue Temporary Use Permits for the installation of approximately 67.4 miles of pipeline and ancillary facilities across Federal lands managed by the BLM, the BOR, and the U.S. Fish and Wildlife Service (FWS). The draft EIS/EIR/plan amendment will also be used by the BLM to consider amending the California Desert Conservation Area Plan (as amended), which would be necessary for pipeline construction outside of designated utility corridors, as well as amending the Yuma District Resource Management Plan, which would be necessary for pipeline construction across the Milpitas Wash Special Management Area.

The BLM proposes to adopt the draft EIS/EIR/plan amendment per Title 40 Code of Federal Regulations (CFR) Part 1506.3 to meet its responsibilities under NEPA and its planning regulations per Title 43 CFR Part 1610. The BLM will present separate Records of Decision for the Right-of-Way Grant and the plan amendments for the North Baja Pipeline Expansion Project after the issuance of the final environmental impact statement/environmental impact report and proposed land use plan amendment (final EIS/EIR/proposed plan amendment). The concurrence or non-concurrence of the BOR and the FWS would be considered in the BLM's decision.

The existing North Baja system is currently certificated by the FERC to transport 512,500 dekatherms per day (Dthd) of natural gas in a southbound direction. Once completed, the expanded system would be capable of transporting up to 2,932,000 Dthd (2,753 million standard cubic feet per day) of natural gas from planned liquefied natural gas (LNG) storage and vaporization terminals located on the Baja California coast in Mexico in a northbound direction for delivery to customers in California and Arizona. In addition to the new volumes from the LNG terminals, North Baja would continue to offer southbound gas transportation service for several existing shippers.

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The draft EIS/EIR/plan amendment addresses the potential environmental effects of the construction and operation of the following facilities proposed by North Baja:

- 79.8 miles of pipeline loop¹ (B-Line) adjacent to North Baja's existing pipeline (A-Line) consisting of 11.7 miles of 42-inch-diameter pipeline extending from the existing Ehrenberg Compressor Station at milepost (MP) 0.0 in La Paz County, Arizona to the existing Rannells Trap at MP 11.7 in Riverside County, California, and 68.1 miles of 48-inch-diameter pipeline extending from Rannells Trap to an interconnection at the U.S.-Mexico border at MP 79.8 in Imperial County, California;
- less than 0.1 mile (about 20 feet) of 36-inch-diameter pipeline (SoCal Gas Company [SoCal Gas] Interconnect) to connect the B-Line to the existing SoCal Gas system within the proposed Blythe Meter Station site at MP 0.5 in Riverside County;
- 0.6 mile of 10-inch-diameter pipeline lateral² (Blythe Energy Interconnect Lateral [BEI Lateral]) extending from the proposed Blythe Meter Station site to an interconnection with the existing Blythe Energy Facility I supply pipeline in Riverside County;
- 45.7 miles of 16-inch-diameter pipeline lateral (Imperial Irrigation District [IID] Lateral) extending from MP 74.5 of the B-Line near the existing Ogilby Meter Station to the existing IID El Centro Generating Station in Imperial County;
- modifications at its existing Ehrenberg Compressor Station and the existing
 Ogilby Meter Station to allow northbound flow of natural gas;
- metering modifications at its existing El Paso Natural Gas Company (El Paso) Meter Station at the Ehrenberg Compressor Station site to allow LNG-source gas to be delivered into the El Paso system;

¹A loop is a segment of pipeline that is usually installed adjacent to an existing pipeline and connected to it at both ends. The loop allows more gas to be moved through the system.

²A lateral pipeline typically takes gas from the main system to deliver it to a customer, local distribution system, or another interstate transmission system.

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- one meter station (Blythe Meter Station) in Riverside County to measure gas delivery from the North Baja system to SoCal Gas and the BEI Lateral;
- one odorant facility at the existing Ogilby Meter Station to odorize the natural gas before delivery into the SoCal Gas system;
- one meter station (El Centro Meter Station) at the existing IID El Centro Generating Station to measure gas delivery from the North Baja system to the IID;
- one tap where the IID Lateral would connect to the B-Line in Imperial County;
- three pig³ launchers;
- four pig receivers;
- nine remote manual valves with automatic shutdown capability on the B-Line, adjacent to the existing A-Line valve sites; and
- four remote manual valves with automatic shutdown capability on the IID Lateral.

Comment Procedures and Public Meetings

Any person wishing to comment on the draft EIS/EIR/plan amendment is encouraged to do so. To expedite the Agency Staffs' receipt and consideration of your comments, electronic submission of comments is strongly recommended. See Title 18 CFR 385.2001(a)(1)(iii) and the instructions on the FERC Internet website (www.ferc.gov) under the eFiling link and the link to the User's Guide. Before you can submit comments, you will need to create a free account by clicking on "Sign-up" under "New User." You will be asked to select the type of submission you are making. This type of submission is considered a "Comment on Filing." Comments submitted electronically must be submitted by **December 28, 2006.**

If you wish to mail comments, please mail your comments so that they will be received in Washington, DC on or before **December 28, 2006. Please carefully follow these instructions to ensure that your comments are received and properly recorded:**

³A pig is an internal tool that can be used to clean and dry a pipeline and/or to inspect it for damage or corrosion.

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• Send an original and two copies of your comments to:

Magalie R. Salas, Secretary Federal Energy Regulatory Commission 888 First St. NE; Room 1A Washington, DC 20426;

- Reference Docket Nos. CP06-61-000 and CP01-23-003;
- Label one copy of your comments for the attention of Gas 1, DG2E; and
- Send an additional copy of your letter to:

Tom Filler California State Lands Commission 100 Howe Avenue, Suite 100 South Sacramento, CA 95825

Your letter to the CSLC should reference CA State Clearinghouse No. 2006081127.

In addition to or in lieu of sending written comments, the FERC, the CSLC, and the BLM invite you to attend two public meetings the Agency Staffs will conduct in the Project area to receive comments on the draft EIS/EIR/plan amendment. **Both meetings will begin at 7:00 PM (PST)**, and are scheduled as follows:

<u>Date</u>	Location
Tuesday, December 5, 2006	Vacation Inn 2015 Cottonwood Circle El Centro, CA 92243 (760) 352-9700
Wednesday, December 6, 2006	Blythe City Council Chamber 235 North Broadway Blythe, CA 92225 (760) 922-6161

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These meetings will be posted on the FERC's calendar located at http://www.ferc.gov/EventCalendar/EventsList.aspx. Interested groups and individuals are encouraged to attend and present written or oral comments on the draft EIS/EIR/plan amendment. Transcripts of the meetings will be prepared.

After the comments are reviewed, any significant new issues are investigated, and necessary modifications are made to the draft EIS/EIR/plan amendment, a final EIS/EIR/proposed plan amendment will be published and distributed by the Agency Staffs. The final EIS/EIR/proposed plan amendment will contain the Agency Staffs' responses to comments timely received on the draft EIS/EIR/plan amendment.

Comments will be considered by the FERC, the CSLC, and the BLM, but will not serve to make the commenter a formal party to the proceeding. Any person seeking to become a formal party to the proceeding must file a motion to intervene pursuant to Rule 214 of the FERC's Rules of Practice and Procedure (Title 18 CFR Part 385.214).

Anyone may intervene in this proceeding based on the draft EIS/EIR/plan amendment. You must file your request to intervene as specified above. You do not need intervenor status to have your comments considered and responded to.

The draft EIS/EIR/plan amendment has been placed in the public files of the FERC and the CSLC and is available for public inspection at:

Federal Regulatory Energy Commission Public Reference Room 888 First St. NE; Room 2A Washington, DC 20426 (202) 208-1371

California State Lands Commission 100 Howe Avenue, Suite 100 South Sacramento, CA 95825 (916) 574-1938

The draft EIS/EIR/plan amendment is also available for viewing on the FERC and CSLC websites at the Internet addresses below.

www.ferc.gov

www.slc.ca.gov

⁴Interventions may also be filed electronically via the Internet in lieu of paper. See the previous discussion on filing comments electronically.

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A limited number of copies of the draft EIS/EIR/plan amendment are available from the FERC's Public Reference Room identified above. These copies may be requested in hard copy or as .pdf files on compact disk. In addition, copies of the draft EIS/EIR/plan amendment have been mailed to Federal, State, and local government agencies; elected officials; Native American tribes; affected landowners; local libraries and newspapers; intervenors to the FERC's proceeding; and other interested parties. Hard copies of the draft EIS/EIR/plan amendment can be viewed at the following libraries in the Project area:

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Yuma County Library District 350 3rd Avenue Yuma, AZ 85364 Imperial Public Library 200 W. 9th Street Imperial, CA 92251

Palo Verde Valley Library 125 W. Chanslorway Blythe, CA 92225 City of Rancho Mirage Public Library 42-520 Bob Hope Drive Rancho Mirage, CA 92270

El Centro Public Library 539 State Street El Centro, CA 92243

Glen Avon Library 9244 Galena Street Riverside, CA 92509

Hemet Public Library 510 E. Florida Avenue Hemet, CA 92543 Palo Verde District Library 701 Silver Spur Road Rollins Hills Estates, CA 90274

Holtville City Library 101 E. 6th Street Holtville, CA 92250

Additional information about the Project is available from the FERC's Office of External Affairs at **1-866-208-FERC** or on the FERC Internet website (www.ferc.gov) using the eLibrary link. Click on the eLibrary link, click on "General Search," and enter the docket number excluding the last three digits in the Docket Number field. Be sure you have selected an appropriate date range. For assistance, please contact FERC Online Support at FERCOnlineSupport@ferc.gov or toll free at 1-866-208-3676, or for TTY, contact (202) 502-8659. The eLibrary link on the FERC Internet website also provides access to the texts of formal documents issued by the FERC, such as orders, notices, and rule makings.

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In addition, the FERC now offers a free service called eSubscription that allows you to keep track of all formal issuances and submittals in specific dockets. This can reduce the amount of time you spend researching proceedings by automatically providing you with notification of these filings, document summaries, and direct links to the documents. To register for this service, go to the eSubscription link on the FERC Internet website.

Information concerning the involvement of the CSLC in the EIS/EIR process may be obtained from Tom Filler, Project Manager, at (916) 574-1938, or on the CSLC Internet website at www.slc.ca.gov.

Information concerning the proposed land use plan amendments and the involvement of the BLM in the EIS/EIR and plan amendment process may be obtained from Lynda Kastoll, Project Manager, at (760) 337-4421.

Magalie R. Salas Secretary