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STATE OF HAWAII RECEIVED
DEPARTMENT OF TRANSPORTATION

869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

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April 27, 1991

HAR-EP 9034.91

OFC. OF ENVIRONMENTAL
QUALITY CONTROL

TO: Brian Choy, Acting Director
Office of Environmental Quality Control

FROM: Edward Y. Hirata, Director
Department of Transportation *[Signature]*

SUBJECT: NEGATIVE DECLARATION - PACIFIC RESOURCES TERMINALS,
INC. - BLACK OIL LINE AT HILO HARBOR

In accordance with Chapter 343-5 (c), Hawaii Revised Statutes, we have reviewed the environmental assessment and determined that the action will not have a significant impact and therefore it is submitted as a Negative Declaration (NEG/DEC). We have enclosed four (4) copies of the NEG/DEC on the proposal and a completed OEQC form for publication in the OEQC Bulletin.

Should you have any question on the action, please contact Howard Miura of our Harbors Division at 548-2559.

Enc.

69

1991-05-23-HI-FEA

* BLACK OIL CONNECTION

FOR

PACIFIC RESOURCES TERMINALS, INC.

TERMINAL #1 *
700 KALANIANA'OLE STREET
HILO, HAWAII

PROPOSING AGENCY

PACIFIC RESOURCES TERMINALS, INC.
PRI Tower 733 Bishop Street
P.O. Box 3379
Honolulu, Hawaii 96842

APPROVING AGENCY

DEPARTMENT OF TRANSPORTATION
HARBORS DIVISION

AGENCIES CONSULTED

DEPARTMENT OF TRANSPORTATION
HARBORS DIVISION

April 16, 1991

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Figure 1.....	.Project Location
Figure 2.....	.Location Plan
Figure 3.....	.Plot Plan
Figure 4.....	.Terminal No. 1 Piping-General Layout

I. GENERAL DESCRIPTION

A. INTRODUCTION

Pacific Resources Terminal, Inc. (PRTI) operates two bulk petroleum storage and distribution terminals at 595 and 700 Kalaniana'ole Street in Hilo. The terminal at 700 Kalaniana'ole Street has three tanks in total. One is for the storage of diesel and two are for jet fuel, all holds a capacity of 10,000 barrels.

In 1987, 2 cargolines were installed connecting the bulk petroleum terminals with the piers 1 and 3 at Hilo Harbor. The cargolines are dedicated to diesel and black oil and are partially owned by PRTI; however, neither connects to either of the PRTI terminals. PRTI currently utilizes the black oil cargoline to convey product to a storage tank at the Unocal terminal. The diesel line is not yet used by PRTI.

PRTI is proposing to install an underground pipeline connecting the black oil cargoline to the PRTI terminal at 700 Kalaniana'ole St. (Terminal #1). The connection will be made to an existing 10,000 barrel tank. PRTI also is proposing to lay the underground piping for a future connection to the diesel cargoline. The project is expected to cost approximately \$200,000 and take approximately 6 months to complete.

The proposed project will take place in a Special Management Area (SMA) as defined by the Hawaii County Planning Commission.

B. OBJECTIVE

It is the primary objective of this project to connect an 8" black oil line from the existing 10" black oil line (jointly owned by a consortium of oil companies) to the PRTI terminal located at 700 Kalaniana'ole street. This 8" line will be installed in a 5 feet wide easement currently being sought from the State of Hawaii Department of Transportation, Harbors Division. A second objective, is to simultaneously lay the underground piping for a future connection to the diesel cargoline.

C. TECHNICAL CHARACTERISTICS

PRTI proposes to install approximately 900 linear feet of new 8" pipeline. This line will run from the jointly owned 10" cargoline, located between Shell Oil and Unocal terminals in Hilo, to the PRTI Terminal #1. The section connecting the consortium owned black oil line to the PRTI Terminal #1 will be underground within a five foot easement. All piping within terminal property will be installed aboveground, allowing for continual monitoring. Figure 1 depicts the project location, Figures 2 the Location Plan, Figure 3 the Plot Plan, and Figure 4 shows the terminal No. 1 Piping-General Layout.

The section of the cargoline where Unocal connects is near the proposed PRTI connection. To minimize disturbances to Unocal and eliminate fire hazards from field welding operations, the connection and approximately 80 linear feet of Unocal's 8" line will be fabricated beforehand and bolted into place after the site has been prepared. This will greatly minimize the time required to close down the pipeline and eliminate the need to perform "hot work" in the field.

Concurrently, with this proposed black oil pipeline installation, a second pipeline, may also be installed. This pipeline will run from the diesel cargoline to the boundary of the PRTI Terminal #1. This second pipeline will be installed underground, adjacent to the proposed black oil pipeline within the same easement. This second pipeline will not be connected at either end and will be blank flanged. Should PRTI decide to use this pipeline, connections will be made at a later date. One end will attach to an unused connection on the diesel cargoline, the other end will connect to an aboveground tank via aboveground piping within the terminal property. This will allow for a future connection, if desired.

Design and construction practices have been adopted to assure minimum environmental impact. These include:

- 1) Externally coated piping;
- 2) Cathodically protected piping; and
- 3) Isolation valves for this section.

Specifications for the pipeline construction will require complete radiographic inspection of girth welds. The weld for the entire girth joint will be radiographically inspected and interpreted.

The proposed pipelines will be hydrostatically tested at a pressure greater than 1.5 times the maximum operating pressure of the pipeline. Testing will be done prior to putting the line into service and annually thereafter. The test will be in accordance with DOT regulations. If any repairs are necessary following the initial testing, the lines will be retested before being placed into service.

The design and construction of the proposed pipelines in the easement will be based on standards approved and/or adopted by the state and the federal Government, as well as the petroleum industry. The standards provide for safe operation and maintenance of the pipelines. Standards presently adopted by the State include those outlined in the Department of Transportation Rules and Regulations, Title 49, Part 195; American National Standards Institute, United States of America Standards Institute; National Fire Protection Association; American Society of Mechanical Engineers; American Petroleum Institute and local regulations where applicable. Additional standards used by the Engineering Department of PRTI will be incorporated.

All work will be performed in accordance with OSHA regulations.

D. ECONOMIC CHARACTERISTICS

The economic characteristics of the proposed action will increase the availability of construction jobs during the installation period. Construction supplies, services, and equipment will be purchased in Hawaii resulting in the generation of State and County tax revenues. The proposed project will employ several construction trades and is estimated to cost approximately \$200,000.

This proposed project will also allow PRTI to receive and store product at their own terminal without incurring additional thru-put or lease expenses.

In addition, the pipeline will allow PRTI the capability to bunker ships at the piers, using the terminal for storage. Since Hilo depends heavily on shipping, this possible added source for bunkering would be another added benefit for the community.

E. SOCIAL CHARACTERISTICS

The proposed project will conform to the policies of the Special Management Area, protect the coastal resources from potential oil spills and pipeline leakages, and provide safe and efficient means for the off-loading of transportation and power generation fuels.

F. ENVIRONMENTAL CHARACTERISTICS

The proposed project will not have any significant effects on the environment. During the excavation and construction phase, there will be some air emissions from the actual construction. However, this shall be minimized by the use of good engineering and construction practices. The proposed project is compatible with the ambient commercial and industrial environment. Noise impacts will not be incompatible with the surrounding land uses and will occur only during daylight working hours from 7 AM to 5 PM.

PRTI has skilled personnel to avert a spill; however, in the unlikely event a spill should occur, PRTI has access to required equipment to control and mitigate its impact.

The proposed project will not endanger any marine or other wildlife. It will result in operations identical to the present usage of the area.

G. LAND USE

The proposed project is an industrial zoning area (M-G1A) and will require a five foot easement, along the length of the pipeline as shown in Figure 2. This new easement (and pipeline) will connect with the easement which connects Piers 1 and 3 and the other terminals. This easement is utilized by PRTI, Chevron USA, Inc., Union Oil, and Shell Oil, Inc. for petroleum transfer activities via pipelines. These companies all have bulk petroleum storage terminals in this area.

The 2010 MASTER PLAN FOR HILO HARBOR, May 1989 Harbors Division Department of Transportation shows the area directly adjacent to the easement will be developed as a Bulk and Breakbulk Cargo Transfer and Storage area. With the piping underground and away from the described activities, these two uses will be compatible.

This proposed project does not constitute a major change in the use of the easement nor is it incompatible with

the land use of the surrounding harbor area.

II. DESCRIPTION OF AFFECTED ENVIRONMENT

Figure 1 indicates the Hilo Harbor proposed project area. As described, the project will connect the PRTI terminal with the cargoline (which connect Piers 1 and 3 and the other terminals). Hilo Harbor is the principal commercial harbor on Hawaii and the majority of imported and exported commodities pass through it. The Harbor is controlled by the Department of Transportation, Harbors Division. Present activities in the harbor include provisions for the loading and off-loading of transportation and power generation fuels, food stuffs, agricultural products, consumer goods and other general cargo. Portions of the harbor are devoted to mooring of small, privately owned vessels and other portions of the harbor are utilized as recreational fishing areas. The area bordering the other side of the easement is presently used for bulk petroleum storage terminals.

Impacts to the project area environment could be caused by the excavation work, purging the lines of existing fuel oils, and the generation of dust, noise and solid waste. As noted above, construction activities will utilize standard construction techniques and procedures.

Excavation areas are limited to onshore areas that are sufficiently removed from the immediate shoreline such that excavated materials will not enter the harbor or surrounding offshore areas. Precautions will be taken to ensure that excavated materials are either disposed of at acceptable onshore locations or stored in locations sufficiently back from the shoreline to prevent their introduction into the State waters.

Fuel line purging will be performed prior to cutting existing lines to ensure that fuel spills do not occur. Fuel line cuts will be made in basins designed for this purpose. The basins will be immediately pumped out, if required, and the oils hauled to storage facilities for processing and storing.

Any required pipeline welding will be accomplished by trained experienced welders in compliance with applicable safety and environmental regulations. Welds will be radiographically X-rayed by specialists and will be performed in selective areas with proper protection. Hazards such as fire and fuel spills will be controlled by the use of accepted prevention equipment and techniques previously developed by the PRTI in their Operations Manual and the SPCC Plan.

Construction will be limited to daytime hours. The proposed project will not affect any species of rare, threatened or endangered plants or wildlife and will not affect any known archeological or historical sites of significance.

III. MAJOR IMPACTS AND ALTERNATIVES

A. IMPACTS

The major potential adverse environmental impacts that could result from the proposed project are:

- 1) spillage of oils remaining in the lines following purging,
- 2) dust and noise caused by construction activities;
- 3) the possible introduction of excavated materials into harbor and/or offshore waters; and
- 4) the potential for fire as a result of welding operations.

The major potential positive environmental impacts expected to result from the proposed project are increased purchases of construction services, supplies and materials in Hawaii, increased state and county tax revenues and improved oil transfer/storage services.

B. ALTERNATIVES

Alternatives to the proposed project are to use vehicles to deliver product to the terminal or "no action." The use of vehicles would require more steps in the transferring of product, increasing the possibility of a land/water spill, fire and environmental contamination. Pipelines have the best and safest record for the transfer of petroleum products.

The "no action" alternative would retain the present condition, suppressing any modernization efforts to the terminal. This alternative does not meet the objectives of the proposed action. Similarly, the alternative of "no action" not would result in the positive economic impacts. Terminal improvements will allow PRTI to become more efficient and economical in their activities. This would result in PRTI becoming more competitive, providing improved services to their customers and the community.

Both alternatives will decrease any economic and social benefits to the State which would otherwise be gained by

continuing with this project.

IV. PROPOSED MITIGATION MEASURES

A. CONSTRUCTION

Provisions will be made to minimize the temporary adverse effects of construction.

B. DESIGN

The piping will be externally coated, cathodically protected against corrosion, and isolation valves will be provided for this section.

C. OPERATIONS

The terminal has an approved Operations Manual (updated October 1989) and a Spill Prevention Control and Countermeasure Plan (SPCC) (updated February 1989). These documents include provisions for equipment/pipeline inspection, containment equipment, petroleum product transferring procedures, and other preventive measures. The documents also include procedures for emergencies such as leaking valves/ hoses, ruptured pipelines, and for reporting and containing oil discharges.

In the event of a pipeline leakage, PRTI will follow both the Operations Manual and the SPCC Plan. These plans include procedures for detection, shut-down, containment, cleanup and repair. Failures can be quickly detected by monitoring controls. PRTI is also a member of the Clean Islands Council having access to their expertise and equipment.

Due to the location of this part of the project, it is unlikely that any product will enter the State waters. However, since the pipeline will become part of the larger system these documents will need to be updated to include the new black oil line (and the diesel when it is put into use).

V. DETERMINATION

Based on the preceding sections, it is anticipated that the impacts as described by this proposed action are insignificant and will result in no significant adverse impacts. As a result, a Negative Declaration is recommended.

VI. FINDINGS AND REASONS SUPPORTING DETERMINATIONS

A. FINDINGS

The effect of the project upon the environment has been determined to be insignificant. The proposed project, as described will not:

1. Involve an irrevocable commitment to loss or destruction of any natural or cultural resource;
2. Curtail the range of beneficial uses of the environment;
3. Conflict with the state's long-term environmental policies or goals and guidelines as expressed in chapter 344, Hawaii Revised Statutes, and any revisions thereof and amendments thereto, court decisions or executive orders;
4. Substantially affect the economic or social welfare of the community or State;
5. Substantially affect public health;
6. Involve substantial secondary impacts, such as population changes or effects on public facilities;
7. Involve a substantial degradation of environmental quality;
8. Is individually limited but cumulatively has considerable effect upon the environment or involves a commitment for larger actions;
9. Substantially affect a rare, threatened or endangered species, or its habitat;
10. Detrimentially affect air or water quality or ambient noise levels; or
11. Affect an environmentally sensitive area such as a flood plain, tsunami zone, erosion-prone area, geologically hazardous land, estuary, fresh water, or coastal waters.

B. REASONS

This project will have beneficial economic and social effects for the State. It is compatible with the locality and appropriate to the physical conditions and capabilities of the area. Any adverse environmental impact resulting from the project has been determined to be insignificant from past experience of similar projects. The applicant will be responsible for and comply with all applicable statutes, ordinances, and rules of the federal, state, and county governments.

COMMENTS

Due to the nature and scope of the project, along with the present land use, it is not anticipated that this project will result in any irreversible and/or irretrievable commitment of resources.

Based on the preceding description of this project and the present land use, it is anticipated that the impacts of this project are insignificant and will not result in any unavoidable adverse environmental impacts.

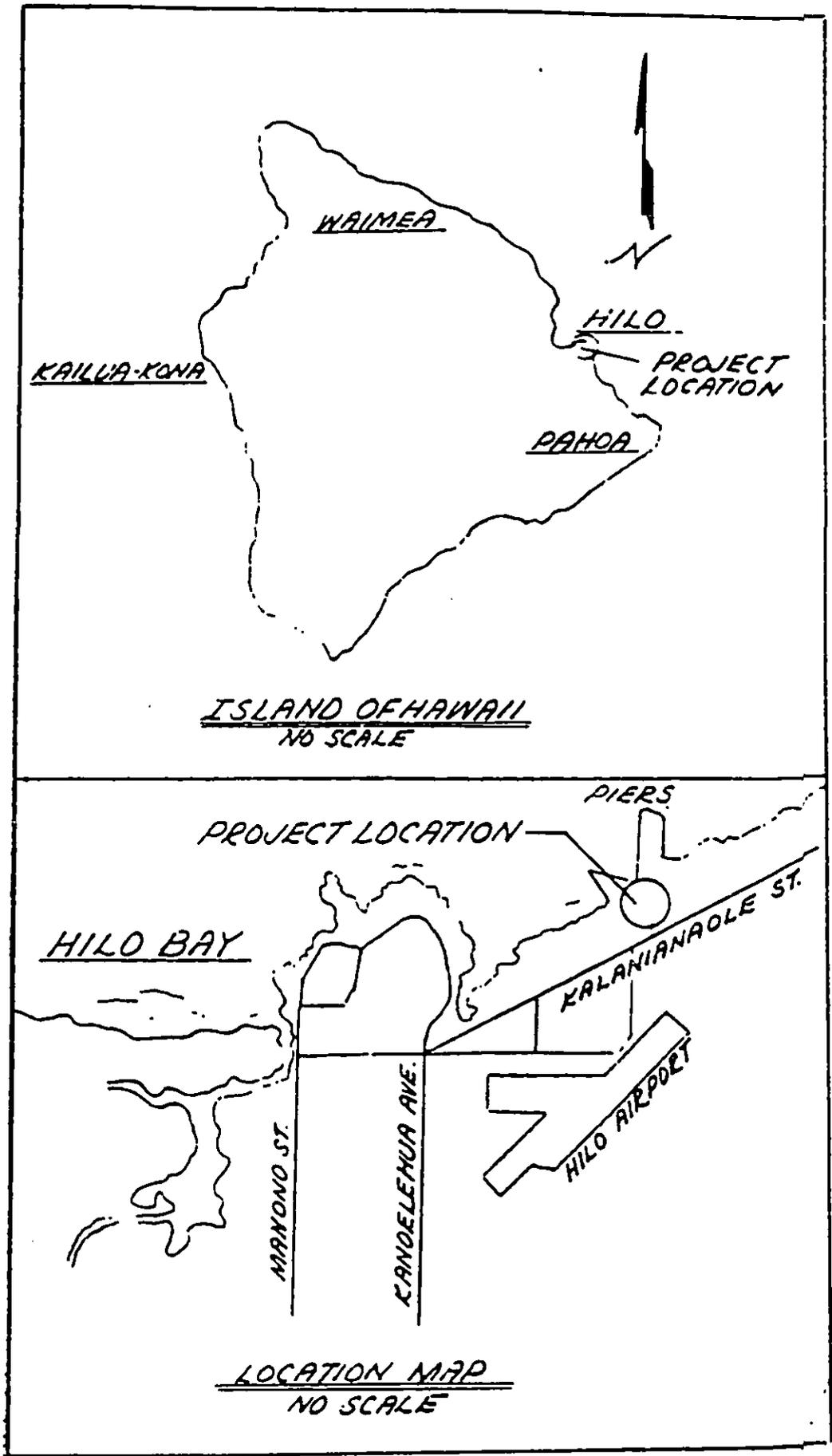
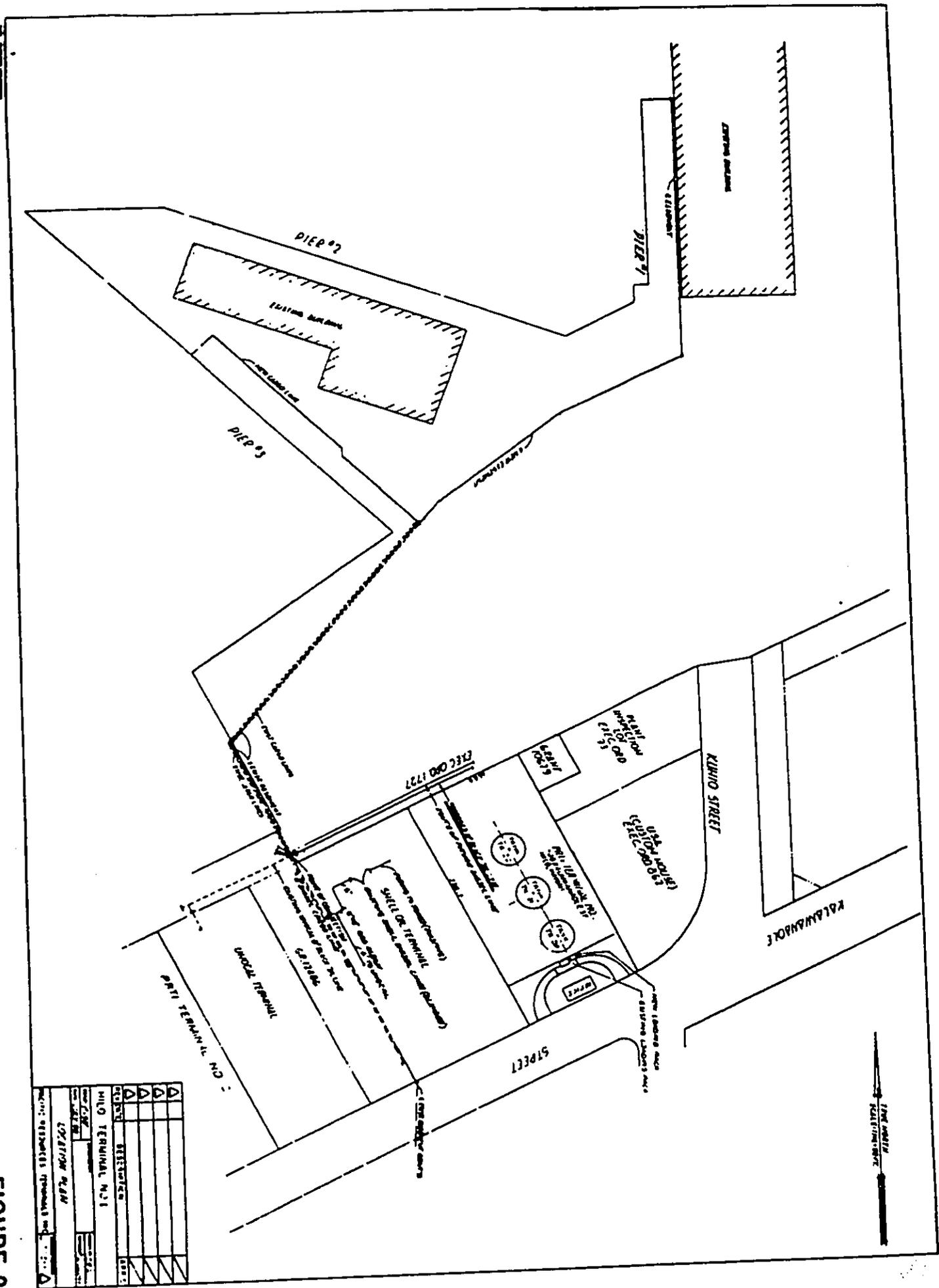
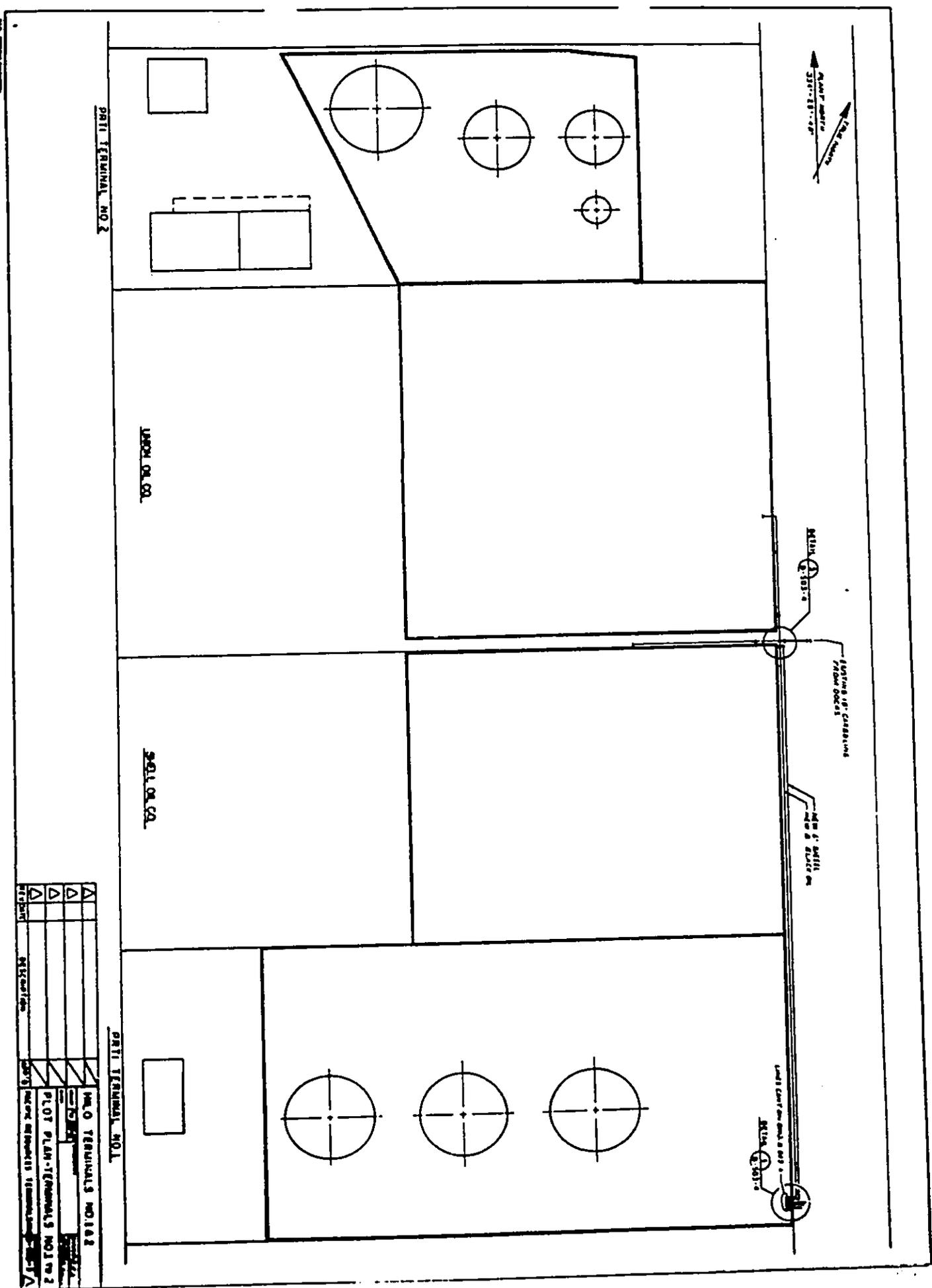


FIGURE 1



NO.	DESCRIPTION	DATE	BY
1	SHIP CRANE NO. 1		
2	SHIP CRANE NO. 2		
3	SHIP CRANE NO. 3		
4	SHIP CRANE NO. 4		
5	SHIP CRANE NO. 5		
6	SHIP CRANE NO. 6		
7	SHIP CRANE NO. 7		
8	SHIP CRANE NO. 8		
9	SHIP CRANE NO. 9		
10	SHIP CRANE NO. 10		
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33	SHIP CRANE NO. 33		
34	SHIP CRANE NO. 34		
35	SHIP CRANE NO. 35		
36	SHIP CRANE NO. 36		
37	SHIP CRANE NO. 37		
38	SHIP CRANE NO. 38		
39	SHIP CRANE NO. 39		
40	SHIP CRANE NO. 40		
41	SHIP CRANE NO. 41		
42	SHIP CRANE NO. 42		
43	SHIP CRANE NO. 43		
44	SHIP CRANE NO. 44		
45	SHIP CRANE NO. 45		
46	SHIP CRANE NO. 46		
47	SHIP CRANE NO. 47		
48	SHIP CRANE NO. 48		
49	SHIP CRANE NO. 49		
50	SHIP CRANE NO. 50		

FIGURE 2



NO.	TERMINAL NO.	PLANT	STATUS
1	NO. 1	PLANT	✓
2	NO. 2	PLANT	✓
3	NO. 3	PLANT	✓
4	NO. 4	PLANT	✓
5	NO. 5	PLANT	✓
6	NO. 6	PLANT	✓
7	NO. 7	PLANT	✓
8	NO. 8	PLANT	✓
9	NO. 9	PLANT	✓
10	NO. 10	PLANT	✓
11	NO. 11	PLANT	✓
12	NO. 12	PLANT	✓
13	NO. 13	PLANT	✓
14	NO. 14	PLANT	✓
15	NO. 15	PLANT	✓
16	NO. 16	PLANT	✓
17	NO. 17	PLANT	✓
18	NO. 18	PLANT	✓
19	NO. 19	PLANT	✓
20	NO. 20	PLANT	✓
21	NO. 21	PLANT	✓
22	NO. 22	PLANT	✓
23	NO. 23	PLANT	✓
24	NO. 24	PLANT	✓
25	NO. 25	PLANT	✓
26	NO. 26	PLANT	✓
27	NO. 27	PLANT	✓
28	NO. 28	PLANT	✓
29	NO. 29	PLANT	✓
30	NO. 30	PLANT	✓
31	NO. 31	PLANT	✓
32	NO. 32	PLANT	✓
33	NO. 33	PLANT	✓
34	NO. 34	PLANT	✓
35	NO. 35	PLANT	✓
36	NO. 36	PLANT	✓
37	NO. 37	PLANT	✓
38	NO. 38	PLANT	✓
39	NO. 39	PLANT	✓
40	NO. 40	PLANT	✓
41	NO. 41	PLANT	✓
42	NO. 42	PLANT	✓
43	NO. 43	PLANT	✓
44	NO. 44	PLANT	✓
45	NO. 45	PLANT	✓
46	NO. 46	PLANT	✓
47	NO. 47	PLANT	✓
48	NO. 48	PLANT	✓
49	NO. 49	PLANT	✓
50	NO. 50	PLANT	✓

FIGURE 3

