



## Arizona Clean Fuels Yuma

November 22, 2005

Office of Electricity Delivery and Energy Reliability  
Room 8H-033  
U.S. Department of Energy  
1000 Independence Avenue, S.W.  
Washington, DC 20585

### RE West-wide Energy Corridor Programmatic EIS

Arizona Clean Fuels Yuma is pleased to provide comments for the process of creating federally designated utility corridors as part of the Energy Policy Act of 2005. We are in the process of developing a new oil refinery in southwest Arizona, along with associated interconnecting pipelines and power lines. Our project would benefit from federal designated corridors for these proposed interconnections. In particular, we are interested in corridors that include routes across military reservations, and more specifically across the Barry M. Goldwater Range (Range) in southwest Arizona. We are also interested in including the Interstate 8 corridor running east and west.

Our refinery will be the first built in the United States in more than 30 years and will contain the world's most modern technology. The development of this project, at a minimum, requires a pipeline connection to oil supplies, or a port, in Mexico. Arizona Clean Fuels Yuma and its partners have recently made application to the Bureau of Land Management for a Grant of Right-of-way to cross federal lands in the United States with a crude oil pipeline. The environmental permitting process is underway and alternatives for routing the pipeline are being examined. Some of the current alternatives will cross the Range on the western side and follow a north and south alignment. At least one alternative will avoid the Range on the west near Yuma.

The route alternatives are under review and are being refined, and we are eager to include any relevant alternative in the federal process initiated by your team. Please find the attached fact sheet that summarizes some details about the project and depicts the proposed location. We urge the project team working on the corridors to engage us directly as routes are developed to ensure that our alternatives are part of the study.

We believe the designation of federal corridors in southwest Arizona, is in the public interest. We urge the project team to create corridors with the following features:

1. Provide corridors across military bases and reservations.
2. Provide a corridor sufficiently wide enough to allow site specific siting and placement of a pipeline and all ancillary facilities.
3. Provide a corridor that is sensitive to topographic and geographic features relevant to pipeline construction, operation, and maintenance.
4. Prevent incompatible uses that would displace or conflict with the intended use.

5. Prevent competing interests from locking out a legitimate user.
6. Provide a simple approval process that will address minor corridor modifications in response to specific proposals.
7. Sufficiently examine resources within corridors to ensure compliance with the National Environmental Policy Act (NEPA), so that specific proposals will be accomplished as categorical exclusions or environmental assessments.
8. Allow modifications to facilities within corridors through the preparation of categorical exclusions or without federal action.
9. Allow perpetual entitlements once approved.

We believe that our project is precisely the type of project contemplated within the Energy Policy Act of 2005 that is worthy of public and agency support. We are pleased to see the activities being performed on this corridor designation effort and are interested in participating throughout the process.

Please keep us involved directly and inform us regularly on information.  
Sincerely,



Glenn McGinnis  
CEO - Arizona Clean Fuels Yuma

CC: David Treanor  
David Smith

INSERT Fact Sheet

## FACT SHEET

Arizona Clean Fuels Yuma, LLC is proposing the construction, operation, and maintenance of a new refinery to be located in Yuma County, Arizona. Specifically, the refinery would be located 40 miles east of Yuma along the north side of Interstate-8, near the community of Wellton.

### PURPOSE AND NEED

- To bring additional supply to the Southwest's and the nation's petroleum products markets
- To combat the loss of refining capacity in the Western hemisphere
- To provide refining capacity to handle lower-grade crude oil
- To produce cleaner fuel for existing and future emission standards

### DESCRIPTION

Refinery:

- Will cost approximately \$2.5 billion
- Will convert 150,000 barrels of crude oil and feedstocks into 7 million gallons gasoline, diesel, and jet fuel each day of operation
- Will require approximately 400 acres of a proposed 1,500 acre site
- Will employ approximately 600 people
- Has received a Class I Operating Permit from the Arizona Department of Environmental Quality

Pipeline:

- Will cost approximately \$500 million
- Will carry crude oil transported into Yuma from a port on the Pacific Ocean or through a port on the Gulf of California in Mexico
- Will require National Environmental Policy Act (NEPA) compliance

### SCHEDULE

- Permitting completed by the end of 2006
- Construction will take place from approximately 2007 to 2009

### POINTS OF CONTACT

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