



## Seven County Infrastructure Coalition Conceptual Corridor Feasibility Summary

### GENERAL INFORMATION

**Corridor Name:** Natural Gas Pipeline to Green River

**Infrastructure Type:** Gas Delivery

**Located in Counties:** Emery, Grand

#### **Describe the corridor location, background, and general setting:**

Green River has no existing natural gas lines. The proposed natural gas pipeline corridor (10-inch) traverses from the Greentown Plant (Floy Exit), operated by Pacific Energy, to Green River City, following the Ruby Ranch Road to the UMTRA water pipeline (old Highway 6) corridor. Gray Canyon Energy (Iron Fox Refining) has proposed to feed natural gas to their upgrade facility located east of Green River City and would be the private partner for this project. Gray Canyon has submitted application and kicked-off the NEPA process for the project.

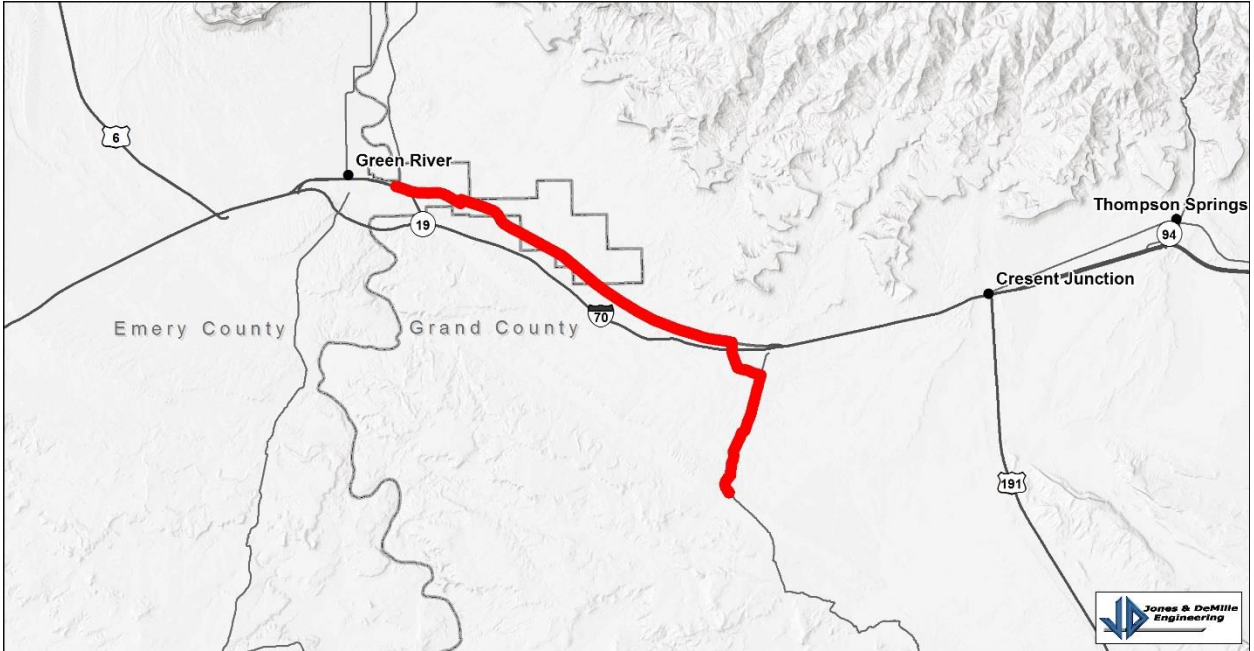
Natural Gas to Green River City has historically been uneconomic with gas supply traversing from Wellington, Utah. Pacific volumes backed by existing Greentown interconnect to Northwest Pipeline (Williams) provide adequate supply. NEPA work being completed for extension into Green River City. Proposed and defined route crosses 13 miles of federal managed surface and 1 mile of State of Utah/private managed surface presently terminating 4 miles east of Green River on private surface.

Project employment would be low and consist of 20 pipeline workers primarily from outside the coalition area and one full-time operator position.

#### **Previous Studies:**

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**Location:**



**GOAL 1: COOPERATIVE REGIONAL PLANNING**



Gray Canyon Energy would fund the bulk of the project, but there is little corridor efficiency to the project. Only one Coalition county will benefit.

**Infrastructure Type:** Gas Delivery \_\_\_\_\_

**Benefitting Counties:**

Carbon	_____
Daggett	_____
Duchesne	_____
Emery	<b>X</b> _____
San Juan	_____
Sevier	_____
Uintah	_____
Other:	Grand _____

**Meets Mineral Lease Funding Criteria:**

Planning	_____
Public Facilities	<b>X</b> _____
Public Services	_____

**Needs Addressed:**

Deliver natural gas to Green River.

**Corridor Efficiency:**

Limited potential for additional efficiency but route could eventually serve to interconnect water for other industrial purposes near Floy. Corridor sized at 10-inch to promote additional industry in and around Green River City and accommodate a reasonable expansion volume for Gray Canyon Energy.

**Possible Investors:**

Gray Canyon Energy would fund the bulk of the project providing natural gas to their proposed upgrade facility.



**Public Support:**

Controversial	_____
Low Support	_____
Somewhat Supportive	<b>X</b>
Supportive	_____
Highly Supportive	_____

**Public Support Comments:**

## Goal 2: Increased Economic Opportunity



The natural gas pipeline to Green River and surrounding area will reduce overall community energy costs and promote further economic development within Emery County through lower energy costs and improved energy infrastructure. Emery County will receive indirect benefits such as increased tax base and downstream economic developments to Emery County and Green River City.

Costs and revenues are dependent upon terms of Pacific purchase agreement and reasonableness of cost to Green River City. This project has a high up-front cost with indirect and very limited revenue potential. Costs were calculated with the Costing Tool created for the Coalition. Revenue was calculated by HDR.

<b>Total Probable Cost</b>	<b>Most Likely</b>	<b>\$30,100,000</b>
	Minimum	\$21,100,000
	Maximum	\$45,200,000
<b>Annual O&amp;M Costs</b>	<b>Most Likely</b>	<b>\$280,000</b>
	Minimum	\$195,000
	Maximum	\$420,000
<b>Direct Revenue</b>	<b>Most Likely</b>	<b>\$800,000</b>
	Minimum	\$300,000
	Maximum	\$1,600,000
<b>Return on Investment (ROI)</b>	Upper Bound	6.7 %
	Upper 75%	3.8 %
	<b>Most Likely</b>	<b>1.7 %</b>
	Lower 25%	0.8 %
	Lower Bound	-0.6 %

### Goal 3: Sustainable Implementation



Proposed alignment follows existing corridors that minimizes impacts to known cultural, paleontological and biological (Kit Fox, Burrowing Owl, Cisco Milkvetch and raptor) resources with inventories complete while greatly reduces energy costs and promotes other economic developments and existing infrastructure in Green River City and Emery County.

Also, the delivery of natural gas will reduce residential use of home heating oils for better air quality.

The components of sustainability have been ranked in reference to the following scale:

- 5 Significant Positive Effect
- 2 Moderate Positive Effect
- 1 Slight Positive Effect
- 0 No Significant Effect
- 1 Slight Adverse Effect
- 2 Moderate Adverse Effect
- 5 Significant Adverse Effect

**Land Use Adherence:**

1	Slight Positive Effect
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**Public Health and Safety:**

5	Significant Positive Effect
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**Land Procurement:**

0	No Significant Effect
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**Jobs and Economy:**

2	Moderate Positive Effect
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**Cultural Resources:**

1	Slight Positive Effect
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**Energy:**

2	Moderate Positive Effect
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**Water:**

0	No Significant Effect
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**Transportation:**

0	No Significant Effect
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**Education:**

0	No Significant Effect
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**Natural Lands:**

0	No Significant Effect
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**Outdoor Recreation:**

0	No Significant Effect
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**Agriculture:**

0	No Significant Effect
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