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KO-300 (KHiatt)

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United States Department of the Interior

BUREAU OF RECLAMATION
Klamath Basin Area Office
6600 Washburn Way
Klamath Falls, Oregon 97603-9365



JUL - 9 2010

MEMORANDUM

To: State Director, Bureau of Land Management, 1340 Financial Blvd., Reno, NV 89502
Attn: Ron Wenker

From: Susan M. Fry
Area Manager

Subject: Concurrence Relating to the Bureau of Land Management's Record of Decision and Issuance of Right-of-Way Grant and Temporary Use Permit No. NVN-084650 for the Ruby Pipeline Project

This memorandum is in reference to the Bureau of Land Management's (BLM) Record of Decision (ROD) and issuance of Right-of-Way Grant (Grant) and Temporary Use Permit (TUP) No. NVN-084650 for the Ruby Pipeline Project (Project). Pursuant to Section 28 of the Mineral Leasing Act of 1920 and 43 CFR 2800, the BLM is authorized to grant or renew rights-of-way or permits for the Project through Federal lands.

Ruby Pipeline, LLC proposes to install approximately 675 miles of 42-inch diameter natural gas pipeline in portions of Wyoming, Utah, Nevada, and Oregon. The purpose of the Project is to provide a reliable means of natural gas transportation from suppliers in the Rocky Mountain region to consumers in Nevada, Washington, Oregon, and northern California.

Since November 7, 2008, the Bureau of Reclamation has been a cooperating agency in the development of the Final Environmental Impact Statement (EIS) for the Project. The lead agency responsible for the development of the EIS is the Federal Energy Regulatory Commission (FERC). Reclamation participated in the development of the EIS, associated environmental analysis processes, and the preparation of the Plan of Development (POD) for the Project. The proposed Project crosses approximately 3.5 miles of withdrawn land and an easement under Reclamation's jurisdiction. The Project also includes the potential use of 33.66 acres of temporary workspace and 7.11 acres of temporary access roads on withdrawn lands under Reclamation's jurisdiction.

Reclamation's Klamath Basin Area Office reviewed BLM's proposed action to issue a Grant and TUP for the Project, and has analyzed the associated impacts to Reclamation lands, facilities, and waterbodies. Therefore, Reclamation concurs with BLM's decision to issue the Grant and TUP

for the Project. This concurrence is supported by the analysis documented in FERC's Ruby Pipeline Project Final EIS.

To ensure conformance with Reclamation standards, the following stipulations must be appended to the Grant and TUP to allow construction of the Project on withdrawn lands under Reclamation's jurisdiction:

The Grantee must:

- 1) Comply with 43 CFR 423, 43 CFR 429, and LND 08-01 of Reclamation Manual Directives & Standards.
- 2) Follow standards as outlined in Reclamation's Engineering and O&M Guidelines for Crossings: Bureau of Reclamation Water Conveyance Facilities (Canals, Pipelines, and Similar Facilities), dated April 2008.
- 3) Follow the POD developed by Ruby Pipeline, LLC in coordination with the Federal land management agencies.
- 4) Notify Reclamation of any proposed route variations which may require additional compliance processes.
- 5) Have a signed Memorandum of Agreement in place for the Section 106 and cultural resources compliance process that is satisfactory to Reclamation in coordination with BLM and FERC.
- 6) Obtain other agreements and permits from Reclamation on a case by case basis including, but not limited to, Archaeological Resources Protection Act permits, a Native American Graves Protection Act Plan of Action, and archaeological resources collections agreements, as needed.
- 7) Obtain a Consent Document from Reclamation with a site specific plan of development for crossing easements under Reclamation's jurisdiction.

Reclamation requests notification of any proposed changes to the ROD or the Grant and TUP associated with the withdrawn lands under Reclamation's jurisdiction or Reclamation's easements. Reclamation looks forward to continued cooperation on the Project.

If you have any questions regarding lands related issues please contact Jennifer Birri by phone at 541-880-2540 or email jbirri@usbr.gov. For all other issues, please contact Kristen Hiatt by phone at 541-880-2577 or email khiatt@usbr.gov.

cc: MP-150 (ANickels), MP-450 (CJohnson), MP-450 (HSchuchbauer)
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