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Santa Maria Valley • Tom Young, Port Hueneme

Riverside County Transportation Commission:
Robin Lowe, Hemet

San Bernardino County Transportation Commission:
Bill Davis, Simi Valley

July 7, 2000

Mr. Jonathan D. Nadler
South Coast Air Quality Management District
21865 E. Copley Drive
Diamond Bar, CA 91765

**RE: SCAG Clearinghouse I20000331 Ultramar Diamond Shamrock-
Wilmington Refinery California Reformulated Gasoline Phase 3 Project**

Dear Mr. Nadler:

We have reviewed the above referenced document and determined that it is not regionally significant per Areawide Clearinghouse criteria. Therefore, the project does not warrant clearinghouse comments at this time. Should there be a change in the scope of the project, we would appreciate the opportunity to review and comment at that time.

1-1

A description of the project was published in the **July 1, 2000** Intergovernmental Review Report for public review and comment.

The project title and SCAG Clearinghouse number should be used in all correspondence with SCAG concerning this project. Correspondence should be sent to the attention of the Clearinghouse Coordinator. If you have any questions, please contact me at (213) 236-1917.

Sincerely,

J. DAVID STEIN
Manager, Performance Assessment and Implementation

COMMENT LETTER NUMBER 1

**CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
July 7, 2000**

Response 1-1

The SCAQMD understands that SCAG does not consider the project to be regionally significant. No further response is necessary.



COUNTY SANITATION DISTRICTS OF LOS ANGELES COUNTY

1955 Workman Mill Road, Whittier, CA 90601-1400
Mailing Address: P.O. Box 4998, Whittier, CA 90607-4998
Telephone: (562) 699-7411, FAX: (562) 699-5422
www.lacsd.org

JAMES F. STAHL
Chief Engineer and General Manager

July 24, 2000

File No: 31-900.13.10J

Mr. Jonathan D. Nadler
Planning/CEQA
South Coast Air Quality
Management District
21865 E. Copley Drive
Diamond Bar, CA 91765-4182

Dear Mr. Nadler:

Proposed Ultramar Diamond Shamrock-Wilmington Refinery California Reformulated Gasoline Phase 3 Project

The County Sanitation Districts of Los Angeles County (Sanitation Districts) received a Notice of Preparation of a Draft Environmental Impact Report for the subject project on June 26, 2000. We offer the following comments regarding sewerage service:

At this time the Sanitation Districts would be unable to unconditionally accept an additional 800,000 gallons per day of industrial wastewater from the Ultramar Refinery. This is due to insufficient hydraulic capacity in the Sanitation Districts' Joint Outfall "C", a 66-inch diameter trunk sewer which Ultramar is tributary to. However, some capacity is available during off peak times; the extent of this capacity can be determined at the time of the industrial wastewater permit application. There are currently no plans for the construction of a relief sewer for Joint Outfall "C". It is unlikely, even if a Joint Outfall "C" relief project were undertaken, that any additional capacity would be available for many years.

2-1

If you have any questions, please contact Mr. Brent Perry at (562) 699-7411, extension 2930.

Very truly yours,

James F. Stahl

Ruth I. Frazen
Engineering Technician
Planning & Property Management Section

RIF:rf

c: G. Adams
B. Perry

..ODMA\PCDOCS\DMS\13174\1

COMMENT LETTER NUMBER 2

LOS ANGELES COUNTY SANITATION DISTRICTS

July 24, 2000

Response 2-1

Ultramar has substantially scaled down the project from that presented in the NOP (see Chapter 2 of the Draft EIR). As revised, the proposed project will not result in an increase in wastewater discharge. Therefore, no impacts to the local sewer or to Ultramar's wastewater discharge permit is expected.



COUNTY OF LOS ANGELES

FIRE DEPARTMENT

1320 NORTH EASTERN AVENUE
LOS ANGELES, CALIFORNIA 90063-3294
(323) 890-4330

P. MICHAEL FREEMAN
FIRE CHIEF
FORESTER & FIRE WARDEN

July 26, 2000

Mr. Jonathan D. Nadler
Planning/CEQA
South Coast Air Quality Management District
21865 E. Copley Drive
Diamond Bar, CA 91765-4182

Dear Mr. Nadler:

SUBJECT: NOTICE OF PREPARATION OF A DRAFT ENVIRONMENTAL IMPACT REPORT "PROPOSED ULTRAMAR DIAMOND SHAMROCK REFORMULATED GASOLINE PHASE 3 PROJECT" - WILMINGTON REFINERY CALIFORNIA (EIR #929/2000)

We have reviewed the Notice of Preparation of a Draft Environmental Impact Report for the Proposed Ultramar Diamond Shamrock Reformulated Gasoline Phase 3 Project. This project is located at 2402 East Anaheim Street, Los Angeles (Wilmington District). The Planning, Subdivision, and Forestry Divisions of the County of Los Angeles Fire Department have the following comments:

PLANNING:

The subject property is totally within the City of Los Angeles and does not appear to have any impact on the emergency responsibilities of this Department. It is not a part of the emergency response area of the Consolidated Fire Protection District.

3-1

DESIGN AND CONSTRUCTION:

This project is located entirely in the City of Los Angeles; therefore the City of Los Angeles Fire Department has jurisdiction concerning this project and will be setting conditions. This project is located in close proximity to a jurisdictional area of the County of Los Angeles Fire Department; however, the project is unlikely to have an impact on our ability to respond to any incidents. The County of Los Angeles Fire Department and Land Development Unit appreciates the opportunity to comment on this project. Should any questions arise, please contact Inspector Michael McHargue at (323) 890-4243.

SERVING THE UNINCORPORATED AREAS OF LOS ANGELES COUNTY AND THE CITIES OF:

- | | | | | | | | |
|--------------|-----------|------------------|----------------------|-----------|----------------------|-----------------------|------------------|
| AGOURA HILLS | BRADBURY | CUDAHY | HIDDEN HILLS | LANCASTER | PALMDALE | ROLLING HILLS ESTATES | TEMPLE CITY |
| ARTESIA | CALABASAS | DIAMOND BAR | HUNTINGTON PARK | LA PUENTE | PALOS VERDES ESTATES | ROSEMEAD | WALNUT |
| AZUSA | CARSON | DUARTE | INDUSTRY | LAWNDALE | PARAMOUNT | SAN DIMAS | WEST HOLLYWOOD |
| BALDWIN PARK | CERRITOS | EL MONTE | IRWINDALE | LOMITA | PICO RIVERA | SANTA CLARITA | WESTLAKE VILLAGE |
| BELL | CLAREMONT | GLEN DORA | LA CANADA FLINTRIDGE | MALIBU | POMONA | SIGNAL HILL | WHITTIER |
| BELLFLOWER | COMMERCE | HAWAIIAN GARDENS | LAKEWOOD | MAYWOOD | RANCHO PALOS VERDES | SOUTH EL MONTE | |
| BELL GARDENS | COVINA | HAWTHORNE | LA MIRADA | NORWALK | ROLLING HILLS | SOUTH GATE | |

Mr. Jonathan D. Nadler
July 26, 2000
Page 2

OTHER ENVIRONMENTAL CONCERNS:

The statutory responsibilities of the County of Los Angeles Fire Department Forestry Division include erosion control, watershed management, rare and endangered species, vegetation, fuel modification for Very High Fire Hazard Severity Zones or Fire Zone 4, archeological and cultural resources and the County Oak Tree Ordinance. The proposed project will not have significant environmental impacts in these areas.

3-2

If you have any additional questions, please contact this office at (323) 890-4330.

Very truly yours,



DAVID R. LEININGER, ACTING CHIEF, FORESTRY DIVISION
PREVENTION BUREAU

DRL:sc

COMMENT LETTER NUMBER 3

COUNTY OF LOS ANGELES FIRE DEPARTMENT

July 26, 2000

Response 3-1

The SCAQMD understands that because of its location in the City of Los Angeles, it is not part of the Consolidated Fire Protection District's response area. Therefore, the Consolidated Fire Protection District would not be the local fire department responding to emergencies at the Ultramar Refinery.

Response 3-2

The SCAQMD understands that the County of Los Angeles Fire Department does not expect the proposed project to have significant impacts on resources under their jurisdiction. No further responses are required.

July 26, 2000

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Tel/TDD 310 SEA-PORT

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South Coast Air Quality Management District
21865 E. Copley Drive,
Diamond Bar, California 91765-4182

Attention: Mr. Jonathan D. Nadler



Richard J. Riordan, Mayor
City of Los Angeles

Board of Harbor
Commissioners

Theodore Stein, Jr., President

Jonathan Y. Thomas, Vice President

Carol L. Rowen

John M. Wilson

Fernando Torres-Gil

Larry A. Keller
Executive Director

**SUBJECT: COMMENTS REGARDING THE NOTICE OF
PREPARATION – PROPOSED ULTRAMAR DIAMOND
SHAMROCK WILMINGTON REFINERY
REFORMULATED GASOLINE PHASE 2 PROJECT**

We have reviewed the Notice of Preparation for the project identified above and have the following comments:

1. Given that the project includes construction of a new coker complex and an increase in the amount of petroleum coke produced at the facility, the Environmental Impact Report (EIR) should include discussions of the fate of petroleum coke, including where it is to be taken, how it is to be transported, and the impacts associated with its creation, transport and final disposition. The discussion should include number of transport vehicles, emissions, route(s) to be taken, increased ship calls resulting from export, etc. 4-1
2. Ultramar operates a marine oil terminal within the Port of Los Angeles at Berths 163-164. The lease to operate the terminal expires in 2001 and Ultramar has been informed that part of their terminal will be redeveloped for other maritime uses. Loss of tank capacity and, potentially, offloading capacity will require the re-routing of product flow to the refinery from offsite sources. Ultramar is planning new pipelines to connect their refinery to Wilmington Liquid Bulk Terminal (WLBT) facilities and/or ARCO facilities. If WLBT facilities are to be used by this project, discussion of impacts at WLBT should be included. If the products are not ones that the current lease to WLBT allows, discussion of the project with regard to the Port of Los Angeles Risk Management Element of the Port's Master Plan (a Local Coastal Program element) must be included. 4-2
3. Construction of a new crude unit complex will decrease Ultramar's use of external sources to supply intermediate products and increase the import of crude oil to the refinery. The loss of terminal capacity at Berths 163-164, Port of Los Angeles (see above) will also affect 4-3


transportation of products to the refinery. The EIR should include discussions of the impacts associated with these changes, including the area of transportation changes, emission, increased or decrease ship calls, and increased or decreased vehicle traffic. 4-3 (cont)

4. Ultramar plans to construct new pipelines to connect their refinery to offsite terminals. The impacts of construction and operation need to be addressed. These potential impacts include emissions, noise, traffic, encountering contaminated soil and/or groundwater, potential for contamination of soil and/ or groundwater from project operations (especially for ethanol) and risk of upset. 4-4

5. Ultramar plans to construct new tanks at their refinery. The impacts of construction and operation need to be addressed. These potential impacts include emissions, noise, traffic, encountering contaminated soil and/or groundwater, potential for contamination of soil and/ or groundwater from project operations (especially for ethanol) and risk of upset. 4-5

If you have any questions, please contact Dennis Hagner at (310) 732-3682.

Sincerely,


(f) DONALD W. RICE
Director of Environmental Management

DWR:PJ:DH
ADP NO: 000625-533

COMMENT LETTER NUMBER 4

PORT OF LOS ANGELES

July 26, 2000

Response 4-1

The proposed project has been reduced in scale from that described in the NOP (see Draft EIR Chapter 2). The new coker has been removed from the proposed project. No increase in crude throughput or coke generated by the Refinery is expected. The project impacts on transportation are evaluated in Chapter 4, Traffic/Transportation. The proposed project is expected to result in a reduction of nine marine vessel trips per year to the ports.

Response 4-2

The proposed project evaluates two new pipelines proposed from the Refinery to the ARCO facilities. Ultramar is expected to use third party terminals, some of which have not yet been identified to receive and store ethanol via railcar. Ethanol will be transported to other terminals via truck. The proposed project will not use Wilmington Liquid Bulk Terminal facilities. Therefore, the proposed project is not expected to impact port facilities.

The proposed project will not impact the Ultramar marine terminal or its lease agreements with the Port. Ultramar is not currently proposing to re-route product from the marine terminal to the Refinery.

Response 4-3

The proposed project has been reduced in scale from that described in the NOP (see Draft EIR Chapter 2). No increase in crude throughput at the Refinery is proposed. The proposed project impacts on air quality and transportation/traffic have been evaluated in the Draft EIR (see Chapter 4, Air Quality and Transportation/Traffic). As noted in response to comment 4-1, the proposed project is expected to result in a reduction of nine marine vessel trips per year to the ports.

Response 4-4

The impacts associated with the proposed construction of the pipelines, including air quality, geology/soils, hazards, hydrology/water quality, land use/planning, noise, solid/hazardous waste and transportation/traffic, have been included under each environmental resource in Chapter 4 of the Draft EIR.

Response 4-5

The impacts associated with the construction of the two new propane/propylene storage tank bullets, including air quality, geology/soils, hazards, hydrology/water quality, land use/planning, noise, solid/hazardous waste and transportation/traffic, have been included under each environmental resource in Chapter 4 of the Draft EIR.

VIA FAX 909-396-3324 AND U.S. MAIL

July 25, 2000

South Coast Air Quality Management District
Attn: Pang Mueller, Jonathon Nadler
21865 E. Copley Drive
Diamond Bar, CA 91765-4182

RE: **Comments on Ultramar Wilmington Refinery Expansion for Phase III Clean Fuels**

Dear SCAQMD:

Communities for a Better Environment (CBE) submits the following comments on the Notice of Preparation of Draft EIR for the Ultramar Wilmington Refinery Phase III Clean Fuels Project ("Project"). This massive project is essentially the building of a smaller refinery at the existing refinery.

5-0

Good Neighbor Agreement: CBE urges the DEIR to consider the development of a Good Neighbor Agreement between the community and Ultramar regarding the implementation of the project and ongoing impacts from the refinery. CBE is willing to participate in this process and can draw on our experience in negotiating such agreements with other oil refineries. The issues discussed herein are some of the major terms that CBE would propose for inclusion in such an agreement.

5-1

New Alkylation unit: The new unit is proposed to use deadly HF (hydrofluoric acid) as a catalyst. Alternatives to the use of this deadly gas are available. Since the refinery is planning to build a whole new alkylation unit, this is the perfect time to implement an alternative. The Clean Air Act New Source Review requirements and CEQA require alternatives to the use HF. HF's particularly deadly dispersion characteristics should be taken into account when considering impacts of the project, and alternatives must be considered.

5-2

New Crude unit and other equipment: The presence in the proposed project of a new crude unit (for increasing refinery capacity to produce intermediate products currently imported) along with all the other new and modified units and construction indicates a major expansion of the refinery which must be adequately characterized, and emissions increases quantified. This is also the time to develop a comprehensive design incorporating pollution prevention principals - which is easier to do with new equipment when dealing with units which interact with each other.

5-3

In addition, the refinery not only needs to use BACT, but could additionally install improved components in the existing refinery units in order to offset and prevent increases from the new project. (These should include equipment such as leakless valves, tightest leak standards for flanges and compressors, double-sealed pumps, routing pressure relief valves to gas recovery systems, vapor recovery and upgrades to internal floating roofs for tanks, tightest NOx standards for combustion sources, and others, for both new & existing equipment, as well as phase-out of acutely hazardous materials.)

New Flare: The project design should take into account the availability of alternatives to increased flaring. It is feasible instead of increasing flaring to instead increase gas recovery capacity to prevent the need for increased flaring.

5-4

Modifications to hydrotreater, sour gas processing, sulfur recovery unit: Clearly these sources have the potential to increase the presence and emissions of acutely hazardous and odorous sulfur compounds in the facility and must be characterized and quantified, along with measures to prevent increased emissions to the public.

5-5

Phase-out of chlorine-based compounds: Evidence shows that refineries can be sources of dioxins to the air and water, from any source where chlorine is present with unfavorable combustion processes (especially during upsets, and including flaring). The project evaluation should consider alternatives for phase-out of chlorine-based compounds, and in general means to prevent dioxin emissions.

5-6

Air Monitoring: The refinery should also study use of air pollution monitoring equipment for identifying emissions of both ongoing emissions and accidental releases for protecting the community from increases from the project, which are cumulative with existing levels of pollution. Use of Optical Remote Sensing can provide 24-hour, real-time results on dozens of toxics. Other innovative monitoring techniques are also available, including providing community members with "buckets," – low-tech, inexpensive monitoring devices which could measure pollution levels right in the neighborhoods and provide protection through identifying harmful levels.

5-7

The DEIR Must Adequately Describe the Community Living Near the Refinery: The DEIR must contain a complete description of sensitive receptors living near the refinery. The DEIR must analyze the existing distribution of pollution in the area to determine if there are any disproportionate impacts from environmental hazards or pollution on people of color and low income people. Such an analysis is essential for the DEIR to then study whether the project is likely to contribute to such disproportionately impacts.

5-8

The DEIR Must Adequately Describe the Regional Setting and the Combined Effects of Numerous Polluters in and Around the Wilmington Area: The DEIR must discuss the current regional distribution of pollution in the South Coast Air Basin, and must discuss existing disproportionate impacts from existing pollution sources. The health impacts from the cumulative impacts of pollution are significant and must be mitigated. The EIR should discuss any inconsistencies between the project and applicable general plans including, but not limited to, the applicable air quality attainment or maintenance plan (State Implementation Plan), area-wide waste treatment and water quality control plans, regional transportation plans, regional housing plans, and natural community conservation plans.

5-9

The DEIR Should Consider a Community Technical Assistance Program:

A Community Technical Assistance program ("CTA Program") is a way to mitigate the public safety risks created by the proposed project. The CTA program would reduce the frequency of releases of airborne toxic, hazardous and/or nuisance gases from the refinery by providing a

5-10

qualified health and safety expert to: review documents related to health and safety risks and history; monitor actual maintenance and safety procedures on site; conduct frequent inspections of the plant site; interview employees and contract workers regarding safety and maintenance; receive recommendations and comments concerning plant safety and pollution prevention from the community and plant employees; report the information obtained to SCAQMD; and make recommendations directly to SCAQMD and the City concerning measures which should be required to reduce the risk of airborne releases from the facility.

5-10 (cont)

Any Increase in Criteria and Carcinogenic Chemicals Must be Considered a Significant Impact and Mitigated: Given the existing cancer risks for the nearby community, any increase in toxic pollution must be considered significant and must be mitigated fully. Kings County Farm Bureau v. City of Hanford, 221 Cal.App.3d 692, 717-18 (1990). Possible mitigation measures include, but are not limited to, hermetically sealed control valves, retrofitting the refinery with best available control technology including bellows valves and hermetically sealed control valves to offset new pollution, monthly health and safety inspections, and other pollution reduction measures. Full compliance with Clean Air Act and SCAQMD New Source Review and Toxic Air Contaminant rules must be required in the mitigation measures portion of the DEIR. The air emissions from the marine terminal must be considered and mitigated.

5-11

Diesel Emissions Must be Analyzed and Mitigated: The DEIR must quantify how many tons of diesel emissions will be produced by the operations, explain the associated environmental and health risks, and provide for mitigation which will reduce this impact to below significance. Resuming refinery operations will create diesel emissions at the refinery, at the marine terminal, and from trucks transporting products to and from the refinery.

5-12

The DEIR Must adequately describe and mitigate emissions from all tank fittings: Significant emissions are released due to tank fittings. The type of tank seal, the use of slotted guide poles (associated with very large emissions), gauge-float wells, rim vent closures, secondary seals, the use or absence of gasketed fittings, etc. all affect emissions. Many tank fittings, construction, and operations which cause emissions and which can be controlled. Use of unslotted guide poles, gasketed fittings, emissions control for tank cleaning, and others, must be discussed in the DEIR.

5-13

The DEIR Should Consider Vapor Recovery Equipment on Tanks to Mitigate Fugitive Emissions: Well-designed vapor recovery systems could almost completely eliminate storage tank emissions. The use of internal floating roof tanks would significantly reduce emissions from storage tanks. Emissions from tank cleaning could be mitigated by the use of emissions controls such as vapor recovery on tank cleaning operations, including tanks and collection and storage equipment including trucks. The impacts from potentially large amounts of hazardous sludge waste from tank cleaning must be described and mitigated in the DEIR.

5-14

The DEIR Should Study a Requirement of Gas Recovery and other feasible controls for pressure relief devices which can greatly reduce or eliminate emissions: Storage tanks and most petrochemical equipment are outfitted with pressure relief devices, which are designed to open to the atmosphere when internal pressures increase, in order to prevent explosion of

5-15

equipment. Pressure relief devices can cause significant emissions both from leaking seals and from valve openings when pressure is increased above the valve set point. Emissions from pressure relief devices can be controlled by venting relief valves to gas recovery systems, rather than allowing venting to the atmosphere. The use of rupture disks can minimize or eliminate gas leakage from valve seals, but not from venting. The use of tell-tale indicators on uncontrolled pressure relief devices can greatly increase the chance that venting will be detected. Detection of valve venting is important for evaluation of emissions, and to ensure that valves are properly re-seated, however control of these emissions using gas recovery systems is the real solution. The DEIR should analyze these mitigation measures.

5-15 (cont)

Increased inspection and maintenance programs could mitigate non-compliance problems:

To mitigate the unassessed source of additional emissions which are likely to be present from a lack of 100% compliance with SCAQMD regulations, monthly inspection programs have been shown to decrease emissions as compared to quarterly or yearly equipment inspections. Independent inspection and recordkeeping, and public announcement of non-compliance, as well as significant monetary penalties for non-compliance could help mitigate these sources of emissions.

5-16

The DEIR Should Study the Potential of the Refinery to Adversely Impact Water

Resources: The project will have a significant impact on water resources. Refinery operations require a tremendous amount of water. The DEIR must analyze the water resources that will be used by the refinery. The DEIR must consider mitigation measures to reduce water use by the refinery. The refinery should be required to use reclaimed water wherever possible.

5-17

Solid Waste Impacts: The refinery will generate a significant amount of solid waste which must be disposed of in a landfill. The DEIR must analyze the type and amount of solid waste and discuss mitigation measures and alternatives to reduce the generation of solid waste. The disposal of the hazardous waste from the refinery poses a potentially significant risks that must be studied and analyzed.

5-18

Transportation and Disposal of Hazardous Waste: The disposal of the hazardous waste from the refinery is a necessary part of refinery operations and must be considered in the DEIR. The amount and type of waste must be considered, as well as possible disposal locations. The DEIR must consider any and all permits required regarding solid waste disposal.

5-19

Geologic Impacts: The DEIR should analyze and mitigate potential impacts from the project on existing soil and groundwater contamination at the refinery.

5-20

Impacts from tanker trucks going to and from the refinery: Any impacts from additional truck trips caused by the project must be analyzed and mitigated in the DEIR. This includes the potential risks from tanker trucks explosions and accidents.

5-21

Impacts from oil tanker traffic in harbor area: Emissions from all increased ship traffic must be analyzed and mitigated in the DEIR.

5-22

The DEIR Must Consider and Mitigate Oil Pipeline Risks: CBE requests that the DEIR consider the risks from pipeline.

5-23

The DEIR Must Consider and Mitigate Marine Terminal Risks: The DEIR must study the impact of marine terminal operations on air quality, water quality, transportation, and hazardous accidents, including risks of an oil spill from oil tanker loading, and oil spill response plans.

5-24

The DEIR Must Consider Environmental Justice Issues: The DEIR must consider the project's potential individual and cumulative impacts on people of color and low income people. In other words, the DEIR must assess the project's potential to cumulatively exacerbate environmental racism or prevent achievement of environmental justice. Several local, state, and federal agencies, regulations, and laws provide for consideration of environmental justice.

5-25

The NOP-DEIR, DEIR and FEIR Must be Translated into Spanish: Many of the people most affected by this Project will be unable to participate meaningfully in the CEQA process if the documents are not translated into Spanish. CBE therefore requests that the DEIR, and all CEQA documents, be translated into Spanish and that public proceedings be conducted with simultaneous Spanish and English translation.

5-26

The DEIR Must Contain a Full Consideration of Project Alternatives, including a No Project Alternative

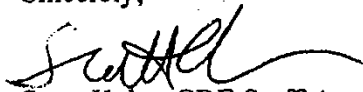
5-27

The DEIR Must Include Description and Consideration of All Foreseeable Parts of the Project: All plans to install pipelines and other equipment associated with Phase 3 regulations should be included in the DEIR.

5-28

Should you have any questions, please contact me at 510-302-0430 ext. 203.

Sincerely,



Scott Kuhn, CBE Staff Attorney
Julia May, CBE Clean Air Director
Azibuike Akaba, CBE Researcher
COMMUNITIES FOR A BETTER ENVIRONMENT

Cc: Ultramar

COMMENT LETTER NUMBER 5

COMMUNITIES FOR A BETTER ENVIRONMENT

July 25, 2000

Response 5-0

The proposed project has been reduced in scale from that described in the NOP (see Draft EIR Chapter 2). Therefore, it is inaccurate to characterize the proposed project as "the building of a smaller refinery at the existing refinery."

Response 5-1

The Good Neighbor Agreement is beyond the scope of the proposed project. As a result, the SCAQMD recommends that CBE contact the refinery directly to discuss issues outside the scope of the currently proposed project.

Response 5-2

The proposed project has been reduced in scale from that described in the NOP (see Draft EIR Chapter 2). No new alkylation unit or modifications to the existing alkylation unit are included as part of the proposed project. As a result, the proposed project will not increase the use of hydrofluoric acid at the Refinery.

Response 5-3

The proposed project has been reduced in scale from that described in the NOP (see Draft EIR Chapter 2). No new crude unit is included as part of the proposed project. BACT is required and has been included on all new and modified equipment, including use of leakless valves, sealless pumps, and block valves on process drains, minimizing the use of flanges, routing pressure relief devices to the refinery fuel gas system for recovery, and incorporating the new equipment in the refinery's existing inspection and maintenance program.

Per the requirements of SCAQMD Rule 1304(c)(4), offsets are not required for projects that are needed to comply with state or federal regulations. The reformulated fuels projects at the Refinery are required to comply with state reformulated fuels requirements. Therefore, emission offsets are not required for the reformulated fuels projects.

Response 5-4

The proposed project has been reduced in scale from that described in the NOP (see Draft EIR Chapter 2). No new flare is included as part of the proposed project.

Response 5-5

The proposed project will not involve modifications to the sulfur recovery unit. The Draft EIR evaluated the hazards related to modifications to the hydrotreater and sour gas processing (see Draft EIR Chapter 4, Hazards/Hazardous Materials), including the potential release of hydrogen sulfide.

Response 5-6

The only equipment at the Refinery that uses chlorinated hydrocarbons is the Butamer Unit. Modifications to the Butamer Unit are not included as part of the project; therefore, the proposed project does not include emissions of chlorine based compounds. The emissions of toxic air contaminants were evaluated in the Draft EIR (see Chapter 4, Air Quality) and the health risks were determined to be below the SCAQMD significance thresholds, so no significant impacts on toxic air contaminants are expected.

Response 5-7

The Refinery currently operates a number of air monitoring devices including continuous emission monitors on heaters and boilers. Source testing is also routinely required for refinery combustion sources. The predominant source of emissions from the proposed project is from fugitive components (valves, pumps, flanges, and drains) and indirect emission sources (railcars and trucks) associated with transportation activities. VOC emissions from fugitive components are included and monitored as part of the refinery's inspection and maintenance program. Other forms of continuous monitoring on fugitive components are not feasible. The proposed project was also significant for NO_x emissions from mobile sources. NO_x monitoring of mobile sources (trucks and railcars) also is not feasible. Further, NO_x emissions would be dispersed over the entire truck or train route and would not be concentrated in one area. During operation no other criteria pollutants exceed the significance thresholds, so no mitigation measures which would include monitoring are required.

Response 5-8

The Draft EIR includes a description of the existing land uses, including sensitive receptors, in the Chapter 3 section entitled "Land Use/Planning." The Draft EIR evaluated the impacts of the proposed project to all receptors in the area, including sensitive receptors, residential areas, and occupational areas. The Draft EIR concluded that the proposed project would exceed the significance thresholds for VOC and NO_x emissions, resulting in potentially significant adverse air quality impacts. The VOC emissions would be generated by fugitive sources at the refinery and controlled using BACT. No additional mitigation measures were determined to be feasible. However, VOC emissions would continue to be monitored from fugitive components as part of the refinery's inspection and maintenance program. NO_x emissions would be generated as a result of transportation and would be emitted throughout the Basin.

The estimated risk to the surrounding population associated with exposure to toxic air contaminants was determined to be well below the SCAQMD significance thresholds so no significant impacts are expected to any population.

Response 5-9

The Draft EIR provides a description of the Existing Environmental Setting in Chapter 3 and the Cumulative Impacts in Chapter 5. The operational emissions of VOC and NO_x (see Response 5-7 and 5-8 above) are expected to exceed the significance thresholds, resulting in potential significant adverse air quality impacts. There is an anticipated regional benefit in air quality from mobile sources that use the reformulated fuels and also from the elimination of nine marine vessel trips per year. The Draft EIR reviewed the consistency of the proposed project with the applicable plans that could be impacted by the proposed project including the Air Quality Management Plan, State Implementation Plan, Coastal Act provisions, and local General Plans. It was determined that the proposed project would be consistent with these applicable plans.

Response 5-10

A number of health and safety procedures, similar to those suggested in this comment, have been implemented by the Refinery. The Refinery has already implemented Process Safety Management (PSM) reviews, prepared a Risk Management Program, implemented safety training and prepared health risk assessments which require review and approval by the appropriate regulatory agencies with expertise in these areas. Review and approval of these health and safety documents by the appropriate regulatory agency provides compliance with health and safety requirements. These requirements (PSM reviews, RMP, and safety training) are legally binding and are required by law. Enforcement action can be taken against a refinery that does not comply with these regulations. Further, the SCAQMD and other agencies have the authority to inspect the Refinery on a regular or as-needed basis. No additional requirements were considered to be feasible.

Response 5-11

The citation to Kings County Farm Bureau v. City of Hanford is incorrect. The court did not say any increase in toxic pollution must be considered significant. First, the court and EIR addressed criteria pollutants. Second, the courts concluded that the lead agency incorrectly assumed that air quality impacts were insignificant based on a number of flawed assumptions. The most pertinent flawed assumptions were the following. The lead agency concluded that air quality impacts from the proposed coal-fired plant were insignificant because regional ozone levels were already bad and the incremental addition from the project was minor. The court stated that “the EIR analysis uses the magnitude of the current ozone problem in the air basin in order to trivialize the project’s impact.” Another problem with this EIR was that the analysis failed to assess the combined effects on both onsite and secondary emissions.

The EIR for Ultramar’s proposed project does not commit either of these flaws. First, total emissions from the project have been calculated and are compared against established significance thresholds, not a total regional inventory. Second, both onsite emissions and offsite secondary emissions for the project in its entirety have been calculated.

The new and modified emission sources that are part of the proposed project will be required to comply with SCAQMD new source review, toxic air contaminant, and BACT rules and requirements as part of the SCAQMD air quality permit review process. These requirements are part of the SCAQMD’s permit process and any requirements to assure compliance will be included as conditions on the air quality permit. Compliance with the existing rules and regulations is not

considered to be mitigation. Only measures which go beyond the requirements of existing rules and regulations are considered to be mitigation.

No modifications to a marine terminal are included as part of the proposed project so no additional emissions from marine terminals are expected. Ultramar anticipates a reduction in nine marine vessels per year visiting the port with a related reduction in air emissions.

Response 5-12

The emissions from the proposed project are included in Chapter 4, Air Quality and in Appendix B of the Draft EIR. The diesel emissions from construction equipment are shown in Table 4-3. The diesel emissions from trucks and railcars associated with the operation of the proposed project are shown in Table 4-4. Health risks associated with the proposed project are summarized in Chapter 4, Toxic Air Contaminants.

Response 5-13 and 5-14

The emission changes associated with storage tanks are included in Chapter 4, Air Quality and in Appendix B of the Draft EIR. Overall, the proposed project is expected to result in a decrease in emissions from storage tanks so additional vapor recovery systems are not required. No new storage tanks are included as part of the proposed project. All applicable storage tank modifications are required to comply with SCAQMD BACT requirements. All storage tank cleanings will be required to comply with SCAQMD Rule 1149 – Storage Tank Degassing, which requires certain measures to minimize air emissions. The proposed project will not result in the construction of new storage tanks and is not expected to result in an increase in storage tank sludge at the refinery.

Response 5-15

Pressure relief devices (PRDs) will be routed to the Refinery's fuel gas system, to the extent feasible, to control VOC emissions, in compliance with SCAQMD's BACT requirements. In the fuel gas system, VOCs are recovered, treated, and used as fuel in various combustion sources. Routing PRDs to the fuel gas system eliminates VOC emissions from these sources.

Response 5-16

The new equipment will be included in an SCAQMD-approved inspection and maintenance program, which establishes requirements for the frequency of inspections and procedures for appropriate maintenance. Existing SCAQMD rules and regulations provide penalties for noncompliance.

Response 5-17

The impacts of the proposed project on water quality are discussed in the Draft EIR, Chapter 4, Hydrology/Water Quality. No increase in the use of water or generation of wastewater is expected from the proposed project. As a result, the analyses concluded that Hydrology/Water Resources impacts would be insignificant. Therefore, mitigation measures are not required.

Response 5-18 and 5-19

The impacts of the proposed project on solid waste are discussed in the Draft EIR, Chapter 4, Solid/Hazardous Waste. No increase in the generation of solid or hazardous waste is expected from the proposed project. Further, since the proposed project is not expected to generate significant solid or hazardous waste impacts, no additional hazard impacts are anticipated.

Response 5-20

The impacts of the proposed project on geology are discussed in the Draft EIR, Chapter 4, Geology/Soils. No significant impacts on geology or soils are expected from the proposed project. Consequently, no mitigation measures are required.

Response 5-21

The impacts of the proposed project on transportation are discussed in the Draft EIR, Chapter 4, Transportation/Traffic. The potential hazards associated with the transport of hazardous materials are discussed in the Draft EIR, Chapter 4, Hazards/Hazardous Materials. The main commodity that will be transported as part of the project is ethanol and the hazards related to ethanol exposure are minimal. The Draft EIR concluded that the proposed project would not result in significant impacts associated with the transport of hazardous materials.

Response 5-22

The impacts of the proposed project on emissions are discussed in the Draft EIR, Chapter 4, Air Quality. The proposed project is expected to eliminate nine marine vessel visits to the Port area each year and result in a related decrease in air emissions.

Response 5-23

The potential hazards associated with the transport of hazardous materials via pipeline are discussed in the Draft EIR, Chapter 4, Hazards/Hazardous Materials. The impacts associated with a pipeline spill are expected to be less than significant as no offsite exposure would be expected.

Response 5-24

The proposed project is expected to result in a decrease in marine vessel visits to the Port area and a related decrease in the marine terminal risks, air quality impacts (see Draft EIR, Chapter 4, Table 4-5), and marine traffic impacts.

Response 5-25

There is no requirement in CEQA to perform an environmental justice analysis in a CEQA document. Nevertheless, the Draft EIR has considered the project's potential individual and cumulative impacts on all populations and receptors in the vicinity of the Refinery.

Response 5-26

The SCAQMD expends a large amount of resources for public outreach to minority communities. However, there is no requirement under the CEQA Guidelines to translate documents into Spanish. The SCAQMD does not currently require the translation of documents into Spanish, especially large technically complex documents such as an EIR.

Response 5-27

The alternatives to the proposed project are included in Chapter 6 of the Draft EIR. Public Resources Code §21178(g) exempts projects that will enable the production of CARB RFG Phase 3 compliant fuels from the requirements of analyzing a No Project Alternative and alternative sites. Accordingly, the EIR does not address the No-Project Alternative.

Response 5-28

The Draft EIR includes an analysis of all aspects of the proposed project as outlined in Chapter 2 and analyzed in Chapter 4 of the EIR.



COUNTY SANITATION DISTRICTS
OF LOS ANGELES COUNTY

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JAMES F. STAHL
Chief Engineer and General Manager

October 23, 2000

File No: 31-900.13.10J

Ms. Debbie Bright
Senior Vice President
Environmental Audit, Inc.
1000-A Ortega Way
Placentia, CA 92870-7162

Dear Ms. Bright:

**Proposed Ultramar Diamond Shamrock-Wilmington
Refinery California Reformulated Gasoline Phase 3 Project**

This is in reply to your letter which was received by the County Sanitation Districts of Los Angeles County (Sanitation Districts) on September 28, 2000, regarding the Sanitation Districts comments on the Notice of Preparation of a Draft Environmental Impact Report for the subject project. We offer the following additional information regarding sewerage service:

The Sanitation Districts would be able to accommodate additional flows from Ultramar today with the requirement that peak flows not exceed 800 gpm between the hours of 8:30 a.m. and 12:30 p.m., and that peak flows not exceed 1600 gpm between the hours of 12:30 p.m. and 8:30 a.m. That is not to say that these discharge rates would be available for Ultramar in the future.

6-1

If you have any questions, please contact Mr. Brent Perry at (562) 699-7411, extension 2930.

Very truly yours,

James F. Stahl

Ruth I. Frazen
Engineering Technician
Planning & Property Management Section

RIF:rf

c: G. Adams
B. Perry
J. Nadler

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COMMENT LETTER NUMBER 6

LOS ANGELES COUNTY SANITATION DISTRICTS

October 23, 2000

Response 6-1

Ultramar has substantially scaled down the project from that presented in the NOP (see Chapter 2 of the Draft EIR). As revised, the proposed project will not result in an increase in wastewater discharge. Therefore, no impacts to the local sewer or to Ultramar's wastewater discharge permit is expected.

DABWORD:1936AppAcomments