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On Heels of Firing Executive Officer, Air District Moves Toward Approving Tesoro/BP Merger to Create Largest Refinery on West Coast

Project could allow importing extreme oil: Heavy Canadian Tar Sands or explosive Bakken

Los Angeles, CA-- The South Coast Air Quality Management District (AQMD) published plans for a massive refinery expansion and merger where many low-income people of color live and breathe in Los Angeles, including members of Communities for a Better Environment (“CBE”). On March 9, 2016, the Air District released a draft environmental impact report (“DEIR”) that would allow combining two oil refineries into one massive 380,000 barrel per day facility. Only days before the Air District fired its Executive Officer. Recently the AQMD also received widespread criticism for adopting lax pollution control rules proposed by the oil industry, against its own staff’s stronger proposal.

After having bought BP’s Carson refinery, Tesoro now seeks to merge the Carson and Wilmington refineries which could increase the scale of production and refine dirtier and more dangerous crudes. Tesoro wants to expand and modify the single refinery, including: adding 8 massive new storage tanks (with total increased storage capacity of over 3.4 million barrels of crude oil), increasing railcar loading, increasing processing of crude oil contaminants (such as “hydrotreating” corrosive sulfur compounds), in addition to many other modifications.

In 2014, Tesoro tried to issue a “Negative Declaration,” arguing there was no possibility of environmental impacts resulting from the expansion. CBE successfully challenged and won a withdrawal of the Negative Declaration by the AQMD and Tesoro, eventually leading to the publication of the full DEIR.

Regarding the new proposal, Alicia Rivera, CBE Wilmington Community Organizer said: “This project is dangerous because it is a massive expansion, and it could allow the refinery to process crude oil that is much more hazardous. If that happens, we can expect dirtier air,

more asthma and possibly more explosions and train accidents. We have had enough already.”

The added giant storage tanks and multiple refinery modifications have the potential to allow importing large volumes of cheap and dangerous crude oils including Canadian Tar Sands and/or N. Dakota Bakken crude oil, which ordinarily cannot be mixed. The refinery admits the project would allow more “flexibility,” which generally means the ability to process different types of feedstocks and products. The project could also allow *exporting* crude oil and products. The massive refinery operations put local residents in danger of increased air pollution.

Tar Sands crude has severe environmental impacts, starting with strip mining in Canada. It is extremely high in sulfur, causing corrosion dangers in refineries, and increasing the danger of SO_x, H₂S, and other hazardous sulfur compound emissions. Such sulfur corrosion was found by the U.S. Chemical Safety Board as the reason for the Chevron Richmond refinery explosion in 2012, that narrowly missed killing 19 workers, and that blew a black cloud of pollution for many miles. Tar Sands crude oil is also extremely heavy, requiring intensive refining with very high greenhouse gas emissions. North Dakota Bakken crude oil, although lighter, was identified by the US DOT as potentially increasing explosion risk due to increased volatility. In 2013 Bakken crude oil blew up rail cars, killing dozens of people in Canada, with many other crude-by-rail accidents occurring across the U.S. This crude also has the potential to be explosive when used in other forms of transport, and in refining.

CBE is also very concerned that lax Nitrogen Oxide (NO_x) regulations proposed by the oil industry, and recently approved by the AQMD, could leave the refinery off the hook from putting in strong emissions controls. The weak rule may also let Tesoro use emissions reductions as offsets for other emissions increases in part of the project, because some reductions could then be considered “voluntary” instead of mandatory. CBE, together with other environmental organizations, sued the Air District yesterday over its adoption of the industry-proposed NO_x controls for oil refineries.

The proposed project includes many other changes that cause grave concern, including plans to “upgrade” Liquified Petroleum Gas rail facilities. Oil industry railcars have caused safety problems across the nation.

The refinery integration may likely result in some jobs loss. CBE is evaluating the full EIR and will provide detailed evaluation of the project.