UPDATE 4/14/2016

Tesoro Wilmington / BP Carson Merger to Create Largest Refinery on West Coast *Project could allow importing extreme oil: Heavy Canadian Tar Sands or explosive Bakken*

The proposed project would combine two oil refineries into a massive 380,000 barrel per day facility:

Our review indicates that the project would:

- Add eight massive storage tanks and expand two existing tanks, totaling over 3 million barrels of NEW petroleum storage. This could mean not only imports of the dirtiest crude oils, but also could mean a major new <u>export</u> hub!
- Allow increased dirtiest crude oils including Canadian Tar Sands crude (heavy, highest sulfur, strip-mined crude, which causes extreme greenhouse gas emissions, increased corrosion, and air pollution risks). Tesoro proposes more processing of corrosive sulfur compounds (eg "hydrotreating").
- Can allow increased use of fracked, explosive N. Dakota Bakken crude oil, which was found by the US Dept. of Transportation to cause increased explosion risk due to increased volatility. In 2013 Bakken crude oil blew up rail cars, killing dozens of people in Canada, and many other crude-by-rail accidents occurred across the U.S. This crude also has the potential to be explosive when used in other forms of transport (such as by ship), and in refineries.
- Expand rail facilities (stated for propane use), which might have the potential to be used for crude-by-rail in the future.
- The project has the potential to increase local air pollution and explosion dangers, and could drastically increase greenhouse gases.

In addition, note that:

Last fall the AQMD adopted lax Nitrogen Oxide (NOx) regulations proposed by the oil industry, against its own staff's recommendations to adopt more protective measures. EPA recently rejected these rules as deficient, but no new rules are in place, so the missing controls could impact this project.

Tesoro originally tried to issue a "Negative Declaration" for this project in 2014, arguing there was no possibility of environmental impacts resulting from the expansion! We won a withdrawal of the Negative Declaration by the AQMD and Tesoro, leading to the publication of the full DEIR, but the fight is far from over. \rightarrow CONTINUED ON BACK Why is the Oil Industry getting even scarier, when other energy sources are getting cleaner?



ExxonMobil Torrance 2014 Explosion: Workers were luckily away from the explosion. U.S. Chemical Safety Board found a vessel containing deadly Hydrogen Fluoride, could have been catastrophically destroyed.



<u>Chevron Richmond 2012 Explosion</u>: The explosion narrowly missed killing 19 workers, and blew a black cloud of pollution for many miles.



<u>Canadian Tar Sands Strip Mining</u>: Destroys pristine wilderness to get solid Tar Sands crude oil



Lac Megantic Bakken Crude Oil Train Explosion: A town was destroyed and 47 killed

Communities for a Better Environment 6325 Pacific Blvd., Suite 300 • Huntington Park, CA 90255 • (323) 826-9771 1904 Franklin St, Suite 600 • Oakland, CA 94612 • (510) 302-0430



Tesoro Wilmington / BP Carson Merger to Create Largest Refinery on West Coast

May 17, 2016, 6-8 pm Public Hearing in Carson was just set today by the Air District for the Title V Permit (no hearing is provided for the Draft Environmental Impact Report):

Carson Center, 801 East Carson Street Carson, CA 90745.

Written comments on the Title V and the Draft Environmental Impact report are due May 24th. CBE will provide additional information about this project to you after we complete more detailed evaluation, but there is much that is already known about this project. (See below and front.)

- OPPOSE THE PROJECT! Don't become a victim of unfair or deceptive pressure at Tesoro meetings – Don't let Tesoro pressure you to sign on to support the project: Community members reported Tesoro pressured them to sign on to support the project, after Tesoro provided meals at meetings. People reported Tesoro said sign-on did not obligate them to anything, and implied signing was no big deal. It was also reported to us by Spanish speaking community members they were pressured to sign support documents written in English that they did not fully understand, and that they should not worry about signing. This type of practice is wrong. It is highly likely Tesoro will submit these letters to the Air District.
- Note that Tesoro is taking credit for pollution cuts for later shutting down the Fluid Catalytic Cracking Unit (FCCU), but it looks like they agreed to cutting air pollution anyway as part of their State approval for being allowed to buy the BP refinery. The State required this as part of a deal, because of concerns that this purchase could allow Tesoro to own too big a share of the state's oil refinery capacity! (It was reported that concerns were that Tesoro and Chevron would own more than half the state's refinery capacity, which is anti-competitive, and gas prices could go up, so the State wanted some benefits added.) Is it fair for Tesoro to take credit for such pollution cuts as offsets against other planned air pollution increases due to the new refinery project? We don't think so. Such offsets are supposed to be surplus, and not already required by other regulatory processes. See letter from Kamala Harris
- Also see Consumer Watchdog analysis, which found the Tesoro purchase of the BP refinery was a bad deal for consumers, would increase gas prices, and which asked the public to urge the State to block the purchase!
- Tesoro also has claimed that the project will help them to meet federal "Tier 3" standards for low sulfur gasoline, but California already had such standards in place years ago!
- Many folks worked hard to win extensions on two Air District processes the <u>Draft</u> <u>Environmental Impact Report</u> process, and the <u>Title V Permit</u> process – great job everybody! We also had to work to win access to Tesoro's project applications because Tesoro listed them as confidential. The permit details are a crucial part of determining whether the project has sufficient pollution controls and monitoring, and we were not allowed access until last Friday. Even the ones we received are "redacted" (parts are removed that Tesoro says are confidential). CBE had to submit a formal petition to get a Public Hearing in the community. Having sufficient time for the public to evaluate and comment on this major project is essential and is consistent with both the AQMD & EPA Environmental Justice policies.

For more information, or to get involved, contact Alicia Rivera (<u>alicia@cbecal.org</u> 310-634-7839) or Julia May (julia@cbecal.org).

