

Briefing on the Tesoro Refinery Expansion
Draft Environmental Impact Report and Title V Permit
from CBE to help with understanding this massive Project
May 15, 2016 update

COME TO THE PUBLIC HEARING TUES. MAY 17, 6-8, CARSON CENTER

The Tesoro oil refinery “LARIC” Project (Los Angeles Refinery Integration & Compliance project¹) is one of the most extensive ever seen in the South Coast or in California.

1. **The Project would result in the combination of two major oil refineries (Tesoro Carson & Tesoro Wilmington) into the largest refinery on the West Coast (about 380,000 barrel per day, according to Tesoro³).**
2. **It would construct a massive volume of new crude oil storage tanks totaling 3.4 million barrels (bbls), which can be likened to a whole new oil terminal (six new tanks of 500,000 barrels each, plus two others expanded).** This would add crude storage capacity twice as big as the entire crude storage currently at the Tesoro Wilmington refinery.
3. **The Project would modify many major processing units inside the refinery** (including expanding some, building new sulfur processing units, shutting down one major unit, and more).
4. **It would add refinery Liquefied Petroleum Gas (LPG) rail car deliveries** (such as propane and butane, which are a major concern of communities for explosion risk).
5. **Questions have been asked by community members regarding why Tesoro’s description of the Project (as mainly an air pollution reduction and efficiency project), is different from the DEIR, which shows no emissions reductions except for one pollutant.** The DEIR does find a big decrease in Carbon Monoxide (CO) from shutting down the Wilmington FCCU (Fluid Catalytic Cracker Unit), but it also shows an increase in Volatile Organic Compounds (VOCs), and neutral impacts for Nitrogen Oxides (NOx), Sulfur Oxide (SOx), particulate matter, and toxics.⁴ Even though Tesoro paints a rosy picture compared to the DEIR, our analysis finds the DEIR *also* underestimated emissions.
6. **The DEIR identifies potential explosion and toxic release risks due to the Project** including BLEVE hazard (Boiling Liquid Expanding Vapor Explosion) from LPG rail unloading, and toxic release hazards from the Hydrocracker Unit, Catalytic Reforming Unit (CRU), Propane Sales Treating Unit (PSTU), and Sulfuric Acid Recovery Plant (SARP) areas.⁵

¹ <http://www.aqmd.gov/home/library/documents-support-material/lead-agency-permit-projects>

³ There are problems with differences in the Draft Environmental Impact Report (DEIR) descriptions (which describes the Project as a 363,000-barrel refinery), but Tesoro’s website describes it as a 380,000-barrel refinery)). Either way it will be the largest on the West Coast.

⁴ DEIR at p. 4-18.

⁵ DEIR at p. 4-47



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7. **We're also worried about earthquake hazards from the new big flammable tanks and hazardous materials** (such as hydrogen sulfide) , especially since the LA regions is overdue for a very big earthquake.
8. **The DEIR claims new emissions from flaring would be zero, despite adding many new equipment connections to the flares.** This cannot be correct.
9. **The original 2014 Project environmental documentation (a “Negative Declaration”) was found faulty in expert testimony, and was withdrawn.** Tesoro tried to gain approval in 2014 with very little environmental review through a “Negative Declaration” (saying there was no chance of any impacts). This was withdrawn by the District⁶ after protest by Communities for a Better Environment (CBE) and other expert reports finding of significant environmental impacts, “piecemealing”, and other deficiencies requiring a full EIR.
10. **Since then, the DEIR for the Project was published in March 2016,** and a subset of the Project components was proposed in a Title V permit modification.
11. **This project comes out of Tesoro being allowed by the Federal Trade Commission and State of California in 2013 to buy the BP Carson⁷ refinery next door to the Tesoro Wilmington refinery, despite outcries this would be anti-competitive and could increase gasoline prices.** The purchase would mean Tesoro and Chevron would own half the refining capacity in the state, which is monopolistic. Usually when an oil company buys a refinery in the state they are required to sell another one, to avoid having a small number of companies monopolize the gas market, but Tesoro got away without having to sell a refinery. Now Tesoro owns three refineries in the state, and four on the West Coast.
12. **The State of California identified environmental upgrades as conditions in its approval letter.** Tesoro should not be eligible to generate air pollution credits to

⁶ Notice of Preparation of a Draft Environmental Impact Report, Tesoro Los Angeles Refinery Integration and Compliance Project, Sept. 9, 2014. According to the AQMD “*On April 23, 2014, the SCAQMD release a Notice of intent to adopt a Draft Negative Declaration for the Tesoro Storage Tank Replacement and Modification project. The tank replacement modification project was considered to be a separate project from the Tesoro Refinery Integration and Compliance Project because it could go forward with or without the currently proposed project, that is, neither project relies on the other project, to be implemented. However, because of the timing of construction and implementation of the two projects, it was decided to incorporate the Tesoro Storage Tank Replacement and Modification project into the currently proposed project to provide a cohesive analysis of all environmental impacts from the two projects. As a result, the ND for the Tesoro Storage Tank Replacement and Modification project has been withdrawn and incorporated into the currently proposed project (see project description subsection 1.3.1.9).*” – beginning p. 1-1, available at http://www.aqmd.gov/docs/default-source/ceqa/documents/permit-projects/2015/tesoro_nop_is.pdf?sfvrsn=2

⁷ British Petroleum

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offset other air pollution expansions for these environmental improvements that were required for the merger, because they had to do that to get the state approval.

13. **We are finding deficiencies in the EIR Project Description, Impacts and Cumulative Impacts**, and important Alternatives were not considered. We asked for a 90-day extension of the public comment deadline since there are thousands of pages of documents to review; the District provided a partial extension.
14. **But even before our final comment is finished, we can already conclude the Project has major new emissions and hazard risks** (some described earlier).
15. **The massive new Crude Oil Storage Tanks are not just for offloading faster from marine tankers (as Tesoro describes it), but add the potential to store large volumes of dangerous crude oils, without considering alternatives.** Tesoro is claiming air pollution benefits for faster offloading, but if ships used electric power while in port (called cold ironing), they would not cause extra port emissions.
16. **We are also concerned about the trend toward larger and larger ships**, and the justification for more crude oil storage onshore to offload from massive ships that can hold a million or even two million barrels of oil. With such size, a spill could be even more disastrous. We don't think the DEIR should assume bigger is always better.
17. **Crude Storage Tanks can also be used to open the region and the refinery to increased imports of cheap, poor quality, more explosive, and fracked N. Dakota Bakken crude oil.** Volatile Bakken crude has been involved in rail explosions that killed dozens of people, and caused spills across the country. The DEIR also leaves out greenhouse gases due to extracting / drilling of these oils.
18. **Tesoro could also bring highly corrosive, extremely high carbon Canadian Tar Sands crude to California.** Canadian tar sands crude strip mining causes devastation to pristine land, water, and people in Canada, and is the worst oil for greenhouse gas emissions. It is also tragic that the tar sands producing region of Alberta Canada has been experiencing low rainfall, high temperatures, drought conditions,⁸ and terribly destructive wildfires. These kinds of impacts are the types caused by climate change due to use of fossil fuels such as oil refinery products.
19. **Tesoro recently received approval for a 2-year lease extension for a crude-by-rail to marine terminal in Vancouver Washington, that could bring scary crude oil to LA by 2017:** The Tesoro Savage joint venture for a rail to ship terminal in

⁸ <http://www.theweathernetwork.com/news/articles/western-canada-could-be-on-the-brink-of-long-term-drought/53364> and <http://www.cbc.ca/news/canada/dry-dry-western-canada-braces-for-hot-and-hard-growing-summer-1.3126964>

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Vancouver Washington just north of Portland Oregon is set up to bring a lot more explosive Bakken crude oil or Canadian tar sands crude oil to LA. This project is not yet approved, but progressing, and Tesoro statements talk about its importance as part of its West Coast strategy to bring such cheaper crude oil to its refineries.

20. **Tesoro is planning many miles of underground piping in LA**, and we are very concerned about earthquake risk of spill due to new piping. We had big oil spills in Wilmington next to houses that made people sick even without a large quake.
21. **The Public Process has been difficult.** It went better this time than during the Negative Declaration in 2014, because AQMD staff have been helpful in providing documents more quickly than usual. However, we had to spend weeks getting documents, submitting formal petitions for a public hearing, and evaluating issues that should have been included in the DEIR and Title V permits. Tesoro claimed *all* its project applications were confidential, so we had to go through an extra process to get these applications, and parts were redacted (crossed out). Permits for the Project changes were kept separate from the whole refinery permits, and permits for Tesoro's spun-off "Tesoro Logistics" company were kept separately, and not available online. This unusually large Project should have had a sufficiently long comment period.
22. **We will be proposing an alternative to the Project that does not have all these dangerous elements**, for instance, without the storage tanks.
23. **We urge folks to oppose the Project, oppose the Title V permit, ASK TO SEND BACK THE WHOLE DEIR AGAIN FOR REWRITING**, and ask that the DEIR properly reflect Tesoro's plans to bring dangerous crude oil to LA (such as explosive, fracked Bakken crude oil or extreme carbon, corrosive Canadian Tar Sands).
24. **We don't need the extra risk and pollution, and we don't need to worsen Climate Destruction through oil industry expansions.**

Come to the Public Hearing May 17, 2016, 6-8 pm Public Hearing
Carson Center, 801 East Carson Street Carson, CA 90745

[Written comments on the Title V and the Draft Environmental Impact report are due a little later - May 24th.](#) **OPPOSE THE PROJECT! Don't become a victim of unfair or deceptive pressure by Tesoro:** Community members reported Tesoro pressured them to sign to support the project at meetings where Tesoro provided meals and implied sign-on was no big deal. We received reports by Spanish speaking neighbors that they were pressured to sign support documents written in English that they did not understand. This type of practice is wrong. Tesoro will likely submit these letters to the Air District.

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