Draft Environmental
Impact Report

APPENDIX
A

NOTICE OF PREPARATION AND PUBLIC COMMENTS

Appendix A
Rodeo Renewed Project EIR Scoping Summary

A.1 Introduction

The Contra Costa County Conservation and Development Department (County) is preparing a Draft Environmental Impact Report (EIR) for the proposed Phillips 66 Rodeo Renewed Project (Project) in accordance with California Environmental Quality Act (CEQA) requirements. The Draft EIR will assess the potential impacts of the proposed Project on the environment. The County formally began the process of determining the scope of issues and alternatives to be evaluated in the Draft EIR (a process called "scoping") when it issued a Notice of Preparation (NOP) for the EIR on December 21, 2020. Scoping ended after a 30-day comment period on January 27, 2021 (see Attachment A).

This Scoping Summary includes a description of the scoping process undertaken by the County.

A.2 Purpose of Scoping Process

Scoping is the process of early consultation with the affected agencies and public prior to completion of a Draft EIR. The comments provided by the public and agencies during the scoping process help the County identify pertinent issues, methods of analyses, and level of detail that should be addressed in the EIR. The scoping comments also assist the County in developing a reasonable range of feasible alternatives to be evaluated in the EIR. The scoping comments augment the information developed by the Project proponent and the County, which includes specialists in each of the environmental subject areas covered in the EIR. This combined input results in an EIR that is both comprehensive and responsive to issues raised by the public and regulatory agencies, and that satisfies all CEQA requirements.

Scoping is not conducted to resolve differences concerning the merits of a project or to anticipate the ultimate decision on a proposal. Rather, the purpose of scoping is to help ensure that a comprehensive EIR will be prepared that provides an informative basis for the decision-making process.

The NOP was mailed to federal, state, responsible, and trustee agencies, as well as relevant local agencies and special districts with jurisdiction in the Project area. The mailing list also included organizations, members of the public, and local, regional, and state agencies who have expressed interest in participating in the CEQA.

The County held one scoping meeting on January 20, 2021. During the scoping meeting 14 participants commented on the proposed Project. Twenty-six written letters were received during the public comment period. Verbal and written comments received during the scoping period were reviewed by the County.

A.3 Summary of NOP Scoping Comments

County staff reviewed all of the scoping comments to facilitate consideration of the comments by analysts during preparation of the EIR. Based on this review, the following issues will be addressed in the EIR include:

- Public safety and health;

- Increased hazards from marine, rail, and truck imports/exports;
- Identification, sources, availability of renewable feedstocks;
- Air quality and greenhouse gas impacts;
- Continued use of crude oil and hydrogen throughput;
- Project relationship to state-wide electrification goals;
- Marine Terminal operations;
- Water quality impacts;
- Decommissioning and site remediation;
- Appropriate baseline for analysis;
- Appropriate No Project Alternative;
- Operational effects of the Project on the Santa Maria Facility, Franklin Canyon Carbon Plant, and pipelines;
- Alternatives to the Project;
- Analysis of offsite Project components;
- Consistency with local plans and regulations; and
- Net carbon footprint.

Attachment A

Notice of Preparation

Department of Conservation and Development

30 Muir Road
Martinez, CA 94553

Phone:1-855-323-2626

Contra Costa County

John Kopchik
Director

Aruna Bhat
Deputy Director

Jason Crapo
Deputy Director

Maureen Toms
Deputy Director

Amalia Cunningham
Assistant Deputy Director

Kelli Zenn
Business Operations Manager

December 21, 2020

NOTICE OF PREPARATION / NOTICE OF SCOPING MEETING FOR A DRAFT ENVIRONMENTAL IMPACT REPORT FOR THE PROPOSED PHILLIPS 66 RODEO RENEWED PROJECT

(COUNTY FILE# LP20-2040)

TO: RESPONSIBLE AND TRUSTEE AGENCIES, AND OTHERWISE INTERESTED AGENCIES, ORGANIZATIONS, AND INDIVIDUALS

As the California Environmental Quality Act (CEQA) Lead Agency, the Contra Costa County Department of Conservation and Development (DCD) has prepared this Notice of Preparation for an Environmental Impact Report (EIR) regarding the Phillips 66 Rodeo Renewed Project. Pursuant to CEQA, an EIR must be prepared for the proposed project prior to any final decision regarding whether to approve the project. The purpose of the EIR is to provide information about potential significant physical environmental effects of the proposed project, identify possible ways to minimize the significant effects, and describe and analyze possible alternatives to the proposed project. The County must review and consider the information contained in the EIR prior to making a decision, including comments from all responsible and trustee agencies, as well as interested agencies, organizations, and individuals. The DCD is issuing this Notice of Preparation pursuant to Section 15082 of the CEQA Guidelines.

PROJECT LOCATION

The project site is the existing Phillips 66 Rodeo Refinery located at 1380 San Pablo Ave, Rodeo, CA 94572. The refinery includes 1,100 acres of land, but the project site is on the portion of the refinery facilities west of Interstate 80. The project site is bordered by San Pablo Bay to the north and west, Interstate 80 to the southeast, the NuStar Energy tank farm to the northeast, and Rodeo to the southwest (see attached plot plan).

PROJECT DESCRIPTION

The existing refinery is designed and operated to refine a variety of domestic and foreign crude oils, received by pipeline and tanker vessel, into a wide range of products including gasoline and diesel fuels primarily for the California market, and fuel gases and feedstocks for industrial applications.

The Rodeo Renewed Project would transform the existing Rodeo Refinery into a facility that would process renewable feedstocks into renewable diesel fuel, renewable components of other transportation fuels, and renewable fuel gas. The modified facility would mostly use existing process units, converted to handle the new feedstocks, and existing storage facilities, supplemented by a new renewable feedstocks pre-treatment unit and limited other new equipment. Several of the existing refinery tanks would be converted to the storage of the non-regulated renewable feedstocks, finished distillates, and gasoline blendstocks to meet customer demand (the project would allow the facility to continue to meet regional demand for gasoline via onsite blending of a limited quantity of gasoline blendstocks).

The project also includes decommissioning and potential demolition of an existing facility in Santa Maria, California that currently supplies semi-refined crude oil to the Rodeo Refinery via pipeline, as well as a petroleum coke processing facility (i.e. Carbon Plant) in nearby Franklin Canyon. Once the project is implemented, crude oil and other petroleum pipelines that span from the Central Coast to Rodeo would remain active, but out of service and not used by the project.

Once the Rodeo Renewed Project is complete, the Rodeo facility would no longer process crude oil and petroleum feedstocks into transportation fuels. Instead, it would receive renewable feedstocks via tanker vessel, railcar, and some truck traffic. Renewable feedstocks for the project are to be delivered across the Marine Terminal along with gasoline and gasoline blendstocks. The capacity of the rail infrastructure would not change, but the rail infrastructure would be slightly modified to accommodate receipt of the renewable feedstocks.

The renewable feedstocks would be processed into renewable diesel fuel, jet fuel, gasoline blendstock components, and fuel gases. At full operation, the project could produce approximately 55,000 barrels per day on an annual basis of renewable transportation fuels (upon completion of the project, the Rodeo facility would produce a total of 67,000 barrels per day on an annual basis of renewable transportation fuels, with the additional 12,000 barrels per day coming from existing production). The renewable products would be stored and blended in existing on-site tankage and sent to distribution facilities primarily throughout California and the western United States using distribution methods similar to the current operation. Other gasoline products would continue to be shipped from the existing facility.

Once the project is implemented, the quantity of transportation products delivered from the facility would be approximately the same as pre-project (approximately 105,000 barrels per day). However, the quantity of transportation products manufactured at the facility (i.e., the products manufactured from renewable feedstocks) would be much less (approximately 67,000 barrels per day), with the remainder being conventional gasoline that is blended at the facility using gasoline blendstocks received primarily via the Marine Terminal. Overall the manufacturing activity at the facility and intensity of land use would be lessened by the Rodeo Renewed Project. However, the approximate size of the employee workforce after the project is completed is not expected to significantly differ from current staffing levels.

CONSTRUCTION

Construction would take approximately 24 months and construction activities would include the following: building a new renewable feedstock pretreatment unit; replacing some equipment and process units within the refinery with units tailored to handle renewable

feedstocks; repurposing some existing equipment; shutting down and potential demolition of the Carbon Plant; and converting the refinery's existing railcar loading facility to enable it to unload railcars. With the exception of the Santa Maria facility, no project activities or construction of any facilities outside the Rodeo refinery would be necessary. No conversion of undeveloped land would be needed. To replace the current crude oil feedstocks during construction, when the Santa Maria facility's output is no longer available, the refinery would temporarily increase imports of crude oil and gas oil via tanker vessels and barges through the existing Marine Terminal (Phillips 66 would submit or modify its existing, application to the Bay Area Air Quality Management District to increase crude oil throughput at the Marine Terminal up to 125,000 barrels/day on a 12-month rolling average). No modification of the terminal would be needed and crude oil deliveries would cease once the project was complete. Finally, Phillips 66 would surrender the existing air operating permits for the Santa Maria facility (after shutdown is complete), the Carbon Plant, and many of the Rodeo processing units that would be shut down.

ANTICIPATED IMPACTS

Pursuant to CEQA Guidelines Section 15060(d), the County will not prepare an initial study prior to commencing work on the EIR. The EIR will evaluate potential project impacts in the following CEQA topic areas consistent with Appendix G of the CEQA Guidelines: Aesthetics, Agricultural and Forestry Resources, Air Quality, Biological Resources, Cultural Resources, Energy, Geology and Soils, Greenhouse Gas Emissions, Hazards and Hazardous Materials, Hydrology and Water Quality, Land Use and Planning, Mineral Resources, Noise, Population and Housing, Public Services, Recreation, Transportation, Tribal Cultural Resources, Utilities and Service Systems, Wildfire and , Cumulative Impacts, Alternatives, and other CEQA mandated discussions.

PUBLIC COMMENTS

All responsible and trustee agencies, and interested agencies, organizations, and individuals are invited to submit comments that address environmental concerns resulting from the implementation of the proposed project. Your comments should focus on potential significant environmental issues regarding the project, information that would help the environmental analysis, or factors to consider in the environmental analysis.

As required by CEQA, there will be another opportunity to submit comments on the proposed project and environmental analysis during the public circulation of the Draft EIR. A separate notice will be issued when the Draft EIR becomes available.

Due to the time limits mandated by State law, your response must be sent at the earliest possible date but no later than 30 days after receipt of this letter. The comment period will commence on Monday, December 28, 2020. Correspondence must be received at the following address by 5:00 p.m. on Wednesday, January 27, 2021:

Contra Costa County
Department of Conservation & Development
Community Development Division
30 Muir Road
Martinez, California 94553
Attention: Gary Kupp

Comments can also be submitted by e-mail to gary.kupp@dcd.cccounty.us . The County File Number (#LP20-2040) should be included in all correspondence.

SCOPING MEETING

A scoping meeting will be held on **Wednesday, January 20, 2021, at 3:30 p.m.,** on a remote public meeting platform. Participation instructions can viewed at the following link when the agenda becomes available. Follow the link then click the "Most Recent" agenda tab.

https://www.contracosta.ca.gov/4328/Zoning-Administrator

At this meeting, interested agencies, organizations, and individuals may submit oral and written comments pertaining to environmental concerns related to the proposed project.

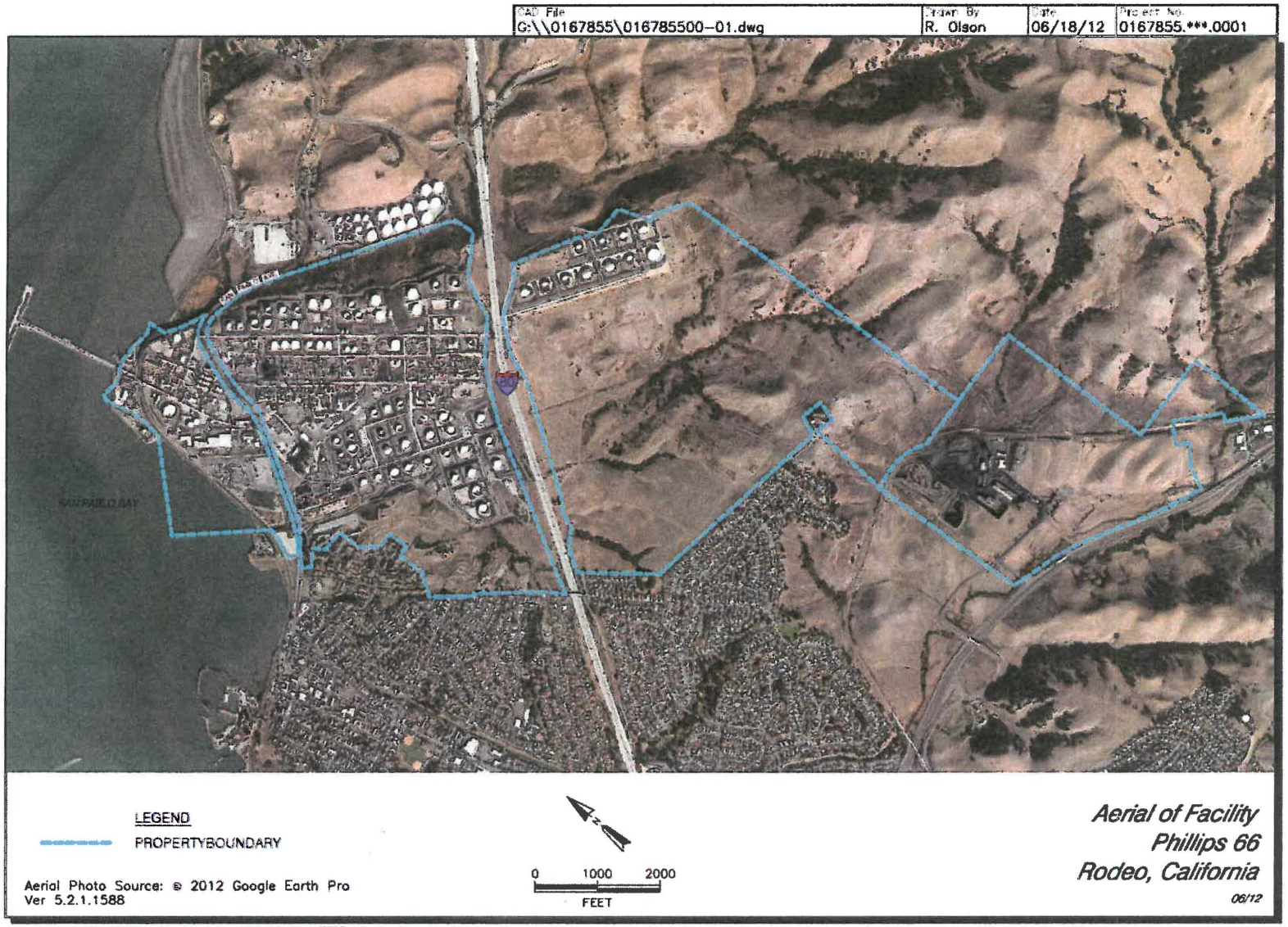
SUPPORTING DOCUMENTS

The project application and supporting documents are available for review at the Department of Conservation and Development, Community Development Division. If you wish to obtain a copy of any documents related to this project, please contact me at (925) 674-7799 or gary.kupp@dcd.cccounty.us .

Kind Regards,

Gary Kupp, Senior Planner
Contra Costa County
Department of Conservation and Development

Attach: Project Plot Plan



1380 San Pablo Ave, Rodeo, CA 94572

CONTRA COSTA COUNTY ZONING ADMINISTRATOR

WEDNESDAY, JANUARY 20, 2021

30 MUIR ROAD

MARTINEZ, CA 94553

*****1:30 P.M.*****

To slow the spread of COVID-19, the Health Officer's Shelter Order of December 16, 2020, prevents public gatherings. In lieu of a public gathering, the County Zoning Administrator will be accessible live online or by telephone to all members of the public as permitted by the Governor's Executive Order N29-20.
Zoning Administrator meetings can be accessed live either online or by telephone.

ACCESS THE MEETING LIVE ONLINE AT https://cccounty-us.zoom.us/j/87389129266

Meeting ID: 87389129266

ACCESS THE MEETING BY TELEPHONE AT (888) 278-0254 FOLLOWED BY ACCESS CODE 198675##.

When accessing the meeting online by computer, you will be asked to either install a plug-in or to join by web browser. When accessing the meeting online by mobile device, you will be prompted to install an application.
PERSONS WHO WISH TO ADDRESS THE ZONING ADMINISTRATOR DURING PUBLIC COMMENT OR WITH RESPECT TO AN ITEM THAT IS ON THE AGENDA MAY DO SO EITHER ONLINE OR BY TELEPHONE. IF ACCESSING THE MEETING ONLINE, REQUEST TO SPEAK BY CLICKING THE "RAISE HAND" FUNCTION. IF ACCESSING THE MEETING BY TELEPHONE, REQUEST TO SPEAK BY DIALING #2.

PUBLIC COMMENTS MAY ALSO BE SUBMITTED BEFORE THE MEETING BY EMAIL AT planninghearing@dcd.cccounty.us OR BY VOICEMAIL AT (925) 674-7792.

All commenters will be limited to three (3) minutes each. Comments submitted by email or voicemail will be included in the record of the meeting but will not be read or played aloud during the meeting. The Zoning Administrator may reduce the amount of time allotted per commenter at the beginning of each item or public comment period depending on the number of commenters and the business of the day. Your patience is appreciated.

If you wish to view the meeting only, but not participate, the meeting can be viewed at http://contra-costa.granicus.com/ViewPublisher.php?view_id=13.
NOTICE: The Zoning Administrator may alter the order of agenda items at the meeting.
The Community Development Division of the Department of Conservation and Development will provide reasonable accommodations to those persons needing translation services and for persons with disabilities who wish to participate in Zoning Administrator meetings. Please contact Hiliana Li at least 48 hours before the meeting at (925) 674-7792.

1. PUBLIC COMMENTS:

2. LAND USE PERMIT: CONTINUED PUBLIC HEARING

2a. RPCA SOLAR 2, LLC (Applicant) - JEFFREY TAMAYO AND SARA TAMAYO FAMILY LIVING TRUST (Owner), County File #LP20-2028: The applicant requests approval of a land use permit to establish a Commercial Solar Energy Facility. The facility will interconnect to Pacific Gas and Electric Company's (PG&E's) existing electrical distribution system located on the site. The subject property is located at 5525 Hope Way in the Byron area. (Zoning: A-3 Heavy Agricultural (A-3) District and Solar Energy Generation (-SG) Combining District) (APN: 002-210-019) (Continued from 01/04/2021 AB) JL Staff Report

2b. RPCA SOLAR 3, LLC (Applicant) - THE ULRICH WINGENS 1989 REVOCABLE TRUST (Owner), County File #LP20-2029: The applicant requests approval of a land use permit to establish a Commercial Solar Energy Facility. The facility will interconnect to Pacific Gas and Electric Company's (PG&E's) existing electrical distribution system located on the site. The subject property is located Northeast of the Byron Highway and Rankin Road intersection in the Byron area. (Zoning: A-2 General Agricultural (A-2) District and Solar Energy Generation (-SG) Combining District) (APN: 002-210-025) (Continued from 01/04/2021 AB)JL Staff Report

2c. JUSTIN DERHAM/MAGIC FLOWER LLC (Applicant) - MARK HOWE (Owner), County File #LP20-2011: An application for a land use permit and development plan modification to establish a vertically-integrated commercial cannabis cultivation and manufacturing facility within an existing light industrial complex and to modify the North Richmond Final Development Plan to identify commercial cannabis cultivation as a permitted use, with a land use permit, within commercial and industrial designated areas of North Richmond. The business will occupy an existing approximately 6,000-square-foot space within the complex and include a vegetative grow room, a manufacturing room, a drying room, three flowering rooms, three office spaces and a shipping and receiving area. The subject property is an established 13.7-acre light industrial site located at 851 Chesley Avenue in the North Richmond area of the County. (Zoning: P-1) (General Plan: LI) (APN: 409-131-002) GF Staff Report

2d. ROBERT NUNN (Applicant and Owner), County File LP16-2039: The applicant requests approval of a Land Use Permit for the proposed Three Springs Olive Oil Mill on a 5.58-acre site, consisting of an olive oil mill in an existing barn on the site. The olive oil processing equipment would be in a portion of the ground floor of the barn. Proposed accessory uses include a tasting area, retail sales of olive oil and related products, and storage. The tasting area would be located adjacent to the mill equipment area. Tastings would be private and by appointment only. In addition to operating the olive oil mill, the applicant proposes to hold up to 32 special events a year at the olive oil mill, including up to 20 events a year related to the operation of the olive oil mill and up to 12 events a year not related to the operation of the olive oil mill. As part of the Land Use Permit, the applicant requests approval of a Variance from the Off-Street Parking Ordinance to allow offsite parking for the special events to be located further than 200 feet of the project site. The applicant also requests authorization of an exception to the requirements of County Code Section 914-2.002 (Onsite Collect and Convey Requirements). The property is located at 10030 Marsh Creek Road in the Clayton area in unincorporated Contra Costa County. (Zoning: A-2, General Agricultural District) (Assessor's Parcel Number: 078-060-035) SM Staff Report

*****3:30 P.M.*****

1. PUBLIC COMMENTS

2. SCOPING SESSION: PUBLIC HEARING

2a. PHILLIPS 66 COMPANY (Applicant & Owner), County File #LP20-2040: This is a Scoping Session to accept public comments in determining the scope and content of an Environmental Impact Report that is to be prepared for the Phillips 66 Rodeo Renewed project. The proposed project would transform the existing Phillips 66 Rodeo refinery from one that refines petroleum feed stocks (i.e. crude oil) into a facility that would process renewable feedstocks into renewable diesel fuel, renewable components of other transportation fuels, and renewable fuel gas. The modified facility would mostly use existing process units, converted to handle the new feedstocks, and existing storage facilities, supplemented by a new renewable feedstocks pre-treatment unit and limited other new equipment. The project also includes decommissioning and potential demolition of an existing facility in Santa Maria, California that currently supplies semi-refined crude oil to the Rodeo Refinery via pipeline, as well as a petroleum coke processing facility in nearby Franklin Canyon. Once the Rodeo Renewed Project is complete, the Rodeo facility would no longer process crude oil and petroleum feedstocks into transportation fuels. To replace the current crude oil feedstocks during construction of the project, the refinery would temporarily increase imports of crude oil and gas oil via tanker vessels and barges through the existing marine terminal; no modification of the marine terminal would be needed and crude oil deliveries would cease upon implementation of the project. The project site is located at 1380 San Pablo Avenue in the unincorporated Rodeo area. (Zoning (H-I) Heavy Industrial District); (APNs: 357-010-001, 357-300-005, 357-320-002, 357-010-002, 357-210-009, 357-210-010, 357-300-001, 357-300-008, 357-310-001, 358-010-008, 358-020-004, 358-030-034); (CEQA: This is a hearing to allow the Zoning Administrator to accept public comments/concerns in determining the scope and content of an Environmental Impact Report that is to be prepared for the Phillips 66 Rodeo Renewed project) GK Staff Report

PLEASE NOTE: THE NEXT MEETING OF THE CONTRA COSTA COUNTY ZONING ADMINISTRATOR WILL BE HELD ON MONDAY, FEBRUARY 1, 2021.

Department of Conservation and Development

County Zoning Administrator

Wednesday, January 20, 2021 – 3:30 .P.M.

STAFF REPORT **Agenda Item #____**

Project Title:	Scoping Meeting for the Phillips 66 Rodeo Renewed Project
County Files:	Land Use Permit #LP20-2040
Applicant/Owner:	Phillips 66 Company
General Plan:	Heavy Industry (HI)
Zoning:	Heavy Industrial District (H-I)
Site Address/Location:	1380 San Pablo Avenue, Rodeo, CA 94572
Assessor Parcel Number:	357-010-001, 357-300-005, 357-320-002, 357-010-002, 357-210-009, 357-210-010, 357-300-001, 357-300-008, 357-310-001, 358-010-008, 358-020-004, 358-030-034
California Environmental Quality Act (CEQA) Status:	Notice of Preparation
Project Planner:	Gary Kupp, Senior Planner (925) 674-7799
Staff Recommendation:	Open the public hearing and accept comments on the environmental concerns related to the proposed project.

I. PROJECT DESCRIPTION

This is a Scoping Meeting to accept public comments in determining the scope and content of an Environmental Impact Report (EIR) that is to be prepared for the Phillips 66 Rodeo Renewed Project.

The proposed project would transform the existing Phillips 66 Rodeo refinery into a facility that would process renewable feedstocks into renewable diesel fuel, renewable components of other transportation fuels, and renewable fuel gas. The existing refinery is designed and operated to refine a variety of domestic and foreign crude oils, received by pipeline and tanker vessel, into a wide range of products including gasoline and diesel fuels primarily for the California market, and

fuel gases and feedstocks for industrial applications.

The modified facility would mostly use existing process units, converted to handle the new feedstocks, and existing storage facilities, supplemented by a new renewable feedstocks pre-treatment unit and limited other new equipment. Several of the existing refinery tanks would be converted to the storage of the non-regulated renewable feedstocks, finished distillates, and gasoline blendstocks to meet customer demand (the project would allow the facility to continue to meet regional demand for gasoline via onsite blending of a limited quantity of gasoline blendstocks).

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Once the project is implemented, the quantity of transportation products delivered from the facility would be approximately the same as pre-project (approximately 105,000 barrels per day). However, the quantity of transportation products

manufactured at the facility (i.e., the products manufactured from renewable feedstocks) would be much less (approximately 67,000 barrels per day), with the remainder being conventional gasoline that is blended at the facility using gasoline blendstocks received primarily via the Marine Terminal. Overall the manufacturing activity at the facility and intensity of land use would be lessened by the Rodeo Renewed Project. However, the approximate size of the employee workforce after the project is completed is not expected to significantly differ from current staffing levels.

Construction would take approximately 24 months and construction activities would include the following: building a new renewable feedstock pretreatment unit; replacing some equipment and process units within the refinery with units tailored to handle renewable feedstocks; repurposing some existing equipment; shutting down and potential demolition of the Carbon Plant; and converting the refinery's existing railcar loading facility to enable it to unload railcars. With the exception of the Santa Maria facility, no project activities or construction of any facilities outside the Rodeo refinery would be necessary. No conversion of undeveloped land would be needed. To replace the current crude oil feedstocks during construction, when the Santa Maria facility's output is no longer available, the refinery would temporarily increase imports of crude oil and gas oil via tanker vessels and barges through the existing Marine Terminal (Phillips 66 would submit or modify its existing, application to the Bay Area Air Quality Management District to increase crude oil throughput at the Marine Terminal up to 125,000 barrels/day on a 12-month rolling average). No modification of the terminal would be needed and crude oil deliveries would cease once the project was complete. Finally, Phillips 66 would surrender the existing air operating permits for the Santa Maria facility (after shutdown is complete), the Carbon Plant, and many of the Rodeo processing units that would be shut down.

II. BACKGROUND

Staff's determination is that an Environmental Impact Report is required pursuant to CEQA (California Environmental Quality Act) Guidelines Section 15060(d). A Notice of Preparation was filed on December 22, 2020 with a comment period beginning on December 28, 2020 and closing at 5 p.m. on Wednesday, January 27, 2021.

Attachment B

Scoping Letters
Scoping Meeting Transcript

NATIVE AMERICAN HERITAGE COMMISSION

December 21, 2020

Gary Kupp
Contra Costa County, Dept. Conservation & Development
30 Muir Road
Martinez, CA 94553

Re: 2020120330, Phillips 66 Rodeo Renewed Project, Contra Costa County

Dear Mr. Kupp:

The Native American Heritage Commission (NAHC) has received the Notice of Preparation (NOP), Draft Environmental Impact Report (DEIR) or Early Consultation for the project referenced above. The California Environmental Quality Act (CEQA) (Pub. Resources Code §21000 et seq.), specifically Public Resources Code §21084.1, states that a project that may cause a substantial adverse change in the significance of a historical resource, is a project that may have a significant effect on the environment. (Pub. Resources Code § 21084.1; Cal. Code Regs., tit.14, §15064.5 (b) (CEQA Guidelines §15064.5 (b)). If there is substantial evidence, in light of the whole record before a lead agency, that a project may have a significant effect on the environment, an Environmental Impact Report (EIR) shall be prepared. (Pub. Resources Code §21080 (d); Cal. Code Regs., tit. 14, § 5064 subd.(a)(1) (CEQA Guidelines §15064 (a)(1)). In order to determine whether a project will cause a substantial adverse change in the significance of a historical resource, a lead agency will need to determine whether there are historical resources within the area of potential effect (APE).

CEQA was amended significantly in 2014. Assembly Bill 52 (Gatto, Chapter 532, Statutes of 2014) (AB 52) amended CEQA to create a separate category of cultural resources, "tribal cultural resources" (Pub. Resources Code §21074) and provides that a project with an effect that may cause a substantial adverse change in the significance of a tribal cultural resource is a project that may have a significant effect on the environment. (Pub. Resources Code §21084.2). Public agencies shall, when feasible, avoid damaging effects to any tribal cultural resource. (Pub. Resources Code §21084.3 (a)). **AB 52 applies to any project for which a notice of preparation, a notice of negative declaration, or a mitigated negative declaration is filed on or after July 1, 2015.** If your project involves the adoption of or amendment to a general plan or a specific plan, or the designation or proposed designation of open space, on or after March 1, 2005, it may also be subject to Senate Bill 18 (Burton, Chapter 905, Statutes of 2004) (SB 18). **Both SB 18 and AB 52 have tribal consultation requirements**. If your project is also subject to the federal National Environmental Policy Act (42 U.S.C. § 4321 et seq.) (NEPA), the tribal consultation requirements of Section 106 of the National Historic Preservation Act of 1966 (154 U.S.C. 300101, 36 C.F.R. §800 et seq.) may also apply.

The NAHC recommends consultation with California Native American tribes that are traditionally and culturally affiliated with the geographic area of your proposed project as early as possible in order to avoid inadvertent discoveries of Native American human remains and best protect tribal cultural resources. Below is a brief summary of portions of AB 52 and SB 18 as well as the NAHC's recommendations for conducting cultural resources assessments.

Consult your legal counsel about compliance with AB 52 and SB 18 as well as compliance with any other applicable laws.

NAHC HEADQUARTERS
1550 Harbor Boulevard
Suite 100
West Sacramento,
California 95691
(916) 373-3710
nahc@nahc.ca.gov
NAHC.ca.gov

AB 52

AB 52 has added to CEQA the additional requirements listed below, along with many other requirements:

1. Fourteen Day Period to Provide Notice of Completion of an Application/Decision to Undertake a Project: Within fourteen (14) days of determining that an application for a project is complete or of a decision by a public agency to undertake a project, a lead agency shall provide formal notification to a designated contact of, or tribal representative of, traditionally and culturally affiliated California Native American tribes that have requested notice, to be accomplished by at least one written notice that includes:

- **a.** A brief description of the project.
- **b.** The lead agency contact information.
- **c.** Notification that the California Native American tribe has 30 days to request consultation. (Pub. Resources Code §21080.3.1 (d)).
- **d.** A "California Native American tribe" is defined as a Native American tribe located in California that is on the contact list maintained by the NAHC for the purposes of Chapter 905 of Statutes of 2004 (SB 18). (Pub. Resources Code §21073).

2. Begin Consultation Within 30 Days of Receiving a Tribe's Request for Consultation and Before Releasing a Negative Declaration, Mitigated Negative Declaration, or Environmental Impact Report: A lead agency shall begin the consultation process within 30 days of receiving a request for consultation from a California Native American tribe that is traditionally and culturally affiliated with the geographic area of the proposed project. (Pub. Resources Code §21080.3.1, subds. (d) and (e)) and prior to the release of a negative declaration, mitigated negative declaration or Environmental Impact Report. (Pub. Resources Code §21080.3.1(b)).

- **a.** For purposes of AB 52, "consultation shall have the same meaning as provided in Gov. Code §65352.4 (SB 18). (Pub. Resources Code §21080.3.1 (b)).

3. Mandatory Topics of Consultation If Requested by a Tribe: The following topics of consultation, if a tribe requests to discuss them, are mandatory topics of consultation:

- **a.** Alternatives to the project.
- **b.** Recommended mitigation measures.
- **c.** Significant effects. (Pub. Resources Code §21080.3.2 (a)).

4. Discretionary Topics of Consultation: The following topics are discretionary topics of consultation:

- **a.** Type of environmental review necessary.
- **b.** Significance of the tribal cultural resources.
- **c.** Significance of the project's impacts on tribal cultural resources.
- **d.** If necessary, project alternatives or appropriate measures for preservation or mitigation that the tribe may recommend to the lead agency. (Pub. Resources Code §21080.3.2 (a)).

5. Confidentiality of Information Submitted by a Tribe During the Environmental Review Process: With some exceptions, any information, including but not limited to, the location, description, and use of tribal cultural resources submitted by a California Native American tribe during the environmental review process shall not be included in the environmental document or otherwise disclosed by the lead agency or any other public agency to the public, consistent with Government Code §6254 (r) and §6254.10. Any information submitted by a California Native American tribe during the consultation or environmental review process shall be published in a confidential appendix to the environmental document unless the tribe that provided the information consents, in writing, to the disclosure of some or all of the information to the public. (Pub. Resources Code §21082.3 (c)(1)).

6. Discussion of Impacts to Tribal Cultural Resources in the Environmental Document: If a project may have a significant impact on a tribal cultural resource, the lead agency's environmental document shall discuss both of the following:

- **a.** Whether the proposed project has a significant impact on an identified tribal cultural resource.
- **b.** Whether feasible alternatives or mitigation measures, including those measures that may be agreed to pursuant to Public Resources Code §21082.3, subdivision (a), avoid or substantially lessen the impact on the identified tribal cultural resource. (Pub. Resources Code §21082.3 (b)).

7. Conclusion of Consultation: Consultation with a tribe shall be considered concluded when either of the following occurs:

a. The parties agree to measures to mitigate or avoid a significant effect, if a significant effect exists, on a tribal cultural resource; or

b. A party, acting in good faith and after reasonable effort, concludes that mutual agreement cannot be reached. (Pub. Resources Code §21080.3.2 (b)).

8. Recommending Mitigation Measures Agreed Upon in Consultation in the Environmental Document: Any mitigation measures agreed upon in the consultation conducted pursuant to Public Resources Code §21080.3.2 shall be recommended for inclusion in the environmental document and in an adopted mitigation monitoring and reporting program, if determined to avoid or lessen the impact pursuant to Public Resources Code §21082.3, subdivision (b), paragraph 2, and shall be fully enforceable. (Pub. Resources Code §21082.3 (a)).

9. Required Consideration of Feasible Mitigation: If mitigation measures recommended by the staff of the lead agency as a result of the consultation process are not included in the environmental document or if there are no agreed upon mitigation measures at the conclusion of consultation, or if consultation does not occur, and if substantial evidence demonstrates that a project will cause a significant effect to a tribal cultural resource, the lead agency shall consider feasible mitigation pursuant to Public Resources Code §21084.3 (b). (Pub. Resources Code §21082.3 (e)).

10. Examples of Mitigation Measures That, If Feasible, May Be Considered to Avoid or Minimize Significant Adverse Impacts to Tribal Cultural Resources:

a. Avoidance and preservation of the resources in place, including, but not limited to:

i. Planning and construction to avoid the resources and protect the cultural and natural context.

ii. Planning greenspace, parks, or other open space, to incorporate the resources with culturally appropriate protection and management criteria.

b. Treating the resource with culturally appropriate dignity, taking into account the tribal cultural values and meaning of the resource, including, but not limited to, the following:

i. Protecting the cultural character and integrity of the resource.

ii. Protecting the traditional use of the resource.

iii. Protecting the confidentiality of the resource.

c. Permanent conservation easements or other interests in real property, with culturally appropriate management criteria for the purposes of preserving or utilizing the resources or places.

d. Protecting the resource. (Pub. Resource Code §21084.3 (b)).

e. Please note that a federally recognized California Native American tribe or a non-federally recognized California Native American tribe that is on the contact list maintained by the NAHC to protect a California prehistoric, archaeological, cultural, spiritual, or ceremonial place may acquire and hold conservation easements if the conservation easement is voluntarily conveyed. (Civ. Code §815.3 (c)).

f. Please note that it is the policy of the state that Native American remains and associated grave artifacts shall be repatriated. (Pub. Resources Code §5097.991).

11. Prerequisites for Certifying an Environmental Impact Report or Adopting a Mitigated Negative Declaration or Negative Declaration with a Significant Impact on an Identified Tribal Cultural Resource: An Environmental Impact Report may not be certified, nor may a mitigated negative declaration or a negative declaration be adopted unless one of the following occurs:

a. The consultation process between the tribes and the lead agency has occurred as provided in Public Resources Code §21080.3.1 and §21080.3.2 and concluded pursuant to Public Resources Code §21080.3.2.

b. The tribe that requested consultation failed to provide comments to the lead agency or otherwise failed to engage in the consultation process.

c. The lead agency provided notice of the project to the tribe in compliance with Public Resources Code §21080.3.1 (d) and the tribe failed to request consultation within 30 days. (Pub. Resources Code §21082.3 (d)).

The NAHC's PowerPoint presentation titled, "Tribal Consultation Under AB 52: Requirements and Best Practices" may be found online at: http://nahc.ca.gov/wp-content/uploads/2015/10/AB52TribalConsultation_CalEPAPDF.pdf

SB 18

SB 18 applies to local governments and requires local governments to contact, provide notice to, refer plans to, and consult with tribes prior to the adoption or amendment of a general plan or a specific plan, or the designation of open space. (Gov. Code §65352.3). Local governments should consult the Governor's Office of Planning and Research's "Tribal Consultation Guidelines," which can be found online at: https://www.opr.ca.gov/docs/09_14_05_Updated_Guidelines_922.pdf.

Some of SB 18's provisions include:

1. Tribal Consultation: If a local government considers a proposal to adopt or amend a general plan or a specific plan, or to designate open space it is required to contact the appropriate tribes identified by the NAHC by requesting a "Tribal Consultation List." If a tribe, once contacted, requests consultation the local government must consult with the tribe on the plan proposal. **A tribe has 90 days from the date of receipt of notification to request consultation unless a shorter timeframe has been agreed to by the tribe.** (Gov. Code §65352.3 (a)(2)).

2. No Statutory Time Limit on SB 18 Tribal Consultation. There is no statutory time limit on SB 18 tribal consultation.

3. Confidentiality: Consistent with the guidelines developed and adopted by the Office of Planning and Research pursuant to Gov. Code §65040.2, the city or county shall protect the confidentiality of the information concerning the specific identity, location, character, and use of places, features and objects described in Public Resources Code §5097.9 and §5097.993 that are within the city's or county's jurisdiction. (Gov. Code §65352.3 (b)).

4. Conclusion of SB 18 Tribal Consultation: Consultation should be concluded at the point in which:

- **a.** The parties to the consultation come to a mutual agreement concerning the appropriate measures for preservation or mitigation; or
- **b.** Either the local government or the tribe, acting in good faith and after reasonable effort, concludes that mutual agreement cannot be reached concerning the appropriate measures of preservation or mitigation. (Tribal Consultation Guidelines, Governor's Office of Planning and Research (2005) at p. 18).

Agencies should be aware that neither AB 52 nor SB 18 precludes agencies from initiating tribal consultation with tribes that are traditionally and culturally affiliated with their jurisdictions before the timeframes provided in AB 52 and SB 18. For that reason, we urge you to continue to request Native American Tribal Contact Lists and "Sacred Lands File" searches from the NAHC. The request forms can be found online at: http://nahc.ca.gov/resources/forms/.

NAHC Recommendations for Cultural Resources Assessments

To adequately assess the existence and significance of tribal cultural resources and plan for avoidance, preservation in place, or barring both, mitigation of project-related impacts to tribal cultural resources, the NAHC recommends the following actions:

1. Contact the appropriate regional California Historical Research Information System (CHRIS) Center (http://ohp.parks.ca.gov/?page_id=1068) for an archaeological records search. The records search will determine:

- **a.** If part or all of the APE has been previously surveyed for cultural resources.
- **b.** If any known cultural resources have already been recorded on or adjacent to the APE.
- **c.** If the probability is low, moderate, or high that cultural resources are located in the APE.
- **d.** If a survey is required to determine whether previously unrecorded cultural resources are present.

2. If an archaeological inventory survey is required, the final stage is the preparation of a professional report detailing the findings and recommendations of the records search and field survey.

- **a.** The final report containing site forms, site significance, and mitigation measures should be submitted immediately to the planning department. All information regarding site locations, Native American human remains, and associated funerary objects should be in a separate confidential addendum and not be made available for public disclosure.
- **b.** The final written report should be submitted within 3 months after work has been completed to the appropriate regional CHRIS center.

3. Contact the NAHC for:

a. A Sacred Lands File search. Remember that tribes do not always record their sacred sites in the Sacred Lands File, nor are they required to do so. A Sacred Lands File search is not a substitute for consultation with tribes that are traditionally and culturally affiliated with the geographic area of the project's APE.

b. A Native American Tribal Consultation List of appropriate tribes for consultation concerning the project site and to assist in planning for avoidance, preservation in place, or, failing both, mitigation measures.

4. Remember that the lack of surface evidence of archaeological resources (including tribal cultural resources) does not preclude their subsurface existence.

a. Lead agencies should include in their mitigation and monitoring reporting program plan provisions for the identification and evaluation of inadvertently discovered archaeological resources per Cal. Code Regs., tit. 14, §15064.5(f) (CEQA Guidelines §15064.5(f)). In areas of identified archaeological sensitivity, a certified archaeologist and a culturally affiliated Native American with knowledge of cultural resources should monitor all ground-disturbing activities.

b. Lead agencies should include in their mitigation and monitoring reporting program plans provisions for the disposition of recovered cultural items that are not burial associated in consultation with culturally affiliated Native Americans.

c. Lead agencies should include in their mitigation and monitoring reporting program plans provisions for the treatment and disposition of inadvertently discovered Native American human remains. Health and Safety Code §7050.5, Public Resources Code §5097.98, and Cal. Code Regs., tit. 14, §15064.5, subdivisions (d) and (e) (CEQA Guidelines §15064.5, subds. (d) and (e)) address the processes to be followed in the event of an inadvertent discovery of any Native American human remains and associated grave goods in a location other than a dedicated cemetery.

If you have any questions or need additional information, please contact me at my email address: Nancy.Gonzalez-Lopez@nahc.ca.gov.

Sincerely,

Nancy Gonzalez-Lopez
Cultural Resources Analyst

cc: State Clearinghouse

From:	DCD PlanningHearing
To:	Aruna Bhat
Cc:	Syd Sotoodeh; Gary Kupp
Subject:	FW: Public Comments for the Phillips 66 Rodeo Renewed Project
Date:	Wednesday, January 20, 2021 4:49:17 PM

This comment arrived at 4:09 pm.

Hiliana Li
Secretary
Conservation and Development
30 Muir Road
Martinez, CA 94553
Phone: 925-674-7792
Fax: 925-674-7258

From: Chambers, Andrew@Wildlife <Andrew.Chambers@Wildlife.ca.gov>
Sent: Wednesday, January 20, 2021 4:09 PM
To: DCD PlanningHearing <PlanningHearing@dcd.cccounty.us>
Subject: Public Comments for the Phillips 66 Rodeo Renewed Project

Good afternoon,

From the Project Application

1. In section 3.1 the third bullet point mentions minor modification of the existing rail infrastructure. CDFW is requesting that design details about this rail modification be included in the EIR, such as footprint expansions, a map of where this modification is planned to occur, and connected routes thereof.
2. In section 3.1.1 the description states there would be an increase in marine throughput during the construction phase. CDFW is requesting this increased marine throughput be quantified and included in the EIR, as well as a comparison of this increased marine throughput against the baseline operational marine throughput.

Thank you,
-Andy

Andrew O. Chambers
Environmental Scientist
Bay Delta Region, Habitat Conservation Unit
2825 Cordelia Road, Suite 100
Fairfield, CA 94534
(707) 428-2002

EAST BAY
MUNICIPAL UTILITY DISTRICT

January 20, 2021

Gary Kupp, Senior Planner
Contra Costa County
Department of Conservation & Development
Community Development Division
30 Muir Road
Martinez, CA 94553

Re: Notice of Preparation for a Draft Environmental Impact Report for the Proposed Phillips 66 Rodeo Renewed Project (County File# LP20-2040)

Dear Mr. Kupp:

East Bay Municipal Utility District (EBMUD) appreciates the opportunity to comment on the Notice of Preparation of a Draft Environmental Impact Report for the Phillips 66 Rodeo Renewed Project located at 1380 San Pablo Avenue in Rodeo in unincorporated Contra Costa County (County). EBMUD has the following additional comments.

GENERAL

EBMUD owns and operates a 24-inch and 48-inch transmission pipeline located in an EBMUD right-of-way (owned in fee) that traverses the Phillips 66 Refinery. These pipelines provide continuous service to customers within the area; the integrity of these pipelines needs to be maintained at all times. Any proposed construction activity near or within the EBMUD property will need to be coordinated with EBMUD and may require relocation of the pipelines and/or property at the project sponsor's expense. No buildings or structures shall be constructed in EBMUD's property unless specific approval is given by EBMUD. Furthermore, any construction in the vicinity of the EBMUD property shall not undermine the integrity of the transmission pipelines and the surrounding soil. EBMUD requests that the project sponsor provide a set of plans of the proposed construction in any future environmental documentation to determine its proximity to EBMUD's property, right-of-ways, and pipelines.

WATER SERVICE

EBMUD's Maloney Pressure Zone, with a service elevation range between 0 and 200 feet, currently provides water service to the Phillips 66 Refinery. If additional water service is needed, the project sponsor should contact EBMUD's New Business Office and request a water service estimate to determine the costs and conditions of providing additional water service to the development. Engineering and installation of water services requires

substantial lead time, which should be provided for in the project sponsor's development schedule.

EBMUD's Standard Site Assessment Report indicates the potential for contaminated soils or groundwater to be present within the project site boundaries. The project sponsor should be aware that EBMUD will not install piping or services in contaminated soil or groundwater (if groundwater is present at any time during the year at the depth piping is to be installed) that must be handled as a hazardous waste or that may be hazardous to the health and safety of construction and maintenance personnel wearing Level D personal protective equipment. Nor will EBMUD install piping or services in areas where groundwater contaminant concentrations exceed specified limits for discharge to the sanitary sewer system and sewage treatment plants. The project sponsor must submit copies to EBMUD of all known information regarding soil and groundwater quality within or adjacent to the project boundary and a legally sufficient, complete and specific written remediation plan establishing the methodology, planning, and design of all necessary systems for the removal, treatment, and disposal of contaminated soil and groundwater.

EBMUD will not design piping or services until soil and groundwater quality data and remediation plans have been received and reviewed and will not start underground work until remediation has been carried out and documentation of the effectiveness of the remediation has been received and reviewed. If no soil or groundwater quality data exists, or the information supplied by the project sponsor is insufficient, EBMUD may require the project sponsor to perform sampling and analysis to characterize the soil and groundwater that may be encountered during excavation, or EBMUD may perform such sampling and analysis at the project sponsor's expense. If evidence of contamination is discovered during EBMUD work on the project site, work may be suspended until such contamination is adequately characterized and remediated to EBMUD standards.

WATER RECYCLING

EBMUD's Policy 9.05 requires that customers use non-potable water, including recycled water, for non-domestic purposes when it is of adequate quality and quantity, available at reasonable cost, not detrimental to public health, and not injurious to plant, fish, and wildlife to offset demand on EBMUD's limited potable water supply. Appropriate recycled water uses include landscape irrigation, commercial and industrial process uses, toilet and urinal flushing in non-residential buildings, and other applications.

The project site is located within the service boundaries of a future EBMUD recycled water supply project that is intended to serve industrial usages such as cooling and boiler make-up water purposes within the refinery. EBMUD will continue its coordination with Phillips 66 to implement a recycled water project when feasible to do so.

WATER CONSERVATION

The proposed project presents an opportunity to incorporate water conservation measures. EBMUD requests that the County include in its conditions of approval a requirement that the project sponsor comply with Assembly Bill 325, "Model Water Efficient Landscape Ordinance," (Division 2, Title 23, California Code of Regulations, Chapter 2.7, Sections 490 through 495). The project sponsor should be aware that Section 31 of EBMUD's Water Service Regulations requires that water service shall not be furnished for new or expanded service unless all the applicable water-efficiency measures described in the regulation are installed at the project sponsor's expense.

If you have any questions concerning this response, please contact Timothy R. McGowan, Senior Civil Engineer for Major Facilities Planning, at (510) 287-1981.

Sincerely,

David J. Rehnstrom
Manager of Water Distribution Planning

DJR:JRK:btf
sb21_004.doc

cc: Richard G. Harbison
Phillips 66 Company
1380 San Pablo Avenue
Rodeo, Contra Costa County 94572

Don Bristol
Phillips 66 Company
1380 San Pablo Avenue
Rodeo, Contra Costa County 94572

EAST BAY
MUNICIPAL UTILITY DISTRICT
P.O. BOX 24055 . OAKLAND . CA 94623-1055

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CONTRA COSTA
2021 JAN 27 P 1:00
DEPARTMENT OF CONSERVATION
AND DEVELOPMENT

Gary Kupp, Senior Planner
Contra Costa County
Department of Conservation & Developm
Community Development Division
30 Muir Road
Martinez, CA 94553

65 KMGJNMP 94553

From: Philip Coffin
To: Gary Kupp
Subject: request for Rodeo Renewed supporting documents
Date: Wednesday, January 20, 2021 4:15:52 PM
Attachments: image001.png

Hello Mr. Kupp,

I'm listening in on the scoping session and searching online for more information about the proposed conversion of the Phillips 66 refinery in Rodeo. Could you please email me the project application and supporting documents? I'm particularly interested in any maps/exhibits that show the proposed new footprint of the refinery, and any possible future San Francisco Bay Trail alignments that this facility conversion may yield.

Thank you,

Philip Coffin
Administrative Analyst II | Acquisition, Stewardship and Development
Pronouns: he, him, his
East Bay Regional Park District
2950 Peralta Oaks Court, Oakland, CA 94605
T: 510-544-2604| F: 510-569-1417
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RODEO SANITARY DISTRICT

800 SAN PABLO AVE. · RODEO, CA 94572-1232
(510) 799-2970 · FAX (510) 799-5403

Contra Costa County
Department of Conservation & Development
Community Development Division
30 Muir Road
Martinez, California 94553
Attn: Gary Kupp

RE: County File No. LP20-2040

Dear Mr. Kupp:

The Rodeo Sanitary District's Board of Directors (Board) is concerned that the Phillips 66 Rodeo Renewed Project (Project) may cause significant adverse environmental impacts at or near Rodeo Sanitary District (District) facilities, and/or within the District's service area, portions of which adjoin the Phillips 66 Refinery.

The Board would like the Contra Costa County Department of Conservation and Development (DCD) to consider and hold extensive discussions regarding the safety and potential risk to the District's Water Pollution Control Plant (WPCP) and to District employees that occupy it. The discussion, at a minimum, should evaluate the risks associated with fire, shock/explosive force, and harmful emissions including criteria air pollutants, and the impacts on the Rodeo community if the WPCP was unable to function.

The proposed Project will produce renewable fuels that are highly flammable, and which should be stored in stainless steel tanks. Storage at the NuStar facilities will be an important element of this project and it is evident that the tanks are located on unconsolidated alluvial soils over the Franklin fault. Thus, fire damage and earthquake are of great concern. With regards to the NuStar explosion in Oct. 2019, to quote the minutes of the September 23, 2020 meeting of the Crockett-Carquinez Fire Protection District Commissioners: "Commissioner Maria said that an improved foam system is required. All expressed concern that there may be other deficiencies such as berm capacity and placement of drainage pipes, since many of the tanks were built without permit."

Another area of concern is the proposed increase in hydrogen production. The Phillips 66 Refinery has two older facilities with older technologies and there have been yearly mechanical failures since 2009. Many other facilities around the globe

are installing hydrogen plants that use "electrolysis," instead of the old-fashioned "steam-(methane) reduction" process. The Phillips 66 Facility currently uses natural gas as fuel, which releases huge amounts of carbon dioxide, as well as 138,000 pounds per year of ammonia.

The final concern is effective monitoring. Production of renewable biofuels is a very new technology. As a neighbor, the District expects a high level of accurate measurement of what is expelled from the smokestacks. Current stack emissions are likely measured with an industry-preferred Mass Balance Test, an algorithmic model, which is often grossly inaccurate. We believe that Contra Costa County show follow the lead of the California Air Resources Board (CARB) efforts at improving monitoring and impose a more accurate means of measuring stack emissions.

The District is charged with acting as a steward of the environment. In carrying out those responsibilities, the District must protect staff, facilities, and its customers from potential hazards and unhealthy emissions.

Sincerely,

Connie Batchelder
President of the Board of Directors
Rodeo Sanitary District

San Francisco Bay Conservation and Development Commission
375 Beale Street, Suite 510, San Francisco, California 94105 tel 415 352 3600 fax 888 348 5190
State of California | Gavin Newsom – Governor | info@bcdc.ca.gov | www.bcdc.ca.gov

January 26, 2020

Mr. Gary Kupp
Contra Costa County
Department of Conservation and Development
Community Development Division
30 Muir Road
Martinez, CA 94553

SUBJECT: NOP Scoping Comments for Draft Environmental Impact Report– Proposed Phillips 66 Rodeo Renewed Project (County File #LP20 – 2040) (SCH #2020120330)
BCDC Inquiry File No. MC.MC.7415

Dear Mr. Kupp:

Thank you for the opportunity to comment on Contra Costa County's Department of Conservation and Development's Notice of Preparation (NOP) for the Proposed Phillips 66 Rodeo Renewed Project (Project), County File #LP20-2040, State Clearinghouse Number 2020120330, distributed and received in our office on December 21, 2020. The San Francisco Bay Conservation and Development Commission (BCDC or Commission) has not reviewed the NOP, but the following comments provided by staff are based on the *San Francisco Bay Plan* (Bay Plan) as amended through May 2020 and the McAteer-Petris Act (MPA). When evaluating projects, BCDC considers all applicable policies. The goal of this letter is to highlight some policies that are relevant to the Project, and to encourage you to meet with BCDC staff well before submitting your permit application to ensure that the proposed project design is consistent with BCDC policies. In reviewing your permit application, BCDC staff may raise additional relevant policies. BCDC staff also notes that this Project builds upon the existing Environmental Impact Reports issued by Contra Costa County for the Refinery's 2007 Clean Fuels Expansion Project and 200BCDC3 Ultra Low Sulfur Diesel Project.

Commission Jurisdiction

BCDC is responsible for granting or denying permits for any proposed fill (e.g., earth or any other substance or material, including pilings or structures placed on pilings, and floating structures moored for extended periods of time); extraction of materials; or change in use of any water, land, or structure within the Commission's jurisdiction. Generally, BCDC's jurisdiction over San Francisco Bay extends from the Golden Gate to the confluence of the San Joaquin and Sacramento Rivers and includes tidal areas up to mean high tide, including all sloughs, and in marshlands up to five feet above mean sea level; a shoreline band consisting of territory located between the shoreline of the Bay and 100 feet landward and parallel to the shoreline; salt ponds; managed wetlands; and certain waterways that are tributaries to the Bay.

The Commission can grant a permit for a project if it finds that the project is either (1) necessary to the health, safety, and welfare of the public in the entire Bay Area, or (2) is consistent with the provisions of the McAteer-Petris Act and the Bay Plan. The Commission has jurisdiction over the Bay waters and shoreline areas on or around several parts of the Project site and a permit, or permit amendment, from the Commission may be required. The Project is also sited within a Water-Related Industry (WRI) Priority Use Area (PUA) designation, see below. There are several existing BCDC permits associated with this site. The Project proponents should be aware of the requirements of these permits and discuss the implications of the Project on these existing permits with BCDC.

Priority Use Areas

Section 66602 of the McAteer-Petris Act states, in part, "that certain water-oriented land uses along the Bay shoreline are essential to the public welfare of the Bay Area, and that these uses include certain industries that require a waterfront location on navigable, deep water to receive raw materials and distribute finished products by ship, known as water-related industries, and, as such, the San Francisco Bay Plan should make provision for adequate and suitable locations for all these uses." From examination of the boundaries of the Project outlined in the NOP, it appears that the site is within a WRI PUA, as seen on Bay Plan Map 2. Any proposals for placing fill, extracting materials, or changing the use of any land, water, or structure within those areas that are designated for Water-Related Industry Priority Use in the Bay Plan must be developed and managed in a manner consistent with applicable policies of the McAteer-Petris Act and the Bay Plan. Water-related industry should be planned and managed to avoid wasteful use of the limited supply of waterfront land. The project proponents should coordinate with BCDC to confirm whether any components of the Project fall within these Priority Use Areas, and if so, the EIR should map these areas and describe the consistency of the Project with the relevant sections of the Bay Plan.

The Bay Plan establishes policies for development and resource conservation within BCDC's jurisdiction. Water-Related Industry policies specifically state: "Air and water pollution should be minimized through strict compliance with all relevant laws, policies and standards. Mitigation, consistent with the Commission's policy concerning mitigation, should be provided for all unavoidable adverse environmental impacts." Bay Plan policies cover the protection of Bay resources, including fish, other aquatic organisms, and wildlife; water quality; and others, as well as issues related to development, such as climate change; fills; shoreline protection; water-related uses; appearance, design, and scenic views; public access; mitigation; and environmental justice.

Commission Law and Bay Plan Policies Relevant to the Proposed Project

1. **Bay Fill, Geology and Soils.** Section 66632 of the McAteer-Petris Act (MPA) defines fill as "earth or any other substance or material, including pilings or structures placed on pilings, and structures floating at some or all times and moored for extended periods, such as houseboats and floating docks." It is unclear from the NOP if the Project would require any filling of the Bay, or whether any portion of the Project would take place on fill. The EIR should map and describe any areas of the project site subject to tidal action at any point since September 17, 1965 that have been subsequently filled, and describe in detail the proposed development, activity, and uses on these filled areas and

consistency with the Commission's laws and policies. If any new fill is proposed as part of the Project, the EIR should also indicate the location of such fill; the proposed method of fill (e.g., solid earth, pile-supported structure, cantilevered structure); the approximate volume and surface area of the Bay to be filled; and the proposed development, activity, and uses of the newly filled area.

Section 66605 of the MPA sets forth the criteria necessary to authorize placing fill in the Bay and certain waterways. It states, among other things, that further filling of the Bay should only be authorized if it is the minimum necessary to achieve the purpose of the fill and if harmful effects associated with its placement are minimized. According to the MPA, fill should be limited to water-oriented or minor fill for improving shoreline appearance or public access and should be authorized only when no alternative upland location is available for such purpose; the fill is the minimum amount necessary to achieve the purpose of the fill; the nature, location, and extent of any fill will minimize harmful effects to the Bay; and the fill should be constructed in accordance with sound safety standards.

If new fill is proposed as part of the Project or if portions of the Project will be sited on existing fill, the EIR should include a description of the Bay Plan's Safety of Fills policies, which include, among other things, provisions that "no fill or building… be constructed if hazards cannot be overcome adequately for the intended use in accordance with criteria prescribed by the [Commission's] Engineering Criteria Review Board"; "strong-motion seismographs… be required on all future major land fills"; and "adequate measures… be provided to prevent damage from sea level rise and storm activity that may occur on fill or near the shoreline over the expected life of a project." The EIR should discuss the Project's consistency with these Bay Plan policies.

2. **Climate Change and Safety of Fills.** Bay Plan Climate Change Policy No. 2 states "when planning shoreline areas or designing larger shoreline projects, a risk assessment should be prepared… based on the estimated 100-year flood elevation that takes into account the best estimates of future sea level rise and current flood protection and planned flood protection… for the proposed project or shoreline area. A range of sea level rise projections for mid-century and end of century based on the best scientific data available should be used in the risk assessment." Policy No. 3 states that where such assessments show vulnerability to public safety, projects "should be designed to be resilient to a mid-century sea level rise projection" and an "adaptive management plan" should be prepared if it is likely the project will remain in place longer than mid-century.

   In addition, Policy No. 4 in the Bay Plan Safety of Fills section states that structures on fill or near the shoreline should have adequate flood protection including consideration of future relative sea level rise as determined by qualified engineers. The policy states that "adequate measure should be provided to prevent damage from sea level rise and storm activity that may occur on fill or near the shoreline over the expected life of a project…. New projects on fill or near the shoreline should either be set back from the edge of the shore so that the project will not be subject to dynamic wave energy, be

built so the bottom floor level of structures will be above a 100-year flood elevation that takes future sea level rise into account for the expected life of the project, be specifically designed to tolerate periodic flooding, or employ other effective means of addressing the impacts of future sea level rise and storm activity."

The NOP states that the Project will be reusing and modifying some existing equipment along the shoreline, and potentially building new facilities. The NOP does not state the site's relationship to the FEMA 100-year flood zone or describe plans for sea level rise projections. In the EIR, the Project proponents should include the mean higher high water level, the 100-year flood elevation, the mid- and end-of-century sea level projections (preferably using projections based on the best-available science found in the State's SLR guidance, available here: http://www.opc.ca.gov/webmaster/ftp/pdf/agenda_items/20180314/Item3_Exhibit-A_OPC_SLR_Guidance-rd3.pdf), anticipated site-specific storm surge effects, and a preliminary assessment of the project's vulnerability to future flooding and sea level rise. The EIR should include a discussion of the life of the project, and how the project has been designed to tolerate and/or manage sea level rise and shoreline flooding at the site to ensure the project. If the Project is a "larger shoreline project" as provided in the Bay Plan Climate Change policies, the Project would be required to be resilient to mid-century sea level rise projections and adapt to end of the century projections if it is likely the Project will remain in place longer than mid-century. If necessary, the EIR should indicate whether there are any proposed long-term adaptation strategies, whether adaptation strategies would have the potential to adversely affect public access areas and wildlife habitat, and methods for minimizing these effects.

3. **Shoreline Protection.** The Bay Plan establishes criteria by which new shoreline protection projects may be authorized and by which existing shoreline protection may be maintained or reconstructed. Shoreline Protection Policy No. 5 requires "all shoreline protection projects should evaluate the use of natural and nature-based features such as marsh vegetation, levees with transitional ecotone habitat, mudflats, beaches, and oyster reefs, and should incorporate these features to the greatest extent practicable… Suitability and sustainability of proposed shoreline protection and restoration strategies at the project site should be determined using the best available science on shoreline adaptation and restoration." Shoreline Protection Policy 2 says equitable and culturally-relevant community outreach and engagement should be conducted to meaningfully involve nearby communities for all shoreline protection project planning and design processes – other than maintenance and in-kind repairs to existing protection structures or small shoreline protection projects – in order to supplement technical analysis with local expertise and traditional knowledge and reduce unintended consequences. In particular, vulnerable, disadvantaged, and/or underrepresented communities should be involved. If such previous outreach and engagement did not occur, further outreach and engagement should be conducted prior to Commission action. Finally, Water Quality Policy No. 7 requires that, whenever practicable, native vegetation buffer areas should

be used in place of hard shoreline and bank erosion control methods (e.g., rock riprap) where appropriate and practicable. New shoreline protection projects are also required to avoid adverse impacts to natural resources and public access, and mitigation or alternative public access must be provided when avoidance is not possible.

The EIR should describe how the shoreline protection features of the Project would be consistent with BCDC's shoreline protection policies, including how natural and nature-based features are incorporated to the greatest extent practicable. The EIR should also catalog existing shoreline protection structures at the project site and identify where maintenance or reconstruction is required. The EIR should also include a discussion of outreach and engagement that was conducted regarding this aspect of the proposed project.

4. **Water Quality**. The policies in the Water Quality section of the Bay Plan require Bay water pollution to be prevented to the greatest extent feasible. New projects are required to be sited, designed, constructed and maintained to prevent or minimize the discharge of pollutants in the Bay by controlling pollutant sources at the project site, using appropriate construction materials, and applying best management practices. More specifically, Bay Plan policies on water quality state, in part, that "water quality in all parts of the Bay should be maintained at a level that will support and promote the beneficial uses of the Bay as identified in the San Francisco Bay Regional Water Quality Control Board's *Water Quality Control Plan, San Francisco Basin* and should be protected from all harmful or potentially harmful pollutants." The NOP states that there will be an addition of wastewater pretreatment equipment as an additional step in processing the fuels moving forward, which may impact existing wastewater discharge. This, and the potential construction impacts, outfall and runoff described in the NOP, could affect water quality around the site and beyond. The EIR should include an analysis of potential water quality impacts associated with the Project. The Project proponents should also work with the Regional Water Quality Control Board and other relevant resource agencies to protect against impacts to the water quality of the Bay ecosystem and to surrounding natural communities.

5. **Environmental Justice**. Our Commission recently approved several new Bay Plan policies on Environmental Justice and Social Equity. Policy No. 2 of the new Bay Plan Environmental Justice and Social Equity chapter states "…the Commission should support, encourage, and request local governments to include environmental justice and social equity in their general plans, zoning ordinances, and in their discretionary approval processes." Policy No. 3 states "equitable, culturally-relevant community outreach and engagement should be conducted by local governments and project applicants to meaningfully involve potentially impacted communities for major projects and appropriate minor projects in underrepresented and/or identified vulnerable and/or disadvantaged communities…. Evidence of how community concerns were addressed should be provided." Policy No. 4 states "if a project is proposed within an underrepresented and/or identified vulnerable and/or disadvantaged community, potential disproportionate impacts should be identified in collaboration with the potentially impacted communities." Revised Public Access Policy No. 5 states "public

access that substantially changes the use or character of the site should be sited, designed, and managed based on meaningful community involvement to create public access that is inclusive and welcoming to all and embraces local multicultural and indigenous history and presence…." The updated policies further state that public access improvements should not only be consistent with the project, but also incorporate the culture(s) of the local community, and provide "…barrier free access for persons with disabilities, for people of all income levels, and for people of all cultures."

The EIR should specify the culturally-relevant community outreach and engagement efforts that will be conducted for the Project, particularly in the neighboring Bayo Vista residential area to the south, identify whether the Project is in or near a vulnerable community, and if so, identify potential disproportionate impacts.

6. **Mitigation**. Bay Plan policies on Mitigation require projects to "compensate for unavoidable adverse impacts to the natural resources of the Bay…" The policies provide specific criteria for how compensatory mitigation projects should be sited and designed, community involvement in providing compensatory mitigation, when compensatory mitigation should occur relative to the impacts, and how to determine whether banking or in-lieu fee programs are acceptable. The policies also state that "mitigation programs should be coordinated with all affected local, state, and federal agencies having jurisdiction or mitigation expertise to ensure, to the maximum practicable extent, a single mitigation program that satisfies the policies of all the affected agencies." The EIR should discuss how proposed mitigation measures, and any other mitigation determined to be necessary to compensate for Project impacts, is consistent with Bay Plan Mitigation policies. Additionally, the Project proponents should coordinate with all regulatory agencies that have jurisdiction over the project to develop mitigation measures that is agreeable to all relevant agencies.

7. **Hazards and Hazardous Materials.** The Bay Plan's Water Quality policies also have relevance to the EIR's hazards and hazardous materials discussion. While the renewable feedstocks to be used are deemed non-hazardous, given potential changes to truck, rail, and vessel transportation patterns in response to the Project, the EIR should address the potential for hazardous substances such as fuels to be released into the environment due to routine use or transportation, or potential upset or accident conditions. Also of note is the Project's intention to increase crude oil deliveries across the Marine Terminal for a transitional period during construction.

   In addition, the Bay Plan Navigational Safety and Oil Spill Prevention Policies 1 and 2 state, in part, that "physical obstructions to safe navigation… should be removed to the maximum extent feasible," and that marine facility projects should be "in compliance with oil spill contingency plan requirements." The EIR should include a discussion of whether the Project would have any impacts on navigational safety, and would meet oil spill contingency requirements of the Lempert-Keene-Seastrand Oil Spill Prevention and Response Act.

Thank you for your consideration of these comments. Again, we encourage the Project proponents to discuss Project plans with BCDC during the pre-application phase of the process. If you have any questions regarding this letter, please do not hesitate to contact me at (415) 352-3641 or via email at cody.aichele@bcdc.ca.gov.

Sincerely,

DocuSigned by:
6E54B2B02E1B41D...

CODY AICHELE-ROTHMAN
Coastal Planner

CAR/gg

cc: State Clearinghouse, 1400 10th Street, #12, Sacramento, CA 95814

January 27, 2021

Gary Kupp
Contra Costa County
Department of Conservation & Development
30 Muir Road
Martinez, CA 94553

RE: Phillips 66 Rodeo Renewed Project – Notice of Preparation for a Draft Environmental Impact Report (County File Number: LP20-2040)

Dear Mr. Kupp,

Bay Area Air Quality Management District (Air District) staff has reviewed the Notice of Preparation (NOP) of a Draft Environmental Impact Report (DEIR) for the Phillips 66 Rodeo Renewed Project (Project). The Project proposes to transform the existing Rodeo Refinery into a facility that would process renewable feedstocks into renewable diesel fuel, renewable components of other transportation fuels, and renewable fuel gas. The modified facility would mostly use existing process units, converted to handle the new feedstocks, and existing storage facilities, supplemented by a new renewable feedstocks pre-treatment unit and limited other new equipment. Several of the existing refinery tanks would be converted to the storage of renewable feedstocks, finished distillates, and gasoline blendstocks to meet customer demand.

The Project also includes decommissioning and potential demolition of an existing facility in Santa Maria, California, that currently supplies semi-refined crude oil to the Rodeo Refinery via pipeline, as well as a decommissioning and potential demolition of a petroleum coke processing facility (also known as the Carbon Plant) in nearby Franklin Canyon. Once the Project is implemented, crude oil and other petroleum pipelines that span from the Central Coast to Rodeo would remain in place, but no longer used by the Project.

During construction of the Project and shut down of the Santa Maria facility pipeline, the Project proposes to temporarily increase crude oil and gas oil throughputs at the Marine Terminal.

Once the Project is complete, the Rodeo facility would receive renewable feedstocks via tanker vessel, railcar, and truck to process the renewable feedstocks into renewable diesel fuel, jet fuel, gasoline blendstock components, and fuel gases. At full operation, the project could produce approximately 105,000 barrels per day on an annual basis for all its products, similar to pre-project production quantities.

Air District staff recognizes that renewable fuels are a component of California's near-term strategy to meet our climate goals, and that conversion of petroleum refining to renewable feedstocks is part of this transition. It is imperative, however, that this conversion not adversely impact air quality and community health. We are concerned about the Project's potential air quality impacts on neighboring communities. Communities neighboring refineries have historically been disproportionately impacted by poor environmental and socioeconomic conditions. For example, many of the neighborhoods in Rodeo are at the 98th percentile for asthma emergency hospitalizations within the State of California and have been identified as disadvantaged and low-income under Senate Bill 1000 and by CalEPA's CalEnviroScreen tool. The Air District has worked for many years to improve air quality and health in these communities and these efforts continue today. Accordingly, increased emissions in the neighboring communities would be concerning and would make it more challenging in achieving the States' Community Health Protection Program goals and targets.

Air District staff recommends the EIR include the following information and analysis:

- **The EIR should establish a conservative significance threshold to evaluate impacts.** Communities neighboring refineries are currently cumulatively impacted with air pollution, which makes additional air pollution a potentially significant localized impact. We recommend that the EIR use a very conservative significance threshold to evaluate impacts and mitigation requirements for this Project. This includes establishing a baseline of current air quality emissions and toxic air contaminants surrounding the facility.
- **The EIR should compare the air quality impacts from the Project and the No Project alternative.** In addition to evaluating the Project's air quality impacts, staff recommends that an evaluation be conducted for the No Project alternative. This will provide full disclosure of current versus anticipated impacts from the Project.
- **The EIR should include an analysis of the temporary increase in crude oil and gas oil throughput at the Marine Terminal.** Air District staff recommends that the EIR include an analysis of the air quality impacts of anticipated temporary increase of crude oil and gas oil at the Marine Terminal during construction and closure of the Santa Maria Facility.
- **The EIR should include an analysis of the expected criteria pollutants, toxic air contaminants, and health impacts resulting from marine, rail, or truck traffic modifications.** The Project expects to continue pre-project delivery quantities after closure of the Santa Maria pipeline. Air District staff recommends that the EIR include an analysis of the criteria pollutants, toxic air contaminants, and health impacts resulting from increases in marine, rail, or truck traffic due to the decommissioned transmission pipeline.
- **The greenhouse gas (GHG) impact analysis should include an evaluation of the Project's consistency with the most recent draft of the AB 32 Scoping Plan by the California Air Resources Board (CARB) and with the State's long-term climate goals.** The current recommended GHG thresholds in the Air District's 2017 CEQA Guidelines are based on the State's 2020 GHG targets, which are now superseded by the 2030 GHG targets established in SB 32. The EIR should demonstrate how the Project will be consistent with the Scoping Plan

as well as the State's long-term climate goals of reaching carbon neutrality by 2045 and achieving GHG emissions reductions equivalent to 80 percent below 1990 levels by 2050.

- **The EIR should estimate and evaluate the potential health risk to sensitive populations near the Project area from toxic air contaminants (TAC) and fine particulate matter ($PM_{2.5}$) as a result of the Project's construction and operations.** Air District staff recommends that the EIR evaluate potential cumulative health risk impacts of TAC and $PM_{2.5}$ emissions on sensitive receptors near the Project area.

- **The EIR should evaluate all feasible measures, both onsite and offsite, to minimize air quality and GHG impacts, including measures recommended by the communities that may be impacted by the Project.** The EIR should prioritize onsite mitigation measures, followed by offsite mitigation measures, within the Project area. We urge the County to conduct community outreach and engagement to receive input on mitigations, additional controls, and potential community benefits. Examples of potential emission reduction measures that should be evaluated and considered include, but are not limited to:

    - Require zero-emissions trucks for all facility operations, on-site and off-site;
    - Require construction equipment to be zero-emissions when available, operate on renewable fuel, or at a minimum, use the highest tier engines commercially available;
    - Require all ocean-going vessel calls to meet the highest engine tier commercially available;
    - Accelerate compliance with CARB's 2027 At-Berth Regulation;
    - Comply with voluntary vessel speed reduction zones established by National Oceanic and Atmospheric Administration
    - Require tugboats to meet U.S. Environmental Protection Agency (EPA) Tier 3 and 4 engines;
    - Comply with CARB's proposed Air Toxic Control Measure for Commercial Harbor Craft regulation (anticipated to be adopted in 2021);
    - Require locomotives to meet U.S. EPA Tier 4 engine standards; and
    - Require zero-emissions switcher locomotives.

- **The EIR should evaluate the Project's consistency with the Air District's 2017 Clean Air Plan (2017 CAP).** The EIR should discuss 2017 CAP measures relevant to the Project and show the Project's consistency with the measures. The 2017 CAP can be found on the Air District's website: http://www.baaqmd.gov/plans-and-climate/air-quality-plans/current-plans.

- **The EIR should evaluate new odor sources resulting from the Project.** Air District staff recommends that the EIR qualitatively evaluate potential odor impacts from the Project to off-site receptors and include a detailed description of an odor control plan.

- **The EIR should include a discussion of compliance with the following Air District and State regulations as it applies to the Project:**
  - Regulation 11, Rule 2, Asbestos Demolition, Renovation and Manufacturing, which entails, but is not limited to, a thorough asbestos survey by a certified asbestos consultant, removal of all regulated asbestos if present, and make a renovation and/or demolition notification.
  - Regulation 6, Rule 6: Prohibition of Trackout for construction sites where the total land area covered by construction activities and/or disturbed surfaces at the site are one acre or larger.
  - Portable Equipment Registration Program (PERP) Air Toxic Control Measure (ATCM) enforced for the California Air Resources Board by the Air District for all proposed portable equipment to be used for the Project.
  - Off-Road Equipment ATCM enforced for the California Air Resources Board by the Air District for diesel powered equipment greater than 25 horsepower.
- **The Air District's CEQA website contains tools and resources to assist lead agencies in analyzing air quality and GHG impacts.** These tools include guidance on quantifying local emissions and exposure impacts. The tools can be found on the Air District's website: http://www.baaqmd.gov/plans-and-climate/california-environmental-quality-act-ceqa/ceqa-tools.

- **Certain equipment and operations of the Project will require a permit from the Air District.** Please contact Barry Young, Senior Advanced Projects Advisor, at (415) 749-4721 or byoung@baaqmd.gov to discuss permit requirements. Any applicable permit requirements should be discussed in the EIR.

We encourage the City to contact Air District staff with any questions and/or to request assistant during the environmental review process. If you have any questions regarding these comments or would like to schedule a meeting, please contact Areana Flores, Environmental Planner, at (415) 749-4616, or aflores@baaqmd.gov.

Sincerely,

Greg Nudd
Deputy Air Pollution Control Officer

cc: BAAQMD Chair Cindy Chavez
BAAQMD Vice Chair Karen Mitchoff
BAAQMD Director John Gioia
BAAQMD Director David Hudson
BAAQMD Director Mark Ross

Gary Kupp

From: Areana Flores <aflores@baaqmd.gov>
Sent: Wednesday, February 3, 2021 1:29 PM
To: Gary Kupp
Subject: Scoping Questions: P66 Rodeo Renewed Project

Hi Gary,

Staff at the Air District have reviewed the Phillips 66 Rodeo Renewed Project NOP and had some questions regarding the scope of the Project. We attended the scoping meeting but were unable to get some of these questions answered. Can you provide clarification on the following questions please?

1. The Project is proposing to decommission the Santa Maria pipeline, but the Rodeo facility still plans to export the same quantities as pre-project levels. What transport method (i.e. truck, rail, marine) of feedstock delivery/shipping will be increasing?
2. How does the timeline for the pipeline shut down correspond to the construction timeline? Is there a reason for the pipeline shutdown during construction as compared to after to reduce temporary, additional Marine Terminal imports?
3. The NOP states that the facility will cease importing crude oil and stop processing petroleum feedstocks. However, the NOP states that a proposed 38,000 barrels/day of conventional gasoline will be produced. What will be the feedstock for the conventional gasoline production?
4. Is there a proposed date for when the switch from crude oil to renewable feedstocks will occur?
5. Will the planned rail shipments be made via "unit" trains or mixed-cargo trains?

Let me know if you'd like to discuss these questions. You can reach me at 415-610-1684.

Best,

AREANA FLORES
ENVIRONMENTAL PLANNER
Bay Area Air Quality Management District
375 Beale St. Suite 600 | San Francisco, CA 94105
415-749-4616 | aflores@baaqmd.gov

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Making Conservation a California Way of Life.

January 27, 2021

SCH # 2020120330
GTS # 04-CC-2020-00460
GTS ID: 21499
Co/Rt/Pm: CC/90/12.0

Gary Kupp, Senior Planner
Contra Costa County
Department of Conservation & Development
30 Muir Road
Martinez, CA 94553

Re: Phillips 66 Rodeo Renewed Project- Notice of Preparation (NOP)

Dear Gary Kupp:

Thank you for including the California Department of Transportation (Caltrans) in the environmental review process for the Phillips 66 Rodeo Renewed Project. We are committed to ensuring that impacts to the State's multimodal transportation system and to our natural environment are identified and mitigated to support a safe, sustainable, integrated and efficient transportation system. The following comments are based on our review of the December 2020 NOP.

Project Understanding

The proposed project would transform the existing Rodeo Refinery from a facility that processes crude oil and petroleum feedstocks into a facility that would process renewable feedstocks into renewable diesel fuel, renewable components of other transportation fuels, and renewable fuel gas. The project site is directly adjacent to Interstate (I)-80.

Travel Demand Analysis

With the enactment of Senate Bill (SB) 743, Caltrans is focused on maximizing efficient development patterns, innovative travel demand reduction strategies, and multimodal improvements. For more information on how Caltrans assesses Transportation Impact Studies, please review Caltrans' Transportation Impact Study Guide.

If the project meets the screening criteria established in the County's adopted Vehicle Miles Travelled (VMT) policy to be presumed to have a less-than-significant VMT impact and exempt from detailed VMT analysis, please provide justification to support the exempt status in align with the City's VMT policy. Projects that do not meet the screening criteria should include a detailed VMT analysis in the IS/MND/DEIR, which should include the following:

•VMT analysis pursuant to the County's guidelines. Projects that result in automobile VMT per capita above the threshold of significance for existing (i.e. baseline) city-wide or regional values for similar land use types may indicate a significant impact. If necessary, mitigation for increasing VMT should be identified. Mitigation should support the use of transit and active transportation modes. Potential mitigation measures that include the requirements of other agencies such as Caltrans are fully enforceable through permit conditions, agreements, or other legally-binding instruments under the control of the City.

•A schematic illustration of walking, biking and auto conditions at the project site and study area roadways. Potential safety issues for all road users should be identified and fully mitigated.

•The project's primary and secondary effects on pedestrians, bicycles, travelers with disabilities and transit performance should be evaluated, including countermeasures and trade-offs resulting from mitigating VMT increases. Access to pedestrians, bicycle, and transit facilities must be maintained.

Mitigation Strategies
Location efficiency factors, including community design and regional accessibility, influence a project's impact on the environment. Using Caltrans' Smart Mobility 2010: A Call to Action for the New Decade, the proposed project site is identified as a Special Use Area where community design is low and regional accessibility varies.

Given the place, type and size of the project, the DEIR should include a robust Transportation Demand Management (TDM) Program to reduce VMT and greenhouse gas emissions from future development in this area.

Transportation Impact Fees
Please identify project-generated travel demand and estimate the costs of transit and active transportation improvements necessitated by the proposed project; viable funding sources such as development and/or transportation impact fees should also be identified. We encourage a sufficient allocation of fair share contributions toward multi-modal and regional transit improvements to fully mitigate cumulative impacts to regional transportation. We also strongly support measures to increase sustainable mode shares, thereby reducing VMT.

Project-Related Impacts
Potential impacts to the State Right-of-Way (ROW) from project-related temporary access points during construction should be analyzed. Mitigation for significant impacts due to construction and noise should be identified in the environmental documents. Project work that requires movement of oversized or excessive load vehicles on state roadways requires a transportation permit that is issued by Caltrans. To apply, visit: https://dot.ca.gov/programs/traffic-operations/transportation-permits.

Thank you again for including Caltrans in the environmental review process. Should you have any questions regarding this letter, please contact Laurel Sears at laurel.sears@dot.ca.gov. Additionally, for future notifications and requests for review of new projects, please contact LDIGR-D4@dot.ca.gov.

Sincerely,

Mark Leong

MARK LEONG
District Branch Chief
Local Development - Intergovernmental Review

c: State Clearinghouse

From:	Austin Pato
To:	Gary Kupp
Cc:	Jeff Valeros; mary.halle; jerry.fahy@pw.cccounty.us; Randolf.Sanders
Subject:	Phillips 66 Renewed Project (LP20-2040) Notice of Preparation Comments
Date:	Wednesday, January 27, 2021 4:39:17 PM
Attachments:	image001.png

Good Afternoon Gary,

Transportation Engineering staff has reviewed the Notice of Preparation for the Phillips 66 Rodeo Renewed Project (LP20-2040). Please see our comments below:

- The County has plans for a road improvement project on San Pablo Avenue between Rodeo and Crocket, in which the Phillips 66 Refinery is located. The applicant will need to coordinate with Contra Costa County Public Works Department to ensure that the Phillips 66 Rodeo Renewed Project's site plans and layouts are compatible with the County's road improvement project.
- The Notice of Preparation states that feedstock will be imported into the facility via tanker vessel, railcar, and trucks as opposed to pipelines and tanker vessels. The county requests that the applicant quantifies the estimated number of generated truck trips importing the feedstock into the facility separate from the standard operations of the facility such as distribution and employee trips.

Please let me know if you have any questions.

Thank you,

Austin Pato, E.I.T
Staff Engineer – TE Division
Contra Costy County – Public Works
255 Glacier Drive, Martinez, CA 94553
Office: 925-313-2378
Cell: 925-628-2601

New Picture

January 27, 2021

Via overnight mail

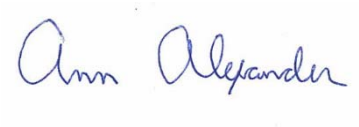
Gary Kupp
Senior Planner
Contra Costa County
Department of Conservation and Development
30 Muir Rd
Martinez, CA 94553

Re: Phillips 66 Rodeo Renewed Project – sources referenced in comments concerning scoping: File LP20–2040

Dear Mr. Kupp:

Enclosed please find a thumb drive containing the sources referenced in the scoping comments on the above-referenced project that I submitted to you yesterday via electronic mail, on behalf of the identified organizations. Please feel free to reach out to me if you have any questions or concerns.

Very truly yours,



Ann Alexander
Senior Attorney, Natural Resources Defense Council
312-919-7285
aalexander@nrdc.org

From:	Alexander, Ann
To:	Gary Kupp
Cc:	John Kopchik; Gary Hughes; G Karras; Charles Davidson; Ben Eichenberg; Olga Bolotina; Steve Nadel; jackie garcia mann
Subject:	Scoping comments concerning Rodeo Renewed Project (File LP20-2040)
Date:	Wednesday, January 27, 2021 2:18:30 PM
Attachments:	Scoping comments - Rodeo Renewed EIR.pdf Gary Kupp transmitting documents.pdf

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Dr. Mr. Kupp,

Attached please find comments concerning scoping for the Rodeo Renewed EIR submitted by Biofuelwatch, Community Energy resource, Natural Resources Defense Council, Rodeo Citizens Association, San Francisco Baykeeper, the San Francisco Bay Chapter of the Sierra Club, Sunflower Alliance, and 350 Contra Costa County.

I have also attached a copy of a letter that went out today by overnight mail enclosing a thumb drive containing all of the sources referenced in the comment. Given the tight time frame in the absence of an extension, we were unable to identify each document to its corresponding footnote, but all referenced documents are there (excepting those referenced in footnote 1 of the attached comment).

Please confirm receipt of this email and of the thumb drive tomorrow, thank you.

ANN ALEXANDER
Senior Attorney, Nature Program

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BIOFUELWATCH • COMMUNITY ENERGY RESOURCE • NATURAL RESOURCES DEFENSE COUNCIL • RODEO CITIZENS ASSOCIATION • SAN FRANCISCO BAYKEEPER • SIERRA CLUB, SAN FRANCISCO BAY CHAPTER • SUNFLOWER ALLIANCE • 350 CONTRA COSTA

January 27, 2021

Via electronic mail (gary.kupp@dcd.cccounty.us)[1]

Gary Kupp
Senior Planner
Contra Costa County
Department of Conservation and Development
30 Muir Rd
Martinez, CA 94553

Re: Phillips 66 Rodeo Renewed Project – comments concerning scoping: File LP20–2040

Dear Mr. Kupp:

Biofuelwatch, Community Energy reSource, Natural Resources Defense Council, Rodeo Citizens Association, San Francisco Baykeeper, Sierra Club, Sunflower Alliance, and 350 Contra Costa (collectively, Commenters) appreciate this opportunity to submit comments concerning the scope and content of Contra Costa County's Environmental Impact Report (EIR) for the proposed "Rodeo Renewed" project (Project) at the Phillips 66 Rodeo refinery described in the December 21, 2020 Notice of Preparation (NOP) and the August 2020 application for the Project (Application).

We welcome the County's decision to prepare an EIR for this highly significant project. However, for the reasons explained in these Comments, it will be imperative that the County probe deeply into all relevant aspects of the Project in preparing the EIR, beyond the very minimal information presented thus far by the Project proponent. The Application is long on general claims of Project sustainability, but remarkably short on information pertinent to actually quantifying and mitigating its impact – including, most notably, information necessary to determine an appropriate project baseline, the emissions and land use impacts of potential feedstocks, the increased transportation impacts including spill risks posed by increased throughput at the P66 marine terminal, and risks associated with increased hydrogen usage, the

[1] Most sources referenced in these Comments are being sent today via overnight mail on a thumb drive to the County. Exceptions are documents and information either known to be in the County's records (including the Application, the NOP, and documents provided by the County in response to Public Records Act requests from Commenters); and the documents referenced in note 79, which are a compilation of reports accessible through the cited link. Commenters can extract the data and send it in electronic form upon request, but will otherwise it assume that is not necessary.

impact of present and likely future equipment decommissioning. It will be imperative for the County, in preparing the EIR, to obtain, disclose, and thoroughly analyze all such information in order to identify appropriate alternatives and mitigating measures.

I. Statements of Interest

Biofuelwatch provides information, advocacy and campaigning in relation to the climate, environmental, human rights and public health impacts of large-scale industrial bioenergy. Central to the Biofuelwatch mission is promoting citizen engagement in environmental decision making in relation to bioenergy and other bio-based products – including bioenergy-related decisions on land use and environmental permitting.

Community Energy reSource offers independent pollution prevention, environmental justice, and energy systems science for communities and workers on the frontlines of today's climate, health, and social justice crises. Its work focuses on assisting communities with a just transition from oil refining and fossil power to clean, safe jobs and better health.

Natural Resources Defense Council ("NRDC") is a nonprofit environmental membership organization that uses law, science, and the support of more than 440,000 members throughout the United States to ensure a safe and healthy environment for all living things. Over 2,200 of NRDC's members reside in Contra Costa County, some of those in the City of Rodeo. NRDC has a long-established history of working to ensure proper oversight of refining activities and minimize their carbon footprint and other environmental impacts, and ensure that biofuels are produced in a sustainable manner.

Rodeo Citizens Association is a non-profit environmental organization with the primary purpose of providing a means for the citizens of Rodeo to address issues of local concern with respect to health, safety, and the environment. Currently, RCA's primary activity is focused on promoting responsible use of land and natural resources around the community and to engage in community outreach activities involving education and awareness of environmental protection issues impacting the region.

San Francisco Baykeeper ("Baykeeper") has worked for the past 30 years to stop pollution in San Francisco Bay, and has more than five thousand members and supporters who use and enjoy the environmental, recreational, and aesthetic qualities of San Francisco Bay and its surrounding tributaries and ecosystems. San Francisco Bay is a treasure of the Bay Area, and the heart of our landscape, communities, and economy. Oil spills pose one of the primary threats to a healthy Bay, and environmental impacts from increased marine terminal activity directly threaten Baykeeper's core mission of a Bay that is free from pollution, safe for recreation, surrounded by healthy beaches, and ready for a future of sea level rise and scarce resources. San Francisco Baykeeper is one of 300 Waterkeeper organizations working for clean water around the world. Baykeeper is a founding member of the international Waterkeeper Alliance and was the first Waterkeeper on the West Coast.

The San Francisco Bay Chapter is the local branch of the Sierra Club, America's largest and most effective grassroots environmental organization. The Bay Chapter is comprised of the

nearly 40,000 Sierra Club members who live in Alameda, Contra Costa, Marin, and San Francisco counties. As the trusted local arm of one of the nation's oldest and largest environmental organizations, they are rooted in nearly a century of service to the mission of exploring, enjoying, and protecting the environment. They are committed to seeking oversight on environmental and land use permitting and seek to ensure that energy is produced as sustainably as possible.

The Sunflower Alliance engages in advocacy, education, and organizing to promote the health and safety of San Francisco Bay Area communities threatened by the toxic pollution and climate-disruptive impacts of the fossil fuel industry. They are a grassroots group committed to activating broader public engagement in building an equitable, regenerative, and renewable energy-fueled economy.

350 Contra Costa is a home base and welcoming front door to mobilize environmental activism. It is comprised of concerned citizens taking action for a better community. They envision a world where all people equitably share clean air, water and soil in a healthy, sustainable, and post-carbon future. It is a local affiliate of 350 Bay Area**.**

II. Scoping Comments Overview

The breadth of the California Environmental Quality Act (CEQA) review the Project requires is hard to overstate. While the Project is billed by its proponent as a means of reducing environmental impacts, for reasons explained in these Comments, there are multiple sound reasons to believe that the Project may, in fact, result in new and/or increased environmental impacts that must be evaluated in the EIR. The very scale of the Project, including multiple construction and operational components, underscores the challenge presented in preparing the EIR. The Project includes, among others, the following:

- A multi-facility decommissioning of four major crude oil processing and support facilities spanning 200 miles and ten counties.[2]
- A feedstock switch unprecedented at the Rodeo refinery, from petroleum hydrocarbons to agriculture-derived triacylglycerols (TAGs) and their fatty acids.
- An unprecedented concentration of biofuel production from that feedstock using repurposed hydrotreaters and hydrocrackers in a single refinery.
- Unprecedented demand for food system-supplied feedstock coming into Contra Costa County, and associated transport to the Rodeo refinery.

[2] *See* Application at 1-2, 9-16. Petroleum refining would be fully decommissioned across the Phillips 66 San Francisco Refinery (SFR), including its Santa Maria Facility (SMF) in San Luis Obispo County and its Rodeo Facility and Carbon Plant in Contra Costa County, and the Phillips 66 pipeline system that sends semi-refined crude from the SMF to Rodeo along with whole crude collected from the San Joaquin Valley for refining at Rodeo would be Idled. This proprietary pipeline system runs through parts of San Luis Obispo, Santa Barbara, Kern, Kings, Fresno, Merced, Stanislaus, San Joaquin, Alameda, and Contra Costa counties. The part of this P66 pipeline system that collects otherwise landlocked (and dwindling) crude extracted from onshore and offshore Central Coast oil fields for partial processing at the SMF is in San Luis Obispo County and (along with or in addition to its feeder lines) Santa Barbara County.

- Fundamental changes at the Rodeo refinery in fuels processing equipment, configuration, process materials and inputs, processing chemistry, reactor process conditions, and process control needs—including but not limited to unprecedented hydro-conversion refining intensity.
- New multi-facility feedstock transportation and coordination issues during implementation of the Project affecting facilities, people and environments in multiple counties.[3]
- A pivotal choice between fossil fuel-based production methods versus renewable hydrogen-based fuels production, which could be locked into place for the duration of project operation and set precedents for other planned and proposed biofuel projects.

As discussed in the sections below, the Project is likely to result in multiple new and in some cases greater environmental impacts, including many that appear likely to be significant in the absence of measures to lessen or avoid them. These include the following:

- *Indirect Land Use Changes*. The EIR will need to either definitively identify the feedstocks the Project will employ, backed up by a binding commitment by Phillips 66, or else assume a worst case scenario in terms of feedstock impacts on land use - which can include not only carbon intensity impacts but other environmental harms.
- *Food system impacts*. In the absence of binding assurance that the Project will not use food-system feedstock, the EIR should evaluate the impact of use of large quantities of such feedstocks on food prices, food insecurity, and food systems more generally.
- *Impact on California electrification policies*. The EIR should consider the impact of an increased biofuels supply on California's vehicle electrification goals – both in terms of the Project impacts and cumulative impacts together with other planned and possible refinery biofuels conversions.
- *Transportation impacts*. The Project envisions importation of feedstocks via a suite of transportation methods replacing the pipeline imports through which most feedstock is brought into the Rodeo refinery. The impacts of that transportation shift must be evaluated in the EIR.
- *Oil spill risks*. The proposed increased importation of crude oil over the Rodeo marine terminal during the Project construction phase carries with it the increased risk of oil spills into the Bay.
- *Process safety risks*. Producing biofuels on repurposed crude oil refining equipment requires increased hydrogen throughput, which in turn increases the risk of process upsets. That risk must be evaluated in the EIR.
- *Site decommissioning impacts*. The EIR should evaluate the impact of decommissioning the Santa Maria facility and portions of the Rodeo facility, and identify means of minimizing or mitigating those impacts.

[3] Sequencing of construction and decommissioning activities would need to be coordinated with idling the pipeline system crossing parts of the counties noted above. Additionally, as explained *infra* in this Comment, the Bay Area counties and others would be affected by increased transportation-related risks such as spills.

In addition, it will be critical for the EIR to identify the proper baseline against which to compare Project alternatives – the "no project" alternative required by CEQA. It is by no means clear that the "no project" alternative would be business as usual, *i.e.*, indefinitely continued crude oil refining at the Santa Maria and Rodeo refineries. There is substantial evidence that Phillips 66 plans to decommission the Santa Maria refinery regardless of whether the Project is approved, meaning that the proper "no project" baseline would be zero refining at Santa Maria, and any concomitant decrease in refining at Rodeo that would occur in the absence of the proposed Project-related increase in imports over the marine terminal wharf.

By the same token, the EIR must evaluate a suite of alternatives aimed at minimizing project impacts, and one such alternative should be to disallow the increased importation over the wharf. Phillips 66 has provided no rational justification for that increase, given that during construction the refinery will be extremely limited in its ability to process crude.

Finally, as discussed in the next section, the EIR should address the purported "existing production" of biofuels at the Rodeo refinery, and its impact on production volume and associated environmental impacts.

III. The EIR Should Address the Purported "Existing Production" of Biofuels that Significantly Alters Production Capacity.

Project biofuel capacity at the Rodeo refinery is given as 55,000 barrels per day.[4] However, the NOP describes total biofuel production at the Rodeo refinery as 21.8 % higher than that, at 67,000 b/d.[5] The difference is explained in the NOP by previously undisclosed "existing production" of biofuels at the Rodeo refinery.[6] The previously undisclosed 12,000 b/d of "existing" biofuel production is unexplained in the NOP, and County staff assert that at this time, the County has no additional information about this "existing" biofuel production.[7]

Significant differences in the level of impacts – including air emissions, climate impacts, water discharge impacts, oil spill risk, refinery spill/fire/explosion risk, and impacts associated with feedstocks such as volume-linked pesticide, biodiversity, deforestation, and food security impacts – could result from the difference represented by the 21.8% discrepancy in project size. It is well known, and can be readily inferred from the information presented in the discussion of impacts below, that potential environmental impacts increase with activity rate. Air emissions that affect public health and climate increase with the activity rate—in this case the number of barrels processed—at a given specific emission source and set of controls. The same applies to wastewater pollutant discharges. Biofuels and feedstock oil spill risks increase with their volumes transported, stored and processed. Biofuel refinery process hazards worsen as larger volumes of material are processed under the same high temperature, high-pressure hazardous conditions. Similarly, feedstock acquisition-related impacts will tend to increase as more biofuel

[4] NOP at 2.
[5] NOP at 2.
[6] *Id.*
[7] Telephone communication between Gary Kupp and Greg Karras, January 14, 2021. *See* also 21 Jan. 2021 response by Lawrence Huang to 6 Jan. 2021 request for project application and supporting documents by Greg Karras.

feedstock—in this case mainly oil crops and fats from livestock fed by crops—is processed, and consequently is acquired. In particular, use of food-based oils can boost food prices; and increased feedstock crops yields require more land, pesticides or both, which further cuts into limited forest and biodiversity resources.

It is hence imperative that the EIR reflect a determination whether the "existing" production should be treated as part of the current Project under the requirements of CEQA, and if so, evaluate the 21.8% higher production capacity that it represents. Even if it is not, it should be evaluated as part of an EIR cumulative impacts analysis.

IV. The EIR Should Determine the Extent to Which the Santa Maria and Rodeo Refineries Would Continue Operation Under the "No Project" Alternative

In examining range of alternatives, an EIR is required to include a "no project" alternative that serves as a baseline for assessing the impact of the remaining alternatives. "The purpose of describing and analyzing a no project alternative is to allow decisionmakers to compare the impacts of approving the proposed project with the impacts of not approving the proposed project. ..." CEQA Guidelines,[8] § 15126.6, subd. (e)(1). "The 'no project' analysis shall discuss the existing conditions ... as well as what would be reasonably expected to occur in the foreseeable future if the project were not approved, based on current plans and consistent with available infrastructure and community services. ..." (CEQA Guidelines, § 15126.6, subd. (e)(2).) It is essential that the "no project" alternative accurately reflect the status quo absent the project, to ensure that the baseline for measuring project impacts is not set too high, which would artificially diminish the magnitude of Project impacts. *See Ctr. for Biological Diversity v. Dep't of Fish & Wildlife*, 234 Cal.App.4th 214, 253 (2015) (citation omitted) (emphasis in original) ("a no project alternative in an EIR "provides the decision makers and the public with specific information about the environment if the project is not approved. It is a factually based forecast of the environmental impacts of *preserving the status quo*. It thus provides the decision makers with a base line against which they can measure the environmental advantages and disadvantages of the project and alternatives to the project.")

Here, there is potential basis to conclude that the Phillips 66 Santa Maria refinery and Rodeo refinery might both reduce or cease their crude processing operations in the relatively near term even if the County does not approve the Project, due to supply limitations and the increasingly poor economics of crude oil refining. If such is the case, then the "no project" status quo alternative is not indefinitely continued crude oil refining, but rather a slowdown or shutdown of one or both facilities. This would mean that the Project would not achieve all - or possibly any – of the claimed emissions reductions set forth in the Project application; and might, in fact, increase emissions significantly over the baseline. It is hence critical that the County, in defining the "no project" alternative, carefully scrutinize any claims on the part of Phillips 66 that it would continue operation of its refineries in the absence of the Project.

The Application assumes closure of the Phillips 66 Santa Maria refinery, which currently sends Rodeo feedstock via pipeline. It asserts that Phillips 66 needs authorization to increase

[8] The CEQA Guidelines are codified at 14 Cal.Code Regs. § 15000 et seq.

crude and gas oil imports over its Rodeo marine terminal by up to 73,818 barrels per day[9] (b/d) until its biofuel conversion is built and fully online,[10] "to accommodate the idling and decommissioning of the Santa Maria facility in San Luis Obispo County."[11]

However, the Application does not specifically identify closure of the Santa Maria refinery as a component of the Project.[12] Statements and actions by Phillips 66 in other contexts indicate that slowdown or cessation of crude processing at that facility is likely not, in fact, a proposed Project action, but rather a description of what will happen whether or not the County approves the Project. Phillips 66 pulled its application for a pipeline replacement project associated with the Santa Maria refinery upon announcement of the Project in August, evidence that it plans to close or reduce production at that refinery regardless of whether the Project Application is approved.[13] Additionally, Phillips 66 has stated in other project applications since 2013 that dwindling crude oil supplies are threatening its ability to maintain production at both the Santa Maria and the Rodeo facilities - the Rodeo facility being dependent upon the Santa Maria facility for a significant share of its feedstock.[14] These types of assertions underpinned both Phillips 66's proposal to bring in crude oil by rail to the Santa Maria facility, and its later proposal to expand crude oil delivery over its Rodeo marine terminal.[15] Neither proposal was ever approved, such that the referenced supply crunch used to justify those proposals likely still exists, and still threatens the continued operations of one or both refineries as part of baseline "no project" conditions.

Indeed, since the time Phillips 66 made these proposals, available crude feedstock for the Santa Maria refinery has diminished even further. Combined onshore and offshore oil extraction from Central Coast oil fields that the Santa Maria facility has relied upon declined dramatically since 2014, falling to annual volumes below the capacity of the Santa Maria facility.[16] That

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[9] The current marine terminal input limit is 51,182 b/d, and Phillips 66 proposes to increase that limit up to 125,000 b/d. NOD at 3.

[10] The increase would be from the current marine terminal input limit of 51,182 barrels per day (b/d) limit now to 125,000 b/d.

[11] Application at 12.

[12] *Id.* at 11-12 (listing Project components).

[13] "Phillips 66 Plans 2023 Closure of Santa Maria Refinery, Pulls Application for Pipeline Project," *Noozhawk* August 13, 2020, *available at* https://www.noozhawk.com/article/phillips_66_closure_of_santa_maria_refinery_planned_for_2023_20200813.

[14] The Santa Maria facility provides an average of approximately 33,000 barrels per day of semi-refined crude to the Rodeo facility via pipeline.

[15] Phillips 66 Company Rail Spur Extension and Crude Unloading Project, SCH#2013071028. *See e.g.*, Revised Draft Environmental Impact Report (RDEIR) at ES-16 (less crude available than needed to operate at capacity without proposed project) and project description at 2-36 ("need for the SMR rail project could be driven by declines in local production of crude oil that can be delivered by pipeline"); and BAAQMD Application No. 25608, Phillips 66 Marine Terminal Permit Revision Project. *See also* September 6, 2019 correspondence from Carl Perkins, Phillips 66, to Jack Broadbent, BAAQMD (failure to increase oil inputs through the marine terminal "could lead to processing rate curtailments.")

[16] Extraction from these fields fell from approximately 83,500 barrels per day in 2014 to approximately 39,100 b/d in 2019. This is based on California Energy Management Division (CalGEM) oil field location data and California Air Resources Board (CARB) refinery crude inputs by oil field. Data from the following oil fields were included in this estimate: Arroyo Grande, Barham Ranch, Carpinteria (Federal OCS), Casmalia, Cat Canyon, Cuyama South, Dos Cuadras (OCS), Elwood, Elwood South Offshore, Goleta, Guadalupe, Hondo (OCS), Hueneme (OCS), Jesus Maria, Las Varas Canyon, Lopez Canyon, Los Alamos, Lynch Canyon, McCool Ranch, Monroe Swell, Morales Canyon, Pescado (OCS), Point Arguello (OCS), Point Pedernales (OCS), Orcutt, Paris Valley, Russell Ranch,

trend could significantly reduce the viability of the Santa Maria facility, which is landlocked with no seaport access to crude,[17] and was running at less than 87% capacity even before 2014.[18] When that facility cannot economically acquire enough crude oil – which appears to be what is happening now – it must cut production. Diminished output at the Santa Maria facility, in turn, inhibits production at the Rodeo facility by curtailing Santa Maria facility output and because the Rodeo facility cannot receive Kern County crude oil through the Phillips 66 pipeline between the two facilities unless it is diluted with the lighter Santa Maria output that allows the heavy Kern crude to flow through the pipeline.[19] In that scenario – which may well be the "no project" scenario – the Rodeo plant must either import more oil over its marine terminal or cut production.

Finally, both refineries are impacted by the overall increasingly poor profit margins of crude oil refining, which has led to the closure, or conversion to biofuels production, of numerous refineries in California and throughout the nation. Refinery profits across the nation have been declining since before the COVID pandemic.[20] Refineries are closing or converting to biofuel production in the United States and throughout the world, and there is significant doubt whether the economics of refining will improve post-pandemic.[21] The International Energy Agency (IEA) reported in November 2020 that roughly a dozen refinery closures had been announced in the previous few months, with the bulk of the capacity closures – over 1 million

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Sacate (OCS), San Ardo, Santa Clara (OCS), Santa Maria Valley, Sargent, Sisquoc Ranch, Sockeye (OCS), Vallecitas, and Zaca. The CalGEM data were taken from (https://maps.conservation.ca.gov/oilgas/). The CARB data were taken from supporting documentation for Final California Crude Average Carbon Intensity Values during 2014 through 2019 (https://ww2.arb.ca.gov/resources/documents/lcfs-crude-oil-life-cycle-assessment). San Luis Obispo County reported an air district-permitted Santa Maria facility crude capacity of 48,000 b/d as of late 2014. *See* ; Phillips 66 Company Rail Spur Extension and Crude Unloading Project, SCH#2013071028 RDEIR, Project Description at p. 2-35.

[17] Phillips 66 Company Rail Spur Extension and Crude Unloading Project, SCH#2013071028. *See e.g.*, RDEIR Project Description, pp. 2-31 and 2-33 (stating that as of 2014 "SMR currently receives all crude oil for processing by pipeline ... . The bulk of the crude oil processed at the SMR comes from offshore platforms in the Outer Continental Shelf of Santa Barbara County and from [onshore] oil fields in the Santa Maria area ... some onshore areas, such as the Arroyo Grande" [and San Ardo oil fields; Only a fraction of its crude supply is delivered by truck from the San Joaquin Valley to Santa Maria and loaded into its pipeline input including "Canadian crude [that] is shipped via rail to a crude unloading facility near Bakersfield" and accounted for 2–7% if its crude supply circa 2013–2014.); pp. 2-35 and 2-36 ("This pipline system is currently the only way that the Phillips 66 refinery can receive crude oil. Crude oil can be trucked to the Santa Maria Pump Station and then placed into the pipeline for delivery to the refinery. Truck delivery to the Santa Maria Pump Station is limited to a permitted maximum of 819,000 gallons (26,000 bbls) per day ... ").

[18] Phillips 66 Company Rail Spur Extension and Crude Unloading Project, SCH#2013071028, RDEIR Project Description at p. 2-35 (stating based on 48,000 b/d capacity and 2009–2013 throughputs of 35,838–41,635 b/d that "The SMR currently processes less than their allowable permit levels.").

[19] The viscosity (resistance to flow) of San Joaquin Heavy crude impairs its uncut flow through unheated pipelines, and while other lines are heated to move it, the Phillips 66 Pipeline to Rodeo is not, relying instead on Santa Maria facility output of less viscous pressure distillate and gas oil as a cutter to move that crude through its pipeline to Rodeo. As noted *supra,* Phillips 66 proposes to idle this pipeline when it decommissions the Santa Maria plant.

[20] "Bad News for Oil: Refinery Profits are Sliding," *Oilprice.com* January 13, 2020, *available at* https://oilprice.com/Energy/Oil-Prices/Bad-News-For-Oil-Refinery-Profits-Are-Sliding.html.

[21] *See* "Factbox: Oil Refiners Shut Plants as Demand Losses May Never Return," *Reuters* November 10, 2020, *available at* https://www.reuters.com/article/us-global-oil-refinery-shutdowns-factbox/factbox-oil-refiners-shut-plants-as-demand-losses-may-never-return-idUSKBN27R0AI; "Refinery News Roundup: Refinery Closures Loom," *Platts S&P Global* November 12, 2020, *available at* https://www.spglobal.com/platts/en/market-insights/latest-news/oil/111220-refinery-news-roundup-refinery-closures-loom-across-the-globe.

b/d – happening in the United States. IEA stated in its monthly report, "There were capacity shutdowns planned for 2020-2021 prior to COVID-19, but the bulk of the new announcements reflect pessimism about refining economics in a world suffering from temporary demand collapse and structural refining overcapacity."[22]

Structural factors that underly this trend, accelerated by COVID-19, are especially pronounced in the U.S. at West Coast refineries.[23] Growth reversed years ago in both the crude supply and the market that California refineries were first built to tap.[24] Refiners statewide reacted by *increasing* production through increasing reliance on oil imports and export fuels markets.[25] The sustainability problem with that path-dependent reaction was further revealed by COVID-19. From March 20, 2020 through January 15, 2021 fully one-fourth of statewide refining production became unproductive assets as a side effect of the pandemic, which paused personal travel.[26] Phillips 66 faces this statewide overcapacity problem, along with the rapid terminal decline of site-specific crude resources that its refining facilities were built for and remain uniquely dependent upon.

If, in fact, the Santa Maria refinery and/or the Rodeo refinery are being forced by current circumstances to limit or cease crude oil production, then the "no project" alternative would likely have less environmental impact than any Project alternative. It is thus crucial that the County assess complete information concerning the volume of crude that would be refined at the Santa Maria and Rodeo facilities – if, indeed, any would be – in the absence of the Project.

V. The EIR Should Consider the Full Array of Risks and Impacts of the Project

The Application contains virtually no information concerning project environmental impacts. It sets forth bare claims regarding Project-related environmental effects – in particular concerning a purported reduction in air emissions – but provides no citations, data, or calculations in support.[27] It contains no indication of the types of feedstock that will be used, even though, as explained below, environmental impacts vary broadly with the choice of feedstock. Additionally, no CEQA Initial Study has yet been performed for the Project, as was done for the biofuel conversion project proposed for the Marathon Martinez refinery.[28]

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[22] "Permanent Oil Refinery Closures Accelerate as Pandemic Bites – IEA," *Reuters* November 12, 2020, *available at* https://www.reuters.com/article/oil-refining-shutdowns/permanent-oil-refinery-closures-accelerate-as-pandemic-bites-iea-idUSL1N2HY13P.

[23] *See* Justin Mikulka, "Oil Companies Can't Find Any Buyers for Refineries Struggling Amid Pandemic Crisis," *Desmog* November 23, 2020, *available at* https://www.desmogblog.com/2020/11/23/oil-refinery-industry-stranded-assets-pandemic#:~:text=Search-,Oil%20Companies%20Can't%20Find%20Any%20Buyers,Refineries%20Struggling%20Amid%20Pandemic%20Crisis&text=Major%20players%20in%20the%20U.S.,sell%20refineries%2C%20with%20little%20luck; "Bad News for Oil: Refinery Profits are Sliding," *Oilprice.com* January 13, 2020, *available at* https://oilprice.com/Energy/Oil-Prices/Bad-News-For-Oil-Refinery-Profits-Are-Sliding.html.

[24] G. Karras, *Decommissioning California Refineries: Climate and Health Paths in an Oil State* at 20, *available at* https://www.energy-re-source.com/decomm (April 2020) and supporting material (Karras 2020).

[25] Karras 2020 at 21.

[26] *COVID and Oil,* Community Energy resource, *available at* www.energy-re-source.com/covid-and-oil.

[27] Application at 14-16.

[28] Initial Study for Tesoro Refining & Marketing Company LLC – Marathon Martinez Refinery Renewable Fuels Project, submitted to Contra Costa County October 2020.

While Phillips 66 has not yet been forthcoming with information concerning potential impacts, such information is available, and should be collected and thoroughly explored by the County in the process of preparing the EIR. Below are descriptions of a few key areas of environmental impact that merit particular focus.

A. Indirect Land Use Change Associated with Feedstock Choice

Information concerning the feedstock that will be used for the Project, not yet provided to the County in any reliable manner, is critical to assessment of the Project's impacts, given that carbon emissions and other air emissions vary significantly with the type of feedstock used – indeed, such differences are an underpinning of California's Low Carbon Fuel Standard (LCFS). It is therefore essential that Phillips 66 either commit to use of a particular suite of feedstocks prior to preparation of the EIR, or that the EIR assume a worst-case scenario with respect to such feedstock choices. For instance, if Phillips 66 is not prepared to enter into a binding commitment not to use highly carbon-intensive palm oil as a feedstock, then the EIR analysis should assume that palm oil will be used, regardless of any informal and non-binding statements by Phillips 66 that it will not be.

In evaluating feedstocks, and any claims that Phillips 66 may make concerning them, the County should consider the actual availability of such feedstocks on the market. Currently, availability of some of the possibly less environmentally problematic feedstocks, in particular waste cooking oil, may be highly limited – not only due to current pandemic conditions (which have limited restaurant operation and waste output), but more generally due to the influx of biofuel producers into the market.[29] Camelina grass may be a lower-impact feedstock as well, but supplies are likewise currently somewhat limited, and no commercial commodity channels currently exist for its marketing and utilization in the U.S.[30] Any claims by Phillips 66 at this juncture to use a particular feedstock, to the extent not backed up by a binding commitment, may thus prove illusory if market supply of the identified feedstock is not available.

A number of feedstocks, including most notably food-grade soy oil, raise the specter of significant impacts from indirect land use change (ILUC). Recent research concludes that soybean production may be indirectly contributing to deforestation in the Amazon region and elsewhere.[31] Even if Phillips 66 were to commit to domestic sourcing of feedstock soybean oil, the commodity is internationally traded, such that the market impact of a large new commercial

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[29] *See* "California Restaurants are Hurting. That Means Less Leftover Cooking Oil to Make Biofuels," *San Francisco Chronicle* December 13, 2020, *available at* https://www.sfchronicle.com/business/article/California-restaurants-are-hurting-That-means-15796514.php; "Facing Wave of Closures, Oil Refiners Turn to Biofuels," *Reuters* October 19, 2020, *available at* https://www.reuters.com/article/europe-refining-idUSKBN2742CX,

[30] *See* Camelina for Biofuel Production, *Farm Energy* April 3, 2019, *available at* https://farm-energy.extension.org/camelina-for-biofuel-production/; Oregon State Extension Service, *Economics of Oilseed Crops and their Biodiesel Potential in Oregon's Willamette Valley,* May 2008, *available at* https://catalog.extension.oregonstate.edu/sites/catalog/files/project/pdf/sr1081.pdf.

[31] C. Malins, "Soy, Land Use Change, and ILUC-Risk," *Cerulogy* November 2020 (Malins 2020), *available at* https://www.transportenvironment.org/sites/te/files/publications/2020_11_Study_Cerulogy_soy_and_deforestation.pdf; R. Garr and S. Karpf (Garr and Karpf 2018), *Burned: Deception, Deforestation and America's Biodiesel Policy*, January 2018, *available at* https://www.mightyearth.org/2018/01/09/burned/.

consumer may affect international supply and prices, and further drive any impact on deforestation.[32]

We note, in addition, that carbon intensity (CI) calculations associated with the LCFS are not dispositive of all ILUC impacts. LCFS CI calculations are not designed to capture the full range of impacts associated with deforestation and other land use changes that may be wrought by increased production of biofuel feedstock crops.[33] Those changes do not just affect carbon emissions, but also risk an array of other environmental impacts to habitats, human health, and indigenous populations.[34] Conversion of more natural habitat to cropland is often accompanied by efforts to boost short-term yields by applying more fertilizers and pesticides, thereby destroying habitat needed to reverse biodiversity loss. Indeed, authoritative international bodies have warned explicitly about the potential future severity of these impacts.[35]

Accordingly, the EIR should be grounded in complete modeling data concerning ILUC and other impacts that may result from any feedstock Phillips 66 will be able to run at the refinery, to the extent either the Project design or a binding commitment from the company does not exclude or limit the use of such feedstock. The modeling analysis should consider as parameters, *inter alia,* (i) the price and availability of feedstock sources, assuming varying numbers of biofuel producers and conversions to biofuel production in California and the US, and (ii) the ILUC impacts that will result from use of any given feedstock, by Phillips 66 and cumulatively by other biofuel producers in the present or anticipated future.

The analysis should also consider any other environmental impacts that may vary with feedstock choice, including but not limited to air emissions, as discussed in the sections below.

B. Impact of Food System Feedstocks on Food Supply and Prices

The Project requires use as feedstock of lipids produced and used in the currently existing food system. Except to the extent Phillips 66 can use waste cooking oil – which is in short supply, as described above - the project is likely to require use of food-grade feedstock. Such use would lock Phillips 66 into competition with current users of our food system, boosting food prices and creating a threat to people and communities suffering from food insecurity. Accordingly, it is essential that the EIR include a quantitative analysis of the impact of the Project on food price and availability.

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[32] "Brazil Allows Imported Soy in Biodiesel Production, *United States Department of Agriculture Foreign Agricultural Service,* November 20, 2020 (USDA FAS), *available at* https://www.fas.usda.gov/data/brazil-brazil-allows-imported-soy-biodiesel-production. *See also* R. Fuchs, C. Brown et al., "US-China Trade War Imperils Amazon Rainforest," *Nature* 567(7749):451 (March 2019), abstract *available at* https://www.researchgate.net/publication/332037157_US-China_trade_war_imperils_Amazon_rainforest; "Millions of Acres of the Amazon are at Risk Due to the Trade War Between U.S. and China," *Pacific Standard* April 18, 2019, *available at* https://psmag.com/economics/amazon-could-be-biggest-casualty-of-us-china-trade-war.

[33] "LCFS Land Use Change Assessment," CARB, *available at* https://ww2.arb.ca.gov/resources/documents/lcfs-land-use-change-assessment.

[34] Malins 2020, Garr and Karpf 2018.

[35] IPBES (2019): Summary for policymakers of the global assessment report on biodiversity and ecosystem services of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services. IPBES: Bonn, DE, *available at* https://ipbes.net/global-assessment; *see esp.* pp. 12, 18, 28.

1. The Project Would Very Likely Use a Significant Volume of Food System Oil

The project would convert existing Rodeo petroleum refining technology into a "Hydrotreating Esters and Fatty Acids" (HEFA) biofuel refinery. HEFA technology feeds lipids, and more specifically, lipids from triacylglycerols (TAGs) and fatty acids cleaved from those TAGs, from biomass. Except for fish oils (a seriously questionable refinery feed), the only HEFA feeds of this type that are available for this in commercially relevant amounts are from land-based food systems. These include oil crops such as soybean, corn (distillers corn oil), canola, rapeseed, and cottonseed oils in the U.S., tropical palm oil, and the like; fats rendered from livestock fed mainly, in the U.S., on oil crop byproducts (beef tallow, "white grease" rendered from pork, and poultry fats); and used cooking or waste oils ("yellow" and "brown" greases) which originate mainly from the oil crops and fats. Recovered cooking and waste oil volumes come nowhere near meeting current biodiesel feedstock demand while rendered animal fats production can supply only a small portion of it despite their partial displacement from exports to make soap, wax, or cosmetics elsewhere.[36]

The volume of feedstock – likely, per above, mostly food-grade or otherwise connected to the food system – that would be required for the Project represents a very significant share of current markets. Preliminary information suggests that oil crop and animal fat demand for U.S. biofuel production totaled approximately 112,000 barrels per day on average over recent years.[37] Project feedstock demand could boost this 112,000 b/d nationwide total by 60–75% (67,000–84,000 b/d).[38] Preliminary information further suggests that U.S. farm yields for all uses of oil crops and animal fats now tapped for biofuels totaled approximately 308,000 b/d on average over recent years.[39] Thus, by boosting total U.S. biofuel production feedstock demand to 179,000–

[36] *See generally* G. Karras, *Biofuels: Burning Food?,* Community Energy resource, *available at* https://f61992b4-44f8-48d5-9b9d-aed50019f19b.filesusr.com/ugd/bd8505_a077b74c902c4c4888c81dbd9e8fa933.pdf, and sources cited therein (and accompanying these Comments).

[37] U.S. Energy Information Administration (EIA). Monthly Biodiesel Production Report, Table 3. Inputs to biodiesel production; www.eia.gov/biofuels/biodiesel/production/table3.xls. This 112,000 b/d estimate is based on all data from Jan. 2018–Oct. 2020 from this table. Data were converted from mass to volume based on a specific gravity relative to water 0.916 for the combined lipid feedstocks.

[38] The NOP gives only a fuels production capacity (up to 67,000 b/d). NOP at 2. *See* also Section III herein for context. The 84,000 b/d is an upper bound estimate made necessary by a series of omissions that would otherwise compound an apparently misleading assumption carried forward in the NOP, as detailed in subsection D below. The range of project percentage boost over existing biofuel production is from 67,000 b/d, then 84,000 b/d, divided by that 112,000 b/d existing production.

[39] This 308,000 b/d estimate is from two sources. First, data were taken from the U.S. Department of Agriculture (USDA) "Oil Crops Data: Yearbook Tables." *See* https://www.ers.usda.gov/data-products/oil-crops-yearbook/oil-crops-yearbook/#All%20Tables.xlsx?v=7477.4. Specifically, from Oct. 2016 through Sep. 2019 average total U.S. yields were: 64.0 million pounds per day, or 8.34 million gallons per day (MGD) at a specific gravity (SG) of 0.920 for soybean oil (*see* i below), 4.51 MM lb/d or 0.591 MGD at 0.915 SG for canola oil (ii), 16.1 MM lb/d or 2.09 MGD at 0.923 SG for corn oil (iii), 1.42 MM lb/d or 0.185 MGD at 0.923 SG for Cottonseed oil (iv), and 8.65 MM lb/d or 1.20 MGD at 0.86 SG for tallow and lard combined (v). The mass-based yields data are from the USDA Oil Crops Yearbook tables identified in this note below, which are attached with this comment. Second, we estimated total U.S. production of other oils, predominantly used or waste cooking oils, based on data described in Zhou et al., 2020. Potential Biomass-based Diesel Production in the United States by 2032, *available from* The International Council on Clean Transportation: Beijing, Sao Paulo, Berlin, San Francisco and Washington, *at* https://theicct.org/publications/potential-biomass-based-diesel-production-united-states-2032. This preliminary estimate is provided here to underscore the need for further study of related impacts. *See* USDA Oil Crops Yearbook (OCY) data tables (i) OCY Table 5, (ii) OCY Table 26, (iii) OCY Table 33, (iv) OCY Table 20), (v) OCY Table 32.

196,000 b/d, Project feedstock demand could contribute to committing as much as 58–64% of total U.S. farm yield for *all* uses of these oils and fats to biofuel production.

Moreover, the Project would supply biofuels primarily to the California fuels market.[40] That could commit 22–27% of total U.S. farm yield for all uses of crop oils and rendered animal fats, including exports (biofuels are only one use of this yield) to California alone[41]—roughly twice the U.S. per capita yield of these oils and fats for all uses.[42] Thus, project feedstock demand would commit resources that other states and nations now use in their food systems, and would need to use more of, for the type of biofuel technology used by the project to be a viable climate solution.

2. Use of Large Volumes of Food System Oil Could Have Significant Impacts on Food Markets that the EIR Must Analyze

Given the high volumes of oils connected to the food system likely to be used as feedstock for the Project, the Project would compete with other uses of oil crops and the food systems they support—and would compete at unprecedented scale, given its unparalleled size. This competition would risk raising food-grade commodity prices and hence food prices, with an associated cascade of impacts on persons and communities suffering from food insecurity. Indeed, the price of soybean oil – currently used in biofuel production – is already "spiraling."[43] Currently available documents concerning the Project, including the Application, do not mention this issue despite its importance to environmental review.

Additionally, beyond impacts on the market for the particular feedstock used, spillover effects of project-driven price increases would affect other parts of the food system. We eat many types of food, and choose which to eat, based in part on what costs us more to buy. People may buy and consume more palm oil when soy oil gets more expensive. Similarly, manufacturers can adjust their recipes to use another crop for lipid, triacylglicerol (TAG) or fatty acid inputs, as prices for one type of crop oil increase. This fungibility among various oil crop products means that their prices are significantly if not wholly linked. Thus, project demand for

[40] NOP at 2; Application at 2, 9.

[41] From 67,000-84,000 b/d of project demand for 308,000 b/d of yield as estimated based on USDA data a described above. We further note that separately, and based on another biofuel feedstock supply data base, experts commissioned by California agencies found that California may already use its share of low-carbon biofuel feedstocks. *See:* Mahone et al., 2020. *Achieving Carbon Neutrality in California;* PATHWAYS Scenarios Developed for the California Air Resources Board. Draft. Energy+Environmental Economics Inc.: San Francisco, CA; and Mahone et al., 2018. *Deep Decarbonization in a High Renewables Future, Updated Results from the California PATHWAYS Model;* CEC-500-2018-012. Final Project Report prepared for the California Energy Commission by Energy+Environmental Economics Inc.: San Francisco, CA.

[42] Importing biofuel feedstock from another state or nation which is needed there to help decarbonize its economy could make overreliance on biofuels to help decarbonize California's economy counterproductive as a climate protection measure. Accordingly, expert advice commissioned by state agencies suggests limiting the role of biofuels within the state's decarbonization mix to the state's per capita share of low-carbon biofuel feedstocks. *See* Mahone et al. 2020 and 2018. On this basis, given California and U.S. populations of 330 and 39.5 million, respectively, California's total share of U.S. farm production (for all uses) of plant oils and animal fats which also are used for biofuels would be approximately 12%. As described in the note above, however, the project could commit 22–27% of that total U.S. yield (for all uses) to biofuels produced at Rodeo alone.

[43] USDA FAS.

one type of oil crop feedstock could increase food system prices not only for that crop but others as well. There are observed links between rising prices for one oil crop in one country and expanding production of another oil crop somewhere else.[44]

Accordingly, it is imperative, in providing a full evaluation of Project impacts, that the EIR evaluate all effects of use of potential food-grade feedstocks on food prices, food insecurity, ILUC, biodiversity, and the food system overall. The analysis should include economic modeling of food price impacts of various possible food-system feedstock choices, taking into account the fungibility of food commodities. The modeling needs to take into account global markets to the extent relevant products are internationally traded; and must consider cumulative impacts of other biofuel producers competing for food system feedstocks.

C. Impact of Increased Biofuel Supply on Vehicle Electrification Policies

As noted above, Phillips 66 is one of many crude oil producers in California and the nation turning to biofuel production in the wake of declines in crude oil refining profitability. There is the possibility, in principle, that a surfeit of biofuel production, and the resulting downward impact on price, could create market forces and structural impediments[45] that undermine California's stated aim of electrifying the transportation sector,[46] as well as the Diesel Free by 33 pledge signed by Contra Costa County, which commits the County to, *inter alia,* "Use policies and incentives that assist the private sector as it moves to diesel-free fleets and buildings."[47] The County should therefore model the impact of increased biofuel supply, from Phillips 66 and cumulatively from other existing and reasonably anticipated biofuel producers, on fleet electrification; and assess the emissions consequences of any such impact.

D. Increased Transportation Impacts

Rodeo facility crude and gas oil inputs were (pre-COVID) primarily via pipeline, with virtually all of the balance—less than 52,000 b/d—via marine vessels calling on the Rodeo marine terminal. In contrast, Project biofuel feed and petroleum oil inputs would all be via truck, train, or marine vessel; and as discussed *supra,* Phillips 66 would not use its pipeline to bring in Project feedstocks. Thus, the Project would result in a feedstock and terminal oils input transport mode shift, from primarily pipeline transport to a combination of continued marine vessel transport and new oil inputs transport to Rodeo via train and truck.

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[44] *See* S. Searle, "How rapeseed and soy biodiesel drive oil palm expansion," July 2017 (Searle 2017). The International Council on Clean Transportation: Beijing, Sao Paulo, Berlin, San Francisco and Washington, *available at https://theicct.org/publications/how-rapeseed-and-soy-biodiesel-drive-oil-palm-expansion;* Sanders et al., "Revisiting the Palm Oil Boom in Southeast Asia: The Role of Fuel versus Food Demand Drivers," 2017 (Sanders et al. 2017). International Food Research Institute: Washington, D.C., *available at* https://www.ifpri.org/cdmref/p15738coll2/id/126838/filename/127049.pdf.

[45] For example, competition with hydrogen-fueled trucking and shipping could impede growth in solar and wind power by slowing growth in the storage of energy from those intermittent sources as hydrogen in vehicles.

[46] Executive Order N-79-20 dated September 23, 2020, *available at* https://www.gov.ca.gov/wp-content/uploads/2020/09/9.23.20-EO-N-79-20-text.pdf.

[47] *See* https://dieselfree33.baaqmd.gov/ (landing page), https://dieselfree33.baaqmd.gov/statement-of-purpose (text of the pledge), https://dieselfree33.baaqmd.gov/signatories (signatories).

Transporting oils via truck, train, or marine vessel is generally known to emit more per barrel-mile and result in higher spill, fire, and explosion incident hazards than transporting oils via pipeline. Therefore, by shifting to higher-emission, higher-hazard transport modes, the project would result in higher per-barrel feedstock transportation emissions and hazards as compared with pre-COVID refinery operation.

In addition to increased impact per barrel, total project input volume via truck, train and ship would increase for at least two reasons, explained below.

First, as compared with total average pre-COVID crude and gas oil inputs of less than the 51,182 b/d permitted terminal capacity, biofuel feedstock inputs could substantially exceed the high-end (*i.e.*, including "existing" production) 67,000 b/d total average fuels production capacity described in the NOP.[48] This is because the one-step "parallel" hydro-conversion configuration P66 appears to propose[49] would likely achieve a lower feed-to-biofuel conversion efficiency than a two-step "serial" hydro-conversion configuration (which is feasible, and appears to be proposed by Marathon in its biofuel conversion, for example). Even if project conversion efficiency exceeds the low end of the range reported for this type of biofuel technology at 80%, that means feedstock is 125% of fuels produced. Project feedstock volume remains undisclosed—another critical problem that the EIR must redress—but appears likely to exceed 67,000 b/d and potentially reach 84,000 b/d.

Second, the Project component that would convert existing Rodeo facilities to a petroleum storage and transfer facility when petroleum processing ceases at Rodeo would require inputs of those petroleum oils for that storage and transfer. The NOP informs the volume of this additional oil input indirectly, giving total project transportation product deliveries *from* the Rodeo project of approximately 105,000 b/d including 67,000 b/d of biofuels production.[50] Since the project would not process petroleum, the same volume of oil would be sent into this transfer and storage terminal on average as that sent out of it. Thus, approximately 38,000 b/d of petroleum inputs would add to the 67,000–84,000 b/d of biofuel feedstock inputs. Thus, a total of 105,000–122,000 b/d of biofuel feedstock and petroleum would be transported to Rodeo via marine vessel, train and truck. This compares with less than 52,000 b/d of current (pre-COVID) crude and gas oil inputs arriving via vessel, train and truck combined, with virtually all of that volume via marine vessel.

Meanwhile "total transportation product" (petroleum and biofuel oils) delivered from the Rodeo refinery would remain "approximately the same" according to the NOP.[51] Therefore, by more than doubling the volume of total inputs delivered by higher emitting, higher-hazard transport modes, the project would result in an increase in transportation emission and hazard impacts as compared with pre-COVID Rodeo refinery operations.

Additionally, Project biofuel feedstock oils would come from new sources in new locations, and thereby reach the Rodeo refinery gate via truck and train along new Rodeo

[48] NOP at 2.
[49] Application Figure 6.
[50] NOP at 2.
[51] NOP at 2.

refinery feedstock transportation routes. Project petroleum oil inputs via rail and truck for the petroleum products storage and transfer facility component of the project, which the existing oil input pipeline would no longer serve, also would need to reach the Rodeo facility via new oil input transport routes. Thus, new environments and populations along the new routes would be impacted by higher emitting, higher-hazard oils transport modes—populations and environments which were not directly affected by these refinery transportation impacts before the project. Therefore, currently available information indicates a reasonable potential for significant localized project transportation emission and hazard impacts.

Accordingly, it is imperative that the EIR consider all potentially heightened transportation impacts and means to mitigate them, including, *inter alia* (i) increased air emissions impacts, (ii) increased spill and other hazard risks (discussed in more detail in the next subsection), and (iii) impacts on communities in proximity to transportation infrastructure.

E. Oil Spill and Other Risks Associated with Marine Terminal Operations

The Phillips 66 Refinery in Rodeo has been trying for many years to expand its wharf/marine terminal operations to take advantage of cheap heavy Canadian tar sands crude oil.[52] The present application essentially incorporates a previous application to the Bay Area Air Quality Management District (BAAQMD), which received substantial comments. Those comments are incorporated here by reference as they are applicable to consideration of the oil spill risks posed by the proposed expansion of operations at the Marine Terminal.[53]

The EIR must consider and explore the full range of impacts from expanded marine terminal operations, including the risk of a catastrophic oil spill. This is especially true because, as discussed *infra* Section VI.A, the Project's description of a transition to biofuels does not require any "temporary" increase in marine terminal capacity. The proposed, and unnecessary, "temporary" increase could be used to bring in higher volumes of tar sands crude oil, so the EIR must consider the impact of such an increase.

1. Tar Sands Impacts

Tar sands oil deposits produce bitumen, "a dense and highly viscous petroleum found in clay and sand deposits known as bituminous sands, oil sands, or tar sands."[54] In spite of increasing bitumen production, "the scientific study of impacts has largely lagged behind the rapid pace of oil sands development, and where it has progressed, it has focused primarily on effects on regional landscapes, freshwater systems, climate change, and human communities. To date, the effects of the industry on marine environments have received relatively little scientific attention."[55] There is no publicly available information available on the behavior, fate, and toxicity of dilbit in the marine environment. These uncertainties are of great concern to

[52] *See Report: West Coast Tar Sands Invasion*, Natural Resources Defense Council et al., p. 4 (April 2015) (based on of a report by the Borealis Centre for Environmental and Trade Research, commissioned by NextGen and NRDC).
[53] *Comments of San Francisco Baykeeper, STAND.earth, and Friends of the Earth on the Phillips 66 Marine Permit Revision Project - Draft Environmental Impact Report*, August 28, 2017.
[54] Green et al., "Oil sands and the marine environment: current knowledge and future challenges," *The Ecological Society of America, Front Ecol. Environ.* 2017 (Green et al. 2017); 15(2): 74–83.
[55] *Id*.

Commenters, and any evaluation of the environmental impact of an increase in the shipping of bitumen to the Phillips 66 refinery must take this uncertainty into account by evaluating worst case scenarios and requiring robust mitigation measures based on precautionary principles.

Bitumen is chemically distinct from conventional oil and must be diluted to transport and refine. The diluted product is often referred to as "dilbit." Bitumen is generally considered to be a recalcitrant and immobile crude oil that requires unconventional extraction methods as well as the addition of diluents for transport through unheated transmission pipelines. "The key differences are in the exceptionally high density, viscosity, and adhesion properties of the bitumen component of the diluted bitumen that dictate environmental behavior as the crude oil is subjected to weathering (a term that refers to physical and chemical changes of spilled oil)."[56] There are many different formulas for the dilution of bitumen, most of which are considered trade secrets. "Diluted bitumen refers to many chemically distinct substances that vary in toxicity and chemical behavior from conventional oil (Crosby *et al*. 2013; Environment Canada 2013)."[57] Indeed, "sampling information for some blended bitumen products reveals high variability in chemical composition and physical properties," and precise information on chemical composition is considered a trade secret, effectively denying public access to vital safety information.[58]

There is very little publicly available information about the reaction of dilbit to the marine environment and the organisms and ecosystems found there, and widespread uncertainty remains even as to the most basic questions like whether dilbit products will float or sink, what chemicals are contained in dilbit at what concentrations, what response dilbit will have to weathering, and how it will interact with marine species and sediment.

> In cases where traditional removal or containment techniques are not immediately successful, the possibility of submerged and sunken oil increases. This situation is highly problematic for spill response because (1) there are few effective techniques for detection, containment, and recovery of oil that is submerged in the water column, and (2) available techniques for responding to oil that has sunk to the bottom have variable effectiveness depending on the spill conditions.[59]

Tar sands refining could increase drastically in California if existing pipeline and rail plans move forward. Tar sands industry expansion plans rely on California's refinery capacity. The Kinder Morgan Canada Initial Public Offering Prospectus indicated the company's reliance on California refining.[60] Phillips 66 has already attempted a series of projects to allow a switch to refining tar sands, what its management calls "advantaged crude." The company emphasizes "[the] opportunity that we have … is to get … Canadian crudes down into California … We're looking at rail to barge to ship, down to the West Coast refineries ...."[61] In May 2013, Phillips 66

[56] *Spills of Diluted Bitumen from Pipelines: A Comparative Study of Environmental Fate, Effects, and Response*, National Academies of Sciences (2016, National Academies Press).
[57] Green *et al*. 2017.
[58] *Id*.
[59] National Academies of Sciences 2016.
[60] Kinder Morgan Canada Limited, Preliminary Prospectus, Initial Public Offering, p. 23, 73 (April 24, 2017).
[61] September 12, 2013 Transcript, pdf p. 7, *available at*

Executive Vice President Tim Taylor stated in response to a question on bringing heavy Canadian crude oil into California: "Today, we are doing some barge movements down the coast into California on heavy Canadian. You can look in the Northwest to do that. So that's an option that we're going to continue to use and we're looking at expanding that opportunity with some of the logistics things we're putting in place."[62]

Each tanker trip carries an added risk of a spill, and Commenters are deeply concerned with the possibility that a tanker carrying tar sands crude to the Phillips 66 Marine Terminal will cause an oil spill. Marine cleanup of a tar sands spill has never been tried, and Commenters are deeply concerned with the potential ecological consequences of such a spill and responders' ability, or lack thereof, to effectively clean up a spill of tar sands dilbit.

The submergence of persistent residues of dilbit in aquatic environments, as was seen in the Kalamazoo River spill in Marshall, Michigan, and the potential for long-term deposition in sediments and banks and remobilization in the water column present environmental concerns and cleanup challenges not presented by commonly transported crude oils.

2. Environmental Impacts from Expanded Marine Terminal Operations

a. Water quality impacts

The water quality impacts from expanded use of the Phillips 66 marine terminal must be thoroughly examined. This includes the feedstocks transported over the marine terminal, either biofuels or petroleum products. Where tar sands are concerned, the EIR must examine impacts associated with the extraction of tar sands feedstocks in Canada to the dilution of those feedstocks with diluents and shipment by pipeline to Vancouver or other ports, through the loading process onto tankers and the shipping routes they take down the west coast to San Francisco Bay, then to the unloading of those feedstocks and transport into the refinery, the separation and reuse of diluents, the eventual shipment of refined or reused products to end markets or extraction sites, and finally through to impacts from the use of end products. This lifecycle analysis must take into account global effects such as climate change and ocean acidification, as well as local water quality impacts that could have serious consequences for the communities at extraction sites, ports, along the shipping routes, and near the actual Project site in Rodeo. This analysis must also disclose the extent to which unknowns exist, such as the lack of concrete information concerning effective marine spill cleanup methodologies for tar sands dilbit and any other feedstock (including plant- or animal-based feedstocks) and the environmental impacts of such spills, and evaluate the risks taken as a result of those unknowns. Such risk evaluation must take into account the massive harm done by dilbit in other places, such as Kalamazoo, and any known spills of biofuel feedstocks.

Each tanker trip carries an added risk of a spill, as a reported 50% of large spills occur in open water.[63] The majority of spills, however, are less than 200,000 gallons, and most of these

http://www.phillips66.com/EN/investor/presentations_ccalls/Documents/Barclays_091213_Final.pdf.

[62] May 31, 2013 Transcript, pdf p. 13, *available at* http://www.phillips66.com/EN/investor/presentations_ccalls/Documents/PSX-Transcript-2013-05-01.pdf.

[63] The International Tanker Owners Pollution Federation (2016 spill statistics), p. 8.

spills happen while in port.[64] Two types of tanker will likely be used at the Marine Terminal, coastal tankers, which can carry as much as 340,000 barrels of oil (14.3 million gallons), and coastal tank barges, which typically carry 50,000 to 185,000 barrels of oil, though newer models can carry as much as a coastal tanker. For reference, the tar sands spill in the Kalamazoo that cost over a billion dollars and still isn't cleaned up was 843,000 gallons of tar sands crude.[65] Even the smallest tar sands barge would carry at least twice that amount.

California's 45-billion-dollar coastal economy has a lot to lose to any kind of spill.[66] California commercial fisheries for instance, produced from 186-361 million pounds of fish from 2013-2015, at a value of 129-266 million dollars.[67] After the Costco Busan disaster spilled 53,000 gallons of oil into San Francisco Bay, the Governor closed the fishery, a significant portion of which was either contaminated or killed, closed more than 50 public beaches, some as far south as Pacifica, and thousands of birds died. All told that spill resulted in more than 73 million dollars in estimated damages and cleanup costs.[68] Imagine that times 267, the amount of oil carried by a fully laden coastal tanker, and instead of over a month to clean up, it could take as long as five years. An EIR evaluating the environmental impacts of expanding operations at the Phillips 66 Marine Terminal must take into account the increased risk of an unprecedented spill of tar sands crude oil, or any other type of feedstock or end product transported over the marine terminal at Phillips, into San Francisco Bay or at any other point along the route oil transport tankers and barges will take.

A recent spill at the Phillips 66 marine terminal serves as a warning of what could result from increased marine terminal operations. According to press reports, "BAAQMD issued two 'public nuisance' violations to Phillips 66 for its Sept. 20, 2016 spill, which leaked oil into the bay and sent an estimated 120 people to the hospital from fumes."[69] That spill, which occurred while the Yamuna Spirit was offloading at the Phillips 66 Marine Terminal in Rodeo, was responsible for more than 1,400 odor complaints and a shelter-in-place order for the 120,000 residents of Vallejo, in addition to the hospital visits already mentioned.[70] In light of these concerns, Contra Costa County must consider an independent study on spill (including tar sands) cleanup, the adequacy of existing cleanup procedures and the need for additional cleanup and restitution funds, and increased monitoring for water and air quality impacts to communities surrounding the Project, whether those communities are located in the same county or not.

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[64] *Id*.
[65] National Academies of Sciences 2016, p. 15.
[66] *California Ocean and Coastal Economies*, National Ocean Economics Program (March 2015).
[67] Based on California Department of Fish and Wildlife and National Marine Fisheries Service data.
[68] *See, e.g., Incident Specific Preparedness Review M/V Cosco Busan Oil Spill in San Francisco Bay Report on Initial Response Phase*, Baykeepr, OSPR, NOAA, et al. (Jan. 11, 2008).
[69] Katy St. Clair, "Supervisor Brown says 'no way' to proposed Phillips 66 expansion," Times-Herald (Aug. 5, 2017), *available at* http://www.timesheraldonline.com/article/NH/20170805/NEWS/170809877; *see also* Ted Goldberg, "Refinery, Tanker Firm Cited for Fumes That Sickened Scores in Vallejo," KQED News (June 16, 2017), *available at* https://ww2.kqed.org/news/2017/06/16/refinery-tanker-firm-cited-for-fumes-that-sickened-scores-in-vallejo/; Ted Goldberg, "Phillips 66 Seeks Huge Increase in Tanker Traffic to Rodeo Refinery," KQED News (July 27, 2017) *available at* https://ww2.kqed.org/news/2017/07/27/phillips-66-seeks-big-increase-in-tanker-traffic-to-rodeo-refinery/.
[70] Ted Goldberg, "Refinery, Tanker Firm Cited for Fumes That Sickened Scores in Vallejo," *id*.

Additional National Pollutant Discharge Elimination System (NPDES) effluent criteria may be needed, a possibility which must be evaluated in the proposed EIR. Foreseeable spill rates from an increase in marine terminal activity might qualify as a discharge to waters of the United States because it is reasonably predictable that a certain number of spills will occur. With this and other water quality impacts in mind, the regional water board should at least be a responsible agency. Furthermore, different feedstock may result in a change in the effluent discharged by the refinery under their existing NDPES permit, another reason why the regional water board should at least be a responsible party. The proposed EIR must evaluate an updated NPDES permit that reflects the changing feedstock that will result from the Project.

No reasonable mitigation or planning can be done with regard to the risk posed by the transport of feedstocks to the Phillips 66 refinery in Rodeo without specific information as to the chemical composition of the crude oil being transported. Details on the types of oil expected to arrive on the tankers utilizing the Marine Terminal's expanded capacity must be part of the EIR and must be made publicly available. For instance, it is irresponsible to base risk assessment and best practices for the handling of dilbit on assessments and practices for conventional oil without at least knowing exactly what the chemical composition of the dilbit is, including separate information on bitumen and diluent constituents, and how it differs from conventional oil. Likewise, biofuel feedstocks may behave differently when spilled than conventional petroleum products. As indicated above, the available scientific evidence suggests that the type of risks associated with different types of marine spills are wholly different depending on the type of substance spilled. Additional research into best management practices, spill prevention practices, and cleanup and response planning is needed before we can allow a major increase in the amount of tar sands or any other type of petroleum or biofuel feedstock coming into California's waters.

Commenters ask that the EIR contain and make publicly available an independent scientific study on the risks to – and best achievable protection of – state waters from spills of any substance carried to the Marine Terminal. The study should encompass potential spill impacts to natural resources, the public, occupational health and safety, and environmental health and safety. This analysis should include calculations of the economic and ecological impacts of a worst-case spill event in the San Francisco Bay ecosystem, along the California coast, and along the entire projected shipping route for the expanded marine terminal.

Based on this study, the EIR should also include a full review of the spill response capabilities and criteria for oil spill contingency plans and oil spill response organizations (OSROs) responsible for remediating spills. Commenters respectfully request that Contra Costa County include an analysis indicating whether there are OSROs currently operating in California capable of responding adequately to a spill of non-floating oil or any other substance proposed for shipment over the Phillips 66 marine terminal. Further, the adequacy of an OSROs spill response capability should be compared to the baseline of no action rather than to a best available control technology standard.

Additional ships delivering oil to the Project would be passing through a channel that the Army Corps of Engineers has slated for reduced dredging.[71] The Project thus contemplates

[71] Marathon Martinez, Letter to U.S. Coast Guard Sector San Francisco re: Pinole Shoal Channel Emergency Dredging, Sept. 25, 2020.

increasing ship traffic through a channel that could be insufficiently dredged. The EIR must evaluate the safety risks posed by reduced Pinole Shoal Navigation Channel Maintenance Dredging.[72] Should Contra Costa County require Phillips 66 to dredge the channel, it must fully evaluate and disclose impacts from such dredging in its environmental analysis.

Finally, the EIR must evaluate ship maintenance impacts. Increased shipping means increased maintenance in regional shipyards and at regional anchorages, and these impacts must be analyzed.

b. Wildlife impacts

Increased shipping causes stress to the marine environment and can thus impact wildlife. Wake generation, sediment re-suspension, noise pollution, animal-ship collisions (or ship strikes), and the introduction of non-indigenous species must all be studied as a part of the EIR process. "Wake generation by large commercial vessels has been associated with decreased species richness and abundance (Ronnberg 1975) given that wave forces can dislodge species, increase sediment re-suspension (Gabel et al. 2008), and impair foraging (Gabel et al. 2011)."[73] Wake generation must be evaluated as an environmental impact of the Project.

Acoustic impacts can also be extremely disruptive. "Increased tanker traffic threatens marine fish, invertebrate, and mammal populations by disrupting acoustic signaling used for a variety of processes, including foraging and habitat selection (e.g. Vasconcelos et al. 2007; Rolland et al. 2012), and by physical collision with ships – a large source of mortality for marine animals near the surface along shipping routes (Weir and Pierce 2013)."[74] Acoustic impacts must be evaluated as an environmental impact of the project.

Invasive species are also a dangerous side effect of commercial shipping. "Tankers also serve as a vector for the introduction of non-indigenous species (NIS) via inadvertent transfer of propagules from one port to another (Drake and Lodge 2004), with the probability of introduction depending on the magnitude and origin of shipping traffic along tanker routes (Table 1 and Figure 3; Lawrence and Cordell 2010)." Invasive species impacts must be evaluated as an environmental impact of the project.

c. Public Trust Impacts

The marine terminal occupies 16.7 acres of leased, filled and unfilled. This land is California-owned sovereign land in San Pablo Bay, and as a result the California State Lands Commission is a responsible party. Public trust impacts to this land and to other public trust resources must be evaluated in the EIR.

[72] Memorandum for Commander, South Pacific Division (CWSPD-PD), FY 17 O&M Dredging of San Francisco (SF) Bay Navigation Channels, U.S. Army Corps of Engineers (Jan. 12, 2017) (Army Corps memo discussing deferred dredging).
[73] Green *et al*. 2017.
[74] *Id*.

d. Shipping Traffic Impacts

Additional impacts must be analyzed starting at the port that ships take on their cargos and ending at the ports they discharge it to. The EIR should include shipping impacts to public or non-Project commercial vessels and businesses, including impacts to recreational boaters and ferries, that might experience increased delay, anchorage waits or related crowding, and navigational complexity. Such shipping traffic impact evaluations should extend to spills, air quality, marine life impacts from ship collisions, and other environmental impact evaluated by the EIR that could impact shipping traffic.

e. Air Quality Impacts

If there is a change in feedstocks as a result of the proposed Project's marine terminal increased usage, the EIR must evaluate any associated air quality impacts. The air quality baseline examined by the EIR cannot rely only on permitted levels.

The distinction in crude oil feedstock matters. The chemical composition of raw materials that are processed by a refinery directly affect the amount and composition of the refinery's emissions. The amount and composition of sulfur in the crude slate, for example, ultimately determines the amount of sulfur dioxide that will be emitted from every fired source in the refinery and the amount of odiferous hydrogen sulfide and mercaptans that will be emitted from tanks, pumps, valves, and fittings.

An increase from 59 ships per year to 135 ships per year carries with it obvious air quality impacts from ship exhaust, as well.[75] These impacts must be evaluated for every mile the ships travel, and for every community along their route. Ships will not arrive at the Project terminal from out of a vacuum, and each ship using the terminal – not just those currently permitted – must be evaluated.

Phillips 66 does not have a good record of avoiding air quality violations at its Rodeo refinery. In 2016, BAAQMD settled for nearly $800,000 with Phillips 66 for 87 air quality violations between 2010 and 2014.[76] Such past violations must be evaluated when considering the likelihood of future violations that may relate to a change in feedstock or increased refinery activity as a result of the marine terminal expansion.

[75] Phillips 66 is claiming essentially the same need in its current request that it claimed in its request to BAAQMD in 2017, *i.e.*, that it needs the marine terminal expansion because the Santa Maria facility is going to shut down. Therefore, it is reasonable to conclude that shipping numbers and other impacts will be similar. See BAAQMD, Engineering Division, Notice of Preparation and Notice of Public Scoping Meeting, Phillips 66 Marine Terminal Permit Revision Project - Draft Environmental Impact Report (June 14, 2017). Regardless, the EIR must contain the actual numbers of ships Phillips 66 intends to bring to its terminal as a part of the project.

[76] "Air District settles case with Phillips 66," BAAQMD Press Release (August 3, 2016), *available at* http://www.baaqmd.gov/~/media/files/communications-and-outreach/publications/news-releases/2016/settle_160803_phillips-pdf.pdf?la=en.

F. Process Safety Risks and Other Process Impacts

The EIR must consider and explore the fact that processing vegetable or animal-derived biofuel feedstocks in a hydrotreater or hydrocracker creates significant process upset risks beyond those that attend crude oil refining. The upset risk is increased because the extra hydrogen that must be added to convert the new feedstock to hydrocarbon fuels generates more heat in process reactions that occur under high pressure and are prone to runaway reactions. The reaction is exothermic: it generates heat. When it creates more heat, the reaction can feed on itself, creating more heat even faster.[77]

The reason for the increased heat, and hence risk, is that the removal of oxygen from fatty acids in the biofuel feed, and saturating the carbon atoms in that feed to remove that oxygen without creating unwanted carbon byproducts that cannot be made into biodiesel and foul the process catalyst, require bonding that oxygen and carbon with a lot more hydrogen. The project would use roughly ten times as much hydrogen per barrel biorefinery feed than petroleum refining needs from hydrogen plants per barrel crude.[78] Reacting more hydrogen over the catalyst in the hydrotreating or hydrocracking reactor generates more heat faster. This is a well-known hazard in petroleum processing, that manifests frequently in flaring hazards[79] when the contents of high-pressure reactor vessels must be dumped to flares in order to avoid worse consequences that can and sometimes have included destruction of process catalyst or equipment, dumping gases to the air from pressure relief valves, fires and explosions. The extra hydrogen reactants in processing the new feedstocks increase these risks. On top of that, this severe processing environment can be highly corrosive, leading to frequent or even catastrophic equipment failures. Contaminants and processing byproducts of the new feeds could create new damage mechanism hazards.

There are measures to control the reaction heat, pressure – including through process design and operation measures such as quenching between catalyst beds in the reactor and careful control of how hot the reactor components get, how much hydrogen is added, how much feed is added, and how long the materials remain in the reactor, preventing hot spots from forming inside of it, and intensive monitoring for equipment damage and catalyst fouling. While these measures should be considered in the EIR as mitigation, we note that they are imperfect at best, and rely on both detailed understanding of complex process chemistry and monitoring of

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[77] Robinson and Dolbear, "Commercial Hydrotreating and Hydrocracking. *In* Hydroprocessing of heavy oils and residua," 2007. Ancheyta and Speight, eds. CRC Press, Taylor and Francis Group: Boca Raton, FL, pp. 308, 309.

[78] Huo et al., "Life-Cycle Assessment of Energy and Greenhouse Gas Effects of Soybean-derived Biodiesel and Renewable Fuels," Argonne National Laboratory 2008 (Huo et al. 2008) estimated HEFA processing of soybean oil targeting drop-in biodiesel fuel uses 0.03–0.32 pounds of hydrogen per pound of final fuel product. That converts to roughly 2,000–2.200 cubic feet of hydrogen per barrel of soy oil feed (at 89.9 g/m^3 H_2 and a soy oil specific gravity of 0.916). Karras 2010 compiled federally reported operating data from U.S. petroleum refineries from 1999–2008 showing that nationwide petroleum refinery usage of hydrogen production plant capacity averaged 272 cubic feet of H_2 per barrel crude processed. *See* Table 2-3., "NREL-Simulated Renewable Fuels Mass and Energy Balances" in Huo et al., 2008. Life-Cycle Assessment of Energy and Greenhouse Gas Effects of Soybean-Derived BIodiesel and Renewable Fuels. ANL/ES/08-2. U.S. Department of Energy, Argonne National Labaratory: Argonne, Il. See also G. Karras, "Combustion Emissions from Refining Lower Quality Oil: What is the Global Warming Potential?" *Env. Sci. Technol.* 44: 9584–9589 (2010) DOI:10.1021/es1019965 (Karras 2010) at Table S1.

[79] *See* flaring causal analyses pursuant to Bay Area Air Quality Management District Regulation 12, Rule 12: https://www.baaqmd.gov/about-air-quality/research-and-data/flare-data/flare-causal-reports.

conditions in multiple parts of the process environment. Both those conditions are difficult to attain in current petroleum processing, and even more difficult with new feedstocks with which there is less current knowledge about the complex reactions and how to monitor them when the operator cannot "see" into the reactor very well during actual operation; and cannot meet production objectives if production is repeatedly shut down in order to do so.

Since the Project's new feedstock and process system are thus known to worsen the underlying conditions that can become (and have become) root causes of hazardous incidents, the EIR must thoroughly evaluate and mitigate these risks. The EIR must evaluate, *inter alia,* the impact of the proposed new feedstock and production process on worker safety, community safety, and upset frequency and impacts (including increased flaring). In this regard, the EIR analysis should ascertain whether Phillips 66 intends to decommission any part of its flaring infrastructure at the Rodeo refinery.

G. Site Decommissioning Impacts

Phillips 66 proposes decommissioning the Santa Maria facility – and, as discussed above, would likely do so regardless of whether or not the Project is approved. It is thus essential that the EIR evaluate the impact of such decommissioning, and address possible mitigation of its impacts on workers, the surrounding community, and the environment.

Specifically, the EIR should consider the possibility of requiring that the Santa Maria facility be decommissioned gradually rather than abruptly, to avoid unnecessarily unjust transitions for Santa Maria facility workers and nearby communities. A gradual decommissioning of this nature would also mitigate or eliminate the need for increased crude oil throughput over the Rodeo marine terminal, which the Application proposes to replace the Santa Maria facility output.[80] It could also reduce the severity of environmental impacts associated with the proposed increase in oil imports through S.F. Bay. The EIR should fully evaluate the extent to which it is feasible to lessen or avoid the impacts by decommissioning the Santa Maria facility.

Additionally, while the Application is ambiguous on this point, it is clear that a substantial portion of currently operative crude oil refining equipment at the Rodeo facility will be idled as part of the Project. The idled equipment includes the carbon plant and the coking and crude distillation units, and likely includes the U230 De-Hex unit, U228 C5/C6 Isom unit, the U229 and U230 naphtha hydrotreaters, the U231 and U244 catalytic naphtha reformers, various unnamed petroleum storage tanks, furnaces, boilers, heaters, fractionators, heat exchangers, cooling towers, process fluids piping and more.[81] This equipment, and the ground on which it is located, is likely to be highly contaminated from years of operation of the refinery.

[80] Application at 12.

[81] This preliminary, incomplete list is based in part on comparison of current equipment shown in Figure 5 of the Application with the project configuration shown in Figure 6 of the Application. Note that figures 5 and 6 in the Application do not depict all existing equipment units and may not depict some equipment units to be repurposed.

Various oil companies refined oil at the Rodeo site since 1896,[82] some 75 years before the environmental protection wave of the early 1970s, and through waves of toxic gasoline additives—tetraethyl lead and then MTBE, from the 1930s through the early 2000s—and refinery releases to land persist to this day. Today, evidence that refinery byproduct waste disposal continues on surrounding land is here for all to see, at the carbon plant, where toxics-laden petroleum coke particulates dust the surrounding soil.

Phillips 66 should be made to specify, for inclusion in the EIR analysis, what it plans to do with such equipment, and how it will address site contamination in fallowed portions of the refinery. The need for such analysis is particularly acute given that the Diesel Free by 33 pledge that County has signed suggests a limited commercial lifetime for biofuels production.

VI. The EIR Should Consider Project Alternatives That Would Minimize Impacts

At the heart of CEQA analysis is a discussion of available project alternatives. CEQA provides that "[t]he purpose of an environmental impact report is to identify the significant effects of a project on the environment, to identify alternatives to the project, and to indicate the manner in which those significant effects can be mitigated or avoided." It further provides that "The purpose of an environmental impact report is ... to list ways in which the significant effects of such a project might be minimized; and to indicate alternatives to such a project." *Laurel Heights Improvement Assn. v. Regents of University of California*, 47 Cal.3d 376 (1988), citing Public Resources Code §§ 21002.1(a), 21061.

Accordingly, it will be essential for the EIR to evaluate an array of alternatives that minimize the environmental impacts of the Project, as well as mitigating any impacts that remain. Below is a discussion of three specific Project alternatives that the EIR should consider.

A. No Increased Throughput Over the Marine Terminal

The EIR should consider an alternative in which throughput over the marine terminal is not increased as proposed in the Application, or is increased less than the amount requested. The Application presents no rational need for the proposed throughput increase; indeed, the limited reasoning provided in support of it makes very little sense. Eliminating the increased throughput over the marine terminal would minimize the transportation-related potential impacts, including oil spill risk, described above.

The Application asserts that the increase in crude oil coming in over the Rodeo terminal is necessary "to accommodate the idling and decommissioning of the Santa Maria facility in San Luis Obispo County ... [and] seeks to ensure a reliable crude supply on an interim basis—until the renewable Project is fully operational—to maintain current production levels."[83] The County similarly states this oil imports increase over the terminal is to "replace the current crude oil

[82] *California Refinery History;* California Energy Commission: Sacramento, CA. https://www.energy.ca.gov/data-reports/energy-almanac/californias-petroleum-market/californias-oil-refineries/california-oil.
[83] Application at 12.

feedstocks during construction, when the Santa Maria facility's output is no longer available... ."[84]

However, this explanation makes no sense given that refining equipment cannot maintain production when it is offline for construction. The project to convert the Rodeo refinery from a crude refining facility to a biofuels refining facility includes a massive construction project that will require shutdown of production equipment until the construction is complete – precluding the possibility of maintaining crude oil throughput during that time. Converting oil refinery hydrotreating and hydrocracking units to make "drop-in" biofuels from vegetable oils and animal fats safely and efficiently would require, among other things, physical changes to equipment and process materials in those units, requiring full shutdown of those units. As P66 proposes to convert all its hydrocracking capacity and most of its hydrotreating capacity[85] to 100% drop-in biofuels refining of vegetable oil/animal fat feeds, its Rodeo facility cannot "maintain current production levels" during project construction. It would refine less oil, not more, during project construction.

We note that the Rodeo plant has no catalytic cracking unit.[86] Hence, its hydrocracking capacity is essential to converting gas oils (from its distillation units, its coker, the Santa Maria facility, and imports over its terminal) into engine fuels. While the hydrocrackers are offline for project construction, the refinery could still make naphtha and distillates from those sources into gasoline, diesel, and jet fuel, but at reduced volumes compared with production during normal operation. And with its diesel and jet fuel hydrotreaters offline for construction as well, production volumes of those fuels would be lower still.

In any event, as discussed in subsection C below, even to the extent it may be possible for Phillips 66 to continue processing crude oil during the Project construction process (which seems unlikely), the Rodeo facility could continue to receive crude from the Santa Maria facility if the closure of the latter facility is done in a more appropriately gradual manner. Phillips 66 has provided no reason why the Santa Maria refinery needs to be closed abruptly and immediately (although there is the distinct possibility, discussed in subsection IV, *supra*, that they have decided on the closure separate and apart from the Project).

Accordingly, the EIR should consider an alternative that minimizes or eliminates the proposed increase in imports over the Rodeo terminal. Phillips 66 should be asked to disclose construction downtime schedules for each hydrotreater and hydrocracker to be converted as part of an assessment of how much less crude oil would be refined during project construction. We note, in addition, that if Phillips 66 plans little or no downtime of these units because it plans few or no changes to them, that would raise even more serious concerns about process safety hazards that should be evaluated in the EIR.

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[84] NOP at 3.

[85] In its Application Phillips 66 identifies Hydrocracking Unit 240 (U240), Hydrocracking Unit 246 (U246), and hydrotreating units 248 (U448) and 250 (U250) as existing refinery equipment (*see* pages 5, 6), and lists these process units by number in figures 5 and 6. Figure 5 further depicts these units as existing equipment. Figure 6, entitled "Rodeo Facility Post Rodeo Renewed Project Block Flow Diagram" identifies each of these four process units as "Renewable Fuels" project equipment. These four process units would be converted to biofuel feeds.

[86] Application at 4–9 and Figure 5. No catalytic cracking process unit is listed or shown, as none exists at Rodeo.

B. Use of Renewable-Powered Electrolysis to Produce Hydrogen from Water

The Project would repurpose and use the U-110 and U-120 hydrogen plants at the Rodeo facility for its biofuels production process.[87] These are fossil fuel hydrogen production plants that use steam reforming to strip hydrogen from hydrocarbon feeds at extremely high reaction temperatures, and are fed and fueled by purchased natural gas and hydrocarbon byproducts of refining processes at the facility. This steam reforming process is extremely carbon-intensive, emitting roughly nine times more CO_2e than its hydrogen output by weight. That high carbon intensity is compounded by the project's use of a hydro-conversion technology (HEFA), which requires several times more hydrogen per barrel of biofuel feed than petroleum refining requires from on-purpose hydrogen production per barrel of crude.[88] This choice of technology could make hydrogen production the predominant source of direct CO_2e emission from the biofuel refinery, and boost the carbon intensity of biofuels produced substantially.

At least one commercialized technology, electrolysis, can supply zero-emission hydrogen using renewable electricity. Producing hydrogen by electrolysis is a proven technology. It has been used commercially in other sectors and reportedly was commercialized before fossil fuel steam reforming was used to produce hydrogen for oil refining. Coupling electrolysis with renewable electricity to produce hydrogen from water, often called "green" hydrogen but more transparently labeled "renewable-powered electrolysis" hydrogen, is a zero-emission alternative to the carbon-intensive hydrogen production the Project proposes to repurpose and use for biofuel refining. Energy sector projects are underway elsewhere to build renewable-powered electrolysis plants now.[89] Renewable-powered electrolysis could replace the most carbon-intensive biofuel refining process step proposed by the project in Rodeo. The EIR should therefore include use of renewable-powered electrolysis as an alternative to minimize Project impacts.

Using this proven alternative for biofuel refining would eliminate the vast majority of direct CO_2e emissions from project biofuel refining, cut the carbon-intensity of combustion fuels the project would produce significantly, and lessen or avoid other project impacts that appear likely to be significant if the project proceeds as proposed.

Crucially as well, Phillips 66 would not be locked into prolonged biofuel refining as lower carbon hydrogen-fueled freight and shipping expands per state policy, because it could shift the zero-emission hydrogen asset to fueling that cleaner transportation expansion. Solar and wind energy storage in the hydrogen produced at Rodeo, then stored in those vehicles, would further support state renewable goals.

We note, briefly, some additional factors the County should consider as it evaluates this proven zero-emission alternative in the EIR. First, Phillips 66 appears to have ample room to

[87] Application at 4, 9, and Figure 6.
[88] The project could require roughly ten times as much on-purpose hydrogen to be produced per barrel of refinery vegetable oil feedstock as crude refining, as noted in subsection V. F. above—approximately 2,000 cubic feet per barrel or more running soy oil, as compared with 272 cubic feet per barrel running the average crude refined nationwide from 1999-2008.
[89] K. Adler, "Europe Emerges as Leader in Hydrogen Economy. IHS Markit," December 15, 2020 (Adler 2020) *available at* https://ihsmarkit.com/research-analysis/europe-emerges-as-leader-in-hydrogen-economy.html.

build it within the Rodeo site.[90] Second, scheduled project construction could offer the simplest, cheapest, and most environmentally effective time to install this climate-safe alternative.[91] Third, as the project could be supported by enormous public investment,[92] and the hydrogen in hydrocarbon fuels it produces would be renewable with this alternative,[93] the value and "renewable" energy purpose of this potential public investment must be weighed in assessing the economic sustainability of the project with and without this alternative. Fourth, the extent to which solar and wind power prices could continue to fall relative to those of fossil fuels[94] should be considered in evaluating the economics of renewable-powered electrolysis hydrogen over the time when the project could operate, and partially switch to hydrogen vehicle fueling. Lastly, noting again that crucial pivot from biofuels combustion to decarbonized electrification of transportation which zero-emission hydrogen here could support, its ability to avoid potentially enormous cumulative future health costs must be considered in evaluating this alternative.[95]

For all of these reasons, public review of the project will demand a pivotal choice between fossil fuel and renewable hydrogen-based fuel production. This choice could be locked in beyond the duration of project operation. As it involves the largest biofuel refining project contemplated anywhere, this choice likely will set precedents for future biofuel projects. Robust evaluation of the hydrogen alternative—renewable-powered electrolysis—will be essential to accurate environmental review of the project.

C. Alternatives that Minimize Decommissioning Impacts

As discussed above, the County should consider the possibility of a gradual phased decommissioning of the Santa Maria refinery. An alternative of this nature would not only minimize or eliminate the need for increased crude oil imports over the terminal, but would minimize the disruption to workers and the surrounding community, and better allow for a just transition to a different economy and tax base.

In addition, as also discussed above, the County should consider an alternative that requires cleanup and remediation of all fallowed portions of both the Santa Maria and Rodeo

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[90] See site maps given in the NOP and Application. The County should compare electrolysis footprints elsewhere with on-site project alternative plant siting options.

[91] "It is simpler, less expensive, and more effective to introduce inherently safer features during the design process of a facility rather than after the process is already operating." CSB, 2013, *Interim Investigation Report, Chevron Richmond Refinery Fire* at page 40. U.S. Chemical Safety Board: Washington, D.C. https://www.csb.gov/file.aspx?Documentid=5913.

[92] State LCFS, federal RIN credits and federal tax breaks to "renewable" diesel fuel projects are reported to reach $3.30 per gallon. *See* Tepperman, J., *Refineries Renewed;* East Bay Express, September 16, 2020, *available at* https://www.eastbayexpress.com/oakland/refineries-renewed/Content?oid=30619701. At its full 67,000 b/d (2.81 million gallons/day) capacity, $3.30/gallon is $3.4 billion annually.

[93] Hydrogen would be the most abundant element in the fuels that the project could produce.

[94] Adler 2020.

[95] In fact Zhao and colleagues found that even "[a]fter subtracting the cost [of renewable electric alternatives to biofuels], the net monetized benefit of the electrification-focused pathway still exceeds that of the renewable fuel-focused pathway, indicating that a cleaner but more expensive decarbonization pathway may be more preferable in California." Zhao et al., "Air Quality and Health Cobenefits of Different Deep Decarbonization Pathways in California" (2019). *Env. Sci. Technol.* 53:7163–7171. DOI: 10.1021/acs.est.9b02385 (Zhao 2019).

refineries, to minimize the risk that either refinery community will be left with a contaminated and unusable site in its midst.

VII. Conclusion

For all of the reasons explained herein, it is essential that the EIR set forth a thoroughgoing discussion of all potential impacts of the Project, as well as an accurate baseline against which to measure those impacts. We remain available at the emails listed below to discuss our concerns and recommendations with County staff.

Thank you for consideration of these comments.

Very truly yours,

Gary Hughes
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January 13, 2021

Via electronic mail (Gary.Kupp@dcd.cccounty.us)

Gary Kupp
Senior Planner
Contra Costa County
Department of Conservation and Development
30 Muir Rd
Martinez, CA 94553

Re: Phillips 66 Rodeo Renewed Project – request for delay of scoping hearing and extension of time to submit scoping comments

Dear Mr. Kupp:

We write concerning the Notice of Preparation/Notice of Scoping meeting issued December 21, 2020, which establishes a scoping process for the environmental impact report (EIR) concerning the Phillips 66 Rodeo Renewed Project. We appreciate the County's decision to hold a public scoping meeting concerning this EIR, which is clearly a matter of both regional and statewide significance, given both the project's potential environmental impacts and the precedent it may set for future biofuel transition projects. However, we are concerned that the meeting and the comment deadline are set too soon to allow for robust public input. Accordingly, we are asking you to extend the comment deadline by 90 days, and to move the meeting date back by at least 60 days, so as to allow stakeholders time to prepare meaningful input.

The Notice was sent December 21, announcing a scoping meeting to be held Wednesday January 20 and a written comment deadline of January 27. The pre-holiday timing of the notice significantly shortens the actual lead time available to prepare for the hearing and draft comments. A large number of community representatives and environmental organizations either took the two weeks before the new year off, or were winding down their work for the year. That means, effectively, that we have two and a half weeks to prepare for the hearing, and only a week more to complete written comments.

This is nowhere near enough time to prepare meaningful comments and questions in the scoping process. The application submitted by Phillips 66 raises a host of complex technical issues that the affected communities are currently scrambling to assess. We have engaged experts who are reviewing the application, and it has become clear that significant technical analysis is necessary to identify issues of importance and gaps in the information provided by Phillips 66 in its application. We will be seeking additional documents via Public Records Act requests to inform our analysis; and the response to one such request indicates that responsive documents will not be received until after the scoping meeting.

We would like to be able to inform your process not merely with general observations about broad topics to address, but with informed input concerning both the types of potentially unaddressed environmental harm that may result from a project of this nature, and the types of questions that need to be vetted with respect to the applicant's claims of reduced impact. Putting together that type of input, which we believe will be useful to you, will take more time than you have afforded us.

The short timing is particularly problematic with respect to the scoping meeting, as we will need to engage in a significant outreach effort to ensure that community members who may be affected by the project are aware of the meeting and have a chance to prepare for it. Many who might otherwise like to attend may be inhibited by the short notice.

Even more problematically, the meeting is scheduled for the same time as the Bay Area Air Quality Management District's (BAAQMD) Board of Directors retreat. A large portion of community advocates concerned with refinery-related issues will want to attend the BAAQMD meeting, which is a critical opportunity to hear about and influence that agency's agenda for the year – including as it concerns refineries. We request that you not put us in a position of having to choose which of the two very important refinery-related meetings to attend. We note, in addition, the possibility raised by recent events that January 20 – inauguration day – could prove challenging and distracting.

Therefore, we respectfully request that you extend the due date for scoping comments by 90 days, until April 27. We further request that you delay the scoping meeting by at least 60 days.

Very truly yours,

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Debi Clifford, Resident, Richmond, CA

Patricia Lamborn, Resident, Alameda County

From: Gary Kupp
To: Shoshana Wechsler
Subject: RE: Any decision on scoping extension for Rodeo Renewed?
Attachments: image001.png

Dear Ms. Wechsler:
The Department of Conservation and Development is in receipt of your request to postpone the scoping meeting for the Phillips 66 Rodeo Renewed Project and to extend the CEQA (California Environmental Quality Act) comment period for the Project's notice of preparation (NOP).

Upon consideration of the request, it has been decided that the scoping meeting will not be postponed. The scoping meeting has already been scheduled on the Zoning Administrator's agenda for this Wednesday, January 20, 2021, and furthermore, this date was cited in the project NOP. The purpose of the scoping meeting is to accept comments for determining the scope and content of the proposed project's environmental impact report (EIR) that the County will be preparing. The scoping meeting is not intended for debating the merits of the proposed project, nor will any decision to approve or deny the proposed project be made at the scoping meeting.

Upon further consideration, the NOP comment period will also not be extended. The NOP comment period will end on January 27, 2021 at 5:00pm. Please be aware that there will be other opportunities for public comment on the proposed project when the EIR is released for public review, and once the EIR process is completed, the public will have further opportunities to comment during the public hearing phases, at which point, the County will consider adoption of the EIR and render a decision on the proposed project.

Thank you.

-----Original Message-----
From: Shoshana Wechsler <swechs@sonic.net>
Sent: Monday, January 18, 2021 3:09 PM
To: Gary Kupp <Gary.Kupp@dcd.cccounty.us>
Subject: Any decision on scoping extension for Rodeo Renewed?

Dear Mr. Kupp,

I'd like to add my voice to the chorus of folks who have requested a postponement of Wednesday's P66 Rodeo Renewed scoping meeting and the written comments deadline on 1/27.

Like many others, I received the Notice by mail on December 22nd while I was trying to engage in some time off during the winter holidays. I and many others returned to work commitments at the first of the year, only to be hit hard by the awful events of January 6th. I am in full agreement with the points raised in the January 13th letter to you requesting an extension. I would only add that in light of the drain and distraction of the pandemic, now exacerbated by the national political drama, that hurrying a process of public due diligence is probably not in our best collective interest.

It is my strong belief that all stakeholders, including the County, will greatly benefit from resisting a rush to judgement on a project which will set us on an irrevocable course for decades to come.

Thanks for your consideration, and I hope to hear of DCD's decision soon.

All best,

Shoshana Wechsler

From: Susan Penner
To: Gary Kupp
Subject: Comments on the Proposed Phillips 66 Rodeo Renewed Project (County File# LP20-2040)
Date: Monday, January 18, 2021 2:18:56 PM

Hi!

I have some concerns about the Proposed Phillips 66 Rodeo Renewed Project (County File# LP20-2040):

- It's likely that the supply of waste oil is diminishing, given restaurant closures and the increasing demand from refiners. If Phillips 66 turns to virgin oils, this raises serious concerns about the potential impact on US soy production, food crops and risk of deforestation.
- Even if it's just food waste that's used, this already has other existing markets, so we can expect increased prices of a whole set of commodities. This also increases the global pressure to produce, leading to deforestation and biodiversity loss. European governments and the EU have banned the use of palm oil in biofuel, finding it actually worse than carbon fuel use.
- Phillips 66 will continue to transport, blend, store, and export fossil fuel products under Rodeo Renewed. This indefinitely delays decommissioning and full remediation of its site as it maneuvers to prevent stranded assets. And what is to prevent a return to crude refining if its equipment remains in place?
- The amount of hydrogen and natural gas required by the proposed project is, per barrel, about the same for heavy crude processing.
- What are the impacts on water quality from initially bringing in increased amounts of petroleum crude, and of the quantities of fats and grease they can't bring in by rail or truck?

I support stronger oversight of this project and pushing Phillips 66 to address these and other concerns for the environment and the community posed by this proposed project.

Thanks,

Susan Penner, RN, DrPh

Emeryville, CA

From:	DCD PlanningHearing
To:	Aruna Bhat
Cc:	Gary Kupp; Syd Sotoodeh
Subject:	FW: Phillips 66 Rodeo Renewed project
Date:	Wednesday, January 20, 2021 12:27:02 PM

I have saved this message in the G Drive Current Planning, curr-plan, ZA Public Comments folder

Thanks,

Hiliana Li
Secretary
Conservation and Development
30 Muir Road
Martinez, CA 94553
Phone: 925-674-7792
Fax: 925-674-7258

From: Tom Hansen <tomh@ibewlu302.com>
Sent: Wednesday, January 20, 2021 10:17 AM
To: DCD PlanningHearing <PlanningHearing@dcd.cccounty.us>
Subject: Phillips 66 Rodeo Renewed project

Governor Newsom recently released an executive order to move the State of California away from fossil fuels. In his order the Governor sets forth a set of goals to transition away from fossil fuels and to achieve carbon neutrality by 2045.

The Rodeo Renewed project, which is planned for the Phillips 66 site transitions the refinery off crude oil by producing renewable fuels instead. This transformation is an excellent example of what the Governor's Executive Order is wanting to achieve.

Item # 8 of the Governor's Executive Order, calls on "… state, local and federal agencies to help expedite the regulatory process to transition oil production facilities, while supporting labor standards, the protection of public health, safety and the environment.

On behalf of the Members of IBEW Local 302 I encourage you to do all you can to expedite the Rodeo Renewed project. This project will be one of the first to move California and the Bay Area away from fossil fuels and to meet the Governor's goals.

Thank you

Tom

Tom Hansen
Business Manager
IBEW Local Union 302
925/228-2302 Office Phone
925/228-0764 Fax

From:	Jahan Shafizadeh
To:	Gary Kupp
Cc:	Brenna Shafizadeh
Subject:	Public Comment on 66 Rodeo Renewed Project (#LP20-2040)
Date:	Wednesday, January 20, 2021 8:05:18 AM

To whom it may concern,

I am writing with respect to the proposed "66 Rodeo Renewed Project" (#LP20-2040). As a PhD Chemical Engineer and former employee of the Phillips/Unocal Refinery, I am deeply troubled by the proposed project. While the project calls itself The Rodeo "Renewed" Project and promises to transform the Rodeo Refinery into a new environmentally sound future fuel production facility, nothing could be farther from the truth. The proposal does little to ultimately change our carbon footprint, or address the current climate crisis we currently find ourselves in. At the end of the day, this facility will continue to produce the same amount of fuel products it produces today. The finished products from the refinery would be as pollutive as the products they produce today which are as non-green as they were back in the 70s and 80s.

The county has adopted a stance that we are in a climate emergency and need to take drastic action to address our climate crisis. This proposal does more of the same instead of taking us in a new direction. The idea that this refinery will use non-fossil fuel feeds and convert them to new energy forms is both inaccurate and misleading. There is a very small amount of biofuels available in the open market and when those feedstocks are inevitably not available this plant will flip to using processed petrochemical feedstocks. The proposal calls for the removal of the refinery coker, coke processing plant, and some initial feedstock separation/distillation columns, but the rest of the oil transformation process will remain essentially unchanged and will require extremely similar feedstocks. Therefore the biofuels described in the proposal are little more than a renaming of the current chemicals produced by the plant today.

As GM, Volvo, and other car manufacturers pivot their production lines to electric cars, and as we collectively try to reduce our carbon footprint, we can all see that our demand for finished fuel stocks will be greatly reduced as we go forward. The proposal to do 'more of the same' flies in the face of our projected consumption patterns as well as general trends in the transportation industry.

I would urge you to look carefully at whether the outcomes of this proposal meet the goals of our emergency crisis and ask the hard questions: 1) has this proposal been critiqued by independent, non-biased, experts and 2) Does this proposal ensure that our community's carbon footprint is dramatically reduced long term. I would additionally ask if there are other technologies and proposals which lean into the green economy instead of whitewashing our current carbon based economy.

Thank you for your consideration.

Jahan Shafizadeh
Chemical Engineer, PhD

January 18, 2021

Gary Kupp, Senior Planner

Contra Costa County

Department of Conservation and Development, 30 Muir Rd

Martinez, CA 94553

Re: Phillips 66 Rodeo Renewed Project – request for delay of scoping hearing and extension of time to submit scoping comments

Dear Mr. Kupp:

I am writing concerning the Notice of Preparation/Notice of Scoping meeting that will deal with the Phillips 66 Rodeo Renewed Project. While I appreciate the County's decision to hold a public scoping meeting concerning this EIR, I am concerned that the meeting and the comment deadline are set too soon to allow for adequate public input. I urge you to push out the deadline 90 days, to April 27, and delay the meeting date by at least 60 days to allow stakeholders time to prepare meaningful input.

Here are some of the reasons why I am asking for this:

- The application submitted by Phillips 66 raises a host of complex technical issues that the affected communities are currently scrambling to assess.
- The short timing is particularly problematic with respect to the scoping meeting, as we will need to engage in a significant outreach effort to ensure that community members who may be affected by the project are aware of the meeting and have a chance to prepare for it. Many who might otherwise like to attend may be inhibited by the short notice.
- In addition, the meeting is scheduled for the same time as the Bay Area Air Quality Management District's (BAAQMD) Board of Directors retreat. We request that you not put us in a position of having to choose which of the two very important refinery-related meetings to attend.

In the interests of fairness, in the interest of doing the best thing for Contra Costa County, in the interest of long-term benefits for Phillips 66 and the people of our county, I urge you to grant an extension of the due date for scoping comments until April 27, and to delay the scoping meeting for at least 60 days.

Sincerely yours,

Ellen Beans

Ellen Beans

20 Carr Drive, Moraga CA

From:	Ellen Beans
To:	Gary Kupp
Subject:	Scoping Meeting for a Draft Environmental Impact Report for the Proposed Phillips 66 Rodeo Renewed Project
Date:	Monday, January 25, 2021 5:17:59 PM

I am writing first to commend Phillips 66 for planning to come up with a fossil fuel-free product, by creating a fuel that uses biomass instead. Since Phillips 66 claims its goal is to build the largest biofuel company in the world in its Rodeo Renewed Project video, we need to make sure it is done right, and does not adversely impact the environment in doing so. Here are a few questions that I feel must be addressed:

- Recent press reports suggest that the supply of waste oil is diminishing, given restaurant closures and the increasing demand from refiners. Won't P66 and other refiners have to turn to virgin oils instead? And where will that oil feedstock come from? What will the impact be on US soy production?
- In 2017 the U.S. placed tariffs on Argentine biodiesel, which had been 15% of the biodiesel consumed here in the U.S. That source is now gone. We know the cost to Argentina was pretty severe in terms of deforestation, as they cleared forests to raise soy. What will be the impacts on the US agriculture if Phillips 66 uses virgin oils? On global agriculture?
- Producing enough soy and other agricultural products to substitute for petroleum in our current machines would require so much land that it would mean destroying massive amounts of forest in the Amazon and elsewhere, as well as using land needed for agriculture. Proposed Bay Area biorefining would eat up a huge chunk of the current U.S. soy crop. The resulting loss of the planet's ability to absorb carbon dioxide and feed the world's people would be devastating.

With the magnitude of this project, answering these questions and addressing the issue of sourcing the plant mass is crucial in the months ahead.

Sincerely,
Ellen Beans
20 Carr Drive
Moraga, CA 94556

B

Ms. Ellen F. Beans
20 Carmor
Moraga, CA 94556-1942

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DEPARTMENT OF CONSERVATION AND DEVELOPMENT

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Gary Kupp
CCC. Dept. of Conservation and Development
30 Muir Rd.
Martinez, CA 94553

94553-460130

1/25/21

To: Gary Kupp
CCCounty Department of Conservation and Development

Hello,
This is a follow-up letter to my public comment Jan. 20, 2020 regarding the scoping process for Phillip 66's Rodeo Renewed project. Here are some additional concerns.

The P66 document from Aug. 2020 that details the project, is unclear about a variety of topics. First is the transport of renewable bio-feedstocks. It states "renewable feedstocks for the Project are to be delivered across the Marine Terminal at throughput levels that approximate current levels for crude feedstocks. . ." Separately it states, "the rail infrastructure will be slightly modified to accommodate renewable feedstocks." Is this in addition to the Marine imports? It also says, "Utilization of existing facilities (will) enable the offloading of renewable feedstocks by tanker truck that are available locally." Is this also in addition to the Marine imports? The numbers are too vague as to the actual production size of this project. The overall size impacts the hazards of emissions into the community.

The need for increased import of crude feedstocks at the Marine Terminal, is surprising. Additional monitoring, I hope is considered for this increase of Marine transport. Is there a proper spill/evacuation program in place to accommodate tar-sands grade crude?
I sit on the Fenceline Committee at P66, and current monitoring exists at the North fenceline, and the South fenceline only. Our committee has been requesting, for months, the addition of a monitoring system at the Marine Terminal, where there is none. This is the most likely place for spills and leaks.

The new renewable products are highly flammable, and stainless steel tanks are typically recommended for storage. Nustar is an important part of this project. In discussing the Oct. 2019 Nustar explosion, a Crockett fire-commissioner said, "that an improved foam system is required. All expressed concern that there may be other deficiencies such as berm capacity and placement of drainage pipes, since many of the tanks were built without permit." As the tanks are located on unconsolidated alluvial soil on the Franklin fault, earthquake and fire damage is of concern. I hope Nustar is scrutinized in this EIR as well.

Also in regards to monitoring, CA Air Resources Board is trying to define the best methodology for measuring emissions with these new renewable feedstocks. Industry prefers a Mass Balance Test, algorhythmic approximation, less expensive, and sadly, often inaccurate. I hope the County will set the stage and require emissions, through Stack Emissions Analysis.

Since animal "tallows" are part of the renewable feedstocks being discussed, how will the odor be contained? One engineer at P66 I spoke with said, "it will smell like a rendering plant." This will have adverse community impacts.

Section 3.0 of the document states "These renewable fuels would be primarily for the California transportation fuel markets." Yet the P66 PR states they intend to be the biggest market in the world. This is all while Cal-EPA has promised Californians to be diesel-free by 2033. Perhaps a land-use permit with a 10 year renewal/reassessment would keep Phillips 66 on track with CA goals.

The renewables project includes the addition of a feedstock pre-treatment unit. The description is vague, so it is difficult to assess the impact of pre-treated wastewater. What compounds are being removed in this pre-treatment process? What technologies are used, or does this remain a "black-box?"

Just for the record, historically, Phillips 66 constructed the Cummings Skyway interchange, "kicking and screaming." I laughed when I read Section 3.3.4 regarding Construction traffic. Community groups at the time of the Clean Fuels Expansion Project, insisted, and prevailed, in adding this interchange, so hundreds of trucks didn't flow down Parker Ave. 500 additional two-way trips per day is a significant wear and tear on the road way, and additional NOx emissions.

Thank you for including these thoughts in your assessment of the EIR.

Maureen Brennan
Concerned Citizen of Rodeo
510-245-2788

Ms Maureen M Brennan
524 Suisun Ave.
Rodeo, CA 94572

OAKLAND CA 945
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DEPARTMENT OF CONSERVATION AND DEVELOPMENT

Attn: Gary Kupp
Department of Conservation Deve
30 Muir Rd.
Martinez CA 94553

94553-460130

From:	Mike Moore
To:	Gary Kupp
Subject:	Phillips 66 Rodeo Renewed Project – comments concerning scoping: File LP20–2040
Date:	Tuesday, January 26, 2021 6:16:04 PM

Dear Mr. Kupp,

I appreciate this opportunity to submit comments concerning the scope and content of Contra Costa County's Environmental Impact Report (EIR) for the proposed "Rodeo Renewed" project (Project) at the Phillips 66 Rodeo refinery described in the December 21, 2020 Notice of Preparation (NOP) and the August 2020 application for the Project (Application).

I do not know whether there is an element for Financial Risk within the EIR process but I do believe that this issue is important enough to be considered for the Project. There is a financial transition risk by transferring production from crude oil processing to biofuels processing that should be highlighted in the EIR. It is not at all certain that biofuels will be fully accepted by the market such that stable demand and supply chain can be projected out into the future that will support the financial viability of this project.

These are the following financial issues that should be raised in the Scoping Memo:

Investment – What is the initial investment in the Project? When is the Project expected to come online? What are the estimates for market pricing, throughput and cost? When is the Project expected to breakeven and recoup the initial investment? What is the projected useful life of the Project?

Demand – What is the anticipated demand profile for the Project. Those numbers should be analyzed for validity under the following two cases: Market Demand Risk and Regulatory Risk. Both these items are related but should be separated and dealt with separately. There is a huge market demand risk that biofuels will not be accepted in the market due to a drop in demand and change in driving habits. More people in the future could be working from home and will not need to commute into work. This would be a preference change. The Regulatory Risk is that the Federal, State or Local government entities may step in and regulate the types of vehicles that would potentially consume biofuels. Combustion engines may be banned from the roads sometime in the future. There are dates of 2030, 2035, and 2045 that government entities may mandate a change to electric vehicles. What would be the strategy then?

Supply – Vegetable oils and soybeans are commodities and thus are subject to future environmental impact as to their production. This would lead to variability in pricing. What is the Project's hedge strategy to

manage the variation in futures prices? Does it plan to have long-term contracts with growers? How does Phillips 66 plan to manage the supply chain of this commodity?

Financial Assurance – Does Phillips 66 have any requirements to clean up and remediate Waste Management Units within the Project property with the Department of Toxic Substance Control or the San Francisco Bay Regional Water Quality Control Board? If so, on what order is this requirement based? Is there a higher order from the US EPA, California State EPA or US Army Corps of Engineers? What form of financial assurance has been posted for these requirements?

Remediation – What is Phillips 66 plans for cleanup and remediation of the site at the end of the useful life of the Project? What assurance can Phillips 66 give to Contra Costa County that they will clean-up the site.

Bankruptcy – Given the financial risk noted above, the County should be prepared that Phillips 66 may declare bankruptcy. If that is the case, the County should be proactive and try to become a priority creditor in the Phillips 66 bankruptcy. The County must make sure that the environmental remediation liabilities incurred by Phillips 66 in their operation are paid for from the bankruptcy estate in total to whatever level is required. This requirement for remediation and cleanup through the Bankruptcy Code grants "administrative expense priority" (i.e., a priority in right of payment) to certain post-petition expenses if they are considered "actual, necessary costs and expenses of preserving the estate." 11 U.S.C. § 503(b)(1)(A). Courts have expanded the meaning of "preserving the estate" under Section 503 of the Bankruptcy Code to encompass protection of the environment and public health. As priority administrative expenses, post-petition costs to satisfy obligations for asset retirement and cleanup will have priority over all other unsecured claims, including pre-petition priority unsecured claims and general unsecured claims. All priority administrative expense claims must be paid in full.

Best Regards,

Mike Moore
Oakley, CA

From: Jan Warren
To: Gary Kupp
Subject: Phillips 66 Rodeo Renewed Project - File LP20-2040 Scoping Comments
Date: Tuesday, January 26, 2021 4:36:05 PM

January 26, 2021

Gary Kupp
Senior Planner
Contra Costa County
Department of Conservation and Development
30 Muir Rd,
Martinez, CA 94553

Dear Mr. Kupp,

1. Feedstock acquisition related impacts will tend to increase as more biofuel feedstock (in this case mainly oil from crops and fats from livestock fed by crops) is processed. Since other refineries are also moving from fossil fuel to biofuel there is real concern about the amount of extra oil and crop oil that is available without moving to "virgin oil".
2. Phillips 66 must show the source and amount of product , the cost of the product, life expectancy of biofuels, competitive prices at this location with rapid deescalation of fossil fuels. With competition comes increased costs. There are already other companies who have been processing biofuels for 20 years. They have the supply chain and operational expertise that is already ahead of late comer Phillips 66.
3. We already know that biofuels are a "bridge fuel" and will not have much beyond 10 years to operate. Are the stranded assets just being kicked down the road 10 years? Is this a viable project without the credits? Is it a viable project if the credit amounts are reduced and redirected by the State of California?
4. This application lacks CEQA Initial Study like the one done for the biofuel conversion project proposed at Marathon Martinez refinery. There must be specifics, not just suggestions without meaningful data supplied by peer review. The oil industry has lied to the public for years. Numbers provided must be backed up, not just believed by Phillips word of mouth or a shell company report. You wouldn't build a steel plant without knowing the components were available and the cost. Look what happened to COVID masks and PPE that was supposed to be in a warehouse and then wasn't there. Our own State of California was scammed out of millions of dollars of PPE that didn't measure up to being truly protective.
5. Air emissions vary considerably with the use of different feedstock. Phillips 66 has to not only state the feedstock, but show specifically where it would come from or assume the worst-case scenario.
6. 9.8 B people are estimated to be living on earth in 2050. There is already a

shortage of food. We cannot divert the use of farmland to biofuel when the land needs to grow food for people and the land needs to be managed in a way that sequesters CO2 and makes it more healthy and sustainable. We need to save our old growth trees and plant new ones and not cut down forests to grow more palm trees for oil. We live on one planet and it's diversity and life is intertwined with ours. When ethanol was created from corn to supplement gasoline the price of corn became seriously inflated. There again, there is only so much existing product and Phillips must show where their product is coming from, what will be done with the waste, and how will additional CO2 from additional trucks be part of the negative benefit calculation.

7. Look how quickly our public transportation has been upended since last March from COVID. BART is operating at 80% less revenue and ridership. What will upend the Phillips project. There is competition from other refineries and other ways to transport people and products. CA is expediting the move to electrified cars, mid-size and heavy duty trucks. The community deserves to know how long these biofuel jobs will be available and how many of them. We need assurance that if the biofuels plan doesn't pan out for as long as anticipated, where will the funds be to support the workers, or will like Marathon, they just lay off workers?

8. There are concerns about the invasive species that arrive on tankers and ships. Our Delta, the largest estuary on the West Coast of the Americas, has been suffering for years with invasive species. Dangerous algae causes the fishing to be stopped. Invasive clams make it harder for aquatic life to thrive.

9. There is concern about the structure of the railbeds and thickness of railcars that carry flammable or toxic material. Phillips 66 must specifically address any oil spill in Carquinez Strait, where the responders live, how quickly they can get to a spill site, and where the materials are stored and their access when a spill occurs.

10. Phillips 66 has had 87 air quality violations between 2010-2014. There are potential fire hazards for hydrogen that is highly flammable. Phillips 66 must show safety and training procedures for workers with new feedstock processing and blending and not just how it would work on paper.

11. The product has a history of corrosion. Smells are a concern and must be quantified. I live in Walnut Creek, CA and Kinder Morgan had an oil leak a couple of months ago. People next to the leak are still complaining about the smell. We've found out with this incident that there are many multiple agencies that have a piece of the responsibility to fix the problem. Two months and the problem still hasn't been fixed and the City has little authority to do anything beyond call it in and stay on the team who's supposed to fix the problem. Now I'm talking about a quantity much less that could happen from ships or trains.

12. I hope you will look at other biofuels operations in CA and see if they've had any problems and how they were addressed. This is all new to our community and probably the Planning Department of CCC. Please view what's shared with what question you would ask if you lived in the community.

13. There is a concern that the only hospital in the area is the County hospital in

Martinez.
14. The decommissioning of idled equipment at the carbon plant and coking and crude distillation unit must have a detailed plan of action. The land and equipment are highly contaminated. Phillips 66 has been in the community for 125 years. Like someone's home who has had numerous additions, expansions, and remodeled, a 125 year old facility must be brought up to code just like an individual homeowner encounters before they can get a permit. EIS analysis should include plans for site and equipment clean-up.
15. In a project alternative, consider not increasing the throughput over the wharf. If construction is going to take 18-24 months, there shouldn't be a request for increased crude oil during the conversion, since less oil would be refined.
16. The EIR should include use of renewable-powered electrolysis as an alternative to minimize the Project impacts.

Jan Warren
3202 Primrose Lane
Walnut Creek, CA 94598
jtxwarren@gmail.com

January 26, 2021

Gary Kupp
Senior Planner
Contra Costa County
Department of Conservation and Development
30 Muir Rd
Martinez, CA 94553

Re: #LP20-2040 Phillips 66 Rodeo Renewed Project – request for delay of scoping hearing and extension of time to submit scoping comments

Dear Mr. Kupp:

This is a request for an extension of the comment period to get input from stakeholders concerning the environmental impact report for the Phillips 66 Rodeo Renewed Project. We would like to have adequate time to research the issues thoroughly and prepare detailed input. While we appreciate that the county is seeking public input on a project of regional and statewide significance, the December 21, 2020 publication date of the Notice of Preparation/Notice of Scoping meeting did not provide for an adequate time period for consideration of the important issues involved.

Accordingly, as a resident of Contra Costa county, I would like to join in the request set forth in the January 13th letter from multiple stakeholders asking that the comment deadline be extended by 90 days.

Thank you for considering this request.

Very truly yours,

Illana Weisman

From:	Betsy Darr
To:	Gary Kupp
Subject:	re: Re: Scope of EIR for Phillips 66 Rodeo Renewed Project
Date:	Tuesday, January 26, 2021 5:09:48 PM

Re: Scope of EIR for Phillips 66 Rodeo Renewed Project

I have questions about this project that I hope will be answered in the EIR.

1. The refiner states that this project will slash GHG pollution by 50%. 50% of what benchmark? And are all sources of GHG emission included in this estimate?

2. The amount of hydrogen and natural gas required by the proposed project is, per barrel, about the same for heavy crude processing. It seems to me that using soybean oil will not emit less GHG. If I understand this, it is simply substituting a renewable source of oil for oil in the ground. I think it is crucially important for us to switch to energy sources that do not create emissions: solar, wind, etc.

3. Why is natural gas to be used in producing the hydrogen? I understand that in Europe, the method of electrolysis is used standardly.

4. This sounds like a two-stage project, the first stage requiring more crude oil being brought in than currently. Why is this stage needed, or is it?

Thank you very much for considering my questions in the scope of the EIR.

Betsy Darr
San Francisco, CA, 94121
415-531-4827

My heart is moved by all I cannot save: so much has been destroyed. I have to cast my lot with those who age after age, perversely, with no extraordinary power, reconstitute the world. ~Adrienne Rich

Phillips 66 Rodeo Renewed Project – scoping comments concerning: File LP20–2040
Charles Davidson. Hercules, CA 01/27/2021

Via electronic mail (gary.kupp@dcd.cccounty.us)

Gary Kupp, Senior Planner
Contra Costa County
Department of Conservation and Development
30 Muir Rd
Martinez, CA 94553

Re: Phillips 66 Rodeo Renewed Project – scoping comments concerning: File LP20–2040

Dear Mr. Kupp,

Below is my public scoping comment on the Rodeo Renewed Project, as put forth in the Notice of Preparation.

Sincerely,

Charles Davidson
Hercules, CA

Summary:

In order to produce so-called "renewable diesel", the proposed Rodeo Renewed Project is actually a very high CO2 greenhouse gas generating project.

The massive Phillips 66 Marine Terminal *delivery volume increase* being proposed remains unjustified, by its scale, as specified in the project's Notice of Preparation should require both a separate land-use and hazards assessments by relevant agencies.

The Marine Terminal delivery increase should not be permitted as a "piggyback" article added onto the project.

State-subsidized "Renewable Diesel" produced from vegetable oils derived from either valuable agricultural land or forest use, is a highly negative ecological extraction scenario and it is avoidable, save for public funding. The refinery's potential sources of animal fats are highly constrained.

CA also has a deadline for zero-emission of its heavy-duty vehicle fleet by 2033, within a decade (i.e., the " Diesel Free by '33" Campaign). The Rodeo Renewed Project is a short term project with highly variable economics; it has little detail regarding the extent of remediation and the needs for further, predictable unit decommissioning.

Discussion:

The analysis of the metrics of the P66 SF Refinery's proposed Rodeo Renewed Project indicates after their project, the refinery's renewable diesel, per barrel, would have a much larger CO2 greenhouse gas footprint from their hydrogen production (when compare to before their project, using the refinery's traditional heavy, high-sulfur petroleum crude oil feedstock).

Already Phillips 66 is one of the heaviest crude capable refineries in the United States, with a Nelson Complexity Index of 14.1, which his extremely high for a larger, mid-size refinery.

The hallmark of all heavy crude refineries is the need for massive amounts of high CO2-producing hydrogen production for hydro-treating and hydro-cracking, in order to remove sulfur and break-up large, heavy petroleum molecules into smaller, lighter molecules (which are more suitable for transportation fuels). The principle chemical reaction required to produce so-called "renewable" diesel from vegetable oil or animal fat, which are triglycerides, is hydrodeoxygenation, producing "hydrogenated" (paraffinic) saturated straight-chain alternative "drop-in" diesel and propane. Some branched chain isomers will also be produced by the refinery in order to increase diesel combustibility, especially at low temperatures.

I. In order to produce so-called "renewable diesel", the proposed Rodeo Renewed Project is actually a very high CO2 greenhouse gas generating endeavor (according to three metrics)

A. Phillips 66 Refinery currently requires 24% more hydrogen per barrel of (average) product than Chevron [All PADD IV, California refineries are more-or-less heavy crude oil refineries. [2019 Greenhouse Gas Emissions from Large Facilities; https://ghgdata.epa.gov/ghgp/main.do]

B. To judge the renewability, sustainability and CO2 greenhouse gas producing potential of the Phillip 66's Rodeo Renewed project requires an understanding of the size and scale of that refinery's current hydrogen producing capacity; on-site H2 28.5 million scf H2/day plus 120 million scf H2 for Air Liquide equal 148.5 msfd). After the project, both hydrogen production units will continue operating. [CONOCOPHILLIPS RODEO REFINERY CLEAN FUELS EXPANSION PROJECT. Environmental Impact Report. *SCH 2005092028 LP 052048 (Nov. 2006)]* For comparison of scales between Bay Area refineries, the Phillips 66 Refinery has only 50% of the crude oil throughput volume of the larger Richmond Chevron refinery (~120 bbl/day versus ~240 bbl/day). Note that per barrel of product, Phillips 66 needs to produces 23.75 % more hydrogen than Chevron (28.5 mscf plus 120 mscf equals 148.5 mscf).

C. Therefore, the Phillips 66 refinery's less efficient hydrogen production units currently produce more 40% CO2 greenhouse gas per (average) barrel of product than Chevron's (1:1.4 ratio. See below)

   Comparing *total* CO2 greenhouse gasses produced in their hydrogen production stream, Phillips 66 produces more hydrogen plant CO2 as a refinery with only half the size of petroleum throughput, as Chevron's, fully 70% that of Chevron 's total (i.e., 900,000 tons/day versus 1,284,000 tons/day). So, per barrel of petroleum product, Phillips 66 Refinery's hydrogen plant CO2 greenhouse gas is over 40% higher than Chevron's. (1,285,000/2 = 642,500; 900,000/642,500 = 1.4)

D. Assuming that Phillips 66's post-project hydrogen production levels stay the same, then the hydrogen required for making each barrel of renewable diesel is set to increase massively, by between 90% and 120% higher.

   That is, if the Phillips 66 refinery's proposed project *fully* utilizes both of their hydrogen plants, then the amount of CO2 generated in their hydrogen production per barrel of "renewable" diesel product is set to increase massively, by about 120% higher (compared to currently; 120,000 bbl per day previously versus 55,000 bbl per day post-project) or 90% higher (at a lower 105,000 bbl per day throughput versus 55,000 bbl per day; per the NOP).

Thus, the amount of CO2 greenhouse gas generated from hydrogen production *per barrel* of the Rodeo Refineries hydrogenated vegetable oil/renewable diesel is two-to-three-times that of Chevron for their hydrogen production for their heavy crude oil refining, per barrel.

In conclusion, the Rodeo Renewed project is a high CO2 greenhouse gas producing refinery project.

II. The massive Phillips 66 Marine Terminal *delivery volume increase* proposal remains unjustified in the project's Notice of Preparation

A. Presently, the Phillips 66 line-200 pipeline from their Santa Maria Refinery has a throughput which averages about 31,000 bpd, while the Marine Terminal throughput average is 42,000 bpd. The current wharf-plus-pipeline total adds up to 73,000 bpd which is 42% *below* the proposed massive 125,000 MT volume increase (currently being requested by Phillips 66 for the Rodeo Renewed Project.)

This 125,000 bpd request is also 145% higher than the current Marine Terminal throughput (42,000 bpd) and 40% above their current permitted volume of 51,182 bpd input.

To understand problems of the refinery's request for a marine terminal, one must recognize that the availability of semi-refined crude oil and gas oils from the Santa Maria refinery are increasingly constrained by three well known factors: a. dwindling Kern County heavy crude oils, b. dwindling off-shore crude supplies and c. a pipeline system in need for major repairs. Therefore, for the sake of argument, one might conceivably argue that the above amount of 73,000 bpd delivery over the MT has credence, however, not the large, 125,000 bpd amount being sought (especially not for pre-project heavy petroleum crude oils without a CEQ analysis).

B. Also arguing *against* the pre-project MT volume increase, for the period when the hydrocracker is off-line (during the Rodeo Renewed Project), the refinery will not be able to utilize the full amount of 125,000 bpd MT throughput, nor are other refinery units permitted to handle those amounts without their 42,000 bpd hydrocracker and 27,000 high-pressure reactor train (with a total of 69,000 bpd) being taken off-line.

C. After the project, the renewable diesel production will be either 55,000 bpd or 67,000 bpd (if the refinery utilizes an additional 12,000 bpd, specified only as "existing" production, as recently addended onto to their project). Those figures are between 46% and 56% below the proposed massive marine terminal increase for the project, which would be for importing petroleum products that are lighter and therefore, more flammable than crude oil.

The above facts alone indicate that the MT throughput increase (portion of the Rodeo Renewed Project) is simultaneously a. massive, b. it should require a *separate* CEQA environmental review, c. it should engage Contra Costa County Industrial Safety Ordinance Review and d. it should not be permitted as an unjustified "piggyback" add-on to the project.

III. Through the use of publicly-funded State and Federal credits, the Phillips 66 Refinery will make an additional profit of over $1 billion dollars per year above their feedstock costs, which are also paid for by these same public funds.

A. Refiners have been hard-hit by Covid; capital expenditure is way down. However, renewable diesel is highly profitable. Valero 2019 had profit margins of 47%, Neste CA 45%. These profits are driven by CA's 3 subsidies:
--RIN credits
--LCFS credits
--Blenders' Tax Credit

B. The value of the 3 combined is $3.32/gal. The revenue of these 3 combined is enough to cover ALL renewable diesel feedstock costs, leaving the refinery with well over $1 billion dollars per year above feedstock costs, which are entirely publicly-funded profits. These state-funded profits do not include the premium that will be charged to consumers for this "renewable diesel".

C. Moreover, according to Stratas Advisors: The "Phillips 66 move into biofuels likely to saturate future CA demand for renewable diesel. P66' decision will see them build the world's biggest renewable diesel facility, likely upending other refiners' plans to enter the CA renewable diesel market." Also, "Overcapacity looms as more and more US refiners enter the renewable diesel market. Drawn by the fat profit margins provided by CA's renewable diesel market, US refiners are lining up to take a share of this growing market. At the current rate of RD capacity addition, however, overcapacity could arise in the course of this decade."

   The "Phillips 66 move into biofuels likely to saturate future CA demand for renewable diesel. P66' decision will see them build the world's biggest renewable diesel facility, likely upending other refiners' plans to enter the CA renewable diesel market."

D. Also, "Overcapacity looms as more and more US refiners enter the renewable diesel market. Drawn by the fat profit margins provided by CA's renewable diesel market, US refiners are lining up to take a share of this growing market. At the current rate of RD capacity addition, however, overcapacity could arise in the course of this decade."

Fundamentally, CA also has a deadline for zero-emission of its heavy-duty vehicle fleet by 2033 (hence, the State's " Diesel Free by '33" Campaign). Therefore, why is the refinery doing this project for a mere decade of potential publicly-funded use, particularly when the refinery has not specified in any detail plans to eventually phase-in decommissioning, dismantling and remediation of progressively more refinery units; nor have they even provided a more sufficient remediation plan for either the Carbon Plant or the Line-200 pipeline from Santa Maria.

IV. State-subsidized "Renewable Diesel" produced from vegetable oils derived from valuable agricultural land or forest use, is a negative ecological scenario and it is avoidable

Phillips 66 Rodeo Renewed Project – scoping comments concerning: File LP20–2040
Charles Davidson. Hercules, CA 01/27/2021

If 67,000 bpd of soybeans rendered per day in "renewable" diesel, the Refinery's Rodeo Renewed Project alone will use 28,155 square miles per year of land removed from food production or else contributed towards deforestation, such as in the Amazon. Moreover, massive amount of fossil-fuel derived nitrogen fertilizers and herbicides will be required for growing soybeans and other plants for oil, as well as vast amounts of increasingly resource-limited phosphorous will need to be applied. Sources of animal fats (in place of soybeans) will also be highly constrained for the scale of "renewable diesel" production being proposed. Phillips 66 has not stated that they will not use tropical palm oil in the Rodeo Renewed Project.

It is my hope that these issues can be fully considered during the CEQA process..

From:	jackie mann
To:	Gary Kupp
Cc:	Congressman Mark DeSaulnier
Subject:	Comment on P66 Application for Biofuels
Date:	Wednesday, January 27, 2021 3:20:44 PM
Attachments:	image001.png

Dear Mr. Kupp,

I wish to file a comment on the application by P66 to process biofuels. I would like to reiterate some of the comments I said in oral comments at the NOP scoping meeting.

The purpose of a switch to biofuels is to lower GHG emissions and produce a lower carbon fuel for transportation. Permits without binding agreements, limitations, specifications, and regulatory guardrails create a project that could be a new "climate Frankenstein." Under current fossil fuel permits, we allow polluting industries to destroy our climate and to poison frontline communities in the name of progress and free markets. The lesson is obvious that capitalism and industry do not protect people or the environment. I am concerned that refining biofuels will become another climate catastrophe in the free market as P66 brings in feedstocks from all over the world. Creating a cash crop for biofuel feedstocks will lead to global impacts that may result in increased deforestation, conversion of croplands, food shortages, and environmental injustice in countries where we extract the feedstock. The fossil fuel industry has a well documented history of environmental destruction and injustice as it extracts resources for a profit and essentially acts as a colonizer in other countries, raping their natural resources. If we assume that P66 has the best of intentions in pursuing reduced carbon fuels, they should agree to limits to their permit as conditions of approval.

1. Permit should be reviewed every 5 years by CEC, BAAQMD and EPA and open to public comment to evaluate if biofuels are a sustainable and necessary fuel. Many types of permits are for limited scope or time, rather than open ended.
2. Certification of feedstock, reviewed by an independent 3rd party and open to public review. Feedstock must be produced without deforestation or replacement of food crops. Absolutely prohibit any palm oils. A P66 presentation claimed they have "no plans" to use palm oil. Clearly, their plans could change.
3. Require transparent carbon accounting that evaluates feedstock plus transportation and processing to see if it meets LCFS.This should be open to public review. Renewable does not equal sustainable.
4. Subsidy accounting: where is all this money coming from? Who is lobbying for the subsidy? How long will it last? These are OUR tax dollars.
5. Evaluate No Project Alternative. Decommission refinery.
6. Evaluate Clean Energy Alternative. What if instead of renewable biodiesel, vehicles skipped this extension of the fossil fuel industry and instead moved to electric vehicles and hydrogen fuel? Maybe this is a better alternative for community and planetary health.
7. Increased imports to the marine terminal should be denied. This carries impacts to the community and environment. This is not directly relevant to the biofuel permit and should not be included as a "blanket" permit for a different process (fossil fuel refining).
8. Closing of facility of Santa Maria is not directly relevant to this permit. It might be considered a indirect cumulative impact, as it will likely close with or without the biofuel permit. It should not be presented as "gold star" for permit approval.
9. Prohibit foreign export of biofuel product. Bay Area communities should not be subject to pollution for an exported product.

10. A comment: P66 has had multiple health and safety violations that endanger our community. Donations to public and private entities by P66 were recently presented as a "carrot" for project approval in presentations to the local school board, a state agency, and a community club. This "PR marketing" could also be called "blackmail." Community donations are nice, *health, safety and a clean environment are priceless.*

Thank you,

Jackie Garcia and Dr. Jeffrey A. Mann

40 Prado Way
Lafayette, CA 94549

On Tuesday, January 19, 2021, 11:48:25 AM PST, Gary Kupp <gary.kupp@dcd.cccounty.us> wrote:

Hi Jackie, it was very nice speaking with you today. As promised:

The Department of Conservation and Development is in receipt of your request to postpone the scoping meeting for the Phillips 66 Rodeo Renewed Project and to extend the CEQA (California Environmental Quality Act) comment period for the Project's notice of preparation (NOP).

Upon consideration of the request, it has been decided that the scoping meeting will not be postponed. The scoping meeting has already been scheduled on the Zoning Administrator's agenda for this Wednesday, January 20, 2021, and furthermore, this date was cited in the project NOP. The purpose of the scoping meeting is to accept comments for determining the scope and content of the proposed project's environmental impact report (EIR) that the County will be preparing. The scoping meeting is not intended for debating the merits of the proposed project, nor will any decision to approve or deny the proposed project be made at the scoping meeting.

Upon further consideration, the NOP comment period will also not be extended. The NOP comment period will end on January 27, 2021 at 5:00pm. Please be aware that there will be other opportunities for public comment on the proposed project when the EIR is released for public review, and once the EIR process is completed, the public will have further opportunities to comment during the public hearing phases, at which point, the County will consider adoption of the EIR and render a decision on the proposed project.

Thank you.

From:	Lisa argento martell
To:	Gary Kupp
Subject:	Comments on the Rodeo Renewed Scope of review
Date:	Wednesday, January 27, 2021 4:15:06 PM

Dear Mr. Kupp,

I have a number of questions regarding the 'Rodeo Renewed' project being planned by Phillips 66. It seems this plan raises more questions instead of providing relief from the reckless endangerment from the use of fossil fuels.

Here are a few of my questions:

What is the source of this huge amount of used cooking oil? Even if they emptied all the fat fryers in China, it would only fill up one ship. Something doesn't add up. And, how is that cost effective? I strongly am suggesting that all the raw material be California sourced to reduce the greenhouse gas production in shipping.

What about the use of natural gas to produce hydrogen feedstock? Couldn't another method be employed to manufacture green hydrogen? Isn't electrolysis standard now in European processing? Why not adopt the very best available technology in this new project? (Especially given how heavily subsidized this project is under state LCFS and federal RFS programs, and how high the profit even before the product goes to market.)

Use of all that hydrogen is extremely hazardous. What about the high heats needed to break down down fatty acids? What about the expected flaring? The real possibility of explosions? What about the increased fire risk and the difficulties of fighting hydrogen fires? What safety measures will be necessary to protect the surrounding community? Philips 66 hasn't had a very good track record on protecting the community's safety.

If the quantity of some toxic pollutants decrease under Rodeo Renewed, as Phillips 66 claims (and the basis of that claim needs to be established), will others actually increase? Have these been thoroughly identified?

What are the impacts on water quality from initially bringing in increased amounts of petroleum crude, and of the quantities of fats and grease they can't bring in by rail or truck
The amount of hydrogen and natural gas required by the proposed project is, per barrel, about the same for heavy crude processing. Using soybean oil would not actually be any less greenhouse gas intensive.

I look forward to addressing these concerns and getting some answers to the real questions about this proposed project.

Thank you,
Lisa Argento Martell

From: Stanley Baker
To: Gary Kupp
Subject: Concerning the Environmental Review Of Phillips 66 Conversion Proposal
Date: Wednesday, January 27, 2021 4:41:42 PM

G To Mr. Gary Kupp

- Examining the Inherent Dangers of Nanotechnology in Biofuels is my Question.

Nanotechnology gets a few critical reviews, and even those exist outside of mainstream and mainstream alternative media. Typically this sector receives graphic portrayals of product ideas. Some of those cartoons present the use of nanos as the great savior of human problems. Indeed, the rewards far exceeds the risks within this coverage about nanotechnologies.. But, is this representation accurate?

Nanotechnology has been part of humanity since Roman times. Romans had the sense enough to limit nano-particles only for decorations, only as sparkling paints and glazes on the outside, frontal, surface of pottery. Today, nanotechnologies are pushing toward ubiquitous applications. Can this be dangerous?

Nanotechnology is without carbon, so nanotechnologies are a big part of the zero-carbon economy. However, nanotechnologies are or can be highly toxic. Since minute nanoscale materials pass directly into the bloodstream and since biofuels have toxic elements, especially when combined with petroleum based resources, how can this fuel stock be an improvement over the current set of energy offerings?

No, second, third and fourth generation biofuels only add to the junk we dump into the environment, on to other life forms and ourselves.

Nanotechnology, once ionized by the sun or other radiation source, changes the climate too. Never has drought and regular weather seasons had rain fall mainly, powerful and continually during low sun times and night hours. Since the era of nanotechnology experimentation, this newest characteristic

to the climate — the near extinction of the all day rain storm — has become not the exception but the norm.

Question: considering all of the undesired details of big oil biofuels, undersized details like plantation agriculture destroying biodiversity, harsh chemical emissions from both product usage and product manufacturing, and subjecting communities living near these refining facilities to such dangerous air, water and soil quality levels has seen residents living 20 years less than the average person does outside of these areas, areas known as ‘sacrifice zones’, is your review going to acknowledge the inherent ill-advised use of nanotechnologies within biofuels? Will you examine and report on nanotechnology in combination with the other pollution coming from the manufacturing, product creation and distribution of biofuels?

I request an extension to the public submissions portion of your review. This important discussion was not given fair publication throughout this proceedings. Thank you.

Sincerely,

Stan Baker

Sent from my iPad

SCOPING MEETING COMMENTS

Zoning Administrator's meeting - 1/21/2021 – Scoping Session

Item 2a - PHILLIPS 66 COMPANY (Applicant & Owner), County File #CDLP20-02040:

Bill Whitney: Good afternoon thank you for the opportunity to speak. I wrote on the renewed rodeo website this comment here: Phillips 66 has a bold forward and thinking move taking the first to reimagine in the facility will respond to future society energy needs. The working man and women of the Contra Costa County building trades applaud the foresight and commitment of Phillips 66 to a better looking future. The 35,000 members of the Contra Costa Building Trades look forward to building this new facility, turning this dream into a reality. That is what I said months ago and its true today. I would also like to further say this project take a realistic and doable transitional step forward as we as a society begin the process of moving away from fossil fuels. In an industrialized world with complex energy needs, Rodeo renewed is a place to start, a partial answer to the question "how do we get there to our final goal from here?" Currently, there are people around us that chatter on about a just transition for workers in the heavy industrialized energy section in our economy. As our country transitionally moves forward when in point in fact they cannot point to a single future transitional job that pays todays wages and benefits. For the record, the Contra Costa Building Trades Council calls that an "unjust transition". The Rodeo Renewed project will pay todays wages and benefits. Now that what we, the building trades, would call "transitional justice, transitional jobs". Thank you very much for the time.

Linus Eukel: Linus Eukel, Executive Director speaking on behalf of John Muir Trust in support of this projects approval. Over the last few seasons, previously I served on the Northern Waterfront Economic initiative as chair of the quality life task force which emphasized moving for cleaner industry at shoreline. This project certainly fulfills some of that hope ridable feedstocks in the like of being manufactured a that shoreline is definitely the right direction. We also as a land trust have worked with Phillips 66 with respect with adjacent buffer lands, which associate with to this industry that provide green infrastructure in that urban area that also not just the land trust mission but to Governor Newsom's innovative 30X30 strategy to use California Land to fight climate change, conserve by diversity of boost climate resilience. So, the manufacturing process certainly moves that direction as well as the good stewardship we've seen from Phillips 66, in partnership with John Muir Land Trust for the adjacent land. So this is just to weigh in and say we would urge your approval of this project moving forward and we are enthusiastic about this direction. So, thank you.

Shoshana Wechsler: Hello, first I'd like to commend Phillips 66 for its intention to join the clean energy revolution. This is unquestionably a happy development and it's my hope that an on-going public input will help to insure the least harmful project possible and the very greenest. I have a few questions. We need to keep in mind our state climate goals above all. And we need to ask will this project promote or delay massive vehicle electrostriction, which is at the heart of California's climate policy. The questions pertain equally to air district programs and particularly diesel free by 33. Will this project lock us into

combusting liquid transportation fuels over the next several decades when we should be electrifying instead. Some other thoughts, the renewable feedstocks mentioned in the application, need to be clearly identified, what are these feedstocks? From where will the be sourced? What will be the impacts on the supply chain. Informally, P66 has said that they would use waste oil rather than virgin oil but their formal proposal makes no such commitment. Many recent press reports suggest that the supply of waste oil is diminishing. Given the restaurant closures and increasing demand from other refiners, could this increase the likely hood of using food grade fuel stock? What will the impact be on domestic and global agriculture? What about possible deforestation and bio-diversity impacts from increased pressure on the supply chain. These are questions we need to look at. Why while the Rodeo Refinery is under construction to re-equip bio-fuel production, is it proposing to increase the amount of crude, petroleum crude, that it imports over its wharf, what are the dangers of continuing to produce that, to produce refinery, I'm sorry to produce petroleum based goods while under construction. Then after P66 phases out petroleum refining it continues to blending storing and…I'm going to stop there I have many more questions. I will submit them in writing.

Maureen Brennan: Thank you for hearing our concerns regarding this upcoming project. I have two concerns in particular that I'd like to discuss. First is, Cali PA promised us, we the people, that we would be diesel free by 2033. Diesel is Diesel, whether its bio-diesel or renewable diesel and diesel burns dirty it just does. This project will benefit the global market but minimally California and minimally Contra Costa County. My question is are we in conflict with the California plan to be diesel free? Second of concern, the increase of production of hydrogen in the two current plants of Phillips 66. I sit on the fence line committee for Phillips 66 and one of those two facilities Air Liquide recently came up for discussion as once again it experienced an unplanned shut down. One of the engineers at the table expressed some frustration that Air Liquide had an unplanned shut down in 2009, then again in 2010, 2011, 2012. You get the picture. It seems it operates at a thin margin of safety already and now they plan to increase production of hydrogen. Hydrogen plant explosions are a huge safety issue for our local communities. The European union has generally switched out their methane burning plants for plants that use electrolysis for hydrogen production fueled by wind and solar energy, not by methane. The bi-product of production is a puff of water vapor. I've seen it on you tube. It's amazing. It's clean. Since Phillips 66 production costs will essentially go to zero due to general subsidies from the California Air Resources Board, why not spend a little extra up front on an electrolysis units to make it safe for the community. I hope this Commission will take a close look at the hazards of the increased hydrogen production in an already questionable facility, safer technologies are available. Thank you.

Timothy Jeffries: I am the *** 5.9 in Northern California covering Contra Costa County here. My members work in these facilities, and these hours they are working in these facilities make huge changes on our members lives. They are able to buy houses for the first time, pay off huge amounts of debts they've required. And to be able to have a wage that they can live in the are in which they work at the Bay Area is not a cheap place to live in. These jobs allow my members to live in areas where they work at. Clean air, I want to say clean air is more important to building trades members than to anyone because we have children and grandchildren like everyone else. We are truly concerned with clean air, specifically a boiler maker trade. When there is an issue with emissions coming out the back side of the

stack of these refineries here, it is our trade to install those scrubbers to clean up the air. So when clean air is required out of the refinery there, it is the boiler makers craft that install those scrubbers in those units to make that air cleaner. That gives us more work. In this renewable project, it is the right direction for California. Keep it in mind that this process is not done here in California it will be done somewhere else. On the less stringent rules that we have here in California or even those here in the United States. Then it has to be transported here just to ****** until renewable energy has made a big impact on our energy sector here. We have to use these facilities as they are now. And so that means that for a while facilities are not allowed go renewable and produce less emissions. This is not the direction to go into and make it even harder for us to transport across the state back into the state here. Thank you.

Ben Eichenberg: Thank you. My name is Ben Eichenberg and I am an attorney with San Francisco Bay Keeper. Bay Keepers concerned about one of the impacts that has already been raised which has to do with the expansion of the marine terminal. This is something that Phillips has been trying to accomplish for a long time, both through this project and other projects and they had an application in with the Bay Area Air Quality Management District to do exactly that. And it's should be of note to the Department of Conservation and Development that the transition proposed *** did not require increased terminal capacity at all. P66 could continue to use the Santa Maria facility and there is not temporary increase of marine terminal capacity is actually necessary, in fact, what it appears they would like to do is shut down the Santa Maria facility pre-maturely putting a bunch of people down there out of work in order to save them money that it costs to run a facility and increase their access to feed stocks, like car sands from Canada, which has its own climate impacts. So any reliance on a temporary increase in marine terminal capacity should be met with skepticism and there should be strict constraints on those requirements. In addition, any feed stocks that come in and through as a result of that increased capacity has to be analyzed and mitigated for as a water quality impacts and oil spill prevention and clean up for tar sands has to be analyzed, there are a lot of unknowns and massive harms done and in other places from tar sands, they are planning to bring any tar sands at all over this increased of work of capacity that has analyzed in this EIR. Recent spills have had significant impacts in this area. So mitigation , possible mitigations for that could include an independent study on tar sands clean up, additional clean up and restrictions, funds and addition to that already required by the office of spoken recovery monitoring for water and air impacts in surrounding communities, including Vallejo, which should be evaluated as a surrounding community even though it is not often considered that. Also, a need for additional MPDS affluent criteria. Spills might qualify under the clean water act. And there is new feed stocks, including the bio fuels might necessitate updates to water quality impacts. So the regional water board should be included responsible agency, as should be the State Lands Commission per any public trusts impact the marine terminal occupies. 17 acres of least filled and unfilled California **** lands. Additional impacts include travel resources, shipping traffic, ship maintenance impacts, air quality.

Ann Alexander: Hi this is Ann Alexander, I am an attorney with the Natural Resources Defense Council. We very much appreciate you holding this public comment session. There's certainly a lot to be hopeful about in this proposed switch away from fossil fuels. The project is also ***** in many ways and it's going to be very important that environmental review be thought. We are somewhat concerned at this point with the very limited nature of the information that has been provided concerning the project. But

we trust that EIR development process is going to flush out the needed data and analysis. We will be submitting extensive written comments, so I will limit my remarks here to what we think are the most immediate issues that need to be evaluated in the EIR. First off, in our view there is thus far a significant lack of clarity regarding the baseline against which project impacts should be measured. The application does not actually list the closure of the Santa Maria facility as opposed as a project component and only as an assumption, which raises the question, whether Phillips 66 actually intends to be commission or need to decommission or reduce production at Santa Maria refinery, regardless whether the project is approved. There is some evidence that this is the case from past permit applications. Setting a lack of supply availability effecting operations, the fact that they withdrawn their application for an associated pipeline for the facility and generally the fact that California is supplied crude oil is dwindling. So, this is very important because the closure of the Santa Maria refinery will significantly reduce production at Rodeo as well. So, the question is what the no project alternative required in CEQA analysis would look like. If one or both of those facilities is slated for closure in the status quo scenario, the baseline is no refining at all at those facilities. Not crude oil refinery continuing. So in that scenario clean production would be a **** there would actually be pollution increase. So this is a critical area of inquiry. Along these lines, I would mention that it is unclear to us at this point why the increase throughput over the wharf is necessary if they are going to be instructing the bio fuels component, it's unclear how they will be processing the same amount of crude as they are now so it's an important question raises the need to consider to not allow this importation increase and finally we share the concerns that have been raised concerning feedstock I won't get into all the feedstock impacts now but we'll just mention that the feedstock is a huge determiner of impact both land use impacts and emission impacts we now Phillips 66 has expressed possible intention to use certain type of feedstock such as waste cooking oils, which are in short supply. So the bottom line is it is going to be necessary to get hard commitment to use particular feedstock analyzed in the EIR or else it will be necessary to consider our worse case scenario with respect to feedstocks. So finally I think its going to be very important to consider the refinery's to consider this project not only in itself but in the context of a cumulative impacts assessment of how many refineries are currently converting both in the county and around the country to biol-fuels productions that will have impact on feed stock availability and other types of cumulative impacts.

Jackie Garcia: Hi my name is Jackie Garcia and I'm a member of 350 Contra Costa. I feel like this looks good on first blush but we need to think of the cumulative global impacts which and EIR should do so as the previous speaker said, you need to consider bio-fuel plants around the country and also other countries and what's happening with that if there is a need for more bio production here close to home, there needs to be guardrails on this project, for instance if someone has no plans to use palm oil at the moment but then they decide to use palm oil, that should be not allowed under their permit to process certain feedstocks that contribute to deforestation in South America and in Indonesia and other rainforests that are so vital for oxygen in our country and our world. I believe there should be no increase in Marine terminal activity as other people have said and we should consider electrolysis hydrogen unit. I think what's very important with the goals set forth by our state administration, the national administration that this permit should be a time limited permit on a 10 year renewal to reconsider the impacts and if the product is necessary. Remember that natural gas was considered a bridge product and it dug in there so deep and we are stuck with methane leaks all over our country which are really damaging the climate. So I believe that there should be a lot of guardrails on feed stocks

that are disallowed, the certification process, and again the permit should be time limited and reviewed every 10 years at the least and the greatest amount of time. Thank you

Janet Pygeorge: Well as far as refineries go, refinery have known for 50 years that they are responsible for the climate change. I don't believe what the refinery puts out I've read their introduction and I want to know how they are going to clean up. You clean up first before you go to something new. They will never stay with renewable. There will still be crude there. Because you cannot believe what polluters tell you. They have Benzine 2,045 pounds, Xylene 1,490 pounds, *** 52 pounds and *** 842 tons in this Bay Area. Everybody is pollution goes everywhere not to just in my town of Rodeo but the whole Contra Costa County. We cannot believe this refinery. They are responsible for asthma, cancer, emphysema, infant mortality, low birth rate, headaches, nausea, and they are wiping out a generation that were born in the 50's and they are responsible and we don't want the refinery to do anything but leave town. We would like them to decommission. As far as I'm concerned, they could just leave. Not only are we losing a generation born in the 50's, but their offspring's are also been sheltered in place at the grammar school, so we have another generation that's going to be ill, maybe not now but later on. So this has got to stop. I cannot believe what they've written in their introduction and I've gone through it thoroughly, this will never happen, they will still do crude. Thank you

Tyson Badgely: Hi this is Tyson Badgely, I'm am currently the president of the Steel's Workers Union Local 326. I understand this is just the beginning of the permit process in addition to our workforce we have hundreds of supporters watching and following this project. In the essence of continuing this meeting, the overall process in a timely manner, I'm not going to flood you with hundreds of public comments tonight, instead we have a consolidated our collective voice in support of the Rodeo Renewed Project. I also welcome you guys to visit the Rodeorenewed.com website to view the outstanding support we've received thus far. Just some quick history, Local 326, we have employed 287 union dues paying members here at the refinery. 200 in operations and 87 in maintenance. I currently work as the USW Health and Safety rep at the refinery and I've been here for eight years. I'm a home owner and a tax payer in the Bay Area, as well as an active community members to support our communities that are less privilege here in Rodeo. Working at the refinery has afforded me the financial ability to not only provide for myself and my immediate family but for my two sisters and mother, who live down south that have had some troubles since our father has passed away a few years back. I also am blessed to contribute to various charities and other groups who are not as fortunate and blessed as I am through my career at Phillips 6. This year here at the Rodeo SFR, we celebrated our 125th anniversary of being a community member here in Rodeo. The USW Local has been a member here in the Crockett/Rodeo Community for 87 years. This is going to be our 87th year this year. And we continue to support various community activities throughout our 87 year history. The Rodeo Renewed Project continues this legacy of providing career living wage jobs for generations of Steel Workers, like myself. The Rodeo Renewed Project will guarantee to me and hundreds of my colleagues and future employees of this refinery a stable future with a good living career job. The Rodeo Renewed Project ensures our family jobs and family living wage jobs will not be taken away from us, we are proud, I am super proud to work in this industry and I'm looking forward to work on this very important project in transitioning to renewable fuels. As a representative of USW, we would like the County to be aware of our support

for this project in the Bay Area when considering the economic and job related**** I encourage you all, if you can, to advance the Rodeo Renewed Project and preserve several hundred of these good living wage jobs here in Contra Costa County. Thank you for your time.

Jan Callaghan: I would like to give my to the two persons that weren't allowed to finish, whether that could be done or not that's up to you, I would like to request that if they are still available. But if not, I just want to say I'm a local resident and I am really upset because I am on the fence line of the refinery, I have been a good neighbor participant and I do not believe everything they are saying because they should be cleaning up things now. They talk about taking the carbon plant that should be enclosed. I wipe black soot off my furniture weekly. If its on our furniture, its in our lungs. And so you need to protect the public lives from breathing in all this particulate matter, and that includes the wharf and the spills. There is no preparation for when the hazards we have survived an earthquake, a fire blast, and its time to really clean up the earth and protect our air and water. And I hope you take that because your job is to protect all of Contra Costa, not just the locals. The air is everywhere. The particulate matters are every where and we need to hurry and change. So I'm in favor of renewable fields, don't let it up to the refineries to say how wonderful its going to be because it was clean fuels project, propane recovery, oh they come up with wonderful PR names. They are PR people are wonderful, they want to sell things and yet they choose, they are using our name Rodeo but they have declined over the years to quit being a good neighbor and talking with the neighbors and good neighbor agreement. The Board of Supervisors a long time ago told them they had to go talk with the and we negotiated a twenty five good neighbor agreement and things like that should be re addressed.

Gary Hughes: Hi my name is Gary Hughes and I work for the California Policy Monitor for the organization biofield watch. I want to recognize the enormity of the County Officials that's ahead of the County officials working on the environmental review. This project, feedstock questions are enormous and they will need exhausted review, for instance draft EIR needs to address assumptions of bio energy feedstocks, carbon neutral and "renewable". In fact the term renewable feedstock is in particular very misleading and is the responsibility of the County to see past such ambiguous terms and do a full assessment of possible feedstock and in fact base manner and not rely on ambiguous terms like renewable and carbon neutral. Opponents of bio fuels climate, the products can be carbon neutral as an substitute for fossil fuels. This proposition is based on the concept of net transfer of C02 from the atmosphere into the growing bio energy feedstock that takes place photosensors. When bio energy feedstock is in large quantities in a short time this however no longer holds true and bio energy becomes a net contributor of C02 emissions on a scale comparable to fossil fuels. This dynamic is further complicated by life cycles analysis questions. Securing answers to these questions about bio energy feedstocks, their emissions and their social and environmental impacts will require clear definition of the project in order to provide a reliable EIR. As it stands right now, there are many hypotheticals potential feedstocks leaving the specifics of the project up to conjecture and to remedy this tension, the EIR, the draft EIR will have to be exhaustive in examining questions such as heterogenous feedstocks, market volitivity and feedstock supply and how market convulsions for sale and distribution of the manufactured products can thus impact feedstock acquisition *** effects on the availability of different feedstocks for the facility in question. The other crucial question regarding feedstock is related to a data

base evaluation of current and future dynamics regarding crude oil deliveries to this facility, including questions about pipeline and truck delivery permitting dynamics for the Santa Maria facility and how those logistics impact decisions about that facility and then how that influences feedstock reliability and the current status of the Phillips 66 refinery at this very moment in time. The issues of crude oil supply must be evaluated in microscope detail in order to get a better understanding of exactly what is the contemporary status of the Phillips 66 refinery to get some clarity about exactly what the proposed project entails as it stands right now the available materials raise far more questions then they provide answers thus the ownness is on the County to serve the public interest and endeavor to decipher the ambiguity surrounding this project which thus far imbedded to understand the risks imbedded in this project. Thank you.

Jan Warren: Thanks for having this opportunity to speak. I have some concerns of this project because its pretty new in concept the all though refineries have been around from 100 to 150 years we have an outfit called renewable energy group, which made the first batch of bio diesel in 1996 in the industries early stages, so 100 – 125 years versus 20. Today, they are the largest bio diesel producer by volume in the U.S. they have eight bio diesel producing and two in Germany. I mean eight in the US and two in Germany. Now we have fossil oil refineries who want to jump in the game, so not to deal with the stranded assets who have no expertise in running such a facility economically or safely. I'm concerned about the integrity of the tank farms, where there are fire in 2019 and which Cal Fire has still not released their report. We need a full investigation of the struction and integrity of the new star tank farm by Crockett, where these blending oils will be stored. I have a concern about the renewable feedstock and their effort effect on deforestation when we need more forest to sequester carbon. The increase in car production to blend with gasoline years ago the ethanol we have in our gas today, and a negative major effect on small growers and particularly devastated farmers in Mexico. There was noticeable inflation. We also have a problem with locomotives derailments in California. From 2015 to 2019, locomotives derailments are more common in California then they are nationwide. There were 369 train derailments between 2015 and 2019 and California ranks 5th in the U.S. in train derailments. So they will want to come in here with rail cars, are they going to use the same old ones or are they going to use the new ones that are more strongly reinforced. They are still going to be coming in with tankers and trucks are they going to be new or no emission or are they going to be the same old ones that have a possibility of derailments and leakage. Finally, would this project be viable without the RSRPFS tax credits? Would investments and other projects, which have less threat spills and explosions and longer expected life be preferable. Thank you so much.

Charles Davidson: Greetings. My name is Charles Davidson, I live in Hercules. I'd like to discuss the amount of carbon dioxide produced by the Phillips 66 refinery historically and also after the proposed Rodeo Renewed Project. The Phillips 66 refinery plans will not make the refinery renewable . For this project, the Rodeo Renewed project and for the projects that have gone on in the past, such as cleans fuel expansion and all the times up until now. The Refinery especially designed to refine the heaviest crude petroleum products. Although the Phillips 66 is only 40% of the size of the Chevron Refinery in Richmond, carbon dioxide greenhouse gas production is 67% of the Chevron refinery, a much, much larger refinery. So, per barrel of input Philips 66 Refinery is over 66% higher than Chevron per barrel.

After the proposed Rodeo renewed project, the refinery will be either having the same amount hydrogen per barrel or even higher in currently. Although, the project has less through put, the refinery itself is designed for extreme high amounts of hydrogen production Air Liquide plant and after the project, the refinery will be using soybean oil and soybean oil and other fats are actually extremely heavy hydrogen demanding, so this not really a low greenhouse gas producing plant. Its going to be nearly the same as it was before, which is unusual because the Phillips 66 refinery is extremely heavy crude refinery with extreme large amounts of hydrogen after the project, the Rodeo Renewable project it really isn't going to be much different so its not going to be a significant of a reduction as talked about in the proposed project so far as it's been released in their documents. Also, the refinery has a lot of legacy, production of toxicity. The Air Liquide exploded in October 15 of last year is still going to represent a threat. There is massive amount of legacy, pollution in the community, there is environmental and esthetic degradation, as well as quality of life degradation. These things must be reversed and the project should include the environment.