

PROJECT DESCRIPTION

Phillips 66 proposes to modify the existing Rodeo Refinery into a repurposed facility that would process renewable feedstocks into renewable diesel fuel, renewable components for blending with other transportation fuels, and renewable fuel gas. As a result of proposed modifications, the Rodeo Refinery would no longer process crude oil for petroleum-based fuels and would assist California in meeting its stated goals of reducing GHG emissions and ultimately transitioning to carbon neutrality. The Project would also provide a mechanism for complying with California's Low-Carbon Fuel Standard and Cap-and-Trade programs and the federal Renewable Fuels Standard, while continuing to meet regional market demand for transportation fuels. Because the Project would discontinue processing crude oil at the Rodeo Refinery, other sites owned and operated by Phillips 66 located throughout the state would be affected. Therefore, the Project consists of activities at the following four sites:

- Rodeo Site (1380 San Pablo Ave. Rodeo. CA 94572) refers to the 495- acre area within the Rodeo Refinery where the main Project activities would occur.
- Carbon Plant Site (2101 Franklin Canyon Rd. Rodeo, CA 94572) — refers to the current location of the Carbon Plant in Franklin Canyon (within the 1,100- acre Rodeo Refinery). Under the Project, the Carbon Plant would no longer be necessary and would be demolished.
- Santa Maria Site (2555 Willow Rd. Arroyo Grande. CA 93420) — refers to the Santa Maria Refinery, including the applicant -owned buffer land, located near Nipomo, San Luis Obispo County. The Santa Maria Site would no longer be necessary to provide semi-refined feedstock to the Rodeo Refinery and would be demolished under the Project.
- Pipeline Sites — refers to four pipelines (i.e., Lines 100, 200, 300, and 400) that provide crude oil from the Santa Maria Site to the Rodeo Refinery. The pipeline sites would cease to be used under the Project.

Once operational, the Rodeo Refinery would supply up to 107,000 bpd of renewable fuels (67,000 bpd) and petroleum-based transportation fuels or gasoline (40,000 bpd). Of the 67,000 bpd of renewable fuels that would be produced, 55,000 bpd would occur as a result of the Project. This amount would be in addition to the Rodeo Refinery's existing capability (as of 2021) of producing 12,000 bpd from pretreated feedstocks using Unit 250 (previously used to process petroleum-based feedstocks). To maintain the current facility capability to supply regional market demand for transportation fuels, including renewable and conventional fuels, the Rodeo Refinery could receive, blend, and ship up to 40,000 bpd of gasoline and gasoline blendstocks.

BACKGROUND INFORMATION

In June 2022, a CEQA lawsuit was filed in the Contra Costa County Superior Court challenging the certification of the 2022 Rodeo Renewed Project EIR (2022 EIR) and the approval of the Project. (*Communities for a Better Environment, et al., and Center for Biological Diversity v.*

County of Contra Costa, et al., Contra Costa County Superior Court Case No. N22-1080.) On July 21, 2023, the Superior Court, the Honorable Edward G. Weil presiding, issued a Statement of Decision in which the Superior Court remanded to the County for reconsideration three issues in the 2022 EIR (refer to Appendix A of the Draft Revised EIR [Draft REIR]). On August 23, 2023, the Superior Court entered judgment and issued a peremptory writ of mandate to the County to decertify the 2022 EIR and to conduct further environmental review in compliance with CEQA to remedy the three issues identified in the Statement of Decision. On October 12, 2023, the Superior Court reaffirmed its Statement of Decision, allowing the Land Use Permit to remain in place and allowing Project construction activities and ruled that the judgment would be modified to enjoin Project operations until further order of the Court. The Superior Court did not identify any other CEQA violations, and the remaining content of the 2022 EIR is valid. The chapters and sections included in the Draft REIR are those needed to address the deficiencies identified in the Statement of Decision and to provide sufficient additional information so that the reader can understand and assess the REIR's contents. Pursuant to CEQA Guidelines Section 15088.5(c), recirculation is limited to those chapters and sections and the additional information. Pursuant to CEQA Guidelines Section 15088.5(f)(2), reviewers are hereby notified that reviewers shall limit their comments to the revised chapters or sections of the Draft REIR. The content of this Draft REIR provides sufficient detail and clarity such that the public and decision makers can make an informed decision regarding the adequacy of the issues discussed in this Draft REIR.