MONTEREY COUNTY
RESOURCE MANAGEMENT AGENCY

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January 28, 2016

Mr. Ken Topping, Chair
San Luis Obispo County Planning Commission
976 Osos Street, Room 200
San Luis Obispo, CA 93401

Mr. James Bergman, Director
San Luis Obispo County Planning and Building Department
976 Osos Street, Room 200
San Luis Obispo, CA 93401

Dear Chair Topping and Planning Director Bergman:

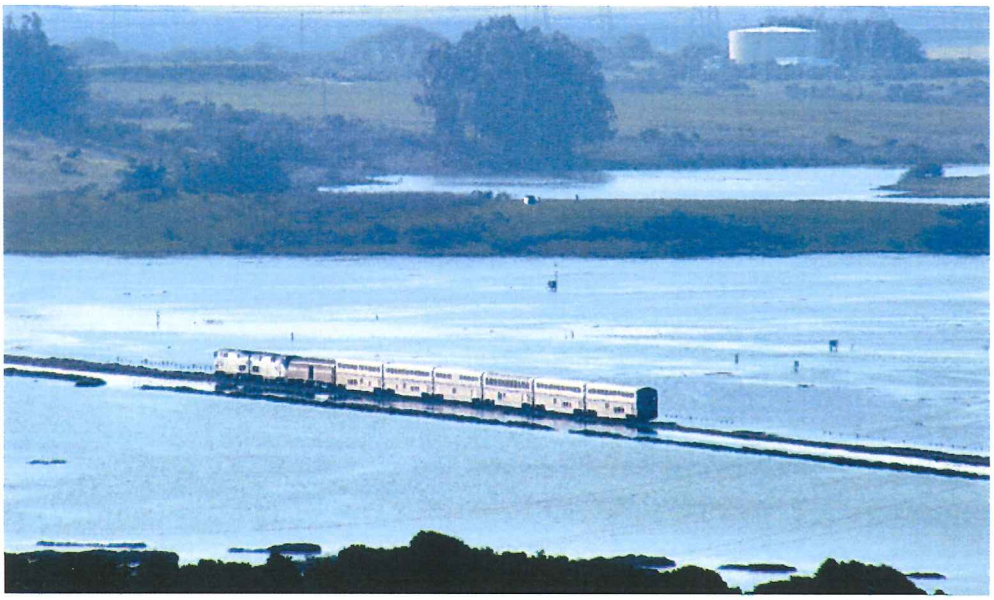
Thank you for providing Monterey County with the opportunity to submit comments on the Phillips 66 Company Rail Spur Extension Project. Please provide this letter from the Monterey County Resource Management Agency to your Planning Commission for the February 4 and 5 public hearings. We typically do not get involved with local land use decisions in other jurisdictions; however, due to the direct impacts this project could pose on our County and our communities, we would like to express our support of your staff's findings and recommendation of denial of the project.

Monterey County Board of Supervisors sent a letter in April of 2015 to San Luis Obispo County stating our opposition to the project, joining several other municipalities and organizations opposing the proposed Phillips 66 project. That letter, which we have attached, stressed the irreparable impacts a derailment could pose on Monterey County. We have significant concern related to impacts to the Elkhorn Slough habitat and many of our older communities that are located along the UPRR coastal line. The letter also highlighted the current conditions of the UPRR within Monterey County, and how under certain conditions such as King Tides, the rail becomes flooded and impassible. With the release of the FEIR and staff report, we maintain our opposition to the project and would like to highlight the following items of concern:

- Alternatives Analysis
- No disclosure of impacts to human exposure of hazardous materials
- Analysis of Coastal Line rail conditions

The FEIR included an additional transportation alternative via pipeline (Section 5.1.2). There were two levels of pipelines offered in the alternative: 1) a large scale pipeline from Canada to SMR, akin to the Keystone Pipeline, and 2) a smaller pipeline from the rail facility in Bakersfield to the Sisquoc Pump Station. The section briefly describes the infeasibility of the larger scale pipeline due to the lack of interest by companies to make the projects profitable. However, little discussion was included regarding the smaller pipeline alternative. The FEIR dropped this alternative due to: 1) the unlikelihood that Phillips 66 could acquire the necessary ROW to construct a pipeline, and 2) that the "pipeline would require additional permits from Federal, State, and local agencies, which are outside of the control of the County." It should be noted that Monterey County approved a pipeline in 2008 for Chevron to pipe oil from the San Ardo field across the Gabilan Mountain Range to Coalinga, a distance of 57 miles, which lends us to believe a local pipeline is feasible and should not have been dropped from further consideration. If project approval is considered, we ask for this alternative to be considered and analyzed as the preferred project.

The FEIR states that analysis has been conducted to determine the safest rail route from Roseville to the Santa Maria Refinery, however this is not included in the EIR. Our issue with this lack of analysis provided in the EIR is that there are clear safety issues with the Coastal Line through the northern portion of Monterey County, which should be considered a severe deficiency (see photo below). The only evidence provided in the EIR regarding the safety of the Coastal Line is a cited conversation with Roger Clugston, CPUC Manager, stating that the Coastal Line has very few deficiencies, but it does not compare the state of the Coastal Line with the San Joaquin Valley Line. It also states that the UPRR in California has made numerous safety improvements without identifying the location of those improvements, and whether those improvements would benefit this particular route or project. If project approval is considered, we would ask for this analysis for both the Coastal Line and San Joaquin Line to be provided prior to project consideration.



UPRR through Elkhorn Slough during King Tide

The Hazardous Materials Section of the FEIR predominantly discloses the existing regulations regarding transport of hazardous materials from various state, regional, federal agencies. The Hazardous Materials section of CEQA asks if the project would create a significant hazard to the public or environment involving the release of hazardous materials into the environment. It is clear that the project does have the potential to release hazardous materials in the event of a derailment or other accident, but the FEIR does not disclose what those actual health impacts could be on the communities near the UPRR. The fact that the rail line traverses the second largest estuary on the west coast (Elkhorn Slough) on tracks that are sometimes under water, and through a series of communities in our County are of concern. If project approval is considered, we would ask that the following impacts to health and our communities be disclosed:

The long term impacts of exposure to crude oil are potentially harmful, yet there have not been long term studies to confirm this theory. The field is actively monitoring the long term effects of exposure after the Deepwater Horizon Accident (http://www.cdc.gov/niosh/topics/oilspillresponse/). Of note for this project, crude oil that is not able to be effectively cleaned up could be a lasting exposure in the community or environment.

The short term (acute) effects of crude oil exposure are well known and include irritation of the eyes, skin and respiratory system, dizziness, confusion, rapid heart rate, cough, shortness of breath, upset stomach, and anemia. Crude oil that stays on the skin for a prolonged period of time can cause redness, edema, and burning of the skin.

First responders to accidents are the most likely to experience the acute effects of exposure to crude oil. Additionally, first responders are susceptible to heat stress, fatigue, traumatic incident stress and chemicals exposures from both the crude oil and the cleaning agents used in the response. Chemical exposures can be worsened if the crude oil is burning and individuals are exposed through smoke (http://www.cdc.gov/niosh/topics/oilspillresponse/keytopics.html#symptoms).

Potential accidents can also affect residents who live near the railroad. Depending on the scale of the accident, they could be affected by physical trauma, fire, and chemical exposure. The Phillips 66 Company Rail Spur Extension Project would have crude oil transported on approximately 93 miles of track through Monterey County that has a population density range of 100 - 6,500 residents per square mile (see "Thermal Radiation Hazard Zones" modeling of the Environmental Impact Report or EIR). The cumulative population density at risk of harmful impacts due to an accident within Monterey County alone is 13,500. These residents include some of the County's most vulnerable populations.

The County's vulnerable populations would be disproportionately affected by an accident in their area. Relocation costs, both short and long term, could overwhelm these populations and would need to be covered by the responsible party. Costs to these communities would not only be financial but to the mental health of the

residents due to the increased stress/trauma and the lack of connections to their normal support networks.

To conclude, we express our support of staff's recommendation and findings for denial. This project would impact the state at large, including within Monterey County. We are one of the jurisdictions mentioned in the findings for denial (Exhibit C) that do not have the proper emergency response personnel on staff to respond to an oil spill. Furthermore, it is known that the habitat within the Elkhorn Slough could never fully recover from a catastrophic spill, and given the current rail conditions through this area we believe it is a deficiency that has been overlooked in the FEIR.

Should you have any questions related to these comments, please feel free to contact me at novom@co.monterey.ca.us or by phone at (831) 755-5192.

Sincerely,

Mike Novo, AICP
Planning Director

cc: Monterey County Board of Supervisors
City of Salinas
City of Gonzales
City of Soledad
King City

Enclosure: Monterey County Board of Supervisors Letter