City of San Luis Obispo
Community Development Department • 919 Palm Street, San Luis Obispo, CA 93401-3218

January 27, 2014

Mr. Murry Wilson
p66-railspur-comments@co.slo.ca.us
San Luis Obispo County Department of Planning and Building
976 Osos St., Rm. 200
San Luis Obispo, CA 93408-2040

SUBJECT: Comments regarding Phillips 66 Rail Spur Extension Draft EIR SCH# 2013071028

This letter serves as the City of San Luis Obispo's comment letter on the Draft Environmental Impact Report (DEIR) prepared for the Phillips 66 Rail Spur Extension Project.

The City greatly appreciates the opportunity to comment on the DEIR. In an effort to insure the final project is consistent with the regulations, goals, and community values of the City of San Luis Obispo and the County as a whole, our Community Development Department has reviewed various sections the Draft EIR document and formulated a set of key comments. The City kindly asks that the County consider the comments the City is providing as the Final EIR is prepared. Please find attached a detailed comments table which addresses issues the City sees as most important. The concerns generally fall into one of the following categories:

1. Traffic/Circulation
2. Hazardous materials and Safety
3. Air Quality
4. Noise

While the City is aware that the expansion project is taking place outside the City limits, the City of San Luis Obispo is built around the Union Pacific Railroad lines that serve the Santa Maria Refinery and this project which accommodates larger train units, as well as the materials carried has potential impacts to the City of San Luis Obispo and its residents. The project includes an increase in rail traffic, in the length of locomotives, and material volatility of content being carried which may produce long-term effects within our City limits.

The City of San Luis Obispo is committed to include the disabled in all of its services, programs and activities.
Telecommunications Device for the Deaf (805) 781-7410.

	Item	Page	Part	Comment
SLOC-1	1	ES-8	Hazards and Hazardous Material	This section states that "The risk [with the movement of trains] was found to be less than significant (Class III)." On January 2, 2014 the US Department of Transportation released a Safety Alert stating the following: *"The Pipeline and Hazardous Materials Safety Administration (PHMSA) is issuing this safety alert to notify the general public, emergency responders and shippers and carriers that recent derailments and resulting fires indicate that the type of crude oil being transported from the Bakken region may be more flammable than traditional heavy crude oil."* The California State Fire Marshal also posted an information bulletin on January 22, 2014 that reinforces the alert issued by the PHMSA. The DEIR discusses that crude oil will be transported from the Bakken region (North Dakota). **The Quantitative Risk Assessment (QRA) for the project should consider the safety implications associated with transportation of a crude oil that is believed to be more hazardous than traditional crude oils extracted in the past.** If the QRA does indeed incorporate this factor, it should be clearly noted in the DEIR.
SLOC-2	2	4.3-43	Mitigation Measures	The City strongly supports mitigation measures **AQ-2a** and **AQ-2b**; however, the City would also recommend adding mitigations that will, regardless of recorded emissions, reduce the output of pollutants sourced at locomotives. **Such mitigations could involve the replacement of locomotive diesel engines with green technologies.** One such technology is discussed in a 2007 Union Pacific news release: *"UP is field testing an experimental oxidation catalyst (Oxicat) filter on a high-horsepower long-haul locomotive built in June 1989. The Oxicat, which operates much like a catalytic converter on today's cars and trucks, was installed inside the diesel engine's exhaust manifold to reduce emissions. During static testing using ultra-low sulfur diesel fuel, particulate emissions were reduced by approximately 50 percent with the Oxicat installed."* If a mitigation measure is not added to require the retrofitting of locomotives with greener technologies through this project, the DEIR should require that the SMR consider use of emission-reducing technologies in the future as they become more cost-effective and readily available.

	Item	Page	Part	Comment
SLOC-3	3	4.7-25	Last Paragraph	According to the DEIR, "…25 percent of the DOT-111 fleet carrying crude today meets the higher design standards" (that were required for all newly constructed DOT-111 tank cars beginning in 2011). In addition to reporting the percent of upgraded trains in the entire fleet, the DEIR should clarify what percent of trains ***serving the SMR facility*** have been retrofitted with higher design standards. Due to the recent discovery of a more hazardous crude oil, which is discussed in Item 1 above, it is also recommended that **a mitigation be developed to require those crude oil tankers servicing the SMR be retrofitted to the higher design standards.** The City strongly believes that safety be a first priority for the project because the rail lines that will carry these tankers are within close proximity to residences within the City of San Luis Obispo.
SLOC-4	4	4.7-58	Mitigation Measures	The City also recommends that mitigations be added to help cities better prepare for emergency spill situations. **Such mitigations include:** 1. Funding for initial purchase and replacement of a sufficient amount of the appropriate firefighting foam to address leaks or fire of the volume of high-risk crude being transported through the City. This may either be accomplished by stockpiling foam at a City fire station or somewhere within 10 miles of the City (given a capability for 24/7 delivery of the foam to a fire station and/or the emergency scene). 2. Funding for initial and on-going training of all emergency response personnel on rail and petroleum emergencies. An example of such agency is our Countywide Hazardous Materials Response Team. 3. Awareness training on the emergency response resources available through the railroad authority and Phillips 66. 4. Enhanced local access to rail manifest information (real time) for City and Country Hazardous Materials Technicians and Chief Officers. 5. Collaborate with the City to develop pre-emergency plans for leak or fire anywhere along the rail line that would impact the City's interests (including transportation lines, open space, and creeks)
SLOC-5	5	4.12-3	Table 4.12.1	In the "Delay(s)" column the unit is not specified (e.g. seconds).

	Item	Page	Part	Comment
SLOC-6	6	4.12-18	Paragraph under bullets	This section states that "*According to the county, the Rail Spur Project would result in a significant impact if it causes an intersection operation at satisfactory LOS C to operate at LOS D or worse, or contributes any traffic to a location already operating at LOS D, E, or F.*" Impact # TR.3 states that trains associated with the project will "*…be comprised of 80 tanker cars, two buffer cars, and three locomotives.*" Traffic in cities may be halted for longer periods due to the increased length of locomotives. The City of San Luis Obispo has intersections that may be affected by the increase in locomotive trips and length of locomotives associated with the project. The DEIR does not offer discussion or possible mitigations to address this issue. Specifically, there are three at-grade crossings that occur within the City of San Luis Obispo. The length of train units anticipated may cause significant delays at these intersections, impacting levels of service on City streets. Locomotives also present potential safety impacts to pedestrians. **The DEIR needs to address potential impacts to vehicle traffic and pedestrian safety in these areas.**
SLOC-7	7	4.12-21	Table: Impact # TR.2	In the table under the "impact description" column, the word "Increase" should be changed to "increased."
SLOC-8	8	4.12-21 and 4.12-27	Paragraph under table for Impact # TR.2	To the average reader it may seem there is a contradiction of statements regarding train activity associated with the project. For example, the first statement below makes it seem that no additional train transportation will be required after project completion. The second statement conveys that two additional trains will be added per day. The third statement conveys that five trains will be unloaded per week. • *The Rail Spur Project would not increase refinery throughput, nor would it increase the production of coke and sulfur* ***requiring transportation from the site via truck or rail*** (page 4.12-21). • ***The addition of the proposed crude oil train*** *to the SMR would add a peak of two additional freight trains per day (one to the SMR and one from the SMR) to this stretch of the Coastal Line…* (page 4.12-27). • *Phillips 66 would unload up to* ***five trains per week*** (page 2-14). The DEIR should include a table that clearly presents estimated train traffic *before and after* project implementation.
SLOC-9	9	4.12-21	Table: Impact #TR.3	The impact description states that "*…additional rail traffic would* ***not be expected*** *to impact the on-time performance of the Pacific Surfliner.*" While this may be true, it would be helpful if the DEIR explained the worst-case scenario if on-time performance was indeed impacted by the project. Furthermore, the City would prefer that the "recommended" mitigation measure TR-3a be instead **required**.

Item	Page	Part	Comment
SLOC-10 10	4.9-25	Mitigation Measures	The mitigation measures for Noise impacts are strongly focused on the area in the immediate vicinity of the SMR. For example, Mitigation N-2a describes a "Rail Unloading and Management Plan," and Mitigation N-2c describes a "Noise Monitoring Plan" for SMR onsite operational activities and the "nearest sensitive noise receptor." **It is recommended that Mitigation N-2c be revised to require that the "Noise Monitoring Plan" address noise impacts associated with locomotives travelling on the UPPR mainline through populated areas.** More specifically, the Plan should address train travel during nighttime hours (10 PM – 7 AM). The current noise mitigations disregard the effects of large locomotives traveling through densely populated residential areas during regular sleeping hours.

The City is eager to collaborate with the County to identify and implement mitigation measures that the City believes can address impacts to the City. Any mitigation proposed should include substantial and viable measures that are subject to ongoing monitoring, as CEQA requires.

We provide the comments in this letter with the intention that they should assist the County with DEIR revisions needed to reasonably and foreseeably reduce impacts to less than significant levels. The City looks forward to ongoing collaboration with the County and is available to identify and develop mitigations for the project.

Sincerely yours,

Derek Johnson
Community Development Director

CC: City Council
Planning Commission
Department Heads