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Date: 11/24/2014 09:48 AM
Subject: Phillips 66 - resubmitted DEIR

Mr. Murry Wilson, SLO Planning Department

In review of the resubmitted DEIR for the Phillips 66 project,the following comments are submitted for your consideration.

Firstly the document states numerous times that certain operations pertaining to the mainline rail cannot be mitigated by the DEIR or are under the jurisdiction of the County. The jurisdiction for the mainline is under the Federal Government. As such it would seem appropriate that a NEPA document should be prepared in addition to the DEIR so that the Federal government also reviews and approves impacts and mitigations regarding impacts to their jurisdiction by the Phillips 66 proposal. HOR-01

The DEIR has stated that significant impacts regarding air quality and public safety cannot be mitigated by the County due to lack of jurisdiction. The railroad and major oil companies have additionally filed suit to ensure that only the Federal government has jurisdiction of mainline matters regarding public safety and air quality. The Board of Supervisors should not approve any changes in operation for Phillips 66 until mitigation can be implemented. HOR-02

The existing Phillips 66 plant on the Nipomo Mesa was built in the 1950's at a time when CEQA did not exist. Many of the operations would not meet current environmental standards today. The change in operation of bringing in crude from outside sources radically changes the operational processes for the plant and therefore the DEIR should evaluate the total operation of the plant. The current DEIR is deficient in this respect in that it only reviews additional impacts of the rail spur. HOR-03

The DEIR clearly indicates that the No Project Alternative is Environmentally Superior alternative and should be the alternative recommended by Planning staff and selected by our elected County Supervisors to ensure protection of the surround residential, business, educational and hospital facilities. HOR-04

The following comments relate to information presented in specific sections of the DEIR.

1. Section 2.0 Project Description - describes only the portion of the Phillips 66 site containing the proposed rail spur. The section indicates that Phillips intends to import cheaper crude oils (tar sands) that will also modify the processing operation at the plant. Imported oils are thicker and contain much HOR-05

more contaminants than local crude oils. As such additional impacts to water,water treatment, air pollution, sulfur and coke production, negative economic impacts to existing local crude oil producers will occur. The DEIR does not address these addition impacts quantitatively nor are mitigation measures identified. HOR-05 (cont.)

2. Section 4.1 Population and Housing - Since inception of the Phillips 66 plant in the 1950's, the County of San Louis Obispo has redirected is focus on land use on the Nipomo Mesa from agricultural open space/ Industrial to Residential. The economic benefit of this development provides much more revenue to the County thru property taxes, sales taxes and job creation than the Phillips 66 plant provides. The existing Phillips 66 operation is today only marginally compatible with the surrounding development and most likely would not be approved if being proposed today. The change of operations tip the balance of compatibility such that the threat of explosions, resulting evacuations, long term impacts to business, jobs and property values, make the proposed expansion highly undesirable. HOR-06

3. Section 4.3 Air Quality - The DEIR clearly states air quality impacts would significantly increase due to the proposed project. These impacts would compound the existing impacts due to the dust control issues in the area. The DEIR also indicates that mitigation of air quality impacts are outside the jurisdiction of the County and therefore mitigation cannot be implemented. The no Project Alternative is the only selection left to the County to remain in control of land use impacts. Odors are also not addressed as part of the DEIR. Currently odors from the plant are carried daily downwind to residential areas. These odors range from mild to very strong. Even if air quality standards are not exceeded, these odorsrepresent a nuisance which should be mitigated by the DEIR. Currently Coke and Sulfur stockpiles are stored outside exposed to prevailing coastal winds. These winds blow stockpiled materials inland into residential areas. The DEIR has not addressed the stockpiled materials and should evaluate mitigation measures including enclosure of stockpiles. HOR-07

4. Section 4.7 Hazards and Hazardous Materials - The DEIR indicates a significant impact due to the threats of accidents, spills, and contamination by the proposed rail project. Yet, the County has no jurisdiction to mitigate these impacts. Additionally the County must be the responder to any accident and bear the costs. The County has insufficient funds to train emergency personnel to address accidents resulting from the proposed change, and cannot add mitigation measures to develop funding sources from the applicant. The economic impacts of an accident from response costs, injury, damage to existing structures, evacuation costs, loss of business and decrease in property value would far outstrip any economic benefits being proposed by Phillips 66. Mitigation in the DEIR needs to be identified for emergency response. HOR-08

5. Section 4.12 - Transportation and Circulation - The DEIR does not asses the impacts on the transportation of byproducts from the plant. The refining of imported crude oil, i.e. tar sands, will result in an increase in sulfur and coke production and has not be analyzed or quantified in the DEIR. The haul routes from the plant are currently PCH from the plant entrance to Willow Road and Willow Road from PCH to US101. These are narrow scenic roadways passing at times through residential areas. The current roadways do not have sufficient travel HOR-09

lane widths, turning pockets, and emergency shoulder/bicycle lane widths to accommodate truck haul routes. The impacts have not been analyzed in the DEIR and mitigation measure to improve these haul routes should be identified to ensure the safety of roadway users due to the impact of haul operations. HOR-09 (cont.)

6. Secton 4.13 Water Resources - The DEIR has indicated no impact to water resources but has inadequately evaluated it's uses to draw this conclusion. The new facility will rely on steam to remove oil from the tank cars requiring addition water and water treatment. The processing will change due to the change in crude being processed and needs to be clearly evaluated to determine required water usage. The current plant operation treats all process water and releases it to an ocean outfall.

Water shortages in San Luis Obispo County should require a more innovative solution to this issue than merely doing it the way it was done in the 1950's. The current water treated at this plant is approximately 200 acre feet/year. This is same amount of water treated at the Monarch Dunes community and reused to irrigate golf course and open space areas. HOR-10

Woodlands Water Association has approached Phillips 66 to redirect the ocean outfall to the Woodlands treatment plant on the other side of PCH but cooperation from Phillips 66 has not be forthcoming. The diversion of treated water would be better used by the adjacent community for irrigation and provide a more innovative solution to water needs and groundwater management for the County.

Section 5.0 Alternatives - This section clearly indicates that the No Project Alternative is the environmentally superior alternate. Phillips has claimed that without import of crude the plant will run out of local oil. This statement is not supported by data, in fact, delivery of local crude to the plant has stayed the same or better over the past 10 years.

Improved methods used for extraction of local oil should ensure that supplies remain constant into the future. If Phillips 66 is allowed to import cheaper crudes, local producers may not be able to compete having a negative impact on local economy. Phillips also claims that the expansion will provide more jobs. Quantitatively Phillips estimates that an addition 12 permanent jobs will be created. The impacts of an accident and negative impacts on local oil producers will have an impact on jobs that will far overshadow the 12 new jobs being proposed and should not portrayed as an economic benefit in the DEIR. HOR-11

Conclusions:

In deliberation, I can only encourage the Board of Supervisors to look beyond the meager economic benefits touted by Phillips 66 and focus instead on the threats this project brings to the entire County. The trade off is clear and is well stated in the DEIR : The Environmentally Super Alternative is the No Project Alternative. The No Project Alternative is more compatible with surrounding land uses, economic vitality, public safety and the reputation of our County as a place that protects our environment and values safety and wellbeing of its citizens and visitors. HOR-12

Thankyou for your consideration.

HOR-01	The Rail Spur Project does not need a federal permit that would require the preparation of an NEPA document. Neither the Department of Transportation nor the Federal Railroad Administration need to issue a permit of the Rail Spur Project.
HOR-02	It is unclear whether the County is preempted from imposing mitigation measures to reduce the potential for significant impacts along UPRR's mainline. The RDEIR takes a conservative approach to the evaluation of impacts by recognizing that Federal law may preempt the County from imposing conditions of approval that would mitigate these impacts, potentially resulting in unmitigated significant impacts. This satisfies the information disclosure requirements of CEQA and will allow the County decision makers to evaluate the full spectrum of potential environmental impacts as well as potential mitigation measures. The commenter's concern about approving the Rail Spur Project without mitigation is included in the FEIR for the decision-makers' consideration as part of the County's deliberations on the proposed project.
HOR-03	The SMR is required to meet all of the applicable Federal, State and local environmental and safety regulations even though the refinery when it was built did not require CEQA review since CEQA legislation had not been enacted. However, modifications at the SMR have under gone CEQA review such as the recently approved Throughput Increase Project. An EIR is required to assess the environmental impacts of the project against the environmental setting (i.e., baseline) This environmental setting will normally constitute the baseline physical conditions by which a lead agency determines whether an impact is significant. The environmental setting is the physical environmental conditions in the vicinity of the project, as they exist at the time the notice of preparation is published (CEQA Guidelines Section 15215). Therefore, the EIR has complied with the requirements of CEQA in terms of evaluating the impacts of the proposed Rail Spur Project.
HOR-04	This comment does not identify a specific environmental analysis or CEQA issue relative to the EIR and compliance with CEQA. The commenter's statement about the No Project Alternative being the preferred project is included in the FEIR for the decision-makers' consideration as part of the County's deliberations on the proposed project.
HOR-05	The RDEIR evaluated the impacts of a change in crude slate at the SMR. The impact assessment was based upon the worst case assumption that the crude being processed by the SMR would be all tar sands. Table 2.6 of the RDEIR provides a list of the key properties of the current crude oil slate and tar sands oil that could be handled by the SMR, and used the properties of the tar sand soil in evaluating the impacts of the crude oil change. This is clearly shown in impact AQ.4 (Section 4.3 Air Quality), where the BTEX emissions where

	assumed to increase from 0.81 to 1.25% as shown in Table 4.3.13. The 1.25% BTEX level is the highest number associated with processing all Access Western Blend. As discussed in AQ.4 the level of resid processing at the SMR with all tar sand oil would not increase as shown in Figure 2-11 (see Chapter 2.0, Project Description). Therefore, coke production would not increase over what is currently produced based upon the current typical crude blend so there would be no increase in emissions associated with transportation of coke. The RDEIR also evaluated the impacts of the potential increase in sulfur content in the crude to 5%, which is the highest level provided in Table 2.6 for Peace River Heavy. The refinery impacts associated with sulfur changes in the crude were based upon a 0.8% increase in sulfur content of the crude, which is the difference between the typical current crude blend of 4.2% and the 5% for Peace River Heavy. In fact the Access Western Blend crude, which is another possible tar sand source of crude discussed in the RDEIR, would have a lower sulfur level than the current typical crude blend used at the SMR. Section 4.3.4.2 of the RDEIR states that a by-product of the refinery operations is elemental sulfur. The elemental sulfur that is produced by the refinery is trucked offsite. The potential crude delivered by rail could have slightly higher sulfur content than the typical crude blend that is currently being run by the refinery. However, the sulfur would be in the range of the major crude sources used at the refinery. This slight increase in sulfur content would not be expected to increase emissions from the sulfur plant, which has strict emission limits within the SLOCAPCD permit. It is possible that with the rail project crude there would be a slight increase in sulfur truck trips. The truck trips for sulfur were 1,624 in 2013. The refinery is limited to a maximum of 14 truck trips per day for sulfur. They are currently averaging about 6 truck trips per day assuming five days per week for trucking sulfur. Assuming an increase of 0.8% sulfur in the crude by weight the number of additional truck trips for sulfur would be about 309 per year (about one additional truck trip per day). This potential increase in sulfur truck trips would be within the truck trips currently allowed for the refinery (14 truck trips per day). These additional truck trips are also addressed in Section 4.12, Transportation and Circulation. Impact HM.3 (Section 4.7, Hazards and Hazardous Materials) discusses the hazard impacts of a change in crude slate to tar sands. As discussed in Impact HM.3, the data in Table 4.7.14 shows that the expected range of sulfur and TAN would be within the range of the crudes that are currently being processed at the SMR. Therefore, the change in crude slate would not be expected to change the sulfur or TAN levels compared to the crude sources that are currently being processed at the SMR. It is possible that the TAN could increase when compared to the typical crude blend. However, with the programs and management systems, discussed above, in place, this potential increase would not be expected to increase the hazards or likelihood of a release

	at the SMR. These statements are based upon the highest levels of sulfur and TAN for the two tar sands crude oils addressed in the RDEIR. With regard to the economic impact to other local producers, CEQA does not require an evaluation of economic or social impacts, and states that "economic or social effects of a project shall not be treated as significant effects on the environment" unless those effects result in physical changes to the environment (CEQA Guidelines Section 15131). Although crude from local produces could become more expensive to transport to other refinery destinations, these effects would not constitute or cause a physical change in the environment above those already described and discussed in the RDEIR.
HOR-06	The comment does not identify a specific environmental analysis or CEQA issue relative to the EIR and compliance with CEQA. The commenter's statement that since inception of the SMR, land use in the Nipomo Mesa has been redirected from agricultural/open space/industrial to residential uses and that the Rail Spur Project would be highly undesirable due to land use incompatibilities (explosions and long term impacts to business, jobs, and property values is included in the FEIR for the decision-makers' consideration as part of the County's deliberations on the proposed project. The comment does not request changes to the analysis in Section 4.10, Population and Housing; therefore, no revisions to the RDEIR are necessary. Land use compatibility issues associated with the proposed Rail Spur Project are discussed in Section 4.8, Land Use and Recreation. That section discusses potential impacts associated with the proposed expansion of existing industrial activities into areas surrounding the SMR, and references the impact analysis in other sections of the EIR to provide an indication of the Rail Spur Project's compatibility with surrounding land uses (i.e., air quality effects, noise, odor, and hazards of the Project). Typical effects of impacts associated with these types of incompatibilities include health risks, public safety issues, and the inability to sleep, relax, or enjoy the full use of one's property. The discussion of potential impacts in the RDEIR is consistent with those identified in this comment.
HOR-07	The RDEIR addresses the potential impacts and recommends mitigation measures for the proposed Project consistent with the requirements of CEQA. Section 4.3 (Air Quality and Greenhouse Gases) addresses GHG emissions and health risks. The area is in non-compliance with particulate associated with sand-blown dust. A study performed by the SLOCAPCD, the South County Phase 2 Particulate Study, evaluated whether impacts from off-road vehicle activities at the Oceano Dunes State Vehicle Recreational Area (ODSVRA), the Phillips Refinery coke piles, and adjacent agricultural fields were contributing to the particulate problems on the Nipomo Mesa (SLOC APCD 2010). The Phase 2 portion of the study concluded that off-road vehicle activity in the ODSVRA is a major contributing factor to the PM concentrations observed on the Nipomo Mesa and that neither the petroleum coke piles at the Phillips

	facility nor agricultural fields or activities in and around the area are a significant source of ambient PM on the Nipomo Mesa. The composition of the particulates is predominately natural crustal particles. Odor issues would be nominal related to the Proposed Project. However, odor issues are a concern for the SMR and an odor minimization plan was required as part of the Throughput EIR prepared for the SMR by the County.
HOR-08	Phillips 66 has proposed a state-of-the-art fire protection system for the rail spur unloading rack. This fire protection system would be reviewed and approved by Cal Fire prior to commencing operations at the new unloading facility. The RDEIR contains numerous mitigation measures in Section 4.11, Public Services and Utilities, to ensure that the SMR Fire Brigade and the Cal Fire resources are sufficient before the project proceeds. These mitigation measures would be funded by Phillips 66 for the SMR requirements, and Phillips 66 and others for improvements along the mainline track, most likely as part of a "fair share" type arrangement. The mitigation measures at the SMR include 1) an updated Fire Protection Plan for the Rail Spur Project that meets all the applicable requirements of API, NFPA, UFC, and Cal Fire/County Fire; 2) an updated Emergency Response Plan to include the rail unloading facilities and operations; 3) an updated Spill Prevention Control and Countermeasure Plan to include the rail unloading facilities and operations; 4) requirements that the SMR fire brigade meets all the requirements outlined in Occupational Safety and Health Administration 29 CFR 1910.156, and NFPA 600 & 1081; 5) updated fire brigade staffing/training requirements and Cal Fire/County Fire funding requirements; 6) funding of a qualified Cal Fire inspector to conduct the annual fire inspections at the SMR; 7) funding of training for Cal Fire personnel, including field training, as per the Security and Emergency Response Training Center Railroad Incident Coordination and Safety (RICS) meeting Department of Homeland security, NIIMS, OSHA 29CFR 1910.120 compliance. The RDEIR contains a considerable amount of mitigation that may be within the jurisdiction of San Luis Obispo to require prior to project operations that address the potential for accidents, oil spills and emergency response. These include: Class I Impact HM.2 The potential for a crude oil unit train derailment would increase the risk to the public in the vicinity of the UPRR right-of-way. 1. HM-2a Only rail cars designed to FRA, July 23, 2014 Proposed Rulemaking Option 1: PHMSA and FRA Designed Tank Car as listed in Table 4.7.8, shall be allowed to unload crude oil at the Santa Maria

	Refinery. 2. HM-2b For crude oil shipments via rail to the SMR a rail transportation route analysis shall be conducted annually. The rail transportation route analysis shall be prepared following the requirements in 49 CFR 172.820. The route with the lowest level of safety and security risk shall be used to transport the crude oil to the Santa Maria Refinery. 3. HM-2c The Applicant's contract with UPRR, shall include a provision to require that Positive Train Control (PTC) be in place for all mainline rail routes in California that could be used for transporting crude oil to the SMR. 4. HM-2d The refinery shall not accept or unload at the rail unloading facility any crude oil or petroleum product with an API Gravity of 30° or greater. Class I Impact PS.4 Operations of the crude oil train on the mainline UPRR tracks would increase demand for fire protection and emergency response services along the rail routes. 1. PS-4a As part of the Applicant's contract with UPRR, it shall require that quarterly hazardous commodity flow information documents are provided to all first response agencies along the mainline rail routes within California that could be used by trains carrying crude oil to the Santa Maria Refinery for the life of the project. Only first response agencies that are able to receive security sensitive information as identified pursuant to Section 15.5 of Part 15 of Title 49 of the Code of Federal Regulations, shall be provided this information. This contract provision shall be in place and verified by the County Department of Planning and Building prior to delivery of crude by rail to the Santa Maria Refinery. 2. PS-4b Only rail cars designed to FRA, July 23, 2014 Proposed Rulemaking Option 1: PHMSA and FRA Designed Tank Car shall be allowed to unload crude oil at the Santa Maria Refinery. PS-4c As part of the Applicant's contract with UPRR, it shall require annual funding for first response agencies along the mainline rail routes within California that could be used by the trains carrying crude oil to the Santa Maria Refinery to attend certified offsite training for emergency responders to railcar emergencies, such as the 40 hour course offered by Security and Emergency Response Training Center Railroad Incident Coordination and Safety (RICS) meeting Department of Homeland security, NIIMS, OSHA 29CFR 1910.120 compliance. The contract shall require funding of a minimum of 20 annual slots per year for the life of the project. This contract provision shall be in place and verified by the Cal Fire/County Fire prior to delivery of crude by rail to the

	Santa Maria Refinery. 3. PS-4d As part of the Applicant's contract with UPRR, it shall require annual emergency responses scenario/field based training including Emergency Operations Center Training activations with local emergency response agencies along the mainline rail routes within California that could be used by the crude oil trains traveling to the Santa Maria Refinery for the life of the project. A total of four training sessions shall be conducted per year at various locations along the rail routes. This contract provision shall be in place and verified by the Cal Fire/County Fire prior to delivery of crude by rail to the Santa Maria Refinery. 4. PS-4e As part of the Applicant's contract with UPRR, it shall require that all first response agencies along the mainline rail routes within California that could be used by trains carrying crude oil traveling to the Santa Maria Refinery be provided with a contact number that can provide realtime information in the event of an oil train derailment or accident. The information that would need to be provided would include, but not be limited to crude oil shipping papers that detail the type of crude oil, and information that can assist in the safe containment and removal of any crude oil spill. This contract provision shall be in place and verified by the Cal Fire/County Fire prior to delivery of crude by rail to the Santa Maria Refinery. Class II Impact PS.3 The Rail Spur Project would increase demand for fire protection and emergency response services at the SMR. 1. PS-3A Prior to issuance of construction permits, the Applicant shall submit to Cal Fire/County Fire for review and approval a final Fire Protection Plan for the Rail Spur Project that meets all the applicable requirements of API, NFPA, UFC, and Cal Fire/County Fire. 2. PS-3b Prior to notice to proceed for the rail unloading facility, the Applicant shall update the SMR Emergency Response Plan to include the rail unloading facilities and operations. 3. PS-3c Prior to notice to proceed for the rail unloading facility, the Applicant shall update the existing SMR Spill Prevention Control and countermeasure Plan to include the rail unloading facilities and operations. 4. PS-3d Prior to notice to proceed for the rail unloading facilities, the Applicant shall assure that the existing SMR fire brigade meets all the requirements outlined in Occupational Safety and Health Administration 29 CFR 1910.156, and NFPA 600 & 1081. 5. PS-3e Prior to issuance of grading permits, the Applicant shall have an

	executed operational Memorandum of Understanding (MOU) with Cal Fire/County Fire that includes fire brigade staffing/training requirements and Cal Fire/County Fire funding requirements. This MOU shall be reviewed and updated annually by Cal Fire and the Applicant. 6. PS-3f Prior to issuance of grading permits, the Applicant shall have an agreement to reimburse Cal Fire/County Fire for time spent by a qualified fire inspector to conduct the annual fire inspections at the SMR including all structures, and support facilities consistent with Cal Fire/County Fire's authority and jurisdiction. The Applicant shall reimburse all costs associated with travel time, inspections, inspection training, and documentation completion. The reimbursement rate shall be according to the most recent fee schedule adopted by the San Luis County Board of Supervisors. 7. PS-3g Prior to issuance of grading permits, the Applicant shall have an agreement to reimburse Cal Fire/County Fire for offsite training for emergency responders to railcar emergencies, such as the 40 hour course offered by Security and Emergency Response Training Center Railroad Incident Coordination and Safety (RICS) meeting Department of Homeland security, NIIMS, OSHA 29CFR 1910.120 compliance. Initial training shall be two members of the Interagency Hazardous materials Response Team, two members of the interagency Urban Search and Rescue Team, and two members annually from Cal Fire/County Fire or fire districts in San Luis Obispo that have automatic aid agreements with Cal Fire/County Fire for a total of six slots per year for the life of the project. 8. PS-3h Prior to issuance of grading permits, the Applicant shall have an agreement to reimburse Cal Fire/County Fire for Fire Chief Officer attendance such as the 40 hour course offered by Security and Emergency Response Training Center; Leadership & Management of Surface Transportation Incidents. Funding shall be for two Fire Chief Officers annually for the life of the project. 9. PS-3i Prior to issuance of grading permits, the Applicant shall have an agreement with Cal Fire/County Fire to conduct annual emergency response scenario/field based training including Emergency Operations Center Training activations with the Applicant, Cal Fire/County Fire, UPRR, and other San Luis Obispo County First response agencies that have mutual aid agreements with Cal Fire/County Fire. These annual emergency response drills shall occur for the life of the project.
HOR-09	As discussed in Section 4.3, Air Quality and Greenhouse Gas Emissions, the percentage of vacuum resid is a measure of the amount of coke that could be produced at the refinery. Coke generated at the refinery is transported from the refinery via truck and rail. Increasing levels of vacuum resid would result in increased trucking and rail transport from the refinery. As shown in Table 4.3.13 the expected percentage of vacuum resid would remain about the same as the current operations. Therefore, coke production would not be expected to

	increase over current operations with the implementation of the Rail Spur Project changes in crude. A by-product of the refinery operations is elemental sulfur. The elemental sulfur that is produced by the refinery is trucked offsite. The potential crude delivered by rail could have slightly higher sulfur content then the typical crude blend that is currently being run by the refinery. However, the sulfur would be in the range of the major crude sources used at the refinery. This slight increase in sulfur content would not be expected to increase emissions from the sulfur plant, which has strict emission limits within the SLOCAPCD permit. It is possible that with the rail project crude there would be a slight increase in sulfur truck trips. The truck trips for sulfur were 1,624 in 2013. The refinery is limited to a maximum of 14 truck trips per day for sulfur. They are currently averaging about 6 truck trips per day assuming five days per week for trucking sulfur. Assuming an increase of 0.8% sulfur in the crude by weight the number of additional truck trips for sulfur would be about 309 per year (about one additional truck trip per day). This potential increase in sulfur truck trips would be within the truck trips currently allowed for the refinery (14 truck trips per day). The addition of one sulfur truck trips per day would not affect the traffic conclusions in the RDEIR. Both Highway 1 and Willow Road have adequate capacity to handle the traffic associated with the operation of the Rail Spur Project.
HOR-10	As discussed in Section 2.0, Project Description, the use of steam to heat the crude will be limited to once per year. The steam that would be used would be from the cogeneration unit so no additional water would be required. As shown in Figure 2.7 the steam would pass through coils on the outside of the tank cars to provide the heat. The steam would not come into direct contact with the oil so no treatment of the water for steam would be required above and beyond what is currently done for the water used in the cogeneration plant. Project related water supply and demand has been discussed in detail in Impact WR.6. The proposed Rail Spur Project would increase water demand by 250 gallons per day, or 0.3 AFY. With the Rail Spur and Throughput Increase Projects water demand at the SMR would be 1,111.3 AFY, which would be less than the 1,550 AFY of water available for SMR use under the Stipulation for the Santa Maria Groundwater Litigation. The estimated water demand in the NMMA in 2013 was about 16,349 AF (NMMA 2014), and the Rail Spur Project would only increase demand by 0.3 AFY. Therefore, water supply related impacts are considered less than significant. This finding is based on the groundwater rights of ConocoPhillips, as defined in the Stipulation. San Luis Obispo County is a signed party to the Stipulation and is bound by the water management agreement to comply with each and every term, which includes upholding ConocoPhillips groundwater rights. The rail spur project would not impact the current operations of the water

	treatment plant or the ocean outfall. The issues raised in the comment on the recovery of the ocean outfall water that is part of the current refinery operations is unrelated to proposed rail project.
HOR-11	This comment does not identify a specific environmental analysis or CEQA issue relative to the EIR and compliance with CEQA. The commenter's statements about the No Project Alternative being the preferred project, local crude supply, jobs, and impacts of an accident are included in the FEIR for the decision-makers' consideration as part of the County's deliberations on the proposed project.
HOR-12	This comment does not identify a specific environmental analysis or CEQA issue relative to the EIR and compliance with CEQA. The commenter's concerns about land use, economics and safety are included in the FEIR for the decision-makers' consideration as part of the County's deliberations on the proposed project.