Nancy Kitz

1046 55th Street
Sacramento, CA 95819

916 440 6450

nancy.kitz@comcast.net

November 24, 2014

Murry Wilson
Environmental Specialist
Department of Planning and Building
976 Osos Street, Room 300
San Luis Obispo, CA 93408-2040

Re: Public comment on Phillips 66 Rail Project

I live north of the proposed Phillips rail project and the 80-car trains that will come right through The City of Sacramento, our downtown, close to schools, residences, and businesses on a daily basis. This would be in addition to the hundreds of other rail cars currently using the area's rail lines on a daily basis.

The EIR states: "Trains could arrive at the Phillips 66 site from the north or the south. The feedstock would be sourced from oilfields throughout North America based on market economics and other factors. The most likely sources would be the Bakken field in North Dakota or Canada."

I do not believe that the EIR has properly reviewed the potential impacts on up-rail communities and am very concerned about the impact of an increased number of trains rumbling and screeching through my community every day, especially train cars carrying crude oil. KIN-01

The California Environmental Quality Act (CEQA) and the CEQA Guidelines require that the environmental analysis for an Environmental Impact Report (EIR) must evaluate impacts associated with a project and identify mitigation measures for any potentially significant impacts. This includes regional plans such as, applicable air quality attainment or maintenance plan or State Implementation Plan, area-wide waste treatment and water quality control plans, regional transportation plans, regional housing allocation plans, regional blueprint plans, plans for the reduction of greenhouse gas emissions, habitat conservation plans, natural community conservation plans and regional land use plans for the protection of the Coastal Zone, Lake Tahoe Basin, San

Francisco Bay, and Santa Monica Mountains (CEQA Guidelines Section 15125[d]).

According to the California Energy Commission, we can expect CA to import as much as 25% of its crude oil by rail within the next few years, translating into five or six trains per day passing through my community. Bencia, Bakersfield and Kern County have recently approved, or are considering the approval, of similar projects. This may mean dozens of trains moving oil through Sacramento in the near future. Given the cumulative impact of such increased crude-by-rail traffic, up-rail communities have much at risk and deserve a voice in the environmental review process. KIN-01 cont

Here are my concerns.

THE EIR FAILS TO DISCUSS, MUCH LESS MITIGATE, THE FOLLOWING:

1. Potential regional impacts on public safety, noise, air quality, energy conservation, transportation and greenhouse gas emissions, to name a few. KIN-02

2. There are no Federal Safety Regulations governing Phillips 66 crude by-rail scheme. KIN-03

3. Tar sands will be more energy intensive to refine and, moreover, due to the chemicals added to get the tar sands to flow into a rail car, the resultant thick bitumen has a high sulfur content and will be more dangerous to workers and, if transported, pose a higher danger to the environment. KIN-04

4. The impact on climate change. The EIR has avoided discussing the ultimate danger caused by extracting crude from the ground and, with the assistance of chemicals, transporting it through communities and sensitive habitats all across the country. KIN-05

Please forward my comments to the Commissioners and incorporate them as part of review of its DEIR.

Thank you,

Nancy Kitz

KIN-01	Section 4.7, Hazards and Hazardous Materials, discusses the cumulative risk levels associated with multiple projects along the same stretch of tracks (see section 4.7.6). Depending upon the mainline rail route and the location there could be as many as 8 to 16 crude oil trains per day (these are one-way trips). The EIR indicates that this would "represent a significant cumulative risk." The EIR identifies the principal cumulative crude by rail projects for risk and determines that cumulatively, these projects would produce a significant and unavoidable impact. Section 4.3, Air Quality and Greenhouse Gases, also addresses air quality impacts along the entire route and indicates that air quality impacts in different air basin would be a potentially significant impact. Cumulative impacts are also identified as being cumulatively significant. Section 4.3 also indicates that GHG emissions would be potentially significant and that the cumulative toxic air emission for trains operating on the same tracks could be potentially significant and unavoidable. The EIR addressed the other cumulative crude by rail project that could use the same track as the proposed project. Table 3.1 (see Chapter 3.0, Cumulative Projects) for a list of these cumulative crude by rail projects. On the stretch of track west of the Roseville rail yard there could be as many as 2,806 crude oil trains per year, or a peak of about 16 one-way trips per day.
KIN-02	Regional impacts related to air quality, which for criteria pollutants are regional by nature, and GHG impacts, which are global, are addressed in the EIR section 4.3, Air Quality. Impacts are found to be significant and the impacts of significant and unavoidable impacts are addressed in Table 4.3.21 related to ozone and mortality and morbidity. Section 4.7, Hazards and Hazardous Materials, addresses the risks of rail accidents along railways on a regional and statewide basis. Noise is also addressed for noise increases along mainline tracks, and therefore on a regional basis, in Section 4.9, Noise and Vibration.
KIN-03	The RDEIR addresses impact of the crude oil trains traveling along the mainline rail routes including the up-rail communities such as Sacramento. The RDEIR address impacts such as noise (Section 4.9), hazards (Section 4.7), air quality (Section 4.3), rail traffic (Section 4.12), etc. along all of the mainline rail routes between the SMR and Roseville/ Colton, and to a lesser level of detail from Colton/Roseville to the California Border and beyond. The RDEIR addresses consistency with applicable plans and policies (see Section 4.8, Land Use and Recreation) and Appendix G. The EIR does not attempt to determine consistency with other County and City polices since the local decision makers can only determine consistency with their land use policies. In addition, no other local or State agency has a discretionary action on this project. The County of San Luis Obispo's discretionary action is related to approval of the onsite portion of the project that is being proposed by Phillips 66. No discretionary action is required by any governmental agency regarding the movement of crude oil trains by UPRR

	along their mainline tracks. The cumulative impact discussions provided in Chapter 2.0, Environmental Analysis, discusses the impacts of the cumulative crude by rail projects listed in Table 3.1 (see Chapter 3.0, Cumulative Project Description). This list includes a number of crude by rail projects that would pass through Sacramento.
KIN-04	The refinery already treats a wide variety of crude oil from different sources, many of which are of similar quality to tar sands. The refinery is specifically designed to treat heavy, low quality crude oil. The refining of the different crude slate associated with this project would not produce different GHG emissions at the SMR than the normal range of crude oils refined at the SMR. Note that some Canadian crude oils are currently being processed at the SMR, transported by rail to Bakersfield, then by truck to the SMPS. GHG emissions are attributable to removal of the heavier ends, such as at the SMR, and associated with the cracking and formulation of lighter ends, such as gasoline, at the Rodeo Refinery. These activities would be within the range of normal activities at each refinery. The main difference in GHG emissions occurs at the extraction point, where extracting the tar sands generally produces substantially higher GHG per bbl of crude oil than convention methods, depending on the level of associated gas and the use of that gas. The RDEIR examined changes in emissions associated with a change of slate, as indicated in Section 4.3.4.2, Air Quality and Greenhouse Gases, which sates " For the SMR, key crude slate parameters that could impact air emissions include the percent of BTEX, vacuum resid, sulfur and metals in the crude oil. " The BTEX was analyzed in the health risk assessment to determine the increased health risk. Increased sulfur was assessed as to the increased sulfur truck trips that would be required. None of the other components would alter the emissions at the refinery as the heavy metals would not be emitted into the air from the SMR. Note that as the API gravity would be similar, the emissions of volatile components (ROG) from fugitive emissions would be similar with the change in crude slate. BTEX levels of Canadian tar sands crude oil are similar to other heavy crude oil processed by the SMR and the RDEIR demonstrates that any increases in BTEX would generate a nominal increase in health risk. See Response to CBE-21 and CBE-23. The metals in the tar sands oil would not be volatilized at the SMR or along transportation routes and would therefore not contribute to increases in air-based health risk. The Canadian tar sands are not as "explosive" as Bakken crude oil and present similar risks to the rail transportation of heavy crudes that currently occur within California and through SLOC.

	The use of higher sulfur crude oils would increase the amount of sulfur produced at the SMR. This increase in sulfur and the associated truck trips are addressed in the RDEIR in Section 4.3, Air Quality and Greenhouse Gases. Emissions of sulfur dioxide are not anticipated to increase as most of the sulfur in the crude is removed as elemental sulfur and trucked from the site and the SLOCAPCD has limits on the emissions of sulfur dioxide from the refinery processing equipment. As the SMR already processes heavy crude oils, and the tar sands crude oils would have a similar proportion of heavier materials, the production of coke is not expected to change with the project. Additional information on the make up the projected crudes compared with the current crude slate at the SMR is provided in Chapter 2.0, Project Description. The increased levels of nickel, vanadium, lead and copper do not affect air emissions as none of the crude oil is combusted and none of the metals are carried over in the fuel gas. The metals would remain in the coke. Sulfur production would increase producing potentially more sulfur trucks trips, as discussed in the RDEIR in Section 4.12, Transportation and Circulation. 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 (SVRA), 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 SVRA 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. The SLOCAPCD has determined that the dune complex along the coast of the Five Cities area is the source of the high particulate matter levels measured at the South Coast stations (SLOCAPCD Annual Emissions Report, 2013). The SMR has a coke dust plan to reduce coke dust and it does involve watering. However, the proposed Project is not anticipated to increase coke handling or contribute to dust particulate levels in the area. Air quality violations on the mesa a primarily associated with natural crustal particulates. The RDEIR also provides separate discussions of specific issues associated with the change in crude slate and impacts associated with the unique qualities of Canadian Tar Sands and other crude oil sources. For example, Impact HM.3 provides a clear evaluation of potential impacts associated with potential changes in the refinery crude slate, while Impact WR.3 provides a detailed discussion of oil spill cleanup challenges associated with dilbit crudes.
KIN-05	The RDEIR states that GHG emissions associated with crude oil transportation

	by rail would produce significant and unavoidable impacts. Emissions can be offset through the use of emissions offsets, as are available from a number of different sources for GHG. However, as indicated in Section 4.3 (Air Quality and Greenhouse Gases) of the RDEIR, it is uncertain if Air Districts could require GHG offsets due to Federal preemption and the impacts associated with the GHG emissions would remain significant and unavoidable. The additional GHG emissions associated with mining the tar sands would occur no matter the destination of the crude oil, whether the crude oil is destined for the SMR, or other locations within the U.S. GHG emissions from end-use of the crude oil (gasoline, diesel, etc) would occur regardless of whether this project is approved or not.