Thomas M. Ryan, CPA
1836 Nathan Way
Nipomo, CA 93444

RECEIVED
NOV 20 2014
SLO CO PLAN & BLDG DEPT

November 15, 2014

Murry Wilson
San Luis Obispo County Department of Planning and Building
Room 200
976 Osos Street
San Luis Obispo, California 93408

Mr. Wilson,

I am asking you to NOT recommend the Phillips 66 request to build a crude oil rail terminal at the refinery in Arroyo Grande.

The current pollution from the recreational vehicles riding on the dunes and from the activities at the refinery exceeds California State Air Quality Standards many days every year.

Do NOT let Phillips build the crude oil rail terminal. The California State Parks and the current operations of the Phillips refinery must be corrected before anything else is built on the Mesa.

The health of the local residents should come first, before the recreation of out-of- towners and the profits of Phillips 66.

RYT-01

Thank you.

Thomas Ryan

Thomas Ryan

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SLO CO PLAN & BLDG DEPT

November 16, 2014

Murry Wilson
San Luis Obispo County Department of Planning and Building
Room 200
976 Osos Street
San Luis Obispo, California 93408

Mr. Wilson,

I am asking you to NOT recommend the Phillips 66 proposed crude oil rail terminal at the refinery in Arroyo Grande.

The residential community of Trilogy Monarch Dunes/Woodlands, which is just 2,600 yards from the site of the proposed rail terminal, will be negatively impacted by the proposed rail terminal.

Currently, there is a substantial buffer zone between the refinery operations and the residential community. Phillips stated in their REIR that this buffer zone collects the dust, etc. from the Pet Coke storage piles. In addition to the collection of Pet coke dust, the buffer zone mitigates the noise pollution, light pollution, etc. from the refinery operations.

RYT-02

The residential community and the refinery currently live in harmony. A proposed crude oil rail terminal will totally change that.

The San Luis Obispo County Planners approved the building of the Trilogy Monarch Dunes/Woodlands with the existing buffer in place. Any crude oil rail terminal built on the buffer zone would be directly in contradiction with the land use that was envisioned by the Planners. A crude oil rail terminal would be a far greater INTENSE ACTIVITY .

You just don't put a polluting facility adjacent to a beautiful residential community. The buffer area on the Phillips 66 property needs to remain undisturbed.

Thank you.

Thomas Ryan

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Thomas M. Ryan, CPA
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RECEIVED
NOV 21 2014
SLO CO PLAN & BLDG DEPT

November 17, 2014

Murry Wilson
San Luis Obispo County Department of Planning and Building
Room 200
976 Osos Street
San Luis Obispo, California 93408

Mr. Wilson,

I am asking you to NOT recommend the Phillips 66 proposed crude oil rail terminal at the refinery in Arroyo Grande.

The residential community of Trilogy Monarch Dunes/Woodlands, which is a very short distance from the site of the proposed rail terminal, will be negatively impacted by the proposed rail terminal.

Currently, there are another five hundred homes and a hotel approved to be built within the Trilogy Monarch Dunes/Woodlands Community. With the construction of the homes and hotel come hundreds of jobs. They are the kind of good jobs needed by San Luis Obispo County. RYT-03

These jobs will be in all areas from construction to service industries and retail sales. This is juxtaposed by the increase of only 12 jobs at the Phillips 66 refinery as a result of the construction of a crude oil rail terminal.

If Phillips 66 is allowed to build a crude oil rail terminal, those hundreds of good jobs are in jeopardy.

Do NOT approve the Phillips 66 crude oil rail terminal project.

Thank you.

Thomas Ryan

Thomas Ryan

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RECEIVED
NOV 21 2014
SLO CO PLAN & BLDG DEPT

November 18, 2014

Murry Wilson
San Luis Obispo County Department of Planning and Building
Room 200
976 Osos Street
San Luis Obispo, California 93408

Mr. Wilson,

I am asking you to NOT approve the Phillips 66 proposed crude oil rail terminal at the refinery in Arroyo Grande.

If the Phiilips 66 crude oil rail terminal is built, then there will be agricultural impacts all along the main rail line running through our county. Per the REIR there is a Class I danger to all the citizens of SLO County by crude oil trains potentially derailing along the mainline.

These dangers are:

- "The addition of up to five train round trips per week on the UPRR mainline routes would increase the potential for spills or fire-related impacts on adjacent agricultural soils in the event of an accident, derailment or other upset conditions during transport along the mainline routes."
- "The worst case spill from a unit train on the mainline tracks was assumed to be 180,000 gallons (about six tanker cars)." RYT-04
- "The project could result in effects that impair adjacent agricultural uses along the UPRR mainline in the event of a derailment and/or spill, including the generation of contaminated air emissions, soil and water contamination, and increased risk of fire, which have the potential to adversely affect adjacent agricultural areas."
- "An accident along the mainline routes could also create a fire hazard in agricultural areas, which could spread substantially beyond the areas directly adjacent to the tracks. The mainline rail routes pass through numerous prime, statewide or local important farm lands. All of these agricultural areas could be impacted in the unlikely event of an oil spill in close proximity to these areas. In the event of an oil spill adjacent to these areas, there could be a complete loss of the agricultural resources due to fire or oil spill in the vicinity of the impact area."

The Phillips 66 proposal would add 520, 1.5 mile-long trains to SLO County, entering and leaving each year. That's why the REIR classifies the above threats as "Class I" impacts. There would be no way to prevent potential derailments and all of the outcomes from them.

Thomas M. Ryan, CPA
1836 Nathan Way
Nipomo, CA 93444

A derailment would cause spoilage of SLO County's agricultural resources will also result in a destruction of our County's reputation for growing wine, strawberries, and other crops vital to tourism and our economy. The REIR should be rewritten to expand upon the devastating impact oil spills, fires, etc., could have on the economy and reputation of the County's agricultural businesses. RYT-04 (cont.)

Therefore, the crude oil rail terminal project should be rejected. If there is no rail terminal, there will be no impact on our agricultural resources.

Thank you.

Thomas Ryan

Thomas M. Ryan, CPA
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Nipomo, CA 93444

RECEIVED
NOV 21 2014
SLO CO PLAN & BLDG DEPT

November 19, 2014

Murry Wilson
San Luis Obispo County Department of Planning and Building
Room 200
976 Osos Street
San Luis Obispo, California 93408

Mr. Wilson,

I am asking you to NOT approve the Phillips 66 proposed Rail Spur Project at the refinery in Arroyo Grande.

In the new Phillips 66 REIR, the following five project impacts were classified as Class I:

1. Operational activities associated with the Rail Spur Project at the Refinery would generate criteria pollutant emissions that exceed SLOCAPD thresholds.
2. Operational activities of trains along the mainline rail route outside of SLO County associated with the Rail Spur Project would generate criteria pollutant emissions that exceed thresholds.
3. Operational activities at the Refinery associated with the Rail Spur Project would generate toxic emissions that exceed SLOCAPCD thresholds.
4. Operational activities of trains along the mainline rail route associated with the Rail Spur Project would generate toxic emissions that exceed thresholds.
5. Operational activities associated with the Rail Spur Project would generate GHG (greenhouse gas) emissions that exceed SLOCAPCD thresholds.

RYT-05

These Class I impacts are more than substantial.

The REIR offers no mitigation of the actual emissions resulting from the Rail Spur Project. The REIR only offers the Federal preemption for rail traffic operating on the main Union Pacific rail lines; and offers emission credits to hypothetically clean up the air near the refinery. RYT-06

Therefore, the Phillips 66 Rail Spur Project crude oil rail terminal project should be rejected. If there is no crude oil rail terminal, there will be no additional Class I impacts on the people living in San Luis Obispo County. RYT-07

Thank you.

Thomas Ryan

From: Tom Ryan <whitneyhiker888@yahoo.com>
To: "p66-railspur-comments@co.slo.ca.us"
<p66-railspur-comments@co.slo.ca.us>
Date: 11/23/2014 02:16 PM
Subject: Opposed to the Phillips 66 Rail Terminal Project

Mr. Murry Wilson, SLO County Planning Department,

Please DO NOT APPROVE the plan for a proposed crude oil rail terminal to be built at the Phillips 66 refinery in Arroyo Grande.

The crude oil that is targeted to be brought in by rail car is the Canadian tar sands crude oil. This Canadian tar sands crude oil is more volatile and contains more harmful chemicals than the local crude oil that is currently being supplied to the refinery. RYT-08

Nowhere in the REIR document does Phillips calculate the increase in the air pollution attributable to this new refinery feedstock.

The operations at the refinery currently fail to meet California air quality standards on well over 60 days per year. These failures will only increase with a lower quality feedstock being run through the refinery. On top of that, the emissions from the unloading of rail cars and the associated locomotives spewing diesel fumes will exacerbate the air quality problems. RYT-09

At a meeting of the South County Advisory Board about a month ago in the Community Services Center in Nipomo, I asked Jim Anderson (Superintendent of the Phillips refinery and a Petroleum Engineer) about the quality of the crude oil proposed to be brought in by rail car. Jim's reply to my question was that the heavy crude to be brought in by rail car (which is reported to be Canadian tar sands crude oil) will be of the same quality as the heavy crude oil that is currently being supplied to the refinery through the pipeline from Santa Maria. RYT-10

It appears from what I have read in the newspapers about Canadian tar sands crude oil, Jim did not tell the whole truth.

Please check the details behind the differences in the current crude oil being run through the refinery and the details of the Canadian tar sands crude oil to be brought in by rail car. This appears to be another instance of "hide the ball." RYT-11

The REIR should fully disclose the differences of the crude to be brought in to the refinery and the differences of air pollution as a result of the change in crude oil feed stocks. This is a big part of what will change the environment in San Luis Obispo County. RYT-12

Thank you.

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1836 Nathan Way
Nipomo, CA 93444

From: Tom Ryan <whitneyhiker888@yahoo.com>
To: "p66-railspur-comments@co.slo.ca.us"
<p66-railspur-comments@co.slo.ca.us>
Cc: "jim@jimirving.com" <jim@jimirving.com>, "ktopping@calpoly.edu"
<ktopping@calpoly.edu>, "frenchbicycles@gmail.com"
<frenchbicycles@gmail.com>, "elcarroll@co.slo.ca.us"
<elcarroll@co.slo.ca.us>, "rhedges@co.slo.ca.us"
<rhedges@co.slo.ca.us>, "cray@co.slo.ca.us"
<cray@co.slo.ca.us>, "bgibson@co.slo.ca.us"
<bgibson@co.slo.ca.us>, "ahill@co.slo.ca.us"
<ahill@co.slo.ca.us>, "darnold@co.slo.ca.us"
<darnold@co.slo.ca.us>, "fmecham@co.slo.ca.us"
<fmecham@co.slo.ca.us>, "boardofsups@co.slo.ca.us"
<boardofsups@co.slo.ca.us>, "sups@co.slo.ca.us"
<sups@co.slo.ca.us>, "lreynolds151@gmail.com"
<lreynolds151@gmail.com>
Date: 11/23/2014 02:46 PM
Subject: Opposed to the Phillips 66 Rail Terminal Project

Mr. Murry Wilson, SLO County Planning Department,

Please DO NOT APPROVE the plan for a proposed crude oil rail terminal to be built at the Phillips 66 refinery in Arroyo Grande.

Phillips 66 did not comment on the fact that the Santa Maria Refinery (located in Arroyo Grande, CA) is inexplicably linked to the Phillips 66 Refinery in the San Francisco Bay Area (located in Rodeo, CA). This would make the Phillips 66 REIR a piecemeal review.

The California Environmental Quality Act (CEQA) forbids “piecemeal” review of the significant environmental impacts of a project (see Banning Ranch Conservancy v. City of Newport Beach, 211 Cal.App.4th 1209, December 12, 2012). RYT-13

I know that the refinery in Arroyo Grande and the refinery in Rodeo are linked from two sources. The first is from reading a prior year's Phillips 66 Annual Report; and the second is from my own experience as a Unocal employee in the late 1980s. Prior to Phillips 66 owning and operating the linked refineries, they were owned and operated by Unocal (aka Union 76).

The REIR should be rejected as CEQA forbids a piecemeal review, and is therefore this document is significantly incomplete.

Thank you.

Thomas M. Ryan, CPA
1836 Nathan Way
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From: Tom Ryan <whitneyhiker888@yahoo.com>
To: "p66-railspur-comments@co.slo.ca.us"
<p66-railspur-comments@co.slo.ca.us>
Date: 11/23/2014 03:55 PM
Subject: Opposed to the Phillipps 66 Rail Terminal Project

Mr. Murry Wilson, SLO County Planning Department,

DO NOT APPROVE the plan for a proposed crude oil rail terminal to be built at the Phillips 66 refinery in Arroyo Grande.

The San Luis Obispo County Planners previously approved a residential housing development in Nipomo called the Woodlands. It is also known as Trilogy and as Monarch Dunes.

After the development received approval by the your office, hundreds of homes have been built according to the plan submitted. The residents of that development bought those homes knowing that the state and local governments would enforce the air quality standards. RYT-14

Currently, there are issues with the California State Parks Department meeting the air quality standards for particles in the air than blow off the Dunes as a result of off-road vehicles.

In addition, Phillips 66 has failed to operate within California air quality standards for over 60 days every year. RYT-15

The residents of the Woodlands development currently endure two sources of unlawful air pollution. The proposed Phillips 66 Rail Terminal Project would introduced yet another deadly source of increased air pollution.
This new proposed source of air pollution is too much. No amount of Air Quality Emission Credits bought by Phillips 66 will offset the deadly air pollution put upon the residents of the Woodlands. RYT-16

It should not be legal to kill people.

I contend it was not the intent of County Planners to approve the Woodlands residential development, and then bombard them with additional dangerous air pollution. Rather than that, I feel the County Planners intended the existing buffer area between the refinery facilities and the Woodlands development remain as a buffer to collect PetCoke dust from the storage piles next to the refinery facilities. RYT-17

The Phillips 66 Rail Terminal Project should be rejected. The buffer zone, between the current refinery facilities and the Woodlands, should remain as it has been since the late 1950s.

Thank you.

Thomas M. Ryan, CPA
1836 Nathan Way
Nipomo, CA 93444

From: Tom Ryan <whitneyhiker888@yahoo.com>
To: "p66-railspur-comments@co.slo.ca.us"
<p66-railspur-comments@co.slo.ca.us>
Date: 11/23/2014 03:59 PM
Subject: Opposed to the Phillips 66 Rail Terminal Project

Mr. Murry Wilson, SLO County Planning Department,

Please DO NOT APPROVE the plan for a proposed crude oil rail terminal to be built at the Phillips 66 refinery in Arroyo Grande.

Approximately two years ago Phillips 66 provided your office with information detailing the importance for them to be given approval to increase the capacity of the refinery in Arroyo Grande by 10%. There was no mention of Phillips' being worried about obtaining enough local crude oil to meet this increase in capacity.

Now, after getting your approval for an increase in capacity, there is magically a threat of not enough local crude to meet the needs of the refinery. Because of this so called threat of not enough local crude oil, Phillips insists they need to build a huge crude oil rail terminal that could bring in 100% of the crude oil needs of the refinery.

RYT-18

This threat is a fabrication. If you read the crude oil reserve estimates of the area oil producers (in annual reports and in articles published in the Oil & Gas Journal), there is NO threat.

Phillips 66 merely wants to bring low cost Canadian tar sands crude to the Arroyo Grande refinery in order to increase its profits. They do not care how much increased air pollution that citizens of San Luis Obispo County must breathe. Phillips 66 is motivated by profits.

Do not spoil the reputation of our beautiful county, just to allow Phillips 66 to make more money.

The Phillips 66 Rail Terminal Project should be rejected.

Thank you.

Thomas M. Ryan, CPA
1836 Nathan Way
Nipomo, CA 93444

Responses to Thomas M. Ryan Comments

RYT-01	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, criteria air emissions and health risks. The commenter's statement about air issues are included in the FEIR for the decision-makers' consideration as part of the County's deliberations on the proposed project. The EIR concludes that emissions of criteria, GHG and toxic pollutants would exceed the SLOCAPCD thresholds and would be a significant impact.
RYT-02	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 the safety and environmental impacts of the project are included in the FEIR for the decision-makers' consideration as part of the County's deliberations on the proposed project.
RYT-03	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 impacts to existing and future residences and development at Monarch Dunes/Woodlands Community has been included in the FEIR for the decision-makers' consideration as part of the County's deliberations on the proposed project.
RYT-04	The majority of the comment provides quotes from the RDEIR to indicate the potential impacts from the proposed project. The comment does not identify a specific environmental analysis or CEQA issue relative to the EIR and compliance with CEQA. Therefore, no further response is required to the list of dangers in the comment. As shown in Appendix A of the RDEIR each of the 80 tank cars and two buffer cars would be 60 feet long, and the three locomotives would be 90 feet long. This would make the total train length 5,190 feet (82*60+90*3=5,190), not 1.5 miles as stated in the comment. With regard to impacts to the economy and reputation of the County's agricultural businesses from an oil spill or fire, 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 a spill or fire-related incident could cause damage to the economy and reputation of agricultural businesses along the mainline, these effects would not constitute or cause a physical change in the environment above those already described and discussed in the RDEIR. Therefore, no additional economic analysis is required by CEQA. The RDEIR found that impact from oil spills along the mainline rail routes would be significant and unavoidable (Class I) for agriculture, public safety,

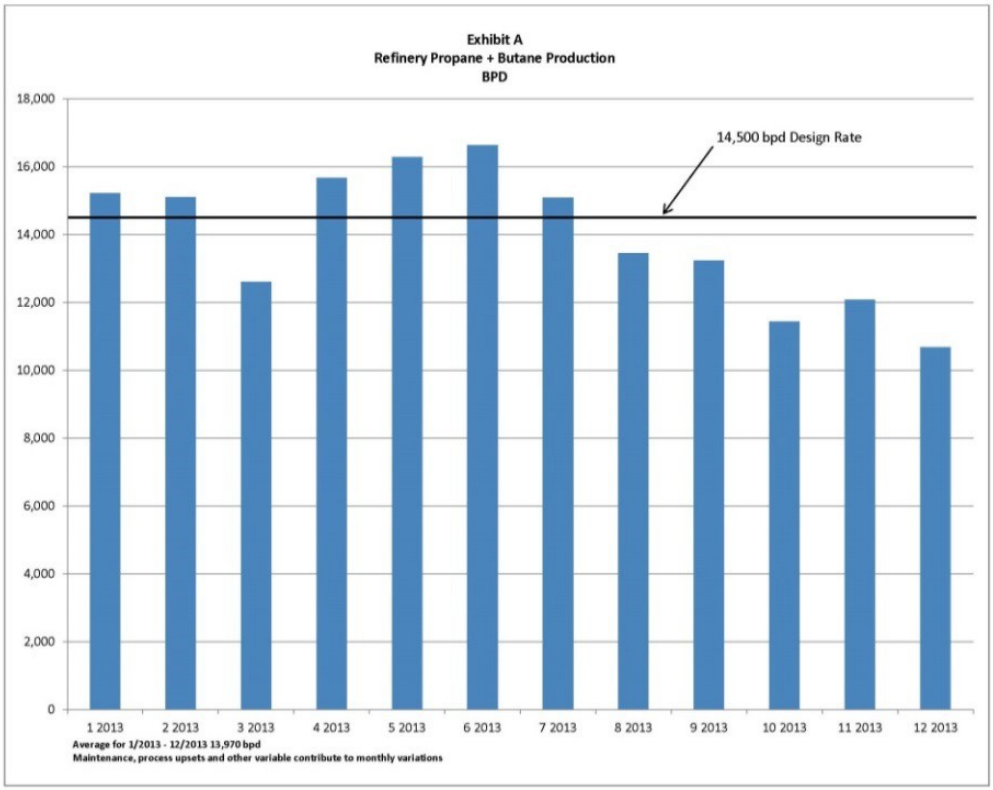
	water resources, and biological resources.
RYT-05	This comment does not identify a specific environmental analysis or CEQA issue relative to the EIR and compliance with CEQA. The comment just lists the Class I impact identified in the RDEIR and that these impacts make the project unacceptable. The commenter's concerns about the Class I impacts identified in the RDEIR are included in the FEIR for the decision-makers' consideration as part of the County's deliberations on the proposed project.
RYT-06	The RDEIR states clearly that, if the project is preempted, that the County would not be able to require the mitigation, including the emission reduction credits. The discussion under Impact AQ.2 (see Section 4.3, Air Quality and Greenhouse Gases) states "For the mainline rail emissions it is possible that contractually the Applicant could require the use of lower emission locomotives such as Tier 4 locomotives. However, since these are operated by UPRR on UPRR track a requirement that the Applicant enter into this type of contractual provision may be preempted by Federal law. The County may also be preempted by Federal law from requiring emission reduction credits for main line rail emissions. Due to the possible preemption by Federal law which could prevent the mitigation measures from being implemented (outside of the SMR facility boundary), emission reduction credits might not be achievable". The RDEIR provides for the calculations if the mitigation can be applied, in order to provide for full disclosure, as well as the situation if mitigation cannot be applied (significant and unavoidable).
RYT-07	This comment states that there will be no additional Class I impacts to people living in the County under the No Project Alternative. Annual GHG emissions would increase with the No Project Alternative due to the additional truck emissions and would remain significant and unavoidable (Class I).
RYT-08	The RDEIR examined changes in emissions associated with a change of slate as part of Impact AQ.2 (see Section 4.3, Air Quality and Greenhouse Gases). 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. See Appendix B.2. 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 EIR demonstrates that any increases in BTEX would generate a nominal increase in health risk. See Appendix B.2. The potential increase in BTEX has been addressed in the EIR. See Impacts AQ.2 and AQ.4 in Section 4.3, Air Quality and Greenhouse Gas Emissions.

	However, during the Enbridge Spill, 1,086 air samples of benzene levels, for example, were measured and 21 of the samples showed air concentrations above the EPA action levels (http://www.epa.gov/enbridgespill/data/dataair.html) of 6 ppb, indicating that some volatiles were present in the spilled materials although not very much. Sampling conducted by the Michigan Department Of Natural Resources And Environment Environmental Laboratory on the crude oil in the Enbridge pipeline (which was dilbit from Canada, same as would be expected for the proposed project) indicated that benzene could be as high as 1,100 ppm in the crude, Xylene as high as 1,200 ppm and Toluene as high as 1,900 ppm (measured as mg/kg) (http://www.epa.gov/enbridgespill/data/index.html#aqdata). The results indicated a BTEX concentration of about 0.50%, or, as per Table 4.3.13 in the RDEIR, within or below the range of crude oils currently processed by the SMR. The Keystone Pipeline FEIS (2013) also examined a wide range of crude oils and demonstrated that the " BTEX content of the dilbits [from Canada] is much lower than that of many lighter crude oils" The EIR analyzed a BTEX concentration of 1.25% to be conservative which indicated nominal increases in health risk. BTEX levels of the proposed project crude do not present a "far greater" amount of BTEX from fugitive components. In addition, fugitive emissions from components are estimated based on industry-wide average emission rates developed by the EPA and include a wide range of crude oil types, volatilities, BTEX fractions and compositions. The EIR demonstrated that changes to health risk due to a potential increase in BTEX to 1.25% are nominal and do not require further analysis. See Appendix B.2. 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.
RYT-09	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, criteria air emissions and health risks. The commenter's statement about air issues are included in the FEIR for the decision-makers' consideration as part of the County's deliberations on the proposed project. The EIR concludes that emissions of criteria, GHG and toxic pollutants would exceed the SLOCAPCD thresholds and would be a significant impact. 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. 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.
RYT-10	The RDEIR examined changes in emissions associated with a change of slate as part of Impact AQ.2 (see Section 4.3, Air Quality and Greenhouse Gases). 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. See Appendix B.2. 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 EIR demonstrates that any increases in BTEX would generate a nominal increase in health risk. See Appendix B.2. The potential increase in BTEX has been addressed in the EIR. See Impacts AQ.2 and AQ.4 in Section 4.3, Air Quality and Greenhouse Gas Emissions. However, during the Enbridge Spill, 1,086 air samples of benzene levels, for example, were measured and 21 of the samples showed air concentrations above the EPA action levels (http://www.epa.gov/enbridgespill/data/dataair.html) of 6 ppb, indicating that some volatiles were present in the spilled materials although not very much. Sampling conducted by the Michigan Department Of Natural Resources And Environment Environmental Laboratory on the crude oil in the Enbridge pipeline (which was dilbit from Canada, same as would be expected for the proposed project) indicated that benzene could be as high as 1,100 ppm in the crude, Xylene as high as 1,200 ppm and Toluene as high as 1,900 ppm (measured as mg/kg) (http://www.epa.gov/enbridgespill/data/index.html#aqdata). The results indicated a BTEX concentration of about 0.50%, or, as per Table 4.3.13 in the

	RDEIR, within or below the range of crude oils currently processed by the SMR. The Keystone Pipeline FEIS (2013) also examined a wide range of crude oils and demonstrated that the "BTEX content of the dilbits [from Canada] is much lower than that of many lighter crude oils" The EIR analyzed a BTEX concentration of 1.25% to be conservative which indicated nominal increases in health risk. BTEX levels of the proposed project crude do not present a "far greater" amount of BTEX from fugitive components. In addition, fugitive emissions from components are estimated based on industry-wide average emission rates developed by the EPA and include a wide range of crude oil types, volatilities, BTEX fractions and compositions. The EIR demonstrated that changes to health risk due to a potential increase in BTEX to 1.25% are nominal and do not require further analysis. See Appendix B.2. 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.
RYT-11	See Response to RYT-08.
RYT-12	Crude oil properties of current crudes and proposed Project crudes are discussed in the RDEIR in Section 4.3 (Air Quality and Greenhouse Gases), Table 4.3.13. See Response to RYT-08.
RYT-13	Operations at the Rodeo Refinery are not anticipated to change with the processing of Rail Spur Project crude oil. The refinery currently handles heavy crude oil and the characteristics of the Rail Spur Project crude oil are similar to current heavy crude oils. Section 4.3, Table 4.3.13 summaries the different characteristics of the crude oils. BTEX levels may increase (although some tar sands crude oils have lower percentages of BTEX than the heavy crudes currently being processed. The SMR refinery ships naphtha and gas oils via pipeline to the Rodeo Refinery. Both of these are semi-refined products. The composition of these two products is not expected to change with the Rail Spur Project. As discussed in the Project Description (Chapter 2.0) the SMR currently processes a range of crude oils from different sources, and the crudes vary from time to time. In addition, the refinery often blends crudes from multiple sources prior to processing. A comparison of crude oils and their characteristics demonstrates that the crudes likely to be received by unit train would be comparable to those currently or recently processed at the SMR. The SMR is not requesting any changes or modifications to its crude unit or other processing units that would allow it to process any crude types that it can't be process currently. The only proposed change to the Rodeo Refinery is the Propane Recovery

	Project. The Rodeo Refinery (SFR) produces gases as a byproduct of the refining process, and these gases are used as fuel in various refinery processes (referred to as "refinery fuel gas" or "RFG"). Currently, the propane and part of the butane generated at the SFR is used as RFG. Instead of using the propane and butane as fuel at the SFR, the Propane Recovery Project will allow Phillips 66 to recover, store, and ship propane and additional butane via rail to outside customers. Therefore, the primary project objective is to recover liquid petroleum gases ("LPGs" *i.e.*, propane and butane) that already exist in the RFG. The Propane Recovery Project will not cause or require an increase in the amount of recoverable LPG present in the RFG; it will simply allow recovery of the LPGs that already are present in the RFG. The Propane Recovery Project is designed to remove up to 14,500 barrels of LPGs per day. Data regarding actual LPG content of the RFG is consistent with the design basis for the project. The figure below shows that, for the twelve month period from January through December 2013, the average LPGs in the Rodeo RFG was 13,970 barrels per day. The equipment design is a limiting factor on the amount of propane and butane that can be captured and stored, regardless of how much propane and butane can be produced by the SFR in the future or what type of crude oil is processed. Phillips 66 specified this design basis in the application to the Bay Area Air Quality Management District for an authority to construct the Propane Recovery Project, and it has been translated into an enforceable condition included in the draft permit prepared by the air district. Therefore, the amount of propane and butane to be extracted once the Propane Recovery Project is operational will be constrained by the physical design of the equipment and the permit limits. Most of the LPG produced at the SFR does not arrive as propane and butane in crude oil or in the semi-refined products received from the Santa Maria Refinery (SMR). Rather, the vast majority of LPG produced at the SFR is created through the refining process itself. As explained above, the design capacity of the Rodeo Propane Recovery Project was sized to recover LPGs that are currently being produced and burned as part of the refinery fuel gas at the SFR. No changes in the crude delivery system, type of crude or operations at the SMR are needed in order to fully utilize the propane recovery unit in Rodeo.



The commenter's have overlooked the fact that the refining process at the SFR itself accounts for 90% of the propane and butane currently produced and proposed to be recovered by the Rodeo Propane Recovery Project. As described at pages 3-8 to 3-9 of the Recirculated Draft Environmental Impact Report for the Propane Recovery Project, the refining process incorporates four primary functions: separation, conversion, purification and blending. Crude oil and other incoming feed streams contain mixtures of various hydrocarbon compounds that can be separated using distillation and fractionation in the first step of the refining process. At the SFR, a small amount of butane and propane is separated from the crude oil in these first stage processes. However, butane and propane are also created from other hydrocarbon compounds during the conversion phase of the refining process. Overall approximately ten percent of the LPG (combined butane and propane) arrives as identifiable fractions of the crude oil, and the balance of approximately ninety percent is created in the refining processes (cracking units).

Since LPG in the crude oil accounts for only a very small fraction (approximately ten percent) of the total LPG produced at the SFR, a change in crude oil LPG content in Santa Maria or in Rodeo would have very little effect on the volume of LPG available for recovery at Rodeo.

As discussed in the Recirculated Draft Environmental Impact Report for

	the Propane Recovery Project Section 3.4.2.1, and shown in Figure 3-7, the proposed Project's design basis was derived from data taken at the Refinery in August, 2011. In the same section, the RDEIR for the Propane Recovery Project also provides an update to substantiate this 2011 design basis with the most recent full year (2013) of RFG data from the Refinery in Figure 3-8. This figure shows that for 2013 an average of 13,970 barrels per day (BPD) of propane and butane were available and that monthly this quantity of propane and butane varies. Note that between the 2011 design basis and the 2013 data, no change to crude feedstock, such as those of concern to commenter's, had been made. These data provide the substantial evidence to support the "independent utility" of this Project and further support that the EIR has not inappropriately piecemealed or segmented this Project.
RYT-14	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, criteria air emissions and health risks. The commenter's statement about air issues are included in the FEIR for the decision-makers' consideration as part of the County's deliberations on the proposed project. The EIR concludes that emissions of criteria, GHG and toxic pollutants would exceed the SLOCAPCD thresholds and would be a significant impact.
RYT-15	The commenter may be referring to Table 4.3.2 in the RDEIR, which lists 60 days the State PM_{10} >50 µg/m3/24-hour standard was exceeded in 2013 at the Nipomo Monitoring Stations. The exceedance for particulate matter listed in the table are from all area sources, including the dunes, and are not from any single source such as the Phillips 66 refinery. 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. 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.
RYT-16	Offset credits are used in the EIR to mitigate the impacts of criteria pollutant emissions, which can contribute to the formation of ozone throughout the air

	district. Emissions of toxic pollutants contribute to cancer risks and are generally more local impacts. Emission credits are not proposed for these impacts. The use of DPM credits was removed from the final EIR. The mitigation measures for toxic impacts are to utilize Tier 4 locomotives, which are substantially cleaner than most locomotive currently operating and Tier 4 locomotives are available in 2015. However, this mitigation measure may be preempted by Federal requirements. Emission reduction credit information has been added to the final EIR, indicating that there are sufficient emission reduction credits available with the SLOCAPCD to offset the criteria pollutants generated by the project within SLOC. The SLOCAPCD has a well established program of credits for criteria pollutants and GHG which can be used to offset the emissions increases. The mitigation measures have been developed in coordination with the SLOCAPCD. ERC are standard practice in many air districts state-wide to reduce the impacts of criteria pollutant emissions Emissions of toxic pollutants contribute to cancer risks and are generally more local impacts. Emission credits are not proposed for these impacts. The use of DPM credits was removed from the final EIR. The mitigation measures for toxic impacts are to utilize Tier 4 locomotives, which are substantially cleaner than most locomotive currently operating and Tier 4 locomotives are available in 2015. However, this mitigation measure may be preempted by Federal requirements. Emissions of toxic materials are found to be significant and unavoidable. See Appendix B.2.
RYT-17	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, criteria air emissions and health risks. The commenter's statement about air issues are included in the FEIR for the decision-makers' consideration as part of the County's deliberations on the proposed project. The EIR concludes that emissions of criteria, GHG and toxic pollutants would exceed the SLOCAPCD thresholds and would be a significant impact. The South County Phase 2 Particulate Study, determined 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 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.
RYT-18	The issue of long-term crude supply to the SMR from local sources is very

	speculative. It is unknown what local crude oil development projects could occur in the future. The commenter attempted to estimate future production through the year 2050 from local onshore and offshore fields that currently supply crude to the SMR based upon historic trends of production decline. In 2050 the upper end of this range is about 30,000 barrels per day. With the addition of 26,000 barrels per day that can be delivered by truck to the Santa Maria Refinery the upper end of the available crude supply would be 56,000 barrels per day, which is greater than the current permitted capacity of the SMR, and the capacity under the Increased Throughput Project. While the estimated future oil production from local sources is not relevant to the assessment of impact of the Rail Spur Project for the reasons stated above, the forecast range does not take into account proposed new oil development project. For example, the Arroyo Grande Oil Field (AGOF) in San Luis Obispo has applied to the County to increase production to 10,000 barrels per day. If this project is approved it would increase the production from the AGOF by about 8,000 barrels, which would all go to the SMR. There are a number of other oil development projects currently proposed in northern Santa Barbara County that could add an additional 23,000 barrels per day of oil production that could be transported to the SMR. These include projects such as Santa Maria Energy, which could move 3,000 barrels per day via pipeline to the SMR, Pacific Coast Energy, which could move 3,600 barrels per day to the SMR via pipeline, ERG Cat Canyon, which could move 5,000 barrels per day via pipeline to the SMR, the PetroRock development, which could move 1,600 barrels per day, and the Aera Energy Cat Canyon Project that could add 10,000 barrels per day. A listing from Santa Barbra County shows a total of 943 oil production wells in various phases of development, all of which could provide oil to the SMR. While some of these projects state that the oil will move to the SMR, some do not. For example the Aera Energy Project will truck oil to various customers. A May 2014 report by the United States Energy Information Administration (EIA) estimated that as much as 13.7 billion barrels of oil may be recoverable from the Monterey Shale, of which some of this shale formation is in northern Santa Barbara County and Southern San Luis Obispo County. While it is unknown, when and if any of these reserves would be developed (and in what quantity), they could in, the future, provide local crude supply to the SMR. It is also possible in the future that the portions of the All American Pipeline between the Sisquoc Pump Station and Kern County could be reversed to allow crude oil to move to the Sisquoc pipeline. This portion of the All American Pipeline that connects to the Sisquoc Pipeline is current used to move only OCS crude from Southern Santa Barbara County to the Kern County and then on to refinery destination in the Bay Area and Los Angeles. When OCS production reaches a level where it does not make economic sense to operate this portion of the All American Pipeline, it could be reversed to move crude oil from the Kern

	County to the SMR. This would provide the SMR with access to other sources of crude. If and when this would happen is unknown and speculative, but it is a potential future option for obtaining crude for the SMR. The point of this discussion is to show that there are potential options in the future for the SMR to obtain crude oil without the rail project, however, they are unknown, and as with all crude supply issues, would be determined based upon market forces, including the future price of crude oil. This point can be illustrated by the past history of the crude supply at the SMR. In the 1970's the SMR did not receive any crude from offshore Santa Barbara County since none of this crude had been developed. With the development of the offshore crude, pipelines were built that allowed the SMR to receive this crude source. Now offshore crude from Santa Barbara is a major source of crude for the SMR. As this source of crude declines, it is likely that other sources of crude will become available to the SMR as discussed above. This would occur with or without the Rail Spur Project. What future crude is processed at the SMR will depend upon economic and market factors Therefore, it would be speculative at best to estimate when the crude supply would not be sufficient to support further operation of the SMR without the proposed Rail Spur Project. The remainder of the comment does not identify a specific environmental analysis or CEQA issue relative to the EIR and compliance with CEQA. The commenter's statements about Phillips 66 profits are included in the FEIR for the decision-makers' consideration as part of the County's deliberations on the proposed project.