

California State Lands Commission

PART II – RESPONSES TO COMMENTS

Final Environmental Impact Report for the Tesoro Amorco Marine Oil
Terminal Lease Consideration, February 2014

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PART II. RESPONSES TO COMMENTS

Pursuant to State California Environmental Quality Act (CEQA) Guidelines section 15088, the California State Lands Commission (CSLC), as CEQA Lead Agency, is required to evaluate comments on environmental issues received from persons who reviewed the Draft Environmental Impact Report (EIR) prepared for the Amorco Marine Oil Terminal Lease Consideration Project (Project) and to prepare a written response. The Lead Agency must respond to comments that it received during the noticed comment period and may respond to late comments. The State CEQA Guidelines further require the Lead Agency to describe in its written response the disposition of significant environmental issues raised (e.g., revisions to the proposed project to mitigate anticipated impacts or objections). If the Lead Agency's position varies from recommendations and objections raised in the comments, the agency must address the major environmental issues raised and give details why any specific comments and suggestions were not accepted.

Part II of this Final EIR contains copies of comment letters and CSLC staff's responses. Two written comment letters were submitted in response to the Draft EIR. No oral comments were received at two public meetings on the Draft EIR held by CSLC staff on December 5, 2013. Responses to comments are organized as follows:

- Each commenter is given a unique comment set and code that refers to the agency, organization, or person submitting the comments.
- Individual comments are numbered in the margins of each comment letter; correspondingly numbered responses follow each comment set.

Part III contains the complete EIR with revisions to the text of the Draft EIR shown in ~~strikeout~~ and underline that were made in response to comments that required changes or for the reasons stated on page I-1. The following conventions are used to indicate how the Draft EIR text was changed during EIR finalization in Part III of this Final EIR:

- Underlined text represents text added to the EIR (in some cases moved from another location in the document, in other cases new text).
- ~~Strikeout text~~ represents text removed from that location in the EIR (in some cases moved elsewhere, in other cases removed entirely).

Table II-1 Commenters on Draft EIR and Comment Identification Numbers Used in this Final EIR

Name of Commenter	Date	Comment	
		Set #	ID #
Agency			
Bay Area Air Quality Management District (BAAQMD)	1/9/14 ²	1	1-1 to 1-6
Applicant			
Tesoro Refining and Marketing Company LLC	12/19/13	2	2-1 to 2-3

² BAAQMD submitted a comment letter 3 weeks after the end of the comment period.

INDIVIDUAL COMMENT RESPONSES

COMMENT SET 1: BAY AREA AIR QUALITY MANAGEMENT DISTRICT (BAAQMD)



**BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT**

ALAMEDA COUNTY

Tom Bates
Scott Haggerty
Nate Miley
(Vice-Chair)
Tim Sbranti

CONTRA COSTA COUNTY

John Gicla
David Hudson
Mary Piepho
Mark Ross

MARIN COUNTY
Susan Adams

NAPA COUNTY
Brad Wagenknecht

SAN FRANCISCO COUNTY

John Avalos
Edwin M. Lee
Eric Mar

SAN MATEO COUNTY

Carole Groom
(Secretary)
Carol Klatt

SANTA CLARA COUNTY

Cindy Chavez
Ash Kalra
(Chair)
Liz Kniss
Jan Pepper

SOLANO COUNTY

James Spering

SONOMA COUNTY

Teresa Barrett
Shirlee Zane

Jack P. Broadbent
EXECUTIVE OFFICER/APCI

January 9, 2014

Sarah Mongano, Senior Environmental Scientist
California State Lands Commission
Division of Environmental Planning & Management
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825

Subject: Tesoro Amorco Marine Oil Terminal DEIR

Dear Ms. Mongano,

Bay Area Air Quality Management District (Air District) staff has reviewed the State Land Commission's Draft Environmental Impact Report (DEIR) prepared for the Amorco Marine Oil Terminal Project (Project) operated by Tesoro Petroleum Corporation located in the Carquinez Straight near the City of Martinez. Tesoro proposes entering into a new 30-year lease agreement with the Commission in order to continue operating the Amorco Oil Terminal.

Air Quality Analysis

The Amorco Oil Terminal already has all required Air District permits. If the Project includes any new equipment or modifications/alterations of existing equipment that may affect air pollution, Tesoro must submit a permit application to the Air District.

The analysis in the DEIR only estimated emissions of volatile organic compounds (VOCs), sulfur dioxide (SO₂), nitrous oxides (NO_x), carbon monoxide (CO), and particulate matter (PM₁₀) from ocean-going vessels (i.e. tankers and tug boats). These estimates were then compared to the Air District's 1999 thresholds of significance and determined to be less than significant. However, the DEIR did not provide the necessary information to evaluate the methodologies and emission factors used to estimate the Project's impacts. Therefore, Air District staff recommends that the Final EIR (FEIR) include the following:

- 1-1 • Specify the terminal's maximum allowed throughput based on the current Air District's Title V permit of 70,080,000 barrels per year. Page ES-5 of the DEIR states the terminal's maximum capacity is 63,875 million barrels per year.
- 1-2 • Specify the terminal's emissions estimates are included in the "Environmental Management Plan" as specified in the Air District's Permit Condition 8077. Pages 4.1-11 and 4.1-12 of the DEIR state that estimates are included in the "Refinery Emissions Clean Air Plan" as specified in Permit Condition 8077. To clarify, Condition 8077 does not mention a "Refinery Emissions Clean Air Plan".
- 1-3 • An estimate of all air pollutants, including fine particulate matter (see below), that includes any proposed increase in throughput.
- 1-4 • Emission estimates from fugitive components and ancillary equipment (e.g. pipelines, loading hoses, pumps, valves, flanges, etc.).
- 1-5 • A technical appendix that provides all methodologies, assumptions, emission factors, and calculations used for estimating emissions.

Ms. Mongano

January 9, 2014

Fine Particulate Matter

1-6

The air quality analysis in the DEIR did not include fine particulate matter (PM_{2.5}) emissions by reasoning that the Air District's 1999 CEQA Guidelines had no PM_{2.5} threshold. However, the absence of a threshold does not relieve a lead agency's obligation to evaluate all potentially significant environmental impacts. The public's exposure to PM_{2.5} can result in substantial health effects, and ocean-going vessels are a major source of PM_{2.5} in the Bay Area. See *Understanding Particulate Matter: Protecting Public Health in the San Francisco Bay Area*, available at <http://www.baaqmd.gov/Divisions/Planning-and-Research/Plans/PM-Planning.aspx>.

The San Francisco Bay Area is currently in nonattainment for state and federal PM_{2.5} standards, and therefore, projects that increase PM_{2.5} emissions in the air basin warrant careful consideration. The Air District has dedicated significant resources to assist lead agencies with identifying, assessing, and mitigating PM_{2.5} emissions. This includes the Air District's 2012 CEQA Guidelines available at <http://www.baaqmd.gov/Divisions/Planning-and-Research/CEQA-GUIDELINES/Updated-CEQA-Guidelines.aspx>. Air District staff recommends that the FEIR evaluate the Project's PM_{2.5} emissions and propose mitigation measures if appropriate.

Air District staff is available to assist the Commission in addressing these comments. If you have any questions, please do not hesitate to contact Ian Peterson, Environmental Planner II, at (415) 749-4783 or ipeterson@baaqmd.gov.

Sincerely,



Jean Roggenkamp
Deputy Air Pollution Control Officer

cc: BAAQMD Director John Gioia
BAAQMD Director David Hudson
BAAQMD Director Mary Piepho
BAAQMD Director Mark Ross

RESPONSES TO COMMENT SET 1: BAAQMD

1-1 Page ES-5 of the Draft Environmental Impact Report (EIR) states: “The maximum capacity that the Amorco Terminal could handle is 63,875 million [barrels per year] bpy.” (Refer to Part III of the Final EIR, Executive Summary.) This is a typographical error. Page ES-5 has been revised to indicate that the maximum throughput of the Amorco Terminal is 70,080 million bpy, as permitted under Tesoro’s Bay Area Air Quality Management District (BAAQMD) Title V Permit to Operate for the Golden Eagle Refinery (June 28, 2011).

1-2 Pages 4.1-11 and 4.1-12 of the Draft EIR do not reference the “Refinery Emissions Clean Air Plan” as stated by the commenter. The California State Lands Commission (CSLC) staff believes this to be a typographical error in the commenter’s letter, which should have referenced text on pages 4.4-11 and 4.4-12. This text states:

“The Amorco Terminal emissions are regulated as part of the BAAQMD Title V Operating Permit for the Refinery. The Amorco Terminal emissions are included in the Refinery Emissions Clean Air Plan (CAP), as specified in Permit Condition Number 8077.”

The Project emissions inclusion in the CAP is not specified in Permit Condition Number 8077; therefore the language “as specified in Permit Condition Number 8077” has been removed in the Final EIR.

1-3 Particulate matter (PM_{2.5}) emissions have been calculated and added to the Project emissions impact estimation in Section 4.4.3, Emissions Estimation (see Part III of the Final EIR). Emissions estimation methodology is included as Appendix H in Part III of the Final EIR. No impact, significant or otherwise, was identified in the EIR because emissions will not be increased above baseline conditions. (Please also refer to the response to comment 1-5 below.)

1-4 An emissions estimate from fugitive components and ancillary equipment has been added to the Project emissions estimation in Section 4.4.3, Emissions Estimation (see Part III of the Final EIR). Fugitive emissions have been estimated using the Project’s most recent 2013 fugitive volatile organic compounds inventory pursuant to their Leak Detection and Repair Database (LDAR) for BAAQMD Regulation 8 Rule 18 compliance. The Database estimates fugitive emissions using the Correlation Equation Method from the California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities issued by the California Air Pollution Control Officers Association and California Air Resources Board. Further details regarding fugitive emissions estimation methodology is also included in Appendix H of Part III of the Final EIR. No impact, significant or otherwise, was identified in the EIR because emissions will not be increased above baseline conditions. (Please also refer to the response to comment 1-5 below.)

- 1-5 A technical appendix providing methodologies, assumptions, emission factors, and calculations used for estimating emissions has been included as Appendix H in Part III of the Final EIR, as suggested. This technical appendix has been revised to include PM_{2.5} and fugitive emissions, as specified in response to Comments 1-3 and 1-4.

- 1-6 As stated in the response to comment 1-3, PM_{2.5} emissions have been calculated and added to the Project emissions impact estimation (No Impact, no mitigation required) in Section 4.4.3, Emissions Estimation (see Part III of the Final EIR).

COMMENT SET 2: TESORO REFINING AND MARKETING COMPANY LLC (TESORO)



TESORO

Tesoro Refining & Marketing Company LLC
Golden Eagle Refinery
150 Solano Way
Martinez, CA 94553-1487
925 228 1220

December 19, 2013

USPS CERTIFIED MAIL: 7012 1010 0002 1361 2371

Sarah Mongano, Senior Environmental Scientist
California State Lands Commission
Division of Environmental Planning and Management
California State Lands Commission
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825

SUBJECT: Tesoro Amorcó DEIR Comments

2-1

Tesoro Golden Eagle Refinery (Tesoro) staff have reviewed the Draft Environmental Impact Report (DEIR) covering the "Tesoro Amorcó Marine Oil Terminal Lease Consideration Project" dated October 31, 2013.

During this review our staff contacted representatives from California State Lands Commission (CSLC) and TRC Solutions to discuss minor errors and regulatory authorities for certain proposed mitigation measures. From these discussions Tesoro believes there are no substantive factual errors in the DEIR. Two minor errors are as follows:

2-2

1. On page ES-15 the term "Increased Crude Supplies from Non-Marine Sources Alternative" is used on lines 3, 13, and 15. Consistent with the rest of the DEIR, this term should be "Restricted Lease Taking Amorcó Terminal Out of Service for Oil Transport".
2. On page 1-10 footnote 3 ("3") should be changed to read, "This marine oil terminal is currently known as the Plains Products Terminals, LLC.

2-3

With regard to regulatory authorities for proposed mitigation measures MM-OS-1a (Mooring Line Quick Release Devices), MM-OS-1b (Tension Monitoring Systems) and MM-OS-1c (Allision Avoidance Systems), Tesoro is concerned that these measures exceed requirements of the State's Marine Oil Terminal Engineering and Maintenance Standards (MOTEMS). Accordingly, Tesoro requests that CSLC staff propose additions or modifications to MOTEMS that would provide language specifying these measures. These proposals could then be appropriately

Read File (ED No. 4886)

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2-3
CONT.

adopted under prevailing statutes that govern new or modified building codes and be commonly referenced by marine oil terminal owners/operators.

We continue to appreciate the cooperation extended to Tesoro by staffs of CSLC and TRC Solutions that contributed to the timely preparation of this DEIR.

Sincerely,



Christina H. McDowell
Lead Engineer, Air Permitting

CHM/kds

RESPONSES TO COMMENT SET 2: TESORO

- 2-1 The California State Lands Commission (CSLC) staff acknowledges the commenter's concurrence with the factual accuracy of the Environmental Impact Report (EIR).
- 2-2 Text in the Final EIR has been revised as suggested. These revisions do not fundamentally change the Project description or associated environmental analysis as presented in the EIR.
- 2-3 The purpose of the Marine Oil Terminal Engineering and Maintenance Standards (MOTEMS) (Cal. Code Regs., tit. 24, § 3101F et seq.) is:

“to establish minimum engineering, inspection, and maintenance criteria for Marine Oil Terminals (MOTs) in order to prevent oil spills and protect public health, safety, and the environment. This code does not, in general, address operational requirements.” (Cal. Code Regs., tit. 24, § 3101F.2.)

MOTEMS establishes minimum standards for marine oil terminals (MOTs) to meet. MOTEMS is a part of the California Building Code and applies to all MOTs in California, both on and off lands leased from the State. MOTEMS regulates engineering standards for the equipment that is installed at MOTs; it does not, in general, regulate operational requirements such as ensuring that the equipment is always in use, properly maintained, or that personnel using it have had adequate training.

In contrast, the purpose of mitigation measures under CEQA is to mitigate significant impacts from a specific project. As the CEQA Lead Agency, the CSLC is required to identify potential impacts to the environment, propose feasible mitigation measures to reduce significant impacts, and, if the project is approved, to adopt a Mitigation Monitoring Program (MMP) for reporting or monitoring to ensure that the mitigation measures are implemented. This Lead Agency responsibility originates in Public Resources Code section 21081.6, subdivision (a) (Findings), and the State CEQA Guidelines sections 15091, subdivision (d) (Findings) and 15097 (Mitigation Monitoring or Reporting). Therefore, it is not appropriate for CSLC to propose additions or modifications to MOTEMS in lieu of mitigation measures. Doing so would not meet the requirements of CEQA to propose specific mitigation measures to reduce significant impacts identified in this EIR for the proposed Project. Although both MOTEMS and the MMP for the proposed Project address the goal of oil spill prevention, they fulfill fundamentally different purposes.