
Central Coast Regional Water Quality Control Board

May 6, 2024

Susan Strachan
County of San Luis Obispo
Department of Planning and Building
976 Osos Street, Room 300
San Luis Obispo, CA 93408
Email: p66refinery@co.slo.ca.us

Sent via Electronic Mail

Dear Susan Strachan:

SITE CLEANUP PROGRAM: PHILLIPS 66 SANTA MARIA REFINERY, 2555 WILLOW ROAD, ARROYO GRANDE, SAN LUIS OBISPO COUNTY – DRAFT ENVIRONMENTAL IMPACT REPORT, PHILLIPS 66 SANTA MARIA REFINERY DEMOLITION AND REMEDIATION PROJECT (COUNTY PROJECT NO. C-DRC2022-00048/ED23-054)

The Central Coast Regional Water Quality Control Board (Central Coast Water Board) has reviewed the Draft Environmental Impact Report (DEIR) for the Phillips 66 Santa Maria Refinery Demolition and Remediation Project (Project) issued for public comment on March 22, 2024. The objectives listed in the DEIR for the Project are:

- Demolish the Santa Maria Refinery aboveground facilities (equipment and associated infrastructure).
- Achieve soil remediation at the Project site that meets applicable risk-based industrial standards in a cost-effective manner.
- Minimize ground disturbance by retaining existing surface hardscapes and existing belowground infrastructure, except where removal is necessary for site remediation.
- Retain essential infrastructure or utilities required to be kept in place by regulatory authorities and features retained for site security or for other site uses by potential future users.
- To the extent practicable, minimize costs and maximize economic returns associated with material, facilities, equipment, and other infrastructure removed from Project site.

The Phillips 66 Santa Maria Refinery has active cleanup cases in the Central Coast Water Board's Site Cleanup Program¹, and staff has reviewed the DEIR with respect to

¹ Additional information on the Site Cleanup Program cases can be found on GeoTracker at: https://geotracker.waterboards.ca.gov/profile_report.asp?global_id=SL203121248 and https://geotracker.waterboards.ca.gov/profile_report?global_id=T10000017182

these cases and potential future remediation related to the Project. Based on our review of the DEIR, the Central Coast Water Board provides the following comments:

- 1) **Section 2.4.8.1, Ongoing Remediation and Monitoring Activities** – This section lists areas of known or potential contamination which are also shown on Figure 2-10. Please update this list and Figure 2-10 to clarify which areas are known and which are potential areas of contamination. The Central Coast Water Board is currently overseeing cleanup activities related to the Slop Oil Line Release Area, Northern Inactive Waste Site, and PFAS Investigation Areas.
- 2) **Section 2.4.8.5, Slop Oil Line Release (Areas 3, 4, and 5)** –
 - a. This section indicates that the Slop Oil Line Release potentially impacted both soil and groundwater. Please update the text to remove “potentially” since it has been documented that this release impacted soil and groundwater.
 - b. The DEIR states that Phillips 66 anticipates transfers from the Santa Maria Refinery about every two months for up to 20 years (per “RWQCB” estimates). In general, these types of cleanup cases do take many years to fully remediate; however, the Central Coast Water Board is not aware of a formal or detailed analysis regarding the estimated time to remediate the Slop Oil Line Release at the site. Therefore, please remove “(per RWQCB estimates)” from this statement or clarify where the estimate of 20 years was obtained.
- 3) **Section 2.4.8.6, Site-Wide Groundwater Monitoring** – Please update this section with respect to the status of the PFAS workplan. The DEIR states the workplan is under review, however, the workplan has been reviewed, approved, and completed, and it is the report of findings that is currently under review.
- 4) **Section 2.5.3.2, Remediation Planning** – This section indicates that if concentrations of the impacted material are above the level that presents an unacceptable risk to potential future industrial workers, then Phillips 66 would work with the proper oversight agency (i.e., “RWQCB”) to properly address the impacted area. This section should also note that some of the contaminants that may be encountered at the site have San Francisco Bay Regional Water Quality Control Board Environmental Screening Levels, revised in 2019 (SFB RWQCB ESLs)² for soil concentrations that leach to groundwater. Please also include that the Central Coast Water Board would be notified if these ESLs are exceeded, and Phillips 66 would work with the Central Coast Water Board to determine whether there is a risk for contaminants to leach to groundwater.
- 5) **4.9.1.1 Existing Refinery Operations** – The last paragraph in this section indicates that the EnviroStor database lists a number of facilities in the project site vicinity; however, this list includes project sites from the State Water Resources Control Board GeoTracker database as well. Therefore, please

² More information on the SFB RWQCB ESLs, revised in 2019, can be found at the following link: https://www.waterboards.ca.gov/sanfranciscobay/water_issues/programs/sitecleanupprogram.html.

update this statement to indicate that EnviroStor “and GeoTracker” databases list a number of facilities.

- 6) **Section 4.10.2.2, State Regulations, State Water Resources Control Board Resolution 92-49** – This section currently has the following text: The State Water Resources Control Board’s Resolution 92-49 sets forth the policies and procedures for investigation and cleanup and abatement of discharges of waste to the waters of the State. It requires cleanup to background levels, unless background levels of water quality cannot be restored. If background levels cannot be restored, dischargers must clean up to the best water quality which is reasonable, which takes into account technological and economic feasibility.

To provide a more complete description, please revise this text as follows: “State Water Resources Control Board Resolution No. 92-49, Policies and Procedures for Investigation and Cleanup and Abatement of Discharges Under Water Code Section 13304 (Resolution No. 92-49), sets forth the policies and procedures for investigation and cleanup and abatement of discharges of waste to the waters of the State. It requires cleanup to background levels unless background levels of water quality cannot be restored. If background levels cannot be restored, dischargers must clean up to the best water quality which is reasonable, which considers technological and economic feasibility. Any such alternative cleanup level shall: 1) be consistent with maximum benefit to the people of the state; 2) not unreasonably affect present and anticipated beneficial use of such water; and 3) not result in water quality less than that prescribed in the Water Quality Control Plans and Policies adopted by the State Water Resources Control Board and Regional Water Quality Control Boards.”

- 7) **Section 5.1.2, Full Removal of Facilities Alternative** – Please change “water” to “groundwater” in the statement: The Slop Oil Line Release *water* remediation equipment and other remediation equipment that may be needed as required by the Central Coast Water Board.
- 8) **Section 5.1.4, Additional Remediation and Cleanup Alternative; Section 5.1.7, Reduced Remediation Alternative; and Section 5.2.4 Additional Remediation and Cleanup Alternative** – These sections indicate that the Project proposes to remediate to industrial standards. It should be clarified throughout the DEIR that the Project proposes that “soil” will be remediated to industrial “cleanup” standards (e.g., United States Environmental Protection Agency Regional Screening Levels [USEPA RSLs] or SFB RWQCB ESLs). If referring to groundwater cleanup levels, it should be clarified in the DEIR that groundwater cleanup will follow the protocols set forth in Resolution No. 92-49 which requires cleanup to background levels unless background levels of water quality cannot be restored and an alternate cleanup level is approved.

- 9) **Table 5.1 Full Removal Alternative Facilities Remaining Status** – Under the Facility Column - Groundwater production wells #2, #4, #5, and #6 (used for potable water, fire water, and industrial water at the “SMR”), it is stated “or other wells that may be evaluated to provide vertical conduits for contamination.” Please remove “or other wells that may be evaluated to provide vertical conduits for contamination” and replace with the following, “Prior to the destruction (removal) of groundwater production wells at the site, Phillips 66 would need to request and attain approval from the Central Coast Water Board since groundwater production wells #2 and #5 are currently sampled in accordance with the Monitoring and Reporting Program (MRP)³ for the site.”

- 10) **Section 5.2.2, Full Removal of Facilities Alternative and Section 5.2.3, Removal of Offshore Facilities Alternative** – These sections include removal of the outfall line/offshore facilities which are within the proposed Chumash Marine Sanctuary Area. Therefore, please include reference to the proposed Chumash Marine Sanctuary Area to these sections as presented in Section 5.1.3.

- 11) **Section 5.2.4 Additional Remediation and Cleanup Alternative** – This section refers to the “Central Coast Water Board Environmental Screening Levels Tier 1”. References throughout the DEIR to Central Coast Water Board Environmental Screening Levels should be modified to the SFB RWQCB ESLs and in this case the reference should be to the SFB RWQCB Tier 1 ESLs, which are the most stringent.

- 12) **Section 5.4.4, Additional Remediation and Cleanup Alternative Comparison** – This section indicates removing contaminated soils to a different level than the Project. Please clarify what is meant by “a different level” (e.g., residential versus industrial cleanup levels) and indicate that this alternative would likely involve removing more contaminated soils as a lower, stricter cleanup standard (e.g., residential cleanup level) would be used.

If you have any questions, please contact **Amber Sellinger at (805) 549-3866** (email address below).

Sincerely,

Amber Sellinger
 Digitally signed by Amber Sellinger
 Date: 2024.05.06 13:29:27 -07'00'
 Water Boards

for Ryan E. Lodge
Executive Officer

cc list on following page

³ The MRP can be found on GeoTracker at the following link:
https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/6166150748/Phil66_MRP_R3-2008-0070_Rev2023.pdf

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GeoTracker SCP files: https://geotracker.waterboards.ca.gov/profile_report.asp?global_id=SL203121248

Water Board internal file: R:\RB3\Shared\SCP\SITES\SLO Co\Arroyo Grande\2555 Willow-SM Refinery\Decommissioning\2024 DEIR\05-06-2024_SCP_Ph66_SMRrefinery_Demo Draft EIR.docx

BizFlow Task: M30000 Site Cleanup Program DARTS: 2031200