SLO County APCD Comments RE: Phillips 66 Santa Maria Refinery Demolition and Remediation Project - Draft Environmental Impact Report

Andrew Mutziger <amutziger@co.slo.ca.us>

Mon 5/6/2024 11:48 AM

To:Susan Strachan <sstrachan@co.slo.ca.us> Cc:Greg Chittick <greg.chittick@mrsenv.com>;Cindy A. Chambers <cchambers@co.slo.ca.us>;Elise E. Lindsay <elindsay@co.slo.ca.us>

1 attachments (483 KB)

4241-7_signed.pdf;

Hi Susan,

Thank you for the opportunity to review the Draft EIR for the P66 SMR Demolition and Remediation Project. Please find attached APCD's substantive comments regarding the DEIR.

APCD also has minor DEIR edits I will summarize below:

Chapter 4-3 Air Quality

- Table 4.3.1 states that the Federal Primary Standard for PM2.5 is 12 μg/m3, annual arithmetic mean. On March 6, 2024, US EPA change this standard to 9.0 μg/m3, annual arithmetic mean.
- First line in first paragraph on page 4.3-32 has a typo: comparted should be compared.

Chapter 4-8 Greenhouse Gas Emissions

- First line in first paragraph on page 4.8-7 has a typo: criteria should be GHG.
- Sixth paragraph on page 4.8-19 state that GHG emissions for the construction phase of residential projects are amortized over a 50 year project life. SLO County APCD's 2023 Administrative CEQA Handbook Update incorporated the APCD's 2023 CEQA GHG Guidance that changed the 50 year project live value to 30 years for residential projects.

Thank you and please let me know in you have any questions. Sincerely,

Andy Mutziger | Division Manager

Planning, Monitoring & Grants SLO County Air Pollution Control District (805) 781-5956 VM • amutziger@co.slo.ca.us • SLOCleanAir.org







From: Cindy A. Chambers <cchambers@co.slo.ca.us>

Sent: Friday, March 22, 2024 9:31 AM

To: Cindy A. Chambers <cchambers@co.slo.ca.us>; Susan Strachan <sstrachan@co.slo.ca.us>

Cc: Greg Chittick < greg.chittick@mrsenv.com>

Subject: Phillips 66 Santa Maria Refinery Demolition and Remediation Project - Draft Environmental Impact Report

Hello,

This message is to provide notice of public availability of the Draft Environmental Impact Report (DEIR) for the Phillips 66 Refinery project located at 2555 Willow Road in Arroyo Grande. The attached Notice of Availability provides a summary of the Project, details on the public review period, links to access the documents, information regarding the scheduled Planning Commission Study Session hearing, and other information.

The Draft EIR is available for review or downloading on the County's Planning Department website at:

<u>Phillips 66 Santa Maria Refinery Demolition and Remediation Project - County of San Luis Obispo (ca.gov)</u>

Hard copies of the Draft EIR and the DEIR Appendices are available for public review at the County Department of Planning & Building, 976 Osos Street, Rm 200, San Luis Obispo at the permit center from 8:30 a.m. – noon or 1:30 – 4:30 p.m. Monday through Friday. Hard copies and digital thumb drive copies of the Draft EIR are also available for review at the San Luis Obispo County Public Library Main Branch in San Luis Obispo, and at the branch libraries in Arroyo Grande and Nipomo (for hours and locations see SLOLIBRARY.org).

Please direct your comments to this email address: <u>p66refinery@co.slo.ca.us</u>, or send written comments to the mailing address provided in the attached Notice.

If you have questions, please contact us by responding to this email.

Cindy Chambers

Senior Planner

Decommissioning Project Team

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VIA EMAIL ONLY

May 6, 2024

Susan Strachan
County of San Luis Obispo Department of Planning and Building
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San Luis Obispo, CA 93408
sstrachan@co.slo.ca.us

SUBJECT: APCD Comments Regarding the Phillips 66 Santa Maria Refinery Demolition

and Remediation Draft Environmental Impact Report

(C-DRC2022-00048/ED23-054)

Dear Susan Strachan:

Thank you for including the San Luis Obispo County Air Pollution Control District (APCD) in the environmental review process. We have completed our review of the proposed Phillips 66 Santa Maria Refinery Demolition and Remediation Draft Environmental Impact Report (DEIR).

The Santa Maria Refinery (SMR or Refinery) is on a portion of property owned by Phillips 66 at 2555 Willow Road in Arroyo Grande, California. The SMR includes petroleum storage and processing facilities, primarily for high-sulfur heavy crude oil. The crude oil historically came primarily from offshore platforms along the California coast and oil fields in and near the Santa Maria Valley. The majority of crude oil was delivered to the Refinery by pipeline. The remainder of petroleum-based products was delivered by truck. The baseline and historic Refinery operations are described in Chapter 4.0 of the DEIR.

Semi-refined liquid products from the SMR have historically been transported by pipeline as feedstocks to the Phillips 66 Rodeo Refinery in Contra Costa County, California for upgrading into finished petroleum products. Other SMR products include petroleum coke (a byproduct of oil refining), which is shipped to off-site market destinations by rail and truck, and granular sulfur (recovered from the crude oil), which is shipped to off-site market destinations by truck.

In 2022, Phillips 66 received approval from Contra Costa County to modify the Rodeo Refinery in that county to process renewable feedstocks into renewable diesel and other renewable products. Since the Rodeo Refinery will no longer process crude oil, product from the SMR is no longer needed.

As a result, in January 2023, Phillips 66 discontinued processing crude oil at the SMR and began to shut down and decontaminate the facility (under separate existing permits). Under the Project, Phillips 66 intends to demolish most of the aboveground structures, facilities, and equipment within the perimeter fence line of the SMR site. Some aboveground features would remain as described in Section 2.4.7 of the DEIR. Once aboveground features are removed, site characterization soil testing would be conducted to determine what areas require soil remediation and what belowground infrastructure would require removal to support the remediation effort. Site characterization cannot be conducted until the aboveground structures are removed, allowing access to conduct the soil testing. As a result, the extent of remediation necessary is not known. Given this, the projected volume of contaminated soil to be removed and exported off site for disposal is estimated at a conservative upper range based on data from previous site assessments and Regional Water Quality Control Board (RWQCB) industrial worker environmental screening levels (ESL). This estimate ensures a conservative evaluation of truck and rail trips for off-site disposal of demolition debris and contaminated soils and associated environmental analyses pursuant to the California Environmental Quality Act (CEQA).

APCD reviewed the following DEIR sections: Project Description, Air Quality, Greenhouse Gas Emissions, Transportation, and Appendix C – Air Quality Report and Information. Our agency agrees with the modeling assumptions made, the impact analyses, the mitigation definitions, and residual impact conclusions. APCD looks forward to working with SLO County Department of Planning and Building, County Public Health (AQ.1-1), and Phillips 66 on approvals and implementation of Air Quality Mitigation Measures AQ.1-1, AQ.3-1, AQ.4-1, and AQ.5-1.

Thank you for the opportunity to comment on this proposal. If you have any questions or comments, feel free to contact me at 805-781-5912.

Sincerely.

ANDY MUTZIGER

Andre A Wholy

Division Manager – Planning, Monitoring, and Grants

AJM/eel