



**Torrance Refining Company LLC**  
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Torrance, CA 90504  
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May 4, 2021

***VIA E-MAIL AND OVERNIGHT MAIL***

Wayne Nastri  
Executive Officer  
South Coast Air Quality Management District  
21865 Copley Drive  
Diamond Bar, CA 91765

**Subject: *Torrance Refining Company LLC Proffer Letter Commitments Quarterly Update***

Dear Mr. Nastri,

On behalf of Torrance Refining Company LLC (“TORC”), consistent with our November 25, 2019 letter, and as requested by you in your November 15, 2019 letter, below is the first quarter 2021 update regarding the voluntary modified hydrogen fluoride (“MHF”) alkylation unit safety enhancement commitments and control measures as proffered TORC’s August 30, 2019 Proffer Letter accepted and approved on September 6, 2019 by the South Coast Air Quality Management District (“South Coast AQMD”) Governing Board pursuant to Board Resolution No. 19-19 (the “Proffer Letter”). Capitalized terms used in this letter and not otherwise defined shall have the meanings ascribed in the Proffer Letter.

Attached as Annex A is a summary of the current status of the design, purchase, installation, testing, and operational start date of the proffered safety enhancements as of the first quarter 2021. We provide additional detail regarding the status of the enhancements below.

**Settler Area Protective Steel Structure, Northern Water Mitigation Monitors, and Fluidized Catalytic Cracking Unit (FCCU) Electrostatic Precipitator (ESP) Over Pressure Mitigation**

With respect to the Settler Area Protective Steel Structure, Northern Water Mitigation Monitors, and FCCU ESP Over Pressure Mitigation enhancements, as you are aware, TORC previously approved funding for detailed engineering and procurement and the detailed engineering is in progress. TORC has now approved funding to complete construction of the Settler Area Protective Steel Structure and Northern Water Mitigation Monitors safety enhancements. Notwithstanding the impact of the COVID-19 pandemic on the current economic environment, TORC’s 2021 planned budget continues to include the amounts required to be expended with respect to the remaining costs of these enhancements.

The construction work packages for the protective steel structure, the water mitigation monitors, and the FCCU ESP over pressure mitigation enhancements were finalized in March 2021, with one remaining construction work package to be issued in mid-May for post unit outage work to be completed in 2021.

Construction commenced in March 2021 for the Settler Area Protective Steel Structure, and Northern Water Mitigation Monitors safety enhancements. Construction planning is progressing for the FCCU ESP Over Pressure Mitigation safety enhancements. All long lead materials including elevated water monitors with water supply on/off valve and control panel assemblies as well as control valves for area revamp work to accommodate new steel structure have been ordered. These items are still generally expected to be delivered to the Refinery in the second or third quarter 2021 unless there are delays due to the pandemic.

The building plans for the protective steel structure and water mitigation monitor safety enhancements have been approved by City of Torrance permitting department, and the contractors hired by TORC to complete this work pulled these permitted plans in March 2021.

At this time, TORC believes these enhancements are on schedule for implementation in 2021.

### **Settler Area Water Mitigation Dome and Curtain**

With respect to the Settler Area Water Mitigation Dome and Curtain enhancements, as you are aware, TORC previously approved funding for detailed engineering and procurement. Detailed engineering has been completed, and TORC has also received approved funding to complete construction of these safety enhancements. Notwithstanding the impact of the COVID-19 pandemic on the current economic environment, TORC's 2021 planned budget includes the amounts required to be expended with respect to the remaining costs of these enhancements.

The construction work packages for the water mitigation dome and curtain were finalized in March 2021.

Construction was kicked off in March 2021. All long lead materials including dome water monitors, spray curtain headers with nozzles, and water supply on/off valve and control panel assemblies having been ordered. These items are still generally expected to be delivered to the Refinery in the second or third quarter 2021 unless there are delays due to the pandemic.

At this time, TORC believes these enhancements are on schedule for implementation in 2021.

### **Settler Area Enhanced HF/MHF Detection System**

With respect to the Settler Area Enhanced HF/MHF Detection System enhancements, as you are aware, TORC previously approved funding for detailed engineering and procurement. Detailed engineering has been completed, and TORC has also received full funding to complete construction of these safety enhancements. Notwithstanding the impact of the COVID-19 pandemic on the current economic environment, TORC's 2021 planned budget continues to include the amounts required to be expended with respect to the remaining costs of these enhancements.

The construction work packages for the enhanced HF/MHF detection system were finalized in March 2021.

Construction commenced in March 2021. All long lead materials including HF detection instrumentation and Programmable Logic Controller (PLC) having been ordered. These items are still generally expected to be delivered to the Refinery in the second or third quarter 2021 unless there are delays due to the pandemic.

At this time, TORC believes these enhancements are on schedule for implementation in 2021.

As we have previously reported, due to COVID-19 pandemic impacts, the MHF Alkylation Unit turnaround has been moved to 2022, along with the Fluid Catalytic Cracker turnaround, however, as noted above, the safety enhancements are still on schedule to be completed by the end of 2021.

TORC will continue to closely monitor Engineering, Construction, and Materials availability in connection with the COVID-19 pandemic, and will notify South Coast AQMD of any additional impacts that could result in further schedule delays.

If you have any questions or require any additional information regarding this quarterly update of the safety enhancements, please do not hesitate to contact me at (310) 212-4500.

Sincerely,



Steve Steach  
Refinery Manager

cc: Paul Davis, President, Western Region  
Trecia Canty, Senior Vice President & General Counsel  
Darren Stroud, West Coast Refinery Attorney  
Jill Whynot, South Coast AQMD  
Sarah Rees, South Coast AQMD  
Susan Nakamura, South Coast AQMD  
Barbara Baird, South Coast AQMD  
Daphne Hsu, South Coast AQMD  
Michael Krause, South Coast AQMD

## ANNEX A

<b>Safety Enhancements</b>	<b>First Quarter 2021 Status</b>
<p>Settler Area Protective Steel Structure</p> <p>Northern Water Mitigation Monitors</p> <p>Fluidized Catalytic Cracking Unit (FCCU) Electrostatic Precipitator (ESP) Over Pressure Mitigation</p>	<ul style="list-style-type: none"> <li>• Funding approved for Detailed Engineering and Procurement</li> <li>• Funding approved for Construction of Settler Area Protective Steel Structure and Northern Water Mitigation Monitors</li> <li>• Detailed Engineering in progress               <ul style="list-style-type: none"> <li>○ Construction work packages were finalized in March 2021</li> <li>○ One remaining construction work package to be issued mid-May 2021</li> </ul> </li> <li>• Construction commenced for Settler Area Protective Steel Structure and Northern Water Mitigation Monitors</li> <li>• Construction planning progressing for FCCU ESP Overpressure Mitigation</li> <li>• Ordered long lead materials:               <ul style="list-style-type: none"> <li>○ Elevated water monitors with water supply on/off valve and control panel assemblies</li> <li>○ Control valves for area revamp work to accommodate new steel structure</li> </ul> </li> <li>• Materials planned to be delivered onsite by second or third quarter 2021</li> <li>• Building plans approved by City of Torrance permitting department</li> <li>• Enhancements currently on schedule for implementation in 2021</li> </ul>
<p>Settler Area Water Mitigation Dome and Curtain</p>	<ul style="list-style-type: none"> <li>• Funding approved for Detailed Engineering and Procurement, and Construction</li> <li>• Detailed Engineering has been completed               <ul style="list-style-type: none"> <li>○ Construction work packages were finalized in March 2021</li> </ul> </li> <li>• Construction commenced for these safety enhancements</li> <li>• Ordered long lead materials:               <ul style="list-style-type: none"> <li>○ Dome water monitors, spray curtain headers with nozzles, and water supply on/off valve and control panel assemblies</li> <li>○ Materials planned to be delivered onsite by second or third quarter 2021</li> </ul> </li> <li>• Enhancements currently on schedule for implementation in 2021</li> </ul>

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<b>Safety Enhancements</b>	<b>First Quarter 2021 Status</b>
Settler Area Enhanced HF/MHF Detection System	<ul style="list-style-type: none"><li>• Funding approved for Detailed Engineering and Procurement, and Construction</li><li>• Detailed Engineering has been completed<ul style="list-style-type: none"><li>○ Construction work packages were finalized in March 2021</li></ul></li><li>• Construction commenced for these safety enhancements</li><li>• Ordered long lead materials:<ul style="list-style-type: none"><li>○ HF detection instrumentation</li><li>○ Programmable Logic Controller (PLC)</li></ul></li><li>• Materials planned to be delivered onsite by second or third quarter 2021</li><li>• Enhancements currently on schedule for implementation in 2021</li></ul>