
From: Steve Goldsmith [mailto:sgoldsmith84@gmail.com]

Sent: Wednesday, September 4, 2019 4:49 PM

To: Marie Patrick (Bur) <mwpatrick@aqmd.gov>; COB <COB@aqmd.gov>; Governing Board Assistants <GoverningBoardAssistants@aqmd.gov>

Subject: Please see attached letter from TRAA in response to Refinery letters

Please forward to Chair Burke and all Board Members and Executive Director Nastri.

Thank you,
on behalf of TRAA

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This email may have been written using voice dictation, please excuse possible typos and omissions



Torrance Refinery Action Alliance

September 5th, 2019

SCAQMD Governing Board
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765

Sent Via Email: mwpatrick@aqmd.gov, cob@aqmd.gov, GoverningBoardAssistants@aqmd.gov

Re: Community response to Refinery Letters dated August 30th, 2019
Proposed Rule 1410; Hydrogen Fluoride Storage and Use at Petroleum Refineries in LA County

Letters to the Refinery Committee from the Torrance Refining Company and Valero's Wilmington Refinery have offered to voluntarily install safety enhancements in exchange for terminating progress on any Rule or MOU regulating the use of Hydrofluoric Acid in our community.

This offer comes close to 5 years after the near-miss of a HF catastrophe at the Torrance Refinery, 4 years after re-starting the facility using HF yet no further mitigation installation after the ESP explosion and 2.5 years into SCAQMD's Rule Making process. *TRAA, The Department of Public Health and the Community at large supports the installation of enhanced safety measures immediately but does not agree that enhanced mitigation measures are the final solution.* The only 100% safety measure is to remove the chemical.

Four red herrings being circulated are disputed below.

- 1. The community wants "a rule or nothing" = FALSE**
TRUTH: The community wants the use and storage of HF in Refineries to be phased-out within 4 years, with enhanced mitigation and safety measures in the interim.
- 2. Sulfuric Acid significantly increases truck traffic in the area and therefore is worse for the community than HF use. = FALSE**
TRUTH: Additional truck trips needed for Sulfuric Acid is inconsequential in comparison.
 - TRAA volunteers did a large truck count outside of the Torrance Refinery for 12 hours during a typical weekday. 1,359 large trucks passed within a 12-hour period. (Valero area has at least twice that number) Adding 25-40 more trucks per day would add less than 3% truck traffic to the area while greatly increasing area safety by removing truck transport of HF. MHF travels 280 miles on California Roads, Sulfuric 10 miles
 - Furthermore, the above additional truck traffic is calculated using Conventional Sulfuric Acid methods. Advanced Sulfuric Acid uses 30%-50% less acid than conventional Sulfuric Acid, rendering this argument moot.
- 3. Refineries would close and jobs would be lost. = FALSE**
TRUTH: A transition to a safer alternative would create jobs, not close refineries.
 - In all SEC filing and literature there is no mention of either refinery closing due to the potential for HF phase-out to a safer alternative although this has been in discussion for over 2.5 years with SCAQMD.
 - Adam Webb, ToRC representative for Rule 1410 Working Group, responded directly to Supervisor Hahn's question during the Refinery Committee meeting (June 22nd, 2019) saying the Torrance Refinery has *not* told their workers they will close if they are required to phase-out HF.

- Based on the Burns McDonnell report commissioned by the Torrance refinery, MHF replacement at both refineries would create over 800 jobs and put over \$160 million dollars into the local work force income over a 2-year period.
- Downtime for the alky units is estimated at less than 6 months for Torrance and 12 months for Valero, Wilmington - much shorter than the total transition time. All other refinery units can continue to operate during that period at a somewhat lower capacity. Since this is a planned transition, refinery inventories will be built up in preceding years, greatly reducing the impact on gas prices.
- RB City Council member, Todd Loewenstein, [questioned refinery representatives in March of 2018](#). Councilmember Loewenstein notes ToRC has an asset valued at \$900 million, a conveyance valued at \$3-\$400 million, has invested \$535 million for everything (purchased the refinery for \$187.5 million), and another \$250 million in upgrades. Councilmember Loewenstein concludes; **“I don’t see where a \$500 million profit [if you sold it today] would be cause for shutting down the refinery itself. Last year, you pulled in \$15.9 billion in revenue, this year it’s \$21.8 billion in revenue, \$415 million in net income. Equivalent to \$7 million per employee.”**
- The Tax Cut and Jobs Act reduced Corporate tax from 35% to 21% and allows full write-off of equipment investments each year. This results in a **\$318 million benefit to the Refinery over 5 years.... enough for a conversion.**

4. **Sulfuric Acid is not an alternative = FALSE**

TRUTH: Sulfuric Acid is far less dangerous than Hydrofluoric Acid, does not form a cloud upon release and *is the most common alkylation catalyst being chosen in new refinery builds.*

- Advanced Sulfuric Acid is the leading alkylation technology and is viable, commercially proven and [uses 30%-50% less acid than Conventional Sulfuric Acid](#).
- Valero is [currently installing this technology \(CDalky by McDermott International – formerly CB&I\)](#) in its St. Charles refinery which produces the same barrel per day output (25,000 bpd alkylate) as the Valero, Wilmington and the Torrance Refinery produce.
- Dupont offers [HF alkylation conversion to Sulfuric Acid](#) with their Convex technology which reduces the cost of building a new sulfuric acid unit by 40%-60%.

These safety enhancements offered by ToRC and Valero should have been voluntarily installed 25 years ago. It is long past due that the true hazards of MHF are dealt with. TRAA strongly urges the Board to see this offer of enhanced safety as it was truly meant, which is to end the Rule making process and cut out the community voice as a stakeholder.

TRAA urges the Board to approve any mitigation measures to be voluntarily installed immediately while the Rule process continues and concludes with a phase-out of Hydrogen Fluoride.

Sincerely,

Steve Goldsmith
Torrance Refinery Action Alliance
[TRAA Science Advisory Blog](#)