

APPENDIX G

RESPONSE TO COMMENTS RECEIVED ON THE DRAFT ENVIRONMENTAL IMPACT REPORT

APPENDIX G

FINAL ENVIRONMENTAL IMPACT REPORT

CHEVRON PRODUCTS COMPANY

PRODUCT RELIABILITY AND OPTIMIZATION PROJECT

COMMENTS AND RESPONSES TO COMMENTS

INTRODUCTION

This Appendix, together with other portions of the Draft Environmental Impact Report (Draft EIR), constitute the Final EIR for the proposed Chevron Products Company Product Reliability and Optimization Project.

The Draft EIR was circulated for a 45-day public review and comment period on March 7, 2008 and ending April 22, 2008. The Draft EIR is available at the South Coast Air Quality Management District (SCAQMD), 21865 Copley Drive, Diamond Bar, California 91765-4182 or by phone at (909) 396-2039. The Draft EIR can also be downloaded by contacting the SCAQMD's CEQA web pages at <http://www.aqmd.gov/ceqa/nonaqmd.html>.

The Draft EIR contained a detailed project description, the environmental setting for each environmental resource where the NOP/IS determined there was a potential significant adverse impact, an analysis of the potentially significant environmental impacts including cumulative impacts, project alternatives, mitigation measures, and other areas of discussion as required by CEQA. The discussion of the project-related and cumulative environmental impacts included a detailed analysis of air quality, energy, hazards and hazardous materials, hydrology/water quality, noise, solid/hazardous waste and transportation/traffic.

The SCAQMD received four comment letters on the Draft EIR during the public comment period. The comment letters and responses to the comments raised in those letters are provided in this appendix. The comments are bracketed and numbered. The related responses are identified with the corresponding number and are included following each comment letter.

STATE OF CALIFORNIA

Arnold Schwarzenegger, Governor

NATIVE AMERICAN HERITAGE COMMISSION

915 CAPITOL MALL, ROOM 364
SACRAMENTO, CA 95814
(916) 653-6251
Fax (916) 657-6390
Web Site www.nahc.ca.gov
e-mail: ds_nahc@pacbell.net



March 26, 2008

Mr. Michael Krause, Air Quality Specialist
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
21865 Copley Drive
Diamond Bar, CA 91765

Re: SCH#2007081057: CEQA Notice of Completion: draft Environmental Impact Report (DEIR) for the Chevron Products Company El Segundo Refinery Product Reliability and Optimization Project, El Segundo, Los Angeles County, California

Dear Mr. Krause:

The Native American Heritage Commission is the state agency designated to protect California's Native American Cultural Resources. The California Environmental Quality Act (CEQA) requires that any project that causes a substantial adverse change in the significance of an historical resource, that includes archaeological resources, is a 'significant effect' requiring the preparation of an Environmental Impact Report (EIR) per the California Code of Regulations §15064.5(b)(c) (CEQA guidelines). Section 15382 of the 2007 CEQA Guidelines defines a significant impact on the environment as "a substantial, or potentially substantial, adverse change in any of physical conditions within an area affected by the proposed project, including ... objects of historic or aesthetic significance." In order to comply with this provision, the lead agency is required to assess whether the project will have an adverse impact on these resources within the 'area of potential effect (APE)', and if so, to mitigate that effect. To adequately assess the project-related impacts on historical resources, the Commission recommends the following action:
√ Contact the appropriate California Historic Resources Information Center (CHRIS) for possible 'recorded sites' in locations where the development will or might occur. Contact information for the Information Center nearest you is available from the State Office of Historic Preservation (916/653-7278) <http://www.ohp.parks.ca.gov>. The record search will determine:

- If a part or the entire APE has been previously surveyed for cultural resources.
- If any known cultural resources have already been recorded in or adjacent to the APE.
- If the probability is low, moderate, or high that cultural resources are located in the APE.
- If a survey is required to determine whether previously unrecorded cultural resources are present.
- √ If an archaeological inventory survey is required, the final stage is the preparation of a professional report detailing the findings and recommendations of the records search and field survey.
- The final report containing site forms, site significance, and mitigation measures should be submitted immediately to the planning department. All information regarding site locations, Native American human remains, and associated funerary objects should be in a separate confidential addendum, and not be made available for public disclosure.
- The final written report should be submitted within 3 months after work has been completed to the appropriate regional archaeological information center.
- √ Contact the Native American Heritage Commission (NAHC) for:
 - A Sacred Lands File (SLF) search of the project area and information on tribal contacts in the project vicinity that may have additional cultural resource information. Please provide this office with the following citation format to assist with the Sacred Lands File search request: USGS 7.5-minute quadrangle citation with name, township, range and section.
 - The NAHC advises the use of Native American Monitors to ensure proper identification and care given cultural resources that may be discovered. The NAHC recommends that contact be made with Native American contacts on the attached list to get their input on potential project impact (APE). In some cases, the existence of a Native American cultural resource may be known only to a local tribe(s).
 - √ Lack of surface evidence of archaeological resources does not preclude their subsurface existence.
 - Lead agencies should include in their mitigation plan provisions for the identification and evaluation of accidentally discovered archaeological resources, per California Environmental Quality Act (CEQA) §15064.5 (f).
 - In areas of identified archaeological sensitivity, a certified archaeologist and a culturally affiliated Native American, with knowledge in cultural resources, should monitor all ground-disturbing activities.
 - A culturally-affiliated Native American tribe may be the only source of information about a Sacred Site/Native American cultural resource.
 - Lead agencies should include in their mitigation plan provisions for the disposition of recovered artifacts, in consultation with culturally affiliated Native Americans.

1-1

1-2

1-3

1-4

1-5

APPENDIX G – RESPONSE TO COMMENTS

√ Lead agencies should include provisions for discovery of Native American human remains or unmarked cemeteries in their mitigation plans.

• CEQA Guidelines, Section 15064.5(d) requires the lead agency to work with the Native Americans identified by this Commission if the initial Study identifies the presence or likely presence of Native American human remains within the APE. CEQA Guidelines provide for agreements with Native American, identified by the NAHC, to assure the appropriate and dignified treatment of Native American human remains and any associated grave liens.

√ Health and Safety Code §7050.5, Public Resources Code §5097.98 and Sec. §15064.5 (d) of the California Code of Regulations (CEQA Guidelines) mandate procedures to be followed, including that construction or excavation be stopped in the event of an accidental discovery of any human remains in a location other than a dedicated cemetery until the county coroner or medical examiner can determine whether the remains are those of a Native American. Note that §7052 of the Health & Safety Code states that disturbance of Native American cemeteries is a felony.

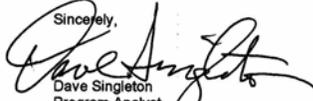
√ Lead agencies should consider avoidance, as defined in §15370 of the California Code of Regulations (CEQA Guidelines), when significant cultural resources are discovered during the course of project planning and implementation

1-6

1-7

Please feel free to contact me at (916) 653-6251 if you have any questions.

Sincerely,



Dave Singleton
Program Analyst

Attachment: List of Native American Contacts

Cc: State Clearinghouse

**Native American Contacts
Los Angeles County
March 26, 2008**

LA City/County Native American Indian Comm
Ron Andrade, Director
3175 West 6th Street, Rm. 403
Los Angeles , CA 90020
(213) 351-5324
(213) 386-3995 FAX

Randy Guzman - Folkes
1931 Shadybrook Drive
Thousand Oaks , CA 91382
ndnrandy@hotmail.com
(805) 905-1675 - cell

Chumash
Fernandefio
Tataviam
Shoshone Paiute
Yaqui

Ti'At Society
Cindi Alvitre
6515 E. Seaside Walk, #C
Long Beach , CA 90803
calvitre@yahoo.com
(714) 504-2468 Cell

Gabrielino

Gabrielino/Tongva Council / Gabrielino Tongva Nation
Sam Dunlap, Tribal Secretary
761 Terminal Street; Bldg 1, 2nd floor
Los Angeles , CA 90021
office @tongvatribes.net
(213) 489-5001 - Office
(909) 262-9351 - cell
(213) 489-5002 Fax

Tongva Ancestral Territorial Tribal Nation
John Tommy Rosas, Tribal Admin.
tattnlaw@gmail.com
310-570-6567

Gabrielino Tongva

Gabrielino Tongva Indians of California Tribal Council
Robert Dorame, Tribal Chair/Cultural Resources
5450 Slauson, Ave, Suite 151 PMB
Culver City , CA 90230
gtongva@verizon.net
562-761-6417 - voice
562-925-7989 - fax

Gabrielino/Tongva San Gabriel Band of Mission
Anthony Morales, Chairperson
PO Box 693
San Gabriel , CA 91778
ChiefRBwife@aol.com
(626) 286-1632
(626) 286-1758 - Home
(626) 286-1262 Fax

Gabrielino Tongva

This list is current only as of the date of this document.

Distribution of this list does not relieve any person of statutory responsibility as defined in Section 7050.5 of the Health and Safety Code, Section 5097.94 of the Public Resources Code and Section 5097.98 of the Public Resources Code.

This list is only applicable for contacting local Native American with regard to cultural resources for the proposed, SCH#2007081057; CEQA Notice of Completion; ; draft Environmental Impact Report (DEIR) for the Chevron Products Company El Segundo Refinery Product Reliability and Optimization Project; located at the El Segundo Boulevard at Sepulveda Boulevard in El Segundo; Los Angeles County, California.

COMMENT LETTER NO. 1
NATIVE AMERICAN HERITAGE COMMISSION
MARCH 26, 2008

Response 1-1

The SCAQMD is aware of the requirements of CEQA Guidelines §15064.5 and has complied with this section as well as all other relevant CEQA requirements. As stated on pages 2-15 and 2-16 of the Initial Study for the Chevron Products Company Product Reliability and Optimization Project (NOP/IS) (see Appendix A of the Final EIR), potential significant adverse impacts on cultural resources were not anticipated, and therefore were not analyzed further in the Draft EIR. This conclusion is based on the fact that there are no prehistoric or historic structures or objects within the Refinery or adjacent areas.

Literature reviews and records search have been conducted at the Refinery for previous projects (Final EIR, Chevron Products Company – El Segundo Refinery Heavy Crude Project, SCH No. 2005091152, August, 2006). An August 2005 records search indicated that 14 archaeological investigations have been performed within a 0.5-mile radius of the Refinery, including three surveys of small linear areas within the Refinery boundaries (SCAQMD, 2006). No prehistoric sites or Native American sacred lands are recorded within the Refinery boundaries or within a 0.5-mile radius of the facility. One historic site, P-186856, (that could include buildings, structures, objects, districts, and landscapes, the details of which are kept confidential to protect the resource) is recorded at the outer edge of the 0.5-mile radius and outside of the Refinery boundary (SCAQMD, 2006, Appendix A). Because the proposed project activities will occur entirely within the existing Refinery boundaries, site P-186856 would not be directly or indirectly impacted by the proposed project. Construction activities associated with the proposed project will be located within the confines of the existing Refinery. No historic sites have been identified within the Refinery boundaries.

The entire Refinery has been previously graded and developed. No known human remains or burial sites have been identified at the site during previous construction activities so the proposed projects are not expected to result in impacts to cultural resources. If cultural resources were to be encountered unexpectedly during ground disturbance associated with construction of the proposed projects, proper procedures (i.e., contacting professional archaeologist, temporarily halting disturbance work in vicinity, etc.) will be taken. Further, the Refinery's site does not contain known paleontological resources and thus the proposed project also is not expected to impact any sites of paleontological value.

Therefore, based on the above conclusions, no impacts to historical, archaeological or paleontological resources (as defined in §15064.5 of the CEQA Guidelines) will occur as a result of the implementation of the proposed project.

Response 1-2

The California Historic Resources Information Center was contacted previously and no sites were identified (SCAQMD 2006). The PRO Project is proposed to occur within the boundaries of an existing petroleum refinery. The primary objective of the proposed project is to increase the reliability of the Refinery’s existing equipment, increase the capacity of certain existing equipment, and optimize the ability of specific processes to increase production of transportation fuels and other chemical products derived from the refining process. The sites adjacent to the existing equipment or proposed new equipment have been previously disturbed to accommodate Refinery projects associated with the placement and relocation of infrastructure (i.e., underground utilities and piping) and no cultural resources or Native American remains were found during these subsurface activities in or surrounding the property (i.e., area of potential effect).

As a result, based on historical activities at the sites, the proposed project was determined to not cause a potential “substantial adverse change in the significance of any historical resource” which would require a further evaluation of cultural resources in the Draft EIR. See also response 1-1.

Response 1-3

An archaeological inventory survey was not required to be performed for the proposed project. See responses 1-1 and 1-2 for reasons why a survey was not required because a previous 2005 survey of records indicated that no prehistoric or historic resources are located in the Refinery property or within a 0.05 mile radius of the Refinery.

Response 1-4

The NAHC was contacted previously and no site were identified (SCAQMD 2006). As noted in response 1-1, archaeological investigations have been performed in the past and no prehistoric sites or Native American sacred lands were recorded, so additional archaeological investigations are not required. In addition, a mailing list of the Native American contacts provided by the commentator during the NOP/IS comment period was created by the SCAQMD. All contacts on that mailing list received a Notice of Completion (NOC) alerting the public of the release and availability of the Draft EIR. The NOC provided locations, phone numbers and internet links where the Draft EIR could be obtained or accessed. In addition, the mailing list of the Native American contacts will be used for noticing the availability of all future CEQA documents prepared when SCAQMD is the lead agency under CEQA.

Response 1-5

As noted in response 1-1, no previous surveys or excavation activities at the Refinery have discovered any cultural or archaeological resources. Further, as concluded on pages 2-15 and 2-16 of the NOP/IS (see Appendix A of the Final EIR), no impacts to cultural

resources were determined to result from the proposed project. As a result, no further analysis of cultural resources in the Draft EIR was required.

Based on the historical use of the site and the numerous construction activities, which included subsurface activities, the likelihood of encountering cultural resources is low. It should be noted, however, that Chevron has written procedures in the event any archaeological, Native American or cultural resources is encountered on-site during construction activities for the proposed project at the Refinery. Compliance with all local, state and federal regulations (and notifications) will occur in the event of an accidental discovery of any cultural or historic resources.

Response 1-6

With regard to the potential for discovery of Native American remains, refer to responses 1-1, 1-2 and 1-5.

As stated on pages 2-15 and 2-16, the NOP/IS (see Appendix A of the Final EIR) did not identify the presence or likely presence of Native American human remains. Therefore, agreements with Native Americans to assure appropriate treatment of Native American human remains are not required unless Native American human remains are discovered during site excavation. However, in the unlikely event cultural resources are encountered during construction appropriate contacts will be made and procedures followed. See also responses 1-1, 1-2 and 1-5.

Response 1-7

As noted in responses 1-1 and 1-2, discovery of human remains relative to the proposed project is not anticipated. However, the PRO Project' construction activities will cease to prevent further disturbance if human remains are unearthed, until the County Coroner has made the necessary findings with respect to origin and disposition, as required by Public Resources Code 5097.98-99 and Health and Safety Code 7050.5.

CEQA Guidelines §15370(a) defines avoidance as: “Avoiding the impact altogether by not taking a certain action or parts of an action.” As stated on pages 2-15 and 2-16 of the NOP/IS (see Appendix A of the Final EIR), the presence or likely presence of Native American human remains was not identified. However, in the event significant cultural resources in the form of Native American human remains are discovered, construction activities will cease and Chevron will comply with proper federal, state and local regulations as described in response 1-5.

DEPARTMENT OF TRANSPORTATION

DIVISION OF AERONAUTICS – M.S.#40
1120 N STREET
P. O. BOX 942873
SACRAMENTO, CA 94273-0001
PHONE (916) 654-4959
FAX (916) 653-9531
TTY 711



April 2, 2008

Mr. Mike Krause
South Coast Air Quality Management District
21865 E. Copley Drive
Diamond Bar, CA 91765

Dear Mr. Krause:

Draft Environmental Impact Report for Chevron Products Company El Segundo Refinery Product Reliability and Optimization Project; SCH# 2007081057

The California Department of Transportation (Caltrans), Division of Aeronautics (Division), reviewed the above-referenced document with respect to airport-related noise and safety impacts and regional aviation land use planning issues pursuant to the California Environmental Quality Act (CEQA). The Division has technical expertise in the areas of airport operational safety, noise, and airport land use compatibility. We are a funding agency for airport projects, and we have permit authority for public-use and special-use airports and heliports.

2-1

The proposal is for the modification to and installation of new equipment at the El Segundo Refinery approximately 6,400 feet south of the Los Angeles International Airport.

According to page 2-15 of the Draft Environmental Impact Report, the "Federal Aviation Administration regulates the heights of structures that could impact navigable airspace." As we stated in our August 22, 2007 response letter to the Notice of Preparation, submission of a Notice of Proposed Construction or Alteration (Form 7460-1) will be required by the Federal Aviation Administration (FAA) in accordance with Federal Aviation Regulations Part 77. Form 7460-1 is available on-line at <https://oeaaa.faa.gov/oeaaa/external/portal.jsp> and should be submitted electronically to the FAA.

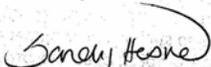
2-2

These comments reflect the areas of concern to the Division with respect to airport-related noise and safety impacts and regional airport land use planning issues. We advise you to contact our Caltrans District 7 Los Angeles office concerning surface transportation issues.

2-3

Thank you for the opportunity to review and comment on this proposal. If you have any questions, please call me at (916) 654-5314.

Sincerely,


SANDY HESNARD
Aviation Environmental Specialist

c: State Clearinghouse, LAWA, Los Angeles County Airport Land Use Commission

**COMMENT LETTER NO. 2
DEPARTMENT OF TRANSPORTATION,
DIVISION OF AERONAUTICS
APRIL 2, 2008**

Response 2-1

The SCAQMD understands that Caltrans has technical expertise in airport-related land use and planning issues. The Chevron El Segundo Refinery is actually located approximately two miles (10,560 feet) from the Los Angeles International Airport, not 6,400 feet (1.2 miles).

Response 2-2

Chevron understands that the proposed project must comply with applicable reporting requirements of the Federal Aviation Administration (FAA) and is in the process of reviewing the FAA requirements and filling out the Form 7460-1. Please note that the Chevron Refinery is not located within the flight path of LAX and that there are numerous existing Refinery structures in excess of 200 feet in height at the Refinery including furnace stacks (215'), coke drums (240'), the FCCU reactor (230'), and flares. The proposed new structures will be similar in size and character to the existing structures.

Response 2-3

The SCAQMD appreciates your comments. Please see responses 2-1 and 2-2. Caltrans District 7 Los Angeles office was included on the list of Reviewing Agencies on the form sent to the State Clearinghouse. Further, Caltrans, District 7 Office, sent the SCAQMD a comment letter on the Draft EIR prepared for Chevron's PRO project (see comment letter #3).

STATE OF CALIFORNIA—BUSINESS, TRANSPORTATION AND HOUSING AGENCY

ARNOLD SCHWARZENEGGER, Governor

DEPARTMENT OF TRANSPORTATION
DISTRICT 7, OFFICE OF PUBLIC
TRANSPORTATION AND REGIONAL PLANNING
IGR/CEQA BRANCH
100 SOUTH MAIN STREET
LOS ANGELES, CA 90012
PHONE (213) 897-6696
FAX (213) 897-1337



*Flex your power!
Be energy efficient!*

April 3, 2008

IGR/CEQA DEIR CS/080324
Chevron Products Company El Segundo Refinery
Product Reliability and Optimization Project
Vic. LA-1-24.91, SCH# 2007081057

Mr. Mike Krause
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765

Dear Mr. Krause:

Thank you for including the California Department of Transportation (Caltrans) in the environmental review process for the Draft Environmental Impact Report for the Chevron Products Company El Segundo Refinery Product Reliability and Optimization Project. The project site is located at 324 W. El Segundo Boulevard at Sepulveda Boulevard in the City of El Segundo. The project involves modifications to and installation of new equipment. Based on the information received, we have the following comments:

3-1

The project is expected to generate 24 additional daily trips per day. We recommend the implementation of transportation demand management strategies to reduce peak period trips on major commute corridors.

3-2

We recommend that construction related truck trips on State highways be limited to off-peak commute periods. Transport of over-size or over-weight vehicles on State highways will need a Caltrans Transportation Permit.

3-3

Stormwater compliance measures such as best management practices will need to be implemented to clean up the discharge of any stormwater runoff from the project site.

3-4

Since State Route 1 (SR-1) Sepulveda Boulevard is a State highway, any work to be performed within the State Right-of-way will need a Caltrans Encroachment Permit. Any lane closures along Sepulveda Boulevard will need a construction management plan.

3-5

If you have any questions regarding our comments, you may reach me at (213) 897-6696 and please refer to our record number 080324/CS.

Sincerely,

ELMER ALVAREZ
IGR/CEQA Program Manager
Office of Regional Planning

cc: Scott Morgan, State Clearinghouse

"Caltrans improves mobility across California"

**COMMENT LETTER NO. 3
DEPARTMENT OF TRANSPORTATION,
DISTRICT 7, OFFICE PUBLIC TRANSPORTATION
AND REGIONAL PLANNING
APRIL 3, 2008**

Response 3-1

The SCAQMD appreciates Caltrans participating in the review of the Draft EIR for the Chevron PRO project and welcomes the comments.

Response 3-2

The additional trips noted in the comments refer to the addition of 12 permanent employees at the Refinery during operation of the proposed project. As noted on page 4-52 of the Draft EIR, in addition to workers, the proposed project is expected to alter the volume of truck traffic at the Refinery, resulting in a net decrease of about two trucks per day. Based on the traffic analysis, operational traffic impacts are expected to be less than significant as they would result in an increase of six trips per the evening and morning peak hour as compared to the existing traffic volume of about 7,200 vehicles during peak hours (the intersection of El Segundo Boulevard and Sepulveda Boulevard). Since operational transportation/traffic impacts from the proposed project were concluded to be less than significant, no mitigation measures are required.

Response 3-3

As noted on page 4-52 of the Draft EIR, significant impacts to traffic/transportation occur during the construction phase of the proposed project when approximately 900 workers will be commuting to the Refinery. The traffic analysis indicates that the LOS and volume-to-capacity ratios will exceed significance thresholds at one intersection and two freeway segments during evening peak hour periods during construction.

As one of the mitigation measures for construction air quality impacts, the SCAQMD included the requirement to develop a Construction Emission Management Plan (CEMP) (see page 4-24 of the EIR). As part of that plan, delivery of materials associated with the proposed project during peak hours, is prohibited, except for time sensitive materials (e.g., cement). The requirements in the CEMP will be implemented and enforced as part of the Mitigation Monitoring Plan and conditions on the permit to construct.

As stated in the Draft EIR (see pages 2-15 and 2-17), the use of oversized transport vehicles on state highways will require a transportation permit. Chevron will file the application permit applications if and when they will need such a permit.

Response 3-4

Please see Chapter 3, Section 3.5 of the Draft EIR for a discussion on the handling of stormwater at the Refinery. Stormwater runoff from impermeable surfaces is treated in the unsegregated wastewater treatment system, which consists of an API separator and induced air flotation units. The proposed project is not expected to generate additional storm water or change the quality of stormwater at the Refinery so no impacts are expected on the existing wastewater treatment system (see Chapter 4, Section 4.5.2 of the Draft EIR). However, specifically with regard to stormwater impacts, it was concluded on page 2-29 of the NOP/IS (see Appendix A of the Final EIR) that ground disturbance related to the proposed project would be minimal and, therefore, stormwater runoff is not expected to change in volume or water quality. As a result, storm water at the Refinery will continue to be treated prior to discharge.

Response 3-5

The SCAQMD understands that a Caltrans Encroachment Permit will be required for any work performed within the right-of-way of Sepulveda Boulevard. Please note that no such work associated with the proposed project is expected at this time. Since no lane closures along Sepulveda Boulevard are anticipated, a construction management plan is not warranted at this time.

APPENDIX G – RESPONSE TO COMMENTS

-----Original Message-----

From: Julia May [mailto:jmay@sbcglobal.net]
Sent: Tuesday, April 22, 2008 4:49 PM
To: Michael Krause
Subject: Comments on Chevron El Segundo Draft EIR

Dear Mr. Krause,

The following are my comments on the Chevron El Segundo DEIR, due to you today. Due to the short comment period and many other projects impacting communities in the region at this time, my comments are brief. I am very concerned about deficiencies in the DEIR and failure to include feasible mitigations for significant impacts as follows:

- Failure to include significant flaring emissions caused by the Project through the new flare (which must include all startup/shutdown, maintenance, and routine flaring) and alternatives which would eliminate most flaring, including failure to do a full analysis of BACT for flaring, applying the Shell Martinez CA BACT model and Flint Texas refinery model which meet very low flaring levels including emergency flaring. 4-1
- Failure to mitigate all Greenhouse Gas emissions (a significant impact) due to the Project 4-2
- Failure to provide an analysis of energy efficiency for all new and modified units included in the Project and for the baseline conditions at the existing refinery which could be sources for mitigating significant emissions increases, 4-3
- Failure to provide a BACT analysis for significant CO2 and methane emissions increases for the Project 4-4
- Failure to analyze phaseout of methane exemptions 4-5
- Failure to include all increases of TRS (Total Reduced Sulfur) and H2S from project components and fugitive sources, due to the high sulfur crude input on all the Project components 4-6
- Failure to evaluate the increased risk of upset, flaring, including SOx emissions due to heavier, higher sulfur crude 4-7
- Failure to consider feasible alternatives to the Project including installing clean alternative electricity to reduce Chevron's reliance on fossil-fueled grid electricity (which according to a presentation last year of aqmd, uses over 100MW from the grid), 4-8
- Failure to consider feasible alternative including routing all existing Pressure Relief Devices to atmosphere to reduce impacts of the existing refinery and to decrease methane greenhouse gas emissions, VOCs, and sulfur compounds (last year the AQMD provided a slide show that showed Chevron as the refinery in the region with the second highest number of uncontrolled PRDs) 4-9
- Failure to consider a limit on carbon content and sulfur content in the crude, as proposed in the Chevron Richmond DEIR process and required to be evaluated by the lead agency (City of Richmond, CA) 4-10
- Failure to consider alternatives to pay to pollute for GHG emissions. Such alternatives should include, but should not be limited to, technologies that are in 4-11

place or are being put in place at other refineries to increase energy efficiency and
reduce emissions from cracking processes.

4-12
Cont.

Thank you for your attention to these important issues,

Julia May, CBE

**COMMENT NO. 4
E-MAIL FROM CBE
APRIL 22, 2008**

Response 4-1

The commenter states that due to the short comment period and many other projects impacting communities in the region comments will be short. The Draft EIR for the Chevron proposed project was available for public review and comment from March 7, 2008 to April 22, 2008, a period of 47 days, which is slightly longer than the review period of 45 days mandated by state law (Public Resources Code § 21091(a)). Consequently, the commenter had more time to review the Draft EIR than required by state law. Therefore, to say the Draft EIR was available for a short period of time is misleading and incorrect with regard to the alleged "deficiencies", please see the following responses.

Response 4-2

The SCAQMD strongly disagrees with the incorrect opinion expressed in this comment. As discussed in the Environmental Impacts chapter on pages 4-10 and 4-11, and Appendix C – Operational Emission Calculations, operational emissions from the flare have been included in the EIR. As discussed on page 2-12 of the Draft EIR, the new flare is a safety flare. Since the flare is a safety flare, the only routine emissions associated with the flare are from the pilot and those have been included in the EIR. As required under SCAQMD Rule 1118, flaring is required to be minimized except during emergencies, startups, shutdowns, turnarounds or essential operating needs. The proposed Vapor Recovery and Safety Flare System is designed to capture potential emissions from PRDs that currently vent to atmosphere. As a safety flare, flaring will only occur in the event of an emergency release from PRDs. Since flaring would only occur in emergency situations, the number of flaring events per year and the length of any flaring event is currently unknown. Therefore, it would be speculative at this time to calculate some theoretical emissions from flaring events. CEQA Guidelines § 15145 prohibits speculation when evaluating impacts from proposed projects. Therefore, no emissions are expected from startup/shutdown, maintenance, or "routine" flaring. As a new source the new safety flare is subject to Regulation XIII, which requires a BACT analysis and compliance with current BACT requirements. BACT determinations of other agencies will be considered at the time BACT is determined.

Response 4-3

The SCAQMD strongly disagrees with the opinion expressed in the comment indicating that GHG emissions have not been mitigated because it is incorrect. As noted in the Cumulative Impacts chapter on page 5-27 of the Draft EIR, a specific mitigation measure, GHG1, will be implemented "to produce verifiable and quantifiable permanent GHG emission reductions, for example, which could include energy efficiency projects

such as cogeneration facilities, solar collectors, wind turbines, biogas generators, geothermal energy generation, hydroelectric energy generation, biosolids energy production, transportation efficiency or other GHG emission reduction projects and, thus offset the net increase in the PRO Project GHG emissions (see table 5-7)." The total estimated CO₂ equivalent emission increases for the proposed project are included in Table 5-7. Therefore, Chevron has been required to mitigate all GHG emission increases to zero, so that cumulative GHG impacts are less than significant (see page 5-28 of the Draft EIR).

Response 4-4

The SCAQMD strongly disagrees with the opinion expressed in this comment because it is patently incorrect. The Cumulative Impacts Chapter, Section 5.2.4.3 of the Draft EIR contains a comprehensive discussion of the energy efficiency of the proposed project. In addition, Chevron has been recognized as being an energy efficient Refinery (see Energy Efficiency Study discussion on pages 5-24 and 5-25 of the Draft EIR). With regard to new and modified units, the PRO Project is expected to increase the energy efficiency of the Refinery by generating electricity on-site. The new Cogeneration Unit is, in itself, one of the preeminent technologies for minimizing GHG emissions included on CAPCOA's "Green List of Projects." Cogeneration is far more efficient (in both energy and GHG emissions) than separate generation of electricity (either by simple cycle gas turbine or utility boilers) and steam. As noted by CAPCOA, cogeneration plants are consistent with the goals of AB32 because they are much more efficient in generating electricity at the site where it is used, thus minimizing energy losses associated with the transmission and distribution of electricity. Installing Cogen Train D as part of the PRO Project is consistent with CAPCOA's Green List of Projects, and thus the goals of AB32. The proposed Cogen Train D, in addition to providing energy efficient electricity, will provide steam required for Refinery operations. In 2005, a Refinery-wide Energy Efficiency Study was conducted by an independent third party to identify potential energy inefficient processes within the Refinery. As a result of the study 30 separate energy projects were identified that could potentially improve energy efficiency at the Refinery. Of the 30 projects, three have been completed, two are in progress, 12 are undergoing further feasibility studies (if implemented before 2010 and not otherwise required by state or federal law, would be included in as a reduction), ten have been identified as infeasible, one is in the PRO Project, i.e., Cogen Train D, a portion of a second project for modification of the FCCU gas recovery section is in the PRO Project, and one is a major project that is still under evaluation. Feasibility studies are not able to be done in a reasonable time period in order to allow the project to proceed in a timely manner. The projects completed so far reduced GHG emissions by 4,067 metric tons per year with the two projects in progress reducing GHG emissions by an additional 17,215 metric tons per year when completed. Other reductions of up to 61,000 metric tons per year may be realized from implementation of projects still under evaluation. Section 5.2.4.3 also includes a list of projects the Refinery has performed in the recent past to improve energy efficiency (see page 5-23 of the Draft EIR).

Response 4-5

A BACT analysis for CO₂ and methane emissions is not currently required as CO₂ and methane are not criteria pollutants that are subject to BACT requirements. In addition, there is no BACT for CO₂ and methane. See Response 4-6 for a discussion of the GHG emissions from the proposed project. See also Cumulative Impacts chapter page 5-27 of the Draft EIR and Response 4-3 with regard to a discussion on measures to mitigate GHG (including CO₂ and methane) impacts.

Response 4-6

Currently, methane is exempt under SCAQMD so this project complies with this exemption. Future activities to remove the methane exemption would be speculative and not part of this proposed project. Further, methane emission increases from the proposed project are included in the GHG emissions estimates in the EIR and mitigated to less than significant, as discussed in the Response 4-3.

Response 4-7

The SCAQMD strongly disagrees with the opinion expressed in this comment. See the Environmental Impacts chapter Tables 4-5 and 4-8 of the Draft EIR for the proposed project increases of SO_x and H₂S emissions. No other total reduced sulfur compound increases are anticipated as part of the proposed project. The proposed project includes Sulfur Recovery Facilities to accommodate the increased production of commercial grade sulfur recovered from the crude oil. The Sulfur Recovery Facilities will remove sulfur from refinery streams so that potentially significant SO_x and H₂S emission increases associated with the proposed project will not occur. Therefore, all SO_x and H₂S emission estimates from the proposed project have been included in the EIR.

Response 4-8

The SCAQMD strongly disagrees with the opinion expressed in this comment because the comment is patently incorrect. See the Hazards and Hazardous Materials Section 4.4.2 of the Draft EIR and Appendix D – Hazards Analysis for the hazard analysis, which thoroughly analyzes the risk of upset and thermal radiation impacts. The proposed project only includes a safety flare which will not increase "routine" flaring at the Refinery (see Response 4-2). A flare, being a safety device, by design does not have hazard impacts such as ground level thermal radiation (i.e., the flare is elevated to avoid thermal radiation impacts). The potential hazard impacts related to the operation of the new Sulfur Recovery Facilities, which process H₂S to commercial grade molten sulfur for sale, have been thoroughly evaluated in the Draft EIR (see Section 4.4.2 of the Draft EIR and Appendix D).

Response 4-9

The SCAQMD strongly disagrees with the opinion expressed in this comment because it is incorrect. As stated in the Project Description Section 2.6.1.9 of the Draft EIR, the proposed project includes a 49.9 MW cogeneration plant. As discussed in Response 4-4, installing Cogen Train D as part of the PRO Project is consistent with CAPCOA's Green List of Projects, and thus the goals of AB32. The proposed cogeneration facility will be more efficient than conventional power and will reduce Chevron's demand for third-party supplied power (i.e., will reduce its "reliance on fossil-fueled grid electricity," as suggested by the commentator) (see Section 5.2.4.3 of the Draft EIR). In addition, installation of Cogen Train D eliminates the need to install a boiler to produce steam as the waste heat from Cogen Train D will provide the necessary steam. As a result, potential GHG emissions are further eliminated.

Response 4-10

The SCAQMD strongly disagrees with the opinion expressed in this comment because it is incorrect and contradictory in that it states a "failure to consider feasible alternative including routing all existing Pressure Relief Devices to atmosphere to reduce impacts of the existing refinery... Chevron as the refinery in the region with the second highest number of uncontrolled PRDs)". As stated in Project Description Sections 2.6.1.1, 2.6.1.2, 2.6.1.3, 2.6.1.4, and 2.6.2.2 of the Draft EIR, the proposed project includes voluntarily rerouting PRDs that currently vent to atmosphere to a new Vapor Recovery and Safety Flare System. Therefore, the proposed project includes routing PRDs to a control system which will reduce the number of PRDs that currently vent to atmosphere, and thereby, reduce the potential VOC emissions associated with a release. The SCAQMD has no requirement for routing all existing PRDs to control devices. The choice of PRDs is based on feasibility in coordination with the Proposed Project. The rerouting of the selected PRDs generates an air quality benefit, not a significant impact and, therefore, does not warrant an alternative analysis for further benefit pursuant to Section 15126.6(b) of the CEQA Guidelines.

Response 4-11

No reference to a limit on carbon content and sulfur content in crude could be located in the referenced Chevron Richmond DEIR. No significant impacts were identified that could be mitigated by limiting the carbon or sulfur content of the crude oils. It is not feasible to limit carbon content and sulfur content of crude oils due to the wide variety of available crude oils. Limiting crude oils does not meet the project objective of allowing for processing of a wider range of crude oils. In addition, neither the state of California or the SCAQMD has requirements that impose carbon and sulfur content limits of crude oils to a facility. As discussed in Response 4-7, Sulfur Recovery Facilities are part of the proposed project and will remove sulfur from various streams at the Refinery to comply with applicable rules and regulations. Further, CARB is in the process of developing a low carbon fuel standard, but this affects the final transportation fuel produces, not the crude stocks used to produce the fuel.

Response 4-12

The SCAQMD strongly disagrees with the opinion expressed in this comment. This comment is vague and does not identify specific technologies that are available for use as mitigation. See Responses 4-4 and 4-9 regarding energy efficiency. The proposed project has feasible mitigation imposed that will fund projects that will "produce verifiable and quantifiable permanent GHG emission reductions" (see page 5-27 of the Draft EIR). In addition, the proposed project includes the installation of a cogeneration unit that is more energy efficient and produces less GHG emissions per kWh than conventional power generation.