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January 9, 2014

Sarah Mongano, Senior Environmental Scientist
California State Lands Commission
Division of Environmental Planning & Management
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825

Subject: Tesoro Amorco Marine Oil Terminal DEIR

Dear Ms. Mongano,

Bay Area Air Quality Management District (Air District) staff has reviewed the State Land Commission's Draft Environmental Impact Report (DEIR) prepared for the Amorco Marine Oil Terminal Project (Project) operated by Tesoro Petroleum Corporation located in the Carquinez Straight near the City of Martinez. Tesoro proposes entering into a new 30-year lease agreement with the Commission in order to continue operating the Amorco Oil Terminal.

Air Quality Analysis

The Amorco Oil Terminal already has all required Air District permits. If the Project includes any new equipment or modifications/alterations of existing equipment that may affect air pollution, Tesoro must submit a permit application to the Air District.

The analysis in the DEIR only estimated emissions of volatile organic compounds (VOCs), sulfur dioxide (SO₂), nitrous oxides (NO_x), carbon monoxide (CO), and particulate matter (PM₁₀) from ocean-going vessels (i.e. tankers and tug boats). These estimates were then compared to the Air District's 1999 thresholds of significance and determined to be less than significant. However, the DEIR did not provide the necessary information to evaluate the methodologies and emission factors used to estimate the Project's impacts. Therefore, Air District staff recommends that the Final EIR (FEIR) include the following:

- Specify the terminal's maximum allowed throughput based on the current Air District's Title V permit of 70,080,000 barrels per year. Page ES-5 of the DEIR states the terminal's maximum capacity is 63,875 million barrels per year.
- Specify the terminal's emissions estimates are included in the "Environmental Management Plan" as specified in the Air District's Permit Condition 8077. Pages 4.1-11 and 4.1-12 of the DEIR state that estimates are included in the "Refinery Emissions Clean Air Plan" as specified in Permit Condition 8077. To clarify, Condition 8077 does not mention a "Refinery Emissions Clean Air Plan".
- An estimate of all air pollutants, including fine particulate matter (see below), that includes any proposed increase in throughput.
- Emission estimates from fugitive components and ancillary equipment (e.g. pipelines, loading hoses, pumps, valves, flanges, etc.).
- A technical appendix that provides all methodologies, assumptions, emission factors, and calculations used for estimating emissions.


Fine Particulate Matter

The air quality analysis in the DEIR did not include fine particulate matter (PM_{2.5}) emissions by reasoning that the Air District's 1999 CEQA Guidelines had no PM_{2.5} threshold. However, the absence of a threshold does not relieve a lead agency's obligation to evaluate all potentially significant environmental impacts. The public's exposure to PM_{2.5} can result in substantial health effects, and ocean-going vessels are a major source of PM_{2.5} in the Bay Area. See *Understanding Particulate Matter: Protecting Public Health in the San Francisco Bay Area*, available at <http://www.baaqmd.gov/Divisions/Planning-and-Research/Plans/PM-Planning.aspx>.

The San Francisco Bay Area is currently in nonattainment for state and federal PM_{2.5} standards, and therefore, projects that increase PM_{2.5} emissions in the air basin warrant careful consideration. The Air District has dedicated significant resources to assist lead agencies with identifying, assessing, and mitigating PM_{2.5} emissions. This includes the Air District's 2012 CEQA Guidelines available at <http://www.baaqmd.gov/Divisions/Planning-and-Research/CEQA-GUIDELINES/Updated-CEQA-Guidelines.aspx>. Air District staff recommends that the FEIR evaluate the Project's PM_{2.5} emissions and propose mitigation measures if appropriate.

Air District staff is available to assist the Commission in addressing these comments. If you have any questions, please do not hesitate to contact Ian Peterson, Environmental Planner II, at (415) 749-4783 or ipeterson@baaqmd.gov.

Sincerely,



Jean Roggenkamp
Deputy Air Pollution Control Officer

cc: BAAQMD Director John Gioia
BAAQMD Director David Hudson
BAAQMD Director Mary Piepho
BAAQMD Director Mark Ross