BY U.S. MAIL AND ELECTRONIC MAIL

March 14, 2018

Director John Gioia
Bay Area Air Quality Management District
Contra Costa County Supervisor
2151 Salvio Street #R
Concord, CA 94520

350 Bay Area 350 Silicon Valley **All Positives Possible** Amazon Watch **Asian Pacific Environmental Network** Benicians for a Safe and Healthy Community Center for Biological Diversity Communities for a Better Environment Crockett-Rodeo United to Protect the Environment Food & Water Watch Fresh Air Valleio Friends of the Earth - US Good Neighbor Steering Committee - Benicia Greenaction for Health and Environmental Justice Idle No More SF Bay Interfaith Climate Action Network of Contra Costa Mill Valley Community Action Network Mothers Out Front South Bay Oakland Climate Action Coalition Peninsula Interfaith Climate Action **Rodeo Citizens Association** Richmond Progressive Alliance San Francisco BayKeeper **Sunflower Alliance** Stand. Earth **West Marin Standing Together**

THIS IS A REQUEST TO DISCLOSE YOUR KNOWLEDGE, IF ANY, ABOUT RECENT CHANGES TO THE PHILLIPS 66 CO. SAN FRANCISCO REFINERY RODEO FACILITY TITLE V "MAJOR FACILITY REVIEW PERMIT." PLEASE RESPOND FORTHWITH.

Dear Director Gioia,

On January 25, 2018, the Bay Area Air Quality Management District ("BAAQMD") issued a revised Major Facility Review Permit to the Phillips 66 San Francisco Refinery facility at 1380 San Pablo Ave. in Rodeo, CA ("Permit"). The Permit approved an increase of 55 percent in the heavy oil feed capacity limit of the refiner's "Unit 240" hydrocracking plant, thereby facilitating its plans to import and refine low-quality "tar sands" oil in unprecedented amounts.

We, the undersigned groups, seek your response as to what you knew about this refinery expansion approval, and when you knew it.

This oil import-linked refinery expansion threatens serious air pollution, water pollution, safety, climate, and environmental justice impacts all along the "dirtier" fuel chain that the oil company's plans would force on our communities. The tar sands yield the dirtiest and most dangerous oil on the planet to extract, ship, and refine. Strip mining and shipping it by pipeline threatens to devastate indigenous communities in Canada. Shipping it by tanker risks potentially irreversible water pollution impacts along our Pacific Coast and in San Francisco Bay—because tar sands bitumen, unlike conventional oil, sinks in water when spilled, making even partial cleanup virtually impossible.

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Making gasoline and other engine fuels from tar sands oil can double or triple refinery greenhouse gas emissions, as compared with the U.S. refinery average, while increasing the same type of corrosion that led to the disastrous fire at the Richmond refinery that sent some 15,000 people to hospital emergency rooms in 2012.

Reasonably foreseeable increases in refinery particulate air pollution associated with a region-wide shift to tar sands oil could cause 800–3,000 Bay Area deaths, given a refinery equipment lifetime of 40 years following conversion to the heavier crude, health experts reported to BAAQMD last year. Additional mortality burdens from this oil switch in communities near refineries could be 8–12 times those of the Bay Area's general population, the health experts reported.

The refinery expansion BAAQMD permitted risks all of these impacts because it "debottlenecks" the refiner's capacity to process this increase in tar sands oil imports over our Bay and its wharf. The wharf expansion that the refiner is pushing BAAQMD to approve cannot be implemented as the refiner proposes without expanding its refinery.

Phillips 66 previously reported its plans to import and refine "Canadian heavy" oil here to investors, admitted that "Canadian heavy" is tar sands oil, and proposed multiple oil infrastructure expansions to advance these plans. In particular, the company proposed expanded refining of tar sands imported via water after its proposal to expand refining of that oil imported via rail was rejected by San Luis Obispo County. This is public knowledge that our groups documented in prior comments to BAAQMD, as part of our long and active engagement with the agency to prevent emission increases from refining lower-quality oil, ever since BAAQMD itself raised that concern in 2012.

However, BAAQMD did not tell us it planned to approve the hydrocracking capacity expansion that it then approved on January 25, 2018. Instead, BAAQMD informed the public that it would do the exact opposite. Documents it submitted to the U.S. EPA dated November 17, 2017 state that Phillips' request to expand its hydrocracking capacity limits at Rodeo would not be approved in this permit revision. Those BAAQMD documents state Phillips' request to increase the capacity of hydrocracking units 240 and 246, along with its request to increase its marine terminal capacity for oil imports, "will not be processed with this Title V permit renewal." See Statement of Basis at pp. 5, 6.

On February 20, 2018—as yet unaware of this approval and still taking the agency at its word that it would not approve these requested expansions in this permit revision—many of our groups wrote BAAQMD to request a public update at the agency's next Stationary Source Committee meeting. Our February 20, 2018 letter, attached hereto, reminded the agency that its prior commitment to public review of this project was in response to community "concerns regarding the Air District's ongoing history of permitting polluting projects without adequate public review."

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Now we know BAAQMD evaded public review of this tar sands import-linked refinery expansion proposal. Without allowing for public review or even responding to timely prior comment showing that the "Marine Terminal Revision" is part of an oil tanker-linked refinery expansion project, and despite explicitly stating it was <u>not</u> doing so, BAAQMD approved the Rodeo refinery Unit 240 expansion on January 25, 2018.

Please respond, in your capacity as an elected official and BAAQMD Director, as to what you knew of this refinery expansion approval, and when you first knew it, forthwith. We seek your response in time for discussion at the next Stationary Source Committee meeting, which we understand is scheduled for March 19, 2018. You may respond via CBE at the addresses footing page one of this letter.

Respectfully,

Andrés Soto, Greg Karras and Camille Stough Communities for a Better Environment (CBE)

Matt Krogh Stand.Earth

Ben Eichenberg San Francisco BayKeeper

Laura Neish 350 Bay Area

Nicole Kemeny 350 Bay Silicon Valley

LaDonna Williams All Positives Possible

Zoë Cina-Sklar Amazon Watch

Miya Yoshitani Asian Pacific Environmental Network

Katherine Black
Benicians for a Safe and Healthy Community

Hollin Kretzman
Center for Biological Diversity

Nancy Rieser Crockett-Rodeo United to Protect the Environment

Noemi Tungui Food & Water Watch Director Gioia March 14, 2018 Page four

Don Osborne Fresh Air Vallejo

Gary Graham Hughes Friends of the Earth – US

Kathy Kerridge

Good Neighbor Steering Committee - Benicia

Bradley Angel

Greenaction for Health and Environmental Justice

Penny Opal Plant Idle No More SF Bay

Rev. Will McGarvey

Interfaith Climate Action Network of Contra Costa County

Stacy Levy

Mothers Out Front South Bay

Marilyn Pierce

Mill Valley Community Action Network, The Eco Warriors Team

Colin Andrew Cook-Miller
Oakland Climate Action Coalition

Debbie Mytels

Peninsula Interfaith Climate Action (PICA)

Janet Pygeorge

Rodeo Citizens Association

Jeff Kilbreth

Richmond Progressive Alliance

Steve Nadel

Sunflower Alliance

Wileen Ellen Sweet

West Marin Standing Together

Attachment:

February 20, 2018 Request for Update on Phillips 66 Rodeo Oil Wharf

and Refinery Expansion Plans ("Phillips 66 Marine Terminal Permit

Revision Project").

copy:

Interested organizations and individuals

BY ELECTRONIC MAIL

February 20, 2018

Dave Hudson, Chair of the Board John Gioia, Chair, Stationary Source Committee Bay Area Air Quality Management District 375 Beale Street, Suite 600 San Francisco, CA 94105

350 Bay Area **All Positives Possible** Benicians for a Safe and Healthy Community Center for Biological Diversity Communities for a Better Environment Community Science Institute Crockett-Rodeo United to Protect the Environment Food & Water Watch Fresh Air Vallejo Friends of the Earth - US Good Neighbor Steering Committee - Benicia Greenaction for Health and Environmental Justice Idle No More SF Bay **Interfaith Climate Action Network of Contra Costa** Mill Valley Community Action Network **Oakland Climate Action Committee** Rodeo Citizens Association San Francisco BayKeeper **Sunflower Alliance** Stand. Earth West Marin Standing Together

Re: Request for Update on Phillips 66 Rodeo Oil Wharf and Refinery Expansion Plans ("Phillips 66 Marine Terminal Permit Revision Project")

Dear Chair Hudson and Committee Chair Gioia:

The undersigned groups request an update on Phillips 66's oil tanker-to-refinery expansion plans at its Rodeo facility and further request that the update be provided at the next Stationary Source Committee meeting.

Phillips 66 proposed these plans to enable increased refining of tar sands oil imported via tankers after its plans to increase refining of tar sands oil by rail were rejected by informed and organized communities in San Luis Obispo County. Phillips 66 has now asked this Air District to permit the latest version of its expansion plans. This "project" threatens our air, water, climate, health, and safety.

Communities have expressed concerns regarding the Air District's ongoing history of permitting polluting projects without adequate public review—such as the Phillips 66 "Propane Recovery" project permitted in 2015, and the huge new crematorium the District permitted in East Oakland last month. In response to these concerns, the Air District committed to hold updates on the Phillips 66 project for public discussion at its Stationary Source Committee meetings. However, the Air District has yet to hold any such updates even while, as we are informed, the District continues to negotiate aspects of Phillips 66's proposed project.

Accordingly, we are requesting that an update on the Phillips 66 project be included in the next Stationary Source Committee agenda. We also request that the date and time be

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provided early enough for members of our communities and the public to adjust their school and work schedules so that they may fully participate in the promised discussion.

Respectfully,

Camille Stough and Greg Karras, Communities for a Better Environment

Ross Hammond, Stand. Earth

Ben Eichenberg, San Francisco BayKeeper

Laura Neish, 350 Bay Area

LaDonna Williams, All Positives Possible

Katherine Black, Benicians for a Safe and Healthy Community

Hollin Kretzman, Center for Biological Diversity

Denny Larson, Community Science Institute – CSI for Health and Justice!

Nancy Rieser, Crockett-Rodeo United to Protect the Environment

Noemi Tungui, Food & Water Watch

Peter Brooks, Fresh Air Vallejo

Gary Graham Hughes, Friends of the Earth – US

Kathy Kerridge, Good Neighbor Steering Committee - Benicia

Bradley Angel, Greenaction for Health and Environmental Justice

Penny Opal Plant, Idle No More SF Bay

Rev. Will McGarvey, Interfaith Climate Action Network of Contra Costa County

Bob Harlow, Mill Valley Community Action Network

Colin Andrew Cook-Miller, Oakland Climate Action Committee

Janet Pygeorge, Rodeo Citizens Association

Steve Nadel, Sunflower Alliance

Wileen Ellen Sweet, West Marin Standing Together

cc: Jack Broadbent, Air Pollution Control Officer Bay Area Air Quality Management District