

Department of Conservation and Development

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December 21, 2020

NOTICE OF PREPARATION / NOTICE OF SCOPING MEETING FOR A DRAFT ENVIRONMENTAL IMPACT REPORT FOR THE PROPOSED PHILLIPS 66 RODEO RENEWED PROJECT

(COUNTY FILE# LP20-2040)

**TO: RESPONSIBLE AND TRUSTEE AGENCIES, AND OTHERWISE INTERESTED AGENCIES,
ORGANIZATIONS, AND INDIVIDUALS**

As the California Environmental Quality Act (CEQA) Lead Agency, the Contra Costa County Department of Conservation and Development (DCD) has prepared this Notice of Preparation for an Environmental Impact Report (EIR) regarding the Phillips 66 Rodeo Renewed Project. Pursuant to CEQA, an EIR must be prepared for the proposed project prior to any final decision regarding whether to approve the project. The purpose of the EIR is to provide information about potential significant physical environmental effects of the proposed project, identify possible ways to minimize the significant effects, and describe and analyze possible alternatives to the proposed project. The County must review and consider the information contained in the EIR prior to making a decision, including comments from all responsible and trustee agencies, as well as interested agencies, organizations, and individuals. The DCD is issuing this Notice of Preparation pursuant to Section 15082 of the CEQA Guidelines.

PROJECT LOCATION

The project site is the existing Phillips 66 Rodeo Refinery located at 1380 San Pablo Ave, Rodeo, CA 94572. The refinery includes 1,100 acres of land, but the project site is on the portion of the refinery facilities west of Interstate 80. The project site is bordered by San Pablo Bay to the north and west, Interstate 80 to the southeast, the NuStar Energy tank farm to the northeast, and Rodeo to the southwest (see attached plot plan).

PROJECT DESCRIPTION

The existing refinery is designed and operated to refine a variety of domestic and foreign crude oils, received by pipeline and tanker vessel, into a wide range of products including gasoline and diesel fuels primarily for the California market, and fuel gases and feedstocks for industrial applications.

The Rodeo Renewed Project would transform the existing Rodeo Refinery into a facility that would process renewable feedstocks into renewable diesel fuel, renewable components of other transportation fuels, and renewable fuel gas. The modified facility would mostly use existing process units, converted to handle the new feedstocks, and existing storage facilities, supplemented by a new renewable feedstocks pre-treatment unit and limited other new equipment. Several of the existing refinery tanks would be converted to the storage of the non-regulated renewable feedstocks, finished distillates, and gasoline blendstocks to meet customer demand (the project would allow the facility to continue to meet regional demand for gasoline via onsite blending of a limited quantity of gasoline blendstocks).

The project also includes decommissioning and potential demolition of an existing facility in Santa Maria, California that currently supplies semi-refined crude oil to the Rodeo Refinery via pipeline, as well as a petroleum coke processing facility (i.e. Carbon Plant) in nearby Franklin Canyon. Once the project is implemented, crude oil and other petroleum pipelines that span from the Central Coast to Rodeo would remain active, but out of service and not used by the project.

Once the Rodeo Renewed Project is complete, the Rodeo facility would no longer process crude oil and petroleum feedstocks into transportation fuels. Instead, it would receive renewable feedstocks via tanker vessel, railcar, and some truck traffic. Renewable feedstocks for the project are to be delivered across the Marine Terminal along with gasoline and gasoline blendstocks. The capacity of the rail infrastructure would not change, but the rail infrastructure would be slightly modified to accommodate receipt of the renewable feedstocks.

The renewable feedstocks would be processed into renewable diesel fuel, jet fuel, gasoline blendstock components, and fuel gases. At full operation, the project could produce approximately 55,000 barrels per day on an annual basis of renewable transportation fuels (upon completion of the project, the Rodeo facility would produce a total of 67,000 barrels per day on an annual basis of renewable transportation fuels, with the additional 12,000 barrels per day coming from existing production). The renewable products would be stored and blended in existing on-site tankage and sent to distribution facilities primarily throughout California and the western United States using distribution methods similar to the current operation. Other gasoline products would continue to be shipped from the existing facility.

Once the project is implemented, the quantity of transportation products delivered from the facility would be approximately the same as pre-project (approximately 105,000 barrels per day). However, the quantity of transportation products manufactured at the facility (i.e., the products manufactured from renewable feedstocks) would be much less (approximately 67,000 barrels per day), with the remainder being conventional gasoline that is blended at the facility using gasoline blendstocks received primarily via the Marine Terminal. Overall the manufacturing activity at the facility and intensity of land use would be lessened by the Rodeo Renewed Project. However, the approximate size of the employee workforce after the project is completed is not expected to significantly differ from current staffing levels.

CONSTRUCTION

Construction would take approximately 24 months and construction activities would include the following: building a new renewable feedstock pretreatment unit; replacing some equipment and process units within the refinery with units tailored to handle renewable

feedstocks; repurposing some existing equipment; shutting down and potential demolition of the Carbon Plant; and converting the refinery's existing railcar loading facility to enable it to unload railcars. With the exception of the Santa Maria facility, no project activities or construction of any facilities outside the Rodeo refinery would be necessary. No conversion of undeveloped land would be needed. To replace the current crude oil feedstocks during construction, when the Santa Maria facility's output is no longer available, the refinery would temporarily increase imports of crude oil and gas oil via tanker vessels and barges through the existing Marine Terminal (Phillips 66 would submit or modify its existing, application to the Bay Area Air Quality Management District to increase crude oil throughput at the Marine Terminal up to 125,000 barrels/day on a 12-month rolling average). No modification of the terminal would be needed and crude oil deliveries would cease once the project was complete. Finally, Phillips 66 would surrender the existing air operating permits for the Santa Maria facility (after shutdown is complete), the Carbon Plant, and many of the Rodeo processing units that would be shut down.

ANTICIPATED IMPACTS

Pursuant to CEQA Guidelines Section 15060(d), the County will not prepare an initial study prior to commencing work on the EIR. The EIR will evaluate potential project impacts in the following CEQA topic areas consistent with Appendix G of the CEQA Guidelines: Aesthetics, Agricultural and Forestry Resources, Air Quality, Biological Resources, Cultural Resources, Energy, Geology and Soils, Greenhouse Gas Emissions, Hazards and Hazardous Materials, Hydrology and Water Quality, Land Use and Planning, Mineral Resources, Noise, Population and Housing, Public Services, Recreation, Transportation, Tribal Cultural Resources, Utilities and Service Systems, Wildfire and , Cumulative Impacts, Alternatives, and other CEQA mandated discussions.

PUBLIC COMMENTS

All responsible and trustee agencies, and interested agencies, organizations, and individuals are invited to submit comments that address environmental concerns resulting from the implementation of the proposed project. Your comments should focus on potential significant environmental issues regarding the project, information that would help the environmental analysis, or factors to consider in the environmental analysis.

As required by CEQA, there will be another opportunity to submit comments on the proposed project and environmental analysis during the public circulation of the Draft EIR. A separate notice will be issued when the Draft EIR becomes available.

Due to the time limits mandated by State law, your response must be sent at the earliest possible date but no later than 30 days after receipt of this letter. The comment period will commence on Monday, December 28, 2020. Correspondence must be received at the following address by 5:00 p.m. on Wednesday, January 27, 2021:

***Contra Costa County
Department of Conservation & Development
Community Development Division
30 Muir Road
Martinez, California 94553
Attention: Gary Kupp***

Comments can also be submitted by e-mail to gary.kupp@dcd.cccounty.us . The County File Number (#LP20-2040) should be included in all correspondence.

SCOPING MEETING

A scoping meeting will be held on **Wednesday, January 20, 2021, at 3:30 p.m.**, on a remote public meeting platform. Participation instructions can viewed at the following link when the agenda becomes available. Follow the link then click the "Most Recent" agenda tab.

<https://www.contracosta.ca.gov/4328/Zoning-Administrator>

At this meeting, interested agencies, organizations, and individuals may submit oral and written comments pertaining to environmental concerns related to the proposed project.

SUPPORTING DOCUMENTS

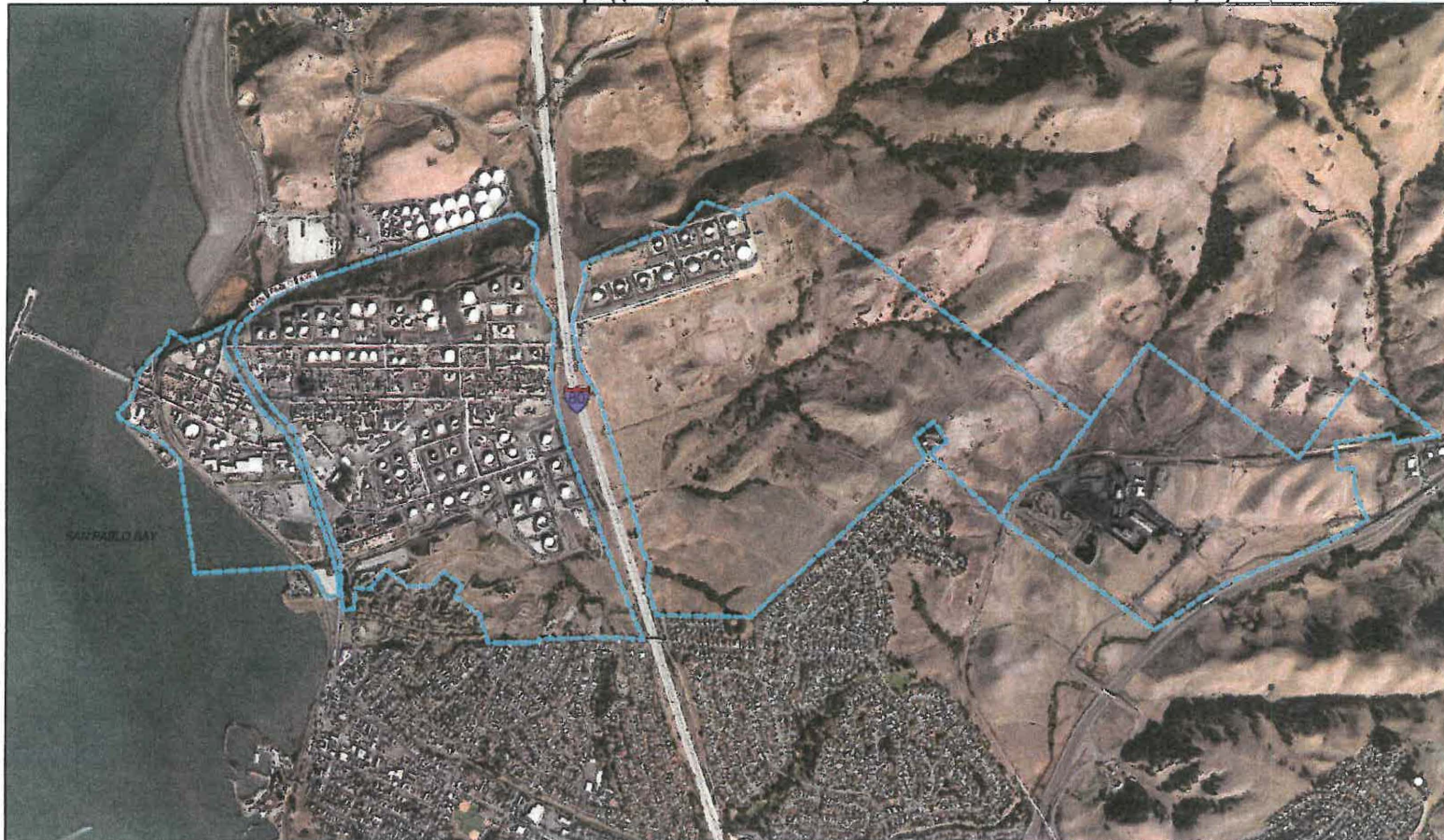
The project application and supporting documents are available for review at the Department of Conservation and Development, Community Development Division. If you wish to obtain a copy of any documents related to this project, please contact me at (925) 674-7799 or gary.kupp@dcd.cccounty.us .

Kind Regards,



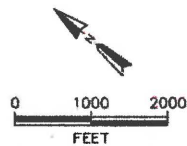
Gary Kupp, Senior Planner
Contra Costa County
Department of Conservation and Development

Attach: Project Plot Plan



LEGEND
— PROPERTY BOUNDARY

Aerial Photo Source: © 2012 Google Earth Pro
Ver 5.2.1.1588



*Aerial of Facility
Phillips 66
Rodeo, California*

06/12

1380 San Pablo Ave, Rodeo, CA 94572