



October 28, 2015

**BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT**

Ms. Amy Million
City of Benicia
Community Development Department
250 East L. Street
Benicia, CA 94510

RE: Valero Benicia Crude-by- Rail Project Recirculated Draft Environmental Impact Report

Dear Ms. Million:

Thank you for the opportunity to comment on the Valero Benicia Crude by Rail Project (Project) Recirculated Draft Environmental Report (RDEIR). The purpose of the RDEIR is to evaluate the potential air quality impacts that could occur uprailand of the Valero Benicia Refinery. The intent of the Project is to provide an alternate means to deliver crude oil to the Valero Benicia Refinery other than by ship. Union Pacific Railroad (UPRR) will transport up to 70, 000 barrels per day of crude oil from various points of origin in two daily 50 car trains to the Valero Benicia Refinery. The Project also involves upgrades to tracks, rail spurs, pumps, pipeline unloading racks and underground infrastructure.

The Air District's original comments provided on the DEIR on September 15, 2014 are still relevant, and are incorporated herein by reference. Below are our comments on the air quality analysis in the RDEIR.

Health Risk Analyses

Air District staff has reviewed the Health Risk Analysis modeling parameters (Appendix B) that were used to estimate the potential increase in health risks associated with the Project near the Valero Benicia Refinery and for a location in the City of Fairfield and has the following comments:

1. Please provide justification for using an optimum average fuel efficiency of 1,005 ton-mile per gallon based on 1992 EPA document (EPA-420-R-92-009) when more recent data from EPA (EPA-420-F-09-025) in 2009 have an average locomotive fuel efficiency of 400 ton-mile per gallon.

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2. The current modeling using AERMOD relies on meteorological data from the former Nut Tree Restaurant in Vacaville. Air District staff recommends using meteorological data in Fairfield or Suisun for evaluating sensitive receptor impacts. Previous use of meteorological data in the Valero Crude-by-Rail DEIR from the sewage treatment plant in the City of Suisun was acceptable to the Air District.
3. Table 3 presents estimated cancer risks and PM_{2.5} concentrations from stationary sources and mobile sources using the Air District's Google Earth tools. The screening values that the Air District provides on the Google Earth tools have not been updated to incorporate the latest OEHHA values, except for the age sensitivity values. Please adjust the screening values related to age sensitivity, breathing rate, exposure duration, and the amount of time at home.
4. Table 4 presents the combined risk values at the maximum exposed residence near the Valero Benicia Refinery. Cancer risks identified in the CEQA document for the 2002 Valero Improvement Project (VIP) were used to estimate the refinery's contribution to the offsite resident. Please ensure that the VIP CEQA analysis was comprehensive and includes all sources at the refinery that could impact the nearest receptor. For example, the VIP does not evaluate PM_{2.5} emissions, flare emissions, standby generators, and other sources not included in the VIP. In addition, the VIP modeling results for cancer risk should be amended to account for the latest OEHHA values related to age sensitivity, breathing rate, exposure duration, and the amount of time at home.
5. Please provide the detailed calculations used to estimate locomotive diesel particulate matter emissions used in the modeling.
6. Air District staff recommends that emissions from associated ships supporting Valero that are not displaced by the Valero Crude-by-Rail Project be included in the cumulative health risk analysis.

If the revised health risk analysis per the Air District's comments above result in significant estimated health risks to sensitive receptors, the Air District recommends that the City identify sufficient mitigation measures to reduce the impact to acceptable levels.

Greenhouse Gases

Project construction and operation would result in a net increase of approximately 13,609 metric tons of greenhouse gas emissions (CO₂e) per year, and therefore the emissions of greenhouse gases (GHG) that would be generated by the Project would be cumulatively considerable (RDEIR Table 4.6-5, Impact 4.6-1). The RDEIR, however, states the Project would not conflict with the City of Benicia Climate Action Plan (Page 2-61). Air District staff recommends the City of Benicia provide the analysis to support this conclusion.

The Commercial and Industrial sector is the largest contributor to the City of Benicia's total greenhouse gas emissions. The City of Benicia's Emissions Inventory indicates that approximately 95 percent of the Community's total emissions are related to commercial and industrial uses; 20% of these emissions are attributed to the Valero Refinery and Port of Benicia (City of Benicia 2009 CAP). Objective IC4 of the City of Benicia's Climate Action Plan (CAP): Encourage the Refinery to Continue to Reduce Emissions, aims at improving air quality and decreasing asthma rates by implementing strategies that will result in GHG and toxic air contaminant reductions. Strategy IC 4-1: Continue Implementing Capital Improvement Programs, urges the refinery to utilize the most current modernized equipment, and Strategy IC4-2: Investigate Onsite Energy Production, encourages on-site energy production measures such as photovoltaic and wind power. The RDEIR omits any discussion of these strategies as mitigation for the significant GHG emissions associated with this project. Air District staff recommends that the RDEIR include all feasible measures to minimize GHG impacts, particularly measures included in the City's CAP.

Change in Crude

Valero plans to purchase and process a range of crudes but does not expect to increase the total crude oil throughput or increase production of existing products or by-products. Air District staff recommends that the RDEIR address the potential changes in emissions associated with handling lighter crude, which can have higher volatile organic compound (VOC) content than the existing crude being processed; this can lead to increased fugitive emissions during transport and storage which should be evaluated for air quality impacts.

Air District staff is available to assist the City of Benicia in addressing these comments. If you have any questions, please contact Andrea Gordon, Senior Environmental Planner, at (415) 749-4940 or agordon@baaqmd.gov.

Sincerely,



Jean Roggenkamp
Deputy Executive Officer

cc: BAAQMD Director James Spering