

**APPENDIX E**

**FINAL ENVIRONMENTAL IMPACT REPORT**

**PARAMOUNT CLEAN FUELS PROJECT**

**RESPONSE TO COMMENTS**

**INTRODUCTION**

This Appendix, together with other portions of the Draft Environmental Impact Report (Draft EIR), Volumes I and II constitute the Final EIR for the proposed Paramount Clean Fuels Project.

The Draft EIR was circulated for a 45-day public review and comment period on December 17, 2003. The comment period was extended to about a 70-day review period at the request of the public and the applicant. The Draft EIR is otherwise available at the South Coast Air Quality Management District (SCAQMD), 21865 E. Copley Drive, Diamond Bar, California 91765-4182 or by phone at (909) 396-3600. Portions of 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, and other areas of discussion as required by CEQA. The discussion of environmental impacts included a detailed analysis of air quality, hazards and hazardous materials, and transportation/traffic.

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



ENVIRONMENTAL AUDIT, INC

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Mayor

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Vice Mayor

DARYL HOFMEYER  
Councilmember

PEGGY LEMONS  
Councilmember

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Councilmember

February 23, 2004

Steve Smith, Ph.D.  
South Coast Air Quality Management District  
21865 E. Copley Drive  
Diamond Bar, California 91765-4182

**Subject: Comments on the Draft EIR Prepared for the Proposed Paramount Petroleum Refinery Project**

Mr. Smith:

The purpose of this letter is to provide comments on the Draft Environmental Impact Report (Draft EIR) prepared for the proposed Paramount Petroleum Refinery Reformulated Fuels Project. The City appreciates the opportunity to comment on the Draft EIR, recognizing its role as a Responsible Agency in the review of the proposed project.<sup>1</sup> As indicated in our initial responses to the Notice of Preparation (NOP), the City of Paramount concurs with the decision that the South Coast Air Quality Management District should be the Lead Agency in the environmental review of the proposed project given its technical nature.<sup>2</sup> However, the City continues to be concerned that the analysis provides a thoughtful and comprehensive analysis of those issues of local importance. Our concerns are identified in a fashion to correspond to those specific issues raised in our initial comment letter following the circulation of the NOP.

This comment letter has been formatted so that the previous comments submitted to the Lead Agency regarding the NOP are identified along with new issues identified following the City's review of the Draft EIR. We have included as an attachment, a copy of our initial comments on the NOP, the Lead Agency's responses to the NOP, and the City's comments following its review of the Draft EIR.

**Comments on the Draft EIR for Issues Previously Raised by the City**

**Aesthetic Impacts (Comments on the Draft EIR for Issues Previously Raised in Response to the NOP)**

The City, in its response to the NOP, requested the Lead Agency identify the potential aesthetic and visual impacts of the proposed improvements.<sup>3</sup> Exhibit 2-4 is a site plan that indicates the location of these improvements.<sup>4</sup> However, the aforementioned exhibit provides no information with respect to the size, height, or other visual characteristics. The City acknowledges the "industrial character" of the use. However, the Draft EIR fails in providing some information that is important to the City. For example, will the height of the proposed improvements such as the naptha splitter exceed the height of the existing structures? No elevations, illustrations, photographs, or drawings are provided to support the conclusion that no aesthetic or visual impacts are anticipated. Previous environmental studies that have been managed by the City for other improvements within the refinery included visual studies.

1-1

<sup>1</sup> Under CEQA, a responsible agency is defined as "a public agency that, other than the lead agency, as discretionary approval power over the project." The Lead Agency did not object to the City's role as a responsible agency.

<sup>2</sup> A copy of the City's letter is included in Appendix A of the Draft EIR along with the Lead Agency's responses,

<sup>3</sup> City of Paramount. *Comments on the Notice of Preparation of the Draft Environmental Impact Report (EIR) for the Proposed Paramount Petroleum Refinery Project*. April 10, 2003. (Page 1 [Comment 3-1]).

<sup>4</sup> Environmental Audit, Inc. *Paramount Refinery Clean Fuels Project Draft EIR (SCH # 2003031044)*. December 2003. (Page 2-12)  
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### Energy Impacts (Comments on the Draft EIR for Issues Previously Raised in Response to the NOP)

The City's concerns were that the Initial Study dismissed utility use without making any quantified analysis.<sup>7</sup> The Lead Agency stated, "...The proposed project will result in an increase in natural gas purchased over the last several years since some existing equipment will be fired up that has not been continuously operated in the last few years."<sup>8</sup> Under the California Environmental Quality Act, the project's physical and operational characteristics must be identified and analyzed in its entirety. The City wants to understand how the proposed improvements may result in increased energy consumption, especially natural gas. No analysis is provided that supports the Lead Agency's conclusion that the issue did not warrant further analysis in the Draft EIR.

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### Geology and Soils Impacts (Comments on the Draft EIR for Issues Previously Raised in Response to the NOP)

The Lead Agency failed to provide the information requested by the City. Again, the City is being referred to Sections of the Initial Study that have little or no relevance to the issues raised by the City. In terms of potential damage from an earthquake, the Initial Study states the following: ...

"Based on the historical record, it is highly probable that earthquakes will affect the Los Angeles region in the future. Research shows that damaging earthquakes will occur on or near recognized faults that show evidence of recent geologic activity. The proximity of major faults to the Refinery increases the probability that an earthquake may adversely affect the Refinery. There is the potential for damage to the new structures in the event of an earthquake. Impacts of an earthquake could include structural failure, spill, etc."<sup>9</sup>

The Lead Agency analyzed the potential risk of upset in the Draft EIR.<sup>10</sup> The analysis addressed our concerns with respect to the potential for risk of upset. Some of the key points raised in the Draft EIR include

"...Releases from new or modified equipment that result in an increase in the potential off-site exposures (based on the consequence modeling and the given hazard endpoints), do so only under "worst-case" conditions. The "worst-case" consequence condition can only be achieved if the following occurs: (1) a hole is created; (2) the hole would occur in the liquid portion of the vessel or in associated equipment handling this liquid; (3) the release would have to be oriented horizontally; (4) the release stream does not impact neighboring equipment; (5) the wind speed is low (less than three miles per hour); and (6) the atmosphere is calm. The probability of all these conditions existing at the same time is extremely low."<sup>11</sup>

1-3

While the probability of a damaging earthquake is low (low in terms of occurrence during any given time frame), it is also inevitable. The analysis supports the City's concerns that the Draft EIR includes a geotechnical study. The proposed construction, to comply with the aforementioned UBC requirements, will likely require such a study.

<sup>7</sup> City of Paramount. *Comments on the Notice of Preparation of the Draft Environmental Impact Report (EIR) for the Proposed Paramount Petroleum Refinery Project*. April 10, 2003. (Pages 1 and 2 [Comment 3-2]).

<sup>8</sup> Environmental Audit, Inc. *Paramount Refinery Clean Fuels Project Draft EIR (SCH # 2003031044)*. December 2003. (Appendix A, Response 3-2)

<sup>9</sup> Environmental Audit, Inc. *Notice of Preparation/Initial Study Paramount Refinery Clean Fuels Project*. March 12, 2003. (Page 2-15)

<sup>10</sup> Environmental Audit, Inc. *Paramount Refinery Clean Fuels Project Draft EIR (SCH # 2003031044)*. December 2003. (Pages 4-17 through 4-20)

<sup>11</sup> Environmental Audit, Inc. *Paramount Refinery Clean Fuels Project Draft EIR (SCH # 2003031044)*. December 2003. (Page 4-19).

The City has learned that geotechnical studies have indicated the need to use piles to accommodate the proposed improvements. Had a geotechnical report been prepared and included as part of the CEQA document, the attendant noise impacts using pile-drivers would have been considered in the Draft EIR. The Final EIR must address the issue of unstable soils and the techniques that will be used to mitigate this potential impact.

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(cont.)

**Hydrology and Water Quality Impacts (Comments on the Draft EIR for Issues Previously Raised in Response to the NOP)**

The Draft EIR fails to address any of the concerns raised with respect to water quality and water consumption.<sup>12</sup> The City concurs that Clean Water Act requirements will be adhered to and thus, the project is self-mitigating. The City is concerned that the Initial Study and Draft EIR contains numerous statements indicating that there will be "no impact" or that "no significant impacts are anticipated." Nowhere in the Initial Study or the Draft EIR could we find any reference or data that specifically supports the following statement:

1-4

"The proposed project will not increase future water use or wastewater discharge over baseline conditions so no significant impacts are expected."<sup>13</sup>

The City will be in agreement with the above statement only if no additional water will be consumed nor will any wastewater discharges from the proposed improvements. In fact the statements made by the Lead Agency will only be accurate if this is the case.

**Noise impacts (Comments on the Draft EIR for Issues Previously Raised in Response to the NOP)**

In its review of the Initial Study, the City indicated the analysis was sufficient in some respects though specific information the City requested to be included in the Draft EIR was not provided.<sup>14</sup> The City remains concerned that the facility's operation during the late night and early morning periods will adversely affect noise sensitive receptors located in the immediate area. The City previously requested a more detailed consideration of operational noise and how this noise may affect the adjacent residential uses during the late night periods.

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As indicated previously, the City has learned that the use of pile-drivers may be required to provide the necessary structural supports for the proposed improvements. The Final EIR must include an analysis of the noise impacts associated with the use of this equipment.

**Project Description (Comments on the Draft EIR for Issues Previously Raised in Response to the NOP)**

The City requests that exhibits be provided that depicts how the proposed improvements will appear once they are constructed.<sup>15</sup> This information was originally requested in its response to the NOP.

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**Long-term and Growth Inducing Impacts (Comments on the Draft EIR for Issues Previously Raised in Response to the NOP)**

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<sup>12</sup> City of Paramount. *Comments on the Notice of Preparation of the Draft Environmental Impact Report (EIR) for the Proposed Paramount Petroleum Refinery Project*. April 10, 2003. (Page 2 [Comment 3-4]).

<sup>13</sup> Environmental Audit, Inc. *Paramount Refinery Clean Fuels Project Draft EIR (SCH # 2003031044)*. December 2003. (Appendix A, Response 3-4).

<sup>14</sup> City of Paramount. *Comments on the Notice of Preparation of the Draft Environmental Impact Report (EIR) for the Proposed Paramount Petroleum Refinery Project*. April 10, 2003. (Page 2 [Comment 3-5]).

<sup>15</sup> City of Paramount. *Comments on the Notice of Preparation of the Draft Environmental Impact Report (EIR) for the Proposed Paramount Petroleum Refinery Project*. April 10, 2003. (Page 3 [Comment 3-6]).

The City is in agreement that the General Plan designation is not likely to change in the future. However, the potential growth inducing impacts are not adequately addressed in the Draft EIR. The two small paragraphs summarize the Lead Agency's contention that the additional 14 jobs provided by the project does not represent a growth inducing impact.<sup>16</sup> The project's potential for growth inducing impact involves the conversion of the plant to process reformulated fuels. Will these improvements lead to increased production, expanded refinery capacity, extended hours of operation, or other indirect impacts?

1-7  
(cont.)

Growth-inducing impacts are generally associated with the provision of urban services to an undeveloped or rural area, such as utilities, improved roadways, and expanded public services. The variables that typically contribute to growth-inducing impacts and the project's contribution include the following: new development in an area presently undeveloped and economic factors which may influence development, the extension of roadways and other transportation facilities, the extension of infrastructure and other improvements, the construction of major off-site public projects (treatment plants, etc), the removal of housing requiring replacement housing elsewhere, additional population growth leading to increased demand for goods and services, and short-term growth inducing impacts related to a project's construction.<sup>17</sup>

#### **Project Alternatives (Comments on the Draft EIR for Issues Previously Raised in Response to the NOP)**

This section of the Draft EIR provided valuable information that assisted the City in understanding the implications of the project as well as that for the alternatives. In a subsequent comment, the City's concern with the naphtha splitter will be documented. The analysis clearly indicates that Alternative 3 is the environmentally superior alternative.<sup>18</sup> This is due in large measure to the relocation of the naphtha splitter elsewhere in the site, away from sensitive receptors. We strongly urge that thoughtful consideration be given to the selection of Alternative 3 over the proposed project.

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#### **Mitigation Measures (Comments on the Draft EIR for Issues Previously Raised in Response to the NOP)**

In general, the City concurs with the Lead Agency's findings and conclusions with respect to mitigation. The mitigation discussion for VOC emissions was confusing and unclear. The Draft EIR states the following:

*"The impacts associated with operation of the proposed project are expected to be significant for VOC emissions so feasible mitigation measures are required. The major source of VOC emissions is from fugitive components (e.g., pumps, valves, drains, flanges, etc.). The proposed project requires the installation of fugitive components (e.g., valves, flanges, and pumps) that are large sources of VOC emissions from the proposed project. VOC emissions from fugitive components are controlled through the use of BACT.<sup>19</sup> BACT is the cleanest commercially available control equipment or technique. The use of BACT controls emissions to the greatest extent feasible for the new and modified emission sources. In addition, the fugitive components will be required to be included in an inspection and maintenance program, as required by SCAQMD Rule 1173, to ensure that the equipment is properly maintained. Therefore, additional VOC emission reductions (through mitigation measures) from fugitive components associated with the proposed project equipment are not feasible"* (italics are ours).<sup>20</sup>

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<sup>16</sup> Environmental Audit, Inc. *Paramount Refinery Clean Fuels Project Draft EIR (SCH # 2003031044)*. December 2003. (Page 4-28).

<sup>17</sup> State of California. *Title 14 California Code of Regulations. Chapter 3. Guidelines for Implementation of the California Environmental Quality Act. §15126.2(d)*.

<sup>18</sup> Environmental Audit, Inc. *Paramount Refinery Clean Fuels Project Draft EIR (SCH # 2003031044)*. December 2003. (Page 6-8).

<sup>19</sup> Best available control technology.

<sup>20</sup> Environmental Audit, Inc. *Paramount Refinery Clean Fuels Project Draft EIR (SCH # 2003031044)*. December 2003. (Page 4-14).

The City requests clarification as to the nature and extent of any mitigation that may be required to reduce VOC emissions to levels that is less than significant.

1-9  
(cont.)

**Identification of References (Comments on the Draft EIR for Issues Previously Raised in Response to the NOP)**

The City stands by its contention that the Initial Study failed to adequately identify the references used in making those determinations that the project would not result in specific adverse impacts for a number of issues.<sup>21</sup>

1-10

**Comments on the Draft EIR for New Issues**

**Hazards Impacts (New Comments on the Draft EIR)**

For purposes of the public record, the City is most concerned with the following statements made in the Draft EIR:

"With the completion of the hazard identification and consequence modeling calculations for both the existing and proposed Refinery modifications, the release which generates the largest hazard zone can be defined. Table 4-6 lists the potential release scenarios as a result of the proposed project. Most of the proposed modifications do not affect the size of the largest potential release. In other words, the potential releases, which would result in the largest hazard zones, already exist at the site (see Figure 4-1). Table 4-6 presents a listing of the dispersion distances for the "worst-case" flammable and toxic releases for the events evaluated under the current and proposed refinery configurations. About half of the selected potential releases do not have consequences that reach a facility property line, and thus do not have the ability to affect off-site populations. The findings are summarized below:

- Modifications to the Naphtha Splitter Overhead Accumulator result in an increase in the potential public exposure to hydrogen sulfide under a "worst-case" release scenario.
- The addition of the Benzene Saturation and Isomerization Unit results in potential offsite exposure to a flammable gas cloud, under "worst-case" conditions. The off-site area potentially exposed to the new hazard is less than areas that are currently exposed to a similar hazard from related equipment
- Modifications to the Light Naphtha Stabilizer do not produce increase hazard zones offsite.
- Modifications to the #1 Naphtha HDS Stripper result in increased potential exposure off-site to flammable gas clouds or gas clouds containing hydrogen sulfide. The area exposed to these hazards falls within areas exposed by current operations.
- The addition of pentane loading and ethanol unloading does not result in any new offsite hazards.
- An upgrade of the gasoline blending equipment does not result in any new off-site hazards.
- The addition of a PSA unit to the Refinery does not result in any new off-site impacts.

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<sup>21</sup> City of Paramount. *Comments on the Notice of Preparation of the Draft Environmental Impact Report (EIR) for the Proposed Paramount Petroleum Refinery Project*. April 10, 2003. (Page 3 [Comment 3-10]).

Of the releases that do produce off-site consequences, only one of the releases from the new system (after modifications) produces hazard zones that extend past the hazard zones for the current system that it is compared to, which is a rupture in the Naphtha Splitter Overhead Accumulator. *Therefore, the modifications to the Naphtha Splitter will result in an increase in the potential public exposure under "worst-case" consequence analysis conditions* (italics is ours). A release of hydrogen sulfide could allow the 30 ppm concentration level to extend an additional 120 feet south of the Refinery, under a "worst case" release scenario. Likewise, the distance to the LFL assuming a "worst-case" release of flammable materials could extend an additional 110 feet, under "worst-case" conditions. Therefore, the potential for off-site hazard impacts could result in an exposure to a hazardous chemical in concentrations equal to or greater than the ERPG 2 levels and increase exposure to flammable materials. Therefore, the proposed project has the potential for significant hazard impacts.<sup>22</sup>

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(cont.)

The City is very concerned that an existing hazard is being exacerbated by the proposed project. While a "statement of overriding considerations" may make the project acceptable from a CEQA standpoint, additional consideration is required. This may include, but not be limited to, the selection of the environmentally superior alternative that reduces the potential effects.

#### **Air Quality Impacts (New Comments on the Draft EIR)**

In the analysis of air quality impacts, no credit or off-sets were being provided. We question why the analysis did not take into account the stationary emissions reductions that would be realized through the use of more modern equipment employing best available control technology. Some mention should also be provided indicating the clean air benefits of the reformulated fuels.

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#### **Conclusions**

In conclusion, the City found the Draft EIR deficient in its consideration of those issues raised in our response to the NOP. It is the City's policy to ensure that the environmental review process provides a thoughtful consideration of the implications of a project so that the health and welfare of the community is protected.

The City also respectfully requests to be notified of any scoping meeting and public hearing that is to be conducted as part of the environmental review process. Given the nature of the project and the potential impacts related to air quality and hazards, we feel that the SCAQMD should conduct a public hearing. The City would also request that the Final EIR, the Findings, and the Mitigation Monitoring Program be made available to the City for review and comment. We would appreciate being provided sufficient time, as mandated under CEQA, to complete our review of these documents.

1-13

I hope this information has been helpful in your review. If you have any questions regarding this matter, please do not hesitate to contact me at the office.

Sincerely;

  
Joe Perez  
Community Development Director

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<sup>22</sup> Environmental Audit, Inc. *Paramount Refinery Clean Fuels Project Draft EIR (SCH # 2003031044)*. December 2003. (Page 4-18 through 4-20, the area of potential impact is identified in Figure 4-1 on Page 4-19).





**Attachment A**  
**The City's Comments on the NOP, the Lead Agency's Responses, and the City's  
Follow-up Comments**

**1. Comments on the Draft EIR for Issues Previously Raised in Response to the NOP.**

**1.1 Aesthetic Impacts**

**City's Original NOP Comment**

The discussion of potential aesthetic impacts summarizes the equipment that is proposed as part of the new project. For the majority of the issue areas considered, the discussion section indicates that there will be no aesthetic impacts associated with the proposed equipment. In the absence of any graphic depicting the location and appearance of the equipment, the City is unable to concur with this assessment. At the very minimum, the analysis should include exhibits indicating the location and extent of the proposed improvements. The existing refinery is located in close proximity to residential uses and the impact of any new equipment on local views should be analyzed in the EIR. This concern is underscored in previous environmental studies that have been completed by the City for other improvements within the refinery where visual studies have been required (and provided).

**Lead Agency's Responses to the NOP Comment (included in the Draft EIR)**

Chapter 2, Table 2-3 of the Draft EIR, identifies the modifications to be made to Refinery as part of the proposed project including modifications to existing equipment and the installation of new refinery equipment. The location of the proposed Refinery modifications and a figure showing the location and extent of the proposed project is shown in Figure 2-4, Chapter 2 of the Draft EIR, page 2-11. As indicated in the NOP/IS, most of the new equipment will not be visible to the surrounding areas because: (1) existing fencing, structures, and landscaping blocks views of many portions of the refinery (e.g., the views of the refinery from the residential areas are largely blocked by fencing); and (2) most of the new equipment will be located near the center portions of the refinery, away from the residential areas (see Draft EIR, Figure 2-4). The exception is that several new columns are included as part of the proposed project. The columns will be visible from various locations around the refinery. Due to the existing industrial setting of the site, several additional structures will not significantly change the visual qualities of the refinery site so that no significant impacts are expected from the proposed project. The refinery changes will be indistinguishable by most observers.

**City of Paramount's Comment on the Draft EIR**

The City, in its response to the NOP, requested the Lead Agency identify the potential aesthetic and visual impacts of the proposed improvements. Exhibit 2-4 is a site plan that indicated the location of these improvements. However, the aforementioned table and exhibit provide no information with respect to the size, height, or other visual characteristics. The City acknowledges the "industrial character" of the use. However, the Draft EIR fails in providing some information that is important to the City. For example, will the height of the proposed improvements such as the naphtha splitter exceed the height of the existing structures? No elevations, illustration, photographs, or drawings are provided to support the conclusion that no aesthetic or visual impacts are anticipated. Previous environmental studies that have been managed by the City for other improvements within the refinery included visual studies.

**1.2 Energy Impacts**

**City's Original NOP Comment**

The primary purpose of an EIR is to inform decision-makers, the public, responsible agencies, and other involved parties as to the consequences of a particular action or project. The analysis of potential energy consumption is inadequate in helping those parties make a determination as to the nature and extent of any additional facilities that may be needed to provide power to the project. The discussion of potential impacts state that the proposed improvements will "...represent about one-hundredth of one percent of the total natural gas consumption in southern California." The discussion goes on to state "...no significant impact to the natural gas supply is expected as a result of the operation of the proposed project." The City does not agree with the conclusion that this is "not significant" given the past energy problems the region has experienced. Furthermore, the analysis should identify those measures that would be effective in conserving energy.

### **Lead Agency's Responses to the NOP Comment (included in the Draft EIR)**

The energy impacts (i.e., impacts on electricity use and natural gas use) were considered to be less than significant for the reasons discussed below. Electricity: The proposed project is not expected to result in a significant increase in electricity purchased over the baseline levels. The Refinery has installed a Cogeneration Unit that provides most of the existing Refinery's electrical power needs. During the energy crisis in 2000, the Refinery purchased electricity from Southern California Edison (SCE). The Refinery no longer relies on SCE for all its electricity needs and has decreased its purchase of electricity from SCE. The proposed project is not expected to result in an increase in purchased electricity over baseline (or historical) levels so that no significant impacts on electricity are expected. Natural Gas: The proposed project will not add any new combustion equipment to the Refinery. The proposed project will result in an increase in natural gas purchased over the last several years since some existing equipment will be fired up that has not been continuously operated in the last few years. However, the proposed project is not expected to result in an increase in the use of natural gas over baseline (or historic) levels so no significant adverse impacts on natural gas are expected.

### **City of Paramount's Comment on the Draft EIR**

The City's concerns were that the Initial Study dismissed utility use without making any quantified analysis. The above response states, "...The proposed project will result in an increase in natural gas purchased over the last several years since some existing equipment will be fired up that has not been continuously operated in the last few years." Under the California Environmental Quality Act, the project's physical and operational characteristics must be identified and analyzed in its entirety. The City wants to understand how the proposed improvements may result in increased energy consumption, especially natural gas. No analysis is provided that supports the Lead Agency's conclusion that the issue did not warrant further analysis in the Draft EIR.

## **1.3 Geology and Soils Impacts**

### **City's Original NOP Comment**

Given the nature of the proposed use, the City respectfully requests that additional attention be given to the analysis of geology and soils. The discussion correctly points out that the refinery is located within an area that is subject to potential liquefaction. In addition, the site will be subject to strong ground motion in the event of a major earthquake, especially from the nearby Newport-Inglewood fault. The discussion indicates that soil studies have determined that groundwater levels are greater than the minimum 30-feet below the ground surface where liquefaction typically occurs. The analysis in the EIR should include the technical studies referenced to in the discussion. The EIR, and any technical studies, should be provided to the appropriate agencies for review (the California Geological Survey, Los Angeles County Fire Department, etc.). The EIR should also identify those safety measures that would be implemented in the event of a major earthquake.

### **Lead Agency's Responses to the NOP Comment (included in the Draft EIR)**

The information request[ed] in this comment was provided in the NOP/IS (see NOP/Initial Study, Chapter 2, pages 2-14 - 2-17). The NOP/IS includes the discussion of the potential impacts related to the Newport-Inglewood fault (see page 2-15) and the related building requirements that minimize the potential for impacts due to seismic activities. The NOP/IS includes the discussion of the potential impacts related to liquefaction (see page 2-16) and the related building requirements that minimize the potential for impacts due to liquefaction. As stated in the NOP/IS, the California Division of Mines and Geology has concluded that the Refinery is located in an area of historic or has the potential for liquefaction. The reference for this map is provided in the reference section of the NOP/IS (California Division of Mines and Geology, Map of Seismic Hazard Zones, South Gate Quadrangle, August 17, 1998). The Seismic Hazard maps are available from the California Division of Mines and Geology web page. Also note that this determination is not necessarily made from site-specific technical studies but from historical data, depth to ground water information, regional geological information, etc., and not from site-specific information. Finally, the proposed project will not significantly alter the existing impacts that an earthquake would have on the Refinery. No additional storage tanks are proposed, no increase in materials stored at the Refinery are proposed, etc. (Also, please note that hazards related to a potential earthquakes associated with the proposed project modifications are addressed in the EIR, Chapter 4, Section B - Hazardous and Hazardous Materials). The safety measures that would apply in the event of an earthquake are the same measures that apply to the Refinery on a daily basis and are not associated with the proposed project.

## **City of Paramount's Comment on the Draft EIR**

The Lead Agency failed to provide the information requested by the City. Again, the City is being referred to Sections of the Initial Study that have little or no relevance to the issues raised by the City. In terms of potential damage from an earthquake, the Initial Study (page 2-15) states the following: ...

"Based on the historical record, it is highly probable that earthquakes will affect the Los Angeles region in the future. Research shows that damaging earthquakes will occur on or near recognized faults that show evidence of recent geologic activity. The proximity of major faults to the Refinery increases the probability that an earthquake may adversely affect the Refinery. There is the potential for damage to the new structures in the event of an earthquake. Impacts of an earthquake could include structural failure, spill, etc."

The Lead Agency analyzed the potential risk of upset in the Draft EIR (pages 4-17 through 4-20). The analysis was well done and addressed our concerns with respect to the potential for risk of upset. Some of the key points raised in the Draft EIR include

"...Releases from new or modified equipment that result in an increase in the potential off-site exposures (based on the consequence modeling and the given hazard endpoints), do so only under "worst-case" conditions. The "worst-case" consequence condition can only be achieved if the following occurs: (1) a hole is created; (2) the hole would occur in the liquid portion of the vessel or in associated equipment handling this liquid; (3) the release would have to be oriented horizontally; (4) the release stream does not impact neighboring equipment; (5) the wind speed is low (less than three miles per hour); and (6) the atmosphere is calm. The probability of all these conditions existing at the same time is extremely low."

While the probability of a damaging earthquake is low (low in terms of occurrence during any given time frame), it is also inevitable. The analysis supports the City's concerns that the Draft EIR include a geotechnical study. The proposed construction, to comply with the aforementioned UBC requirements, will likely require such a study.

## **1.4 Hydrology and Water Quality Impacts**

### **City's Original NOP Comment**

The City requests that the scope of the EIR's analysis be expanded to consider potential water quality and water consumption impacts along with any requisite mitigation. The discussion indicates that contaminated soils will be properly remediated. The consideration of this issue in the EIR will permit the City and other responsible agencies to participate in the review process. These other agencies may include, but not be limited to, the Department of Toxic Substances Control and the Los Angeles County Department of Health. This issue is of great importance since the refinery is located in close proximity to several schools and residential neighborhoods. Under the California Environmental Quality Act (CEQA), all schools within ¼ mile of the proposed project should be notified if a proposal involves the handling, use, manufacture, storage, or distribution of hazardous materials. The discussion also indicates "the project is not expected to result in an increase in water use at the site over peak historical use." The City is aware that new equipment previously installed at the refinery did, in fact, consume large quantities of water and mitigation was recommended that called for connections to an existing "gray water" line located along the refinery's southerly property line. In the absence of any detailed analysis, the City is unable to concur with the findings that the proposed project will not result in any significant water consumption.

### **Lead Agency's Responses to the NOP Comment (included in the Draft EIR)**

See Response 1-3 regarding soil contamination. chapter 2 of the NOP/Initial Study, pages 2-23 through 2-25 considers the impacts to water quality and consumption. The proposed project will not increase future water use or wastewater discharge over baseline conditions so no significant impacts are expected. Water consumption for the proposed project is minimal during the construction phase, mainly for dust control, as required by SCAQMD Rule 403. This will cease once the project construction phase is complete. The existing cooling towers are responsible for the bulk of water usage on site. The towers are not being modified nor replaced, therefore, no increase in water consumption is expected. Based on the analysis completed, adverse impacts on water quality and hydrology are not expected, so no further evaluation is required in the Draft EIR. The Refinery has onsite wastewater treatment facilities. Wastewater is subjected to treatment and sampling in

accordance with the County Sanitation Districts of Los Angeles County Industrial Wastewater Discharge Permit requirements. No impacts or changes are expected to the wastewater or wastewater treatment system so no significant impacts have been identified. Previous ground water contamination detected down-gradient from the Refinery is being remediated and monitored. CEQA requires that for projects located within one-quarter mile of a school site that emit hazardous contaminants or handle hazardous materials, the affected school district be consulted when the EIR is distributed for review and that the school district be notified in writing not less than 30 days prior to approval or certification of the EIR (14 CCR §15186). These CEQA requirements will be followed for the proposed project. Further, the potential impacts associated with the use of hazardous materials related to the proposed project are included in Chapter 4, Section B - Hazards/Hazardous Materials.

#### **City of Paramount's Comment on the Draft EIR**

The Draft EIR fails to address any of the concerns raised with respect to water quality and water consumption. The City concurs that Clean Water Act requirements will be adhered to and thus, the project is self-mitigating. The City is concerned that the Initial Study and Draft EIR contains numerous statements indicating that there will be "no impact" or that "no significant impacts are anticipated." Nowhere in the Initial Study or the Draft EIR could we find any reference or data that specifically supports the following statement:

"The proposed project will not increase future water use or wastewater discharge over baseline conditions so no significant impacts are expected."

The City will be in agreement with the above statement only if no additional water will be consumed nor any wastewater discharges by the proposed improvements. In fact the statements made by the Lead Agency will only be accurate if this is the case.

#### **1.5 Noise Impacts**

##### **City's Original NOP Comment**

In general, the City found the noise analysis included in the discussion to be thorough and comprehensive. However, there are concerns that the operational noise levels will be fully mitigated given the close proximity of the proposed improvements to the multiple-family housing located to the south of the project site. The discussion correctly pointed out that extensive mitigation was required as part of the co-generation plant's installation. The analysis indicates that the operational noise levels will "be reduced to 60 dBA or less at a distance of 100 feet from the [noise] sources." The City is concerned that the facility's operation during the late night and early morning periods will adversely affect noise sensitive receptors located in the immediate area. The City respectfully requests that the analysis to be expanded to include a more detailed consideration of operational noise and how this noise may affect the adjacent residential uses.

##### **Lead Agency's Responses to the NOP Comment (included in the Draft EIR)**

The noise analysis is provided in the Initial Study (see pages 2-30 through 2-35). The proposed project will add new sources of noise at the Refinery in the form of valves, pumps and compressors. As part of the purchase agreement for all new and modified equipment, the Refinery will require that noise specification does not exceed more than 85 dBA at three feet. Assuming an operational noise level of 85 dBA at three feet, and six-dBA noise attenuation per every doubling distance (e.g., three feet, six feet, 12 feet, etc.), noise levels associated with the new equipment will reach 60 dBA at about 100 feet. The estimated noise levels in the adjacent residential areas from the Refinery associated with the proposed project are shown in Table 4 of the NOP/IS (see page 2-33) and show that the increased noise levels will be less than one decibel. No noticeable or significant increase in noise is expected, so further analysis or mitigation measures are not required.

##### **City of Paramount's Comment on the Draft EIR**

The City, in its review of the Initial Study, indicated the analysis was generally thorough and well done. However the City requested specific information that was not addressed. The City remains concerned that the facility's operation during the late night and early morning periods will adversely affect noise sensitive receptors located in the immediate area. The City previously requested a more detailed consideration of operational noise and how this noise may affect the adjacent residential uses during the late night periods.

## **1.6 Project Description**

### **City's Original NOP Comment**

The proposed project needs to be more fully described in the EIR so City staff, the public, and other agencies can ascertain that nature and extent of any concerns. While recognizing the technical nature of the project, the EIR should include appropriate maps and graphics to provide an accurate representation of the proposed improvements. In addition, the project description should adhere to CEQA's requirement that the physical and operational requirements of the project be described in clear and concise terms.

### **Lead Agency's Responses to the NOP Comment (included in the Draft EIR)**

Chapter 2 of the Draft EIR describes in detail the proposed project modifications and installation of new equipment. Maps and figures in Chapter 2, show the refinery location, refinery layout, refinery block flow diagram, site location, and regional location.

### **City of Paramount's Comment on the Draft EIR**

The City requests that exhibits be provided that depicts how the proposed improvements will appear once they are constructed. This information was originally requested in its response to the NOP.

## **1.8 Long-term and Growth Inducing Impacts**

### **City's Original NOP Comment**

CEQA requires that EIRs consider potential growth inducing impacts and long-term impacts of a specific project or action. The existing General Plan contemplated a transition of the refinery to a different land use, based on the City's understanding of the refinery's operation at the time the General Plan was prepared. The City recognizes the important role the refinery plays in the local economic base and requests that information germane to the long-term viability of the existing land use, with the improvements, be considered in the EIR.

### **Lead Agency's Responses to the NOP Comment (included in the Draft EIR)**

All proposed equipment modifications and new equipment installations will occur within the confines of the existing Refinery boundaries so that no change in land use is expected. The modifications and installations are expected to be consistent with the existing zoning (M-2, Heavy Manufacturing) and land uses (industrial). This information was included in pages 2-26 through 2-28 of the NOP/IS. The proposed project's long-term impacts are addressed in each of the environmental resources discussed in the NOP/IS and the Draft EIR. Growth-inducing impacts are discussed in Chapter 4, Section D of the Draft EIR.

### **City of Paramount's Comment on the Draft EIR**

The City in agreement that the General Plan designation is not likely to change in the future. However, the potential growth inducing impacts are not adequately addressed in the Draft EIR. The two small paragraphs summarize the Lead Agency's contention that the additional 14 jobs provided by the project does not represent a growth inducing impact. The project's potential for growth inducing impact involves the conversion of the plant to now process reformulated fuels. Will these improvements lead to increased production, expanded refinery capacity, extended hours of operation, or other indirect impacts?

Growth-inducing impacts are generally associated with the provision of urban services to an undeveloped or rural area, such as utilities, improved roadways, and expanded public services. The variables that typically contribute to growth-inducing impacts and the project's contribution include the following: new development in an area presently undeveloped and economic factors which may influence development, the extension of roadways and other transportation facilities, the extension of infrastructure and other improvements, the construction of major off-site public projects (treatment plants, etc), the removal of housing requiring replacement housing elsewhere, additional population growth leading to increased demand for goods and services, and short-term growth inducing impacts related to a project's construction.

## **1.11. Identification of References**

### **City's Original NOP Comment -**

The *Environmental Checklist and Discussion* failed to include a comprehensive identification of the references consulted in making the determination as to the nature and extent of any potential impact. The EIR should utilize footnotes, endnotes, or other techniques to clearly identify the sources leading to any conclusion that may be made as part of the EIR's preparation.

### **Lead Agency's Responses to the NOP Comment (included in the Draft EIR)**

The commentator indicates that the NOP/IS "failed to include a comprehensive identification of the references consulted in making the determination as to the nature and extent of any potential impact." The comment is incorrect and the references used in preparation of the NOP/IS are included on pages 2-46 and 2-47. All persons consulted and references used in the completion of the Draft EIR are included in the Chapter 7 of the Draft EIR. The City will be included on the mailing list for the proposed project and will be provided with the Draft EIR, Final EIR, the Findings and Statement of Overriding Considerations (if applicable) and the mitigation monitoring program. The Draft EIR has been released for a 45-day public review and comment period, as required by CEQA. Currently, no public hearings are currently scheduled for the proposed project.

### **City of Paramount's Comment on the Draft EIR**

The City stands by its contention that the Initial Study failed to adequately identify the references used in making those determinations that the project would not result in specific adverse impacts for a number of issues.

## **2. Comments on the Draft EIR for New Issues**

The City also respectfully requests to be notified of any scoping meeting and public hearing that is to be conducted as part of the environmental review process. The City would also request that the Draft EIR, the Final EIR, the Findings, and the Mitigation Monitoring Program be made available to the City for review and comment. We would appreciate being provided sufficient time, as mandated under CEQA, to complete our review of these documents.

**COMMENT LETTER NO. 1  
CITY OF PARAMOUNT**

**Joe Perez**  
February 23, 2004

**Response 1-1**

The information regarding the aesthetic and visual characteristics and impacts regarding the proposed project was provided in the Notice of Preparation/Initial Study (NOP/IS). The location of the proposed new Refinery equipment (as shown in Figure 2-4) is important to aesthetic impacts because the new equipment is located near existing Refinery equipment and will largely be indistinguishable by most observers outside of the Refinery. Additional information regarding the heights of structures and aesthetic impacts are provided below.

There are several existing tall structures in the Refinery that exceed 100 feet in height, the tallest of which is 150 feet. The proposed project includes the installation of three tall towers; one that is 142 feet high, one that is 102 feet high, and one that is 110 feet high. Therefore, the height of the naphtha splitter will not exceed the height of existing structures. Although these new tall structures will be visible from outside of the Refinery due to their height, they are narrow towers (See Photographs 2, 4 and 6 below) that will not appreciably affect vistas and will blend in with the existing tall structures.

The following pictures show existing views of the Refinery before the proposed project modifications. The existing view of the Refinery is then graphically modified to show the approximate height and location of the new distillation towers. As shown in the following pictures, the proposed new towers will be visible from various locations around the Refinery. However, due to the existing industrial setting of the site, these additional structures will not substantially change the visual qualities of the Refinery site so that no significant adverse aesthetic/visual impacts are expected from the proposed project. For example, the view from Downey Avenue looking northeast (see Photographs 1 and 2) will show one new tower. Two other new towers will largely be blocked by other existing towers or structures.



Photograph 1

Looking northeast from southwest corner of facility on Downey Ave.  
Pre-project Photo



Photograph 2

Looking northeast from southwest corner of facility on Downey Ave.  
Post-project Projection





Photograph 3

Looking south from Contreras St.  
Pre-project Photo



Photograph 4

Looking south from Contreras St.  
Post-project Projection



Photograph 5

Looking northwest from Somerset Blvd.  
Pre-project Photo



Photograph 6

Looking northwest from Somerset Blvd.  
Post-project Projection

## **Response 1-2**

The City of Paramount's comment on the potential energy impacts from the proposed project as discussed in the NOP/IS was adequately addressed in the responses to comments included in Appendix A of the draft EIR. The following discussion summarizes the SCAQMD's previous response to the City of Paramount's comments on the NOP/IS. As explained in the NOP/IS (see page 2-13), the proposed project will not add any new combustion equipment to the Refinery. Therefore, no new demand for natural gas above currently permitted levels is expected. Even though there may be an increase in natural gas purchased over the last several years, the proposed project is not expected to result in an increase in the use of natural gas over peak historical or maximum permitted levels since no new equipment that uses natural gas will be installed. Further, the Refinery has valid permits including air quality permits, conditional use permits, wastewater treatment permits, stormwater permits, and can resume operating any and all permitted units at the Refinery without additional discretionary approvals. The natural gas consumption at the Refinery is primarily related to the operation of the cogeneration unit which generates electricity and steam to support the Refinery operations. The cogeneration unit was installed at the Refinery following disruptions of electric supplies in California. The cogeneration unit went through full environmental review and was issued permits from the SCAQMD as well as the City. The cogeneration unit has been operating, and the incremental increase in natural gas demand from the project would be relatively small. Further, this incremental increase could occur at anytime with or without the project as long as the current permit conditions are not modified or increased. The proposed project will not result in an increase in the use of natural gas at the cogeneration unit over recently permitted levels.

Fuel supply for the remaining heaters and boilers comes from 3 sources; internally generated refinery gas, purchased liquified petroleum gas (LPG), and purchased natural gas. The Refinery currently purchases only a small baseload quantity of natural gas for this purpose. This small amount of natural gas usage will not be affected by the proposed project.

## **Response 1-3**

SCAQMD believes that the City of Paramount's comment on potential geology and soil impacts from the proposed project discussed in the NOP/IS was adequately addressed in the response to comments included in Appendix A of the draft EIR. Sufficient data regarding geology and soils were provided in the NOP/IS so the commentator was referred to the appropriate sections in the NOP/IS. The following discussion summarizes the SCAQMD's response to the City of Paramount's comments on the NOP/IS.

The comment quotes from the NOP/IS and from the Hazard/Hazardous Materials Impact Section of the Draft EIR. The portion of the comment quoted from the Draft EIR regarding the potential hazard impacts relates to the potential "worst-case" analysis which predicted potentially significant impacts associated with the Naphtha Splitter unit. Please note that the location of the Naphtha Splitter Unit has been moved, as suggested in

Alternative 3, thus eliminating the potentially significant hazard impacts associated with this unit that are referenced in this comment. Also, note that the hazard impacts are not necessarily associated with earthquakes but could be associated with mechanical failure, human error, severe weather or other event.

This comment correctly states that construction of the proposed project requires a detailed geotechnical analysis of the construction site prior to design of foundations and structures. However, CEQA guidelines do not require that the detailed geotechnical analysis be included as part of the EIR. The focus of the geotechnical report is to ensure that the construction of structures will meet appropriate and very specific Uniform Building Code requirements (e.g., determine the appropriate depth of the foundations). The detailed information on the foundations is not required to complete the more general CEQA review (e.g., that foundations are required).

It is our understanding that Paramount has completed its geotechnical study and has incorporated the findings into its engineering design for the proposed project. The results of this study, in combination with the current requirements of the Uniform Building Code (UBC), are being used to ensure that the project design is adequate for the local soils conditions, including seismic impacts. Conformance of the final design with the UBC is beyond the scope of the CEQA regulations and will require the approval of the local building department.

See Response 1-5 below regarding noise impacts.

#### **Response 1-4**

The City of Paramount's comment on potential water quality and water demand issues from the proposed project discussed in the NOP/IS was adequately addressed in the response to comments included in Appendix A of the draft EIR. The following discussion summarizes the SCAQMD's response to the City of Paramount's comments on the NOP/IS. The NOP/IS concludes that the proposed project will not result in a significant increase in water used or wastewater generated when compared to the baseline. Please see Response 1-2 regarding the appropriate baseline environmental setting and impact analysis. Additional information is provided in this comment regarding water consumption and wastewater discharge at the Refinery. The proposed new Refinery equipment is not expected to increase wastewater or water use over historic volumes used or generated by the Refinery because the equipment associated with the proposed project does not require substantial volumes of water. As explained in the NOP/IS, cooling equipment is responsible for the majority of the water used at the site and no additional cooling equipment is included as part of the proposed project.

The equipment to be installed as part of Paramount's Clean Fuels Project will result in incremental fresh water consumption and wastewater discharge at the refinery. Although the equipment does not directly use water for any process purpose, water is used indirectly through the cooling water and steam utility systems.

## Steam Generation

The existing steam generation cycle is basically a closed loop, however, there are small water losses associated with boiler blowdown, makeup water deaeration, and condensate flashing. Fresh water must be added to the steam system to balance these losses. No new steam generation equipment is required as part of the Clean Fuels Project. Boiler blowdown is discharged to the municipal sewer as part of the refinery wastewater stream.

## Cooling Water

The refinery uses evaporative cooling towers to remove low-level heat from refinery processes. Fresh water makeup is needed to replace evaporative losses and cooling tower blowdown. The Clean Fuels Project minimizes the amount of water used for cooling purposes by maximizing the use of air coolers to remove low-level heat. Cooling tower blowdown is discharged to the municipal sewer as part of the refinery wastewater stream.

## Water Usage Summary

The Table 1 summarizes the Clean Fuels Project fresh water makeup and wastewater discharge rates in gallons per day (gpd). The discussion below compares them to historical water use and wastewater discharge. Note that no increase in water use or wastewater discharge is expected from the naphtha stripper, pentane loading facilities, gasoline blending facilities, or ethanol unloading facilities.

**Water Demand Comparison to Historical Rates:** Based on the available records, peak fresh water usage occurred in 1994 at a rate of about 589,000 gallons per day. In 1997, Paramount installed equipment to allow it to internally reuse some water streams as well as to use impounded rainwater. These changes reduced fresh water usage requirements for the refinery by about 50,000 gallons per day. Based on the incremental fresh water rate for the Clean Fuels Project of 29,075 gallons per day, the post-project usage is expected to be about 20,000 gallons per day below the historical peak usage ( $589,000 - 50,000 + 29,075 \approx 579,000$ ).

**Wastewater:** Peak wastewater discharge was 308,000 gallons per day in 1996/1997. The discharge rate in 2002/2003 was 273,000 gallons per day. Given the relatively small incremental wastewater production (2,908 gallons per day) from the Clean Fuels Project, Paramount expects the post-project wastewater rate to be well below the 1996/1997 peak.

**TABLE 1**

**SUMMARY OF WATER USE AND WASTEWATER DISCHARGE**

<b>Utility</b>	<b>Benzene Saturation Unit</b>	<b>Naphtha Splitter</b>	<b>Naphtha Stabilizer</b>	<b>PSA Unit</b>	<b>Total Project</b>
<b>Fresh water, gallons per day</b>					
Steam production	5,500	4,640	2,060	0	12,200
Cooling	9,200	5,570	0	2,105	16,875
<b>TOTAL</b>	<b>14,700</b>	<b>10,210</b>	<b>2,060</b>	<b>2,105</b>	<b>29,075</b>
<b>Wastewater, gallons per day</b>					
Steam production	550	464	206	0	1,220
Cooling	920	557	0	211	1,688
<b>TOTAL</b>	<b>1,470</b>	<b>1,021</b>	<b>206</b>	<b>211</b>	<b>2,908</b>

The above information supports the conclusion in the NOP/IS that the proposed project will not result in a significant increase in water used or wastewater generated when compared to the baseline.

**Response 1-5**

As explained in the NOP/IS (see pages 2-30 through 2-35), the noise measurements taken in 1994 are expected to be representative of the noise levels following operation of the proposed project because, with the exception of the cogeneration plant, all equipment at the refinery was operating when the noise readings were taken. The Refinery has always operated on a 24-hour basis so the baseline operational noise levels included in the NOP/IS (see Table 3) include the night-time operation of the Refinery.

The major sources of noise associated with the new equipment are:

- Pumps – The Project adds several electric driven centrifugal pumps. These pumps are ground level sources. These pumps operate 24 hours per day. The electric motors are the primary source of noise associated with pump operation.
- Air Coolers – The Project adds several air coolers used to remove low-level heat from the processing units. These air coolers operate 24 hours per day although the number of fans that operate may differ due to ambient air temperature fluctuations, with fewer fans operating under lower temperature conditions. Air coolers are elevated and use electric motor driven fans to force ambient air across a heat exchange surface. The sources of noise from this equipment are the electric motors and the sound created by compression of ambient air by the large fan blades.
- Fluid transport – Fluid transport through piping systems can create some low volume noise, primarily due to pressure drop across control valves. Noise from fluid

transport is controlled through proper valve specification and design. Fluid transport noise is also expected to be constant over a 24-hour day.

As presented in the NOP/IS for the Clean Fuels Project EIR, the incremental noise from operation of new equipment to be installed with the Project is expected to be less than one decibel. Noise levels from operation of this equipment are expected to be constant over a 24-hour day as the equipment operates continually in a steady state mode. There is no difference in the noise levels of the operating equipment during the daytime or nighttime.

### Construction

The NOP/IS also describes the general nature of noise that is expected from construction of the Project. Based on the geotechnical findings for the construction site, the foundation design will specify the use of driven piles for some of the newly installed equipment. Installation of these piles will create noise due to pile-driving operations. Although noise from pile driving operations are at the high end of noise from other construction equipment evaluated in the NOP/IS (80-95 decibels), these activities are of short duration. Paramount currently estimates the time required to drive all necessary foundation piles at no more than one week. Noise from pile driving will be limited to daylight hours as required under the City of Paramount noise ordinance so that noise impacts associated with construction are expected to be less than significant from a CEQA perspective. Further, as shown in the NOP/IS, noise from construction activities is not expected to exceed local noise ordinances.

### **Response 1-6**

See Response 1-1 regarding aesthetic impacts.

### **Response 1-7**

As explained in the Draft EIR, no growth-inducing impacts are expected from the proposed project. The proposed project will create about 14 additional jobs in the Paramount area. Employees for these new jobs will be hired from the existing labor pool in southern California, with recruiting emphasis on local communities. The proposed project will not result in growth impacts related to job creation for new housing, parks, schools, roads, etc.

The proposed project would allow the Refinery to produce reformulated gasoline in compliance with state and federal regulations. As indicated in the Draft EIR, the proposed project will not increase the crude throughput capacity of the Refinery (see Draft EIR page 1-4). Instead, the proposed project will change the mix of finished products produced at the Refinery.

The Refinery is capable of producing conventional gasoline products and has done so in the past. However, California state and federal laws now mandate that only cleaner-

burning (reformulated) gasoline be sold in areas with moderate to severe air pollution. Since there is no local market for conventional gasoline, the Refinery currently sells its gasoline range product (full range naphtha) to other refiners for further processing. The proposed project will allow the Refinery to produce the gasoline rather than selling naphtha to another refiner, which would use it to produce reformulated gasoline.

The Refinery currently is capable of producing up to 8,500 barrels per day of CARB Diesel produced to its approved small-refiner formulation, and has done so in the past. However, unless the Refinery produces gasoline, it can make only a small quantity of CARB Diesel and no Ultra Low Sulfur Diesel. This is because without gasoline production, the hydrogen needed to remove sulfur from the diesel streams is not available. Currently, the Refinery produces high-sulfur distillate fuels (for military and off-road use or for further processing at other refineries). The proposed project will not increase the amount of diesel that can be produced but will allow the diesel produced to comply with state and federal specifications for diesel sold in California.

The Refinery currently operates 24 hours per day, 365 days per year (see page 2-8 of the Draft EIR); therefore, the proposed project will not extend the hours of operation. However, additional language will be added to the growth-inducing impact section to reiterate that no increase in capacity or hours of operation are expected from the Refinery. The other direct or indirect impacts are discussed under each environmental resource categories in either the EIR or NOP/IS.

### **Response 1-8**

The SCAQMD appreciate the City's comments regarding the value of the Alternatives section of the Draft EIR. Specific response to comments on the proposed location of the Naphtha Splitter is included in Response 1-11 below.

### **Response 1-9**

As requested, the mitigation measures for VOC emissions are further clarified in this comment. The use of Best Available Control Technology (BACT) is required by the SCAQMD pursuant to Regulation XIII – New Source Review, as part of the proposed project. BACT is defined as the cleanest commercially available control equipment or technique. The use of BACT controls emissions to the greatest extent feasible for the new and modified emission sources. The only major source of emissions from the proposed Refinery project are from fugitive components. In cases where leakless components are not available, these VOC-emitting components must be included in an inspection and maintenance program, as required by SCAQMD Rule 1173, to ensure that the equipment is properly maintained. Since the proposed project is complying with the BACT requirements, additional VOC emission reductions for the new equipment are not feasible.

Emission offsets, which are typically required for new or modified equipment pursuant to SCAQMD Rule 1303, are not required for projects that are needed to comply with



state or federal regulations provided that there is no increase in equipment rating (SCAQMD Rule 1304(c)(4)). Therefore, emission offsets are not required for the proposed project identified in this EIR as long as there is no increase in the crude capacity of the Refinery. The proposed project is not expected to result in an increase in crude capacity at the Refinery. Emission offsets are not and, therefore, will not be provided for the emission increases associated with the proposed project (see Draft EIR page 4-7). Basin-wide, the small increase in local VOC emissions resulting from the proposed project will be offset by reductions from combustion of the cleaner burning fuels the project provides. Credit for the emission reduction benefits expected from the reformulated gasoline is not included as part of the analysis in the Draft EIR. This approach provides a conservative “worst-case” analysis of impacts from the proposed project.

### **Response 1-10**

The City indicates that the NOP/IS failed to adequately identify the references used in making significance determinations but provides no specific comments on where in the document or for what conclusions in the document references were not provided. Therefore, it is difficult to respond to this comment or understand the concerns or where additional information would be helpful.

The NOP/IS included a list of references (see pages 2-46 and 2-47). The places in the text where the references were used is identified by the author or agency name and date, which corresponds to the list of references provided on pages 2-46 and 2-47. The Draft EIR uses the same methodology and references used in the Draft EIR are provided on pages 7-1 through 7-4.

### **Response 1-11**

The first part of this comment summarizes the conclusions with respect to the hazard analysis completed for the Draft EIR and requires no response.

Based on results of engineering completed after the issuance of the Draft EIR, Paramount has determined that the alternate location for the Naphtha Splitter is feasible (evaluated as Alternative 3 in the Draft EIR) and has so revised the project. This reduces the hazard impacts to less than significant. Although changing the location of the Naphtha Splitter is a change in the project description, this modification does not trigger recirculation of the Draft EIR pursuant to CEQA Guidelines §15088.5 for the following reason. The proposed modification eliminates a significant adverse hazard impact and the project proponent is willing to implement the modification. Further, the alternative location was evaluated in the alternatives Chapter of the Draft EIR (see Chapter 6). No significant new information has been added to the EIR as defined in CEQA Guidelines §15088.5 so that recirculation of the Draft EIR is not required.

The final EIR will reflect the change in location for the Naphtha Splitter. As a result, a statement of overriding considerations will not be required for hazard impacts associated with the Clean Fuels Project.

### **Response 1-12**

See Response 1-9 regarding offsets.

The emission calculations for the proposed project are included in Appendix B of the Draft EIR and include the use of BACT (see page B-17 through B-19). However, since additional fugitive components are proposed as part of the project, VOC emission increases are expected even though BACT will be used.

The benefits associated with the use of reformulated fuels are provided in the cumulative analysis in the Draft EIR (see Draft EIR, pages 5-14 and 5-15, and Table 5-3). However, as you note, credit is not taken in the analysis for the mobile source emission reductions from using reformulated gasoline. The use of reformulated fuels is expected to provide emission reductions far greater than the direct cumulative emissions from the various refinery projects in southern California. The RFG Phase 3 compliant fuels are expected to result in a 7.2 percent reduction in potency-weighted emissions of toxic air contaminants from mobile sources using the fuel providing additional emissions benefits. Further, the diesel sulfur limit of 15 ppmw will help generate significant air quality benefits by enabling the effective performance of advanced diesel exhaust emissions control technologies that reduce emissions of ozone precursors (NO<sub>x</sub> and VOCs) and diesel particulate matter.

### **Response 1-13**

Based on responses to the preceding comments, responses to comments on the NOP/IS provided by the City of Paramount (Appendix A of the Draft EIR) and the comprehensive analysis of potential adverse impacts from the proposed project in the Draft EIR, the SCAQMD disagrees with the City's assertion that the Draft EIR is deficient in anyway. The CEQA documents for the Paramount Refinery's proposed project comply with all relevant CEQA requirements. Where appropriate, the EIR will be modified to reflect the concerns the City has raised.

The SCAQMD does not routinely conduct public hearings for all projects undergoing evaluation under the requirements of CEQA and does not anticipate a public hearing related to the Paramount Clean Fuels Project. Based on the Draft EIR public review period, public interest in the project is minimal as only one comment letter was received. The SCAQMD will provide copies of the Final EIR, any Findings and the Mitigation Monitoring Program once they have been completed and approved by the SCAQMD. The City will also be afforded the opportunity to review the SCAQMD's responses to the specific comments as mandated pursuant to Public Resources Code §21092.5(a).

| [2150:DBSWORD:Appendix E:Paramount response to comments](#)

