



Torrance Refining Company LLC
3700 W 190th Street
Torrance, CA 90504
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November 29, 2021

VIA E-MAIL AND OVERNIGHT MAIL

Wayne Nastri
Executive Officer
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765

Subject: *Torrance Refining Company LLC Proffer Letter Commitments Quarterly Update*

Dear Mr. Nastri,

On behalf of Torrance Refining Company LLC ("TORC"), consistent with our November 25, 2019 letter, and as requested by you in your November 15, 2019 letter, below is the third quarter 2021 update regarding the voluntary modified hydrogen fluoride ("MHF") alkylation unit safety enhancement commitments and control measures as proffered TORC's August 30, 2019 Proffer Letter accepted and approved on September 6, 2019 by the South Coast Air Quality Management District ("South Coast AQMD") Governing Board pursuant to Board Resolution No. 19-19 (the "Proffer Letter"). Capitalized terms used in this letter and not otherwise defined shall have the meanings ascribed in the Proffer Letter.

Attached as Annex A is a summary of the current status of the design, purchase, installation, testing, and operational start date of the proffered safety enhancements as of the third quarter 2021. We provide additional detail regarding the status of the enhancements below. Also, attached is Annex B, which are photographs of the progress made during the recent July 2021 Torrance Refinery turnaround ("Turnaround") and subsequent.

Settler Area Protective Steel Structure, Northern Water Mitigation Monitors, and Fluidized Catalytic Cracking Unit ("FCCU") Electrostatic Precipitator ("ESP") Over Pressure Mitigation

The construction work packages for the protective steel structure and the water mitigation monitors safety enhancements have been completed. As a result, as shown in Annex B, during the Turnaround, construction progressed under the building permits as approved by the City of Torrance. Specifically, for the new protective steel structure, all foundations have been set, and all structural columns, beams, and bracing have been erected. Additionally, the roof, north, and west side steel panels have been installed. Remaining construction activities are to complete steel girts, platform modifications, and install east side steel panel, and south side sheeting.

Regarding the water monitors, the new northern firewater monitor has been installed, tested, and in the process of being fully commissioned. See Annex B. The two other new area perimeter firewater monitors have been completed and are in the process of being fully commissioned.

With respect to the FCCU ESP Over Pressure Mitigation enhancement, TORC has completed detailed engineering and an order has been placed for the necessary materials for this safety enhancement. The construction work package for this safety enhancement has been completed. As a result, as shown in Annex B, construction is progressing for this safety enhancement.

Notwithstanding the impact of the COVID-19 pandemic on the current economic environment, TORC's 2021 planned budget continues to include the amounts required to be expended with respect to the remaining costs of these enhancements. At this time, TORC believes these enhancements are on schedule for implementation in 2021.

Settler Area Water Mitigation Dome and Curtain

The construction work packages for the water mitigation dome and curtain were finalized in March 2021. As a result, as shown in Annex B, during the Turnaround, construction progressed under the building permits as approved by the City. Specifically, the new water mitigation dome monitors and spray curtains have been installed, tested, and are in the process of being fully commissioned. See Annex B.

Notwithstanding the impact of the COVID-19 pandemic on the current economic environment, TORC's 2021 planned budget includes the amounts required to be expended with respect to the remaining costs of these enhancements. At this time, TORC believes these enhancements are on schedule for implementation in 2021.

Settler Area Enhanced HF/MHF Detection System

The construction work packages for the enhanced HF/MHF detection system were finalized in March 2021. As a result, as shown in Annex B, during the Turnaround, construction progressed under the building permits as approved by the City. Specifically, the new HF/MHF detection systems have been installed, tested, and are in the process of being fully commissioned. See Annex B.

Notwithstanding the impact of the COVID-19 pandemic on the current economic environment, TORC's 2021 planned budget continues to include the amounts required to be expended with respect to the remaining costs of these enhancements. At this time, TORC believes these enhancements are on schedule for implementation in 2021.

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As we have previously reported, due to COVID-19 pandemic impacts, the MHF Alkylation Unit turnaround has been moved to 2022, along with the FCCU turnaround, however, as noted above, the safety enhancements are still on schedule to be completed by the end of 2021.

TORC will continue to closely monitor Engineering, Construction, and Materials availability in connection with the COVID-19 pandemic and will notify South Coast AQMD of any additional impacts that could result in further schedule delays.

Mr. Wayne Nastri, *Re: Torrance Refining Company LLC Proffer Letter Commitments Quarterly Update*
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If you have any questions or require any additional information regarding this quarterly update of the safety enhancements, please do not hesitate to contact me at (310) 212-4500.

Sincerely,



Steve Steach
Refinery Manager

cc: Paul Davis, President, Western Region
Trecia Canty, Senior Vice President & General Counsel
Darren Stroud, West Coast Refinery Attorney
Jill Whynot, South Coast AQMD
Sarah Rees, South Coast AQMD
Susan Nakamura, South Coast AQMD
Barbara Baird, South Coast AQMD
Daphne Hsu, South Coast AQMD
Michael Krause, South Coast AQMD

ANNEX A

Safety Enhancements	Third Quarter 2021 Status
<p>Settler Area Protective Steel Structure</p> <p>Northern Water Mitigation Monitors</p> <p>Fluidized Catalytic Cracking Unit (FCCU) Electrostatic Precipitator (ESP) Over Pressure Mitigation</p>	<p><u>Settler Area Protective Steel Structure and Northern Water Mitigation Monitors</u></p> <ul style="list-style-type: none"> • Funding approved for Detailed Engineering and Procurement • Funding approved for Construction of Settler Area Protective Steel Structure and Northern Water Mitigation Monitors • Detailed Engineering has been completed • All long lead materials have been received • Building plans approved by City of Torrance permitting department • Construction continues for Settler Area Protective Steel Structure • Northern Water Mitigation Monitors have been completed and are in the process of being fully commissioned • Enhancements currently on schedule for implementation in 2021 <p><u>Fluidized Catalytic Cracking Unit (FCCU) Electrostatic Precipitator (ESP) Over Pressure Mitigation</u></p> <ul style="list-style-type: none"> • Funding approved for Detailed Engineering and Procurement and Construction • Detailed Engineering has been completed • All long lead materials have been ordered and are planned to be delivered onsite by third or fourth quarter 2021 • Construction progressing for FCCU ESP Overpressure Mitigation • Enhancements currently on schedule for implementation in 2021
<p>Settler Area Water Mitigation Dome and Curtain</p>	<ul style="list-style-type: none"> • Funding approved for Detailed Engineering and Procurement, and Construction • Detailed Engineering has been completed • All long lead materials have been received • Construction of water mitigation dome monitors and spray curtains completed, being tested, and are in the process of being fully commissioned • Enhancements currently on schedule for implementation in 2021

ANNEX A

Safety Enhancements	Third Quarter 2021 Status
Settler Area Enhanced HF/MHF Detection System	<ul style="list-style-type: none">• Funding approved for Detailed Engineering and Procurement, and Construction• Detailed Engineering has been completed• Construction work packages were finalized in March 2021• All long lead materials have been received• Construction of settler area enhanced HF/MHF detection system completed, being tested, and are in the process of being fully commissioned• Enhancements currently on schedule for implementation in 2021

ANNEX B

Structure North Wall View With Roof, North, and West Panels Installed



ANNEX B

New Northern Firewater Monitor Flow Test



ANNEX B

FCCU ESP Over Pressure Mitigation Enhancement Construction



ANNEX B

FCCU ESP Over Pressure Mitigation Enhancement Construction



ANNEX B

Dome Monitor and Spray Curtain – Flow Test (Before Side Panels Installed)

