



March 10, 2021

Jacquelynn Ybarra, Planner III
Energy, Minerals and Compliance Division
Santa Barbara County Planning & Development Department
123 East Anapamu Street
Santa Barbara, CA 93101

Re: ExxonMobil SYU Interim Trucking Supplemental Environmental Impact Report (SEIR)
- Contract Amendment #2 – Additional Work Required to Update Final SEIR

Dear Ms. Ybarra:

MRS Environmental, Inc. (herein after referred to as MRS) is submitting this contract amendment request to cover the additional costs associated with updating the Final SEIR to address the future shutdown of the Phillips 66 Santa Maria Pump Station (SMPS) and Santa Maria Refinery.

In July of 2020, a Proposed Final SEIR was issued for the ExxonMobil Interim Trucking Project. The project description used for the Final SEIR included trucking crude from the LFC facility to one or both of the identified receiver sites located in Santa Maria and Maricopa, California. The receiver site in Santa Maria would be the Phillips 66 Santa Maria Pump Station (SMPS). The receiver site in Maricopa would be the Plains Pentland Terminal. The trucking would be limited to a maximum of 70 trucks per day leaving the LFC facility, with a maximum of 70 trucks per day going to the SMPS and a maximum of 68 trucks per day going to the Plains Pentland Terminal. The Project would include minor modifications to the LFC facilities including the installation of four LACT Units to measure the net volume and quality of oil, associated piping, electrical and communication connections, pipe and equipment supports, truck loading racks, operator shelter, paving of selected areas, and minor containment and drainage grading.

The SEIR evaluated the impacts of 70 trucks per day traveling to the SMPS as well as 68 trucks per day traveling to the Plains Pentland Terminal. This was done to assure the SEIR evaluated the worst case impact associated with trucking crude to each of the receiver destinations.

In August of 2020, Phillips 66 informed the County of Santa Barbara that they planned to shut down their Santa Maria Refinery, in southern San Luis Obispo, and the associated pipelines in Santa Barbara County, which includes the SMPS, sometime in 2023.

With the planned shutdown of the SMPS in 2023, the Proposed Trucking Project would not be able to use the SMPS receiver site for the full duration of the Proposed Project, which is until the Plains Pipeline is available or seven years, whichever is shorter.

ExxonMobil has informed the County that their Proposed Trucking Project would now include trucking to SMPS and/or Plains Pentland Terminal until such time as the SMPS is shutdown. Then all the proposed trucking would go to the Plains Pentland Terminal. All other aspects of the Proposed Project would remain the same.

With this change, the County determined that the Final SEIR should be reviewed and modified as necessary to address the limited use of the SMPS to assure full disclosure to the public and decision makers. This contract amendment provides (1) the scope of work for the specific changes that would have to be made to the Final SEIR to address this change; (2) the estimated schedule for making these changes to the Final SEIR; and (3) the costing associated with the scope of work.

A. Scope of Work

Updating the Final SEIR to address the limited duration use of the SMPS will require modifications in various sections of the document. The recommended modifications for each of the main sections of the Final SEIR are discussed below. These recommend modifications would serve to address the changes associated with the future shutdown of the SMPS and (1) would not result in any changes that would result in the need to recirculate the SEIR; (2) would assure the Final SEIR is consistent with the staff report; and (3) would provide substantial evidence that the shutdown of the SMPS does not affect the overall impacts of the proposed Trucking Project that were presented in the Public Draft SEIR and the initial Final SEIR.

1. Project Description

Modifications to the Final SEIR would include an update to the project description to address the fact that the SMPS would be available for use only until sometime in 2023, which is the year that Phillips 66 has stated it would be shutdown. During the period when the SMPS is available, trucks from the Proposed Project could go to either of the receiving terminals. After the shutdown of the SMPS all trucks would have to go to the Plains Pentland Terminal. The key Proposed Project parameters for each of these two phases of the project are provided in the Table 1 below.

Table 1 Key Project Parameters

Parameter	Pre-Shutdown of SMPS	Post Shutdown of SMPS
Maximum Number of Trucks per Day Leaving LFC	70	68
Maximum Number of Trucks to SMPS	70	0
Maximum Number of Trucks to Plains Pentland Terminal	68	68
Maximum number of Annual Truck Round Trips	24,920	24,208
Daily Volume of Oil Transported (bbls/day)	11,200	10,880
Annual Volume of Oil Transported (MM bbls)	3.99	3.87



2. Description and Screening of Alternatives

The limiting of the long-term use of the SMPS would affect a number of the alternatives discussed in the screening analysis. Text would be added to a number of alternatives that involved the use of the SMPS. All but one of these alternative was dropped from further consideration.

The Trucking to the SMPS Only Alternative was analyzed in detail in the SEIR. This alternative would be modified to limit its use to only the period when the SMPS would be available to accept crude (until sometime in 2023). After this time, this alternative would no longer be viable since the SMPS would be shutdown.

3. Cumulative Scenario

The planned shutdown of the Phillips 66 Santa Maria Refinery and associated pipelines including the SMPS sometime in 2023 would be added to the cumulative project list. This cumulative project would have a number of impacts that would affect the Exxon Trucking Project. These include the elimination of approximately 92 trucks per day that are currently coming from the east to the SMPS and are likely using State Route 166. In addition, there are approximately 23 trucks per day from the Santa Maria area that are going to the SMPS. It is likely that these trucks would either go south to the LA refineries or go east on State Route 166 to the Plains Pentland Terminal. This would need to all be discussed in the cumulative scenario chapter of the SEIR.

The County may also want to consider updating the cumulative project list to represent the current list of County projects. This would include the elimination of the ERG Cat Canyon Project, whose application was withdrawn after the release of the Final SEIR.

4. Environmental Analysis of The Proposed Project

Most of the issue areas contain a discussion of the impacts the Proposed Trucking Project would have on current trucking to the SMPS. In order for the SMPS to accept 70 trucks per day about 38 trucks currently serving the SMPS would have to be displaced. The majority (67%) of the trucks currently going to the SMPS are coming from the east. It is likely that trucks from the east would be displaced by the Proposed Project trucks. The impacts associated with the displacement of these trucks is discussed in various issue areas. However, no credit was taken for this displacement in the SEIR. The discussion was provided for informational and full disclosure purposes. This analysis was included in the issue area impact assessment since it would occur as a direct impact of the Proposed Project. (*“But for the Proposed Project, these trucks would not be displaced.”*) This analysis would be modified to make it clear that displacement would only occur for the years when trucks are going to the SMPS. Once the SMPS station is shutdown this displacement would not occur.

However, with the shutdown of the SMPS approximately 92 trucks per day would no longer be coming from the east to the SMPS. Most if not all of these trucks are currently using State Route 166. In addition, 23 trucks per day from the Santa Maria area are currently going to the SMPS.



With the shutdown of the SMPS these trucks could go east along State Route 166 or south via Highway 101 to deliver the crude to refinery markets. What exactly will happen with the local Santa Maria crude oil once the SMPS is shutdown is unknown and somewhat speculative. Since these changes are not a direct result of the Proposed Trucking Project, this information will be evaluated and discussed as part of the cumulative section in each issue area along with any update associated with the cumulative project list.

A number of cumulative analyzes such as the cumulative trucking risk assessment and traffic analysis will need to be updated to account the changes in the cumulative projects lists.

For some of the issue areas the mitigation will be updated since it relies on the availability of the SMPS. For example, mitigation measure Air Quality 1(AQ-1) states, “*no more than 10 percent of truck trips travel to Pentland*”. This is also true for the SEIR Land Use section that describes a mitigation measure for trucking to SMPS only as part of measures to reduce impacts to the maximum extent feasible.

All the impact analysis for the SMPS will be updated to make it clear that the impacts identified for this destination would only occur for the years that the SMPS is in operation.

5. Environmental Analysis and Comparison of Alternatives

This Chapter will be modified to address the limited use of the SMPS until its shutdown in 2023. Also, the analysis of the Trucking to the SMPS Only Alternative will be updated to address the limited time frame of the alternative.

The SEIR found that the No Trucking During Rainy Day Periods was the environmentally superior alternative after the No Project Alternative. This would not be affected by the early closure of the SMPS.

6. Other CEQA Related Requirements

This Chapter will be reviewed and updated as needed to address the limited number of years the SMPS would be used, and the use of Pentland Terminal only once the SMPS is shutdown.

7. Response to Comments

The responses to comments will need to be reviewed and edited based upon the limited number of years the SMPS would be used. For example, a number of responses to comments on traffic on State Route 166 say traffic would be limited due to use of the SMPS. After the shutdown of the SMPS, all Proposed Project trucks would have to use State Route 166. However, the shutdown of the SMPS would also eliminate a number of trucks from the baseline that are currently using State Route 166 to bring crude to the SMPS. These two factors would impact the discussion in a number of responses to comments. All of the response to comments will be reviewed to determine if the shutdown of the SMPS and exclusive use of State Route 166 would affect the response.



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B. Schedule and Deliverables

MRS Environmental would need four weeks to complete a revised Administrative Final SEIR. The Administrative Final SEIR would be submitted to the County for review and comment. The new revision marks would be coded as a special author so they could be easily reviewed by the County. Once MRS Environmental received all the comments back from the County we would need two weeks to complete a camera ready version of the updated Final SEIR. Once the County has signed off on the camera ready revised Final SEIR, one week would be needed to print the document.

The updated Final SEIR that is printed and produced in electronic form will only show one set of revisions, which are all the changes that have occurred to the text since the release of the Public Draft SEIR. The printed copies of the updated Final SEIR will show revisions based upon marks in the margins. This is what was done for the original Final SEIR. Two electronic versions of the updated Final SEIR will be provided to the County. One that shows revision marks as strikeouts and underline and one that shows the location of revisions with marks in the margins.

C. Cost

To complete the scope of work discussed above, MRS Environmental, Inc. is requesting an increase in the overall project budget of \$36,240 plus a 10% contingency. This would bring the total contract amendment request to \$39,864. Table 2 below provides a breakdown of the costs for this additional work. The majority of the hours for producing an updated Administrative Final SEIR are needed to update the Environmental Analysis of the Proposed Project chapter (~75%). About 10% of the hours would be needed to update the Response to Comments document. The remaining hours would be needed to update the other chapters of the Final SEIR.

The hours for the Updating the Final SIER are to address comments received from the County and to prepare the document for printing. The printing costs assume the same number of documents and CDs as was done for the original Final SEIR.

Should you have any questions about this contract amendment request give me a call.

Best Regards,



John F. Peirson, Jr
President and Project Manager



Table 2 Cost Breakdown

Key Staff	Labor Classification	Rate	Updated Admin Final EIR		Updated Final EIR		Total	
		(\$/hr)	Hours	Cost	Hours	Cost	Hours	Cost
<u>Labor Costs</u>								
J. Peirson	Managing Engineer III	\$220	95	\$20,900	27	\$5,940	122	\$26,840
G. Chittick	Principal Engineer II	\$190	20	\$3,800	5	\$950	25	\$4,750
D. Dusette	Principal Planner III	\$180	10	\$1,800	3	\$540	13	\$2,340
Total Labor Costs			125	\$26,500	35	\$7,430	160	\$33,930
<u>Other Direct Costs</u>								
Travel				\$0		\$0		\$0
Printing and Binding				\$0		\$2,100		\$2,100
G&A on Other Direct Costs				\$0		\$210		\$210
Total Direct Costs				\$0		\$2,310		\$2,310
Total Costs			125	\$26,500	35	\$9,740	160	\$36,240
10% Contingency								\$3,624
Total Contract Amendment Costs								\$39,864

