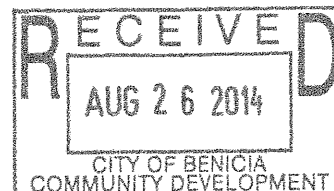


August 25, 2014

Amy Million, Principal Planner  
Community Development Department  
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**RE: Valero Crude by Rail Project (SAC201401503)**

Ms. Million,

The Sacramento Metropolitan Air Quality Management District (The District) thanks the City of Benicia for the opportunity to comment on the proposed project to build and operate an off-loading crude-oil rail terminal at the Valero Refinery. The District is required by law to "represent the citizens of the Sacramento district in influencing the decisions of other public and private agencies whose actions may have an adverse impact on air quality within the Sacramento district."<sup>1</sup> We offer our comments in that spirit.

Disclosure of Operational Emissions in the Sacramento Federal Nonattainment Area

The Draft Environmental Impact Report (DEIR) demonstrates that operating the project will result in significant Oxides of Nitrogen (NO<sub>x</sub>) emissions within the District.<sup>2</sup> However, the analysis fails to take into account the full impact the proposed project will have on the District as well as the entire Sacramento Federal Nonattainment Area (SFNA).

- Transit Losses: The project will utilize 1232 Tank cars<sup>3</sup>, which are unpressurized and contain pressure release valves.<sup>4</sup> As the tank cars pass through the SFNA, transit losses will occur when loaded with product and returning with vapor,

<sup>1</sup> California Health and Safety Code §40961

<sup>2</sup> Table 4.1-6 of the DEIR, Annual Operational Exhaust Emissions Within The Sacramento Valley Air Basin

<sup>3</sup> Page 3-20 of the DEIR

<sup>4</sup> Electronic Code of Federal Regulations, Title 49: Transportation, Part 179–Specifications for tank cars, §179.15 Pressure relief devices

creating Reactive Organic Gas (ROG) and toxic air contaminant<sup>5</sup> emissions within the air basin. The EIR should quantify these transit losses and toxic health risks as well as analyzing the significance of the emissions. Since the project is already significant for NO<sub>x</sub>, the EIR should also consider feasible mitigation measures to reduce ROG emissions (or an equivalent amount of NO<sub>x</sub>)<sup>6</sup> to a less than significant level.

While the DEIR identified that diesel exhaust as a potential source of objectionable odors<sup>7</sup>, the DEIR fails to identify transit losses from the crude oil cargo as a potential source. As the oil tank cars will pass through populated areas with sensitive receptors<sup>8</sup>, the EIR should conduct an odor analysis, determine significance, and if significant, identify potential mitigation measures.

- Locomotive Emissions: The DEIR estimates locomotive emissions west of the Roseville Railyards, but substantial locomotive emissions will also occur within, north, and east of Roseville and within the SFNA. While the precise route used by the trains may vary, all routes to the Roseville Railyards are located within the SFNA<sup>9</sup>, the range of potential routes is small and readily identifiable, and the associated emissions are reasonably foreseeable. The EIR should quantify these locomotive emissions, analyze their significance, and, if they are significant, identify potential mitigation measures.

### Mitigation

The DEIR asserts that there is no available feasible mitigation for air quality impacts in the SFNA because the City of Benicia has no authority to impose emission controls on the tanker car locomotives.<sup>10</sup> While regulating the tanker car locomotives may be federally preempted, mitigating the emissions of the project is not. The District has existing programs that provide off-site mitigation for CEQA purposes, and the City can require the project proponents to fund cost-effective mitigation to reduce the impact of the project to less than significant levels. The District routinely collects mitigation fees from projects and uses the fees to fund mitigation projects throughout the entire SFNA. These projects involve promoting clean technology for use in locomotive engines, on-road heavy-duty trucks, farm equipment and wood stoves. We also promote other cost-effective mitigation projects, and all of these efforts reduce ROG and NO<sub>x</sub>

<sup>5</sup> Valero's Material Safety Data Sheet for Crude Oil (version #05, issued 8 November 2011, revised 16 December 2013) identifies many volatile toxic compounds such as n-Hexane, Pentane, Benzene, Ethylbenzene, etc [http://www.valero.com/V\\_MSDS/501%20-%20Crude%20Oil%20Rev%204.pdf](http://www.valero.com/V_MSDS/501%20-%20Crude%20Oil%20Rev%204.pdf)

<sup>6</sup> SMAQMD Recommended Guidance for Land Use Emission Reductions, v3.1, Protocol for Ozone Precursors, Page 4

<sup>7</sup> Page 4.1-26 of the DEIR

<sup>8</sup> Page 4.7-23 of the DEIR

<sup>9</sup> Union Pacific in California - Fast Facts 2013. Accessed August 5, 2014.

[http://www.up.com/cs/groups/public/documents/up\\_pdf\\_nativedocs/pdf\\_california\\_\\_usguide.pdf](http://www.up.com/cs/groups/public/documents/up_pdf_nativedocs/pdf_california__usguide.pdf)

<sup>10</sup> Page 4.1-20 of the DEIR

emissions in the SFNA. District staff is available and would be happy to work with the City and Valero to develop appropriate mitigation for this project.

General Comments

To summarize, the District requests that the EIR analyze and, where appropriate, mitigate the transit losses anticipated from the tank cars and the locomotive emissions generated within the full SFNA.

The SMAQMD thanks the City of Benicia for the opportunity to comment on this project. If you have additional questions or require further assistance, please contact me or Paul Philley at [pphilley@airquality.org](mailto:pphilley@airquality.org) or (916) 874-4882.

Sincerely,



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