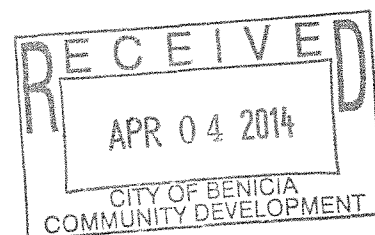


**Valero Crude by Rail Project
Public Comments received
April 1 - April 30, 2014**

[illegible]

Amy Million - Public Record Additions for Valero's Crude By Rail DEIR

From: Jan Cox Golovich <janlcg@gmail.com>
To: "amillion@ci.benicia.ca.us" <amillion@ci.benicia.ca.us>, "bkilger@ci.ben...
Date: 4/4/2014 1:40 PM
Subject: Public Record Additions for Valero's Crude By Rail DEIR
CC: Linda Seifert <ljseifert@solanocounty.com>, Don Dean <donaaldjdean@sbcglo...
Attachments: Feds Weaken New Oil-By-Rail Safety Regulations Days After Announcing Them.pdf;
 Train carrying Canadian oil derails, leaks in Pennsylvania | Reuters.pdf; J.Giola
 letter.pdf; Richmond and Berkeley Oppose Fracked Oil and Tar Sands Rail Shipments |
 East Bay Express.pdf; Sacramento officials kept in dark about crude oil transfers at rail
 facility | Business | The Olympian.pdf



4 April 2014

Dear Ms. Million and Mr. Kilger,

Please add the following articles, recordings and videos to the legal public record on Valero's Crude by Rail Project as part of the review of the soon-to-be-released DEIR.

1) Article: Feds Weaken New Oil-By-Rail Safety Regulations Days After Announcing Them (desmogblog).
 Link: <http://www.desmogblog.com/2014/03/28/feds-weaken-new-oil-rail-safety-regulations-days-after-announcing-them>
 (hard copy attached)

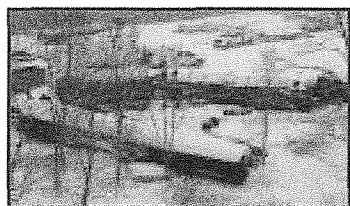
This article is vital in understanding the lack of responsible oversight and public safety protection.

2) Article: Extreme Crude Train Derailment in Western Pennsylvania link: [Train carrying Canadian oil derails, leaks in Pennsylvania](#) (hard copy attached)

As extreme crude-by-rail transport grows exponentially, so do the spills, leaks, derailments and explosions. The cost to local communities in terms of economic devastation is immeasurable. There is presently no technology to restore the

environment and no public funds to cover the cost of clean up.

Train carrying Canadian oil derails, leaks in Pennsylvan...



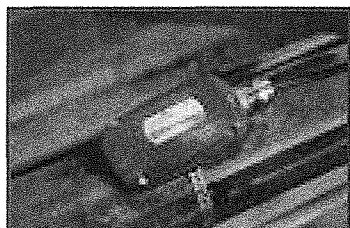
NEW YORK (Reuters) - A 120-car Norfolk Southern Corp train carrying heavy Canadian crude oil derailed and spilled in western Pennsylvania on Thursday, ad...

[View on www.reuters.com](#)

Preview
by
Yahoo

3) Article: IPCC Report warns world is "ill-prepared" for climate change (IPPC report released 31 March, 20014) Link: [IPPC report warns world is "ill-prepared" for climate change](#)

IPPC report warns world is "ill-prepared" for climate ch...



A new report from the Intergovernmental Panel on Climate Change (IPCC) is warning that the world is "ill-prepared" for climate change and that with hi...

[View on www.waterbriefing.org](#)

Preview
by
Yahoo

(hard copy attached) As world scientists implore us to reduce greenhouse gas emmissions and the burning of fossil fuels, the sudden and desperate rush to extract extreme crude moves us in the opposite direction-- with lethal consequences.

4) Letter from Contra Costa Supervisor John Giola (Attached) As more and more revelations come forth about the covert transport of extreme crude throughout California, State, County and local official are completely taken by surprise. First responders are unaware and unprepaid to deal with the consequences of an accident, thus the public is stuck subsidizing the oil industry's unsound and greedy grab for profits.

5) Video - Voices Against Oil Trains



Voices Against Oil Trains

View on www.youtube.com

Preview
by
Yahoo

6) Recording: KPFA Morning Mix - 3 April 2014

Earth Justice reported on its lawsuit against BAAQMD for illegally granting a permit to Kinder Morgan to transport extreme crude without a public airing (or informing local officials).

The Morning Mix with Andres - April 3, 2014 at 8:00am | KPFA 94.1 FM Berkeley: Listener Sponsored Free Speech Radio

The Morning Mix with Andres - April 3, 2014 at 8:00am | KPFA 94.1 FM Berkeley: Listener Spon...

The Morning Mix, for April 3, 2014 - 8:00am Click to Play: Download this clip (mp3, 10.27 megabytes) Play this clip in your Computer's media player

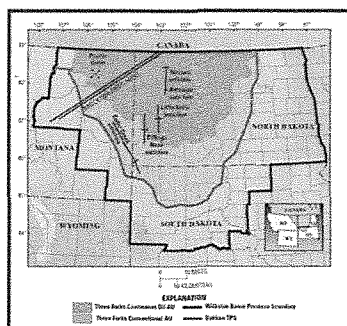
View on www.knfa.org

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7) Article: Richmond and Berkeley Oppose Fracked Oil and Tar Sands Link: Richmond and Berkeley Oppose Fracked Oil and Tar Sands Rail Shipments | East Bay Express (hard copy attached)

Richmond and Berkeley Oppose Fracked Oil and Tar...

The city councils of both Berkeley and Richmond unanimously passed resolutions last night calling for tighter



regulation of the shipping of crude oil by...

View on www.aasthavexpress.com

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by
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As more communities "discover" (because the oil companies have not been honest about their plans) that the five refineries are quickly moving to transport extreme crude to the Bay Area, opposition is building. Valero's project cannot be considered in isolation, the cumulative impacts of ALL the refineries transportation of extreme crude must be taken into account. Here is another example:

7) Article: Sacramento Officials kept in dark Link: [SACRAMENTO, Calif.: Sacramento officials kept in dark about crude oil transfers at rail facility | Business | The Olympian](#)
(hard copy attached)

SACRAMENTO, Calif.:
Sacramento officials kept in...



Since at least last September, trains carrying tank cars filled with crude oil have rolled into the the former McClellan Air Force base. Workers have transferre...

View on www.theolympian.com

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Below is a copy and paste version of the first article:

Feds Weaken New Oil-By-Rail Safety Regulations Days After Announcing Them

Fri, 2014-03-28 06:26 Justin Mikulka

Nine days after announcing new regulations designed to improve oil-by-rail safety, the Department of Transportation quietly weakened the rules for testing rail cars and exempted shippers of bitumen from having to meet the new regulations.

The department had been under pressure from industry since announcing new regulations in

response to a round of testing on shipments of Bakken crude oil that found companies had classified crudes as less hazardous than they were in 11 of 18 rail cars [1].

The tanker cars that exploded [2] in Lac-Mégantic, Quebec, in July of 2013 were also carrying Bakken crude that was misclassified. The result of these errors is that first responders can arrive at a scene and expect a crude oil fire and instead find a "river of napalm" [3], as they did in Lac-Mégantic.

In a Feb. 25 press release [4], Department of Transportation Secretary Anthony Foxx said all of the right things:

"Today we are raising the bar for shipping crude oil on behalf of the families and communities along rail lines nationwide—if you intend to move crude oil by rail, then you must test and classify the material appropriately."

The industry quickly responded with a letter [5] to Foxx letting him know that keeping families and communities safe might require them to shut down oil-by-rail shipping, which would "have an immediate and significant negative economic impact on the nation".

Apparently this got Foxx's attention. And the Department of Transportation did the industry's bidding and relaxed the regulations. This time there was no press release or PRblitz touting the change.

Some details from the amended regulations [6], dated March 6. How often are companies required to test the Bakken crude in rail cars?

This Amended Order does not specify how often testing should or must be performed, nor does it require testing to be performed for each and every shipment.

What does it specify?

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There is no definition of reasonable and recent past. I guess the lawyers will debate that after the next accident.

But the Department of Transportation wasn't done just yet. The initial order had tar sands producers quite concerned. According to this article in Hydrocarbon Processing:

Shippers of bitumen, a thick, tarlike substance found in oil sands, were particularly at risk from the Feb. 25 order. They would no longer have been able to export product in older cars known as AAR-211s, companies including Strobel Starostka Transfer Canada said.

Not to worry: the amended rule gives the shipper of bitumen a pass by not classifying it as a flammable crude oil, allowing the substance to be transported in older rail cars.

However, bitumen diluted with condensate may be classified as a flammable oil and fall under the new rules, a spokeswoman for the Pipeline and Hazardous Materials Safety Administration told Hydrocarbon Processing [7].

So what are the industry's thoughts on the new amended regulations? The president of the American Fuel & Petrochemical Manufacturers said in a statement that the revisions were a "judicious response."

According to the same article in Hydrocarbon Processing, tar sands oil (aka bitumen) is currently being shipped out at a rate of 200,000 barrels per day. Peters & Co, an investment bank, is forecasting that will increase to 500,000 barrels per day by the end of this year. With the industry currently being "desperate to get anything to move crude oil" [8] and there being a two- to three-year backlog on orders for new rail cars, being able to move bitumen in older cars is a huge boon to the industry.

We all know there are issues with the current cars [9] being used to transport crude by rail. The majority of cars are prone to rupture if there is an accident. As these cars travel over and along many waterways in the U.S. and Canada, not to mention through the centers of many towns and cities, this is a serious environmental risk. In a final nod to let the industry self-regulate, the Department of Transportation says testing isn't required if the companies moving crude oil are familiar with crude oil. If you were a lawyer, how hard would it be to argue that a company with a long history of moving crude oil by rail was "familiar" with moving crude oil by rail? But that is what the new regulations say.

"It says that if the shipper is familiar with the material they're transporting, then those tests are not necessary," Rich Moskowitz, general counsel for the American Fuel & Petrochemical Manufacturers, said.

When the train full of Bakken crude crashed and exploded in Cassleton, N.D., the fire chief who led the response [10] said, "We had no idea it was this volatile."

Casselton Mayor Ed McConnell summed up the situation: "So all we can do is hold their feet to the fire and make sure that they're doing their inspections."

Unfortunately there is no way for communities across the country to make sure "they" are doing their inspections. And unlike the first responders dealing with these incidents, the bureaucrats and politicians in D.C. won't have their feet anywhere near the next oil-by-rail fire.

Source URL: <http://www.desmogblog.com/2014/03/28/feds-weaken-new-oil-rail-safety-regulations-days-after-announcing-them>

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[2] <http://www.apple.com>

[3] <http://www.bloomberg.com/news/2014-02-04/exploding-oil-trains-push-states-to-create-response-plans.html>

[4] <http://www.dot.gov/briefing-room/dot-issues-emergency-order-requiring-stricter-standards-transport-crude-oil-rail>

[5] <http://www.scribd.com/doc/210644620/AFPD-Letter-to-Fox>

[6] <http://www.dot.gov/sites/dot.gov/files/docs/Amended%2520Emergency%2520Order%2520030614.pdf>

[7] <http://www.hydrocarbonprocessing.com/Article/3320253/Latest-News/Canadas-oil-sands-bitumen-spared-from-new-US-crude-by-rail-rules.html>

[8] <http://www.desmogblog.com/2014/03/14/why-nothing-will-happen-oil-rail-safety>

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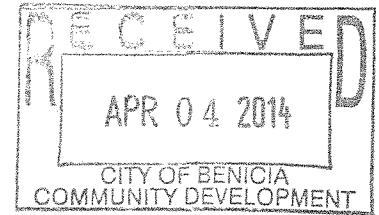
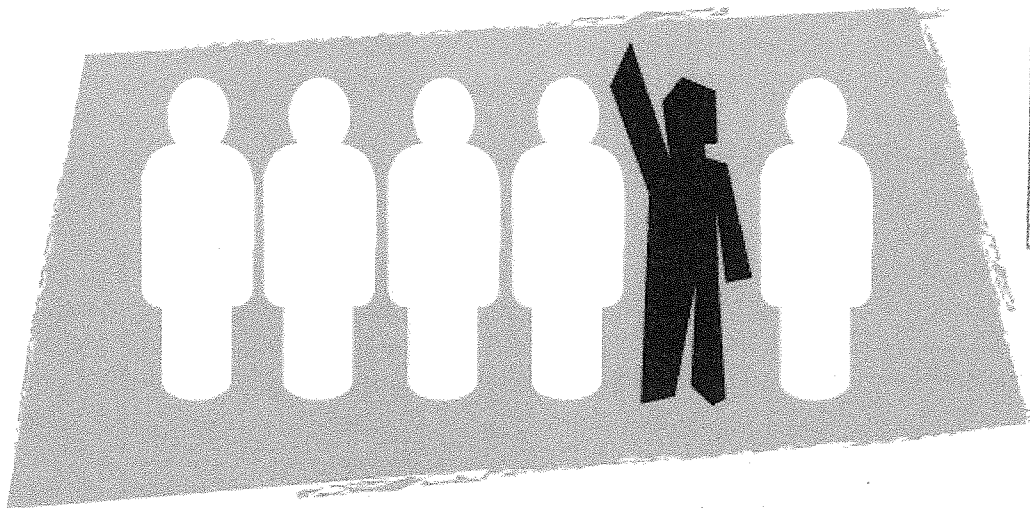
[10] <http://www.bakken today.com/event/article/id/36422/>

- [11] <http://www.flickr.com/photos/royluck/8377137644/>
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Respectfully submitted,

Jan Cox Golovich
Member, Benicians for a Safe and Healthy Community
Stop Crude by Rail

cc: Benicia Planning Commission
Solano County Supervisor Linda Seifert
Assemblymember Susan Bonilla
State Senator Lois Wolk
Representative Mike Thompson



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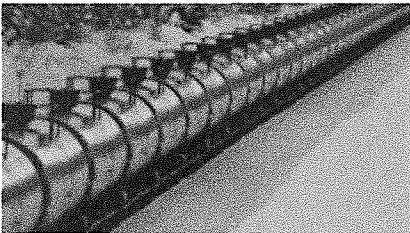
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Fri, 2014-03-28 06:26 Justin Mikulka



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Photo: Oil train, Essex MT, by Roy Luck via [Flickr](#) [11]

Tags:

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Department of Transportation [13]

oil by rail [14]

Bakken [15]

Anthony Foxx [16]

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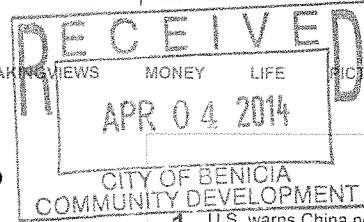
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Train carrying Canadian oil derails, leaks in Pennsylvania

BY ROBERT GIBBONS AND ELIZABETH DILTS

NEW YORK | Thu Feb 13, 2014 3:17pm EST

20 COMMENTS

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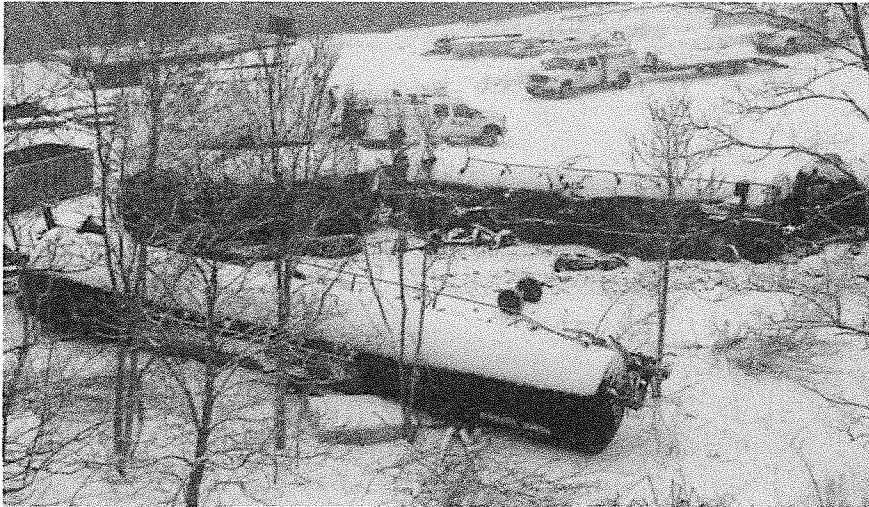
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The wreckage of a train derailment is seen in the snow near Vandergrift, Pennsylvania February 13, 2014.

CREDIT: REUTERS/JASON COHN

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Derailed cars spilled oil; some leaks stopped: Norfolk Southern

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(Reuters) - A 120-car Norfolk Southern Corp train carrying heavy Canadian crude oil derailed and spilled in western Pennsylvania on Thursday, adding to a string of recent accidents that have prompted calls for stronger safety standards.

There were no reports of injury or fire after 21 tank cars came off the track and crashed into a nearby industrial building at a bend by the Kiskiminetas River in the town of Vandergrift.

Nineteen of the derailed cars were carrying oil, four of which spilled between 3,000 and 4,000 gallons of oil, Norfolk Southern said. The leaks have since been plugged. The two other derailed tank cars held liquefied petroleum gas.

The train, which originated in Chicago, was destined for an asphalt plant in Paulsboro, New Jersey, owned by NuStar, a NuStar spokeswoman said.

The clean-up was under way on Thursday as a heavy winter storm gathered pace, leaving about 4 inches of snow on the ground by midday Thursday. An investigator from the Federal Railroad Administration was en route to the scene, the railroad regulator said.

"I heard a strange noise, a hollow, screeching sound," said Ray Cochran, who watched the train derail from his home on a hill above the tracks. "I looked out the window and saw three or four tankers turn over and one of them ran into the building."

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The train, which was also carrying food products, crashed into a track-side building owned by MSI Corporation that makes metal products.

All employees had been accounted for, said Sandy Smythe, a public information officer with Westmoreland County's public safety department, which includes Vandergrift borough.

MSI declined to comment.

Thursday's accident is the latest in a spate of crude oil train derailments that has prompted calls for more stringent rules regulating crude by rail, shipments of which have soared in recent years as pipelines fail to keep up with growing supply.

It comes ahead of a Senate hearing concerning the safety of transporting crude by rail, which has become a major political issue as the incidents pile up. The hearing was scheduled for Thursday, but was delayed by the snow.

Thursday's accident was the second in less than a month in Pennsylvania. A train hauling crude on a CSX Corp railroad jumped the tracks and nearly toppled over a bridge in Philadelphia on January 20. There were no injuries or fire in that incident.

A train carrying Bakken oil from North Dakota last July derailed and exploded in Lac-Megantic, Quebec, killing 47 people and decimating much of the small town.

U.S. and Canadian railroad companies, tank car owners and regulators are investigating ways to transport crude on the rails more safely. Much of the focus is on phasing out older tank cars, known as DOT-111s, that do not meet the latest safety standards.

DOT-111s built before 2011 are prone to puncture and fire during accidents, regulators say.

It is as yet unclear what type of cars were involved in Thursday's accident.

(Additional reporting by Sabina Zawadzki, Scott DiSavino and Cezary Podkul in New York and Ayesha Rascoe in Washington; Writing by Edward McAllister; Editing by Lisa Von Ahn, Marguerita Choy and Jan Paschal)

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Comments (20)

WhyMeLord wrote:

What will it take to end this kind of debacle?
 Maybe if a train would derail in Harrisburg and threaten the area?
 Politicians are a dense bunch, but that might get their attention.
 Could anyone explain why we must ship crude oil to Philadelphia?
 Surely they got along without it before these rail shipments began.
 Somebody's getting rich over this, and it sure isn't the average Joe.
 We investigate everything else these days, why not this travesty?

Feb 13, 2014 11:22am EST -- Report as abuse

Mylena wrote:

Lets see. Who in each of this companies is responsible hiring not qualify people? So, we have a crude oil train plenty of and: just add another car with propane gas and, add too a lighter? so, someone has to pay this mistake.

Feb 13, 2014 12:14pm EST -- Report as abuse

AZWarrrior wrote:

And the Obama Administration is still stonewalling the Keystone XL pipeline. Brilliant.

Feb 13, 2014 2:51pm EST -- Report as abuse

This discussion is now closed. We welcome comments on our articles for a limited period after their publication.

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John Gioia (say "Joya")

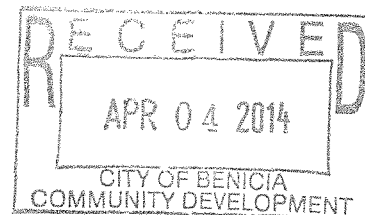
Supervisor, District I
Contra Costa County
Board of Supervisors

**Contra
Costa
County**

11780 San Pablo
El Cerrito
Pho
1

March 25, 2014

Richmond Mayor Gayle McLaughlin & City Council
450 Civic Center Plaza
Richmond, CA 94804



Dear Mayor and City Councilmembers:

The dramatic increase in the volume of Bakken Shale Crude Oil being transported by rail through California should be of great concern to local government.

Bakken Crude is more volatile and flammable than other heavier types of crude oil and therefore a greater risk of explosion, such as occurred last year in rail cars in Quebec, Alabama and North Dakota.

The transport, handling and refining of Bakken Crude raises a number of safety issues that need to be addressed by various levels of government – federal, state, regional, and local.

I have asked Randy Sawyer, Director of Contra Costa's Hazardous Materials Program, to identify the Richmond and Contra Costa Industrial Safety Ordinances (ISO) that may have jurisdiction over practices related to refining Bakken Crude at local refineries. Unfortunately, according to Mr. Sawyer, ISO does not have authority over the off-loading of crude oil from railcars onto trucks if those off-loadings occur in a railyard not located at a refinery.

As the Chair of the Stationary Source Committee of the Bay Area Air Quality Management District, I am having the issue of Crude-By-Rail placed on the agenda of our next meeting which is currently scheduled for the month of April. At that meeting, the Stationary Source Committee will have to hear from various agencies and the public about issues related to crude-by-rail and provide recommendations about what can be done to address the growing safety concerns.

I have also asked the Air District staff to discuss the authority under which they issued an emission permit for the Kinder Morgan crude off-loading facility in Richmond. Like all of you, I am concerned that there was no clear communication to policymakers about the implications of issuing such a permit.

I look forward to working with the City of Richmond and others to address what is a growing safety concern for our communities here in the Bay Area.

Very Truly Yours,

A handwritten signature in dark ink that reads "John Gioia".

John Gioia
Supervisor, District One

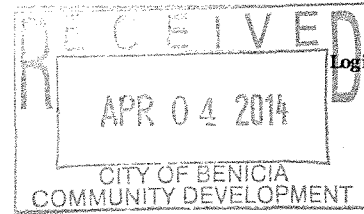
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WEDNESDAY, MARCH 26, 2014



Richmond and Berkeley Oppose Fracked Oil and Tar Sands Rail Shipments

POLITICS / BUSINESS / ENVIRONMENT [Jean Tepperman](#) — Wed, Mar 26, 2014 at 2:28 PM

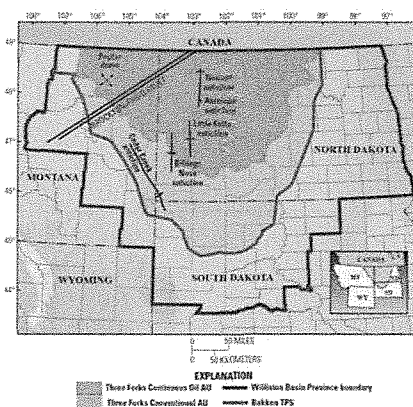
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The city councils of both Berkeley and Richmond unanimously passed resolutions last night calling for tighter regulation of the shipping of crude oil by rail through the East Bay. The Berkeley resolution went further, committing Berkeley to oppose all shipment of crude oil by rail through the city until tighter regulations are in place.

Information has recently come to light about crude-by-rail activity in both cities. In September, with no public announcement, the Kinder Morgan rail yard in Richmond quietly switched from handling ethanol to crude oil. And a new proposal calls for shipping crude oil to the Phillips 66 refinery in Santa Maria on train tracks that run through the East Bay.



At the Richmond City Council meeting, oil-industry expert Antonia Juhasz presented evidence from both the BNSF railroad and Kinder Morgan websites showing that the crude oil coming into the Richmond rail yard is fracked from the Bakken shale fields in North Dakota. This Bakken crude has been responsible for several recent disastrous

Fracked oil from Bakken shale is highly explosive.

explosions when trains carrying it have derailed, with the worst accident in Lac Megantic, Quebec, where 47 people were killed and the downtown destroyed.

Juhasz added that there were more derailments and accidents involving crude by rail in 2013 than in the previous thirty years combined. More crude is being shipped by rail because of the huge increase in production of crude from North Dakota Bakken shale and Canadian tar sands, both far inland, and the need to get the fossil fuel to the coasts to refine and export.

Juhasz also reported that the National Transportation Safety Board (NTSB) has said that emergency response planning along the rail routes is “practically nonexistent” and that current regulations are “no longer sufficient” — and that it’s not safe to carry crude oil in the type of car currently being used. Because of all this, the NTSB has recommended that trains carrying crude oil be rerouted “away from populated and other sensitive areas.”

Several Richmond council members and community speakers expressed surprise that the switch to crude oil happened with no public notice. Andres

Soto of Communities for a Better Environment said the “real culprit” was the staff of the Bay Area Air Quality Management District, which approved Kinder Morgan’s application to make this change without notifying the public or even the air district board members.

City councilmembers wrestled with the fact that the city has no jurisdiction over railroads — only the federal government can regulate them. But Juhasz and McLaughlin said a resolution by the city was important as part of a demand from many cities and organizations for more regulation of crude by rail.

The resolution called on federal legislators to move quickly to regulate the transportation of the new types of crude oil from Bakken shale and Canadian tar sands. Many speakers argued in favor of a moratorium on shipping crude by rail until adequate regulations were in place.

Meanwhile in Berkeley, another oil-industry expert, environmental engineer Phyllis Fox, described the plan to ship crude oil through the East Bay to Santa Maria — probably through Richmond, Berkeley, and Oakland — since these tracks are built to carry heavy trains. She projected a map showing that rail lines in California parallel rivers and go through the most populated areas, so accidents would be “disastrous.”

Information released about the plan doesn’t reveal the source of the crude oil, but Fox said the two main kinds of crude oil being shipped by rail are from Bakken shale — oil that is highly volatile and prone to explosion — and Canadian tar sands — very heavy oil that is especially toxic and difficult to clean up. “One catastrophic event,” Fox said, “could cause irreversible harm.”

Other sources have pointed out that the Phillips 66 refinery in San Luis Obispo County is geared to refining heavy crude oil, so it’s most likely that the crude headed to that plant would come from the Canadian tar sands.

Many speakers in the public comment period supported the resolution, including residents of Crockett/Rodeo and Martinez, who are waging similar battles in their communities. Speakers pointed out a wide range of problems with shipping crude by rail in addition to the immediate danger. In a pre-meeting rally in support of the resolution, Mayor Tom Bates said the issues “go beyond the danger to our community to our whole carbon future. If we don’t get off fossil fuel we’re all doomed.”

The resolution commits Berkeley to file comments opposing crude-by-rail projects in any draft permit-approval process, starting with the Santa Maria project; to file comments opposing new projects in the Phillips 66 refinery in Rodeo and the Valero refinery in Benicia; and to support the federal Department of Transportation in creating strict regulation of rail shipments of crude oil. In presenting the resolution, Maio also said Berkeley should form a coalition with other cities fighting crude-by-rail projects.

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Mar 26, 2014



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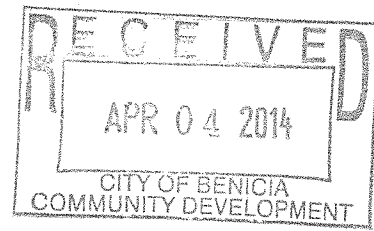


Feb 26, 2014



Feb 19, 2014

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Sacramento officials kept in dark about crude oil transfers at rail facility

By Curtis Tate and Tony Bizjak

McClatchy Washington Bureau March 28, 2014

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Recently filled, a tanker truck drives past railway cars containing crude oil on railroad tracks in McClellan Park in North Highlands on Wednesday, March 19, 2014. North Highlands is a suburb just outside the city limits of Sacramento, Calif.

RANDALL BENTON — Sacramento Bee/MCT

SACRAMENTO, Calif. — Since at least last September, trains carrying tank cars filled with crude oil have rolled into the the former McClellan Air Force base. Workers have transferred the oil, including some volatile Bakken crude, from trains to tanker trucks, which take it to Bay Area refineries.

Until this week, Sacramento's InterState Oil ran the crude operation without a required permit. Local fire and emergency officials who would be called upon to respond in case of a spill or fire weren't informed it was happening.

Jorge DeGuzman, supervisor of permitting for the Sacramento Metropolitan Air Quality Management District, said an inspector first discovered in the fall of 2012 that InterState Oil was unloading ethanol from rail cars at McClellan without a permit. The company then applied for a permit and received it in October 2012.

Last September, another inspection revealed that InterState was transferring crude oil from rail cars to trucks taking their loads to Bay Air refineries; again without a permit.

The company was not fined, and continued the ethanol and crude operations during the permitting process. The crude oil permit was approved this week.

Fuel transfer operations such as the one at McClellan have popped up in California and other states amid an energy boom driven by hydraulic fracturing of shale oil formations in North Dakota and elsewhere. While the oil furthers economic growth and energy independence, it's also bringing unforeseen safety risks to communities,

catching many state and local officials off guard.

"As long as it's not stored, I don't think it's required for them to inform me," said Steve Cantelme, Sacramento's chief of emergency services. Still, he said, "I would like to know about it."

State and local governments have scant jurisdiction over the movement of goods on rail lines, which is generally a matter for the federal government.

Federal regulators and the rail industry have taken voluntary steps to improve the safety of such shipments, including reduced speeds, more frequent inspections and using safer routes. They're also working on a safer design for tank cars. But some state and local officials feel the response hasn't matched the risk they face.

Fiery derailments in Alabama, North Dakota and Canada in the past several months have raised safety and environmental concerns about rail shipments of crude. On July 6, a 72-car train of crude oil from North Dakota broke loose, rolled down a hill and derailed in the lakeside village of Lac-Mégantic, Quebec. The unusually volatile oil fed a raging fire and powerful explosions that leveled the center of town. Of the 47 people who were killed, five vanished without a trace.

The issue has received limited attention in California because the state has continued to rely on its traditional petroleum supply, which arrives on marine tankers.

But that's changing. In December 2012, the state received fewer than 100,000 barrels of oil by rail. A year later, it was receiving nearly 1.2 million, according to the California Energy Commission.

"It potentially could be a fatal issue here in Sacramento," Cantelme said.

The state projects that within two years, California could receive a quarter of its petroleum supply by rail. That would mean at least six trains of 100 tank cars every day, or 500,000 barrels of oil, passing through the capital. The capacity of the proposed Keystone XL pipeline is 830,000 barrels.

InterState officials declined a request by The Sacramento Bee to observe the McClellan operations. The company also declined to answer questions The Bee sent last week about the facility, including how frequently the transfers take place and what safety precautions are taken.

In an emailed statement, the company's president, Brent Andrews, said InterState has "the highest regard for safety procedures" and is "very thorough in our education and training with our employees."

InterState's new permit allows it to transfer about 11 million gallons of crude oil and ethanol a month at McClellan.

"That's a lot," said Darren Taylor, assistant chief of operations at the Sacramento Metropolitan Fire Department.

Neither McClellan Business Park, where the operation takes place, nor Patriot Rail, the short line railroad that switches the cars there, were required to verify that InterState had the necessary permits.

Another company, Carson Oil, was unloading ethanol at McClellan without a permit, but has since received one. Carson, based in Portland, Ore., is also seeking a permit to unload crude oil at McClellan in hopes of securing a contract. Carson did not return phone messages and emails requesting comment.

"If we don't see anything alarming, we don't shut a business down just because they missed some paperwork," DeGuzman said. "The inspector felt it was a paperwork procedure."

The McClellan operation straddles the boundary between Metropolitan Fire's jurisdiction and that of the Sacramento Fire Department. Both departments could be involved in an emergency response to the site.

After a reporter told him about the facility last week, Dan Haverty, the city fire department's interim chief, sent his battalion chief and a hazardous materials inspector to McClellan, where they reported finding 22 tank cars loaded with crude oil.

Haverty said far more hazardous commodities move by rail through Sacramento, including toxic chemicals, such as chlorine and anhydrous ammonia, and that his department has planned and trained for emergencies involving those materials.

Taylor said he was "comfortable and confident" in his department's capabilities.

But Niko King, Sacramento's assistant fire chief, said he didn't have a lot of information on what was coming through the region by rail and new risks his department might face.

"I don't want to say we're in front of the curve," he said. "We're definitely reacting."

The U.S. Department of Transportation has required that petroleum producers test and properly label and package Bakken oil before it is transported. But once the oil reaches its destination, whether a refinery or a transfer facility, such as the one in Sacramento, it's handled no differently than conventional crudes.

The McClellan operation falls outside of some agencies' jurisdiction. The Sacramento County Environmental Management Department regulates crude oil storage facilities, but McClellan isn't considered one.

"We regulate the stuff that's there" for more than 30 days, said Elise Rothschild, chief of the department's Environmental Compliance Division, "not the stuff in transit."

The railroads bringing crude oil to Sacramento, meanwhile, are not required to tell local officials that they're doing so. One of them, BNSF Railway, is the nation's largest hauler of crude oil in trains, mostly from North Dakota.

Earlier this month, CSX, the largest railroad on the East Coast, reached an agreement with Pennsylvania's emergency management agency to share information on the shipment of hazardous materials on its network, including crude oil.

But the agreement requires state officials not to make the information public. It is possible to determine where shipments are going, however. BNSF, for example, lists Sacramento as one of its crude-by-rail terminals on a marketing website. A Sacramento Bee photographer who visited the McClellan site recently found crude oil being transferred from rail cars to trucks, activity that was plainly visible.

Cantelme said he's begun in recent weeks to organize a regional task force with other local officials and the state Office of Emergency Response in an effort to better understand the risks of such operations and develop a coordinated response plan.

"This is preliminary for us," he said. "We're just now getting into it."

A McClatchy analysis of federal data showed that more than 1.2 million gallons of crude oil spilled from trains in 2013 alone. In contrast, fewer than 800,000 gallons had been spilled nationwide from 1975 to 2012.

"Nobody saw this incredible increase in volume," said Tom Cullen, administrator of the oil spill prevention office in the California Department of Fish and Wildlife. In his January budget proposal, Gov. Jerry Brown proposed increasing funding for the Office of Oil Spill Prevention and Response and shifting its focus from marine spill to inland spills.

Other states where crude oil shipments have increased are taking action.

In January, New York Gov. Andrew Cuomo directed several state agencies to review safety procedures and emergency response plans. That state's capital, Albany, has become a hub for rail shipments of North Dakota and Canadian oil for East Coast refineries. Earlier this month, Albany County placed a moratorium on the expansion of a train-to-barge facility blocks from state offices until the completion of a health study.

Washington lawmakers considered several measures to address increased oil shipments, including a 5-cents a barrel tax on crude oil shipped by rail into the state, but the efforts died before the session adjourned last week.

Activists in the Bay Area cities of Benicia, Richmond and Martinez are fighting the expansion of crude oil

deliveries to local refineries. Earlier this month, Elizabeth Patterson, the mayor of Benicia, called on Brown to sign an executive order similar to Cuomo's.

Tate reported from Washington. Bizjak of the Sacramento Bee reported from Sacramento. Email: ctate@mcclatchydc.com, tbizjak@sacbee.com; Twitter: @tatecurtis

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Join The Conversation

The Olympian is pleased to provide this opportunity to share information, experiences and observations about what's in the news. Some of the comments may be reprinted elsewhere in the site or in the newspaper. We encourage lively, open debate on the issues of the day, and ask that you refrain from profanity, hate speech, personal comments and remarks that are off point. Thank you for taking the time to offer your thoughts.

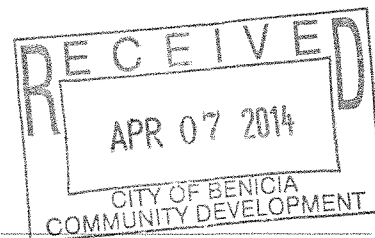
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Amy Million - Fwd: Valero Crude By Rail Project

From: Brad Kilger
To: Amy Million; Heather McLaughlin; Mario Giuliani
Date: 4/7/2014 8:40 AM
Subject: Fwd: Valero Crude By Rail Project



>>> "David Johnston" <1tyrant@sbcglobal.net> 4/7/2014 6:51 AM >>>

David Johnston
 2131 Goldenhill Way
 Benicia, CA 94510
 (707) 745-9391
1tyrant@sbcglobal.net

To Mr. Brad Kilger - Benicia City Manager
 Planning Commission Members

Valero Crude by Rail Project

Mr Kilger. I have been reading the public comments submitted so far on the proposed Crude By Rail Project (the Project) and have not seen many comments in support of the project.

I am a Valero employee for the past 19 years. I do not speak for the refinery and my comments and thoughts are my own. I have been a Benicia resident for the past 17 years. My children are attending Benicia schools.

I will await the pending EIR before raising this issue again, but Valero has a long standing history of closing or idling non profitable plants. Some they have sold, as in Delaware City and Lima Ohio, and other they have shuttered, as they do with the ethanol plants in the Midwest when market conditions warrant. They also shut the Aruba Refinery, and not being able to find a buyer, converted the property into a shipping terminal.

Though we have been somewhat assured by local refinery management that the corporation intends to keep the refinery running, the rank and file of the refinery employees are not so confident. I think a frank discussion with corporate management should be undertaken to determine their intent if this project is not approved. Valero has indicated it would consider exiting the California market if it becomes too expensive to do business here. Both the Wilmington and Benicia Refineries were on the market two years ago, but a buyer could not be found, and the sale price of the BP refinery in Southern California indicated that potential buyers would not be paying what the company feels would be a fair price for the assets. This raises the question of whom might buy the Benicia Refinery if the company decides to exit the West Coast at any cost. Would that buyer have the same commitment to Process Safety that Valero has demonstrated throughout its refinery system? Would a new company have the financial capability to support the city in the manner that Valero has over the past 14 years? I do not recall if Exxon had the kind of presence in the community that Valero does now.

If Valero were to close or idle the refinery for any extended length of time, my family will have to

leave this city we have grown to love and call home.

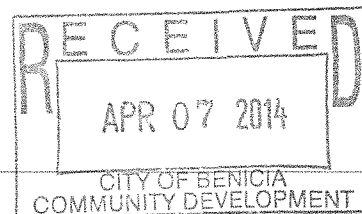
There are some potential impacts on the community if this project is not approved that I think should be explored during the EIR process.

Thank you for your consideration.

David Johnston

Amy Million - Fwd: Request Partner Email

From: Sharon Williams
To: DEPT; Million, Amy
Date: 4/7/2014 9:06 AM
Subject: Fwd: Request Partner Email



Please respond to the request partner listed below.

Thanks,
 Sharon

>>> <DO-NOT-REPLY@govtsystems.com> 4/6/2014 2:35 PM >>>
 Sharon Williams,

The Request ID 30247 was just assigned to you.
 The details of the request are presented below.

 Request Form Name: Comments, Suggestions & Concerns
 Request Form Description: Submit comments or concerns

First Name: Marc
 Last Name: Goodman
 Email: marcgoodster@gmail.com
 Telephone: 707-746-6777
 Address1: 707-746-6777
 Address2: 955 West L St.. Apt. 22
 City: Benicia
 State: CA
 Zip Code: 94510-2550
 Language Preference:
 Preferred Method of Response: E-Mail
 Request Entry Method: Citizen Online

What is your comment or concern?:

On the assumption that negotiations with Valero concerning Oil-by-Rail have not been finalized, I have a suggestion that may be a way to bring satisfaction to both parties. I suggest that the City of Benicia require the Valero refinery to build and operate a water desalination plant in exchange for permission to ship in oil by rail car.

My logic is that Valero will be increasing the risk of an environmental incident within the city limits by transporting oil by rail, therefore the City should insist on offsetting another environmental risk. That of running out of water. Or, the more likely scenario of a financial risk of buying water on the spot market just so the City's biggest water customer doesn't run out.

Also, someone suggested that oil-by-rail is no more risky than the current method of transporting oil by ship. This is malarkey in that since the Exxon Valdez incident, most oil tankers have been converted to double-hulled. So, if a tanker runs aground, the risk of a major spill is greatly mitigated. The rail industry cannot make the

same claim. In fact, most tanker cars used in the US and Canada are quite susceptible to damage and spillage in a derailment.

At the very least, someone (either the City or the refinery) should conduct a feasibility study on the use of desalination to meet the needs of Valero's thirst for fresh water.

Please feel free to ask for clarification.

Would you like a response?:

Yes

If yes, please indicate method of response below (we will need an e-mail address or your phone number):

To update this request, please go to:

[Http://www.ci.benicia.ca.us](http://www.ci.benicia.ca.us)

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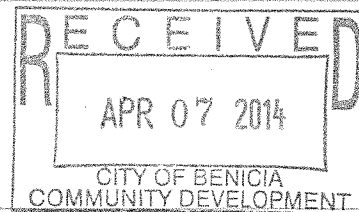
Regards,

Bill Guggemos

Email: bguggemos@ci.benicia.ca.us

Amy Million - Article about Crude By Rail

From: Jennifer Cimaglio <jen.cimaglio@gmail.com>
To: <AMillion@ci.benicia.ca.us>, <BKilger@ci.benicia.ca.us>
Date: 4/7/2014 10:13 AM
Subject: Article about Crude By Rail



Please include this in public Comments about Crude by Rail.

I find this the most interesting part of the article:

Bakken oil train explosions have mostly been far from populated areas. But around 1AM on July 5, 2013, over 60 oil cars exploded after a runaway train derailed in Lac-Megantic, a Canadian town near the Maine border, leveling dozens of buildings and killing 47 of the town's roughly 6,000 residents.

The railroad company, Montreal, Maine and Atlantic Railway, went belly up, leaving behind clean-up costs estimated at over \$180 million. Canadian regulators discovered the company carried only \$25 million in liability insurance. Legal battles over clean-up costs and lawsuits from survivors are expected to take at least a decade to resolve — and for the time being, taxpayers are picking up the tab.

I do not think that Benicia can afford to pick up the tab for any problems that occur as a result of Crude by Rail. In just this one instance, the result was \$180 million in cleanup costs, not to mention the loss of life and damage to the environment. All told, rail car accidents spilled more than 1.15 million gallons of crude oil in 2013, federal data shows, compared with an average of just 22,000 gallons a year from 1975 through 2012.

This is a 50 Fold spike in accidents and spillage, and it not something that I think the City of Benicia wants to gamble on.

Thank you,

Jennifer Cimaglio

<http://www.desmogblog.com/2014/03/17/record-year-oil-train-accidents-leaves-insurers-wary>

A Record Year of Oil Train Accidents Leaves Insurers Wary



Spurred by the shale drilling rush that has progressed at breakneck speed, the railroad industry has moved fast to help drillers transport petroleum and its byproducts to consumers. Last year, trains hauled over 400,000 carloads of crude oil, up from just 9,500 carloads in 2008, according to railroad industry estimates. Each carload represents roughly 30,000 gallons of flammable liquids, and some trains haul over 100 oil cars at a time.



But with this fast expansion has come some astounding risks — risks that have insurance companies and underwriters increasingly concerned.

A string of oil train explosions have highlighted the potential for harm. A train hauling 2.9 million gallons of Bakken oil derailed and exploded on November 8 in Aliceville, Alabama, and the oil that leaked but did not burn continues to foul the wetlands in the area.

On December 30th, a train collision in Casselton, North Dakota 20 miles outside of Fargo, prompted a mass evacuation of over half the town's residents after 18 cars exploded into fireballs visible for miles. 400,000 gallons of oil spilled after that accident, which involved two trains traveling well below local speed limits.

"Those crashes are all on the radar of the insurance industry," attorney Dean Hansell recently told Law360.

All told, railcar accidents spilled more than 1.15 million gallons of crude oil in 2013, federal data shows, compared with an average of just 22,000 gallons a year from 1975 through 2012 — a fifty-fold spike.

Bakken oil train explosions have mostly been far from populated areas. But around 1AM on July 5, 2013, over 60 oil cars exploded after a runaway train derailed in Lac-Mégantic, a Canadian town near the Maine border, leveling dozens of buildings and killing 47 of the town's roughly 6,000 residents.

The railroad company, Montreal, Maine and Atlantic Railway, went belly up, leaving behind clean-up costs estimated at over \$180 million. Canadian regulators discovered the company carried only \$25 million in liability insurance. Legal battles over clean-up costs and lawsuits from survivors are expected to take at least a decade to resolve — and for the time being, taxpayers are picking up the tab.

That tragic accident took place in a small town. An explosion in a major city could represent a far larger calamity. But neither oil and gas companies nor railroads carry enough insurance to cover the kind of catastrophe at risk when shipping crude by rail.

"There is not currently enough available coverage in the commercial insurance market anywhere in the world to cover the worst-case scenario," James Beardsley, an executive with Marsh & McLennan Cos.' Marsh Inc. insurance brokerage unit, told the Wall Street Journal in January.

Bakken Crude: A Hazard on the Rails

It's not just that more oil is moving by train, it's also that Bakken shale oil seems to be particularly dangerous, according to federal regulators.

On January 2nd, the Pipeline and Hazardous Materials Safety Administration (PHMSA) issued a rare safety alert, saying "recent derailments and resulting fires indicate that the type of crude oil being transported from the Bakken region may be more flammable than traditional heavy crude oil."

A few weeks later, the National Transportation Safety Board (NTSB) and its Canadian counterpart, the

Transportation Safety Board of Canada warned that an oil train accident could result in a “major loss of life” as they called for hazardous material shipping rules to apply to crude oil trains.

“The large-scale shipments of crude oil by rail simply didn’t exist 10 years ago, and our safety regulations need to catch up with this new reality,” said NTSB Chairman Deborah Hersman.

Railroad officials say that they’ve already taken voluntary steps to reduce the danger. Maximum speeds for trains with oil cars have been reduced, and where possible, trains are routed outside of major cities and highly populated corridors.

But some refineries handling Bakken crude are located directly inside major cities — like the major refinery in Philadelphia, where a train recently derailed over the Schuylkill river, just yards from a major highway underpass.

Every month, railcars carrying five million barrels of Bakken crude roll through the core of Philadelphia, heading to a refinery formerly owned by Sunoco and now run by a company called Philadelphia Energy Solutions, according to local press reports.

Oil trains also pass through New York City, Chicago, the Pacific Northwest and the Gulf Coast.

Insurers Nervous

Over the past few years, many of the risks associated with fracking have drawn increased attention from insurers and insurance underwriters.

Increasingly, insurers are taking steps to insulate themselves against liability when fracking pollutes air and water or leads to accidents. A standard homeowner’s insurance policy won’t cover harm from fracking pollution, and insurance companies have so far declined to offer special policies that would cover fracking risks. Nationwide Insurance, for example, announced that its homeowners’ policies would not cover damage from fracking, saying the risks “are too great to ignore.”

When insurance runs out, companies can still be sued for the harm they do — but if they don’t have enough money to cover the claim, the people hurt may be out of luck.

“If the full net worth of the company (in addition to insurance coverage) is insufficient to cover the costs associated with an event, those costs will be borne by those who have suffered property damage or injuries,” the McMillian group, an actuarial consulting firm wrote in a June 2012 note, explaining that drillers’ use of shell corporations to shield assets made that “a very real possibility.”

Ruinous Liability

Railroads may find themselves in a similar bind.

Only few dozen insurance companies offer liability insurance to railroads, and coverage is often limited to less than \$50 million per policy, meaning that the highest level of coverage available, if a company maxes out available policies, is \$1.5 billion. Major railroads commonly “self-insure” against accidents over a certain threshold, meaning that a big enough accident could wipe out all of a company’s assets.

So without enough insurance, hauling that crude represents a major gamble.

“A railroad moving hazardous shipments faces exposure to potentially ruinous liability,” the Association

of American Railroads told the Canadian Transportation Agency. “While incidents involving highly hazardous materials on railroads are exceedingly rare, railroads could be subjected to multi-billion dollar claims solely because of the unusual characteristics of the commodities themselves.”

Adequately protecting against oil train explosions would be expensive, raising the costs of delivering oil to consumers. But if shippers and railroads do not carry insurance, an explosion could bankrupt the companies involved, leaving the people rebuilding in the lurch.

As the Obama administration considered the Keystone XL’s pipeline application, it decided it was unnecessary to take all of the impacts of tar sands extraction into account, reasoning that the oil would find other ways to market. The bitumen, they said, would be shipped by train if it was not pumped through pipelines, so construction would have little impact on how quickly or pervasively tar sands oil was extracted.

“Cross-border pipeline constraints have a limited impact on crude flows and prices,” the State Department report said. “If new east-west and cross-border pipelines were both completely constrained, oil sands crude could reach U.S. and Canadian refineries by rail.”


But the growing concerns from the insurance industry undermine that assumption. Shipping by rail already costs between \$2 and \$22 per barrel more than shipping by pipeline, and upgrading rail cars, training first responders in case of a catastrophe, and rebuilding aging rail lines will all add enormous additional expenses.

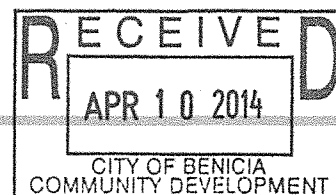
A plan endorsed by the mayors of several major U.S. cities, including Philadelphia and Chicago, calls for fees on train shipments to cover these costs.

The issue “starts to revolve around the dollar sign,” Canadian Pacific Railway CEO E. Hunter Harrison told the Wall Street Journal. “Can we do this safer? Yes. But who's going to pay? If you decide this commodity must be moved in the public interest, then I think all of us have to pay.”

The question is, are those costs worth paying, especially when renewable energy sources grow more viable every year?

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 Please consider the environment before printing this e-mail :)

Amy Million - "Flawed tests play down crude oil's explosiveness"

From: Marilyn Bardet <mjbardet@comcast.net>
To: Amy Million <amillion@ci.benicia.ca.us>, Brad Kilger <bkilger@ci.benicia...>
Date: 4/10/2014 12:27 AM
Subject: "Flawed tests play down crude oil's explosiveness"
CC: Rod Sherry <rsherry@csa-engineers.com>, Belinda Smith <bsmitgo@hotmail.c...>
Attachments: rail-safety14rv1.JPG

Hello Amy and Brad,

The following article from the Toronto Globe and Mail, posted April 9, 2014, raises serious questions about the characteristic "light ends" of Bakken oil that have not been adequately assessed by conventional testing methods with regard to the dangers of transporting Bakken by rail. I would add that the same dangers cited likely pertain to the offloading of Bakken from tank cars.

Please enter this article as comment for the public legal record on Valero's CBR Project and the upcoming DEIR review.

Thank you,

Marilyn
 707-745-9094

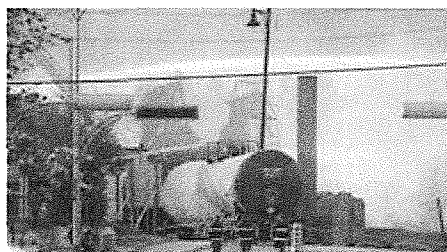
Repost from [The Toronto Globe and Mail](#)

Flawed tests play down crude oil's explosiveness

KIM MACKRAEL

OTTAWA — *The Globe and Mail*

Published Monday, Apr. 07 2014



As Canada and the United States move to strengthen the rules for transporting crude oil by rail, there is mounting evidence that regulators are relying on tests that underestimate the risk of a fiery explosion like the one that destroyed Lac-Mégantic.

The current testing regime was not designed for unrefined crude and, as a result, can play down the dangers of shipping some light crude oils, according to industry and transportation experts. A United Nations panel on hazardous materials shared similar

concerns last week when it announced that it would review international standards for shipping crude oil, including how crude is tested and classified, in response to a string of recent accidents in North America.

With the accuracy of the tests in question, there is suspicion that some shipments of Bakken crude may be more volatile than officials believed. It also raises the possibility that light crude oil drawn from other locations in North America is as potentially explosive as crude from the Bakken – but has not been receiving the same level of scrutiny.

The devastating fire in Lac-Mégantic, Que. last July, began when a train carrying Bakken crude jumped the tracks and exploded in the centre of the small town, killing 47 people. A Globe and Mail investigation showed that oil from the Bakken formation, which straddles North Dakota, Saskatchewan and Manitoba, is more volatile and prone to exploding than conventional forms of crude.

Crude oil with a high concentration of light ends – such as methane and propane – is “most at risk” of being mischaracterized in standard testing procedures, according to a recent report commissioned by Transport Canada. Those light ends are potentially dangerous because they can ignite and magnify the size of an explosion.

The inaccuracies underscore how little is known about the risks of shipping crude oil by rail, a practice that has increased dramatically during the past five years and now accounts for an estimated 230,000 barrels of oil a day in Canada. Oil is widely known to be flammable, but regulators did not believe until recently that it had the potential to explode and cause the kind of destruction it did in Lac-Mégantic.

Flash point and boiling point tests, which are required for crude shipments in Canada and the U.S., both have difficulty measuring samples that contain significant concentrations of light ends, according to the report to Transport Canada. Another common test, known as the Reid Vapour Pressure test, has also been criticized for use on crude oil because it can allow light ends to easily vapourize at the time samples are collected from highly volatile crude.

“When you try to apply [current tests] to samples that have light ends, they don’t work as well,” said Bob Falkiner, a director for the Canadian Crude Quality Technical Association who also works for Imperial Oil. “You get biased results reported from

those test methods because of the lost light ends.”

A spokesperson for Transport Minister Lisa Raitt said the minister is aware of concerns about the crude-testing regime and Transport Canada is “looking at options” related to volatility tests. Speaking with The Globe after an event in Toronto last week, Ms. Raitt also welcomed the UN panel’s decision to study crude shipments and testing.

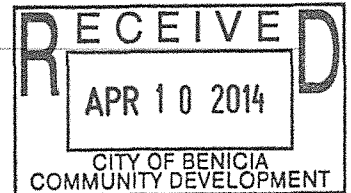
Producers in the Bakken are expected to stabilize crude oil before shipping it, in a process meant to remove many of the light ends from the rest of the product. Those light ends can be sold separately, but limited transportation infrastructure in the fast-growing Bakken area has led some producers to flare the products instead – which means they simply burn them on the spot. In some cases, flaring has become a “de facto stabilization process,” said Bill Lywood, founder and president of Crude Quality Inc.

However, several industry experts said there is a financial incentive for producers to leave some light ends in the crude – rather than burning them off or selling them separately – because they can increase the overall volume of the crude they are selling. At the same time, because of testing limitations, it can be difficult for producers, shippers and buyers to determine whether enough of the volatile light ends have been stripped away before crude oil is transported across the country.

In an effort to address the problem, some companies and industry experts are advocating the use of a newer vapour pressure test that uses a sealed, pressurized cylinder to prevent light ends from escaping when a sample is taken.

Amy Million - IMPORTANT VIDEO! – Fwd:"Flawed tests play down crude oil's explosiveness"

From: Marilyn Bardet <mjbardet@comcast.net>
To: Amy Million <amillion@ci.benicia.ca.us>, Brad Kilger <bkilger@ci.benicia...>
Date: 4/10/2014 1:10 AM
Subject: IMPORTANT VIDEO! – Fwd:"Flawed tests play down crude oil's explosiveness"
CC: Rod Sherry <rsherry@csa-engineers.com>, Belinda Smith <bsmitgo@hotmail.c...>
Attachments: rail-safety14rv1.JPG



Amy and Brad,

I'm appending this particular video, which discusses the investigation of the Lac Mégantic catastrophic train derailment and explosion of Bakken, the story which has been chosen as Canada's "news story of the year."

Lac-Mégantic disaster chosen Canadian News Story of the Year

This video, posted by the Toronto Globe and Mail, reveals that HYDROGEN SULFIDE - H₂S - was found to be a constituent of Bakken oil in seriously elevated amounts - 24 times the legal amount of toxic vapors, which developed inside the tank cars under pressure and, reaching temperature of 29 degrees celsius, (as was the case in the evening of July 6, 2013, in Lac Mégantic), became flammable and exploded the cars, which burned for 36 hours and incinerated the town center, instantly killing 47 people.

H₂S is an absolutely lethal gas even in small concentrations in parts per billion. The fact that it is volatile and can explode under pressure in tank cars at typical summer temperatures is a hugely important issue to be raised by the VALERO Crude By Rail Project DEIR. In the article I had just submitted below, the discussion of Bakken's "light ends" and the flawed testing, doesn't list the names of those "light ends."

We need to know all of Bakken's characteristic constituents, including percentages of benzene, H₂S, and any and all other toxic gases that would be flammable and released in the case of a catastrophic train accident in Benicia.

Thank you,
 Marilyn
707-745-9094

Begin forwarded message:

From: Marilyn Bardet <mjbardet@comcast.net>
Date: April 10, 2014 12:29:23 AM PDT
To: Amy Million <amillion@ci.benicia.ca.us>, Brad Kilger <bkilger@ci.benicia.ca.us>
Cc: Rod Sherry <rsherry@csa-engineers.com>, Belinda Smith <bsmitgo@hotmail.com>, George Oakes <oakes@earthlink.net>, Suzanne Sprague <suzanne@solanolawgroup.com>, Don Dean

<donaldjidean@sbcglobal.net>

Bcc: Roger Straw <rogrmail@gmail.com>, Jan Cox-Golovich
<janlcg@gmail.com>, Katherine Black <kblack@kbconsult.net>

Subject: "Flawed tests play down crude oil's explosiveness"

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Marilyn
707-745-9094

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KIM MACKRAEL

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The current testing regime was not designed for unrefined crude and, as a result, can play down the dangers of shipping some light crude oils, according to industry and transportation experts. A United Nations panel on hazardous materials shared similar concerns last week when it announced that it would review international standards for shipping crude oil, including how crude is tested and classified, in response to a string of recent accidents in North America.

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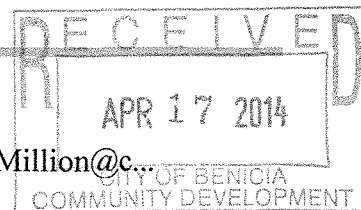
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Amy Million - The New York Times, Business Day: "Despite Rise in Spills, Hazardous Cargo Rides Rails in Secret"



From: <rogrmail@gmail.com>
To: "Brad Kilger" <bkilger@ci.benicia.ca.us>, "Amy Million" <Amy.Million@c...>
Date: 4/17/2014 11:38 AM
Subject: The New York Times, Business Day: "Despite Rise in Spills, Hazardous Cargo Rides Rails in Secret"
CC: "Belinda Smith" <bsmitgo@hotmail.com>, "Don Dean" <donaIdjdean@sbcglobal...>
Attachments: image001.jpg; image003.jpg; NYT_More Shipments, New Accidents And Calls For Safety.pdf

Amy and Brad – with Marilyn Bardet's permission, I would ask you to include the following in the public record on Valero Crude by Rail ... rather than the version Marilyn sent, which had a lot of extraneous webpage material and was hard to read. There is also a very important NY Times "inset box" that is linked midway through this article. I am attaching the inset box as a PDF with this email. It details the massive increase in oil-by-rail accidents 2005-14. Please also include this attachment for the public record.

If you agree to substitute this email for Marilyn's, I would like her comments (from her email) to be entered into the record here:

This article, dated April 15, describes the level of secrecy that federal gov't policy has historically allowed railroad companies – policy which denies the public and decision-makers the right to know the specific contents of hazmat shipments and how this immunity from disclosure affects communities across the US that are faced with *increasing* hazards and risks posed by transport of crude oil by rail.

Please add this article to the public legal record on Valero's proposed Crude By Rail Infrastructure Project and for review of the DEIR.

Thank you,

-- Marilyn

707-745-9094

Roger Straw
 766 West J, Benicia

from The New York Times, Business Day, <http://www.nytimes.com/2014/04/16/business/despite-spills-hazards-ride-the-rails-in-secret.html?ref=business&r=0>

Despite Rise in Spills, Hazardous Cargo Rides Rails in Secret

By JAD MOUAWAD | APRIL 15, 2014



Jodi Ross, town manager of Westford, Mass., and Joseph Targ, its fire chief, could learn little when a train derailed there this year. Credit: Gretchen Ertl for The New York Times

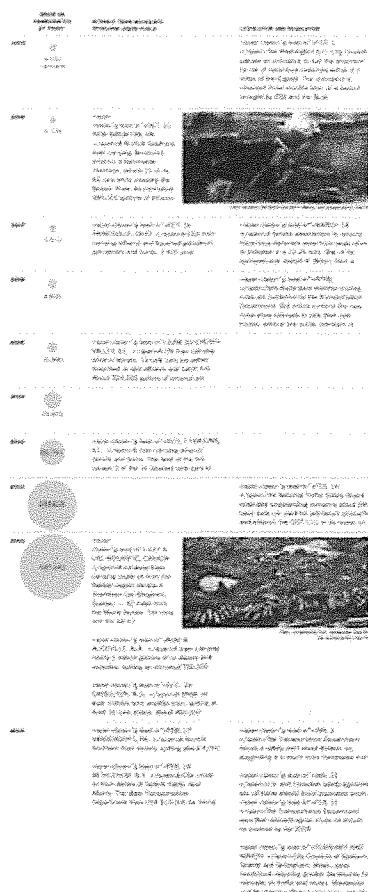
Jodi Ross, town manager in Westford, Mass., did not expect she would be threatened with arrest after she and her fire chief went onto the railroad tracks to find out why a train carrying liquid petroleum gas derailed on a bridge in February.

But as they reached the accident site northwest of Boston, a manager for Pan Am Railways called the police, claiming she was trespassing on rail property. The cars were eventually put back on the tracks safely, but the incident underlined a reality for local officials dealing with railroads.

"They don't have to tell us a thing," Ms. Ross said. "It's a very arrogant attitude."

American railroads have long operated under federal laws that shield them from local or state oversight and provide a blanket of secrecy over much of their operations. But now a rapid rise in the number of trains carrying crude oil — along with a series of derailments and explosions — has brought new concern about the risks of transporting dangerous cargo by rail.

Local and state officials complain that they receive very little information about when hazardous materials are shipped through their communities or how railroads pick their routes. Federal interstate commerce rules give them little say in the matter and railroads are exempted from federal "right to know" regulations on hazardous material sites.



Graphic: More Shipments, New Accidents and Calls for Safety (click on image for details)

Under pressure to act, the Transportation Department said in February that railroads had agreed to apply the same routing rules to oil trains that they already apply to other hazardous materials, such as explosives, radioactive materials and poisonous substances like chlorine.

This voluntary agreement, which takes effect in July, was among commitments that also included lowering speed limits to 40 miles per hour when traveling in large metropolitan areas, and providing \$5 million to develop training programs for emergency responders.

Still, the railroads remain particularly secretive about how they determine the precise routing of their hazardous cargo. The rules that apply to that cargo, which came into effect in 2008 during the Bush administration, give railroads a lot of leeway.

Recently, resolutions seeking more information from the railroads have been approved in Seattle, Spokane and Bellingham, Wash., and are being debated by the legislatures in Washington and Minnesota, among other places.

The problem has taken on a new urgency since federal regulators warned earlier this year that crude oil from the Bakken region in North Dakota, which is mainly transported by rail, can explode in an accident, like it did near Casselton, N.D., in December. Last July, 47 people were killed in Canada, about 10 miles from the border with the United States, when a runaway train carrying Bakken oil derailed and blew up.

Railroads are required to look at 27 factors before they determine the “safest and most secure” route

for hazardous shipments. These include the type of tracks on the route, distance traveled, the number of grade crossings and the proximity of “iconic targets” like sports arenas along the way.

That information is fed into the Rail Corridor Risk Management System, a web-based program that examines alternative routes and ranks them. Tens of thousands of routes are examined in this manner every year.

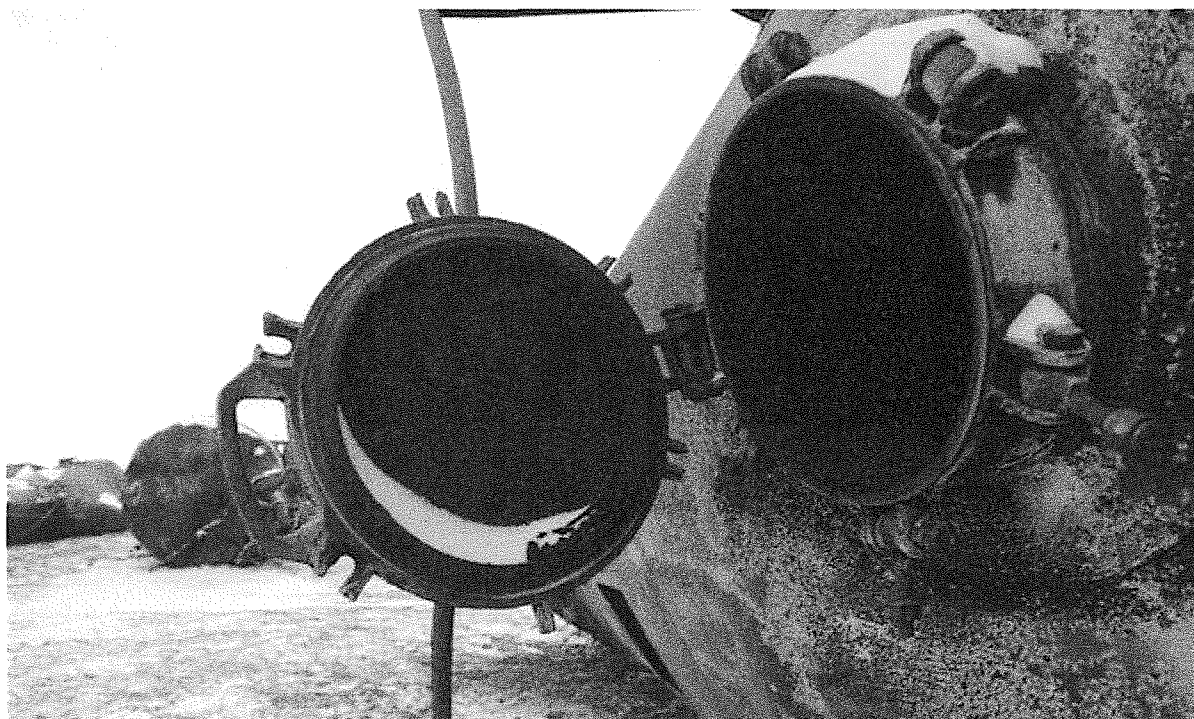
The software, partly financed by the federal government, considers safety requirements as well as security factors such as the threat of terrorism, according to Robert E. Fronczak, assistant vice president for environment and hazardous materials at the Association of American Railroads, the industry’s trade group.

But the system provides little transparency, and outsiders cannot find out why a particular route is favored, for instance. Railroads do not provide any information on their route selection, citing safety concerns.

And railroads are also allowed to consider the economic effects of their routing choices and how it would affect their customer relationships, which gives them additional flexibility in their choice.

Gary T. Sease, a spokesman for CSX, said the results of the program’s analysis “are considered sensitive security information, and we are not able to share details.”

Fred Millar, an independent rail consultant, said the system had not demonstrated that it reduced shipping hazards by avoiding populated areas. “The federal government has produced not one line of public assessment on the effectiveness of the law in reducing risk,” he said.



Aftermath of an oil train accident in Casselton, N.D. this year. Credit Jim Wilson/The New York Times

Railroads are subject to periodic federal audits. But none has ever been fined over its choice of route since reviews started in 2009, according to Kevin Thompson, a spokesman for the Federal Railroad Administration.

Some analysts cautioned that rerouting was not always possible or even desirable. Brigham A. McCown, an administrator of the Pipeline and Hazardous Materials Safety Administration during the Bush administration, said a railroad may decide that a shorter route through a city may have better tracks, and therefore be less risky, than a longer route with older tracks.

"Rerouting may be less effective than some believe," he said. "The current concern is that the volume of hazmat is growing exponentially, and the question is whether the agencies have the adequate resources to actively monitor that."

Railroad officials said they provide local emergency responders with a list of the 25 most hazardous commodities transported through their communities. But the recipients must sign an agreement to restrict the information to "bona fide emergency planning and response organizations for the expressed purpose of emergency and contingency planning," a constraint that precludes them from making the information public.

"We feel the information is getting to where it needs to get," said Thomas L. Farmer, assistant vice president for security at the Association of American Railroads. "It should be on a need-to-know basis. Public availability of highly detailed information is problematic from a security perspective."

In 2005, the District of Columbia and a handful of other communities sought to stop the traffic of hazardous products in their city centers. But the ban was successfully challenged in federal court by CSX.

"It's hard for the regulator and industry not to become somewhat comfortable with each other's dance moves — like in an old marriage," said Reuven Carlyle, a representative in the Washington State Legislature and chairman of the House finance committee. "But you shouldn't have double-secret nondisclosure agreements. Information is not a luxury. Regular people have a right to this information."

The National Transportation Safety Board recently recommended that railroads "avoid populated and other sensitive areas" when shipping hazardous materials, something they are not required to do today.

Little oil was transported by trains just five years ago. Today, about 784,000 barrels a day of oil, or 11 percent of domestic production, goes on trains, according to the Association of American Railroads, and those figures are expected to keep growing in the next decade. Carrying mostly oil from the Bakken, these trains cross the country to reach coastal refineries.

Oil trains regularly run through Minneapolis and St. Paul, for instance, instead of using bypass tracks to the west, according to Frank Hornstein, a Democrat in the Minnesota House of Representatives.

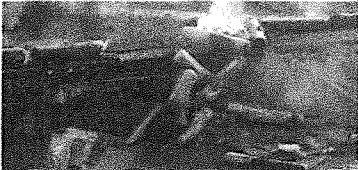

Railroad officials say there is no need for tighter regulation. They argue that the industry has made big investments in recent years to upgrade tracks and that train safety has improved.

But critics say the federal government has been too slow to address the danger posed by these new

shipments.

"There is an unwillingness to use any kind of enforcement power at the federal level," said Mike O'Brien, a Seattle City Council member who sponsored a resolution seeking greater disclosures from the industry. "The railroads have a lot of protections through federal statutes. That's the ongoing challenge we face as cities."

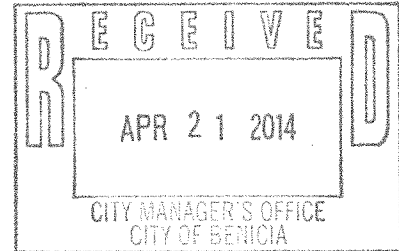
A version of this article appears in print on April 16, 2014, on page B1 of the New York edition with the headline: Despite Rise in Spills, Hazardous Cargo Rides Rails in Secret.

CRUDE OIL TRANSPORTED BY TRAIN*	NOTABLE TRAIN ACCIDENTS INVOLVING LIQUID FUELS	LEGISLATION AND REGULATION
2005 6,032 carloads		FEB. 1 The Washington D.C. City Council passes an ordinance to ban the shipment by rail of hazardous materials within 2.2 miles of the Capitol. The ordinance is reversed three months later, in a lawsuit brought by CSX and the Bush administration.
2006 4,729	OCT. 26 NEW BRIGHTON, PA. A Norfolk Southern train carrying denatured ethanol, a flammable chemical, derailed 23 of its 83 cars while crossing the Beaver River. An estimated 485,000 gallons of ethanol are spilled, much of it consumed by fire.	 <small>LUCY SCHALY, BEAVER COUNTY TIMES, VIA ASSOCIATED PRESS</small>
2007 5,912	OCT. 16 PAINESVILLE, OHIO A CSX train carrying ethanol and liquefied petroleum gas derailed and burns. 1,400 area residents are evacuated.	MARCH 14 A Senate amendment to reroute hazardous materials away from large cities is defeated in a 72-25 vote. One of its sponsors was Joseph R. Biden, then a senator.
2008 9,500		APRIL New hazardous-material routing rules are published by the Transportation Department. But critics contend the new rules allow railroads to pick their own routes, without any public oversight or information.
2009 10,840	JUNE 19 CHERRY VALLEY, ILL. A CN train carrying ethanol derailed. 13 tank cars are either breached or spill ethanol and catch fire. About 324,000 gallons of ethanol are spilled, and one person is killed.	
2010 29,605		
2011 65,751	OCT. 7 TISKILWA, ILL. A train carrying ethanol derailed and burns. The heat of the fire causes 3 of the 10 derailed tank cars to explode in massive fireballs.	
2012 233,819		FEB. 14 The National Traffic Safety Board reiterates longstanding concerns about the basic tank car used for petroleum products and ethanol, the DOT-111, in its report on the Cherry Valley accident.
2013 407,642	JULY 6 LAC-MEGANTIC, CANADA A runaway train carrying crude oil from the Bakken region derailed in downtown Lac-Megantic, Quebec — 10 miles from the Maine border. The blast and fire kill 47.	 <small>PAUL CHASSON, THE CANADIAN PRESS, VIA ASSOCIATED PRESS</small>
	NOV. 5 ALICEVILLE, ALA. A train carrying nearly 3 million gallons of oil derailed and explodes, spilling an estimated 750,000 gallons into the surrounding wetlands.	
	DEC. 20 CASSELTON, N.D. A BNSF oil train collides with another train, setting at least 10 cars ablaze. About 400,000 gallons of crude oil are spilled.	
2014	FEB. 17 VANDERGRIFT, PA. A Norfolk Southern train derailed, spilling about 4,000 gallons of crude oil.	JAN. 2 The Transportation Department issues a safety alert about Bakken oil, suggesting it is much more flammable than other grades of oil.
	FEB. 25 BETHLEHEM, N.Y. A CSX crude oil train derailed at Selkirk Yards, near Albany. The state Transportation Department fines CSX \$10,000 for failing to report the incident quickly enough.	JAN. 22 U.S. and Canadian safety agencies say oil trains should avoid populated areas.
		FEB. 21 The Transportation Department says that railroads agree crude oil should be covered by the 2008 hazardous-materials routing rules.
		FEBRUARY AND MARCH City Councils of Spokane, Seattle and Bellingham, Wash., pass resolutions requiring greater disclosures by railroads on traffic and routes. Minnesota and Washington State Legislatures debate rail safety bills.

*Total originating carloads of crude oil on U.S. Class I railroads

April 16, 2014

Mr. Brad Kilger
Manager, City of Benicia
250 East L St.
Benicia, Ca 94510



Subject: Crude by Rail Project

Dear Mr. Kilger and Members of the City Council,

As the City prepares to consider Valero's Crude by Rail project I wanted to share some things I learned during the nearly 30 years I spent working at the refinery.

While I began my engineering career in an entirely different industry it became apparent after I joined the refinery staff that the refining business was an expensive one indeed. I also learned that the refinery and refining in general was not always profitable. In fact, on numerous occasions we were informed that the company was unsatisfied with the plant's financial returns. As recently as a couple of years ago it was reported that Valero was considering the possibility of selling the Benicia Refinery. Frankly, I was not surprised in light of the huge amounts of money spent first to acquire it and then to upgrade it over the intervening 13 years.

You are no doubt aware that the ability of refineries to obtain crude oil via pipeline is very limited throughout California. Crude from the North Slope of Alaska has been declining for years - so it is essential that access to other sources be secured and by other means if necessary. Otherwise it will be difficult to meet the demands of the Bay Area and California generally. The one-percenters so often referred to will never have to worry about the cost of their fuels. The rest of us will.

The City has a clear obligation to examine the safety issues over which Valero has control and to be sure that these are addressed. At the same time, the sustenance of the city itself depends on the refinery, as it did when it was built following the closure of the arsenal in 1964. Indeed, my first view of Benicia in the immediate aftermath of that closure, and before the refinery was built, was of a city without a future. It would be a huge mistake if a project to maintain that viability is rejected in a process that is not fact-driven and objective or over issues about which the refinery has little or no control.

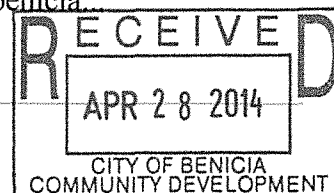
Please consider this project objectively and in the interests of the community as a whole.

Sincerely,

Reg Page

Amy Million - No Community is Prepared for a Major Oil-By-Rail Accident

From: Jan Cox Golovich <janlcg@gmail.com>
To: Amy Million <amillion@ci.benicia.ca.us>, Brad Kilger <bkilger@ci.benicia.ca.us>
Date: 4/27/2014 4:02 PM
Subject: No Community is Prepared for a Major Oil-By-Rail Accident



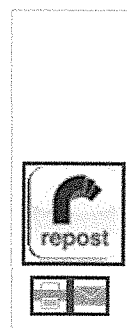
Dear Ms. Million and Mr. Kilger,
Please add this to the public comments of the Draft Environmental Impact Report /Valero
Crude by Rail Project.

Thank you,
Jan Cox Golovich
Benicians for a Safe and Healthy Community



No Community is Prepared for Major Oil-By-Rail Accident, Senate Hearing Told

Source: <http://www.desmogblog.com/2014/04/25/no-community-prepared-major-oil-rail-accident-senate-hearing-told>



Just as you aren't supposed to try to put out an oil fire in your kitchen with water, you aren't supposed to try to put out a crude oil fire with water either. But in Lac-Megantic, Quebec, that is all firefighters had for the first two days of battling the catastrophic oil-by-rail fire last July.

The fire burned until 8,000 gallons of firefighting foam finally arrived from Toronto, an eight-hour drive away.

Forty-seven people were killed in the accident.

This lack of foam not only makes the job of first responders impossible when fighting these crude oil fires — it also greatly increases the environmental damage. While the Lac-Megantic firefighters were using water, they were helping the oil flow into the nearby lake and river. One and a half million gallons of oil were spilled.

At a recent Senate Appropriations hearing on oil-by-rail safety, National Transportation Safety Board (NTSB) Chairman Deborah Hersman was very clear about the state of preparedness in the United States when it comes to addressing accidents like the one in Lac-Megantic.

"No community is prepared for a worst-case event," Hersman said.

One of the main reasons no community is prepared for a worst-case oil-by-rail event is the loophole that exempts oil companies from needing comprehensive spill response plans in place. The NTSB has recommended this be changed, but regulators at the Department of Transportation aren't moving to do so.

Communities are especially vulnerable to oil-by-rail accidents because they have not been trained to fight crude oil fires and, even if they had been, they don't have the necessary foam.

Jim Smith, assistant chief of operations for the St. Paul Fire Department, in Minnesota, made this clear when speaking to the Star Tribune, stating: "There isn't a fire department that has that much foam right now."

And yet everyone agrees foam is required.

However, the reality is that the foam isn't available and the training hasn't happened. In New York, where much of the Bakken Crude now passes through on trains, even fire departments in larger cities, such as Syracuse, have not been trained and can't get information from the railroads, according to a recent article in the Syracuse New Times.

The Syracuse deputy fire chief responsible for hazardous materials says that the county is still trying to get information from the railroads and has done no training specific to the derailment of a shale oil train. The county official responsible for emergency management has ignored repeated requests for information about the shipments or about plans for dealing with accidents.

These trains have been passing through Syracuse since 2012.

DeSmogBlog contacted the New York State Division of Homeland Security & Emergency Services and requested information about the amounts and locations of firefighting foam in the state. Despite promises to deliver this information, it was not provided.

In Maine, a state that had firefighters respond to the Lac-Megantic incident, the Portland Press Herald reports the situation is much the same.

Waterville Fire Chief David LaFountain asked Pan Am Railways last year for specialized training in dealing with volatile Bakken crude oil, but he never heard back from the railroad.

Many of the Maine communities located on the rail lines are up to four hours away from South Portland, which is one location in the state with a large amount of foam and personnel trained to use it.

The reality is that communities across the country do not have the resources or the training to deal with an oil-by-rail accident. And thanks to loopholes and the lack of new regulation to address the now known dangers of Bakken crude and the DOT-111 tank cars, the railroads and oil companies are doing little to address the issue. Despite the obvious and known dangers, Jack Koraleski, CEO of railroad company Union Pacific, told the Associated Press, "It's not something to be afraid of."

In her testimony to Congress on April 9th, Hersman made it clear what needs to occur and who is responsible.

"We have got to support our emergency responders in local communities. They can't possibly be prepared for one of these worst-case discharges. We have to have a support structure in place for them and that is the obligation of the shippers and the transporters to make sure that that happens. They are the best equipped to do that and they can do that by contracting with resources all along the route so that there is a rapid response. The communities that are along the rights-of-way deserve it. Pipelines and the marine industry have done this for years, decades in fact, they know how to do it and it can be done."

Of course, that would require federal regulators to do something more than ask the industry to volunteer to make changes — which is all they have done so far.

There have been no changes made to improve safety beyond the industry's promised voluntary ones — which they have already failed to live up to. Senator Jay Rockefeller (D-WV) said in a statement earlier this month.

"Just last month before the Commerce Committee, the crude oil industry assured us they were focused on safety and willing to work on this issue. Since then, I've seen nothing to convince me this was more than just lip service."

The Bakken crude has been shown to be explosive. The Department of Transportation has requested more information on the crude from the oil companies but they have not provided it. The main tank cars used to ship the Bakken crude are known to be unsafe and yet are likely to be in use for years. Communities across the country are at risk due to a lack of training and fire fighting foam.

And still the industry has plans for massive expansion of the use of rail for shipping oil. A new train-loading terminal opened last week in Wyoming with the capacity to load another 80,000 barrels a day of oil onto rail cars. As it stands, any efforts by the oil and rail companies to insure the safety of the communities these trains pass through will be totally voluntary.