



Supervisor Caren Ray, 4th District Supervisor

Murray Wilson, Senior Environmental Planner

County Government Center
San Luis Obispo, CA 93408

Dear Supervisor Ray and Mr. Wilson:

On October 27th, 2014, The SCAC directed me to share comments made by SCAC members, following presentations on the Phillips-66 Rail Spur REIR by the Mesa Refinery Watch Group, and by a representative of Santa Maria Refinery (SMR) (Jim Anderson):

Richard Wright – SCAC Public Safety Representative

- This project provides more disadvantages to the community in terms of adverse health issues than advantages to the county, such as added jobs (estimated at 17).
- Page ES-13 of the REIR states *“that the impact to fire protection and emergency services along the UPRR mainline was found to be significant (Class 1) in the event of a fire or explosion. Many local emergency responders lack adequate resources to respond to oil-by-rail accidents.”* This project should not be under-taken without appropriate public safety resources available for emergencies.
- It is doubtful that SLO County has adequate public safety personnel in the South County to provide for evacuation from impacted locations in the event of a major fire or explosion on the rail line.

Dan Woodson – SCAC Area 2 Representative

- Santa Maria Energy Company and others [purportedly] plan to add 7,700 oil wells between Orcutt and Casmalia. If SMR contracted to process that new product from its existing pipelines, the need for a rail spur would be completely eliminated.
- If SMR is allowed to process oil-by-rail, there is a potential for major railroad traffic impacts.
- The REIR lacks specifics on monitoring mitigation measures, and the county's monitoring capability will be dependent on budget constraints. Specific county departments should be listed as responsible for monitoring mitigations, and specific functionaries in departments should be assigned responsibility in job description. There should be a source of dedicated funding to provide those services.

- The REIR indicates that if any mitigation factors are not in compliance with Federal Regulations, then that mitigation factor can be ignored. I believe that past US Supreme Court decisions imply State (Local) regulations take precedent over Federal Regulations if they are more stringent than the Federal Regulations.

Art Herbon – SCAC Area 6 Representative

- The proposed rail spur ends ½ mile from the intersection of Via Concha and Hwy-1 (the closest residential area). The refinery is 1-1/2 miles from that point. Therefore, the rail spur brings an existing industrial activity 3X closer to residential and resort hotel zoning, along with increased noise, view deterioration, night-lights, smell, and air quality deterioration. This represents a vastly intensified land use, and is inconsistent with SLO's general plan.
- SMR proposes mitigating air quality deterioration with prior credits. However, the Mesa is in the midst of violating Federal and State air standards. New sources of air pollution will exacerbate unhealthy air on the Mesa, regardless of using credits. Can the County approve mitigation using prior credits, knowing that the decision will increase violations to Federal air standards?
- An application is in process for running a 10” oil pipeline from Price Canyon to SMR. In addition, according to media reports, Price Canyon has been pursuing a permit to increase crude production. These combined issues are not covered (and should be) in the “Alternatives” section of the Rail Spur REIR.
- The REIR Transportation section is based on an assumption of one peak round-trip SMR train per day. However, the REIR's Transportation section should address the impact of Union Pacific (UP) delivering three round-trip trains per day to SMR. For example, in one day, the following three peak round trips are allowable:
 1. 8AM – UP delivers Unit Train and hauls away empty tankers at SMR;
 2. 2PM – UP delivers second Unit Train for storage on 5th extra track at SMR;
 3. 8PM – UP delivers third Unit Train and hauls away empty tankers at SMR.
- The impact of adding three daily round-trip trains is significant for at-grade vehicle crossing delays (especially emergency vehicles), and for passenger train impacts.
- The county's loss of property taxes from diminished property values in neighboring residences will far exceed Phillips-66's contribution to county taxes.
- I recommend “no-project” as the current REIR stands.

Sandra Caughell – SCAC Area 3 Representative and Chair

- I have many questions about mitigation plans. The REIR responses are vague.

El-Jay Hansson – SCAC Area 6 Representative

- The health of people near the site is most important.

Gary Spelbring – SCAC Area 5 Representative

- I agree with concerns that residents near Phillips have expressed, that additional pollutants from the project present health hazards that cannot be mitigated.

Vince McCarthy – SCAC Area 1 Representative

- I question the Land Use issues [intensified land use] from an industrial site three-times closer to residences than before, and encroaching the buffer zone that the county originally required.

Bill Dorland – SCAC Area 5 Representative

- The project encroaches the buffer zone that was originally required to shield humans from the refinery.
- The SMR was originally located here to serve local crude production. SMR becomes irrelevant when local crude production drops off.
- Oil-by-rail is not a “best use” for the the single rail line that runs along the coast.

Harry Walls – SCAC Area 2 Representative

- I would like to approve, but I'm concerned about the impacts on neighbors.
- The REIR does not consider the visual impacts that homes on the Mesa will suffer. The REIR only mitigates views from Highway-1. The REIR should consider view impacts that nearby homes will experience.

By Direction of the South County Advisory Council,



Art Herbon, Corresponding Secretary

cc: Members of SCAC by email