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3 **1.1 Introduction**

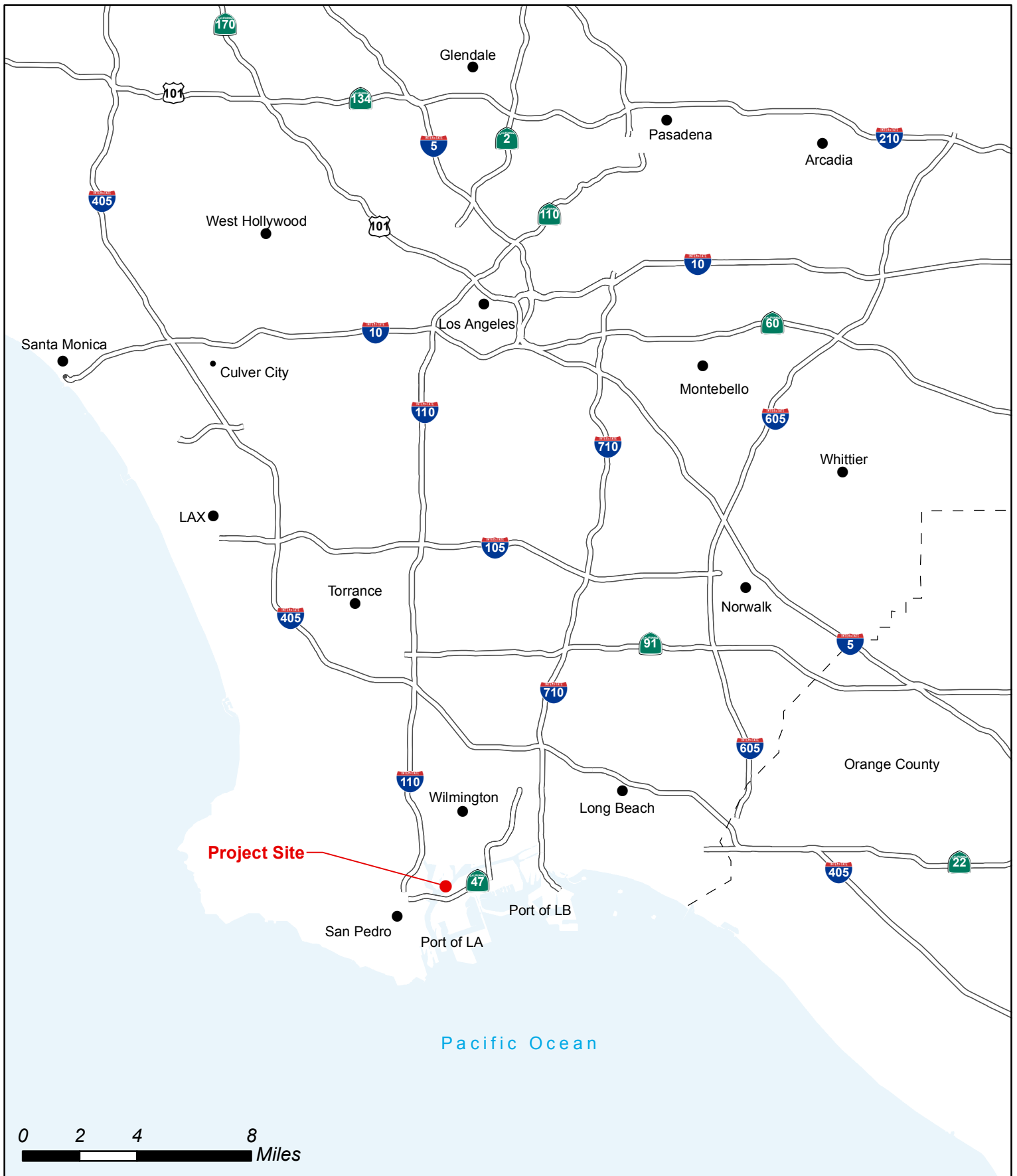
4 The Berths 167-169 [Shell] Marine Oil Terminal is one of seven marine oil
5 terminals that operate within the Port of Los Angeles (Port), each operating under
6 separate leases. The Shell Marine Oil Terminal has been in operation at Mormon
7 Island since 1923 as a marine liquid bulk terminal (unloading and loading of
8 petroleum products). The existing Los Angeles Harbor Department (LAHD)
9 permit or lease (Permit No. 634) became effective in February 1988, and expires
10 in February 2023.

11
12 Chapter 3, Environmental Analysis, of this Draft Environmental Impact Report
13 (EIR) describes the affected environmental resources and evaluates the potential
14 impacts on those resources that are likely to occur as a result of building and
15 operating the proposed Project. This Draft EIR will be used to inform decision
16 makers and the public about the environmental effects of the proposed
17 improvements to the Berths 167-169 [Shell] Marine Oil Terminal, which
18 constitute the proposed Project.

19 **1.2 Background**

20 **1.2.1 Project Location**

21 The LAHD administers the Port under the California Tidelands Trust Act of 1911
22 and the Los Angeles City Charter. The LAHD develops and leases Port property
23 to tenants who operate the facilities. The Port encompasses approximately 7,500
24 acres and 43 miles of waterfront and is located approximately 20 miles south of
25 downtown Los Angeles (Figure 1-1). The Port serves as a major gateway for
26 international goods and services. With 23 major cargo terminals, including dry
27 and liquid bulk, container, breakbulk, automobile, and passenger facilities, the
28 Port handled about 165 million metric revenue tons of cargo in fiscal year
29 2014/2015 (July 2014–June 2015) (POLA, 2018). In addition to cargo business
30 operations, the Port is home to commercial fishing vessels, shipyards, boat repair
31 facilities, as well as recreational, community, and educational facilities.
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Basemap Source: U.S. Census Bureau, Geography Division, 2010



1 The Project site is located within the Port of Los Angeles Community Plan area
2 in the City of Los Angeles, which is adjacent to the City of Los Angeles
3 communities of San Pedro and Wilmington. The Project site occupies Berths
4 167 to 169 in the southwestern end of a peninsula on Mormon Island along the
5 east side of Slip 1. The Project site is generally bounded by Rio Tinto Minerals
6 to the north, Slip 1 to the west, the Turning Basin to the south, and Berths 170 –
7 173 to the east (East Basin Channel) (Figure 1-2). Land access to and from the
8 Project site is provided by a network of freeways and arterial routes. The
9 freeway network consists of the Harbor Freeway (Interstate [I]-110), the Long
10 Beach Freeway (I-710), the San Diego Freeway (I-405), and the Terminal Island
11 Freeway (State Route [SR]-103/SR-47).

12 **1.2.2 Marine Oil Terminals**

13 According to the California Energy Commission (CEC), conventional petroleum
14 fuels will be the main source of transportation energy for the foreseeable future.
15 There are six major refineries in the region (Chevron-El Segundo, PBF Energy-
16 Torrance, Phillips 66-Wilmington, Tesoro-Carson, Tesoro-Wilmington, and
17 Valero-Wilmington). The Port's seven marine oil terminals include: Kinder
18 Morgan (Berths 118-119), Phillips 66 (Berths 148-151), NuStar Energy/Shore
19 Terminal (Berth 163), Valero/Ultramar (Berth 164), Shell (Berths 167-169),
20 Vopak (Berths 187-191) and PBF Energy (Berths 238-239).

21 **1.2.3 Project Overview**

22 **1.2.3.1 MOTEMS Overview**

23 The primary goal of the proposed Project is to comply with the Marine Oil
24 Terminal Engineering and Maintenance Standards (MOTEMS) regarding
25 mooring and berthing design criteria to protect public health, safety and the
26 environment. The MOTEMS are comprehensive engineering standards for the
27 analysis, design and inspection/maintenance of existing and new marine oil
28 terminals. The MOTEMS were approved by the California Building Standards
29 Commission on January 19, 2005 and are codified as part of California Code of
30 Regulations Title 24, Part 2, Marine Oil Terminals, Chapter 31F. These
31 standards apply to all existing marine oil terminals in California and include
32 criteria for inspection, structural analysis and design, mooring and berthing,
33 geotechnical considerations, fire, piping, and mechanical and electrical systems.
34 MOTEMS became effective on January 6, 2006 (CSLC, 2015). The MOTEMS
35 are reviewed and updated every three years and this proposed Project is required
36 to comply with the most recent version. The California State Lands Commission
37 (CSLC) oversees the MOTEMS program. Through ongoing discussions with the
38 CSLC, the LAHD developed an implementation strategy to complete the
39 necessary MOTEMS requirements at the marine oil terminals within the Port.



Basemap Source: U.S. Census Bureau, Geography Division, 2010



1 The MOTEMS implementation strategy addresses wharf upgrades and other
2 requirements under MOTEMS, land use inconsistencies where present, and
3 provides opportunities to increase utilization of Harbor lands and wharf assets.

4 The MOTEMS require each marine oil terminal to conduct an audit to determine
5 the level of compliance and an evaluation of the continuing fitness-for-purpose of
6 the facility. Depending on the results, terminal operators must then determine
7 what actions are required to meet the standards, and provide a schedule for
8 implementation of deficiency corrections and/or rehabilitation. The standards
9 define criteria in the following areas:

- 10 • Audit and Inspection
- 11 • Structural Loading
- 12 • Seismic Analysis and Performance Based Structural Design
- 13 • Mooring and Berthing Analysis and Design
- 14 • Geotechnical Hazards and Foundations
- 15 • Structural Analysis and Design of Components
- 16 • Fire Prevention, Detection and Suppression
- 17 • Piping and Pipelines
- 18 • Electrical and Mechanical Equipment

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20 The initial audit performed for the Shell Oil Company's marine oil terminal at
21 Berths 167-169 in 2010 identified a number of items that require upgrading. The
22 structural, mooring, berthing, and piping evaluations all demonstrated the need
23 for upgrades to their representative systems. The geotechnical evaluations
24 indicated that improvement measures are needed to meet seismic requirements
25 (AECOM, 2010).

26 The proposed Project would construct a new MOTEMS compliant wharf and
27 mooring system for the existing Shell Marine Oil Terminal at Berths 167-169.
28 Other MOTEMS-related Project elements include pipeline and pipeline support
29 (shore side) improvements along the terminal, and topside equipment
30 replacement.

31 **1.2.3.2 Operations Overview**

32 The existing marine terminal occupies a land area of approximately nine acres on
33 Mormon Island and an over water area of approximately three acres. The
34 terminal has two operating berths (Berths 168 and 169), 11 storage tanks of
35 various sizes, parking, and several ancillary buildings. The Shell Marine Oil
36 Terminal handles refined petroleum products and feedstock such as gasoline,
37 diesel, ethanol, and jet fuel that are transferred to and from vessels (tankers and
38 barges). Shell operates the terminal as part of its efforts to meet Southern
39 California energy needs given evolving market conditions and business cycle
40 variability. Marine oil terminal business cycles do not occur on a specific time-
41 scale. Rather, the marine oil terminal business cycles are influenced by a myriad
42 of economic factors and market conditions, including petroleum product supply
43 and demand; economic and regulatory changes; fluctuating oil prices, gross
44 domestic product (GDP), and unplanned supply disruptions.
45

1 Based on economic and market conditions and Shell Oil Company’s business
 2 forecasts, an average annual two percent growth rate is assumed for the Shell
 3 Marine Oil Terminal at Mormon Island during the new 30-year lease period. The
 4 proposed Project would not increase storage capacity or throughput handling
 5 capacity (i.e., barrels and vessel calls) at the terminal. For additional information
 6 on proposed Project operations, see Section 2.5.4 in Chapter 2, Project
 7 Description.

8 **1.3 CEQA and the Purpose of an EIR**

9 The California Environmental Quality Act (CEQA) was enacted by the
 10 California Legislature in 1970, with the intent that all agencies of the state
 11 government that “regulate activities of private individuals, corporations, and
 12 public agencies that are found to affect the quality of the environment shall
 13 regulate such activities so that major consideration is given to preventing
 14 environmental damage while providing a decent home and satisfying living
 15 environment for every Californian” (13 Public Resources Code [PRC] 21000,
 16 Legislative Intent). Public agency decision makers are required to consider and
 17 document the environmental effects of their actions and, whenever possible,
 18 avoid adverse effects on the environment. When a state or local agency
 19 determines that a proposed project has the potential to affect the environment
 20 significantly, an EIR is prepared. The purpose of an EIR is to identify the
 21 significant effects of a proposed project on the physical environment, identify
 22 alternatives to reduce the proposed Project’s significant effects while achieving
 23 the project objectives, and indicate the manner in which a project’s significant
 24 effects can be mitigated or avoided. A public agency must mitigate or avoid
 25 significant environmental impacts of projects it carries out or approves whenever
 26 feasible. In instances where significant impacts cannot be avoided or mitigated,
 27 the project can nonetheless be carried out or approved if the approving agency
 28 finds that economic, legal, social, technological, or other benefits outweigh the
 29 unavoidable significant environmental effects.

30 **1.4 Lead, Responsible, and Trustee Agencies**

31 The Lead Agency is the public agency that has the principal responsibility for
 32 carrying out or approving a project that may have a significant effect upon the
 33 environment (PRC Section 21067). The Board of Harbor Commissioners has the
 34 primary responsibility for approving the project as a whole and is the appropriate
 35 public agency to act as Lead Agency (CEQA Guidelines Section 15051[b]),
 36 including evaluating potential impacts and identifying mitigation measures under
 37 state CEQA laws.

38 Several other agencies have special roles with respect to the proposed Project and
 39 will use this EIR as the basis for their decisions to issue any approvals and/or
 40 permits that might be required. Section 15381 of the CEQA Guidelines defines a
 41 “responsible agency” as:

42 *...a public agency which proposes to carry out or approve a*
 43 *project, for which a lead agency is preparing or has prepared an*
 44 *EIR or negative declaration. For the purposes of CEQA, the term*

Table 1-1: Agencies Expected to Use this EIR

Agency	Responsibilities, Permits, and Approvals
State Agencies	
CSLC	The CSLC has oversight responsibility for tidal and submerged lands legislatively granted in trust to local jurisdictions, and has adopted regulations for the inspection and monitoring of marine terminals. The CSLC inspects and monitors all marine facilities for effects on public health, safety, and the environment. CSLC will review proposed Project design elements for compliance with MOTEMS.
California Coastal Commission (CCC)	Reviews environmental documents to ensure compliance with the federal Coastal Zone Management Act and consistency with the California Coastal Act; performs a federal Consistency Determination for major coastal energy-related facilities, which is appealable to the CCC. The CCC also reviews and must approve Port of Los Angeles Master Plan (PMP) amendments.
California Department of Fish and Wildlife (CDFW)	Trustee agency with oversight responsibility for tidal and submerged lands legislatively granted in trust to local jurisdictions. Reviews and submits recommendations in accordance with CEQA. Consults with lead agencies in accordance with the Fish and Wildlife Coordination Act. Issuance of Memoranda of Understanding and permits pertaining to take of state-listed species under the California Endangered Species Act.
Department of Toxic Substances Control (DTSC) division of the California Environmental Protection Agency (CalEPA)	Regulatory agency responsible for issuance of a Hazardous Waste Generator ID for management of wastes generated by construction and by routine operations.
Regional Agencies	
Regional Water Quality Control Board, Los Angeles Region (LARWQCB)	Permitting authority for federal Clean Water Act (CWA) Section 401 Water Quality Certifications; permitting authority for California Waste Discharge Requirements pursuant to the state Porter-Cologne Water Quality Control Act; and responsible for issuance of both construction and industrial National Pollutant Discharge Elimination System (NPDES) stormwater permits under Section 402 of the CWA. Issuing authority of municipal separate storm sewer system (MS4) permit to City of Los Angeles.
South Coast Air Quality Management District (SCAQMD)	Permitting authority for construction and operation of petroleum storage tanks, and stationary sources at terminal facilities; activities involving hydrocarbon-containing soils (Rule 1166); and new or modified sources of air emissions (New Source Review).

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Local Agencies	
LAHD	<p>The City of Los Angeles, through its Harbor Department, is the Lead Agency for CEQA and the California Coastal Act (via the certified PMP). Other City departments have various approval and permitting responsibilities, however, and are listed separately below for the sake of clarity.</p> <p>Pursuant to its authority, the LAHD could issue permits and other approvals (e.g., coastal development permits, leases for occupancy of Port land, approval of operating, and joint venture or other types of agreements for the operation of facilities) for the proposed Project and alternatives evaluated in this EIR. LAHD has leasing authority for Port land, permitting authority for construction on Port property, and is responsible for general regulatory compliance, PMP amendments and map changes (required for any new CDFs), and activities of other City of Los Angeles departments for the proposed Project and alternatives evaluated in this Draft EIR.</p>
City of Los Angeles Building and Safety Department	Permitting authority for building and grading permits. Approves, in conjunction with City of Los Angeles Bureau of Sanitation, any required Standard Urban Stormwater Mitigation Plans or Site-Specific Mitigation Plans/Low Impact Development (LID) requirements. Such plans implement requirements of the MS4 permit that has been issued by LARWQCB to the City of Los Angeles.
City of Los Angeles Bureau of Sanitation	Permitting authority for Industrial Waste Permit for discharges of industrial wastewater to the City sewer system. Approves, in conjunction with the City of Los Angeles Building and Safety Department, any required Standard Urban Stormwater Mitigation Plans or Site-Specific Mitigation Plans/LID requirements that may be necessary to implement MS4 permits issued by the LARWQCB.
City of Los Angeles Fire Department	Approval of Hazardous Materials Business Plan and Inventory and its Risk Management and Prevention Program. Reviews and submits recommendations regarding designs for building permit.

1.5 Scope and Content of the Draft EIR

The scope of the Draft EIR is based on the Notice of Preparation (NOP) and Initial Study (IS) prepared and circulated pursuant to CEQA, and comments received during the public review period. Two NOP/IS' associated with the proposed Project have been circulated for public review. Both NOP/IS' are included in Appendix A. Appendix A also includes the comment letters received during the two public review periods. The first NOP/IS (hereafter referred to as the '2015 NOP') was circulated for public review from July 1, 2015 to July 31, 2015, with a public scoping meeting held on July 15, 2015. Five comment letters were received during the review period. There were no comments received at the scoping meeting. Subsequent to the circulation of the 2015 NOP, it was determined that in 2015 the Shell Marine Oil Terminal handled approximately 20.58 million barrels of petroleum products, which is substantially higher than 2014 throughput, and more importantly, higher than the previously projected throughput for the terminal (19.1 million barrels). It was therefore determined that because of the fluctuations (lows and highs) of the throughput associated with the Shell Marine Oil Terminal from year to year, that a five-year average (2011 through 2015) would better represent the baseline period. This change results in a higher baseline and higher future throughput projections. This is

Table 1-2: Summary of Key 2015 NOP Comments

Commenter	Key Issues Raised	Sections Addressed
	<ul style="list-style-type: none"> - Recommends that the EIR should evaluate noise and vibration impacts on marine wildlife from construction, as follows: “As mentioned in the NOP, installation of steel pipe piles is anticipated to result in underwater sound levels that could adversely affect marine mammals. In addition to underwater sound impacts on marine mammals, please consider the impacts of underwater sound on fish during wharf demolition and pile driving. Mitigation measures could include species-specific work windows as defined by CDFW, USFWS, and the NMFS.” - Recommends that the EIR include a discussion of sea level rise, as it pertains to the proposed Project. Particularly whether the proposed Project would increase the risk of oil spills from the proposed Project due to flooding of the wharf or facilities. 	<p>Regarding Sea Level Rise, Checklist Item IX. (j) of the Initial Study Checklist (see 2015 NOP and Revised NOP in Appendix A of this Draft EIR) discusses the anticipated sea level rise by 2050, and determined that sea level rise would not result in overtopping of the new loading platforms. In addition, sea level rise should be considered as part of the design. In addition, Section 3.3, Greenhouse Gas Emissions and Climate Change, briefly describes sea level rise.</p>
<p>South Coast Air Quality Management District</p>	<ul style="list-style-type: none"> - Requests copy of Draft EIR along with all appendices and related technical documents. - Recommends citing SCAQMD Rule 1166 – Volatile Organic Compound Emissions From Decontamination of Soil, and SCAQMD Rule 1403 - Asbestos Emissions from Demolition/Renovation Activities. - Notes that the SCAQMD CEQA Air Quality Handbook (1993) is available to assist with preparation of the air quality analysis, and that CalEEMOD is the preferred land use emissions model. - Recommends quantifying localized air quality impacts using SCAQMD methodology and guidance, and compare the results to 	<p>SCAQMD is a standard agency on this and other LAHD project mailing lists; Section 3.1, Air Quality and Meteorology</p>

Table 1-2: Summary of Key 2015 NOP Comments

Commenter	Key Issues Raised	Sections Addressed
	<p>SCAQMD's localized significance thresholds (LSTs) or performing dispersion modeling if necessary.</p> <ul style="list-style-type: none"> - Notes that CEQA requires the identification of all feasible mitigation measures, including those that go beyond what is required by law. 	
Joyce Dillard	<ul style="list-style-type: none"> - Requests that watershed quality and degradation issues be addressed. - Provides information regarding LARWQCB issued MS4 permit. 	Checklist Item IX. (d) of the Initial Study Checklist (see 2015 NOP and Revised NOP in Appendix A of this Draft EIR), the City would continue to be covered under the NPDES requirements (including the MS4 Permit) regarding discharges to the harbor.
Los Angeles Conservancy	<ul style="list-style-type: none"> - Notes that it should not be assumed that new construction is the only way to bring Berths 167-169 into MOTEMS compliance, as there is a precedent for the structural rehabilitation of timber-framed infrastructure at terminal facilities that are MOTEMS compliant. - Disagrees with the 2009 and 2104 update cultural resources reports that determined that the timber wharf does not retain integrity. - Recommends the timber wharf be evaluated (in the Draft EIR) under Criterion A due to its association with Shell Oil Company, which for over ninety years and played an active role at the Los Angeles Harbor in Los Angeles' burgeoning petroleum industry during the twentieth century. - Recommends that if the timber wharf at Berths 167-169 is determined to be a historical resource as defined under CEQA, the Draft EIR should include at least one preservation alternative that attempts to meet project goals and reduce significant adverse impacts to the timber wharf. 	Checklist Item V. of the Initial Study Checklist (see 2015 NOP and Revised NOP in Appendix A of this Draft EIR)
Los Angeles City, Bureau of Sanitation	<ul style="list-style-type: none"> - Notes that the proposed Project will require implementation of stormwater control measures, based on Standard Urban Stormwater Mitigation Plan (SUSMP) and LID requirements. - Notes that the proposed Project will require implementation of stormwater control 	As described in Checklist Item IX (a) in the 2015 NOP and Revised NOP (Appendix A of the Draft EIR), the existing storm drain system for the land portion of the terminal would not be affected by

Table 1-2: Summary of Key 2015 NOP Comments

Commenter	Key Issues Raised	Sections Addressed
	<p>measures during construction, including compliance with the California General Construction Stormwater Permit.</p> <ul style="list-style-type: none"> - Provides information about the City’s Green Streets initiative. 	<p>the proposed Project and would continue comply with the requirements regarding discharges to the harbor from the wharf, including complying with SUSMP requirements.</p> <p>Checklist Item IX(a) also discusses compliance with the General Permit for Storm Water Discharges Associated with Construction and Land Disturbance Activities.</p>

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Table 1-3: Summary of Key Revised NOP Comments

Commenter	Key Issues Raised	Sections Addressed
<p>Jesse N. Marquez of Coalition for A Safe Environment et al.</p>	<ul style="list-style-type: none"> - Notes that the NOP should represent the baseline year of 2014; no significant justification to use an averaged baseline. Port cargo has been and will continue to increase annually in all categories. A one-year significant increase does not warrant a five-year averaged baseline. - Requests an accurate projection of the number of ship visits, imported products, and annual terminal capacity, and notes that these factors are expected to increase; however, using an averaged baseline will show less emissions associated with operations (i.e., ship exhaust, loading/unloading, storage tanks). - Recommends not bypassing SCAQMD requirements, for best available control technology (BACT) when operations increase emissions and capacity. - Notes that no information on whether Shell will retrofit ships to connect with shore power systems like the Alternative Maritime Power (AMP) at POLA is provided in the NOP. Suggests considering other technology, such as the Advanced Maritime Emission Control 	<p>As shown in Table 1 of the Revised NOP, the terminal throughput has been in a general decline throughout the averaging period, with the exception of 2015 where there was a substantial increase. Refer to Section 2.4 of the Revised NOP and Section 2.6 of Chapter 2 of the Draft EIR for information on the CEQA Baseline.</p> <p>The increment would be greater between the baseline and future lease year (2048) using the five-year average than under the 2014 baseline used in the 2015 NOP.</p> <p>Section 3.1, Air Quality and Meteorology for emission assumptions.</p> <p>Regarding AMP, because the use of AMP requires a costly retrofit to the vessels and that a terminal can only require that retrofit for vessels that it controls, AMP is not currently</p>

Table 1-3: Summary of Key Revised NOP Comments

Commenter	Key Issues Raised	Sections Addressed
	<p>System (AMECS), which captures and removes more airborne emissions from diesel auxiliary engines and boilers of oceangoing vessels than AMP. (Attachment provided)</p> <ul style="list-style-type: none"> - Recommends considering the use of Vapor Recovery Units (VRU) to capture gases flashed from the petroleum storage tanks; and notes that as a result, VRUs can help to reduce methane and greenhouse gas emissions below actionable levels specified in Title V of Clean Air Act. (Attachment provided) - Notes that use of Regenerative Thermal Oxidizers (RTO) can also help to efficiently collect and treat volatile organic compounds (VOC) from storage tanks. (Attachment provided) - Suggests that air quality, public safety, and biological impacts cannot be mitigated to less than significant impacts; therefore, Shell would be required to contribute to the Harbor Community Benefit Foundation at the rate of \$0.25 per metric ton of imported product. - Recommends addressing the potential for ship whale strikes and loss of whale food resources as a result of increases in annual ship visits to POLA. - Recommends addressing the Green Port Policy for green construction options and community mitigation measures. - Requests that all types of permits required by SCAQMD and other governmental regulatory agencies be disclosed in EIR (e.g., Title V permit). 	<p>proposed for marine oil terminals (due to lack of tenant owned fleet vessels).</p> <p>As noted in Section 2.5.1.2 of the Revised NOP and Chapter 2, Project Description, the proposed Project is proposing use of a vapor control system for the loading of vessels, as well as maintaining BACT of floating roofs for storage tanks.</p> <p>Refer to Section 3.1, Air Quality and Meteorology, Section 3.4, Hazards (related to safety), and Section 3.2, Biological Resources for the detailed analysis.</p> <p>Section 3.2, Biological Resources for information on whale strikes and loss of habitat and food sources.</p> <p>Refer to Section 3.1, Air Quality and Meteorology for the application of LAHD’s Sustainable Construction Guidelines. Refer to Table 2-2 regarding regulatory requirements associated with the proposed Project.</p>
<p>Dr. Tom Williams of Citizens Coalitions for A Safe Community</p>	<ul style="list-style-type: none"> - Requests the following: <ul style="list-style-type: none"> o Provide an unsecured version of the Draft EIR to copy text and for ease of commenting. o Revise the following objectives in order to not mix NEPA/CEQA terms: <ul style="list-style-type: none"> ▪ Primary objective fulfilling MOTEMS, ▪ Optimize existing land and associated waterways, 	<p>The Draft EIR has been prepared in accordance with the CEQA Statutes and the State CEQA Guidelines and at the discretion of the Lead Agency.</p> <p>The terminal only handles refined petroleum products or feedstock to petroleum products; no crude oil is processed through the terminal.</p>

Table 1-3: Summary of Key Revised NOP Comments

Commenter	Key Issues Raised	Sections Addressed
	<ul style="list-style-type: none"> ▪ evolving market conditions - removal of crude oil export prohibition, ▪ business cycle - depressed crude oil prices, ▪ Existing facility's throughput capabilities and operational parameters, ▪ Comply with source control program, ▪ minimize the potential for accidental product release <ul style="list-style-type: none"> ○ Use of correct title of project proponent/tenant, such as Shell Oil Co., Shell Oil Products, Equilon Enterprises L.L.C. ○ Provide descriptions and links to all permits applied for and granted during 2011. ○ Clearly separate product and crude petroleum fluids. ○ Clarify sources and characterization of foreign and US crude oil imports (2010-15) (i.e., API gravity, vapor generation, sulfur). ○ Clarify sources of potential exports of domestic crudes and condensates (2014 to present). ○ Include maximum operational and physical loading/offloading off-gasing (2010-16) and maximum capacity of current and proposed terminal vapor recovery systems (i.e., storage capacity, venting/flaring/liquefaction capacity). ○ Provide volumes with converted values. ○ Provide clear definitions and quantification of MOTEMS requirements, such as “to reduce the likelihood of petroleum product loss in case of a significant seismic event.” ○ Provide maximum physical loading/offloading throughput and transfer of terminal facilities rather than projections. ○ Provide proposed and planned use of terminal area vacant, located east of 	<p>Chapter 2, Project Description (for existing and projected throughput in barrels, pump rates, and vessel assumptions).</p> <p>Chapter 1, Introduction (for MOTEMS requirements).</p> <p>Any future use of any vacant facility near the Project site would be a related (and separate) project analyzed in Chapter 5, Cumulative Analysis.</p> <p>The Project site and proposed Project do not include rail or rail access.</p> <p>Section 3.1, Air Quality and Meteorology for berthing assumption.</p> <p>Chapter 2, Project Description for a description of the logical termini of the proposed Project, as well as information on maximum tanker sizes.</p> <p>Refer to Section 3.4, Hazards for the risk analysis.</p>

Table 1-3: Summary of Key Revised NOP Comments

Commenter	Key Issues Raised	Sections Addressed
	<p>facilities and south of railroad systems.</p> <ul style="list-style-type: none"> ○ Provide any POLA studies regarding provision of rail access to any MOTEMS facilities by tankage relocation, installation of new pipelines, and/or extension of existing tracks. ○ Provide description and process flow diagrams for reversibility and capacities of berth facilities, tank pumps, gas processing, terminal storage, and terminal in/outbound pipelines. ○ Provide anticipated berth time for import-offloading and export-loading tankers; highest ten percent of berth times (hours) for years exceeding 20 million barrels/year (bbl/yr). ○ Provide description of pipelines connected to Mormon Island facilities and those between the project and railroad/oil transfer facilities within LA County (i.e., vapor pressure limits and maximum physical capacities [bbl/hour or day] at maximum permitted pipeline pressures to/from project). ○ Provide maximum tanker sizes (i.e., tonnage, depth and berth length) and capacity of Panama Canal passage after 2016. ○ Include mitigation measures for the risk management plan; the emergencies response plans relative to spills and fire explosions; and contingencies for identified risks, resource, drills, and reporting and coordination. ○ Link to all water discharges (NPDES NO. CA0003557, CI-1596) Order No. R4-2011-0097. ○ Link to all air emission release for Mormon Island MOTEMS facilities. 	

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1.5.1 Scope of Analysis

This Draft EIR has been prepared in conformance with CEQA (PRC Sections 21000 *et seq.*) and the State CEQA Guidelines (14 California Code of Regulations Sections 15000 *et seq.*). It includes all of the sections required by CEQA.

Under CEQA, a “threshold of significance” can be defined as an “identifiable quantitative, qualitative or performance level of a particular environmental effect, non-compliance with which means the effect will normally be determined to be significant by the agency and compliance with which means the effect normally will be determined to be less than significant” (CEQA Guidelines, Section 15064.7 [a]). The criteria for determining the significance of environmental impacts in this Draft EIR analysis are described in the section titled “Thresholds of Significance” under each resource topic in Chapter 3. The threshold of significance for a given environmental effect is the level at which the Lead Agency finds a potential effect of the proposed Project or alternative (in Chapter 6, Analysis of Alternatives) to be significant.

The 2015 NOP and Revised NOP (Appendix A) indicated that there would be no impact to agriculture and forest resources, cultural resources, land use and planning, mineral resources, population and housing, and recreation. The 2015 NOP and Revised NOP also indicated that there would be a less than significant impact related to aesthetics, geology and soils, hydrology and water quality, noise, public services, transportation/traffic, and utilities and service systems. As such, these resource areas are not evaluated in this EIR in accordance with State CEQA Guidelines Section 15063(c)(3)(B). In accordance with Sections 15063(c)(3)(A) and 15128 of the CEQA Guidelines, further analysis of specific issue areas where impacts were determined to be less than significant in the IS is not required and will not be provided in this EIR.

The following resource areas are evaluated in this Draft EIR:

- Air Quality
- Greenhouse Gas Emissions
- Biological Resources
- Hazards

In addition, this Draft EIR includes an Energy Conservation analysis to address energy consumption and conservation related to the proposed Project consistent with the guidance in Appendix F of the CEQA Guidelines.

This document has been prepared by CDM Smith under contract to the LAHD and has been reviewed independently by City staff. The scope of the document, methods of analysis and conclusions represent the independent judgments of the City. Staff members from the LAHD and CDM Smith who helped prepare this Draft EIR are identified in Chapter 10, List of Preparers and Contributors.

1.5.2 Intended Uses of This Draft EIR

This Draft EIR has been prepared in accordance with applicable federal and state environmental regulations, policy, and law to inform federal, state, and local decision-makers about the potential environmental impacts of the proposed Project and alternatives. As an informational document, an EIR does not recommend approval or denial of a project. The Draft EIR is being provided to the public for review, comment, and participation in the planning process. After public review and comment, a Final EIR will be prepared, including responses to comments on the Draft EIR received from agencies, organizations, and individuals. The Final EIR will be distributed to provide the basis for decision-making by the CEQA lead agency, as well as other concerned agencies.

1.5.2.1 USACE Role

The USACE has jurisdictional authority over the proposed Project pursuant to Section 10 of the Rivers and Harbors Act. The scope of the federal review is normally defined by 33 CFR 325, Appendix B, which states:

...the [USACE] district engineer should establish the scope of the NEPA document to address the impacts of the specific activity regarding the Department of the Army (DA) permit and those portions of the entire project over which the district engineer has sufficient control and responsibility to warrant Federal review.

The USACE has issued a Letter of Permission of a DA permit to the LAHD for the proposed Project.

1.5.2.2 LAHD Use

LAHD has jurisdictional authority over the proposed Project primarily pursuant to the Tidelands Trust, California Coastal Act, and the Los Angeles City Charter. This Draft EIR will be used by LAHD, as the lead agency under CEQA, in making a decision regarding the construction and operation of the proposed Project or alternative and in informing agencies considering permit applications and other actions required to construct, lease, and operate the proposed Project or alternative. LAHD's certification of the EIR, Notice of Completion, Findings of Fact, and Statement of Overriding Considerations (if necessary) would document their decision as to the adequacy of the EIR and inform subsequent decisions by LAHD whether to approve and construct the proposed Project or alternative.

Actions that could be undertaken by LAHD following preparation of the Final EIR include: certification of the EIR, approval of the proposed Project, completion of final design, issuance of a Coastal Development Permit, issuance of engineering permits, obtaining other agency permits and approvals (e.g., dredge and fill, grading, construction, occupancy, and fire safety), and approval of construction contracts.

1.5.2.3 CSLC Role

The CSLC's authority is set forth in Division 6 of the California Public Resources Code 13 and by the California Code of Regulations, Title 2, sections 1900-2970. The CSLC has oversight responsibility for tidal and submerged

lands legislatively granted in trust to local jurisdictions, and has adopted regulations for the inspection and monitoring of marine terminals. The CSLC inspects and monitors all marine facilities for effects on public health, safety, and the environment. As such, the CSLC has the authority to review the MOTEMS-related design and enforce MOTEMS compliance.

1.5.2.4 Other Agencies

Other agencies (federal, state, regional, and local) that have jurisdiction over some part of the proposed Project or a resource area affected by the proposed Project are expected to use this EIR as part of their approval or permit process as set forth in Table 1-1.

Specific approvals that could be required for this proposed Project include, but are not limited to: USACE Permit (pursuant to Section 10 of the Rivers and Harbors Act), building and safety permits, water quality permits (Clean Water Act Section 401 Water Quality Certification/Waste Discharge Requirements pursuant to the Porter-Cologne Water Quality Control Act, Clean Water Act Section 402 NPDES permits), and construction contracts by LAHD and Los Angeles City Council.

1.5.3 Draft EIR Organization

The *Executive Summary* of this Draft EIR contains a summary of the document and allows the reader to easily reference the analysis of potentially significant impacts, proposed mitigation measures, residual environmental impacts after mitigation, if any, and alternatives to the project that reduce or avoid significant effects on the environment. This summary also presents areas of controversy, including issues raised by members of the public and agencies during the public scoping period. Detailed analysis of these issues is contained in the main body of the document.

The *Introduction* (Chapter 1) describes the purpose of the EIR, a list of the required project approvals and other agencies that must consider aspects of the project the scope and content of the document, the availability of the Draft EIR, and a brief outline of organization of this document.

The *Project Description* (Chapter 2) describes the Project location, a description of the proposed Project, the purpose, need and objectives of the proposed Project, the anticipated phasing of the proposed Project, and a brief description of the alternatives evaluated in the document.

For each environmental resource area, the *Environmental Analyses* (Chapter 3) contains a discussion of the setting (existing conditions and regulatory framework), impact assessment methodology, the environmental impacts (including cumulative impacts) that could result from the proposed Project, and the mitigation measures that would eliminate or reduce the identified significant impacts. The criteria used to assess the significance of significant environmental impacts are identified, and the significance of the impact both prior to and following mitigation is reported.

1 *Socioeconomics* (Chapter 4) provides an assessment of potential socioeconomic
 2 impacts of the proposed Project as to the extent socioeconomic impacts could
 3 result in indirect effects on the physical environment.

4 *Cumulative Analysis* (Chapter 5) provides a summary of significant cumulative
 5 impacts and whether or not the proposed Project makes a cumulatively
 6 considerable contribution to that significant impact.

7 *Analysis of Alternatives* (Chapter 6) evaluates a range of alternatives to the
 8 proposed Project. It describes impacts that would result from each of the
 9 alternatives, compares the significant environmental impacts of the proposed
 10 Project and alternatives, and identifies the Environmentally Superior Alternative.
 11 It also identifies alternatives initially considered but not carried forward for
 12 detailed review.

13 *Growth-Inducing Impacts* (Chapter 7) discusses the extent to which the proposed
 14 Project would result in growth-inducing impacts.

15 *Significant Irreversible Changes* (Chapter 8) describes the significant irreversible
 16 changes to the environment associated with the proposed Project.

17 *References* (Chapter 9) identifies the materials and documents consulted in
 18 preparing this Draft EIR.

19 *List of Preparers/Contributors* (Chapter 10) lists the individuals involved in
 20 preparing this Draft EIR.

21 *Acronyms and Abbreviations* (Chapter 11) provides the full names for acronyms
 22 and abbreviations used in this document.

23 The 2015 NOP and Revised NOP, as well as supporting background documents
 24 and technical information for the impact analyses, are included as *Appendices*.

25 **1.6 Key Principles Guiding Preparation of** 26 **this Draft EIR**

27 **1.6.1 Emphasis on Significant Environmental Effects**

28 This Draft EIR focuses on the significant environmental effects of the proposed
 29 Project and alternatives, and their relevance to the decision-making process. The
 30 following sections describe the general framework for analysis under CEQA.
 31 These summaries are not meant to capture the legal nuances that have developed
 32 through the passage and amendment of various statutes and regulations, and from
 33 corresponding judicial decisions; rather, the summaries are meant to
 34 communicate a general understanding of this act.

35 “Environmental impacts,” as defined by CEQA, include physical effects on the
 36 environment. The State CEQA Guidelines (Section 15360) define the
 37 environment as follows:

1 *The physical conditions which exist within the area which will be*
2 *affected by a proposed project, including land, air, water,*
3 *minerals, flora, fauna, ambient noise, and objects of historic or*
4 *aesthetic significance.*

5 This definition does not include strictly economic impacts (e.g., changes in
6 property values) or social impacts (e.g., a particular group of persons moving into
7 an area). The State CEQA Guidelines (Section 15131[a]) state that “economic or
8 social effects of a project shall not be treated as significant effects on the
9 environment.” However, economic or social effects are relevant to physical
10 effects in two situations. In the first, according to Section 15131(a) of the State
11 CEQA Guidelines: “An EIR may trace a chain of cause and effect from a
12 proposed decision on a project through anticipated economic or social
13 changes...to physical changes caused in turn by the economic or social changes.”
14 In other words, if an economic or social impact leads to a physical impact, this
15 ultimate physical impact would be evaluated in the EIR. In the second instance,
16 according to Section 15131(b) of the State CEQA Guidelines: “Economic or
17 social effects of a project may be used to determine the significance of physical
18 changes caused by the project.”

19 As with economic or social impacts, psychological impacts are outside the
20 definition of the term “environmental.” While not specifically discussed in the
21 State CEQA Guidelines, the exclusion of psychological impacts was specifically
22 affirmed in the 1999 court decision *National Parks and Conservation Association*
23 *v. County of Riverside 71 Cal. App. 4th 1341 and 1364 (1999).*

24 In view of these legal precedents, LAHD is not required to treat economic, social,
25 or psychological impacts as significant environmental impacts absent a related
26 physical effect on the environment. Therefore, such impacts are discussed only
27 to the extent necessary to determine the significance of the physical impacts of
28 the proposed Project and alternatives. Socioeconomics are addressed in Chapter
29 4.

30 **1.6.2 Forecasting**

31 In this Draft EIR, LAHD and its consultants have made their best efforts to
32 predict and evaluate the reasonable, foreseeable, direct, indirect, and cumulative
33 environmental impacts of the proposed Project and alternatives. CEQA does not
34 require LAHD to engage in speculation about impacts that are not reasonably
35 foreseeable (State CEQA Guideline Sections 15144 and 15145). CEQA does not
36 require a worst-case analysis.

37 **1.6.3 Reliance on Environmental Thresholds and** 38 **Substantial Evidence**

39 The identification of impacts as “significant” or “less than significant” is one of
40 the important functions of an EIR. While impacts determined to be “less than
41 significant” need only be acknowledged as such, an EIR must identify feasible
42 mitigation measures for any impact identified as “significant.” In preparing this
43 document, LAHD has based its conclusions about the significance of
44 environmental impacts on identifiable thresholds and has supported these
45 conclusions with substantial scientific evidence and publicly available

1 information.

2 The criteria for determining the significance of environmental impacts in this

3 analysis are described in each resource section in Chapter 3, Environmental

4 Analysis. The “threshold of significance” under CEQA for a given

5 environmental effect is the level at which LAHD finds a potential effect of the

6 proposed Project (or alternative, as analyzed in Chapter 6) to be significant.

7 “Threshold of significance” can be defined as a “quantitative or qualitative

8 standard or set of criteria, pursuant to which significance of a given

9 environmental effect may be determined” (State CEQA Guidelines, Section

10 15064.7(a)).

11 **1.6.4 Disagreement Among Experts**

12 During preparation of the Draft EIR, it is possible that evidence that might raise

13 disagreements will be presented during the public review of the Draft EIR. Such

14 disagreements will be noted and will be considered by the decision-makers

15 during the public hearing process. However, to be adequate under CEQA, the

16 Draft EIR need not resolve all such disagreements.

17 In accordance with the provisions of the State CEQA Guidelines, conflict of

18 evidence and expert opinions on an issue concerning the environmental impacts

19 of the proposed Project - when LAHD is aware of these controversies - has been

20 identified in this Draft EIR. The Draft EIR has summarized the conflicting

21 opinions and has included sufficient information to allow the public and

22 decision-makers to take intelligent account of the environmental consequences of

23 their actions.

24 In rendering a decision on a project where a disagreement exists among experts,

25 the decision-makers are not obligated to select the most conservative,

26 environmentally protective or liberal viewpoint. Decision-makers might give

27 more weight to the views of one expert than to those of another and need not

28 resolve a dispute among experts. In their proceedings, the decision-makers must

29 consider the comments received and address any objections, but need not follow

30 said comments or objections so long as the decision-makers state the basis for

31 their decision and the decision is supported by substantial evidence.

32 **1.6.5 Duty to Mitigate**

33 According to Section 15126.4(a) of the State CEQA Guidelines, each significant

34 impact identified in an EIR must include a discussion of feasible mitigation

35 measures that would avoid or substantially reduce the significant environmental

36 effect. To reduce significant effects, mitigation measures must avoid, minimize,

37 rectify, reduce, eliminate, or compensate for a given impact of the proposed

38 Project. Mitigation measures must satisfy certain requirements to be considered

39 adequate. Mitigation should be specific and enforceable, define feasible actions

40 that would demonstrably improve significant environmental conditions, and

41 allow monitoring of their implementation. Mitigation measures that merely

42 require further studies or consultation with regulatory agencies and are not tied to

43 a specific action that would directly reduce impacts, or that defer mitigation until

44 some future time, are not adequate.

1 Effective mitigation measures clearly explain objectives and indicate how a given
2 measure should be implemented, who is responsible for its implementation, and
3 where and when the mitigation would occur. Mitigation measures must be
4 enforceable, meaning that the lead agency must ensure that the measures would
5 be imposed through appropriate permit conditions, agreements, or other legally
6 binding instruments.

7 Section 15041 of the State CEQA Guidelines grants public agencies the authority
8 to require feasible changes (mitigation) that would substantially lessen or avoid a
9 significant effect on the environment associated with activities involved in a
10 project. Public agencies, however, do not have unlimited authority to impose
11 mitigation. A public agency might exercise only those express or implied powers
12 provided by law, aside from those provided by CEQA. However, where another
13 law grants discretionary powers to a public agency, CEQA authorizes use of
14 discretionary powers (State CEQA Guidelines Section 15040).

15 In addition to limitations imposed by CEQA, the U.S. Constitution limits the
16 authority of regulatory agencies. The Constitution limits the authority of a public
17 agency to impose conditions to those situations where a clear and direct
18 connection (“nexus,” in legal terms) exists between a project impact and the
19 mitigation measure. Finally, a proportional balance must exist between the
20 impact caused by the project and the mitigation measure imposed upon the
21 project applicant. A project applicant cannot be forced to pay more than its fair
22 share of the mitigation, which should be roughly proportional to the impact(s)
23 caused by the project.

24 **1.6.6 Requirements to Evaluate Alternatives**

25 According to CEQA regulations, the alternatives section of an EIR is required to:

- 26 • rigorously explore and objectively evaluate a reasonable range of
27 feasible alternatives;
- 28 • include reasonable alternatives not within the jurisdiction or
29 congressional mandate of the lead agency, if applicable;
- 30 • include No Project;
- 31 • develop substantial treatment of each alternative, including the proposed
32 action, so that reviewers could evaluate their comparative merits;
- 33 • identify the Environmentally Superior Alternative of the lead agency;
- 34 • include feasible mitigation measures (when not already part of the
35 proposed action or alternatives); and
- 36 • present the alternatives that were eliminated from detailed study and
37 briefly discuss the reason(s) for elimination.

38 State CEQA Guidelines (Section 15126.6) require that an EIR describe a
39 reasonable range of feasible alternatives to a proposed project, or to the location
40 of a proposed project that could feasibly attain most of the basic objectives of the
41 proposed project but would avoid or substantially lessen any significant
42 environmental impacts. According to State CEQA Guidelines, the EIR should
43 compare merits of the alternatives and determine an environmentally superior
44 alternative. Chapter 2, Project Description, of this Draft EIR sets forth potential

1 alternatives to the proposed Project and evaluates their suitability, as required by
2 the State CEQA Guidelines (Section 15126.6).

3 **1.7 Availability of the Draft EIR**

4 The Draft EIR for the proposed Project and alternatives is being distributed
5 directly to agencies, organizations, and interested groups and persons for
6 comment during the formal review period in accordance with Section 15087 of
7 the State CEQA Guidelines. A 45-day comment period has been established,
8 which begins on March 27, 2018 during which the Draft EIR is available for
9 general public review at the following locations:

10 LAHD
11 Environmental Management Division
12 222 W. 6th Street, Suite 900
13 San Pedro, California 90731

14
15 Los Angeles City Library
16 Central Branch
17 630 West 5th Street
18 Los Angeles, California 90071

19
20 Los Angeles Public Library
21 San Pedro Branch
22 931 South Gaffey Street
23 San Pedro, California 90731

24
25 Los Angeles Public Library
26 Wilmington Branch
27 1300 North Avalon Boulevard
28 Wilmington, CA 90744

29
30 In addition to printed copies of the Draft EIR, electronic versions are available.
31 Due to the size of the document, the electronic versions have been prepared as a
32 series of PDF files to facilitate downloading and printing. Members of the public
33 can request a CD containing this document. The Draft EIR is available in its
34 entirety on the Port of Los Angeles website at: www.portoflosangeles.org

35 Interested parties may provide written comments on the Draft EIR, which must
36 be postmarked by May 10, 2018. Please address comments to:

37 Christopher Cannon, Director of Environmental Management
38 Los Angeles Harbor Department
39 425 South Palos Verdes Street
40 San Pedro, CA 90731

41
42 Comments can also be submitted via email. Emailed comments should include
43 the title of the project in the subject line and a valid mailing address in the body
44 of the email. Email comments should be sent to ceqacomment@portla.org.