

**FINDINGS OF FACT, STATEMENT OF OVERRIDING CONSIDERATIONS, AND  
MITIGATION MONITORING AND REPORTING PLAN  
TESORO LOS ANGELES REFINERY INTEGRATION AND COMPLIANCE PROJECT  
SCH No. 2014091020**

**1. INTRODUCTION**

The City of Los Angeles Harbor Department (Harbor Department), acting by and through its Board of Harbor Commissioners (Port), has reviewed the Final Environmental Impact Report (FEIR) (State Clearinghouse No. 2014091020) prepared for the Tesoro Los Angeles Refinery Integration and Compliance Project (Project) and certified on May 12, 2017 by the South Coast Air Quality Management District (Lead Agency) under the California Environmental Quality Act (CEQA) (Pub. Resources Code, § 21000 et seq.). The Harbor Department must issue a permit for the element of the Project described as “Interconnecting Pipelines”, which would install a bundle of pipelines under the Alameda Corridor and Sepulveda Boulevard. The Harbor Department, as a Responsible Agency under CEQA with respect to approvals and permits is required to consider the Lead Agency’s CEQA document, prior to acting on a project.<sup>1</sup>

It should further be noted that pursuant to Public Resources Code section 21167.3, subdivision (b), in the event that a lawsuit is filed alleging that an EIR did not comply with CEQA, but no injunction or similar relief is sought and granted, “the responsible agency shall assume that the [EIR] for the project does comply with [CEQA] and shall approve or disapprove the project” within the time periods specified Article 5 of Chapter 4.5 of Division 1 of Title 7 of the Government Code. Such approval constitutes “permission to proceed with the project at the applicant’s risk pending final determination of such action or proceeding.” Here, a lawsuit challenging the Lead Agency’s approval of the Project and certification of the Final EIR has been filed<sup>2</sup>, but as of the date of these findings, no injunction has been sought or granted. Therefore, the City of Los Angeles Harbor Department, acting through the Board of Harbor Commissioners as a Responsible Agency, must assume that the certified FEIR complies with CEQA.

Based on the review of certified FEIR, the Harbor Department herein makes certain findings pursuant to Public Resources Code section 21081 and Title 14 California Code of Regulations 15091; makes findings regarding the Statement of Overriding Considerations pursuant to Public Resources Code section 21081 and Title 14 California Code of Regulations section 15093; and sets forth a Mitigation Monitoring and Reporting Plan (MMRP) that pertains to the “Interconnecting Pipelines” project element of the certified EIR pursuant to Public Resources Code section 21081 and Title 14 California Code of Regulations section 15097.

**2. PROJECT DESCRIPTION**

On May 12, 2017, the SCAQMD, as the lead agency under CEQA, certified the FEIR for the Tesoro Los Angeles Refinery Integration and Compliance Project as complete and in compliance with CEQA. The Project includes integration of the former BP West Coast Products LLC Carson Refinery with the Tesoro Los Angeles Refinery – Wilmington Operations to form the Tesoro Los Angeles Refinery (Refinery). The Refinery includes: (1) Wilmington Operations located at 2101

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<sup>1</sup> The Alameda Corridor Transportation Authority (ACTA) was ,mistakenly identified as the Responsible Agency for the purposes of the permit for an element of the Project described in the FEIR as “Interconnecting Pipelines”. This clerical error had no legal import because the Port participated in the CEQA process for the Project as a member of ACTA.

<sup>2</sup> *Communities for a Better Environment v. South Coast Air Quality Management District* (Los Angeles County Superior Court Case No. BS169841).

East Pacific Coast Highway in the Wilmington District of the City of Los Angeles; and (2) the Carson Operations, which is the former BP Carson Refinery located at 2350 East 223rd Street in the City of Carson. In order to integrate the Wilmington and Carson operations, Interconnecting Pipelines will be installed under a parcel of property in Los Angeles County located beneath Alameda Street and within the Ports' Right-of-Way. The site is located 160 feet north of Sepulveda Boulevard, and 2,225 feet south of Dominguez Channel, is jointly owned by the Port and the Port of Los Angeles (POLA), and is currently being used for rail operations by ACTA. The Interconnecting Pipelines will allow for the efficient transfer of hydrocarbons between the two facilities to allow gasoline blending optimization, process unit feedstock optimization, and increased diesel production. Tesoro has submitted an application for a Joint Revocable Permit to the Port of Long Beach and the Port of Los Angeles for the Interconnecting Pipelines project.

### **3. FINDINGS**

CEQA prohibits a public agency from approving or carrying out a project for which a CEQA document has been completed and identifies one or more significant adverse environmental effects of the project, unless the public agency makes one or more written findings for each of those significant effects, accompanied by a brief explanation of the rationale for each finding (CEQA Guidelines section 15091).

These findings provide the written analysis and conclusions of the Harbor Department, acting by and through its Board of Harbor Commissioners, as a Responsible Agency regarding the environmental impacts of the proposed project and the mitigation measures directly applicable to the element of the Project described in the FEIR as "Interconnecting Pipelines".

The FEIR concluded that the proposed project, after mitigation, may result in the following significant adverse environmental impacts:

- Air quality, including project-specific and cumulatively considerable VOC and NO<sub>x</sub> emissions during construction and NO<sub>2</sub> concentrations during construction above the localized significance thresholds; and,
- Hazards and hazardous materials, including project-specific and cumulatively considerable off-site impacts from flash fire the Naphtha Isomerization Unit, a pool fire in the area of the new crude tanks, a toxic cloud arising from the SARP, and a flash fire associated with the Interconnecting Pipelines under "worst-case" scenarios for each unit, respectively.

#### **3.1 POTENTIALLY SIGNIFICANT IMPACTS WHICH CANNOT BE MITIGATED TO A LEVEL OF INSIGNIFICANCE**

The FEIR identified six potentially significant adverse environmental impacts that cannot be reduced to a level of insignificance: (1) air quality regional VOC and NO<sub>x</sub> emissions associated with construction activities; (2) localized 1-hour NO<sub>2</sub> concentrations during construction; (3) operational hazard impacts associated with the Naphtha Isomerization Unit, new crude tanks, SARP, and Interconnecting Pipelines; (4) cumulative air quality regional VOC and NO<sub>x</sub> emissions associated with construction, (5) cumulative air quality localized 1-hour NO<sub>2</sub> concentrations associated with construction; and (6) cumulative operational hazard impacts associated with the Naphtha Isomerization Unit, new crude tanks, SARP, and Interconnecting Pipelines. The FEIR also identified one potentially significant adverse environmental impact that can be reduced to a level of insignificance—traffic associated with construction activities.

### **3.1.1 Construction Emissions of VOC and NO<sub>x</sub> Would Exceed SCAQMD Regional Significance Thresholds**

**Finding:** The Harbor Department finds that (1) project-specific VOC and NO<sub>x</sub> emissions during construction activities are expected to exceed the SCAQMD regional significance thresholds; (2) mitigation measures were incorporated into the project that would reduce the significant regional adverse construction air quality impacts, but not to insignificance; (3) such mitigation measures are within the jurisdiction of the SCAQMD; and, (4) no feasible measures were identified that would mitigate this significant adverse construction VOC and NO<sub>x</sub> air quality impact to insignificance. The air quality analysis showed that no other criteria pollutant emissions during construction would exceed any of the applicable regional significance thresholds.

**Explanation:** The project-specific construction emissions of VOC and NO<sub>x</sub> are expected to exceed the applicable SCAQMD regional significance threshold. Nine feasible mitigation measures that could potentially reduce VOC and NO<sub>x</sub> emissions were evaluated, but would not reduce the level to less than significant. The mitigation measures are described in the FEIR. Though these measures would not reduce construction emissions below the SCAQMD's VOC and NO<sub>x</sub> significance thresholds, no other feasible mitigation measures or project alternatives have been identified that would reduce the construction impacts to less than significant. Further, the construction emission calculations in the FEIR were based on conservative assumptions and have likely overestimated actual emissions. In addition, the construction emissions would not have a long-term adverse air quality impact because these emissions will cease following the completion of construction. Therefore, construction air quality impact of VOC and NO<sub>x</sub> emissions are expected to remain significant and unavoidable regionally following mitigation.

### **3.1.2 Construction NO<sub>2</sub> Emissions Would Exceed the SCAQMDs Localized Significance Threshold for 1-hour NO<sub>2</sub>**

**Finding:** The Harbor Department finds that (1) project-specific 1-hour NO<sub>2</sub> construction emissions are expected to exceed the applicable SCAQMD localized significance threshold for ambient air quality concentration; (2) mitigation measures were incorporated into the project that would reduce the significant localized adverse construction air quality impacts, but not to insignificance; (3) such mitigation measures are within the jurisdiction of the SCAQMD; and, (4) no feasible measures were identified that would mitigate this significant adverse air quality construction impacts to insignificance. The air quality analysis in the FEIR showed that no other criteria pollutant emissions during construction would exceed any of the applicable localized significance thresholds.

**Explanation:** The project-specific construction emissions of NO<sub>2</sub> are expected to exceed the applicable SCAQMD localized significance threshold for the federal and state 1-hour NO<sub>2</sub> standard during peak construction activities. An analysis of potential mitigation measures was conducted to determine if construction NO<sub>2</sub> emissions could be mitigated to less than the applicable localized significance threshold. Nine feasible mitigation measures were evaluated and described in the FEIR for the potential to reduce NO<sub>x</sub> emissions, but would not reduce the level to less than significant. Though these measures would not reduce construction emissions below the applicable localized significance threshold, no other feasible mitigation measures or project alternatives have been identified that would reduce the construction impacts to less than significant. Therefore, construction air quality impact of NO<sub>2</sub> emissions is expected to remain significant and unavoidable locally following mitigation.

### **3.1.3 Hazards Associated with the Proposed Project Could Result in Significant Hazard**

## Impacts during Operation

**Finding:** The Harbor Department finds that operational hazard impacts under “worst case” scenarios can occur associated with: (1) a flash fire from the Naphtha Isomerization Unit a pool fire in the new crude tanks; a toxic cloud from the Sulfuric Acid Regenerations Plant (SARP); and a flash fire from the Interconnecting Pipelines; (2) one mitigation measure was incorporated into the project that would reduce the significant adverse hazard impacts, but not to insignificance; (3) the mitigation measure is within the jurisdiction of the SCAQMD; and (4) no other feasible measures or project alternatives were identified that would mitigate these significant adverse hazard impacts to insignificance.

**Explanation:** The hazard analysis is based on conservative, worst-case assumptions that likely overestimate the hazard impacts. Additionally, because of design standards, maintenance and inspection requirements, and regulatory requirements, the likelihood of catastrophic failures or process upsets are greatly reduced. One feasible mitigation measure was identified—early compliance with all application hazardous materials rules and regulations—and it is described in in the FEIR. While there are a number of rules, regulations, and laws applicable to the Refinery that serve to reduce the potential adverse hazard impacts, no additional feasible mitigation measure or project alternatives have been identified that could reduce the hazards impacts to less than significant. Therefore, hazard impacts are expected to remain significant and unavoidable following mitigation.

### 3.1.4 Cumulative Construction VOC and NO<sub>x</sub> Emissions Associated with the Proposed Project Would Exceed SCAQMD Regional Significance Thresholds

**Finding:** The Harbor Department finds that: (1) project-specific mitigation measures were incorporated into the proposed project that would reduce significant adverse cumulative construction air quality impacts for regional VOC and NO<sub>x</sub> emissions, but not to less than significant; (2) such project-specific mitigation measures are within the jurisdiction of the SCAQMD; (3) no additional feasible mitigation measures were identified in the FEIR for the proposed project that would mitigate significant adverse cumulative construction air quality impacts for regional VOC and NO<sub>x</sub> emissions to less than significant; and, (4) in spite of implementing construction air quality impacts mitigation measures for the proposed project, cumulative construction air quality impacts for regional VOC and NO<sub>x</sub> emissions remain significant.

**Explanation:** Project-specific construction air quality impacts for VOC and NO<sub>x</sub> emissions were concluded to be significant and, cumulatively considerable as defined by CEQA Guidelines Section 15064 (h)(1). As a result, it is concluded that construction air quality impacts are cumulatively significant. An analysis of potential mitigation measures was conducted to determine if cumulative construction VOC and NO<sub>x</sub> emissions could be mitigated to less than the applicable regional significance threshold. Tesoro does not have authority to control construction emissions from the non-Tesoro owned/operated projects that were considered in the cumulative impacts analysis. For the cumulative projects listed where the SCAQMD is the lead agency, feasible mitigation measures will be imposed. However, most of the cumulative projects identified have another entity or agency (e.g., the City of Carson, City of Los Angeles, or City of Long Beach) acting as lead agency and implementing feasible mitigation measures. The construction emission calculations were based on conservative assumptions and assumed that all related projects were under construction at the same time, which will likely overestimate actual emissions. In addition, the construction emissions will not have a long-term adverse air quality impact because these emissions will cease following the completion of construction.

Feasible mitigation measures were identified in the FEIR that could reduce significant VOC and NO<sub>x</sub> construction impacts from the proposed project, but would not reduce the emissions to less than significant. Although these measures would not reduce construction emissions below the applicable SCAQMD VOC and NO<sub>x</sub> construction air quality regional significance thresholds, no other feasible mitigation measures or project alternatives have been identified that would reduce the cumulative construction impacts to less than significant. Therefore, cumulative construction air quality impacts of VOC and NO<sub>x</sub> emissions are expected to remain significant and unavoidable regionally following mitigation.

### **3.1.5 Cumulative Construction NO<sub>2</sub> Emissions Associated with the Proposed Project Would Exceed the SCAQMD Localized Significance Threshold for 1-hour NO<sub>2</sub>**

***Finding:*** The Harbor Department finds that: (1) project-specific mitigation measures were incorporated into the proposed project that would also reduce significant adverse cumulative construction air quality impacts for localized 1-hour NO<sub>2</sub> concentrations, but not to less than significant levels; (2) such project-specific mitigation measures are within the jurisdiction of the SCAQMD; (3) no additional feasible mitigation measures were identified for the proposed project that would mitigate significant adverse cumulative construction air quality impacts to localized 1-hour NO<sub>2</sub> concentrations to less than significant; and, (4) after mitigation, cumulative construction air quality impacts to localized 1-hour NO<sub>2</sub> concentrations remain significant.

***Explanation:*** Project-specific construction air quality impacts for localized 1-hour NO<sub>2</sub> concentrations were concluded to be significant and, cumulatively considerable as defined by CEQA Guidelines section 15064 (h)(1). As a result, construction air quality impacts to localized 1-hour NO<sub>2</sub> concentrations are concluded to be cumulatively significant. The FEIR includes an evaluation of potential mitigation measures to determine if cumulative construction air quality impacts to localized 1-hour NO<sub>2</sub> concentrations could be mitigated to less than the applicable localized significance threshold. For the cumulative projects listed where the SCAQMD is the lead agency, feasible mitigation measures will be imposed. However, most of the cumulatively-related projects identified in the FEIR have another entity or agency (e.g., the City of Carson, City of Los Angeles, or City of Long Beach) acting as lead agency and responsible for implementing feasible mitigation measures. The construction emission calculations in the FEIR were based on conservative assumptions and assumed that all related projects were under construction at the same time, which will likely overestimate actual emissions. Nine feasible mitigation measures were identified that could reduce significant construction air quality impacts to localized 1-hour NO<sub>2</sub> concentrations from the proposed project, but would not reduce the emissions to less than significant. The mitigation measures were identified in the FEIR. Although these measures would not reduce construction emissions below the applicable SCAQMD localized significance threshold for 1-hour NO<sub>2</sub> concentrations, no other feasible mitigation measures or project alternatives have been identified that would reduce the cumulative construction air quality impacts to localized 1-hour NO<sub>2</sub> concentrations to less than significant. Therefore, cumulative construction air quality impacts to localized 1-hour NO<sub>2</sub> concentrations are expected to remain significant and unavoidable following mitigation.

### **3.1.6 Cumulative Hazards Impacts Associated with Operation of the Proposed Project**

**Finding:** The Harbor Department finds that: (1) a project-specific mitigation measure was incorporated into the proposed project that would reduce significant adverse cumulative hazard impacts associated with the operation of the Naphtha Isomerization Unit, new crude tanks, SARP, and Interconnecting Pipelines, but not to less than significant levels; (2) such project-specific mitigation measures are within the jurisdiction of the SCAQMD; (3) no additional feasible mitigation measures were identified for the proposed project that would mitigate significant adverse cumulative hazard impacts to less than significant levels; and, (4) despite implementation of a mitigation measure for the proposed project, cumulative hazard impacts remain significant.

**Explanation:** All significant project-related hazards could extend off-site and, therefore, were determined to be cumulatively considerable as defined by CEQA Guidelines Section 15064 (h)(1). As a result, hazards impacts are concluded to be cumulatively significant. An analysis of potential mitigation measures was conducted to determine if cumulative impacts could be mitigated to less than the applicable significance threshold. The only other cumulative project that has the potential for off-site hazards, based on the available environmental information, is the Shell Carson Facility E10 Project (#22 in Table 5.1-1 of the Draft EIR for the project), which is over one mile away from any of the proposed project hazards. Although the project-related hazard impacts would generally be limited to industrial areas, they are not expected to overlap with hazards from cumulative projects. Nonetheless, hazard impacts from the proposed project would make a cumulatively considerable contribution to a significant adverse cumulative hazard impact. The SCAQMD, as the lead agency for the Shell Carson E10 Project imposed mitigation for that project. However, the hazard impacts from the Shell Carson E10 Project and the proposed project were expected to remain significant after mitigation. No additional feasible mitigation measures were identified to further reduce the significant adverse hazard impacts. As both the proposed project and the Shell Carson E10 Project are under the jurisdiction of the SCAQMD, all feasible mitigation has been imposed on both projects. Therefore, cumulative hazard impacts are expected to remain significant and unavoidable following mitigation.

### **3.2 POTENTIALLY SIGNIFICANT IMPACTS WHICH CAN BE MITIGATED TO A LEVEL OF INSIGNIFICANCE**

The FEIR identified one potentially significant adverse environmental impact that can be reduced to a level of insignificance: construction traffic and transportation. One intersection, Interstate 405/Wilmington Avenue Southbound Ramps, was found to have potentially significant impacts during the morning peak travel period. One mitigation measure, to implement a traffic management plan to address the significant adverse construction traffic impacts generated by the proposed project prior to the completion of the interstate improvements, has been imposed to require construction traffic to avoid the intersection during morning peak travel period by traveling either outside the morning peak travel time or along alternative routes. The impacts of the proposed project on traffic and transportation are expected to be less than significant following implementation of the mitigation measure.

### **3.4 FINDINGS CONCLUSION**

Changes or alterations have been incorporated into the proposed project to mitigate or minimize the potentially significant adverse environmental effects associated with project-specific traffic impacts during construction to less than the applicable significance threshold. No additional feasible mitigation measures or alternatives were identified that could further reduce the following:

- 1) Project- specific regional VOC and NO<sub>x</sub> air quality impacts during construction;

- 2) Project-specific localized 1-hour NO<sub>2</sub> concentrations during construction;
- 3) Hazard impacts during operation;
- 4) Cumulative regional air quality VOC and NO<sub>x</sub> emissions associated with construction;
- 5) Cumulative localized 1-hour NO<sub>2</sub> concentrations associated with construction, and
- 6) Cumulative hazard impacts during operation of the proposed project.

No additional feasible mitigation measures or alternatives to the proposed project, other than those included in the FEIR, have been identified that can further mitigate the potentially significant adverse project impacts on air quality during construction and hazards during operation of the proposed project while meeting the basic objectives of the proposed project. In summary, no additional feasible mitigation measures or alternatives were identified that could further reduce the significant project-specific and cumulative environmental impacts identified here.

The Harbor Department further finds that all of the findings presented here are supported by substantial evidence as analyzed in the FEIR and in the administrative record as a whole.

The Harbor Department further finds that there have been (1) no substantial changes to the Project which would require major revisions of the FEIR, (2) no substantial changes with respect to the circumstances under which the Project is being undertaken which would require major revisions in the FEIR, and (3) no new information has become available which was not known or could have been known at the time the FEIR was certified as complete.

#### **4.0 STATEMENT OF OVERRIDING CONSIDERATIONS**

If significant adverse impacts of a proposed project remain after incorporating feasible mitigation measures, or no feasible measures to mitigate the adverse impacts are identified, the lead agency must make a determination that the benefits of the proposed project outweigh the unavoidable, significant, adverse environmental effects if it is to approve the project. In accordance with Public Resources Code section 21081 and Title 14 California Code of Regulations section 15093, the Harbor Department, in determining whether or not to approve the proposed project, balanced the economic, social, technological, and other project benefits against its unavoidable environmental risks, and finds that each of the benefits of the proposed project set forth below outweigh the significant adverse environmental effects that are not mitigated to less than significant levels. This statement of overriding considerations is based on the Harbor Department's review of the FEIR and the administrative record, as a whole. Each of the benefits identified below provides a separate and independent basis for overriding the significant environmental effects of the proposed project. Accordingly, this Statement of Overriding Considerations regarding potentially significant adverse environmental impacts resulting from the proposed project, as set forth below, has been prepared. Pursuant to CEQA Guidelines section 15093(c), this Statement of Overriding Considerations will be included in the record of the project approval and will also be noted in the Notice of Determination.

Having reduced the potential effects of the proposed project through all feasible mitigation measures as described previously in this attachment and balancing the benefits of the proposed project against its potential unavoidable adverse impacts on air quality during construction and hazards during operation, the Harbor Department finds that the following legal requirements and benefits of the proposed project individually and collectively outweigh the potentially significant unavoidable adverse impacts for the following reasons:

1. The proposed project would further integrate the Tesoro Los Angeles Refinery Carson and Wilmington Operations by improving process efficiency through integration while maintaining the overall production capability of transportation fuel.

2. Making process modifications that improve the efficiency of the Refinery will enable the shutdown of the Wilmington Operations Fluidic Catalytic Cracking Unit (FCCU), which is a major source of emissions.
3. The proposed project including the shutdown of the Wilmington Operations FCCU would reduce CO emissions from the Refinery.
4. The proposed project including the shutdown of the Wilmington Operations FCCU would reduce local emissions of NO<sub>x</sub>, Sox, PM<sub>10</sub>, and PM<sub>2.5</sub>, and CO<sub>2</sub>equivalent from the Refinery. These reductions are considered “local” rather than “regional” or “global” because Tesoro may receive, and someone may ultimately use, emission reduction credits, RECLAIM trading credits, and/or GHG allowances from those local emission reductions. Nonetheless, these reductions will benefit the local community.
5. The proposed project would improve the efficiency of water-borne crude oil receipts by improving the unloading rate of crude oil deliveries at the Long Beach Marine Terminal and improving operational efficiency at Marine Terminal 1, which reduces the time the marine vessels spend in the Port. These modifications will provide a reduction in criteria pollutants, toxic air contaminants, and CO<sub>2</sub>equivalent emissions from marine vessels.
6. The proposed project would allow Tesoro to comply with the federally-mandated U.S. EPA Tier 3 gasoline specifications which limit the sulfur content in gasoline to 10 parts per million (ppm) which limits SO<sub>x</sub> and particulate emissions from mobile sources that use the fuel.
7. The proposed project would maintain the available regional supply of transportation fuels.
8. The proposed project would reduce vehicle miles traveled associated with the transport of spent sulfuric acid from the refinery for regeneration, as spent sulfuric acid would be treated at the new Sulfuric Acid Regeneration Plant of the Wilmington Operations.
9. The proposed project would reduce hazards associated with operation of the Wilmington Operations FCCU.
10. Implementing Mitigation Measure HHM-1 would require early compliance with regulatory requirements to ensure modifications and new equipment comply with regulations.

In balancing the benefits of the overall project described above with the proposed project's unavoidable and significant adverse environmental impacts, the Harbor Department finds that the proposed project's benefits individually and collectively outweigh the unavoidable adverse impacts, such that these impacts are acceptable. The Harbor Department further finds that substantial evidence presented in the FEIR and the administrative record as a whole supports approving the Project despite the Project's potential adverse impacts.

## **5.0 RECORD OF PROCEEDINGS**

The record of the Harbor Department's approval for the Interconnecting Pipeline project, including these Findings of Fact and Statement of Overriding Considerations, and the Notice of Determination (to be sent to the Los Angeles County Clerk to be posted and recorded) will be available to the general public at the Port of Los Angeles, Environmental Management Division, 222 W. 6<sup>th</sup> Street, San Pedro, California 90731.

The record of the SCAQMD's project approval are available to the general public for review at 21865 Copley Drive, Diamond Bar, California 91765.

## 6.0 MITIGATION, MONITORING, AND REPORTING PLAN

When a public agency conducts an environmental review of a proposed project in conjunction with approving it, the lead agency shall adopt a program for monitoring or reporting on the measures it has imposed to mitigate or avoid significant adverse environmental effects pursuant Public Resources Code section 21081 and Title 14 California Code of Regulations section 15097. Public Resources Code section 21081.6 states in part that when making the findings required by section 21081(a):

*“... the public agency shall adopt a reporting or monitoring program for the changes made to the project or conditions of project approval, adopted in order to mitigate or avoid significant effects on the environment. The reporting or monitoring program shall be designed to ensure compliance during project implementation. For those changes which have been required or incorporated into the project at the request of a responsible agency or a public agency having jurisdiction by law over natural resources affected by the project, that agency shall, if so requested by the lead or responsible agency, prepare and submit a proposed reporting or monitoring program.”*

The mitigation, monitoring, and reporting requirements identified in this plan will be enforced through the Joint Revocable Permit issued by the Port of Long Beach and the Port of Los Angeles. The mitigation measures are primarily the responsibility of Tesoro to implement. To certify compliance, documentation that mitigation measures have been implemented, records will be maintained by Tesoro to ensure potential environmental impacts are mitigated in accordance with the performance standards identified in the FEIR.

The MMRP is organized in a table format and identifies those mitigation measures adopted by the SCAQMD to address impacts associated with the “Interconnecting Pipelines” project component of the Tesoro Los Angeles Refinery Integration and Compliance Project FEIR certified on May 12, 2017. The mitigation measure numbers listed below correspond with those identified in the approved MMRP prepared by the SCAQMD and have been reflected to apply to activities associated with the Interconnecting Pipelines element of the Project.

### 6.1 AIR QUALITY MITIGATION MEASURES

**MMA-1** Tesoro shall design and implement a Construction Management Program that shall, at minimum, incorporate the following mitigation measures and Best Management Practices. The Construction Management Program shall be documented and available for review by Port of Long Beach and Port of Los Angeles Staff.

*Best Management Practices (BMPs)*

1. Maintain equipment according to manufacturers’ specifications;
2. Restrict idling of construction equipment and on-road heavy-duty trucks to a maximum of five minutes when not in use, except as provided in the exceptions to the applicable California Air Resources Board (CARB) regulations regarding idling for off-road and on-road equipment;
3. Maintain a buffer zone that is a minimum of 1,000 feet between truck traffic and sensitive receptors, where feasible;
4. Prohibit parking on public streets;

5. Prepare haul routes that conform to local requirements to minimize traversing through congested streets or near sensitive receptor areas;
6. Schedule construction activities that affect traffic flow on the arterial system to off-peak hours to the extent practicable;
7. Use electric power in lieu of diesel power where available; and,
8. Traffic speeds on all unpaved roads to be 15 mph or less.

**MMA-2 PROHIBIT VEHICLES FROM IDLING LONGER THAN FIVE MINUTES**

Tesoro will notify all contractors that vehicles will be limited to no longer than five (5) minutes of idling time unless subject to an exemption. This requirement will be included in the construction contracts.

During construction of the project and for two years following completion of construction, Tesoro shall keep records of applicable compliance activities to demonstrate the steps taken to assure compliance with Mitigation Measure MMA-2 as specified in Table 3.

Tesoro will notify all contractors that vehicles will be limited to no longer than five (5) minutes of idling time. This requirement will be included in the construction contracts.

**MMA-3 ON-ROAD HEAVY-DUTY DIESEL TRUCKS OR EQUIPMENT MUST MEET EPA 2007 ON-ROAD HEAVY-DUTY DIESEL EMISSION STANDARDS DURING CONSTRUCTION OF THE PROJECT**

Tesoro and its contractors shall use on-road heavy-duty diesel trucks or equipment with a gross vehicle weight rating (GVWR) of 19,500 pounds or greater shall comply with EPA 2007 on-road emission standards for PM and NOx (0.01 gram per brake horsepower-hour (g/bhp-hr) and at least 0.2 g/bhp-hr, respectively).

During construction of the project and for two years following completion of construction, Tesoro shall keep records of applicable compliance activities to demonstrate the steps taken to assure compliance with Mitigation Measure A-3 as specified in Table 3.

It should be noted that the SCAQMD, as the air regulatory agency with jurisdiction in the region and the Lead Agency for the FEIR, opted for a less stringent mitigation measure, requiring on-road heavy-duty diesel trucks or equipment with a gross vehicle weight rating of 19,500 pounds or greater to comply with EPA 2007 on-road emission standards. The Port of Long Beach and Port of Los Angeles currently requires either as a mitigation measure in CEQA evaluations, and/or a requirement in construction bid specifications, and contracts that on-road heavy-duty diesel trucks used to transport construction-related materials to and from a project site must meet EPA 2010 on-road emissions standards for Port-related construction projects.

**MMA-4 PROHIBIT CONSTRUCTION EQUIPMENT FROM IDLING LONGER THAN FIVE MINUTES**

Tesoro will notify all contractors that construction equipment will be limited to no longer than five (5) minutes of idling time unless subject to an exemption. This requirement will be included in the construction contracts.

During construction of the project and for two years following completion of construction, Tesoro shall keep records of applicable compliance activities to demonstrate the steps taken to assure compliance with Mitigation Measure MMA-4 as specified in Table 3.

**MMA-5 USE ELECTRIC WELDERS INSTEAD OF GAS OR DIESEL WELDERS AND ELECTRIC POWER TOOLS IN AREAS OF THE PROJECT WHERE ELECTRICITY IS AVAILABLE**

Tesoro and its Contractor will conduct a survey, prior to the commencement of construction of the project area to assess whether existing infrastructure can provide access to electricity, as available. Areas on the construction site where electricity is not available will be identified on a site plan as part of the Construction Management Program. The use of gasoline or diesel welders shall be prohibited in areas of the project areas that are shown to have electricity. Tesoro will assess the number of electrical welding receptacles available and will indicate whether diesel generators or welders are required for the project. Electric power tools shall be used where allowed by safety regulations and where electricity is available. Tesoro shall include in all construction contracts that the requirement that diesel welders are only allowed to operate in the portions of the project as identified on the site plan as not being accessible to electric power. If gasoline or diesel welders are used, Tesoro shall maintain welder records that indicate the location, date(s), and fuel type of welders

During construction of the project and for two years following completion of construction Tesoro shall keep records of applicable compliance activities to demonstrate the steps taken to assure compliance with Mitigation Measure MMA-5 as specified in Table 3.

**MMA-6 USE ONSITE ELECTRICITY RATHER THAN TEMPORARY POWER GENERATORS IN AREAS WHERE ELECTRICITY IS AVAILABLE**

The use of temporary power generators shall be prohibited in areas that have existing infrastructure to provide access to electricity. Construction areas associated with the Interconnecting Pipelines project where electricity is not available will be identified on a site plan as part of the Construction Management Program. The use of temporary power generators outside of these identified areas shall be prohibited. Tesoro shall include in all construction contracts the requirements that the use of temporary power generators is prohibited in certain portions of the project site as identified on the site plan. Tesoro shall maintain records that indicate the location where the generators are operated, if at all, date(s), and fuel type used. During construction of the project and for two years following completion of construction, Tesoro shall keep records of applicable compliance activities to demonstrate the steps taken to assure compliance with Mitigation Measures MMA-6 as specified in Table 3.

**MMA-7 USE CONSTRUCTION EQUIPMENT MEETING EPA CERTIFIED TIER 4 OFF-ROAD EMISSIONS STANDARDS DURING CONSTRUCTION OF THE PROPOSED PROJECT**

All off-road diesel powered construction equipment rated greater than 50 hp shall use equipment that meets Tier 4 off-road standards at a minimum unless subject to an exception. Any emissions control device used by the Contractor shall achieve

emissions reductions that are no less than what could be achieved by a Level 3 diesel emissions control strategy for a similarly sized engine as defined by CARB regulations. Tesoro shall provide documentation in the Construction Management Program as information becomes available that equipment rated greater than 50 hp equipped with Tier 4 engines are not available.

A copy of each unit's certified tier specification, control technology documentation, and CARB or SCAQMD operating permit shall be provided by the construction contractor at the time of mobilization of each applicable unit of equipment. During construction of the project and for two years following completion of construction, Tesoro shall keep records of applicable compliance activities to demonstrate the steps taken to assure compliance with Mitigation Measure MMA-7 as specified in Table 3.

**MMA-8      SUSPEND ALL CONSTRUCTION ACTIVITIES THAT GENERATE AIR EMISSIONS DURING FIRST STAGE SMOG ALERTS**

If and when any first state smog alert or greater occurs, Tesoro will record the date and time of each alert, will suspend all construction activities that generate emissions, and record the date and time when the use of construction equipment and construction activities are suspended. During construction of the proposed project and for two years following completion of construction, Tesoro shall keep records of applicable compliance activities to demonstrate the steps taken to assure compliance with Mitigation Measure MMA-8 as specified in Table 3.

**Exceptions to the Air Quality Mitigation Measures**

Mitigation Measures A-1 through A-7 for on-road and off-road construction equipment and portable electric generator requirements shall apply unless any of the following circumstances exist and the Tesoro and its contractor provides a written finding consistent with project contract requirements that:

- 1) Tesoro and its contractor intends to meet the requirements of these mitigation measures as to a particular vehicle or piece of equipment by leasing or short-term rental, and the project proponent and its contractor has attempted in good faith and due diligence to lease the vehicle or equipment that would comply with this policy, but that vehicle or equipment is not available for lease or short-term rental within 200 miles of the project site, and the Contractor has submitted documentation to Tesoro showing that the requirements of this Exception provision apply; or
- 2) The contractor has been awarded funding by SCAQMD or another agency that would provide some or all of the cost to retrofit, repower, or purchase a piece of equipment or vehicle, but the funding has not yet been provided due to circumstances beyond the contractor's control, and the contractor has attempted in good faith and due diligence to lease or short-term rent the equipment or vehicle that would comply with this policy, but that equipment or vehicle is not available for lease or short-term rental within 200 miles of the project site, and the contractor has submitted documentation to Tesoro showing that the requirements of this Exception provision apply; or
- 3) The contractor has ordered for purchase, a piece of equipment or vehicle to be used on the construction project in compliance with this policy at least 60 days before that equipment or vehicle is needed at the project site, but that equipment or vehicle has not yet arrived due to circumstances beyond the contractor's control, and the contractor has attempted in good faith and due diligence to lease or short-

term rent a piece of equipment or vehicle to meet the requirements of this policy, but that equipment or vehicle is not available for lease or short-term rental within 200 miles of the project, and the contractor has submitted documentation to Tesoro showing that the requirements of this Exception provision apply; or

- 4) Construction-related diesel equipment or vehicles will be used on Tesoro construction project site for fewer than 10 calendar days per calendar year. The contractor shall not consecutively use different equipment or vehicles that perform the same or a substantially similar function in an attempt to use this Exception to circumvent the intent of this policy.

In any of the Mitigation Measures and Exceptions described above, the contractor shall provide the next cleanest piece of equipment or vehicle as provided by the step down schedules in Table 1 for Off-Road Equipment and Table 2 for On-Road Equipment.

As an example, if Compliance Alternative 3 listed in Table 1 is required by this policy, but a Contractor cannot obtain an off-road vehicle that meets the Tier 2 engine standard that is equipped with a Level 3 verified diesel emission control system (VDECS) and meets one of the above exceptions, then the Contractor shall use a vehicle that meets the next Compliance Alternative 4, which is a Tier 1 engine standard equipped with a Level 3 VDECS. Should the Contractor not be able to supply a vehicle with a Tier 1 engine equipped with a Level 3 VDECS in accordance with Compliance Alternative 4 and has satisfied the requirements of one of the above exceptions as to the Contractor's ability to obtain a vehicle meeting Compliance Alternative 4, the Contractor shall then supply a vehicle meeting the next Compliance Alternative 5, and so forth.

If the Contractor is proposing an exemption for on-road equipment, the step down schedule in Table 2 should be used. A Contractor must demonstrate that it has satisfied one of the exceptions listed in the selected Compliance Alternative Number before it can use a subsequent Compliance Alternative. The goal is to ensure that the Contractor has exercised due diligence in supplying the cleanest fleet available.

**Table 1. Off-Road Compliance Step-Down Schedule\***

<b>Compliance Alternative</b>	<b>Engine Standard</b>	<b>CARB VDECS</b>
1	Tier 4	N/A
2	Tier 3	Level 3
3	Tier 2	Level 3
4	Tier 1	Level 3
5	Tier 2	Level 2
6	Tier 2	Level 1
7	Tier 2	Uncontrolled
8	Tier 1	Level 2
Equipment less than Tier 1, Level 2 shall not be permitted.		

Note: VDECS= verified diesel emissions control device system

**Table 2. On-Road Compliance Ste-Down Schedule\***

<b>Compliance Alternative</b>	<b>Engine Model Year</b>	<b>CARB VDECS</b>
1	2010	N/A
2	2007	N/A

3	2004	Level 3
4	1998	Level 3
5	2004	Uncontrolled
6	1998	Uncontrolled
Equipment with a model year earlier than Model Year 1998 shall not be permitted.		

## 6.2 HAZARDS IMPACTS AND MITIGATION MEASURES

The analysis in the FEIR concluded that potentially significant “worst-case” off-site operational hazard impacts associated with the proposed modifications to the Naphtha Isomerization Unit, the proposed new crude tanks, SARP, and Interconnecting Pipelines could cause off-site impacts from accidental releases of regulated substances and from major fires. The following mitigation measure is intended to ensure that all applicable plans and Pre-Startup Reviews are completed for all proposed project components prior to the commencement of operations associated with new and modified project components, regardless of whether or not they are required to be included in the Process Safety Management (PSM) review:

### MMHHM-1 EARLY COMPLIANCE WITH APPLICABLE HAZARDOUS MATERIALS RULES AND REGULATIONS

Prior to the commencement of operations associated with new and modified project components, Tesoro shall demonstrate to the Los Angeles City and County Fire Departments compliance with applicable hazardous material rules and regulations, to include, at minimum, an Emergency Action Plan as required by the Fire Department addressing spill, fire, and explosion hazards and relative risk of upset to adjacent land uses; Process Safety Management (PSM) requirements under 40 CFR Part 1910, Section 119, and Title 8, California Code of Regulations, section 5189; and Article 2, Chapter 6.95 of the California Health and Safety Code that require facilities that handle listed regulated substances to develop RMPs to prevent accidental releases of these substances.

During construction of the project and for two years following completion of the construction or as required by regulation, if longer, Tesoro shall keep records onsite of applicable compliance to demonstrate the steps taken to assure compliance with Mitigation Measure HHM-1, including correspondence with the Los Angeles City and County Fire Departments regarding hazards and hazardous materials management related to the project as specified in Table 3.

## 7.0 CONCLUSION

During the construction of the Interconnecting Pipeline project and for two years following completion of construction, Tesoro will maintain records of applicable compliance activities to demonstrate the steps taken to assure compliance with imposed mitigation measures as specified above and in Table 3. All construction logs and other records shall be made available to Port staff upon request. Staff and Tesoro will evaluate the effectiveness of this monitoring program.

**Table 3. Mitigation, Monitoring, and Reporting Plan for Interconnecting Pipelines Element of Tesoro Los Angeles Refinery Integration and Compliance Project**

Mitigation Measure/Implementation Requirement	Party Responsible for Implementing Mitigation	Monitoring Action	<ol style="list-style-type: none"> <li>1. Enforcement Agency</li> <li>2. Monitoring Agency</li> <li>3. Monitoring Phase</li> </ol>
<p><b>MMA-1.</b> Tesoro will design and implement a Construction Management Program that shall, at a minimum, incorporate the mitigation measures and BMPs.</p>	Tesoro	Prepare Construction Management Program and maintain records documenting implementation.	<ol style="list-style-type: none"> <li>1. SCAQMD</li> <li>2. POLB/POLA</li> <li>3. During construction</li> </ol>
<p><b>MMA-2.</b> Tesoro will notify all contractors that vehicles will be limited to no longer than five minutes of idling time. This requirement will be included in the construction contracts.</p>	Tesoro	Prepare standard notification letter that explains idling limitation during deliveries, and provide a copy to all vendors. Post signs on-site, and maintain records documenting implementation.	<ol style="list-style-type: none"> <li>1. SCAQMD</li> <li>2. POLB/POLA</li> <li>3. At time purchase order is issued and daily during construction</li> </ol>
<p><b>MMA-3.</b> All on-road heavy-duty trucks or equipment with a gross vehicle weight rating (GVWR) of 19,500 pounds or greater shall comply with EPA 2007 on-road emission standards for PM and NOx (0.01 gram per brake horsepower-hour (g/bhp-hr) and at least 0.2 g/bhp-hr, respectively).</p>	Tesoro	Maintain records of all diesel-fueled on-road vehicles with GVWR of 19,500 pounds or greater that show engine manufacturer, EPA Tier, engine manufacture date, date on site, and applicable exception, if any.	<ol style="list-style-type: none"> <li>1. SCAQMD</li> <li>2. POLB/POLA</li> <li>3. Daily during construction</li> </ol>
<p><b>MMA-4.</b> Prohibit construction equipment from idling longer than five minutes at the Refinery as contract conditions with construction companies and by posting signs on-site, except as provided in the exceptions in the applicable CARB regulations regarding idling.</p>	Tesoro	Prepare standard notification letter that explains idling limitation during construction, remind contractors during shift meetings and provide a copy to all contractors. Post signs on-site.	<ol style="list-style-type: none"> <li>1. SCAQMD</li> <li>2. POLB/POLA</li> <li>3. Prior to start of construction and daily during construction</li> </ol>
<p><b>MMA-5.</b> Use electric welders and power tools during construction activities where existing infrastructure to provide access to electricity is available.</p>	Tesoro	Prepare a site plan that identifies the construction areas within the Refinery, where electricity is not available and non-electric (gasoline or diesel) welders are permissible. Identify areas within the Refinery where safety	<ol style="list-style-type: none"> <li>1. SCAQMD</li> <li>2. POLB/POLA</li> <li>3. During construction</li> </ol>

		prohibits the use of electric power tools. Maintain records of use of non-electric welders, including location, date, duration of use and fuel type.	
<b>MMA-6.</b> Use onsite electricity rather than temporary power generators where existing infrastructure to provide access to electricity is available.	Tesoro	Maintain records of diesel and gasoline generators used during construction that specify the locations, date(s), and fuel type of generators utilized.	<ol style="list-style-type: none"> <li>1. SCAQMD</li> <li>2. POLB/POLA</li> <li>3. Daily during construction</li> </ol>
<b>MMA-7.</b> All off-road diesel-powered construction equipment rated greater than 50 hp shall use equipment that meets Tier 4 off-road emission standards at a minimum unless subject to an exception. Any emissions control device used by the Contractor shall achieve emissions reductions that are no less than what could be achieved by a Level 3 diesel emissions control strategy for a similarly sized engine as defined by CARB regulations. The project proponent shall provide documentation in the Construction Management Program as information becomes available that equipment rated greater than 50 hp equipped with Tier 4 engines are not available.	Tesoro	Maintain records of all diesel-fueled construction equipment with engines rated at more than 50 hp including 1) equipment description; 2) equipment ID; 3) dates operated on-site; 4) engine hp rating; 5) engine tier certification; 6) description of control technologies and CARB certification; and 7) justification for use of equipment with less than Tier 4 engines, if Tier 4 engines are not available.	<ol style="list-style-type: none"> <li>1. SCAQMD</li> <li>2. POLB/POLA</li> <li>3. Daily during construction</li> </ol>
<b>MMA-8.</b> Suspend use of construction equipment during first state smog alert or greater.	Tesoro	Maintain records of date and time of each first stage smog alert or greater and document suspension of work.	<ol style="list-style-type: none"> <li>1. SCAQMD</li> <li>2. POLB/POLA</li> <li>3. Daily during construction</li> </ol>
<b>MMHHM-1.</b> Tesoro will demonstrate to the Los Angeles City and County Fire Departments compliance with applicable hazardous material rules and regulations.	Tesoro	At minimum, develop an Emergency Action Plan as required by the Fire Department addressing spill, fire, and explosion hazards and relative risk of upset to adjacent uses; Process Safety Management (PSM) requirements under 40 CFR Part 1910, Section 119, and Title 8, California Code of Regulations, Section 5189; and Article 2, Chapter 6.95 of the California Health and Safety Code that require facilities that handle listed regulated substances to develop RMPs to prevent accidental release of these substances.  Tesoro shall keep records onsite of applicable	<ol style="list-style-type: none"> <li>1. SCAQMD</li> <li>2. POLB/POLA</li> <li>3. During construction and for two years following the completion of construction, or as required by regulation if longer</li> </ol>

		compliance to demonstrate the steps taken to assure compliance with MMHHM-1, including correspondence with the Los Angeles City and County Fire Departments regarding hazards and hazardous materials management related to the project.	
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