

## MEMORANDUM

**TO:** CITY COUNCIL

**FROM:** TERESA MCCLISH, <sup>TMC</sup> COMMUNITY DEVELOPMENT DIRECTOR

**SUBJECT:** CONSIDERATION OF COMMENT LETTERS REGARDING THE PHILLIPS 66 RAIL SPUR EXTENSION PROJECT AND RAIL SAFETY, AND INFORMATION REGARDING OTHER CONCURRENT AND MISCELLANEOUS PROJECTS RELATED TO OIL PRODUCTION

**DATE:** SEPTEMBER 22, 2015

### RECOMMENDATION:

It is recommended that the City Council 1) provide direction whether to send comment letters to the County of San Luis Obispo Planning Commission and the U.S. Department of Transportation regarding the Phillips 66 Rail Spur Extension Project and rail safety respectively; and 2) receive and file information regarding other miscellaneous and concurrent projects of interest related to oil production.

### FINANCIAL IMPACT:

There is no identified direct impact to financial and personnel resources. This item is not identified in the critical Needs Action Plan.

### BACKGROUND:

On April 14, 2015, the City Council received a presentation by Phillips 66, Union Pacific Railroad, and Mesa Refinery Watch Group regarding the Phillips 66 Rail Spur expansion project. There were several public comments expressing concern regarding the project and the Council directed staff to agendize the item for discussion at a future date when the environmental documents were completed (Attachment 1).

### ANALYSIS OF ISSUES:

According to the County of San Luis Obispo, Phillips 66 has applied for a Development Plan and Coastal Development Permit to extend a rail spur off of the Union Pacific rail mainline in order to unload up to five trains per week carrying heavy crude oil to the Santa Maria Refinery. The rail spur would be approximately 6,915 feet in length and would occupy approximately 47 acres of the 1,644 acre refinery site. A Revised Draft Environmental Impact Report (DEIR) for the project was released on October 10, 2014 and a re-circulated DEIR is complete and available for public review. The San Luis Obispo County Planning and Building Department is currently working toward releasing a Final Environmental Impact Report for the project. Updated regulations have been released by the Federal Department of Transportation and the California Office of Environmental Health Hazard Assessment. The County Planning and Building

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Department is reviewing these regulations with respect to the County's Environmental Impact Report. When the Final Environmental Impact Report is complete, likely December, and available for review, a full notification of its availability will be released. Additional opportunities for public comment on the project will be during the upcoming public hearings, which have not yet been scheduled.

The proposed rail spur project, including supporting rail infrastructure are all outside of the City limits. Union Pacific (UP) railway is located within the adjacent Cities of Grover Beach and Pismo Beach. Grover Beach is served by the Five Cities Fire Authority (FCFA). The FCFA provides automatic and mutual aid to the City of Pismo Beach. Chief Lieberman, FCFA, has stated the following for the benefit of the Cities of Grover Beach and Arroyo Grande:

- Specialized training should be provided by UP. There is dialogue about UP bringing the mobile training facility to San Luis Obispo to allow this type of training for local agencies.
- Foam- A fire of this magnitude will take significant amounts of foam. And while Five Cities Fire authority has a limited inventory, it will take UP several hours to bring one of their "foam trailers" from other parts of the State (namely Roseville).
- Lastly, if there is a significant event with explosion, fire and hazardous release FCFA will not only require equipment and supplies, but staffing needs will be significant and will likely strain SLO County.

Attached is a draft letter to the County of San Luis Obispo Planning Commission stating general concerns expressed by community members and several other agencies regarding the Phillips 66 Rail Spur project (See Attachment 2 for the City's draft comment letter and the comment letter from the City of Pismo Beach for reference.)

Additionally, the California League of Cities has been following the issue of rail safety in recent years, and in February, 2015, developed policy recommendations to address hazards. The League urges each member jurisdiction to send a letter to the Secretary of Transportation, emphasizing that the Department of Transportation consider 10 specific policy recommendations adopted by the League to improve rail safety. Attachment 3 includes a draft comment letter as suggested by the League of California Cities, and the League's comment letter regarding the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration's Notice of Proposed Rulemaking.

Staff has recently identified two concurrent and miscellaneous projects that are not related to the Phillips 66 rail spur project, but involve the expansion of oil production infrastructure in the vicinity of the City. These projects do not involve any discretionary decision on the part of the City and are only provided here as they relate to oil

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production in our area. The first is a letter received by staff, from the Division of Oil, Gas, and Geothermal Resources- District 3 (DOGGR), requesting a statement from the City identifying if the City currently uses or intends to use water from the proposed exempted aquifer area underlying the Price Canyon oil field. This statement would be used in support of an action to correct a boundary discrepancy and expand the current exempted aquifer designation of the Dollie sands of the Pismo formation in the Arroyo Grande oil field (Attachment 4). Without an aquifer exemption, certain types of energy production, mining, or waste disposal into Underground Sources of Drinking Water (USDW) would be prohibited. Environmental Protection Agency makes the final determination on granting all exemptions. Staff from the Northern Cities Management Area agencies concurred that a statement would not be in the respective agencies' best interest and a statement response was not sent.

Secondly, pipeline projects were recently approved by the County that includes infrastructure piping within City utility easements. Phillips 66 applied for a Minor Use Permit from the County of San Luis Obispo to construct, operate, and maintain a 3.9 mile segment of a proposed 5.6 mile oil pipeline and appurtenant facilities within the unincorporated County of San Luis Obispo. The remaining 1.7 miles of the proposed oil pipeline and appurtenant facilities would be located within the cities of Pismo Beach (0.8 miles), Grover Beach (0.5 miles) and Arroyo Grande (0.4 miles) and require encroachment permit approval by each respective city.

The pipeline alignment is located within/under existing roadway right-of-way and the project area within the City limits falls within the terms of the utilities franchise agreement. The project would transport crude oil from the existing Oil Field (Price Canyon/Arroyo Grande Oil Field located at Price Canyon Road) to its existing 12-inch pipeline located at the intersection of Oak Park Drive and Grand Avenue in the City of Arroyo Grande. The existing 12-inch pipeline connects to the existing Santa Maria oil refinery on the Nipomo Mesa. In addition, the project replaces an existing segment of the Phillips 66 pipeline under Arroyo Grande Creek (in County jurisdiction) that is currently under construction. Staff is in the process of reviewing the encroachment permit application, which is a ministerial approval.

#### **ALTERNATIVES:**

The following alternatives are provided for the Council's consideration:

1. Submit the comment letters to the San Luis Obispo County Planning Commission and U.S. Department of Transportation, and receive and file information provided regarding other miscellaneous and concurrent projects related to oil production;
2. Submit modified comment letters to the San Luis Obispo County Planning Commission and U.S. Department of Transportation, and receive and file information provided regarding other miscellaneous and concurrent projects related to oil production;

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3. Do not send comment letters to the San Luis Obispo County Planning Commission or the U.S. Department of Transportation, and receive and file information provided regarding other miscellaneous and concurrent projects related to oil production;
4. Provide direction to staff.

#### **ADVANTAGES:**

Submittal of comment letters will inform the County of San Luis Obispo of the City's concerns regarding the Phillips 66 Rail Spur project and support the League of California Cities in their efforts to promote rail safety. Receiving and filing the information provided regarding other concurrent and miscellaneous projects related to oil production informs the City Council and community of ongoing projects.

#### **DISADVANTAGES:**

Submittal of the comment letter to the County of San Luis Obispo providing the City's concerns regarding the Phillips 66 Rail Spur project involves the City in a project that is not located directly in the City's jurisdiction and has not been fully analyzed by the City. There are no disadvantages identified with sending the comment letter to the U.S. Department of Transportation regarding rail safety, or in receiving and filing the information provided regarding other concurrent and miscellaneous projects related to oil production.

#### **ENVIRONMENTAL REVIEW:**

None required.

#### **PUBLIC NOTIFICATION:**

The Agenda was posted in front of City Hall on Thursday, September 17, 2015. The Agenda and report were posted on the City's website on Friday, September 18, 2015. Several public comments were received during the public comment period of the April 14, 2015 City Council meeting. A letter from Ms. Hansen, received on September 17, 2015 (Attachment 5).

#### **Attachments:**

1. April 14, 2015 City Council minutes
2. Draft comment letter to the County of San Luis Obispo regarding the Phillips 66 Santa Maria Refinery Rail Spur project, and City of Pismo Beach comment letter for reference
3. Draft comment letter to the U.S. Department of Transportation, and the California League of Cities Comments Regarding the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration's Notice of Proposed Rulemaking on *Enhanced Tank Car Standards and Operational Controls for High Hazard Flammable Trains*, and sample letter for member jurisdictions provided by the League of California Cities for reference

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4. Division of Oil, Gas and Geothermal Resources letter, Aquifer Exemption Expansion Fact Sheet
5. A letter from Ms. Hansen, received on September 17, 2015 (Attachment 5)

**Minutes: City Council Regular Meeting  
Tuesday, April 14, 2015**

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City Attorney Carmel reported that the Council met in closed session to discuss the status of the City Manager recruitment, and no reportable action was taken.

**March 31, 2015:**

- Public employment pursuant to Government Code Section 54957:  
Title: City Manager
- Public employee performance evaluation pursuant to Government Code Section 54957:  
Title: City Attorney

City Attorney Carmel reported that the Council met in closed session to discuss the status of the City Manager recruitment and City Attorney's performance, and no reportable action was taken.

**5.b. Ordinances Read in Title Only.**

Council Member Brown moved, Council Member Guthrie seconded, and the motion passed unanimously that all ordinances presented at the meeting shall be read by title only and all further readings be waived.

**6. SPECIAL PRESENTATIONS**

**6.a. Honorary Proclamation Declaring April 2015 as "Sexual Assault Awareness Month".**

Mayor Pro Tem Barneich presented an Honorary Proclamation declaring April 2015 as "Sexual Assault Awareness Month". Jesse Torrey, Associate Director of RISE, accepted the Proclamation.

**6.b. Honorary Proclamation Declaring April 2015 as "Month of the Child" and "Child Abuse Prevention Month".**

Mayor Pro Tem Barneich presented an Honorary Proclamation declaring April 2015 as "Month of the Child" and "Child Abuse Prevention Month". Maddy Quaglino, on behalf of the Child Care Planning Council of San Luis Obispo, accepted the Proclamation.

**6.c. Honorary Proclamation Declaring April 24, 2015 as "Arbor Day".**

Mayor Pro Tem Barneich presented an Honorary Proclamation declaring April 24, 2015 as "Arbor Day". Scott Dowlan, Arroyo Grande Tree Guild, accepted the Proclamation.

City Arborist Pete McClure presented Mayor Pro Tem Barneich with an Arbor Day flag, plaque and hat.

**6.d. Presentations by Phillips 66, Union Pacific Railroad, and Mesa Refinery Watch Group Regarding the Santa Maria Refinery Rail Project.**

Jim Anderson representing Phillips 66, Laurence Shinderman representing Mesa Refinery Watch Group, and Liisa Stark representing Union Pacific Railroad provided PowerPoint presentations outlining information regarding the Santa Maria Refinery Rail Project. At the conclusion, presenters and staff responded to questions from Council regarding the project.

**7. CITIZENS' INPUT, COMMENTS, AND SUGGESTIONS**

Mayor Pro Tem Barneich invited public comment. Speaking from the public were: Gina Whitaker, Arroyo Grande, in opposition to the rail spur project and urged the City Council to submit a letter to the San Luis Obispo County Planning Department and the San Luis Obispo County Board of Supervisors relaying citizens' concerns as a community and opposing the proposed rail project; Kay Gore, Arroyo Grande, in opposition to the rail spur project; Martin Akel, in opposition to the rail spur project; Gary McKible, in opposition to the rail spur project; Tom Ryan, in opposition to the rail spur project; Kevin McCarthy, concerned about the disruption of soil when building the rail spur project due to potential exposure to Valley Fever (coccidioidomycosis); Patty Welsh, requested the City implement a Stage One drought emergency and expressed concerns about the water sign at the entrance of the Village; Diana Robertson, in opposition to the rail spur project; and Tom Sear, concerned about land values along the rail lines after the project is built.

**8. CONSENT AGENDA**

Mayor Pro Tem Barneich invited public comment on the Consent Agenda. No comments were received.

**Action:** Council Member Guthrie moved, and Council Member Harmon seconded the motion to approve Consent Agenda Items 8.a. through 8.d., with the recommended courses of action. The motion passed on the following roll-call vote:

**AYES:** Guthrie, Harmon, Brown, Barneich  
**NOES:** None  
**ABSENT:** Hill

**8.a. Consideration of Cash Disbursement Ratification.**

**Action:** Ratified the listing of cash disbursements for the period March 16, 2015 through March 31, 2015.

**8.b. Consideration of Approval of Minutes.**

**Action:** Approved the minutes of the Regular City Council Meeting of March 24, 2015 and the Special Meetings of March 24, 2015, March 27, 2015, March 28, 2015, and March 31, 2015, as submitted.

**8.c. Consideration of Temporary Use Permit 15-003 Regarding Street Closures for the Amgen Tour of California Bike Race on Wednesday, May 13, 2015.**

**Action:** Adopted a Resolution entitled: **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE APPROVING TEMPORARY USE PERMIT CASE NO. 15-003; AUTHORIZING STREET CLOSURES AND RELATED ACTIONS FOR THE AMGEN TOUR OF CALIFORNIA BIKE RACE; APPLIED FOR BY AEG CYCLING, LLC"**.

**8.d. Consideration to Declare Surplus Property.**

**Action:** Adopted a Resolution entitled: **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE DECLARING A 1984 SERVICE TRUCK AS SURPLUS AND AUTHORIZING ITS SALE OR DISPOSAL"**.

**9. PUBLIC HEARINGS**

None.

# DRAFT

September 23, 2015

Honorable Planning Commissioners  
San Luis Obispo County Planning Commission  
c/o James Bergman, Director of Planning and Building  
976 Los Osos Street, Room 200  
San Luis Obispo, CA 93408

SUBJECT: Phillips 66 Santa Maria Refinery Rail Spur Project

This comment letter is intended to convey concerns of the City of Arroyo Grande and those expressed by many of our citizens regarding the safety of expanding facilities at the Phillips 66 Santa Maria Refinery in Nipomo to allow crude oil deliveries by rail for processing (the "Project"). The Project would allow for increased transport of crude oil using the Union Pacific Railway line through communities immediately adjacent to the City.

The City joins with the community of Pismo Beach regarding heightened concerns about rail safety and potential environmental threats associated with the hazards of crude oil and the risks of accident and damage. Moreover, an increase in the potential for disastrous conditions would directly affect our community in terms of individuals working and going to school in areas adjacent to the rail way as well as our obligation to provide mutual aid for any incident.

The City's General Plan Safety Element includes Objective S-5: "Reduce the potential for harm to individuals and damage to the environment from radiation hazards, hazardous material, electromagnetic fields, radon and hazardous trees"; and supporting Implementation Measure Program S5-2.1 "Review commercial development projects which use, store, or transport hazardous materials to ensure necessary measures are taken to protect public health and safety". Specifically, concerns regarding the Project involve the potential volatility of the oil, and the questionable integrity of the tanker cars and state of the rail line infrastructure. Given these potential concerns, the City strongly supports the policy adopted by the League of California Cities for rail safety. Particularly, specific to the Phillips rail spur project, the City supports that measures necessary for increased rail safety as identified by the League of California Cities, and resources for adequate emergency response, training and preparedness for the Central Coast Region are identified, secured and in place prior to allowing the project to proceed.



We appreciate the magnitude of the task the Planning Commission has in reviewing the Project and we trust that rail safety aspects will be weighed appropriately during your consideration.

Sincerely,

Jim Hill  
Mayor, on behalf of the Arroyo Grande City Council  
City of Arroyo Grande



**From the Office of the Mayor**  
Shelly Higginbotham  
760 Mattie Road  
Pismo Beach, CA 93449  
(805) 235-6604

\_\_\_\_\_, 2015

Honorable Planning Commissioners  
San Luis Obispo County Planning Commission  
c/o James A/ Bergman, Director of Planning and Building  
976 Los Osos Street, Room 200  
San Luis Obispo, CA 93408

RE: Phillips 66 Santa Maria Refinery Rail Project

The City of Pismo Beach and many of its residents have concerns regarding the safety of oil trains passing through our city limits en route to the Santa Maria refinery. The proposed project runs through the city limits of Pismo Beach.

The continued increase in the transport of crude by rail combined with recent rail accidents involving oil spills and resulting fires, has served to heighten concerns about rail safety and adverse environmental impacts among many of our citizens.

Over the course of 2014 and 2015, personnel from Cal Fire San Luis Obispo, who also serve as Pismo Beach's Fire Department and emergency responders have conducted an ongoing dialog with the project applicants, environmental consultants, and County staff; formulating mitigation measures to address aspects of the project identified as being of "notable concern" culminating in the measures presented in the project's final "Environmental Impact Report".

Furthermore the League of California Cities has as formal policy made recommendations to improve rail safety. We understand this area of regulation is largely preempted by federal law, which is why the Mayor Pro tem and City manager of Pismo Beach traveled to Washington, D.C. in March to meet with the Senate Commerce Subcommittee on Surface Transportation and Merchant Marine Infrastructure, Safety, and Security. Additionally they met with key staff from the Federal Rail Administration at the Department of Transportation to discuss the issue of rail safety, focusing on ways in which oil transportation may be made safer.

We would appreciate the Planning Commissions consideration in reviewing the rail safety issues when evaluating the proposed Phillips 66 Rail Spur Extension Project.

Sincerely,

Shelly Higginbotham  
Mayor

cc: Ryan Hostetter, Project Manager, County of San Luis Obispo Planning and Building  
Department  
Cal Fire/San Luis Obispo Fire Department  
Cal Fire/Pismo Beach Fire Department

**DRAFT**

**ATTACHMENT 3**

September 23, 2015

The Honorable Anthony R. Foxx  
Secretary of Transportation  
United States Department of Transportation  
1200 New Jersey Avenue, SE  
Washington, D. C. 20590

RE: Rail Safety – Expedited Action Requested

Dear Secretary Foxx:

Due to a steady flow of concerns about the transport of crude oil by rail voiced by our citizens for several months, the City of Arroyo Grande the League of California Cities in their efforts to monitor the transport of crude oil and other hazardous materials by rail, and host educational forums on the topic. We note that the League has recently adopted as its policy several goals for safety improvements based on input from our key state agencies. The City of Arroyo Grande agrees with the League's position that implementation of these rail safety improvements should be expedited at the federal level to accomplish improved rail safety as soon as possible.

The continued increase in the transport of crude oil by rail, combined with recent rail accidents involving oil spills and resulting fires, has served to heighten concerns about rail safety among many of our citizens. Specifically, two derailments accompanied by fires involving unit trains (100 or more tank cars) carrying crude oil in West Virginia and in Ontario, Canada last month have greatly increased public anxiety about what steps the relevant federal regulatory agencies are taking to improve rail safety, and on what timetable. The Board of Directors of the League of California Cities at its February 20, 2015 meeting adopted ten specific recommendations as official policy on this issue. The City of Arroyo Grande respectfully submits these recommendations to you as priority items for improving rail safety.

We have three points to emphasize in submitting these recommendations. First, irrespective of whether these improvements are required of railroads, petrochemical companies, hazardous materials shippers, or the owners or lessees of rail tank cars, we urge that they take the form of mandates, rather than the more traditional recommendations. Second, the mandates should be accompanied by the imposition of a hard deadline for their implementation. Third, we strongly recommend that the Department of Transportation include these recommendations for improved rail safety in the final rule for the Safe Transportation of Crude Oil and Flammable Materials.

**League of Cities Policy Recommendations – Oil by Rail**

The City of Arroyo Grande urges the federal agencies with appropriate jurisdiction (primarily the National Transportation Safety Board, the Federal Railroad Administration, and the Pipeline and Hazardous Materials Safety Administration) to take

the following actions to improve rail safety with respect to the transport of Bakken crude oil and other hazardous materials by rail:

**1) Mandate Electronically Controlled Braking Systems:** Require installation of electronically controlled, pneumatic braking systems (ECP) on trains carrying Bakken crude and ethanol by a date certain. This technology allows for faster and more efficient braking to a full stop.

**2) Expedite retrofit or phase-out of tank cars failing to meet current safety standards:** Require phase-out or retrofitting of older, DOT-111 tank cars manufactured prior to October 2011, to be completed by a date certain. The Association of American Railroads adopted higher manufacturing standards requiring greater structural integrity for these tank cars which took effect at that time to facilitate safer transport of flammable liquids, including ethanol and all crude oil.

**3) Mandate Provision of Real-Time Information to first responders in event of accidents:** Require via federal regulations that railroads and producers of petroleum and other hazardous materials shipped by rail make available to first responders, via a secure access portal on their websites, the cargo manifest information, or “consist,” on trains containing these substances. This information ideally should also be accessible via mobile applications, allowing rapid access by first responders to cargo manifest information in real time, particularly in accidents where the manifest is not available on the train.

**4) Federal funding for first responders:** Increase federal funding for training and equipment purchases for first responders, to improve their ability to respond to hazardous materials accidents.

**5) Mandatory Speed Limits:** Impose mandatory maximum speed limits in all areas.

**6) Mandate Stricter Reporting Requirements:** Lower the threshold for the number of tank cars that trigger a reporting requirement to the California Energy Commission and the State Emergency Response Commission, from 33 to 20. Currently petroleum producers and railroads only have to submit reports of trains carrying Bakken crude oil if the train includes 33 or more tank cars. Each tank car holds 34,500 gallons. This will lower the trigger for the reporting requirement from shipments of 1.1 million gallons or more, to shipment of 690,000 gallons or more.

**7) Identity priority routes for positive train control (PTC):** PTC is an advanced technology incorporating GPS tracking to automatically stop or slow trains before an accident can occur. It is specifically designed to prevent train-on-train collisions, derailments due to excessive speed, and unauthorized movement of trains. Require PTC to be employed on all rail lines used for the transport of hazardous materials, with a date certain by which the technology will be online.

**8) Mandate railroad industry compliance with Individual Voluntary Agreement negotiated with the U.S. Department of Transportation by codifying the following actions as requirements:** (Note: The requirements below have been voluntarily agreed

to by railroads, but there is currently no legal or regulatory requirement for their compliance. Such requirements should be codified, given their significant impact on rail safety):

- Reduced speed for crude oil trains with older tank cars going through urban areas
- Analyses to determine the safest routes for crude oil trains
- Increased track inspections
- Enhanced braking systems (electronically controlled pneumatic brakes) ECP
- Installation of wayside defective bearing detectors along tracks
- Better emergency response plans
- Improved emergency response training
- Working with communities through which oil trains must move to address community concerns

**9) Clear methodology for funding:** Devise a clear methodology on how funds are to be distributed, to ensure that sufficient funds pass through that state and county agencies to the local agencies involved in first response.

**10) Regulate the parking and storage of tank cars:** Mandate improved safety regulations addressing the storage or parking of tank cars in populated areas. The City of Arroyo Grande understands that this area of regulation is largely pre-empted by federal law; that is why we are urging specific and timely action by the federal agencies charged with regulatory oversight in this area. We do not expect that derailments and accidents will cease altogether, but we anticipate that stricter safety standards will reduce their numbers over time.

Thank you for your attention to this matter. Please contact me or my city manager, Dianne Thompson at (805 ) 473-5400 with any questions.

Sincerely,  
Mayor Jim Hill, City of Arroyo Grande

cc: Senator Dianne Feinstein  
Senator Barbara Boxer  
Members of the California Congressional delegation  
Federal Railroad Administration  
National Transportation Safety Board



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**League of California Cities Comments Regarding the U.S. Department of Transportation's  
Pipeline and Hazardous Materials Safety Administration's  
Notice of Proposed Rulemaking on *Enhanced Tank Car Standards and  
Operational Controls for High-Hazard Flammable Trains*  
(Docket No. PHMSA-2012-0082, HM-2510)**

The League of California Cities appreciates the opportunity to comment on the Notice of Proposed Rulemaking (NPRM), which includes new operational requirements for certain trains transporting a large volume of Class 3 flammable liquids and improvements to tank car standards, both designed to lessen the frequency and consequences of train accidents and incidents involving the transport of large volumes of flammable liquids. With the significant increase in the volumes of crude oil being shipped, and proposed to be shipped, throughout the country, the safety of the millions of people that live and work in close proximity to the railroad lines is at significant risk.

The League of California Cities is an association representing California's 482 cities dedicated to protecting and restoring local control to provide for the public health, safety, and welfare of their residents, and to enhance the quality of life for all Californians. Our members are public agencies with public safety and emergency response responsibilities and employ first responders.

**California and the Nation Are At Risk from the Transportation of Crude Oil by Rail**

As an association representing government agencies responsible for local public safety, we believe that the rail transport system for crude oil and other Class 3 volatile substances needs to be improved to provide day-to-day safety on and near that rail system and to reduce the risk of catastrophic harm.

The data gathered by Pipeline and Hazardous Materials Safety Administration and Federal Railroad Administration from August 2013 to May 2014 confirms that the Bakken Crude currently being shipped across the country is significantly more volatile than more traditional crude oil. The average Bakken shipment travels over 1,000 miles to refineries in California and other locations. In the last 2 years, the volume of Bakken crude shipped has increased from 9500 rail car loads to 415,000 rail car loads, and continued high growth is expected. Much, if not all, of this crude is extracted through methods not known or not commercially used until recent years.

Given the volumes of Bakken crude oil and other Class 3 flammable liquids being shipped by rail, the large distances that these shipments travel, and the many towns and cities that the rail lines transect, it is vitally important to have a rail delivery system that safeguards the public from the significant risks of an accident or derailment.

In California, the rail system flows through all major metropolitan areas, bisects cities and communities, and crosses many habitat areas. Currently, in addition to existing oil shipments,

there are proposals to ship well over 200 rail car loads of crude on the Union Pacific main line that runs from the City of Roseville, through the Sacramento region, and into the San Francisco Bay Area. Some of this crude will head to refineries on the San Francisco Bay, and some will traverse the Bay Area going through Berkeley, Oakland, and other metropolitan areas along the central coast of California. Similar shipments are occurring in the Central Valley and Southern California, and more are expected there as well. This increasing transport of Bakken crude oil by rail should not be permitted to place the residents and businesses of California at an increased risk of catastrophic human and environmental harm.

As is well known, there have been a number of crude oil train incidents that have occurred within the last 18 months.

- Lac Mégantic, Quebec—On July 5, 2013, a train with 72 loaded tank cars of crude oil from North Dakota moving from Montreal, Quebec, to St. John, New Brunswick, stopped at Nantes, Quebec, at 11:00 pm. At about 1:00 AM, it appears the train began rolling down the descending grade toward the town of Lac-Mégantic, about 30 miles from the U.S. border. Near the center of town, 63 tank cars derailed, resulting in multiple explosions and subsequent fires. There were 47 fatalities and extensive damage to the town. 2,000 people were evacuated. The initial determination was that the braking force applied to the train was insufficient to hold it on the 1.2% grade and that the crude oil released was more volatile than expected.
- Gainford, Alberta—On October 19, 2013, nine tank cars of propane and four tank cars of crude oil from Canada derailed as a Canadian National train was entering a siding at 22 miles per hour. About 100 residents were evacuated. Three of the propane cars burned, but the tank cars carrying oil were pushed away and did not burn. No one was injured or killed. The cause of the derailment is under investigation.
- Aliceville, Alabama—On November 8, 2013, a train hauling 90 cars of crude oil from North Dakota to a refinery near Mobile, AL, derailed on a section of track through a wetland near Aliceville, AL. Thirty tank cars derailed and some dozen of these burned. No one was injured or killed. The derailment occurred on a shortline railroad's track that had been inspected a few days earlier. The train was travelling under the speed limit for this track. The cause of the derailment is under investigation.
- Casselton, North Dakota—On December 30, 2013, an eastbound BNSF Railway train hauling 106 tank cars of crude oil struck a westbound train carrying grain that shortly before had derailed onto the eastbound track. Some 34 cars from both trains derailed, including 20 cars carrying crude, which exploded and burned for over 24 hours. About 1,400 residents of Casselton were evacuated but no injuries were reported. The cause of the derailments and subsequent fire is under investigation.
- Plaster Rock, New Brunswick—On January 7, 2014, 17 cars of a mixed train hauling crude oil, propane, and other goods derailed likely due to a sudden wheel or axle failure. Five tank cars carrying crude oil caught fire and exploded. The train reportedly was

delivering crude from Manitoba and Alberta to the Irving Oil refinery in Saint John, New Brunswick. About 45 homes were evacuated but no injuries were reported.

- Philadelphia, Pennsylvania—On January 20, 2014, 7 cars of a 101-car CSX train, including 6 carrying crude oil, derailed on a bridge over the Schuylkill River. No injuries and no leakage were reported, but press photographs showed two cars, one a tanker, leaning over the river.
- Vandergrift, Pennsylvania—On February 13, 2014, 21 tank cars of a 120-car train derailed outside Pittsburgh. Nineteen of the derailed cars were carrying crude oil from western Canada, and four of them released product. There was no fire or injuries.
- Lynchburg, Virginia—On April 30, 2014, 15 cars in a crude oil train derailed in the downtown area of this city. Three cars caught fire, and some cars derailed into a river along the tracks. The immediate area surrounding the derailment was evacuated. No injuries were reported.

These recent incidents only reinforce the lesson that local governments have learned over the last 100 years: prevention is key to reducing the costs of disasters. Today, we routinely require safety standards in building construction to address new hazards and to incorporate improved building materials and techniques that were unknown just a generation ago. We also safeguard air quality, water quality, and habitat to help conserve our natural and build environments for today and for the future. Of particular relevance, in light the recent Napa/American Canyon Earthquake<sup>1</sup> (which was directly in the area of railroad operations) are the earthquake safety requirements incorporated into new building standards; these standards have significantly reduced injuries and property damage in earthquake prone areas. The fire prevention standards that have been adopted for large buildings and for residential homes are yet another example of the benefits of prevention. These safety standards have significantly reduced fires overall, and have reduced the impact of fires that do occur. Both earthquake and fire safety standards have significantly reduced the loss of life and the financial and environmental impacts of such catastrophic events.

With the enormous increase in rail shipments of crude oil, we believe the same types of enhanced safety requirements are necessary to fulfill the duty to safeguard the public's safety. Prevention is less expensive than the cost of responding to emergency events and the damage to people and places.

### Recommendations

We urge the Department of Transportation to adopt the most safety-oriented alternatives in the NPRM and also to consider adding requirements or incentives for companies that would require removal of a significant amount of the volatile elements, such as flammable natural gas liquids from crude oil before it is loaded into rail cars for transport.

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<sup>1</sup> Another potential severe earthquake in the Napa area could have a direct negative impact on this alignment including tracks, signals, and bridges.



We join in the suggestions made to Secretary Foxx on July 1, 2014, by Congress Members Doris Matsui, George Miller, Mike Thompson, and John Garamendi, a copy of which is attached. A requirement to remove volatiles through stabilization or other processes prior to shipment, in conjunction with improved rail car requirements, improved rail lines, and the other safety measures proposed would greatly enhance public safety and reduce the risks of catastrophic incidents.

Specifically, we have the following recommendations:

***Provide more information to first responders:*** The NPRM proposes a robust and verified program for classification and characterization, with oversight to assure that materials are appropriately handled. We support such a program as a reasonable and proper safety precaution. A pre-shipment program implemented in this manner would increase the safety of the supply chain and provide great public benefit with little overall cost. The program would help ensure that flammable and volatile liquids are shipped in Class 3 tank cars that have the appropriate safety features, and would assist first responders with a better understanding of the properties of the liquids being shipped – information that is critical in the event of a derailment or a spill. We further propose that the classification and characterization of these liquids be included in the information that is made available to first responders during emergencies and on a real-time basis.

***Provide training and notification to emergency response providers:*** California cities provide first responder emergency response in their communities and are required to respond to greater and more varied types of risks. Consequently, cities need adequate training and equipment, advance information in order to plan and prepare for emergencies, and real-time information when an emergency occurs. Under the current system, local emergency workers often must respond without the key information that they need. In addition, local governments are often without any ability to increase funding to provide for adequate response capabilities, including the full costs of training and equipment, and the costs of emergency response, cleanup, and recovery. Accordingly, we urge the adoption of regulations that provide funding for training and equipment, integration of manifest and shipment information in to the emergency response system, and real-time information during emergencies.

California, like many other states, integrates its emergency operations with the federal National Incident Management System. At the state level, the Office of Emergency Services works with regional and then county and city emergency response agencies so that local and regional entities can coordinate and plan for emergencies, and so that the local agencies have the real-time information they need to respond. As an example, Pacific Gas & Electric (PG&E) now provides a direct log in to its emergency systems, including the locations and sizes of its gas lines, to facilitate emergency response. This system has provided firefighters working to contain wildfires with critical real-time PG&E gas system information. A similar system for rail transport would greatly enhance emergency response to derailments and other train accidents.

Accordingly, we urge the adoption of regulations to fund, train, equip, and fully-inform emergency responders including:

- Fully-funded regular training programs that cover the cost of training, including backfill employee costs, to ensure that first responders are trained, and remain trained, on up-to-date procedures to address the unique risks posed by these shipments.
- Routine information on Class 3 train shipments upon request to provide information for planning and training.
- Coordinated emergency response plans and programs that include and involve state, regional, and local emergency responders. The regulations should include requirements for two-way coordination with industry emergency response at the state and regional level. Most importantly, these plans should provide for the obligation to pay for recovery, including all required clean-up.
- Real-time information available to local fire and emergency personnel so that first responders can have the necessary information of the contents of rail shipments and their classifications and characterizations at the time it is necessary to make first response decisions.
- Require comprehensive Oil Spill Response Plans (OSRPs) for every type of train and every rail line that will transport more than 3,500 gallons of Class 3 liquids per train per month, and require that rail operators coordinate their oil spill response plan with state plans. For instance, in California, there are regional OSRPs that are coordinated through the state. Railroads' OSRPs should also be coordinated and consistent with state and regional plans.

***Use all available data to assess the risk and consequences of crude rail car accidents:*** The proposed rule estimates the risk of high consequence accidents, such as the devastating and fatal Lac Megantic, Quebec accident, using accident data across all commodities transported by rail. It omits from its analysis the numerous crude rail accidents that have occurred in 2014 as well as all crude rail accidents that have occurred in Canada. The proposed rule also fails to address the potential high cost damages of tar sands spills into waterways, and that high consequence events have resulted in tax payers footing the bill for clean-up. As a result of these omissions, DOT may underestimate the risks of and damages from high consequence events, thereby downplaying the benefits of the most stringent safety standards.

***Mandate speed limits in all areas:*** Speed clearly increases the risk of an accident and of a derailment. Accordingly, we urge the adoption of a maximum speed limit of 40 miles per hour in all areas for all transport of Class 3 flammable liquids.<sup>2</sup>

A brief review of a map of the nation's high threat urban areas quickly highlights that the NPRM's option to limit the 40 mile per hour speed limit to just those high threat urban areas should be rejected in favor of a nation-wide limit. For example, the "Sacramento Area" high threat urban area covers only half of the City of Davis, stopping just short of the downtown area.

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<sup>2</sup> It is our understanding that there would be no significant impact to passenger rail and other intermodal rail services by reason of a nation-wide speed limit for rail transport of Class 3 flammable liquids.

Rail cars directly run through downtown Davis, traversing a rail line curve that has been a safety concern for many years. The Sacramento Area high threat urban area also excludes the University of California at Davis, a research and learning institute with an average daily population of approximately 30,000 students located immediately adjacent to the rail line.

All areas of the nation deserve protection ~~from~~ afforded by the same safety standards granted now to only certain areas. The NPRM's option to limit the 40 mile per hour speed limit to areas with a population of 100,000 or more arbitrarily excludes communities entitled to a common level of protection. Throughout the rail routes in California, there are numerous at grade crossings or other points where the risk of accidents are high. These areas do not solely exist in urban areas with a population of over 100,000. Appropriate nation-wide speed limits for the transport of Class 3 flammable liquids will greatly enhance safety at a reasonable cost.

***Study the risks of multi-car trains:*** We call for more study to ascertain the relative risks from trains transporting 20 or more Class 3 tank cars of crude oil or more compared to trains carrying fewer cars. We would recommend that any safety measures indicated by such studies then be adopted into regulation.

***Quickly phase-out unsafe tank cars:*** Require that retrofitted Class 3 tank cars meet the same safety standard as new cars and/or require that tank cars not meeting new safety standards be phased out as expeditiously as possible. To the extent that tank cars that do not meet the new safety standards continue to operate at all, however briefly, we urge that they only be used on low risk routes outside of populated and habitat-sensitive areas.

***Require enhanced tank car features:*** In the interests of public safety, we support the adoption of NPRM Option 1 which would require that Class 3 tank cars have 9/16 inch steel, electronically controlled pneumatic brakes, and rollover protection. The marginal cost of these features would be recouped through the additional safety benefits, reduction in accidents, and reduction in derailments. This tank car type would experience fewer punctures, fires and explosions, and fewer releases of hazardous and flammable liquids. Moreover, the Option 1 measures are simply necessary to make the crude oil shipments safe; to the extent they increase the cost of shipping such crude oil, they only ensure that the costs of shipment reflect the real cost to make such shipments safe.

***Regulate the transport and storage of crude on railroad sidings:*** We urge the adoption of regulations that prohibit the storage of Class 3 tank cars on railroad sidings in urban areas, except in unusual circumstances, and even then there should be specific time limits. Siding storage in such areas poses a high risk to the neighboring residents and businesses. Unattended trains carrying flammable materials left to sit for days or weeks on sidings pose an unacceptable risk to harm to the public. Tankers with Class 3 materials should be held in yards with acceptable security measures. To the extent that even limited, unusual circumstance, storage of Class 3 tank cars is allowed it should be required to include enhanced safety including monitoring and notice to the local agency public safety and emergency services.

### Conclusion

The League of California Cities appreciates the opportunity to comment on the Notice of Proposed Rulemaking. California cities are committed to maintaining a safe environment in which our citizens and work and live. With the submission of these comments, we request that the Administration continue its long-standing commitment to safety.

Tim Cromartie  
Legislative Representative  
League of California Cities

**SAMPLE LETTER**  
**OIL BY RAIL SAFETY RECOMMENDATIONS**

DATE XXXX

The Honorable Anthony R. Foxx  
Secretary of Transportation  
United States Department of Transportation  
1200 New Jersey Avenue, SE  
Washington, D. C. 20590

RE: Rail Safety – Expedited Action Requested

Dear Secretary Foxx:

Due to a steady flow of concerns about the transport of crude oil by rail voiced by our citizens for several months, the City of \_\_\_\_\_ has been in contact with the League of California Cities, which has been monitoring transport of crude oil and other hazardous materials by rail, as well as hosting educational forums on the topic. We note that the League has recently adopted as its policy several goals for safety improvements based on input from our key state agencies. The City of \_\_\_\_\_ agrees with the League's position that implementation of these rail safety improvements should be expedited at the federal level to accomplish improved rail safety as soon as possible.

The continued increase in the transport of crude oil by rail, combined with recent rail accidents involving oil spills and resulting fires, has served to heighten concerns about rail safety among many of our citizens. Specifically, two derailments accompanied by fires involving unit trains (100 or more tank cars) carrying crude oil in West Virginia and in Ontario, Canada last month have greatly increased public anxiety about what steps the relevant federal regulatory agencies are taking to improve rail safety, and on what timetable.

The Board of Directors of the League of California Cities at its February 20, 2015 meeting adopted ten specific recommendations as official policy on this issue. The City of \_\_\_\_\_ respectfully submits these recommendations to you as priority items for improving rail safety. We have three points to emphasize in submitting these recommendations. First, irrespective of whether these improvements are required of railroads, petrochemical companies, hazardous materials shippers, or the owners or lessees of rail tank cars, we urge that they take the form of mandates, rather than the more traditional recommendations. Second, the mandates should be accompanied by the imposition of a hard deadline for their implementation. Third, we strongly recommend that the Department of Transportation include these recommendations for improved rail safety in the final rule for the Safe Transportation of Crude Oil and Flammable Materials.

## League of Cities Policy Recommendations – Oil by Rail

The City of \_\_\_\_\_ urges the federal agencies with appropriate jurisdiction (primarily the National Transportation Safety Board, the Federal Railroad Administration, and the Pipeline and Hazardous Materials Safety Administration) to take the following actions to improve rail safety with respect to the transport of Bakken crude oil and other hazardous materials by rail:

- 1) **Mandate Electronically Controlled Braking Systems:** Require installation of electronically controlled, pneumatic braking systems (ECP) on trains carrying Bakken crude and ethanol by a date certain. This technology allows for faster and more efficient braking to a full stop.
- 2) **Expedite retrofit or phase-out of tank cars failing to meet current safety standards:** Require phase-out or retrofitting of older, DOT-111 tank cars manufactured prior to October 2011, to be completed by a date certain. The Association of American Railroads adopted higher manufacturing standards requiring greater structural integrity for these tank cars which took effect at that time to facilitate safer transport of flammable liquids, including ethanol and all crude oil.
- 3) **Mandate Provision of Real-Time Information to first responders in event of accidents:** Require via federal regulations that railroads and producers of petroleum and other hazardous materials shipped by rail make available to first responders, via a secure access portal on their websites, the cargo manifest information, or “consist,” on trains containing these substances. This information ideally should also be accessible via mobile applications, allowing rapid access by first responders to cargo manifest information in real time, particularly in accidents where the manifest is not available on the train.
- 4) **Federal funding for first responders:** Increase federal funding for training and equipment purchases for first responders, to improve their ability to respond to hazardous materials accidents.
- 5) **Mandatory Speed Limits:** Impose mandatory maximum speed limits in all areas.
- 6) **Mandate Stricter Reporting Requirements:** Lower the threshold for the number of tank cars that trigger a reporting requirement to the California Energy Commission and the State Emergency Response Commission, from 33 to 20. Currently petroleum producers and railroads only have to submit reports of trains carrying Bakken crude oil if the train includes 33 or more tank cars. Each tank car holds 34, 500 gallons. This will lower the trigger for the reporting requirement from shipments of 1.1 million gallons or more, to shipment of 690,000 gallons or more.
- 7) **Identity priority routes for positive train control (PTC):** PTC is an advanced technology incorporating GPS tracking to automatically stop or slow trains before an

accident can occur. It is specifically designed to prevent train-on-train collisions, derailments due to excessive speed, and unauthorized movement of trains. Require PTC to be employed on all rail lines used for the transport of hazardous materials, with a date certain by which the technology will be online.

- 8) **Mandate railroad industry compliance with Individual Voluntary Agreement negotiated with the U.S. Department of Transportation by codifying the following actions as requirements:** (Note: The requirements below have been voluntarily agreed to by railroads, but there is currently no legal or regulatory requirement for their compliance. Such requirements should be codified, given their significant impact on rail safety)
- Reduced speed for crude oil trains with older tank cars going through urban areas
  - Analyses to determine the safest routes for crude oil trains
  - Increased track inspections
  - Enhanced braking systems (electronically controlled pneumatic brakes) ECP
  - Installation of wayside defective bearing detectors along tracks
  - Better emergency response plans
  - Improved emergency response training
  - Working with communities through which oil trains must move to address community concerns
- 9) **Clear methodology for funding:** Devise a clear methodology on how funds are to be distributed, to ensure that sufficient funds pass through that state and county agencies to the local agencies involved in first response.
- 10) **Regulate the parking and storage of tank cars:** Mandate improved safety regulations addressing the storage or parking of tank cars in populated areas.

The City of \_\_\_\_\_ understands that this area of regulation is largely pre-empted by federal law; that is why we are urging specific and timely action by the federal agencies charged with regulatory oversight in this area. We do not expect that derailments and accidents will cease altogether, but we anticipate that stricter safety standards will reduce their numbers over time.

Thank you for your attention to this matter. Please contact me or my city manager, \_\_\_\_\_ at ( ) \_\_\_\_ - \_\_\_\_ with any questions..

Sincerely,

Mayor

cc: Senator Dianne Feinstein  
Senator Barbara Boxer  
Members of the California Congressional delegation  
Federal Railroad Administration

National Transportation Safety Board





Department of Conservation

**Division of Oil, Gas, and Geothermal Resources – District 3**

195 South Broadway • Suite 101

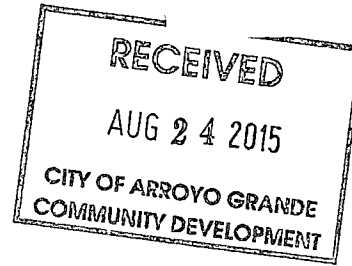
Orcutt, CA 93455

(805) 937-7246 • FAX (805) 937-0673

**ATTACHMENT 4**

August 18, 2015

Ms. Teresa McClish  
Arroyo Community Development  
300 E. Branc St.  
Arroyo Grande, CA 93420



Dear Ms. McClish:

The California Department of Conservation, Division of Oil, Gas, and Geothermal Resources (“Division”), in consultation with the State Water Resources Control Board and the Central Coast Regional Water Quality Control Board (collectively “Water Boards”), are considering a proposal to expand the current aquifer exemption designation for the Dollie sands of the Pismo formation in the Arroyo Grande oil field. Subject to approval by the United States Environmental Protection Agency (“US EPA”), the proposed aquifer exemption would allow the State, in compliance with the federal Safe Drinking Water Act, to approve Class II injection into the identified area, either for enhanced oil recovery or for injection disposal of fluids associated with oil and gas production.

On Monday August 10, 2015, our office met with the North Cities Management Area Technical Group to present the proposed expansion of the current exempt aquifer in the Arroyo Grande oil field. The information presented included a description of the hydrocarbon and groundwater resources, geology, and hydrogeology which included a discussion of the reduction of piezometric potential by net withdrawal of fluids from the syncline. The complete aquifer exemption proposal, including pertinent data can be accessed at: [www.conservation.ca.gov/dog/Pages/Aquifer\\_Exemptions.aspx](http://www.conservation.ca.gov/dog/Pages/Aquifer_Exemptions.aspx) or obtained from the local Division Office, 195 S. Broadway, Ste 101, Orcutt, CA 93455 or by contacting Jon Iverson, 805-937-7246.

The Division is requesting a statement from your organization identifying if you currently use the proposed exempted aquifer area water for beneficial use and whether or not you plan to use the proposed area in the future. Your statement would be used in the submittal of the proposed aquifer exemption application to the US EPA. Your response by September 21<sup>st</sup>, 2015 would be greatly appreciated.

Sincerely,

Patricia A. Abel  
District Deputy

Jl:pd

cc: Ben Fine  
Greg Ray  
Paavo Ogren  
Chrono  
RWQCB  
Follow-up

## Arroyo Grande Oil Field Aquifer Exemption Expansion Fact Sheet

**Overview:** The California Department of Conservation, Division of Oil, Gas, and Geothermal Resources (DOGGR) oversees the Underground Injection Control (UIC) Program which is responsible for regulating injection wells that place fluids underground for enhanced oil recovery (steamflood or cyclic steam wells) and water disposal. DOGGR, in consultation with the State Water Resources Control Board and the Central Coast Regional Water Quality Control Board (collectively "Water Boards") are considering a proposal to expand the current exempted aquifer designation of the Dollie sands of the Pismo formation in the Arroyo Grande (AG) oil field from the United States Environmental Protection Agency (EPA), under the Safe Drinking Water Act (SDWA). The expansion of the Exemption Area will allow the current operator, Freemont-McMoRan, to continue their enhanced oil recovery and water disposal operations, some of which are currently outside of the EPA's designated Exempt Aquifer boundary. The expansion of Aquifer Exemption designated area will correct a boundary discrepancy between DOGGR and EPA. **DOGGR has requested that local water agencies provide a Letter of Concurrence acknowledging that each agency does not have current or future plans for beneficial use of water in the proposed exempted aquifer area. Each agency with need to evaluate whether or not to respond to the DOGGR request for concurrence. A copy of the Letter is included as an attachment.**

### **What is an Exempted Aquifer?**

An aquifer, or a portion of an aquifer, that meets the criteria for a underground source of drinking water, for which protection under the SDWA has been waived by the EPA. Under 40 CFR Part 146.4 an aquifer may be exempted if it is not currently being used — and will not be used in the future — as a drinking water source, or it is not reasonably expected to supply a public water system due to a high total dissolved solids content (greater than 10,000 parts per million), or meets the criteria for exempted aquifers under 40 CFR §146.6 (a) and (b)(1, 2, or 3) or (c). Without an aquifer exemption, certain types of energy production, mining, or waste disposal into USDWs would be prohibited. EPA makes the final determination on granting all exemptions.

- Location:** The AG oil field is located in Price Canyon, three miles northeast of Pismo Beach (PB), in an unincorporated area of San Luis Obispo County. The area is approximately 4,800 ft wide 7,700 ft long, and 1,700 ft deep. A map of the existing Exempt Aquifer and proposed expanded Exempt Aquifer boundary is included on the following page.
- History:** The AG oil field has been a state designated oil field since 1919. Today there are 260 wells in operation. To date, 560 wells drilled with about 19 million barrels of oil produced. There is evidence of extensive oil accumulation in the oil field.
- Impact:** The Water Boards staff provided a preliminary concurrence with the exemption request, pending public comment. Concurrence was granted since the area does not serve as a source of drinking water and will not in the future because it is hydrocarbon energy producing or capable of hydrocarbon production. The injected fluids are expected to be contained in the injection area due to geological barriers, and there is no expected impact on water quality that may reasonably be used for any beneficial use.

### **Additional Information:**

#### **Complete Aquifer Exemption Application and the RWQCB Preliminary Concurrence Letter:**

[http://www.conservation.ca.gov/dog/Pages/Aquifer\\_Exemptions.aspx](http://www.conservation.ca.gov/dog/Pages/Aquifer_Exemptions.aspx) or contact Jon Iverson by email at [jon.iverson@conservation](mailto:jon.iverson@conservation) or phone at (805) 937-7246

### **Statement from local agency submittal:**

Mail: Patricia A. Abel, District Deputy  
195 S. Broadway, Suite 101  
Orcutt, CA 93455

**Opportunities for Comment:**

A public hearing will be held on September 21, 2015 from 4pm-7pm. The hearing will be held at:  
Courtyard Marriot  
1605 Calle Joaquin Road  
San Luis Obispo, CA 93405

Public comments on this project must be submitted no later than **8:00 P.M., on September 21, 2015.** Written comments can be submitted by email to [Comments@conservation.ca.gov](mailto:Comments@conservation.ca.gov); by facsimile (FAX) to (916) 324-0948; by mail to: Department of Conservation, 801 K Street, MS 24-02, Sacramento, CA 95814, ATTN: Aquifer Exemption; or by submitting them at the public comment hearing.



ATTACHMENT 5

MARILYN S HANSEN JD

PO Box 3073

Shell Beach California 93448

805-773-2773

September 16 2015

City of Arroyo Grande  
City Clerk  
City Council  
Community Development Department  
300 East Branch  
Arroyo Grande CA 93420

FAX: 473-0386

**Request for the City to Urge the County of SLO, for a Decision of Denial of the Phillips 66 Rail Extension Project**

To: THE CITY COUNCIL & OFFICIALS OF THE CITY OF ARROYO GRANDE,

I own the land and buildings at 160-174 Station Way, Arroyo Grande.

This is an urgent request for the City of Arroyo Grande to send written correspondence to the San Luis Obispo County Planning Commission and Board of Supervisors, expressing concerns about the safety impacts of the increased frequency of oil trains along freight line corridors, and a specific request for the county to deny the project.

We just had a devastating pipeline oil spill at Refugio Beach, and pipelines are far safer than trains.

For the entire California Central Coast, the Phillips 66 project poses a direct risk to the public safety and environment.

In addition to possible train derailment and explosion, the proposed oil train facility will create unacceptably significant and unavoidable levels of air pollution, including toxic sulfur dioxide and cancer-causing chemicals.

Sincerely,



Marilyn Hansen