# Department of Conservation and Development

30 Muir Road Martinez, CA 94553

Phone: 1-855-323-2626

June 10, 2014

### Contra Costa County



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Director

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## NOTICE OF PREPARATION NOTICE OF SCOPING SESSION

FOR AN ENVIRONMENTAL IMPACT REPORT FOR THE PROPOSED SHELL GREENHOUSE GAS REDUCTION PROJECT COUNTY FILE: LP14-2006

TO: ALL INTERESTED AGENCIES, ORGANIZATIONS, AND INDIVIDUALS

#### PROPOSED PROJECT

#### **Project Objectives**

The primary objective of this Project is to reduce greenhouse gas (GHG) emissions at the Shell Refinery (the Refinery) in Martinez, California. This will primarily be accomplished by the permanent shut-down of the Refinery's flexicoker unit (FXU), which is an energy-intensive unit that emits significant levels of GHGs. It is anticipated that the project will reduce GHG emissions at the facility by 15%, as well as reduce sulfur dioxide (SO<sub>2</sub>) emissions by an accompanying 25%. Other project objectives include the integration of new energy-efficiency equipment, and the reconfiguration and modification of existing processing units to enable the Refinery to process lighter crude oil. The Project will not increase the Refinery's total production capacity or increase its capacity to refine heavy crude. Also, it would not add the capability to receive crude oil via rail.

#### Scope of Work

If approved, the proposed project would include the following upgrades and modifications at several locations within the Refinery property:

- Greenhouse Gas Reductions—The FXU and associated equipment will be permanently shut down in order to reduce GHG emissions at the Refinery. Once implemented, the project is estimated to reduce GHG emissions by 15% annually. In addition, the project is expected to reduce SO<sub>2</sub> emissions at the Refinery by 25% annually.
- Reconfigure the Refinery for Processing Lighter Crude Oil—The Shell Refinery in Martinez currently has two coking units, including the FXU. The

shutdown of the FXU will reduce the coking capacity of the Refinery. The reduction in coking capacity will require the Refinery to reduce the processing of heavier crude oil and increase the processing of lighter crude oil in order to maintain current Refinery production levels. Therefore, the project will include physical and operational changes to several of the Refinery's hydrocarbon-processing units to accommodate the shift in the crude processing mix.

- Energy Efficiency Improvements—The project will include the integration of more energy-efficient equipment, such as heat exchangers, in order to reduce facility furnace fuel gas firing and associated GHG and criteria air pollutant emissions.
- Nitrogen Oxide (NO<sub>x</sub>) Controls—In order to reduce NO<sub>x</sub> emissions levels, ultralow NO<sub>x</sub> burners will be installed on Refinery furnaces.

#### Construction and Grading

Construction of the Greenhouse Gas Reduction Project will include the demolition and removal of existing Refinery units, chiefly the FXU and associated structures. The project also proposes the demolition and replacement of one of the facility's existing naphtha-stabilization columns. In addition, there will be modifications to existing equipment and piping, as well as the construction and installation of new process equipment such as heat exchangers, new ultra-low NO<sub>x</sub> burners, and new piping systems. The labor force for the project is estimated to be 100 to 350 workers. The workforce is expected to consist of carpenters, riggers, electricians, welders, pipe-fitters, ironworkers, heavy-equipment operators, painters, insulators, sundry laborers, safety attendants, and administrative and office personnel.

Equipment and piping slated for removal will be drained and cleaned prior to demolition. Wastes generated by demolition and construction will include steel equipment and piping, spent welding rods, concrete, wood trash, asbestos and other insulation, cardboard, and refractory wastes. Demolished Refinery equipment will be cut up, salvaged, and recycled in compliance with applicable regulations. Other construction waste materials, such as concrete, will also be recycled.

There will be limited grading and soil excavations for the construction of new equipment foundations, including the replacement naphtha-stabilization column, a number of heat exchangers, the ultra-low  $NO_x$  burners, and other small vessels such as "knock-out" pots. Clean excavated soil will be combined with on-site stockpiles, and any fill required for backfill purposes will be obtained from these on-site stockpiles. Any contaminated soil will be handled and disposed of in accordance with applicable Shell environmental procedures. Extensive grading is not anticipated since all construction will occur on finished grade within existing operating units.

Construction of the project will generate additional construction and personal vehicle trips during the construction period. Vehicle traffic will include employees, administrative personnel, management, materials deliveries, and bus drivers. A traffic analysis will be performed to evaluate traffic impacts from proposed project-construction traffic. If necessary, traffic-control measures will be implemented to minimize traffic impacts during the construction phase of the project to maintain

public safety at key intersections and other driveways that may be adversely affected by construction traffic.

#### **ENVIRONMENTAL IMPACTS**

It appears that the proposed project has the potential for significant impacts on the following resources: Greenhouse Gas Emissions, Air Quality, Aesthetics, Noise, Hazardous Materials, Energy, Public Health & Safety, Hydrology & Water Quality, Transportation & Traffic, Cultural Resources, Biological Resources, and Utilities & Service Systems. The impending Environmental Impact Report will further analyze the impact of the proposed project on those resources in accordance with the California Environmental Quality Act (CEQA).

#### **LOCATION OF PROJECT**

The Shell Refinery is situated approximately 25 miles northeast of San Francisco on the Carquinez Strait near the Benicia-Martinez Bridge in Martinez (see attached Figure 2). The Refinery encompasses 850 acres of land, with approximately 20% of the facility being located within the incorporated limits of the City of Martinez, and the other 80% of the Refinery property being located in unincorporated Contra Costa County. The Greenhouse Gas Reduction Project will be constructed entirely within the unincorporated Contra Costa County portion of the facility; no work will occur within the City of Martinez (see Figure 2). The Shell Refinery is located at 3485 Pacheco Boulevard in Martinez, California. (Zoning: H-I—Heavy Industrial District) (Assessor Parcel Numbers: 378-072-016, 378-072-018, 378-110-013, 378-140-015)

#### PUBLIC COMMENTS

The Contra Costa County Department of Conservation and Development, Community Development Division will be the Lead Agency for the preparation of the Environmental Impact Report for this project. All responsible agencies, interested agencies, organizations, and individuals are invited to submit comments which address environmental concerns resulting from the implementation of the proposed project.

Responses to this Notice of Preparation must be received at the Contra Costa County Department of Conservation and Development, Community Development Division by 5:00 p.m., Thursday, July 10, 2014.

Responses should be sent to:

Contra Costa County
Department of Conservation and Development
Community Development Division
Attention: Gary Kupp
30 Muir Road
Martinez, California 94553

#### **SCOPING SESSION**

A Scoping Session will be held on **Monday, July 7, 2014**, tentatively at 3:30 p.m., 30 Muir Road, Martinez, California. Interested agencies, organizations, and individuals may submit oral and/or written comments which pertain to environmental concerns resulting from implementation of the proposed project.

#### SUPPORTING DOCUMENTS

The Land Use Permit Application and supporting documents are available for viewing at the Contra Costa County Department of Conservation and Development. If you wish to obtain copies of any supporting documents related to this project, you may contact Gary Kupp of the Community Development Division at (925) 674-7799.

Signature:

Gary Kupp

Title:

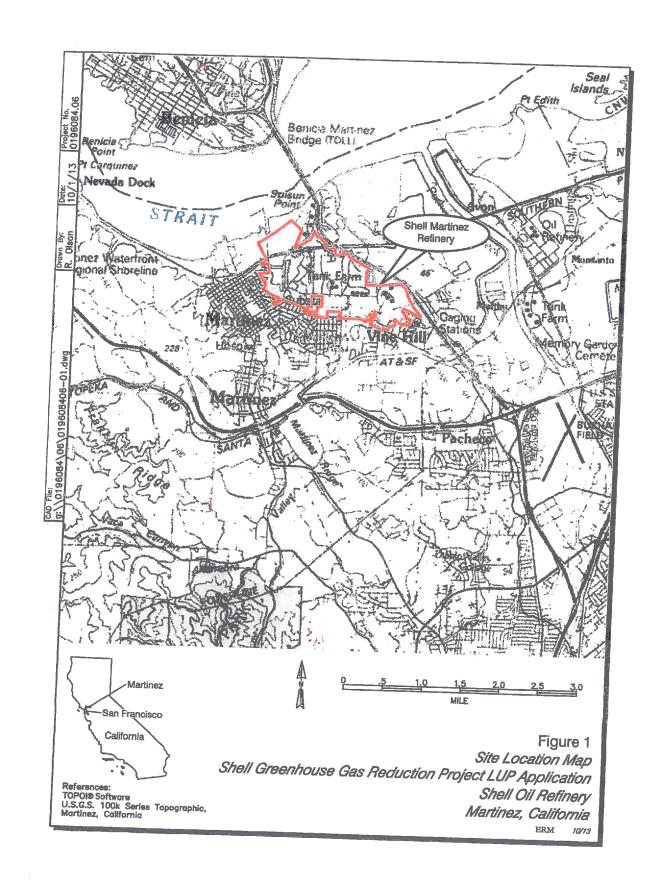
Project Planner

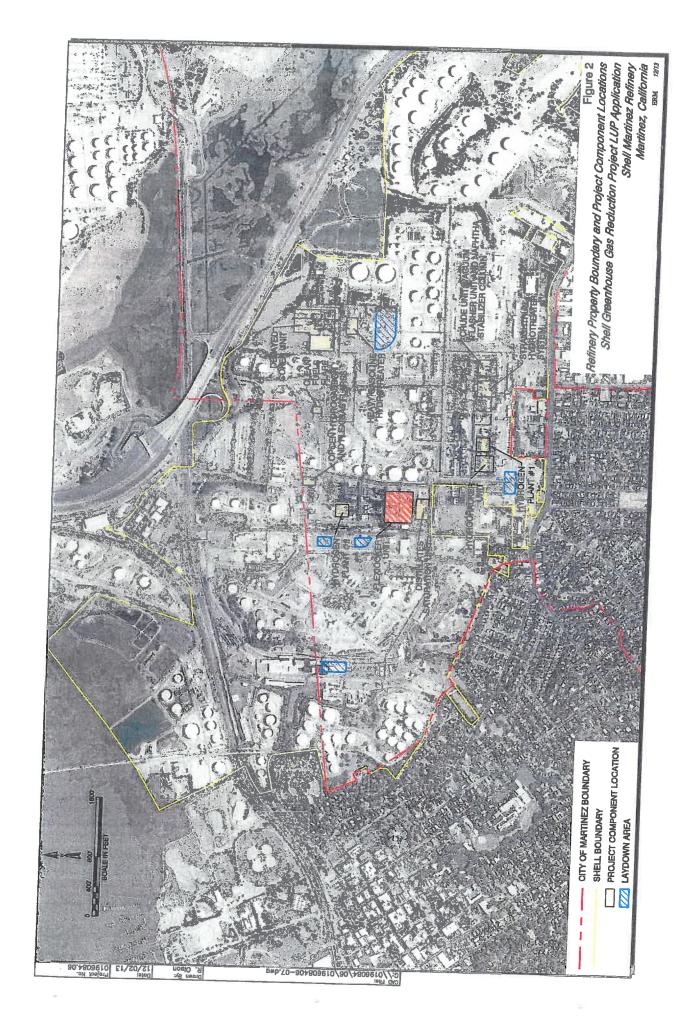
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Zoning: H-I

