

CONTRA COSTA CO.: SUPES TO DECIDE ON CONOCOPHILLIPS REFINERY EXPANSION

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Contra Costa County Supervisors could approve a permit today that would allow ConocoPhillips to expand its refinery in Rodeo, a project that would increase production by 30 percent.

If it is approved, the permit will allow the refinery, located at 1380 San Pablo Avenue in the unincorporated community of Rodeo, to build its so-called "Clean Fuels Expansion Project," enabling the plant to process heavy gas oil, a byproduct currently produced at the site and exported, according to county records.

The proposed project would increase production by 1 million gallons per day.

After a series of public hearings on the environmental impact of the proposed expansion, environmental justice organizations Communities for a Better Environment and the Center for Biological Diversity filed an appeal with the county in an effort to prevent the refinery's expansion.

In May, California Attorney General Jerry Brown filed an appeal stating that the oil company's environmental impact report violated the California Environmental Quality Act because it didn't adequately calculate greenhouse gas emissions that would result from the expansion.

Brown later reached a \$10 million settlement agreement with ConocoPhillips, the second largest oil refiner in the country, and withdrew his appeal on Sept. 10.

The settlement included a series of steps the company would take to offset increased emissions from the plant expansion, including paying \$7 million to the Bay Area Air Quality Management District to support local offset projects, \$2.8 million for reforestation efforts in California, and \$200,000 for restoration of the San Pablo wetlands, according to Brown.

Additionally, the company agreed to audit all of its California refineries, identify all greenhouse gas emission sources and reduction opportunities and to permanently surrender its operating permit for its Santa Maria Refinery.

The company also agreed to offset any carbon dioxide emissions in excess of 500,000 metric tons per year from the new unit. The project is eventually expected to emit about 1.25 million metric tons of carbon dioxide, a greenhouse gas, per year, according to Brown.

A staff report recommends that Contra Costa County Supervisors close the public hearing on the matter during their meeting in Martinez today, deny the joint appeal from CBE and CBD and approve the permit.

In response to the environmental appeal, the staff report stated that "overall, the appeal (from CBE and CBD) does not raise any points that were not previously addressed in the Draft EIR or Final EIR."

CBD Staff Attorney Matt Vespa, however, said that while the settlement represented an important step forward in getting companies to offset their greenhouse gas emissions, it didn't adequately address local air pollution impacts.

Vespa also said that the settlement could have gone further in looking at alternatives that would prevent the creation of greenhouse gasses in the first place rather than offsetting them later.

"On the one hand it's great that this is happening, but on the other hand ... it's somewhat troubling that a company could just offset away. We should be reducing first," Vespa said.