



**Item #14-11-9
Action**

SACOG Board of Directors

November 6, 2014

Environmental Impact Report on Crude Oil Shipments in the SACOG Region

Issue: Should SACOG, on behalf of and in coordination with its member jurisdictions, provide comments on the Draft Environmental Impact Report (DEIR) for the crude by rail project proposed in San Luis Obispo County by Phillips 66?

Recommendation: The Government Relations & Public Affairs Committee recommends that the Board of Directors authorize the CEO to work with SACOG's members and submit regional comments on the Phillips 66 DEIR.

Committee Action/Discussion: In June, the Board directed staff to submit comments on the DEIR for the Valero Benicia Refinery. SACOG staff has also submitted comments on proposed federal rulemakings related to transportation of crude oil. The timing for final rulemaking is unknown.

The Phillips 66 project in San Luis Obispo County similarly intends to transport crude oil using existing Union Pacific tracks in California, including through numerous communities in the Sacramento region. SACOG's principal concern remains safety for communities within the Sacramento region. After SACOG submitted comments on the Valero project, SACOG staff continued to facilitate meetings with members to discuss other proposed projects, as well as what measures jurisdictions can take independently to be prepared for response to any incidents involving crude oil.

SACOG and local jurisdiction staff are reviewing the DEIR and intend to model comments on those submitted for the Valero project. In contrast to the Valero DEIR, the Phillips 66 DEIR does analyze impacts on the entire Sacramento region, but many of the concerns expressed in the Valero comments remain. Staff will again focus on the Board-adopted general areas of safety concern:

- Advance notification of shipments;
- Limitations on storage of shipments in urbanized areas;
- Support for training and outfitting emergency response crews;
- Utilization of best available freight cars;
- Priority funding for rail safety projects;
- Utilization of best-available inspection equipment and protocols; and
- Implementation of positive train controls to prioritize areas with crude oil shipments.

Staff will submit a copy of the draft comments prior to the Board meeting. Comments on the Phillips 66 DEIR are due by Monday, November 24, 2014.

Approved by:

Mike McKeever
Chief Executive Officer

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