CALIFORNIA COASTAL COMMISSION

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ENERGY, OCEAN RESOURCES, AND FEDERAL CONSISTENCY DIVISION REPORT

FOR THE

OCTOBER 15, 2008 MEETING OF THE CALIFORNIA COASTAL COMMISSION

TO: Commissioners and Interested Parties

FROM: Alison Dettmer, Deputy Director

Energy, Ocean Resources & Federal Consistency

DE MINIMIS WAIVER		
APPLICANT	Project	LOCATION
E-08-015-W Valero Wilmington Refinery	Install a 350 KW diesel generator set and auxiliary equipment to supply emergency power to the refinery's Data Center and Emergency Operations Center in the event of power loss by the Los Angeles Department of Water and Power.	Valero Wilmington Refinery Los Angeles County

NOTICE OF COASTAL DEVELOPMENT PERMIT <u>DE MINIMIS WAIVER</u>

DATE: September 29, 2008 **PERMIT NO. E-08-015-W**

TO: Coastal Commissioners and Interested Parties

SUBJECT: Waiver of Coastal Development Permit Requirements

Based on the plans and information submitted by the applicant for the development described below, the Executive Director of the Coastal Commission hereby waives the requirements for a coastal development permit (CDP), pursuant to Section 30624.7 of the California Coastal Act.

Applicant: Valero Wilmington Refinery

2402 East Anaheim Street Wilmington, California 90744

Project Description: The applicant proposes to install a 350 KW diesel generator set and auxiliary equipment (i.e., an Automatic Transfer Switch and connecting cables) to supply emergency power to the refinery's Data Center and Emergency Operations Center in the event of a power loss by the Los Angeles Department of Water and Power (LADWP). The project will not result in changes to current refinery production levels.

Background: The applicant owns and operates the Valero Wilmington Refinery, located in the coastal zone within the City of Los Angeles. The refinery is adjacent to the Dominguez Channel, which flows to Los Angeles Harbor, and is near several other heavy industrial facilities, including another refinery, marine cargo transport facilities, a hydrogen plant, storage areas, and other related activities. More than a century of port, industrial, and oil and gas development has heavily disturbed the coastal zone in the vicinity of the refinery.

The refinery receives pipeline and truck deliveries of about 78,000 barrels per day (bpd) of crude oil and 50,000 bpd of distillate feedstocks. These feedstocks are refined into gasoline, diesel, jet fuels and other low sulfur distillate fuels. Major processing units at the refinery include crude and vacuum distillation, delayed coking, catalytic reforming, hydrotreating, fluid catalytic cracking, alkylation, sulfur recovery, and auxiliary systems.

Waiver Rationale: For the following reasons, the proposed project will not have a significant adverse effect, either individually or cumulatively, on coastal resources, nor will it conflict with policies of Chapter 3 of the Coastal Act.

The refinery is located in an area in which industrial activity is the predominant use. It is adjacent to the Dominguez Channel, which is used primarily for industrial and stormwater drainage, and does not include public access or recreational use. The proposed project will not preclude or interfere with public access to, or recreational users of, the coast.

The project involves adding a diesel generator and auxiliary equipment on an existing concrete pad at an existing industrial site. There will be no impact to biological resources of the coastal zone. Proposed activities will not affect refinery operations and will not increase the risk of a hazardous materials spill. The applicant will implement an approved construction Storm Water Pollution Prevention Plan (SWPPP) to manage storm water runoff.

The installation phase of the project will generate minor air emissions. The applicant is currently seeking a permit from the South Coast Air Quality Management District (SCAQMD) to operate the diesel-fueled internal combustion engine.

The new equipment will be only six feet high, much lower in profile than other onsite refinery structures. It will be located in an area where visual quality is already heavily dominated by industrial equipment and processes. Therefore, the proposed project will be visually compatible with the existing character of the area.

Important: This waiver is not effective unless the project site has been posted and until the waiver has been reported to the Coastal Commission. This waiver is proposed to be reported to the Commission at the meeting of October 15-17, 2008 in Ventura. If four or more Commissioners object to this waiver, a coastal development permit will be required.

Sincerely,	
PETER M. DOUGLAS Executive Director	
Ву:	
ALISON J. DETTMER Deputy Director	