

NOTICE OF EXEMPTION

To: Office of Planning and Research
State Clearinghouse
P.O. Box 3044, 1400 Tenth Street, Room 212
Sacramento, CA 95812-3044

From: Department of Toxic Substances Control
Office of Permitting
9211 Oakdale Avenue
Chatsworth, California 91311

Project Title: Post Closure Permit for Ponds 8 and 9

Project Location: Tesoro Refining and Marketing Company, Los Angeles Refinery, 2101 East Pacific Coast Highway, Wilmington, California 90744

County: Los Angeles

Project Description:

The Department of Toxic Substances Control (DTSC) is issuing a post-closure permit to Tesoro Refining and Marketing Company, pursuant to the authority granted under the California Health and Safety Code, Chapter 6.5, sections 25150, 25159 and 25159.5. The permit is for the post-closure care of two closed surface impoundments, Ponds 8 and 9 (Ponds). These Ponds are subject to post-closure because, required DTSC clean-up standards could not be met during closure activities. The post-closure permit will require the owner/operator to continue the monitoring and cleanup requirements of the California Regional Water Quality Control Board (RWQCB) as per Cleanup and Abatement Order No. 88-70 (CAO 88-70), as modified by the RWQCB and any order requirements imposed by DTSC. The owner/operator is proposing to fill both Ponds and covering them with an asphalt and/or concrete cap. The Ponds will be backfilled with approximately 20,000 cubic yards of clean engineered fill. An above-ground storm water storage tank shall be placed on top of the backfilled area associated with Pond 9. The surface of the backfill will be capped with an appropriate material, such as asphalt or concrete. The final design of the cap will be designed appropriately based on the geotechnical evaluation, backfill requirements, regulatory compliance criteria, and potential future use. Pump equipments may be warranted to remove water from an under drain system associated with the engineered backfill.

The post-closure permit will also require the continued quarterly or semi-annual groundwater monitoring of the six existing RCRA groundwater monitoring wells, measuring the depth to ground water in groundwater wells, inspect, repair, maintain and report on the integrity and general condition of the concrete and/or asphalt cover, pumps and associated structures and equipments of Ponds 8 and 9 and the wells. Within twelve (12) months of issuance of this approval, Tesoro and DTSC shall sign and record in a Land Use Covenant to restrict the area of Ponds 8 and 9 to industrial activities.

Background:

The Tesoro Refining and Marketing Company, Los Angeles Refinery (Facility) is a 300-acre oil refinery located in Wilmington, California. The surrounding area is industrialized and includes several other refineries, bulk oil terminals, and light industries. The nearest residential area is located about 1,000 feet west of the refinery. Process units are concentrated in both the southern and central part of the Plant. The proposed project does not conflict with any applicable land use plan, policy, or regulation of agencies having jurisdiction.

The Facility is an oil refinery that processes approximately 100,000 barrels of heavy crude oil per day. The Facility is equipped with a variety of processing units to refine crude oil into gasoline, diesel and other fuels. It also produces lubricating oil feed stocks and petroleum coke. No petrochemicals are produced at the Facility. Process units are concentrated in both the southern and central parts of the plant. Hazardous waste generated at the Facility is hauled to, and disposed of, at an off-site treatment, storage and disposal facility.

The Facility operated and managed two hazardous waste management units (HWMUs), Ponds 8 and 9 until November 1994, when all wastewater streams to these HWMUs ceased. DTSC agreed with the closure of the Ponds 8 and 9 which provided limited use of the Ponds to short-term storage of excess storm water during wet-weather conditions. The Tesoro Corporation purchased the Facility from Shell on May 11, 2007. The last revision to the post closure application was received on August 26, 2010. This post closure permit pertains to Ponds 8 and 9, which cover less than one acre of the 300 acre-refinery. These Ponds were constructed in 1969 in an abandoned channel created when the Dominguez channel was built in the 1940s. The Ponds 8 and 9 consists of two lined surface impoundments formerly used for flow equalization (Pond 9) and polishing (Pond 8) of storm water and process wastewaters before treatment and discharge to the Los Angeles County Sanitary Sanitation District (LACSD). The Ponds are incised 8 to 15 feet below ground surface,

and have reinforced concrete floors with corrugated-steel sheet piling or reinforced gunite walls. Pond 8 has a capacity of 380,000 gallons, a surface area of 6,013 square feet, and a depth of 12 feet. Pond 9 has a capacity of 3,400,000 gallons, a surface area of 37,740 square feet, and a depth of 14 feet. The Ponds have a concrete bottom, with its sides being constructed of both gunite and corrugated steel sheet pile. The sheet piling joints are welded for water tightness. The Ponds floor to sheet piling corners are sealed with ¾ - inch packing rod, rubber caulking, and primer. Ponds floor are constructed of concrete between 6 and 32 inches thick. Ponds floor are 32-inches thick where they abut sheet piling along the Ponds edges. The gunite walls and concrete floors are reinforced with 6-inch by 6-inch grids of welded wire steel mesh. Ponds floor construction joints are sealed with 6-inch wide continuous strips of plastic water-stop Dura-Joint between slabs.

The Facility conducts groundwater monitoring, and groundwater floating product extraction for the entire refinery pursuant to requirements of the RWQCB Cleanup and Abatement Order (CAO) No. 88-70 and as modified by the RWQCB. In accordance with Senate Bill (SB) 1082, oversight of the corrective action at the Facility and authority for implementing the requirements of the groundwater monitoring program lies with the RWQCB. Additionally, SB 1082 provides that the requirements for monitoring regulated units can be enforced through Water Board orders so that duplication of effort is avoided by the State. Since the entire facility is covered by the corrective action specified in the CAO, the compliance monitoring conducted for the shallow aquifer as related to the Ponds 8 and 9 should be considered as a "Corrective Action Monitoring Program".

Name of Public Agency Approving Project: Department of Toxic Substances Control

Name of Person or Agency Carrying Out Project: Tesoro Refining and Marketing Company, Los Angeles Refinery

Exemption Status: (check one)

- Ministerial [PRC, Sec. 21080(b)(1); CCR, Sec. 15268]
- Declared Emergency [PRC, Sec. 21080(b)(3); CCR, Sec.15269(a)]
- Emergency Project [PRC, Sec. 21080(b)(4); CCR, Sec.15269(b)(c)]
- Categorical Exemption: [State type and section number]
- Statutory Exemptions: [State code section number]
- General Rule [CCR, Sec. 15061 (b) (3)]

Exemption Title: Title 14, California Code of Regulations, Section 15061 (b) (3) - No possibility of significant effect on the environment.

Reasons Why Project is Exempt: The proposed project will have no significant effect on the environment, because:

- 1) No disturbance will occur since the groundwater monitoring wells are already in place;
- 2) Currently the RWQCB, as the lead agency, has undertaken clean-up of site-wide soil and ground water for the Solid Waste Management units (SWMUs) at the Facility. As a result of diminishing concentrations in ground water adjacent to the Ponds 8 and 9, DTSC believes that the cleanup is significantly reducing the threat to human health and environment. DTSC post closure permit is limited to Corrective Action Monitoring Program. The post closure permit will require sampling and analyses of groundwater for wide variety of components in 6 wells quarterly or semiannually and Appendix IX sampling once every five years.
- 3) The Facility is located in an industrialized area. The proposed groundwater monitoring will not affect the ongoing groundwater investigation/remediation by RWQCB; and will assure that the on-going cleanup under the RWQCB authority will not be impaired;
- 4) The Facility is secured with fencing and locks, and restricted to public access;
- 5) There are no known historical features or cultural resources located at the Facility;
- 6) The monitoring well locations are not in an area of biological significance and do not contain critical habitat for sensitive, threatened, or endangered species;
- 7) The project activities include backfilling and covering the Ponds with asphalt or concrete, field inspections, groundwater sampling and monitoring of the existing wells. These Ponds are no longer used and the owner/operator will secure all required permits for backfilling the Ponds and installing the above-ground storm water storage tank.

8) The project will not be located on a site which is included on any list compiled pursuant to Cal., Gov. Code 65962.5 (<http://calepa.ca.gov/sitecleanup/corteselist/default.htm>).

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 Team Leader Signature		<u>2/15/2011</u> Date
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TO BE COMPLETED BY OPR ONLY

Date Received For Filing and Posting at OPR: