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13	IN THE SUPERIOR COURT OF THE	ESTATE OF CALIFORNIA
14	IN AND FOR THE COUNTY (
15	CENTER FOR BIOLOGICAL DIVERSITY and	Case No.
16	COMMUNITIES FOR A BETTER ENVIRONMENT,	Case No.
17	Petitioners,	VERIFIED PETITION FOR WRIT OF MANDATE
18	v.	
19	CALIFORNIA STATE LANDS COMMISSION,	
20	Respondent.	
21	TESORO REFINING AND MARKETING	
22	COMPANY LLC, and DOES I through V,	
23	Real Party in Interest.	
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Verified Petition for Writ of Mandate

Petitioners Center for Biological Diversity and Communities for a Better Environment (collectively "Petitioners") bring this action on their own behalf, on behalf of their members, on behalf of the general public, and in the public interest and hereby allege as follows:

INTRODUCTION

- 1. On March 20, 2015, the California State Lands Commission ("CSLC") renewed the lease for Tesoro Refining and Marketing Company's ("Tesoro") Avon Marine Terminal ("Project"). CSLC certified the Final Environmental Impact Report ("EIR") assessing the environmental effects of the lease renewal on the same day.
- 2. The Avon Terminal imports crude oil feedstocks to Tesoro's nearby Golden Eagle Refinery (or "Refinery") and exports refined petroleum products, like gasoline, diesel, and jet fuel. The terminal is connected to the Refinery and its storage tank facilities by pipeline. CSLC's renewal allows the Avon Terminal to continue its operations for the next thirty years.
- 3. The Avon Terminal and the nearby Amorco Marine Terminal (also owned and operated by Tesoro) are integral parts of the Golden Eagle Refinery's infrastructure. Tesoro depends on these marine terminals to import materials to and export materials from the Refinery, as it cannot currently meet all its shipping needs through other types of freight carriers like truck or rail.
- 4. Over the coming years, Tesoro plans to process increasing quantities of lower quality crude oil feedstocks at the Golden Eagle Refinery.
- 5. There are a wide range of crudes with different chemical compositions currently available in commerce, and an increasing number of unconventional, lower quality, crude oil feedstocks, such as Bakken crude and crudes produced from bitumen sands (so-called "oil sands" or "tar sands"). Refineries have turned to lower quality crudes due to certain cost advantages, yet these lower quality feedstocks impose severe environmental and health costs, as transporting them is risky and processing them can release additional air pollutants, greenhouse gases, and other toxic substances.
- 6. Bakken crude is one of the lower quality feedstocks Tesoro plans to use over the coming years. This oil comes from the Bakken Formation, which underlies parts of eastern Montana, western North Dakota, southern Saskatchewan, and southeastern Manitoba. Transporting

and processing Bakken crude creates numerous health and safety risks. Bakken crude oil is highly volatile, and, in recent years, a number of trains shipping Bakken crude have derailed and exploded, claiming dozens of lives and causing significant property damage. Bakken crude is also dirtier than most other crude feedstocks, releasing high levels of benzene, volatile organic compounds, and toxic air contaminants when processed.

- 7. Tesoro also plans to process more heavy crude feedstocks, like California heavy crudes and tar sands from Alberta, Canada, at the Golden Eagle Refinery. Processing heavy crudes also creates numerous environmental and health risks, since these feedstocks contain high quantities of heavy metals and air pollutants.
- 8. The Avon and Amorco Terminals will necessarily handle the transportation of crude feedstocks to the Golden Eagle Refinery and of finished products from the refinery.
- 9. Yet the EIR for the Avon Terminal fails as an informational document as it is conspicuously silent about the types of crude oil feedstocks that will be handled at the Terminal and the additional risks that may be created by Tesoro's plans to process lower quality and heavy crudes at the Golden Eagle Refinery.
- 10. The Avon Terminal EIR is deficient in other ways as well. In analyzing the environmental effects of renewing the Avon Terminal lease, the EIR considers only the Avon Terminal's effects and fails to consider the combined effects of Tesoro's integrated facilities, including those of the Refinery and the Amorco Terminal. This artificial isolation of the Avon Terminal improperly masks the full extent of the effects of Tesoro's integrated refinery operations.
- 11. The EIR also underestimates the annual number of ships that will dock at the relicensed Avon Terminal over its thirty-year lease. This deficiency results in underestimation of the air, water, wildlife, and other impacts of the Avon Terminal's future operations.
- 12. As a result of these and related deficiencies, the EIR fails to fully inform the public and decision-makers of the Project's significant health, safety, and environmental impacts and fails to analyze and mitigate these impacts as the California Environmental Quality Act ("CEQA") requires. Petitioners therefore seek relief from this Court to void CSLC's certification of the EIR and approval of the Project.

PARTIES

- 13. Petitioner CENTER FOR BIOLOGICAL DIVERSITY (the "Center") is a non-profit corporation with offices in San Francisco, Los Angeles, and elsewhere in California and the United States. The Center is actively involved in environmental protection issues throughout California and North America and has over 50,000 members, including many throughout California and 479 members in Contra Costa County. The Center's mission includes protecting and restoring habitat and populations of imperiled species, reducing greenhouse gas pollution to preserve a safe climate, and protecting air quality, water quality, and public health. The Center's members and staff include individuals who regularly use and intend to continue to use the areas in Contra Costa County and elsewhere affected by the Project's operations, including members who are particularly interested in protecting the many native, imperiled, and sensitive species and their habitats that may be affected by the Project.
- 14. Petitioner COMMUNITIES FOR A BETTER ENVIRONMENT ("CBE") is a California non-profit environmental health and environmental justice organization with offices in Oakland and Huntington Park. CBE is dedicated to protecting and enhancing the environment and public health by reducing air, water, and toxics pollution and equipping residents of California's urban areas with the tools to monitor and transform their immediate environment. CBE has thousands of members in California, many of whom live, work and breathe the air in Contra Costa County. CBE and its members have worked to reduce the environmental and health risks in Contra Costa County for more than twenty years and are immediately affected by the Project's operations.
- 15. By this action, Petitioners seek to protect the health, welfare, and economic interests of their members and the general public and to enforce the California State Land Commission's duties under CEQA. Petitioners' members and staff have an interest in their health and well-being, as well as in conservation, environmental, aesthetic, and economic interests in Contra Costa County. Petitioners' staff and members who live and work near the Project have a right to and a beneficial interest in the California State Land Commission's compliance with CEQA. These interests have been, and continue to be, threatened by the California State Land Commission's decision to certify the EIR and approve the Project in violation of CEQA. Unless the relief requested in this case is

granted, Petitioners' staff and members will continue to be adversely affected and irreparably injured by the California State Lands Commission's failure to comply with CEQA.

- 16. Respondent the CALIFORNIA STATE LANDS COMMISSION ("CSLC") manages leases and contracts pertaining to use of the State of California's public lands, including marine terminals located on public tidelands. It is the lead agency responsible for environmental review of the Project.
- 17. Real Party in Interest TESORO REFINING AND MARKETING COMPANY LLC ("Tesoro") is a Delaware Corporation with an office at 150 Solano Way, Pacheco, California. It owns and operates the Golden Eagle Refinery and the Avon and Amorco Terminals that serve it.
- 18. The true names and capacities, whether individual, corporate, or otherwise, of DOES I through V are unknown to Petitioners. Petitioners will amend this Petition to set forth the true names and capacities of said Doe parties when they have been ascertained. Petitioners allege that each of said DOES are Real Parties in Interest.

JURISDICTION AND VENUE

- 19. This Court has jurisdiction over this action pursuant to Code of Civil Procedure section 1085, or, in the alternative, pursuant to section 1094.5. Judicial review is governed by Public Resources Code section 21168.5, or, in the alternative, section 21168.
- 20. Venue is proper in this court pursuant to Code of Civil Procedure 393(b) because the Avon Terminal and Tesoro's Golden Eagle Refinery complex are in Contra Costa County and the Project's harmful impacts will occur in Contra Costa County.
- 21. This action was timely filed within 30 days of CSLC certifying the EIR and approving the Avon Terminal Lease on March 20, 2015.
- 22. Petitioners have provided written notice of their intention to file this Petition to the CSLC and are including the notice and proof of service as Exhibit A pursuant to the requirements of Public Resources Code section 21167.5.
- 23. Petitioners have served the Attorney General with a copy of their Petition along with a notice of its filing, in compliance with Public Resources Code section 21167.7, and are including the notice and proof of service as Exhibit B.

24. Petitioners do not have a plain, speedy, or adequate remedy at law because Petitioners and their members will be irreparably harmed by the environmental damage caused by implementation of the Project and the CSLC's violations of CEQA.

STATEMENT OF FACTS

The Community and Environmental Setting

- 25. Tesoro's Golden Eagle Refinery and its connected Avon and Amorco Terminals, which it uses to import crude oil feedstocks and export finished products, have operated in their current locations on the southern shores of Suisun Bay, near Martinez, California, since the early 1900s.
- 26. Tesoro's Avon Terminal is located on unincorporated land some 1.7 miles east of the Benicia-Martinez Bridge. The Avon Terminal sits atop public sovereign land managed by the CSLC. Tesoro's Golden Eagle Refinery is located approximately half a mile south of the Avon Terminal, and its Amorco Terminal some two miles west of the Avon Terminal. (*See* Appendix A.)
- 27. Contra Costa County hosts four of the five major petroleum refineries in northern California, and the fifth is nearby. These five refineries, all within approximately 25 miles of each other, together comprise the second largest refining center in the Western United States. Besides Tesoro's refinery, the four other petroleum refineries that operate in the area are the Shell Oil Products Refinery located in Martinez, the Phillips 66 Refinery in Rodeo, and the Chevron Refinery in Richmond, all in Contra Costa County, and the Valero Refinery, across Suisun Bay in Benecia, Solano County. These facilities refine petroleum products, and like Tesoro, use marine terminals and pipelines for transportation of these products.
- 28. Unsurprisingly, the area around the Golden Eagle Refinery and Avon and Amorco Terminals suffers from heavy, disproportionate, and cumulative pollution burdens and resultant public health problems. According to the U.S. Environmental Protection Agency ("EPA"), Tesoro's Golden Eagle Refinery is the largest emitter of toxic chemicals in the area, releasing some 611,946 pounds of chemicals in 2013. During that year, Tesoro released large quantities of chemicals harmful to human health and/or the environment, including ammonia, propylene, hydrogen sulfide, benzene, toluene, ethylene, and xylene.

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- Tesoro has been cited on numerous occasions for violating various health and environmental protection standards. In 2014 and 2015, the Golden Eagle Refinery received forty notices of violation from the Bay Area Air Quality Management District for violating various air quality standards. It is currently in the process of negotiating settlements regarding these violations. The United States Chemical Safety Board and California Department of Industrial Relations are currently investigating the Refinery for various incidents in 2014 involving the accidental release of of over 84,000 pounds of sulfuric acid, which hospitalized several workers. The EPA is also investigating the Refinery's compliance with certain federal environmental laws and the Clean Air Act's Risk Management Plan requirements.
- 30. CalEnviroScreen, the California Environmental Protection Agency's health screening tool, identifies the area around the Refinery and Terminals as having some of the state's worst scores for releases of toxic chemicals. Residents in the area suffer from high rates of asthma and many are ill-equipped to deal with these burdens, as more than half the residents are low-income minorities.
- 31. Certain sensitive populations, like children and those suffering from chronic diseases, are more susceptible to air pollution and other toxics releases. Several schools and hospitals are located within a two-mile radius of Tesoro's operations, including the Las Juntas and Sun Terrace Elementary schools, the Concord Christian and Floyd I. Marcus School, and the Mount Diablo Regional Cancer Center.
- 32. Tesoro's operations also affect wildlife. The Project area provides habitat for state and federally listed species, such as coho and Chinook salmon and steelhead; delta smelt; green sturgeon; black and Ridgway's rails; salt marsh harvest mouse; and three endangered plant species. The Avon Terminal is also located immediately next to the Point Edith Wildlife area, a 761-acre tidal area of sloughs and small ponds, which provides habitat to various fish, reptile, amphibian, bird, and mammal species, including the federally endangered salt marsh harvest mouse and Ridgway's rail, and is commonly used by duck hunters. The Waterbird Regional Preserve is located a little over a mile to the southwest of the Avon Terminal. The preserve, which consists of nearly 200 acres of wetlands, provides habitat to numerous bird species, including golden eagles and osprey. It also serves as a way station for migratory birds.

The Project and Its Potential Environmental Effects

- 33. Tesoro's Golden Eagle Refinery is the fourth-largest refinery in California and has the capacity to refine nearly 170,000 barrels of crude oil per day. In 2014, it operated close to its capacity, refining nearly 150,000 barrels of crude oil per day.
- 34. Tesoro is already processing Bakken crude oil in its Golden Eagle Refinery. During recent quarterly earnings calls, Tesoro reported that it shipped some 5,000 to 7,000 barrels per day of Bakken crude into California.
- 35. Tesoro has told the public that it intends to import and process increasing quantities of lower quality oil feedstocks, including Bakken crude oil, in its Golden Eagle Refinery over the coming years. During the February 2014 Simmons Energy Conference, Tesoro stated that its Golden Eagle Refinery currently processes "up to 45% California Heavy and Bakken," and that throughputs will increase "[p]otentially up to 67% California Heavy and Bakken." Tesoro has also noted that it intends to more than double its West Coast unloading capacity for Bakken crude. Tesoro's plan to refine additional quantities of Bakken crude in California is confirmed by the Security and Exchange Commission ("SEC") filings of Tesoro's logistics arm, Tesoro Logistics LP, which state that, in the future, Tesoro intends to expand transportation infrastructure "in support of growing third-party demand for transportation services and Tesoro's increased demand for Bakken crude oil in the mid-continent and west coast refining systems." Industry literature, from sources like Morningstar.com, also confirms Tesoro's plans.
- 36. The shipping and refining of Bakken crude carries additional risks compared to other types of crude oil feedstocks. In July 2013, a train carrying Bakken crude derailed in Lac-Mégantic, Quebec and exploded, killing 47 people and destroying half of downtown Lac-Mégantic. Since Lac-Mégantic, several other major accidents have occurred involving Bakken crude in the last year, including in Lynchburg, Virginia (derailment spilling 30,000 gallons into the James River), Casselton, North Dakota (derailment spilling 400,000 gallons of oil and requiring the evacuation of 2,000 people), Edmonton, Alberta (derailment causing a fireball which burned several homes to the ground), and Philadelphia, Pennsylvania (derailment over the Schuylkill River near the University of Pennsylvania). Because of the recent spate in catastrophic Bakken train accidents, the U.S.

Transportation Secretary has declared the transport of Bakken crude to be "an imminent hazard," such that a "substantial likelihood that death, serious illness, severe personal injury, or a substantial endangerment to health, property, or the environment may occur." 49 U.S.C. 5102(5).

- 37. Processing additional quantities of Bakken crude at the Golden Eagle Refinery will also place additional strains on facility equipment. Bakken crude is highly volatile, vaporizes easily, and leaves waxy deposits in transportation and facility equipment, which can be damaging and corrosive. These properties result in a higher risk of accidents and hazardous material release during transportation and also at the Refinery. Bakken crude's high paraffin content makes it more likely to clog the pipes and tanks used to transport and store crude feedstocks. Chemical dispersants are used to clean substances clogging transportation and storage equipment and carry their own contamination risks. When blended with heavy crudes (as is planned for the shipments to the Golden Eagle Refinery), the byproducts of the refining process can cause coke deposits to accumulate inside refinery units, which lead to poor operation of refinery equipment and can increase the need to shut down units before planned maintenance periods.
- 38. Bakken crude also creates additional pollution when it is refined. Bakken crude can contain high levels of benzene, a known human carcinogen, and the refining of Bakken crude can significantly increase emissions of volatile organic compounds ("VOCs") and toxic air contaminants. Crude oil from shale formations like the Bakken can also contain high levels of hydrogen sulfide, which is highly toxic to humans and can create dangerous corrosion of refining facility equipment, which in turn can lead to accidents, spills, or explosions. Thus, increased refining of Bakken crude would exacerbate the air quality of an already highly polluted area.
- 39. Industry literature indicates that Tesoro also intends to refine other crudes, like California heavy crudes and Canadian tar sands, at the Golden Eagle Refinery. Heavy crudes have high degrees of contaminants like sulfur, vanadium and nickel. Extraction and processing of heavy crudes can be energy intensive, since extracting heavy crudes often requires enhanced oil recovery techniques, and once extracted, heavy crudes require additional processing to meet fuel standards. Consequently, refining tar sands crude oil also poses unique air quality and public health risks compared to other crudes. According to the U.S. Geological Survey ("USGS"), tar sands crudes

contain more heavy metals and air pollutants than other more commonly used heavy crudes. Specifically, USGS states that "'natural bitumen,' the source of all Canadian tar sands-derived oils, contains 102 times more copper, 21 times more vanadium, 11 times more sulfur, 6 times more nitrogen, 11 times more nickel, and 5 times more lead than conventional heavy crude oil." The process to remove sulfur and other contaminants can be corrosive. Corrosion of refinery equipment poses a major public health and safety threat, as seen in the August 2012 accident at the Chevron Richmond, California refinery, which was caused by corroded pipes due to increasing the sulfur content of the processed crude and which sent approximately 15,000 residents to local hospitals. Processing heavier tar sands is also more energy-intensive, emits more greenhouse gases and pollutants, and produces more coke (a solid coal-like product of petroleum refining) than other types of crude, which could result in increased fugitive dust emissions and higher exposure to toxic air contaminants such as lead.

- 40. Tesoro owns and operates the Avon and Amorco Marine Terminals, which are integral parts of Tesoro's infrastructure for the transportation of crude oil feedstocks and finished petroleum products at the Refinery. These terminals are connected to the Refinery and related storage facilities by pipeline and have berths allowing cargo ships to dock while receiving and offloading materials. Various sources, including the EIR, confirm that these terminals are integral parts of the Refinery's operations. Further, the air district permit held by the Golden Eagle Refinery regulating air pollutant emissions ("Title V permit") sets limits on loading equipment and storage tanks at the Avon and Amorco Terminals, in addition to setting refinery limits. Tesoro Corporation's SEC filings also refer to the terminals as key parts of the Golden Eagle Refinery's transportation infrastructure.
- 41. In 2014, Tesoro applied to the CSLC for a new 30-year lease for the Avon Terminal for the stated purpose of "enabl[ing] the associated Refinery to continue to export and import petroleum products from tanker vessels that dock at the Avon Terminal." (EIR at I-2.)
- 42. The Avon Terminal currently has two berths, only one of which is operational. Under the new lease, and to meet Marine Oil Terminal Engineering and Maintenance Standards ("MOTEMS"), Tesoro plans to construct a new berth (Berth 1A) and decommission the currently

operational berth (Berth 1). It will also renovate the existing approach way and remove the inactive berth (Berth 2.)

43. The Avon Terminal is connected to the Refinery by pipelines and a trackway, and Tesoro relies on the Terminal for importing crude oils to and exporting petroleum products from the Refinery. According to the Avon EIR:

The Avon Terminal primarily operates as an export facility, transferring petroleum products (including premium fuel oil, gas oil, diesel, and cutter stock) from designated product storage tanks at Tesoro's Golden Eagle Refinery (Refinery) via pipeline to tanker vessels berthed at the Avon Terminal.

Infrequently and as needed, the Avon Terminal imports Refinery feedstocks, which are transferred via pipeline from tanker vessels to upland storage tanks, and later transferred to the Refinery process units.

(EIR at 2-1.)

- 44. The Amorco Terminal serves primarily as an import facility, transferring crude oil feedstocks from tanker vessels to Tesoro's storage Tank Farm, from which it is piped to the Refinery. (Amorco FEIR 2-20.) It is connected by pipeline to Tesoro's Tank Farm, used to store crude oil feedstocks, and is also connected to the Refinery itself.
- 45. Increasing the quantities of lower quality crudes processed by the Refinery will necessarily increase the amounts of these crudes shipped through the Avon and Amorco Terminals. Tesoro depends on the Avon and Amorco Terminals for the import and export of petroleum products at the Golden Eagle Refinery. Transitioning to other means of transportation for petroleum products, such as rail, truck, or long-distance pipeline, would require the construction of additional infrastructure and investment of additional resources for the Refinery. As noted in the Avon and Amorco Terminal EIRs, Tesoro does not have pipeline infrastructure or access in place to meet current refinery throughputs and would need to construct additional pipelines and/or acquire additional pipeline access rights to create such infrastructure. (EIR 3-8 9, Amorco EIR 3-8 3-9.) Likewise, Tesoro would need to build up infrastructure to transport petroleum products by truck or rail. (*Ibid.*)
 - 46. The shipping of finished products from the Refinery creates additional risks.
 - 47. Cargo ships can have accidents causing them to spill their contents. The effects of

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ship struck the San Francisco Bay Bridge, spilled over 1,400 barrels of oil (53,569 gallons) into the Bay, resulting in the closure of 50 area beaches, the deaths of thousands of sea birds, and the temporary closure of various fisheries. Oil spills have a wide range of lethal and sublethal impacts on marine species, including immediate and long-term effects. Direct impacts to wildlife from oil include behavioral alteration, reduced immunity to diseases and parasites, and death. The persistence of toxic subsurface oil can impact wildlife species and ecosystems for decades. As noted in the Avon EIR, "light oils, such as fuel oil, are acutely toxic and cause the greatest impacts to species that live in the upper water column, such as juvenile fish." (EIR 4.2-41.) Heavy oil feedstocks, like tar sands, create risky spills as well. They are expensive and extremely difficult to remediate, as the oil sinks to the bottom of a waterway, requiring frequent dredging and is extremely sticky, making it difficult to clean off surfaces. A 2010 tar sands spill into Michigan's Kalamazoo River has taken years to clean and cost more than \$1 billion to date.

48. Cargo vessels, such as oil tankers, can kill or injure marine mammals. The National Marine Fisheries Service has reported that between 2001 and 2010, nearly 50 whales off the California coast were struck by ships. Increased vessel traffic increases background noise in the ocean, which affects marine mammals dependent on vocalization for communication. Cargo ships are the largest contributors to vessel noise.

The Approval Process

- 49. In July 2009, Tesoro's lease pertaining to the operation of the Avon Marine Terminal expired, and Avon Terminal has been operating under a month-to-month "holdover" since that expiration.
- 50. On April 2, 2014, CSLC issued a Notice of Preparation for the EIR evaluating the environmental effects of the Avon Marine Terminal lease renewal.
- 51. On September 29, 2014, CSLC released a Draft EIR with a 45-day public comment period.
- 52. On October 20, 2014, CSLC held a public meeting in Martinez, California, in order to hear oral testimony and obtain additional written comments.

- 53. On November 12, 2014, the Center and CBE submitted timely comments on the Draft EIR. Among other issues, Petitioners raised concerns about: the Draft EIR's failure to disclose any information about planned changes to the crude oil feedstocks that would be processed at Tesoro's Refinery, use of improper baselines for analyzing the environmental impacts of Avon Terminal and Refinery operations, improper segmentation of the analysis of Terminal and Refinery operations, failure to analyze the cumulative effects of the Avon Terminal and other industrial operations in the area, and inadequate analysis of environmental harms. The Center and CBE also submitted a report from CBE scientist Julia May in support of their comments.
- 54. On November 13, 2014, Adams, Broadwell, Joseph & Cardozo submitted comments on the Draft EIR on behalf of Safe Fuel and Energy Resources California ("SAFER California"). SAFER raised many of the same concerns about the Draft EIR's analysis, including: use of an unsubstantiated baseline, improper project description, piecemeal environmental review, and a flawed analysis of environmental effects of the Terminal and related Refinery operations. SAFER submitted reports from Dr. Phyllis Fox and Dr. Michael McGowan in support of their comments.
- 55. On January 30, 2015, CSLC released the Final EIR for the Avon Marine Terminal lease renewal.
- 56. On February 20, 2015, the Center and CBE submitted comments on the Final EIR. Given that the Final EIR failed to address the Draft EIR's deficiencies, Petitioners repeated their concerns about the Final EIR's failure to disclose changes to Tesoro's crude oil feedstocks, use of improper baselines, deficiencies in the cumulative impacts analysis, and failure to adequately analyze the Project's adverse environmental impacts. Other comments submitted in the November 12, 2014 comments on the Draft EIR were not adequately addressed by Final EIR.
- 57. On March 20, 2015, CSLC held a meeting at which it certified the Final EIR and approved the Avon Marine Terminal Lease Renewal.

CEQA LEGAL BACKGROUND

58. The California Environmental Quality Act, Public Resources Code §§ 21000-21177, is a comprehensive statute designed to provide for long-term protection of the environment. CEQA is designed to inform decision-makers and the public about the potential significant environmental

effects of a project. (Cal. Code Regs., tit. 14, § 15002(a)(1) (the regulations at tit. 14, §§ 15000 *et seq.* are hereinafter cited as "CEQA Guidelines").) Such disclosure ensures that "long term protection of the environment . . . shall be the guiding criterion in public decisions." (Pub. Res. Code § 21001(d).)

- 59. The EIR is the "heart" of this requirement. (See *No Oil, Inc. v. City of Los Angeles* (1974) 13 Cal.3d 68, 84.) The EIR has been described as "an environmental 'alarm bell' whose purpose it is to alert the public and its responsible officials to environmental changes before they have reached ecological points of no return." (*County of Inyo v. Yorty* (1973) 32 Cal.App.3d 795, 810.)
- 60. In addition, CEQA directs public agencies to avoid or reduce environmental damage whenever feasible by requiring changes in projects through the use of alternatives or mitigation measures. (See CEQA Guidelines, § 15002(a)(2) and (3); see also *Citizens of Goleta Valley v. Board of Supervisors* (1990) 52 Cal.3d 553, 564; *Laurel Heights Improvement Ass'n v. Regents of the University of California* (1988) 47 Cal.3d 376, 400.) Consequently, an EIR must identify feasible mitigation measures and alternatives in order to substantially lessen or avoid otherwise significant environmental effects. (Pub. Res. Code §§ 21002, 21081(a); CEQA Guidelines, § 15126.4(a).)

FIRST CAUSE OF ACTION (Violation of CEQA - Inaccurate Project Description)

- 61. Petitioners incorporate herein by reference the allegations contained in the foregoing paragraphs.
- 62. CEQA requires that the EIR include an accurate, stable, and finite project description and that the nature and objective of a project be fully disclosed and fairly evaluated in the EIR. (CEQA Guidelines §§ 15124, 15126.)
- 63. Where a project involves changes to the crude oil feedstocks that will be handled by a facility, an EIR must disclose that information as part of an adequate project description.
- 64. The EIR failed to provide an accurate project description. The Avon Terminal is a key part of Tesoro's transportation infrastructure and over the renewed 30-year lease the Terminal will handle imports of the crude oil feedstocks that will be processed at the Refinery and exports of

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(Violation of CEQA – Improper Piecemealing)

62. Petitioners incorporate herein by reference the allegations contained in the foregoing paragraphs.

SECOND CAUSE OF ACTION

By certifying an EIR without a complete and accurate project description, CSLC

CEQA defines "project" as "the whole of an action, which has a potential for 63. resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment." (CEQA Guidelines § 15378(a); Pub. Res. Code § 21065). CEQA forbids segmenting a project into separate actions in order to avoid environmental review of the "whole of the action."

64. Tesoro depends on the Avon and Amorco Terminals to transport crude oil feedstocks to the Refinery and finished products out of the Refinery. The Refinery, Terminals, and associated storage tanks are all integral parts of Tesoro's Northern California refining operations, and changes in the crude oil slate processed at the Refinery will necessarily affect the products transported through the Terminals. The EIR acknowledges that the Avon Terminal is a necessary part of the Refinery's operational infrastructure. Renewing the Avon Terminal lease will allow the Refinery to

carry out its plans to receive and refine significantly increased quantities of lower quality oil feedstocks, like Bakken crude and tar sands, at the Refinery. Yet, the EIR focused solely on the effects of the Avon Marine Terminal and did not consider the effects of Tesoro's entire integrated refinery complex, including the Refinery and Amorco Terminal, as part of its analysis.

65. By certifying an EIR which engaged in an improper piecemeal analysis of the Avon Terminal alone, CSLC committed a prejudicial abuse of discretion, failed to proceed in the manner required by law, and acted without substantial evidentiary support.

THIRD CAUSE OF ACTION (Violation of CEQA – Failure to Analyze Cumulative Impacts)

- 66. Petitioners incorporate herein by reference the allegations contained in the foregoing paragraphs.
- 67. An EIR must discuss the cumulative impacts of a project when the project's incremental effects are "cumulatively considerable." (Pub. Res. Code § 21083(b)(2); CEQA Guidelines § 15130(a).) "Cumulatively considerable" means that "the incremental effects of an individual project are significant when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects." (Pub. Res. Code § 21083(b)(2); CEQA Guidelines § 15065(a)(3).)
- 68. The EIR at issue in this case failed to consider or discuss properly the Project's cumulative impacts. Among its many shortcomings:
 - a. The EIR failed to evaluate the cumulative effects of Tesoro's integrated refining operations, namely the Refinery, Amorco Terminal, and Avon Terminal operations;
 - b. The EIR failed to evaluate the cumulative effects of Tesoro's refining operations, including terminal operations, in combination with the impacts of other refining operations occurring in the area, as well as the likely impacts of currently pending and proposed expansion projects at those refineries and of the new proposed crude oil terminal, the WesPac Energy Infrastructure Project, in Pittsburg, California;

- c. The EIR failed to evaluate the cumulative effects of Tesoro's refining operations in relation to other parts of the infrastructure needed to serve refinery operations (i.e., pipelines, trucks, and rail) in the area.
- 69. By certifying an EIR which failed to properly analyze cumulative impacts, CSLC committed a prejudicial abuse of discretion, failed to proceed in the manner required by law, and acted without substantial evidentiary support.

FOURTH CAUSE OF ACTION(Violation of CEQA – Failure to Use Proper Baselines)

- 70. Petitioners incorporate herein by reference the allegations contained in the foregoing paragraphs.
- 71. CEQA and its implementing guidelines require that an EIR "include a description of the physical environmental conditions in the vicinity of the project, as they exist at the time the notice of preparation is published . . . from both a local and regional perspective. This environmental setting will normally constitute the baseline physical conditions by which a lead agency determines whether an impact is significant." (CEQA Guidelines, § 15125(a).) The baseline is the starting point from which to measure whether an impact may be environmentally significant.
- 72. CSLC improperly relied on baselines which are not supported by substantial evidence, thereby skewing the analysis of the Project's environmental effects. It made the following erroneous assumptions regarding baseline levels of activity related to Terminal operations:
 - a. CSLC used an average of vessel calls from the past ten years to calculate that the current level of ship traffic at the Avon Terminal is 124 vessel calls per year. (FEIR 2-31). This average included ship traffic from the period before 2009, when the Avon Terminal had two operational berths. This is not an accurate reflection of current operating conditions, because in the period following 2009, the Avon Terminal had only one operational berth;
 - b. CSLC assumed, without providing any evidentiary support, that the maximum levels of ship traffic during the thirty-year lease for the Avon Terminal will be
 70 to 120 vessels per year. As explained in comments, the maximum levels of

- ship traffic over the next thirty years will be far greater, and CSLC thus underestimated the environmental effects of the Project;
- CSLC did not account for a change in the composition of feedstock, thus
 understating the increased risk and severity of harm from future operations
 compared to past and current operations;
- d. In evaluating operational safety and oil spill risks, CSLC relied on a report relating to vessel accidents that is more than twenty years old, rather than current U.S. Coast Guard data, and did not provide accurate evidence of current-day operational risks;
- e. In evaluating operational safety and oil spill risks, CSLC also erroneously chose to consider only oil spills of 238 barrels (10,000 gallons) or larger, even though commenters raised the issue that smaller spills are reported to the U.S. Coast Guard and can have significant adverse environmental effects;
- f. In evaluating potential wildlife impacts, CSLC relied on out-of-date and incomplete sources, including a study from 1959, which fail to account for numerous species currently present in the Project area.
- 73. By certifying an EIR without an accurate baseline, CSLC committed a prejudicial abuse of discretion, failed to proceed in the manner required by law, and acted without substantial evidentiary support. Consequently, CSLC's findings that the Project's impacts are less than significant lack evidentiary support.

FIFTH CAUSE OF ACTION (Violation of CEQA – Failure to Provide Information upon Which Conclusions Are Based)

- 74. Petitioners incorporate herein by reference the allegations contained in the foregoing paragraphs.
- 75. CEQA requires that an EIR provide an analytically complete and coherent explanation of its conclusions and provide sufficient analysis to decision-makers to allow them to properly evaluate environmental consequences. (*See* CEQA Guidelines § 15151.)

- 76. The EIR for the Project failed to properly inform the public and decision-makers of the basis for its conclusions. These failures include, but are not limited to, the following:
 - a. The EIR failed to provide sufficient information about the basis for claiming that the Avon Terminal will berth 70 to 120 vessels per year over the 30-year lease;
 - b. The EIR failed to provide sufficient information about the expected Refinery throughputs and oil feedstock quality over the next 30 years and the share that would be transported through the Avon Terminal.
- 77. By certifying an EIR that did not provide the information upon which its conclusions were based, CSLC committed a prejudicial abuse of discretion and failed to proceed in the manner required by law. Consequently, CSLC's findings that the Project will not have significant environmental impacts lack evidentiary support.

SIXTH CAUSE OF ACTION

(Violation of CEQA – Failure to Adequately Disclose and Evaluate the Project's Significant Environmental Effects)

- 78. Petitioners incorporate herein by reference the allegations contained in the foregoing paragraphs.
- 79. CEQA requires that an EIR describe the proposed project's significant environmental effects; each such effect must be revealed and fully analyzed in the EIR. (Pub. Res. Code § 21100(b), 21002.1; CEQA Guidelines, § 15126.2(a).) "Significant effect on the environment" refers to substantial, or potentially substantial, adverse changes in physical conditions. (Pub. Res. Code § 21068, 21060.5; see also Pub. Res. Code § 21100(d).)
- 80. The CEQA Guidelines further require that, in discussing the environmental effects of a project, an EIR should contain "a sufficient degree of analysis to provide decisionmakers with information which enables them to make a decision which intelligently takes account of environmental consequences." (CEQA Guidelines, § 15151.) An EIR should include "a good faith effort at full disclosure." (*Ibid.*)
 - 81. The EIR failed to adequately evaluate and adequately respond to public comments

concerning a variety of significant environmental effects of the Project, including the Project's direct, indirect, and cumulative impacts. For example:

- a. By using inaccurate and unsubstantiated estimates of current and projected levels of ship traffic over the thirty-year lease, CSLC underestimated the air quality impacts of continued Avon Terminal operations. CSLC assumes with no basis that the maximum levels of yearly ship traffic will be 70 to 120 vessels per year. However, the throughput limits of the Refinery's and Terminals' Title V permit and the Avon Terminal throughput data set forth in the EIR show that the actual maximum levels of ship traffic would range from 191 to 214 ship calls per year. Due to this fundamental error, CSLC's analysis underestimated the levels of volatile organic compounds, nitrogen oxides, and particulate matter that continued operation of the Avon Terminal would produce and erroneously concluded that significance thresholds will not be exceeded;
- By failing to consider how changes in Refinery operations would impact
 Terminal operations, and vice versa, the EIR failed to adequately evaluate
 cumulative effects;
- c. The EIR failed to consider the most recent air quality standards in evaluating the impacts of particulate matter pollution produced by the Avon Terminal, and did not make an adequate response to comments raising this issue;
- d. The EIR omitted analysis of emissions from the on-shore tanks that store products for import and export purposes. Because lower quality crude oil feedstocks, such as Bakken crudes and tar sands, have particular chemical and physical characteristics, like high volatility, flammability, and elevated concentrations of toxic air pollutants and VOCs, the EIR must account for the emissions from on-shore tanks;
- e. By tracking only spills of 238 barrels or greater, the EIR ignored the risks, direct impacts, and cumulative impacts of smaller spills. These spill risks can

be quite severe, given that a single gallon of oil can contaminate one million gallons of clean water, and one quart of oil can create an oil slick two acres in size;

- f. By relying on a twenty-year-old report, rather than current U.S. Coast Guard data, the EIR failed to adequately account for oil spill risks;
- g. Likewise, the EIR relied on outdated reports in evaluating the wildlife species currently present in the San Francisco Bay and failed to adequately represent the potential harms to wildlife from the Project.
- 82. By certifying an EIR that failed to fully analyze the Project's significant environmental impacts, CSLC committed a prejudicial abuse of discretion, failed to proceed in the manner required by law, and acted without substantial evidentiary support. Thus, CSLC findings that the Project will not have significant environmental impacts lack evidentiary support.

SEVENTH CAUSE OF ACTION (Violation of CEQA – Failure to Consider, Discuss, and Adopt Mitigation Measures to Minimize Significant Environmental Impacts)

- 83. Petitioners incorporate herein by reference the allegations contained in the foregoing paragraphs.
- 84. Identification and discussion of proposed mitigation measures are core requirements of CEQA. A basic purpose of CEQA is to "[p]revent significant, avoidable damage to the environment by requiring changes in projects through the use of alternatives or mitigation measures." (CEQA Guidelines, § 15002(a)(3). See also CEQA Guidelines, § 15021(a)(1).) Government agencies "shall mitigate or avoid the significant effects on the environment." (Pub. Res. Code § 21002.1(b).) "Formulation of mitigation measures should not be deferred until some future time." (CEQA Guidelines, § 15126.4(a)(1)(B).)
- 85. The EIR failed to consider, discuss, or adopt adequate mitigation measures. For example:
 - a. The EIR does not have a detailed discussion of the mitigation measures that would be applied when the Project goes into effect;

- The EIR failed to analyze or discuss mitigation measures for the No Project and Restricted Lease alternatives, precluding an informed comparison of the Project and potential alternatives;
- c. The San Francisco Bay and its estuaries have been recognized as among the aquatic ecosystems in North America most invaded by non-native species, but the EIR failed to require mitigations to prevent the accidental introduction of species through releases of ship ballast water;
- d. The mitigation measures in the EIR do not go far enough to ensure that vessels calling at the Avon Terminal comply with applicable laws and regulations.
- 86. By certifying the EIR without mitigating the Project's significant environmental impacts, CSLC committed a prejudicial abuse of discretion, failed to proceed in the manner required by law, and acted without substantial evidentiary support.

PRAYER FOR RELIEF

WHEREFORE, Petitioners pray for judgment as set forth below:

- A. For a writ of mandate or peremptory writ issued under the seal of this Court and directing the California State Lands Commission to:
 - 1. Void the EIR for the Avon Terminal Lease approval;
 - 2. Set aside and withdraw approvals of the Project; and
 - 3. Refrain from granting any further approvals for the Avon Terminal Lease approval until the California State Lands Commission complies fully with the requirements of CEQA.
- B. For Petitioners' fees and costs, including reasonable attorneys' fees and expert witness costs, as authorized by Code of Civil Procedure § 1021.5 and any other applicable provisions of law.
 - C. For such other legal and equitable relief as this Court deems appropriate and just.

1	DATED: April 17, 2015	Respectfully submitted,
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3		In Ju
4		Irene V. Gutierrez (State Bar No. 252927)
5		Trent W. Orr (State Bar No. 77656) EARTHJUSTICE
6		50 California Street Ste. 500 San Francisco, CA 94111
7		Tel: 415-217-2000 Fax: 415-217-2040
8		Email: igutierrez@earthjustice.org, torr@earthjustice.org,
9		Attorneys for Petitioners
10		
11		Roger Lin (State Bar No. 248144) 1904 Franklin Street, Suite 600
12		Oakland, CA 94612 Tel: 510-302-0430
13		Fax: 510-302-0437 Email: roger@cbecal.org
14		Attorney for Petitioner,
15		Communities for a Better Environment
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VERIFICATION

I, Vera Pardee, hereby declare:

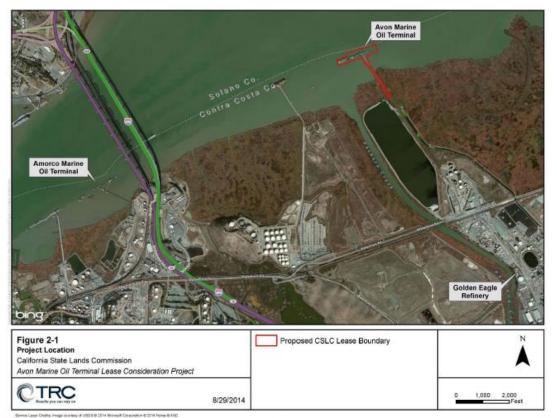
I am Senior Counsel, Supervising Attorney in the Climate Law Institute of the Center for Biological Diversity, a non-profit corporation with offices in San Francisco, California and elsewhere in the United States. The facts alleged in the above Petition are true to my personal knowledge and belief.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct and that this verification is executed on this th day of April 2015 at San Francisco, California.

VERA PARDEE

APPENDIX A - PROJECT MAP

2.0 Project Description



Tesoro Avon Marine Oil Terminal Lease Consideration Project Final EIR 2-2

January 2015

EXHIBIT A



April 16, 2015

VIA EMAIL

Mr. Mark Meier Chief Counsel California State Lands Commission 100 Howe Avenue, Suite 100 South Sacramento, CA 95825 Mark.Meier@slc.ca.gov (916)574-1850

Notice of Intent to File California Environmental Quality Act Petition Re:

Dear Mr. Meier:

PLEASE TAKE NOTICE, under Public Resources Code section 21167.5, that the Center for Biological Diversity and Communities for a Better Environment ("Petitioners") intend to file a verified petition for writ of mandate against the California State Lands Commission ("CSLC"), challenging CSLC's certification of the Tesoro Avon Marine Terminal Environmental Impact Report ("EIR") and approval of the terminal lease.

The petition will be filed in Contra Costa County Superior Court on April 17, 2015. The petition will allege that CSLC violated CEQA when conducting the analysis in the EIR and certifying the EIR. The petition will seek a writ of mandate directing CSLC to set aside the EIR and voiding the Avon Terminal Lease until CSLC complies with CEQA.

Sincerely,

Irene V. Gutierrez

Trent W. Orr

Counsel for Petitioners

PROOF OF SERVICE I am a citizen of the United States of America and a resident of the City and County of San Francisco; I am over the age of 18 years and not a party to the within entitled action; my business address is 50 California Street, Suite 500, San Francisco, California. I hereby certify that on April 17, 2015, I served by U.S. First Class Mail one true copy of the document herein on the party listed below: Mr. Mark Meier, Chief Counsel California State Lands Commission 100 Howe Avenue, Suite 100 South Sacramento, CA 95825 I certify under penalty of perjury that the foregoing is true and correct. Executed on April 17, 2015 in San Francisco, California. John W. Wall

PROOF OF SERVICE

EXHIBIT B

1 2 3 4 5 6	Trent W. Orr (State Bar No. 77656) Irene V. Gutierrez (State Bar No. 252927) EARTHJUSTICE 50 California Street, Ste. 500 San Francisco, CA 94111 Tel: 415-217-2000 Fax: 415-217-2040 Email: torr@earthjustice.org, igutierrez@earthjustice.org		
7	Attorneys for Petitioners		
8			
9	IN THE CHIEDIOD COURT FOR	THE STATE OF CALIFORNIA	
10	IN THE SUPERIOR COURT FOR THE STATE OF CALIFORNIA FOR THE COUNTY OF CONTRA COSTA		
11			
12	CENTER FOR BIOLOGICAL DIVERSITY and COMMUNITIES FOR A BETTER) Case No.:	
13	ENVIRONMENT,) NOTICE TO THE ATTORNEY	
14	Petitioners,) GENERAL OF THE STATE OF) CALIFORNIA OF PETITION FOR	
15	VS.) WRIT OF MANDATE	
16	CALIFORNIA STATE LANDS COMMISSION,))	
17	D. I.))	
18	Respondent.))	
19))	
20	TESORO REFINING AND MARKETING))	
21	COMPANY,))	
22	Real Party in Interest.)	
23	Real Farty III Interest.)	
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To the Attorney General of the State of California: 1 2 PLEASE TAKE NOTICE, under Public Resources Code § 21167.7 and Code of Civil 3 Procedure § 388, that on April 17, 2015, the Center for Biological Diversity and Communities for a 4 Better Environment ("Petitioners"), filed a verified petition for writ of mandate against the 5 California State Lands Commission ("CSLC"), challenging CSLC's certification of the Tesoro Avon Marine Terminal Environmental Impact Report ("EIR") and approval of the terminal lease. 6 7 The petition alleges that CSLC violated CEQA when conducting the analysis in the EIR and 8 certifying the EIR. The petition will seek a writ of mandate directing CSLC to set aside the EIR and 9 void the Avon Terminal Lease until it complies with CEQA. A copy of the petition is attached hereto as Exhibit A. 10 11 Sincerely, 12 13 14 DATED: April 17, 2015 15 IRENE GUTIERREZ TRENT ORR 16 **EARTHJUSTICE** 50 California Street, Suite 500 17 San Francisco, CA 94111 T: (415) 217-2000 18 F: (415) 217-2040 19 **Attorneys for Petitioners** 20 21 22 23 24 25 26 27 28

PROOF OF SERVICE

I, John W. Wall, hereby declare:

I am over the age of 18 years, not a party to this action, and employed by Earthjustice in the County of San Francisco, State of California. My business and mailing address is 50 California Street, Suite 500 San Francisco, California 94111.

On April 17, 2015, I served a copy of the following documents described as:

NOTICE TO THE ATTORNEY GENERAL OF THE STATE OF CALIFORNIA OF PETITION FOR WRIT OF MANDATE and VERIFIED PETITION FOR WRIT OF MANDATE

by addressing the envelopes as set forth below, placing a true and correct copy(ies) of the above mentioned documents in a sealed envelope with postage affixed hereon fully prepaid in the United States mail following this organization's ordinary practices with which I am readily familiar.

Office of the Attorney General 1515 Clay Street Oakland, CA 94612-0550

I declare under penalty of perjury of the laws of the California that the foregoing is true and correct and that this was executed on April 17, 2015, in San Francisco, California.

John W. Wall