

## Project Title

Tesoro Anacortes Clean Products Upgrade Project (CPUP)

## Project Description

Tesoro Refining & Marketing Company LLC (Tesoro) is proposing infrastructure additions and upgrades to their existing Tesoro Anacortes Refinery (refinery) to produce 15,000 barrels per day of mixed xylenes along with lower sulfur transportation fuels. The U.S. Environmental Protection Agency (USEPA) is requiring refineries to produce cleaner transportation fuels, termed Tier 3 fuels, and specifically, that refineries produce gasolines with a lower level of sulfur beginning January 1, 2017.

Mixed xylene is a compound found in gasoline and is used to make clothing, plastics, and other synthetic products. The mixed xylenes would be loaded onto marine vessels using the existing refinery wharf structure, and exported to global markets. Tesoro anticipates approximately five additional vessels a month would be needed to support the production and shipment of mixed xylenes.

The proposed project involves expansion/construction and operations of the following components within the refinery:

Project components to produce lower sulfur fuels:

- Expand the naphtha hydrotreater (NHT) to remove additional sulfur in the refining process.
- Install an Isomerization (Isom) Unit to transform hydrocarbons into higher-octane gasoline components for blending.

Project components to produce xylenes:

- Install an aromatics recovery unit (ARU) to produce 15,000 bpd of mixed xylenes.
- Install a steam boiler for additional energy needed to run the new process units.
- Install a Marine Vapor Emission Control (MVEC) System to capture vapors during product loading from docked marine vessels. The MVEC System consists of two physical components: the Dock Safety Unit (DSU) located on the refinery wharf structure and the Vapor Combustion Unit (VCU) located onshore.
- Install three storage tanks in the New Tanks Area (to store reformat and mixed xylenes).

The project would be located at the existing Tesoro Anacortes refinery property, 70 miles north of Seattle on the northern half of the March Point peninsula on Fidalgo Island in western Skagit County. The proposed project site has been a refinery since 1955, and Tesoro acquired it in 1998.

The refinery currently has a total crude oil processing capacity of approximately 120,000 barrels per day. The proposed project would not change the amount of crude oil received at the facility, via pipeline and rail.

Tesoro's objectives for the proposed project are to improve the refinery's capability to deliver cleaner gasoline per USEPA requirements, and to enable the refinery to produce mixed xylenes feedstock.

A no action alternative was evaluated in this Draft Environmental Impact Statement (EIS). Chapter 2, Proposed Project and Alternatives, of this EIS provides a description of this alternative.

## Project Proponent

The project proponent is the Tesoro Refining & Marketing Company LLC (Tesoro). The projected date of completion for the proposed project is between 2017 and 2018.

### Project Proponent Contact Information

Tesoro Refining & Marketing Company LLC  
PO Box 700  
Anacortes, WA 98221-0700

## Lead Agency and Responsible Official

Skagit County is the lead agency.

Dale Pernula, AICP, Director  
Skagit County  
Planning and Development Services  
1800 Continental Place  
Mount Vernon, WA 98273

## Authors and Principal Contributors

Chapter 14, List of Preparers, identifies the personnel who contributed materially to the preparation of this EIS.

## Date of Issue and Availability of the Draft EIS

The Draft EIS was issued March 23, 2017. It will be available for viewing at several public reading rooms around the state. Chapter 15, Distribution List, provides a list of public reading room locations.

The Draft EIS is available for download at the project website: [www.tesoroanacorteseis.com](http://www.tesoroanacorteseis.com). To obtain a printed copy of the Draft EIS, call (360) 416-1323 or email [info@tesoroanacorteseis.com](mailto:info@tesoroanacorteseis.com) (for the cost of production and shipping).

Accommodations for limited English proficiency populations are available at [www.tesoroanacorteseis.com](http://www.tesoroanacorteseis.com). To request materials in alternate formats, follow the instructions at [www.tesoroanacorteseis.com](http://www.tesoroanacorteseis.com).

## Comments on the Draft EIS

The public comment period is March 23, 2017 through May 8, 2017. There are multiple ways to provide comments on the Draft EIS. All comments are treated equally regardless of the method of submittal.

### By Mail

The public mailing address for comments is:

Tesoro Anacortes EIS  
PO Box 21069  
Seattle, WA 98111

**By Email**

Comments may be submitted by email to [comment@TesoroAnacortesEIS.com](mailto:comment@TesoroAnacortesEIS.com).

**Online**

Comments may be submitted online at [www.tesoroanacorteseis.com](http://www.tesoroanacorteseis.com).

**By Phone**

Comments may be submitted by voicemail message at (877) 685-7356 (toll free). There is a five minute time limit for messages.

**In Person**

Comments may be submitted verbally and in writing at the public hearing. Written comments may also be submitted in person to Skagit County at:

Skagit County  
Planning and Development Services  
1800 Continental Place  
Mount Vernon, WA 98273

**Date and Location of Draft EIS Public Hearing**

Verbal and written comments on the Draft EIS can be submitted in person at the public hearing. Doors open 30 minutes before verbal comment begins and a lottery system will be used to determine speakers.

**April 17, 2017**  
Doors open at 4pm  
Anacortes High School  
1600 20<sup>th</sup> St.  
Anacortes, WA 98221

For those that can't attend the public hearing in person, Skagit County is hosting an online open house from March 23, 2017 to May 8, 2017. Visit the online open house at [www.tesoroanacorteseis.com](http://www.tesoroanacorteseis.com). Information available on the online open house is the same as the information that will be made available at the public hearing.

**Projected Date of Issue of Final EIS**

The projected date of issue of the Final EIS is summer 2017.

**Agency Action and Projected Date of Action**

After completion of the EIS, Tesoro will need to obtain permits and authorizations to construct and operate the proposed project. Agencies can use the EIS when making permitting decisions. Chapter 1, Introduction, of this EIS provides a summary of the anticipated permits and approvals that would be needed to implement the proposed project.

## **Subsequent Environmental Review**

There are no subsequent environmental reviews expected at this time.