

## 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 barrels per day 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 1, Project Summary, of this Final 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  
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## Authors and Principal Contributors

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

## Date of Issue and Availability of the Draft EIS

The Draft EIS was issued March 23, 2017. It was available for viewing at several public reading rooms around the state. Chapter 15, Distribution List, of the Draft EIS 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 for the Draft EIS was March 23, 2017, through May 8, 2017. Comments were submitted by mail, online, through hand delivery, by phone, and through testimony at the Draft EIS hearing. Comments were treated equally regardless of submittal method. Additional information is included in Chapter 2, Comments and Responses, and Appendix A, Draft EIS Comments and Responses, of the Final EIS.

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

Skagit County hosted an open house at Anacortes High School on April 17, 2017, from 4 pm – 8 pm. A lottery system was used to determine speakers. Information about the Draft EIS and its findings was also presented at the hearing.

## **Date of Issue of Final EIS**

The date of issue of the Final EIS is July 10, 2017.

## **Availability of the Final EIS**

The Final EIS will be available for viewing at several public reading rooms around the state. Section 15.2, Public Reading Rooms, of the Draft EIS provides a list of public reading room locations.

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

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## **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 the Draft 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.

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