

WELCOME

Thank you for participating in the Open House for the Tesoro Anacortes Clean Products Upgrade Project Environmental Impact Statement. Please sign in.

Tonight's agenda

4:00 – 8:00 pm: Open house with information booths and written comment stations

- Opportunities to learn more at each booth and ask questions
- Take away informational materials will be provided
- Multiple opportunities to provide us with your comments

4:30 – 7:00 pm: Verbal public comment session

- Speakers will be selected by lottery
- Pick up your ticket at the Comment Station
- A court reporter will record speakers' comments

Your verbal and written comments will assist us in developing the topics to be considered in the draft Environmental Impact Statement.



PROPOSED PROJECT

Where is the proposed project?

The Tesoro Anacortes refinery is located in western Skagit County on March Point, along the western edge of Padilla Bay and the eastern edge of Fidalgo Bay. Site zoning allows for its development in the unincorporated urban growth area of the City of Anacortes. City zoning identifies this area for heavy manufacturing.

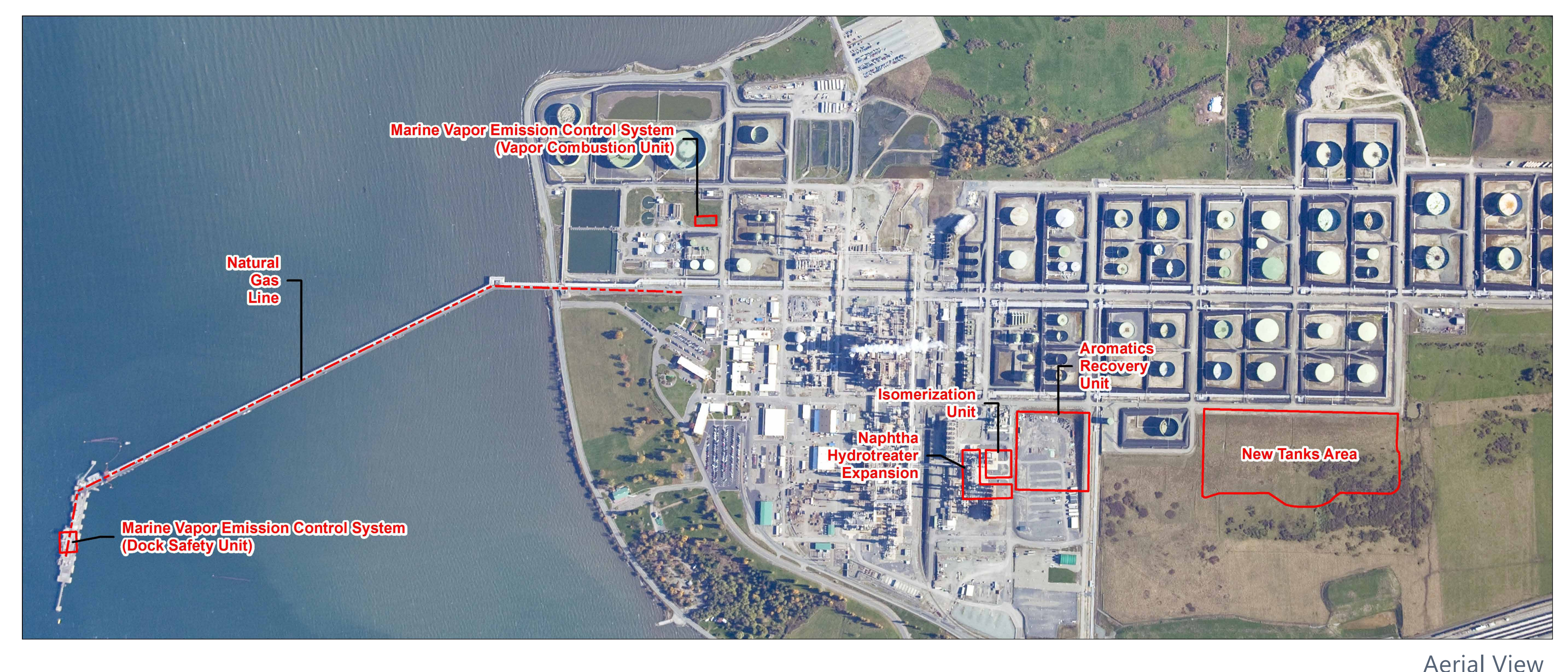
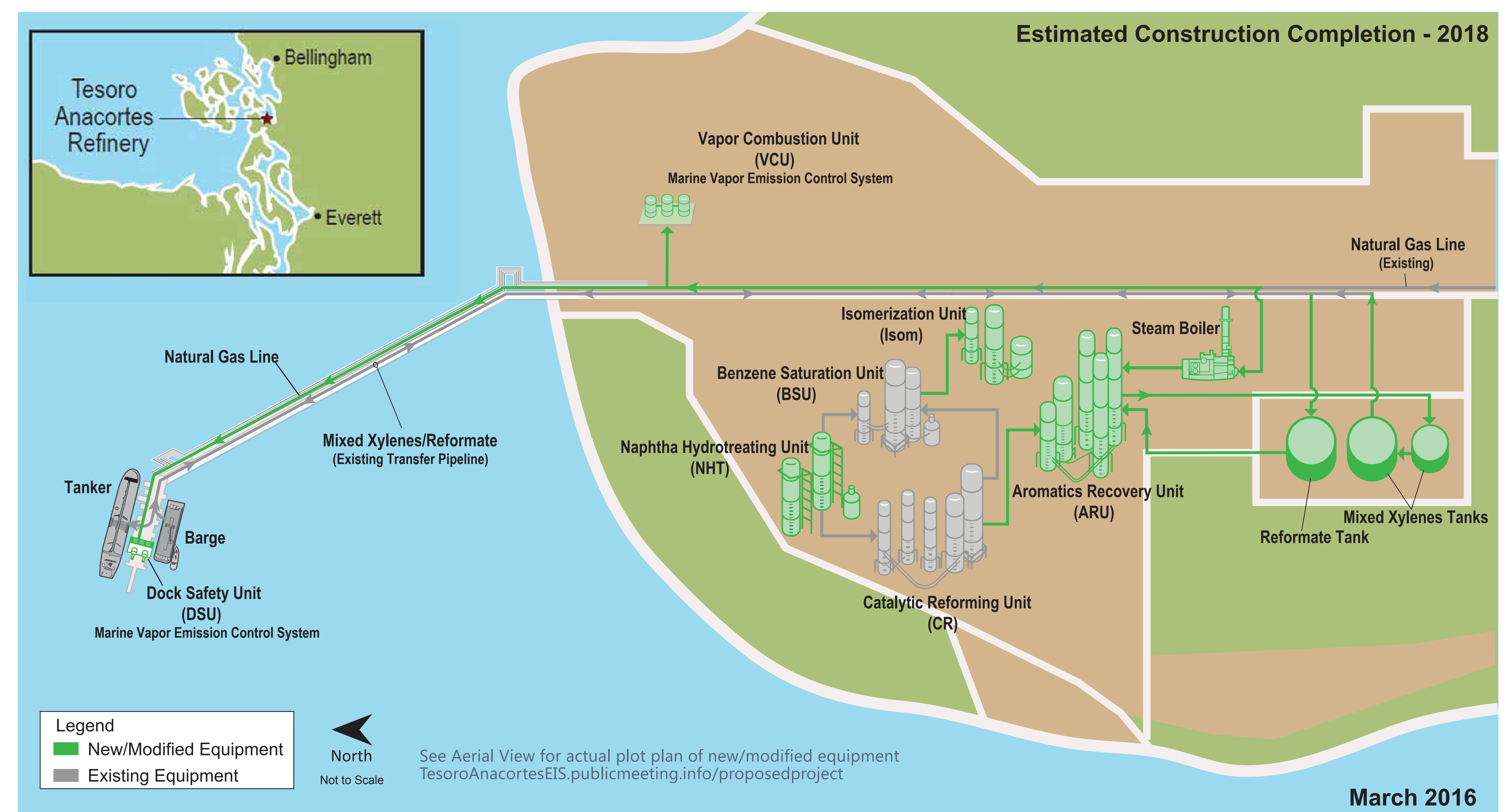
What is Tesoro proposing?

Tesoro proposes additions and upgrades to its existing facility in order to produce 15,000 barrels per day of mixed xylenes and to supply cleaner local transportation fuels. Mixed xylene is a compound found in gasoline, and is used to make clothing, plastics and other synthetic products. The proposal includes:

- Building a Marine Vapor Emissions Control (MVEC) system to capture vapors from marine vessels that come to the dock
 - The MVEC involves a small unit on the dock, a new natural gas line along the dock and a small unit on the shore
- Constructing an Aromatics Recovery Unit, a unit that produces mixed xylenes
- Adding an Isomerization Unit to make additional light hydrocarbons and increase the amount of octane available to the refinery
- Expanding the Naphtha Hydrotreater to remove more sulfur compounds from gasoline
- Installing a steam boiler to provide additional energy to operate the units
- Installing three storage tanks next to the existing tankage area

Key Facts

- Mixed xylenes are made from hydrocarbons, distilled or extracted from reformate, a component used in blending gasoline
- Mixed xylenes are used to make clothing, film for medical x-rays, plastics, cleaners and other products
- Tesoro expects that approximately five vessels a month would be needed for production and shipment of mixed xylenes



ENVIRONMENTAL IMPACT STATEMENT (EIS) PROCESS

Skagit County is the lead agency for the preparation of the Tesoro Clean Products Upgrade Project (CPUP) EIS under the State Environmental Policy Act (SEPA).

What is an EIS?

An EIS is a document that provides impartial, comprehensive discussion of a proposed project's likely significant adverse impacts, reasonable alternatives and proposed measures to avoid or minimize impacts. An EIS provides decision makers with information for consideration in making permitting and approval decisions. It does not constitute a decision or approval on its own.

What triggers an EIS?

An EIS is initiated by a Determination of Significance (DS). A DS is issued when the lead agency determines that a proposal is likely to have significant adverse environmental impacts, based on an evaluation of the proposal and information about potential environmental impacts.

Draft and final EIS

A draft EIS identifies existing site conditions, relevant laws and regulations, likely significant adverse impacts, reasonable alternatives and measures to avoid or minimize impacts. The draft EIS will be available for public review and comment to ensure its completeness and accuracy. The final EIS provides responses to the comments made on the draft EIS. There is no formal comment period for a final EIS, although there is a seven-day waiting period before agencies are allowed to issue any permits or approvals for the proposal.

ENVIRONMENTAL REVIEW PROCESS

2016

SPRING

March 17 – April 15

- Determination of Significance issued
- Scoping period, including public comments

Summer 2016

- Consideration of scoping comments
- Draft EIS published
- Draft EIS comment period

Summer – Fall 2016

- Consideration of comments

Fall 2016

- Additional studies, as needed
- Final EIS developed and published

SCOPING (MARCH 17- APRIL 15, 2016)

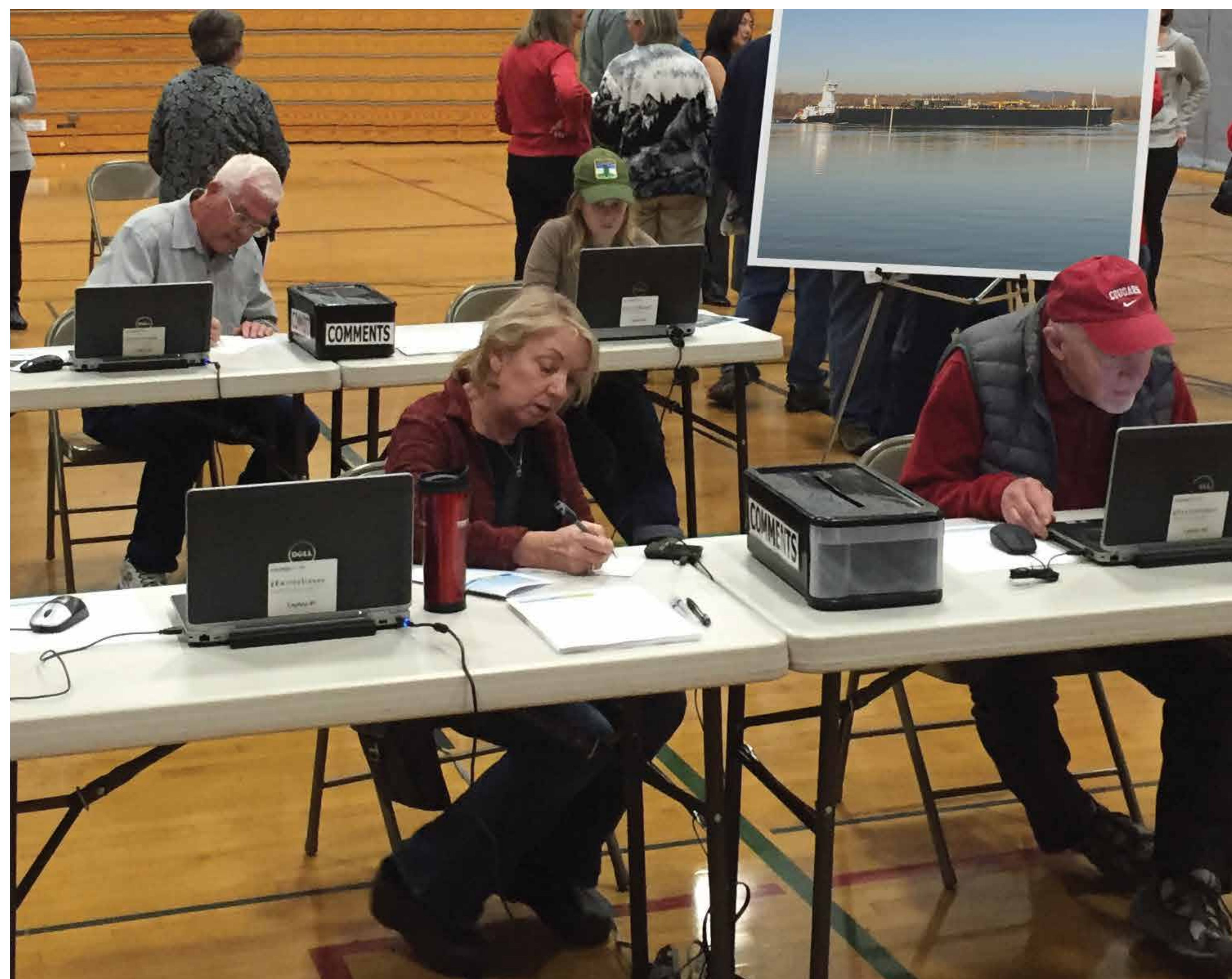
What is scoping?

The first step in the development of an EIS is called scoping. During the scoping phase, Skagit County is seeking comments on what should be studied in the EIS. Scoping will help Skagit County define the extent of the studies and analysis.

What kinds of comments are useful during scoping?

Comments on the following topics are particularly valuable:

- Reasonable range of alternatives
- Potentially affected resources and extent of analysis for those resources
- Measures to avoid, minimize and mitigate effects of the proposal
- Cumulative impacts



The scoping comment period ends ***April 15, 2016.***

What happens after the close of the scoping comment period?

- A scoping report is generated, summarizing the comments received
- Skagit County determines the scope of the EIS, based on both the scoping report and the public comments received
- Any additional studies or analyses are completed
- A draft EIS is developed based on the studies conducted and reviewed within the EIS scope
- Skagit County releases the draft EIS, provides a public comment period, and holds a public hearing
- Comments received during the draft EIS comment period are reviewed and substantive comments are addressed in the final EIS

What happens to comments?

All comments will be reviewed by Skagit County and considered when drafting the EIS. A scoping report will organize and summarize the comments so that they can be considered when determining what should be analyzed in the EIS. The County will not respond to individual comments during the scoping phase of the EIS.

MIXED XYLENES

What are mixed xylenes?

Mixed xylenes are made from hydrocarbons through distillation or extraction from reformat, a component used in blending gasoline. They are used to make clothing, film for medical x-rays, plastics, cleaners and other products.

How can a mixed xylenes spill affect the marine ecosystem and endangered species?

In the event of a spill, mixed xylenes can be harmful to the ecosystem. At high concentrations, mixed xylenes can kill fish and are an inhalation hazard to humans. However, they do not persist in the environment very long. Similar to the way that gasoline quickly evaporates, uncontained xylenes readily enter the atmosphere where they are broken down into less harmful compounds by sunlight. Because xylenes do not share the same thick viscosity and consistency of most oils, they will not coat shorelines or smother animals. In this way, xylenes are more similar to fuels like gasoline or kerosene.



How can a mixed xylenes spill affect human health?

If a person comes into direct contact with liquid xylenes, this can cause skin or eye irritation. If mixed xylenes vapors are inhaled, respiratory irritation, headaches, or dizziness may result. The harmful effects of exposure to mixed xylenes depend on the concentration of the chemical, how long exposure lasts, and the way that mixed xylenes make contact with the body.

SPILL PREPAREDNESS AND RESPONSE



Handling, transporting and storing mixed xylenes

Federal and state regulations and requirements prescribe specific measures and guidelines for the safe handling, transportation and storage of mixed xylenes. Measures for safe storage and transport of mixed xylenes are assigned according to its hazards and physical properties. These measures specify the types of containers or barges in which it can be shipped, and construction and design for storage containers. Procedures for conducting safe over water transfers of mixed xylenes are similar to those prescribed for other oils and hazardous materials, and cover topics including personnel, communications, equipment and emergency response.

Spill Response

Spill response measures include eliminating sources of ignition, and notifying personnel, vessels, and other occupants who may be in the path of the spill or in downwind areas of fire and explosion hazard.

The primary risks of a mixed xylenes spill on water are flammability and inhalation hazards. Unlike heavier oils, mixed xylenes evaporate quickly. Response tactics do not include the use of booms to contain the spill due to flammability risks. However, booms can be deployed in front of the spill to direct it away from sensitive resources. Mixed xylenes do not pose the same risk of contaminating shorelines the way that persistent, heavier oils do.

Are emergency responders familiar with mixed xylenes?

Mixed xylenes are one of many compounds found in gasoline produced by the Tesoro Anacortes refinery. Firefighters, hazardous materials response organization and emergency medical personnel are familiar with this type of chemical and hazard classification. They would be properly trained in spill response activities, and would have experience participating in response simulation exercises.

If a spill occurred, who would respond?

Tesoro would be responsible for the initial response to a release by any marine vessels associated with the CPUP or a spill at the refinery. They would be responsible for mobilizing emergency response resources. The response would be managed and coordinated with Local, State, Federal and Tribal representatives using the Incident Command System, consistent with the Tesoro Oil Spill Contingency Plan and the Northwest Area Contingency Plan.



ENVIRONMENTAL IMPACT STATEMENT (EIS) TOPIC AREAS

What does an EIS study?

The EIS examines the significant adverse impacts that the project could have on the environment. These may include, but are not limited to, this list of topics from Washington's SEPA regulations:

- Air
- Earth
- Water
- Plants and animals
- Energy and natural resources
- Environmental health
- Land and shoreline use
- Public services and utilities
- Transportation



Aerial view of the Tesoro Anacortes Refinery looking toward Anacortes

Project specific topics to be analyzed in this EIS may include:

- Spill response
- Marine vessel traffic
- Recreation
- Fisheries
- Historic and cultural preservation
- Public services and utilities
- Air quality
- Greenhouse gas emissions
- Cumulative impacts
- Other issues as determined by the scoping process

HOW TO COMMENT

We would like to hear from you! Your comments will assist us in developing the topics to be considered in the draft Environmental Impact Statement (EIS).

Tips for commenting

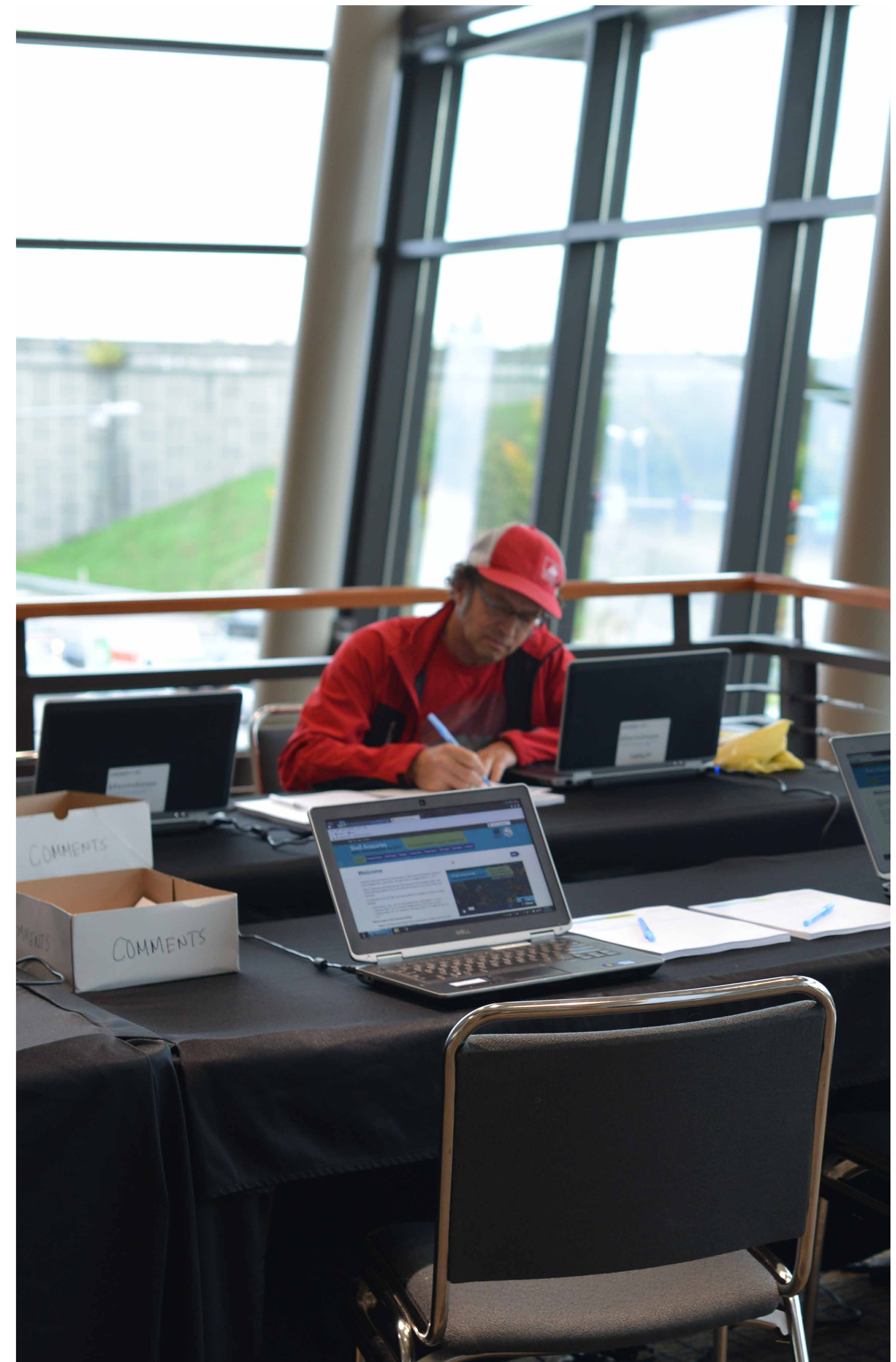
- Be clear, concise and organized
- Focus on the elements or disciplines you would like to see studied in the EIS and reason(s) why
- Give specific feedback that includes factual information and identifies possible solutions

Ready to submit your comments?

Use one of the provided computers to submit an online comment or fill out a comment card.

Other ways to submit your comments during the scoping phase

- Via **EMAIL**: comment@TesoroAnacortesEIS.com
- Via **PHONE**: 1-877-685-7356
(your call is toll free and you may leave a recorded message limited to 5 minutes)
- Via **MAIL**: Tesoro CPUP EIS, PO Box 21069, Seattle, WA 98111
(Must be postmarked by April 15, 2016)
- Via **HAND DELIVERY**: Skagit County Planning and Development Services, 1800 Continental Pl., Mount Vernon, WA 98273
(before 4:30 p.m. on April 15, 2016)



COMMENT STATION **COMMENT HERE**

Your comments will assist us in determining the topics to be considered in the draft Environmental Impact Statement.

This is where you may:

- Use a provided computer to submit an online comment form
- Complete a handwritten comment card
- Sign up for a chance to participate in the facilitated verbal public comment session from 4:30 p.m. to 7:00 p.m.