



Staff Report

File #: REPORT 18-0181, Version: 1

Honorable Mayor and Members of the Hermosa Beach City Council
Regular Meeting of March 13, 2018

**CONSIDERATION OF THE SUBMITTAL OF A RESOLUTION OR
LETTER SUPPORTING A REQUIREMENT TO IMPROVE SAFETY
AT THE TORRANCE REFINERY BY THE SCAQMD THROUGH
THE RULE 1410 PROCESS AND OPPOSING TO THE USE OF
MODIFIED HYDROFLUORIC ACID AT THE REFINERY**

(Environmental Analyst Kristy Morris)

Recommended Action:

It is recommended that City Council consider taking a position on the use of Modified Hydrofluoric Acid (MHF) at the Torrance Refinery.

Options available to the Council include:

1. Do not take a position; or
2. Take a position opposing the use of MHF at the Torrance Refinery and send a letter to AQMD defining a timeline for phasing-out MHF; or
3. Take a position supporting the efforts of stakeholders working to improve safety at the refinery and continue to monitor AQMD's discussions on this matter

Background:

At the February 13, 2018 City Council meeting during Other Matters, Mayor Pro Tem Armato and Councilmember Massey requested an agenda item for the March 13, 2018 meeting to discuss taking a position on the use of Modified Hydrofluoric Acid (MHF) at the Torrance Refinery. Specifically, Council requested staff provide a draft letter of opposition to the use of MHF and to replace MHF within four (4) years. Council also requested information on the City's Emergency Response Preparedness Plan in the event of a release of MHF from the Torrance facility.

MHF has been used at the Torrance Refinery as an alkalizing agent in the oil refining process for over fifty (50) years. On February 18, 2015, a large explosion within the immediate vicinity of HFA storage tanks at the refinery highlighted safety concerns to surrounding communities. Since the explosion, numerous operational challenges have also been highlighted including excessive flaring, fires, and power interruptions.

The Southern California Air Quality Management District (AQMD) has oversight and permitting

authority over methods of operation for the refinery. As such, AQMD has been considering amendments to AQMD Rule PR1410 - "Hydrogen Fluoride Storage and Use at Petroleum Refineries". Part of the deliberation is to either consider a phase out of the MHF or a non-phase out by providing added levels of safety to the operations.

At their January 20, 2018, meeting, the AQMD Refinery Committee, with assistance from CAL OSHA, held a discussion of proposed operational changes to increase the level of safety at refineries where MHF is currently used, and presented a three (3)-tier mitigation approach in preference to imposing an outright ban. The AQMD Refinery Committee presentation materials are included as attachments to this report (Attachment 1).

AQMD Boardmembers requested staff to return with the proposed changes to Rule 1410, to support this approach by April 5, 2018. If recommended by the Refinery Committee, the proposed rulemaking for 1410 would likely be presented to the full AQMD board for adoption in July 2018.

Analysis:

At the March 14, 2017 meeting, City Council discussed submitting a letter from the City of Hermosa Beach to the committee on Environmental Safety and Toxic Materials in support of Assemblymember Al Muratsuchi's announcement of the "Torrance Refinery Safety Plan". The plan consisted of a series of Assembly Bills (AB 1645, AB1646, AB1647, AB1648, and AB1649) to address safety concerns in the community surrounding the Torrance Refinery including a ban of modified hydrofluoric acid, real-time air quality monitors, a community disaster preparedness plan and an effective alarm system that can warn residents of any emissions.

At the March 2017 meeting, Council decided to delay a decision to submit a letter and requested staff to provide updates within six (6) months regarding the positions of local stakeholders including South Bay Cities Council of Governments (SBCCOG), League of California Cities, California Contract Cities Association, City of Torrance, South Coast AQMD, Independent Cities Association, and Los Angeles County Board of Supervisors. Staff has been providing updates to City Council from these entities as they are received.

At the February 13, 2018 meeting, City Council requested staff provide a draft letter of opposition to the use of MHF at the Torrance refinery and to replace MHF within four (4) years. Council also requested information on the City's Emergency Response Plan to a release of MHF from the Torrance facility. Staff met with staff from Assemblymember Muratsuchi's Office to discuss the most effective vehicle for the City to express concerns and state a position regarding the use of MHF in the refinery process. Since AB 1645 that would have ended the use of MHF in the refinery process was not supported and did not move forward, Assemblymember Muratsuchi's staff urged the City to submit a letter to the AQMD Board and Refinery Committee during the PR1410 process.

Staff surveyed neighboring South Bay cities to determine if any have taken a position on the use of

MHF at the refinery. On March 28, 2017 the City of Torrance adopted a resolution supporting the efforts of all stakeholders working to improve safety at the refinery (Attachment 2). On March 6, 2018 Redondo Beach City Council unanimously approved submitting a letter to AQMD requesting a ban on the use of MHF at the Torrance Refinery. The City of Manhattan Beach City Council has also scheduled a similar discussion at their upcoming meeting.

Should the Council decide to take a position on the MHF issue, options for the next step to be taken include sending a letter to AQMD stating the City Council's position or simply continuing to monitor AQMD's consideration of PR1410. Staff have provided a draft letter for Council's consideration (Attachment 3).

Lastly, materials received from Torrance Refining Company, owners of the refinery, are also attached (Attachment 4).

Safety Considerations

The Torrance Fire Department is notified as first responders to any incidents at the refinery since the property is within their boundaries. Following dispatch/response protocols, Torrance FD may consider it necessary to activate mutual aid either for additional fire suppression support or for specialized response resources. If mutual aid is requested, it may include LA County Fire response and/or LA County Fire HazMat team.

If an event were to occur at the refinery that could impact Hermosa Beach, our local response would follow response procedures for a hazardous materials release. There are typically two (2) types of responses to a hazardous materials release: shelter in place or evacuation. As with all hazards whether natural or man-made, it is not possible to establish a step-by-step response approach because it will differ in each situation. The City's specific response to an incident involving a hazardous materials release will depend on the extent of release, chemicals involved, wind direction, and several other factors. The most likely scenario in the event of an accident at the refinery will be a shelter in place activation. Los Angeles County Fire Department has resources for decontamination when the hazardous materials release warrants it.

Fiscal Implications:

There is no direct fiscal impact to the City of Hermosa Beach associated with the City Council taking a position on this matter.

Attachments:

1. AQMD Refinery Committee Status Update on MHF use (January 20, 2018)
2. City of Torrance Resolution
3. Draft Letter to AQMD opposing the use of MHF at the Torrance Refinery
4. Materials provided by the Torrance Refinery

Respectfully Submitted by: Kristy Morris, Environmental Analyst

Respectfully Submitted by: Brandy Villanueva, Emergency Management Coordinator

Concur: Sergio Gonzalez, City Manager

Noted for Fiscal Impact: Viki Copeland, Finance Director

Legal Review: Mike Jenkins, City Attorney