Chapter 1
Introduction

1.1 Introduction

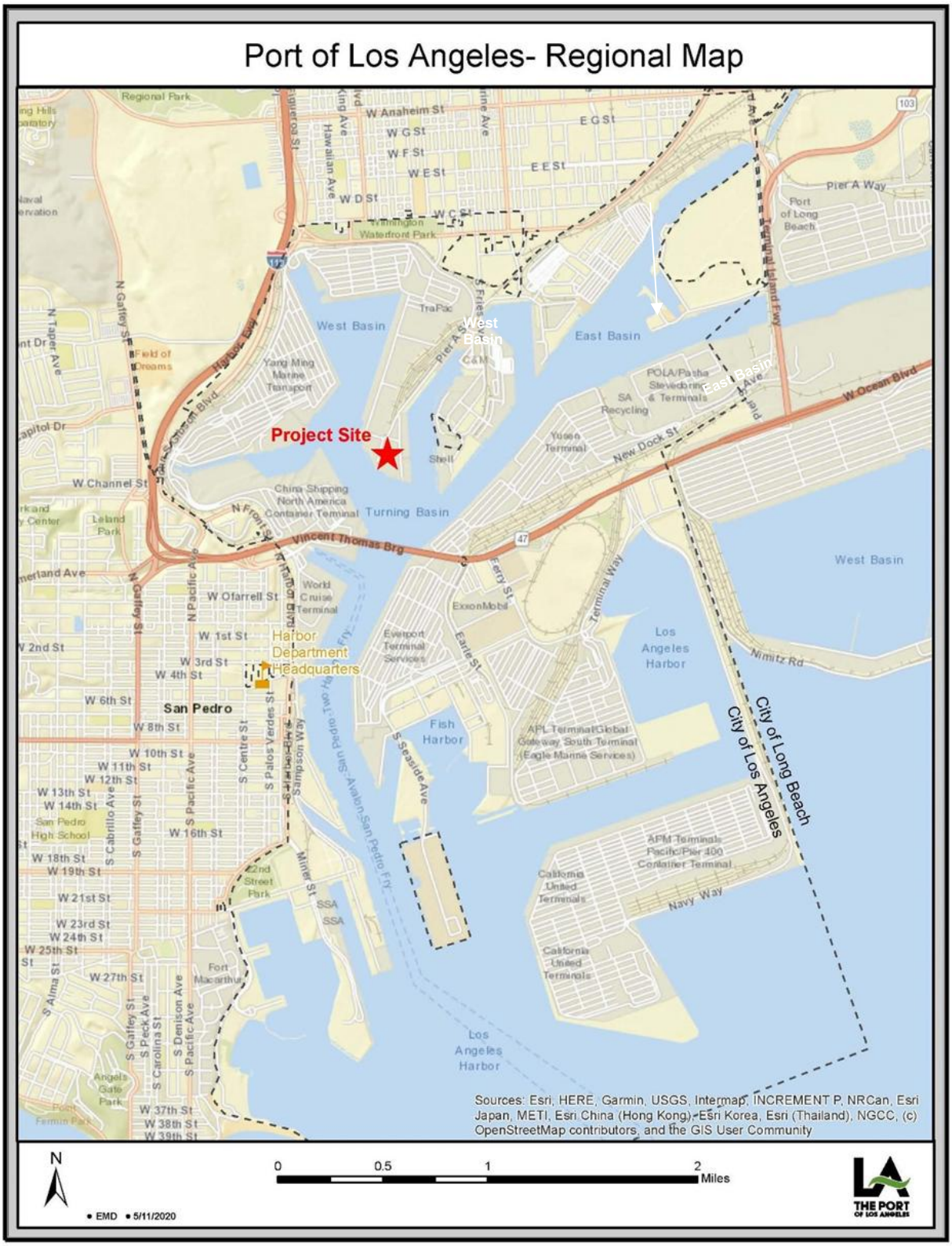
The Berths 148-151 (Phillips 66) Marine Oil Terminal (MOT) is one of seven MOTs in the Port of Los Angeles; the terminals operate under separate permits or leases from the Los Angeles Harbor Department (LAHD). The Berths 148-151 MOT has been in operation since 1919 and is currently operated by Phillips 66 under LAHD Revocable Permit (RP) 92-24 which became effective in 1993 and is a month-to-month agreement that can be terminated with a 30-day notice.

As described more fully in Chapter 2, Project Description, of this draft environmental impact report (Draft EIR), Phillips 66 proposes improvements to the MOT (the Proposed Project) that would bring it into compliance with the state's standards for marine oil terminals, reinforce shoreline protection, modernize shoreside facilities in the MOT and obtain an entitlement for 40 years of continued operation as a MOT at Berths 148-151, currently proposed via a new 20-year entitlement with two optional 10-year extensions. The Proposed Project would require approval from the Los Angeles Board of Harbor Commissioners (Harbor Commission) and permits from other City of Los Angeles departments, the Los Angeles Regional Water Quality Control Board, the South Coast Air Quality Management District, and the U.S. Army Corps of Engineers (USACE). Prior to issuance of permits or other project approvals, each of these decision-making bodies must consider the Proposed Project's environmental effects, which, in this case, are identified in this Draft EIR.

LAHD is the lead agency under the California Environmental Quality Act (CEQA) and has prepared this Draft EIR in accordance with the requirements of CEQA (Public Resources Code [PRC] §21000 et seq.) and the state California Environmental Quality Act (CEQA) Guidelines (California Code of Regulations [CCR], Title 14, §§15000 et seq.).

Chapter 3, Environmental Analysis, of this Draft EIR describes the affected environmental resources and evaluates the potential impacts on those resources that may potentially occur as a result of building and operating the Proposed Project and alternatives. This Draft EIR will be used to inform decision makers and the public about the environmental effects of the proposed improvements that constitute the Proposed Project.

Figure 1-1. Project Location



1.2 Background and Project Overview

1.2.1 Project Location

LAHD operates the Port under the legal mandates of the Port of Los Angeles Tidelands Trust (Los Angeles City Charter, Article VI, §601) and the California Coastal Act (PRC Division 20, §30700 et seq.), which identify the Port and its facilities as a primary economic and coastal resource of the State of California and an essential element of the national maritime industry for the promotion of commerce, navigation, fisheries, and Harbor operations. The LAHD develops and leases Port property to tenants who operate the facilities and serves as a major gateway for international goods and services.

The Port is located approximately 20 miles south of downtown Los Angeles. It encompasses approximately 7,500 acres of land and 43 miles of waterfront, and comprises approximately 24 major cargo terminals, including dry and liquid bulk, container, breakbulk, automobile, and passenger facilities. In calendar year 2021, the Port handled approximately 222 million metric revenue tons of cargo (LAHD 2022) and saw 1,863 vessel arrivals. In addition to cargo business operations, the Port is home to commercial fishing vessels, shipyards, and boat repair facilities, as well as recreational, community, and educational facilities.

The Project site (Figure 1-1) is a 13.8-acre parcel of land located at the southern end of Pier "A" Street and includes approximately 1,800 feet of Turning Basin waterfront. The Project site is bounded by the TraPac Container Terminal (Berths 135-147) to the north, the West Basin to the west, the Turning Basin to the south, and Slip No. 1 to the east. Nearby land uses are all marine cargo terminals and access roads.

Direct landside access to the Project site is provided via Pier "A" Street. Regional landside access is provided by a network of freeways and arterial routes and is available via Harry Bridges Boulevard and Fries Avenue. The freeway network consists of the Harbor Freeway (Interstate [I]-110), Long Beach Freeway (I-710), San Diego Freeway (I-405), and Seaside Freeway (State Route [SR]-47). Harry Bridges Boulevard connects I-110 to Pier "A" Street. Active train tracks managed by Pacific Harbor Line, Inc. extend the length of Pier "A" Street between Fries Avenue and the waterfront. Security and gating are located at the terminus of Pier "A" Street to control access to Berths 148-151.

1.2.2 Project Overview

1.2.2.1 MOTEMS Overview

The primary goal of the Proposed Project is to ensure that the Phillips 66 MOT at Berths 148-151 complies with the Marine Oil Terminal Engineering and Maintenance Standards (MOTEMS) to protect public health, safety, and the environment and to ensure continued viability of MOT operations within the Port. The MOTEMS are comprehensive engineering standards for the analysis, design, inspection, and maintenance of existing and new MOTs. The MOTEMS were approved by the California Building Standards Commission on January 19, 2005, became effective on January 6, 2006 (CSLC 2022), and are codified as part of the California Code of Regulations (CCR) Title 24, Part 2, Marine Oil Terminals, Chapter 31F. The MOTEMS apply to all existing and proposed MOTs in California, and include criteria for inspection, structural analysis and design, mooring and berthing geotechnical considerations, fire, piping, and mechanical and

electrical systems. The MOTEMS are reviewed and updated every three years, and the Proposed Project is required to comply with the most recent version. The MOTEMS program is overseen by the California State Lands Commission (CSLC), and through ongoing discussions with the CSLC, the LAHD developed an implementation strategy to complete the necessary MOTEMS requirements at the seven MOTs within the Port. The MOTEMS implementation strategy addresses needed wharf upgrades and other MOTEMS requirements, identifies and resolves land use inconsistencies where present, and provides opportunities to optimize utilization of Port land and water assets.

MOTEMS require each MOT to conduct an audit to evaluate the facility's compliance and evaluate its fitness-for-purpose. Depending on audit results, MOT owner and/or terminal operators must determine what actions are required to bring facilities into compliance with established standards and to provide a schedule for implementation of deficiency corrections and/or rehabilitation. The standards define criteria in the following areas:

- Audit and Inspection;
- Structural Loading;
- Seismic Analysis and Structural Performance;
- Mooring and Berthing Analysis and Design;
- Geotechnical Hazards and Foundations;
- Structural Analysis and Design of Components;
- Fire Prevention, Detection, and Suppression;
- Piping and Pipelines;
- Mechanical and Electrical Equipment; and
- Electrical Systems.

The MOTEMS audits performed for the Phillips 66 MOT at Berths 148-149 identified existing infrastructure deficiencies related to structural, mooring, berthing, and piping systems that require upgrading. The CSLC, however, has determined that Berths 148-149 are in acceptable condition for temporary, ongoing use, with certain operational restrictions (e.g., restrictions on the size of vessels allowed to call on the berths and vessel speed restrictions when approaching the berths [CSLC 2021]) and emergency repairs and maintenance recently undertaken by the Port (CSLC 2024; see Section 2.2.2). The Proposed Project would correct the identified deficiencies by constructing a new, MOTEMS-compliant berthing facility at Berths 150-151 and limiting the future uses of Berths 148-149 to non-MOT uses such as the occasional mooring of harbor craft (e.g., boom deployment boats, tugboats, and barges) to reduce congestion in the channel, and storage of topside equipment. The proposed non-MOT uses at Berths 148-149 are substantially the same as the current uses of Berths 150-151.

1.2.2.2 Operations Overview

Phillips 66 operates the MOT as part of its efforts to meet Southern California energy needs in a business environment of a changing and evolving energy market; as a result, activity levels at the MOT vary from year to year in response to a variety of regional and national economic factors, market forces, and regulatory initiatives.

The current Phillips 66 MOT consists of approximately 13.8 acres of backlands and two wharves: a currently non-operational wharf at Berths 150-151, and the adjacent wharf at

Berths 148-149 at which the MOT's marine tanker vessel operations are conducted. The site includes tank farms containing 26 storage tanks of varying sizes, 11 of which are currently idle, with a total storage capacity of approximately 850,000 barrels. Other landside facilities include piping systems, pumps and compressors, vapor-recovery equipment used when loading (i.e., exporting) lighter commodities, a dock house, a gatehouse, a truck loading rack, a warehouse, an office building, and electrical substations.

The MOT loads and unloads transportation fuel feedstocks and products to and from tanker vessels and barges. The most common products handled at the facility are gas oils[1], renewables and renewable feedstocks, dark oils (fuel oil and fluidized catalytic cracking unit slurry oil), midbarrel (finished diesel and jet fuels), and gasoline, each ranging between approximately 7.5-30 percent of the average total volume handled. The terminal also handles smaller amounts of lube oils, alkylate, other gasoline and distillate blendstocks (naphtha, reformate, pentane/hexane), and marine diesel. Neither crude oil nor liquid petroleum gas (LPG) is loaded or unloaded at the MOT.

The commodities and feedstocks handled at the MOT are transported by pipeline between the MOT and the nearby Phillips 66 Los Angeles Refinery Carson as well as to and from other Phillips 66 facilities in the region such as the Los Angeles Terminal (LAT), located near downtown Los Angeles, and the Torrance Tank Farm, located near the Torrance airport, and facilities in the region owned and operated by other entities. The MOT's pipeline system connects the MOT with the comprehensive pipeline networks in Southern California and elsewhere. The MOT does not exclusively serve Phillips 66 facilities but instead serves a number of commercial entities involved in the production, transportation, and sale of petroleum-based and renewable commodities.

1.3 CEQA and the Purpose of an EIR

CEQA was enacted by the California Legislature in 1970, with the intent that all agencies of the state government that "regulate activities of private individuals, corporations, and public agencies that are found to affect the quality of the environment shall regulate such activities so that major consideration is given to preventing environmental damage while providing a decent home and satisfying living environment for every Californian," (13 PRC 21000, Legislative Intent). Public agency decision makers are required to consider and document the environmental effects of their actions and, whenever possible, avoid adverse effects on the environment. When a state or local agency determines that a proposed project has the potential to result in significant adverse environmental impacts, an EIR is prepared. The purpose of an EIR is to identify the significant effects of a proposed project on the physical environment, identify alternatives to reduce the project's significant effects while achieving the project objectives, and indicate the manner in which a project's significant effects can be mitigated or avoided. A public agency must mitigate or avoid significant environmental impacts of projects it carries out or approves whenever feasible. In instances where significant impacts cannot be avoided or mitigated, the project can nonetheless be carried out or approved if the approving agency finds that economic, legal, social, technological, or other benefits outweigh the unavoidable significant environmental effects. An EIR is intended to be a full disclosure document and an aid to the public decision-making process.

[1] Gas oils are intermediate products from crude distillation processes that are heavier than kerosene; they are upgraded in other refining processes into gasoline, diesel and jet fuel.

1.4 Lead, Responsible, and Trustee Agencies

CEQA defines the "lead agency" as the public agency that has principal responsibility for carrying out or approving a project. The CEQA lead agency will decide whether an EIR or negative declaration will be required for the project and cause the document to be prepared (Guidelines §15367).

Several other agencies have special roles with respect to the Proposed Project and will use this Draft EIR as the basis for their decisions to issue any approvals and/or permits that might be required. State CEQA Guidelines §15381 defines a "responsible agency" as:

> *...a public agency that proposes to carry out or approve a project for which a lead agency is preparing or has prepared an EIR or negative declaration. For the purposes of CEQA, the term "responsible agency" includes all public agencies other than the lead agency that have discretionary approval power over the project.*

Additionally, state CEQA Guidelines §15386 defines a "trustee agency" as:

> *...a state agency having jurisdiction by law over natural resources affected by a project that are held in trust for the people of the State of California.*

Table 1-1 lists the lead, responsible, and trustee state and local agencies that could rely on this Draft EIR in a review capacity or as a basis for issuance of a permit or other approval for the Proposed Project.

Table 1-1. Agencies That May Rely on This Draft EIR

Agency	Responsibilities, Permits, and Approvals
Federal Agencies	
U.S. Army Corps of Engineers (USACE)	Federal permitting authority for work in waters of the United States (i.e., wharf demolition and construction, pile driving, dredging) under the Clean Water Act and the Section 10 of the Rivers and Harbors Act.
National Oceanic and Atmospheric Administration National Marine Fisheries Service (NOAA Fisheries)	Reviews federal actions (e.g., permit issuance) in consultation with federal permitting agencies pursuant to Section 7 of the Endangered Species Act for marine species; administers the Marine Mammal Protection Act for most species; and provides essential fish habitat (EFH) review and consultation for federal actions pursuant to the Magnuson-Stevens Fishery Conservation and Management Act.
United States Coast Guard (USCG)	Responsible for ensuring safe navigation in harbors and coastal waters; has jurisdiction over harbor facilities, including bridges, channels, and vessel operations; responds to oil spills in the marine environment; and maintains oversight of MOT safety.
United States Environmental Protection Agency (USEPA)	Primary responsibility for administering the Clean Air Act; reviews and submits recommendations for spill prevention, control, and countermeasures (SPCC) plans for MOTs and other petroleum-related facilities and activities; consults with USACE related to federal permitting actions.
State Agencies	
California Air Resources Control Board (CARB)	Permitting/registering authority for various equipment, such as trucks and harbor craft. Enforcement authority for at-berth hotelling regulations, requiring reductions in emissions from ship auxiliary engines (17 CCR 93130.22).

Agency	Responsibilities, Permits, and Approvals
California Coastal Commission (CCC)	Reviews environmental documents to ensure compliance with the federal Coastal Zone Management Act and consistency with the California Coastal Act. CCC certifies the Port's Port Master Plan and amendments to ensure Port land uses are consistent with the requirements of the Coastal Act.
California Department of Fish and Wildlife (CDFW)	Reviews and submits recommendations in accordance with CEQA. Consultation in accordance with the Fish and Wildlife Coordination Act. Issuance of Memoranda of Understanding and permits pertaining to take of state-listed species under the California Endangered Species Act.
California State Lands Commission (CSLC)	Oversight responsibility for tidal and submerged lands legislatively granted to local jurisdictions; oversite authority for development and implementation of MOTEMS. CSLC will review the Proposed Project for compliance with MOTEMS and will continue to oversee, through inspections and reporting requirements, the new facility.
Regional Agencies	
Regional Water Quality Control Board, Los Angeles Region (Los Angeles RWQCB)	Permitting authority for federal Clean Water Act (CWA) Section 401 Water Quality Certifications; permitting authority for California Waste Discharge Requirements pursuant to the state Porter-Cologne Water Quality Control Act; and responsible for issuance of both construction and industrial National Pollutant Discharge Elimination System (NPDES) stormwater permits under Section 402 of the CWA. Issuing authority of municipal separate storm sewer system (MS4) permit to City of Los Angeles.
South Coast Air Quality Management District (SCAQMD)	Permitting authority for construction of petroleum storage tanks and operation of stationary sources at terminal facilities; activities involving hydrocarbon-containing soils (Rule 1166); and new or modified sources of air emissions (New Source Review).
Local Agencies	
City of Los Angeles Harbor Department (LAHD)	The City of Los Angeles, through its Harbor Department, is the lead agency for CEQA and the California Coastal Act for most projects within the Harbor (via the certified PMP). Other City departments (listed below) have various other approval and permitting responsibilities. Pursuant to its authority, LAHD could issue permits and other approvals (e.g., coastal development permits, leases for occupancy of Port land, approval of operating, and joint venture or other types of agreements for the operation of facilities) for the Proposed Project and alternatives evaluated in this Draft EIR. LAHD is also responsible for general regulatory compliance and activities of other City of Los Angeles departments for the Proposed Project and alternatives.

Agency	Responsibilities, Permits, and Approvals
City of Los Angeles Building and Safety Department	Permitting authority for building and grading permits. Approves, in conjunction with the Bureau of Sanitation, any required Standard Urban Stormwater Mitigation Plans or Site Specific Mitigation Plans implementing requirements of the MS4 permit that has been issued by Los Angeles RWQCB to the City of Los Angeles.
City of Los Angeles Bureau of Engineering	Permitting authority for storm drain connections, permit for discharges of stormwater, permits for water discharges to the wastewater collection system, and approval of street vacations.
City of Los Angeles Bureau of Sanitation	Permitting authority for Industrial Waste Permit for discharges of industrial wastewater to the City sewer system. Approves, in conjunction with the Building and Safety Department, any required Standard Urban Stormwater Mitigation Plans or Site Specific Mitigation Plans that may be necessary to implement MS4 permits issued by the regional water quality control board.
City of Los Angeles Fire Department	Approval of Business Plan and Risk Management and Prevention Program. Reviews and submits recommendations regarding design for building permit.

1.5 Scope and Content of the Draft EIR

The scope of this Draft EIR was defined on the basis of the Notice of Preparation (NOP) and Initial Study (IS) prepared and circulated pursuant to CEQA, and comments received during the Notice of Preparation (NOP) review process (see Appendix A). A Draft Mitigated Negative Declaration (MND) for the Proposed Project was released on November 18, 2021; three extensions of the public review period were granted, and a public scoping meeting was held on March 23, 2022. After reviewing public and agency comments, the LAHD determined that the appropriate CEQA review would be an EIR rather than an MND. Accordingly, an NOP for an EIR was posted on February 23, 2023, an on-line public scoping hearing was conducted on March 14, 2023, and the public comment period ended April 10, 2023. Thirty-two speakers presented comments at the public hearing and 60 comment letters were received, including 52 letters in support of the Project and 8 letters with other comments. Table 1-2 summarizes key issues raised in 8 letters with other comments. A letter with information about the Native American Heritage Commission notification and consultation process was also received but no comments about the Proposed Project were provided by the Commission. The scope of analysis and technical study work plans, developed as part of preparing this Draft EIR, were designed to ensure that the comments received from regulatory agencies and the public during the NOP review process would be addressed.

Table 1-2. Summary of Key NOP Comments

Commenter	Key Issues Raised	Section(s) Issue Addressed
Jonathon P. Nave	Describe site remediation obligations of for current and former tenants	2. Project Description
Wilmington Neighborhood Council	Potential for release of toxic contaminants from pipelines	2. Project Description 3.1 Air Quality
	Concerns about soil and groundwater contamination	1.5.1 Scope of Analysis 2. Project Description 3.5 Hazards

Commenter	Key Issues Raised	Section(s) Issue Addressed
		Appendix A: NOP/IS
	Concerns about impacts from increased truck traffic and larger vessels	3.1 Air Quality 3.3 Energy 3.4 Greenhouse Gases
Coalition for a Safe Environment	Allow sufficient time for public to review and comment	1.8 Availability of the Draft EIR
	NOP/IS does not comply with CEQA law: inadequate criteria for selection of baseline year	1.6.5 CEQA Baseline
	NOP/IS does not comply with CEQA law: concerns about air quality health impacts and adequacy of mitigation measures	3.1 Air Quality
	Geology and Soil Information: failed to include updated assessment and survey of geological and seismic information	1.5.1 Scope of Analysis Appendix A: NOP/IS
	Increased risk from transportation of hazardous cargo	1.5.1 Scope of Analysis Appendix A: NOP/IS
	Increased risk of whale strikes	3.2 Biology
Dr. Clyde T. (Tom) Williams	IS/NOP does not adequately address impacts related to geological hazards, hydrology, water contamination, historical and tribal cultural resources, air quality, transportation of hazardous materials, odors, mitigation measures, or consideration of alternatives	1.5.1 Scope of Analysis 3.1 Air Quality 3.2 Biology 3.4 Greenhouse Bases 3.5 Hazards 6. Alternatives Appendix A: NOP/IS
Counsel for the Karass	Omission of key facts in project description	2. Project Description
	Concerns about increased truck traffic	3.1 Air Quality 3.3 Energy 3.4 Greenhouse Gas Emissions
	Lack of mitigation measures	3.1 Air Quality 3.2 Biology 3.3 Energy 3.4 Greenhouse Gas Emissions
	Biological impacts from invasive species	3.2 Biology
	Project incompatible with California GHG and energy plans	3.3 Energy 3.4 Greenhouse Gas Emissions
	Concerns over contaminated soils, oil spills, and transportation of hazardous materials	3.5 Hazards 1.5.1 Scope of Analysis Appendix A: NOP/IS

Commenter	Key Issues Raised	Section(s) Issue Addressed
San Pedro and Peninsula Homeowners Coalition	Endorsement of comments submitted by Counsel for the Karass	1.5.1 Scope of Analysis 2. Project Description 3.1 Air Quality 3.2 Biology 3.3 Energy 3.4 Greenhouse Gas Emissions Appendix A: NOP/IS
Natural Resources Defense Council	Must consider upstream and downstream GHG impacts	3.4 Greenhouse Gas Emissions
	Consider no project and reduced project alternatives	6. Alternatives
	Evaluate upstream and downstream VOC and NO_X emissions	1.5.1 Scope of Analysis 3.1 Air Quality
	Evaluate impact of storage tank VOC emissions, noise, odor, and spill hazards from tanker vessels	1.5.1 Scope of Analysis 3.1 Air Quality Appendix A: NOP/IS
	Evaluate impact of cumulative exposures from other petroleum related projects	5. Cumulative Analysis
	Evaluate environmental justice impacts	CEQA focuses on whether the Proposed Project may have a significant effect on the physical environment.
South Coast Air Quality Management District	Requests and recommendations for scope and approach to evaluation of air quality impacts	3.1 Air Quality

1.5.1 Scope of Analysis

This Draft EIR has been prepared in conformance with the state CEQA Guidelines (14 CCR §§15000 et seq.) and includes all of the sections required by CEQA. The criteria for determining the significance of environmental impacts in this Draft EIR analysis are described in the "Significance Criteria" sections of each resource topic in Chapter 3, Environmental Analysis. The threshold of significance for a given environmental effect is the level at which LAHD finds a potential effect of the Proposed Project or alternative to be significant.

Under CEQA, a "threshold of significance" can be defined as a "quantitative or qualitative standard, or set of criteria, pursuant to which significance of a given environmental effect could be determined" (state CEQA Guidelines, §5064.7(a)). Except as noted in particular sections of the document, LAHD has adopted the significance thresholds set forth in Appendix G of the CEQA Guidelines for purposes of this Draft EIR.

The following resources are evaluated in this Draft EIR:

- Air Quality and Meteorology;
- Biological Resources;

- Energy;
- Greenhouse Gas Emissions; and
- Hazards and Hazardous Materials.

The Initial Study included in the NOP concluded that the Proposed Project would not result in significant impacts to the following resources: Aesthetics, Agriculture and Forestry Resources, Cultural Resources, Geology and Soils, Hydrology and Water Quality, Land Use and Planning, Mineral Resources, Noise, Population and Housing, Public Services, Recreation, Transportation, Tribal Cultural Resources, Utilities and Service Systems, and Wildfire. Therefore, these resources do not need to be evaluated in this Draft EIR and are not included the analyses in Chapter 3. Although the Initial Study concluded that the issue of Hazards and Hazardous Materials need not be evaluated in the EIR, LAHD subsequently determined to include the issue in the Draft EIR.

This Draft EIR has been prepared by Ramboll US Consulting, Inc. under contract to the LAHD and has been reviewed independently by LAHD staff. The scope of the document, methods of analysis and conclusions represent the independent judgment of LAHD. Staff members from LAHD and Ramboll who helped prepare this Draft EIR are identified in Chapter 10, List of Preparers and Contributors.

1.5.2 Intended Uses of This Draft EIR

This Draft EIR has been prepared in accordance with applicable federal and state environmental regulations, policy, and law to inform state and local decision-makers about the potential environmental impacts of the Proposed Project and alternatives. As an informational document, an EIR does not recommend approval or denial of a project. The Draft EIR is being provided to the public for review, comment, and participation in the planning process. After public review and comment, a Final EIR will be prepared, including responses to comments on the Draft EIR received from agencies, organizations, and individuals. The Final EIR will be distributed to provide the basis for decision-making by the CEQA lead agency (LAHD) and other concerned agencies.

LAHD has jurisdictional authority over the Proposed Project primarily pursuant to the Tidelands Trust, California Coastal Act, and the Los Angeles City Charter. This Draft EIR will be used by LAHD, as the lead agency under CEQA, in making a decision regarding the construction and operation of the Proposed Project or alternative and in informing agencies considering permit applications and other actions required to construct, lease, and operate the Proposed Project or alternative. LAHD's certification of the EIR, Notice of Completion, Findings of Fact, and Statement of Overriding Considerations (if necessary) would document their decision as to the adequacy of the EIR and inform subsequent decisions by LAHD whether to approve and construct the Proposed Project or alternative.

Other agencies that have jurisdiction over some part of the Proposed Project or a resource area affected by the Proposed Project are expected to use this EIR as part of their approval or permit processes as set forth in Table 1-1.

Specific approvals that could be required for this Proposed Project include, but are not limited to: building and safety permits from several City of Los Angeles departments; water quality permits from the Los Angeles Regional Water Quality Control Board (Clean Water Act [CWA] Section 401 Water Quality Certification/Waste Discharge Requirements pursuant to the Porter-Cologne Water Quality Control Act, CWA Section 402 National Pollutant Discharge Elimination System [NPDES] permits); a Department

of the Army permit under the Rivers and Harbors Act Section 10 and the Clean Water Act Section 404 for construction in waters of the U.S.; permits to operate stationary equipment from the South Coast Air Quality Management District.

Actions that could be undertaken by LAHD following preparation of the Final EIR include: certification of the EIR, approval of the Proposed Project, issuance of a Coastal Development Permit, approval of engineering permits, and approval of a up to 40 years of continued operation as a MOT at Berths 148-151, currently proposed via a new 20-year entitlement with two optional 10-year extensions, to Phillips 66 for the leasehold at Berths 148-151.

1.5.3 Draft EIR Organization

Table 1-3 contains a list of sections required under CEQA and references the specific chapter in this document where the specific information is located.

Table 1-3. Organization and Contents of the Draft EIR

Draft EIR Section	Description
Executive Summary	Summarizes the Proposed Project and alternatives, potential significant impacts and mitigation measures, the environmentally superior alternative, and unresolved issues and areas of controversy.
Chapter 1 – Introduction	Summarizes the key Proposed Project features and elements, the intended uses of the document and authorizing actions, the purpose of CEQA, the Proposed Project's relationship to existing plans and policies, the scope and content of the document, and the organization of the document. Describes Port of Los Angeles environmental programs and initiatives relevant to the Proposed Project.
Chapter 2 – Project Description	Describes the Proposed Project, the purpose and need and the objectives of the Proposed Project, alternatives initially considered but not carried forward for detailed review, and alternatives evaluated in the document at a detailed level.
Chapter 3 – Environmental Analysis	Describes the existing conditions for each environmental resource area, criteria for judging significance of an impact, impact assessment methodology, impacts that would result from the Proposed Project and each alternative, mitigation measures that would eliminate or reduce significant impacts, and the mitigation monitoring program.
Chapter 4 – Socioeconomics	Describes the Proposed Project's effects on local and regional housing and employment.
Chapter 5 – Cumulative Analysis	Summarizes significant cumulative impacts and whether the Proposed Project or any of the alternatives makes a cumulatively considerable contribution to those significant impacts.
Chapter 6 – Comparison of Alternatives	Compares the environmental impacts of the Proposed Project and alternatives and identifies the Environmentally Superior Alternative.
Chapter 7 – Growth-Inducing Impacts	Discusses the extent to which the Proposed Project would result in growth-inducing impacts.
Chapter 8 – References	Identifies the materials and documents consulted in preparing this Draft EIR.
Chapter 9 – Acronyms and Abbreviations	Provides the full names for acronyms and abbreviations used throughout this document.

Draft EIR Section	Description
Chapter 10 – List of Preparers and Contributors	Lists the individuals involved in preparing this Draft EIR.
Appendices	Present additional information, data, and technical detail for several of the resource areas.

1.6 Key Principles Guiding Preparation of this Draft EIR

1.6.1 Emphasis on Significant Environmental Effects

This Draft EIR focuses on the significant environmental effects of the Proposed Project and alternatives, and their relevance to the decision-making process. The following sections describe the general framework for analysis under CEQA. These summaries are not meant to capture the legal nuances that have developed through the passage and amendment of various statutes and regulations, and from corresponding judicial decisions; rather, the summaries are meant to communicate a general understanding of these two acts.

"Environmental impacts," as defined by CEQA, include physical effects on the environment. The state CEQA Guidelines §15360 define the environment as follows:

> The physical conditions which exist within the area which will be affected by a proposed project, including land, air, water, minerals, flora, fauna, ambient noise, and objects of historic or aesthetic significance.

This definition does not include strictly economic impacts (e.g., changes in property values) or social impacts (e.g., a particular group of persons moving into an area). The state CEQA Guidelines §15131(a) state that "economic or social effects of a project shall not be treated as significant effects on the environment." However, economic or social effects are relevant to physical effects in two situations. In the first, according to state CEQA Guidelines §15131(a), *"*An EIR may trace a chain of cause and effect from a proposed decision on a project through anticipated economic or social changes…to physical changes caused in turn by the economic or social changes." In other words, if an economic or social impact leads to a physical impact, this ultimate physical impact would be evaluated in the EIR. In the second instance, "Economic or social effects of a project may be used to determine the significance of physical changes caused by the project" (state CEQA Guidelines §15131[b]).

As with economic or social impacts, psychological impacts are outside the definition of the term "environmental." While not specifically discussed in the state CEQA Guidelines, the exclusion of psychological impacts was specifically affirmed in the 1999 court decision *National Parks and Conservation Association v. County of Riverside 71 Cal. App. 4th 1341 and 1364 (1999*).

In view of these legal precedents, LAHD is not required to treat economic, social, or psychological impacts as significant environmental impacts absent a related physical effect on the environment. Therefore, such impacts are discussed only to the extent necessary to determine the significance of the physical impacts of the Proposed Project and alternatives.

1.6.2 Forecasting

In this Draft EIR, LAHD and the consultants have made their best efforts to predict and evaluate the reasonable, foreseeable, direct, indirect, and cumulative environmental impacts of the Proposed Project and alternatives. CEQA does not require LAHD to engage in speculation about impacts that are not reasonably foreseeable (state CEQA Guideline §§15144 and 15145) or to conduct a worst-case analysis.

1.6.3 Reliance on Environmental Thresholds and Substantial Evidence

The identification of impacts as "significant" or "less than significant" is one of the important functions of an EIR. While impacts determined to be "less than significant" need only be acknowledged as such, an EIR must identify mitigation measures for any impact identified as "significant." In preparing this document, LAHD has based its conclusions about the significance of environmental impacts on identifiable thresholds and has supported these conclusions with substantial scientific evidence.

The criteria for determining the significance of environmental impacts in this analysis are described in each resource section in Chapter 3, Environmental Analysis. The "threshold of significance" under CEQA for a given environmental effect is the level at which LAHD finds a potential effect of the Proposed Project or alternative to be significant. "Threshold of significance" can be defined as a "quantitative or qualitative standard or set of criteria, pursuant to which significance of a given environmental effect may be determined" (state CEQA Guidelines §15064.7(a)).

1.6.4 Disagreement Among Experts

During preparation of the Draft EIR, it is possible that evidence that might raise disagreements will be presented during the public review of the Draft EIR. Such disagreements will be noted and will be considered by the decision-makers during the public hearing process. However, to be adequate under CEQA, the Draft EIR need not resolve all such disagreements.

Under the state CEQA Guidelines, conflict of evidence and expert opinions on an issue concerning the environmental impacts of the Proposed Project—when LAHD is aware of these controversies—should be identified in the EIR. Any conflict of evidence that may arise during the Draft EIR public comment period will be identified in the Final EIR.

In rendering a decision on a project where there is a disagreement among experts, the decision-makers are not obligated to select the most conservative, environmentally protective, or liberal viewpoint. Decision-makers might give more weight to the views of one expert than to those of another and need not resolve a dispute among experts. The decision-makers must consider the comments received and address any objections, but need not follow said comments or objections so long as the decision-makers state the basis for their decision and that decision is supported by substantial evidence.

1.6.5 CEQA Baseline

State CEQA Guidelines §15125 requires EIRs to include a description of the physical environmental conditions in the vicinity of the Proposed Project that exists at the time of the NOP. For purposes of this Draft EIR, the appropriate CEQA baseline has been

determined to be the activities at the site during calendar year 2021, as set forth in the NOP/IS released in March 2023 (Appendix A of this Draft EIR).

The CEQA baseline represents the setting at a fixed point in time, with no projected growth over time, and differs from the No Project Alternative (Alternative 1), discussed in Section 1.7.1) in that the No Project Alternative (Alternative 1) addresses what is likely to happen at the site over time, starting from the existing conditions, even if the Proposed Project is not approved.

1.6.6 Duty to Mitigate

According to state CEQA Guidelines §15126.4(a), each significant impact identified in an EIR must include a discussion of feasible mitigation measures that would avoid or substantially reduce the significant environmental effect. To reduce significant effects, mitigation measures must avoid, minimize, rectify, reduce, eliminate, or compensate for a given impact of the Proposed Project. Mitigation measures must satisfy certain requirements to be considered adequate. Mitigation should be specific and enforceable, define feasible actions that would demonstrably improve significant environmental conditions, and allow monitoring of their implementation. Mitigation measures that merely require further studies or consultation with regulatory agencies and are not tied to a specific action that would directly reduce impacts, or that defer mitigation until some future time, are not adequate.

Effective mitigation measures clearly explain objectives and indicate how a given measure should be implemented, who is responsible for its implementation, and where and when the mitigation would occur. Mitigation measures must be enforceable, meaning that the lead agency must ensure that the measures would be imposed through appropriate permit conditions, agreements, or other legally binding instruments.

State CEQA Guidelines §15041 grants public agencies the authority to require feasible changes (mitigation) that would substantially lessen or avoid a significant effect on the environment associated with activities involved in a project. Public agencies, however, do not have unlimited authority to impose mitigation. A public agency might exercise only those express or implied powers provided by law, aside from those provided by CEQA. However, where another law grants discretionary powers to a public agency, CEQA authorizes use of discretionary powers (state CEQA Guidelines §15040).

In addition to limitations imposed by CEQA, the U.S. Constitution limits the authority of regulatory agencies. The Constitution limits the authority of a public agency to impose conditions to those situations where a clear and direct connection ("nexus," in legal terms) exists between a project impact and the mitigation measure. Finally, a proportional balance must exist between the impact caused by the project and the mitigation measure imposed upon the project applicant. A project applicant cannot be forced to pay more than its fair share of the mitigation, which should be roughly proportional to the impact(s) caused by the project.

1.6.7 Requirements to Evaluate Alternatives

According to CEQA regulations, the alternatives section of an EIR is required to:

- Rigorously explore and objectively evaluate a range of reasonable alternatives;
- Include reasonable alternatives not within the jurisdiction or congressional mandate of the lead agency, if applicable;

- Include the No Project Alternative (Alternative 1);
- Develop substantial treatment of each alternative, including the proposed action, so that reviewers could evaluate their comparative merits;
- Identify the preferred alternative of the lead agency;
- Include appropriate mitigation measures (when not already part of the proposed action or alternatives); and
- Present the alternatives that were eliminated from detailed study and briefly discuss the reason(s) for elimination.

State CEQA Guidelines (§15126.6) require that an EIR describe a reasonable range of feasible alternatives to a proposed project, or to the location of a proposed project that could feasibly attain most of the basic objectives of the proposed project but would avoid or substantially lessen any significant environmental impacts. According to state CEQA Guidelines, the EIR should compare merits of the alternatives and determine an environmentally superior alternative. Section 2.7, Project Alternatives, sets forth potential alternatives to the Proposed Project and evaluates their suitability, as required by the state CEQA Guidelines (§15126.6).

Alternatives for an EIR usually take the form of No Project, reduced project size, different project design, or suitable alternative project sites. The range of alternatives discussed in an EIR is governed by the "rule of reason" that requires the identification of only those alternatives necessary to permit a reasoned choice between the alternatives and a proposed project. An EIR need not consider an alternative that would be infeasible. state CEQA Guidelines §15126.6 explains that the evaluation of project alternative feasibility can consider "site suitability, economic viability, availability of infrastructure, general plan consistency, other plans or regulatory limitations, jurisdictional boundaries, and whether the proponent can reasonably acquire, control or otherwise have access to the alternative site." The EIR is not required to evaluate an alternative whose effects could not be reasonably identified, or whose implementation is remote, speculative, or would not achieve the basic purposes of the Proposed Project.

1.7 Project Alternatives

According to state CEQA Guidelines §15126.6, an EIR need only examine in detail those alternatives that could reasonably meet most of the basic objectives of the Proposed Project. The objectives of the Proposed Project, as described in Section 2.1, support the Proposed Project's goal of ensuring that the Phillips 66 MOT at Berths 148-151 complies with MOTEMS to protect public health, safety, and the environment and to ensure continued viability of MOT operations within the Port. Accordingly, the alternatives considered in this Draft EIR are the No Project Alternative (Alternative 1), which is required by CEQA, and the Reduced Project Alternative (Alternative 2), which would meet the primary objective of complying with MOTEMS. Each of these alternatives is summarized below.

This section first presents a description of the alternatives that are carried forward in the detailed impact analyses and then describes the remaining alternatives that were considered but eliminated from further discussion (including the rationale for the decisions to eliminate the alternatives from detailed analysis).

1.7.1 Alternatives Evaluated in This Draft EIR

1.7.1.1 Alternative 1 – No Project Alternative

The No Project Alternative (Alternative 1) is required by CEQA. The purpose of the "no project" alternative "is to allow decision-makers to compare the impacts of approving the proposed project with the impacts of not approving the proposed project" (CEQA Guidelines, §15126.6(e)(1). As further explained in the CEQA Guidelines, if the "project is other than a land use or regulatory plan, for example a development project on identifiable property, the "no project" alternative is the circumstance under which the project does not proceed" (CEQA Guidelines, §15126.6(e)(3)(B). Although the MOT has been operating under RP 92-24 for over 30 years and compliance with MOTEMS is required by law, this alternative assumes that none of the MOTEMS improvements of the Proposed Project would be constructed. Because the facility would not be MOTEMS-compliant, this alternative also assumes that the tenant (Phillips 66) would cease operations at the MOT, and that termination clauses associated with existing entitlement would be carried out. No subsequent use of the site has been proposed or is being considered at this time. Accordingly, any future use, once proposed, would be subject to a separate environmental review.

1.7.1.2 Alternative 2 – Reduced Project Alternative

In the Reduced Project Alternative (Alternative 2), all of the elements of the Proposed Project described above would be built except refurbishment of 11 idle storage tanks as described in Section 2.5.1.2. Project operations would remain the same as described above.

1.7.2 Alternatives Considered But Not Further Evaluated

As described above, CEQA requires an EIR to present a reasonable range of alternatives to the Proposed Project. CEQA also requires an evaluation of the comparative merits of the alternatives and a brief description of the rationale for selection and rejection of alternatives. The lead agencies may make an initial determination as to which alternatives are ostensibly feasible and therefore merit in-depth consideration, and which are infeasible. Alternatives that are remote or speculative, or the effects of which cannot be reasonably predicted, need not be considered (CEQA Guidelines, §15126 (f)(2)). Under CEQA, alternatives may be eliminated from detailed consideration in the EIR if they fail to meet most of the Project objectives, are infeasible, or would not avoid or substantially reduce any significant environmental effects (CEQA Guidelines, §15126.6(c)).

Based on comments received on the NOP, an alternative considered was locating the Proposed Project at another site within the Port. Selecting an alternative site was eliminated from further analysis due to infeasibility. The Project site is an existing MOT that has operated at Berths 148-151 since 1919. The purpose of the Proposed Project is to upgrade the Project site so that it would comply with MOTEMS. No other sites would accomplish that purpose, and therefore no other sites were considered feasible for the Proposed Project.

1.8 Availability of the Draft EIR

The Draft EIR for the Proposed Project and alternatives is being distributed directly to agencies, organizations, and interested groups and persons for comment during the formal review period in accordance with state CEQA Guidelines §15087. A 45-day comment period has been established, during which the Draft EIR is available for general public review at:

Los Angeles Harbor Department
Environmental Management Division
425 South Palos Verdes Street
San Pedro, California 90731

In addition to printed copies of the Draft EIR, electronic versions are available. Due to the size of the document, the electronic versions have been prepared as a series of PDF files to facilitate downloading and printing. The Draft EIR is available in its entirety on the Port of Los Angeles website at:
http://www.portoflosangeles.org/ceqa.

Interested parties may provide written comments on the Draft EIR, which must be postmarked by the last day of the public comment period. Please address comments to:

Director of Environmental Management Division
Los Angeles Harbor Department
425 S. Palos Verdes Street
San Pedro, CA 90731.

Written comments may also be sent via e-mail to ceqacomments@portla.org. Comments sent via e-mail should include the project title in the subject line of the email.

References

CSLC (California State Lands Commission). 2021. Letter from C. Beckwith, Chief, Marine Environmental Protection Division, CSLC to P. Schnieders, Manager, Technical Services, Phillips 66 Los Angeles Refinery. April 7.

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