PIPELINE

NEWS ABOUT CONTRA COSTA COUNTY'S REFINERY INDUSTRY

WINTERSPRINGSUMMERFALL 2010

FEWER EMISSIONS **CLEANER AIR**

Emissions from Bay Area refineries have declined significantly over the past 25 years, and now represent just two to three percent of total Bay Area emissions, with autos contributing the most. Thanks to cleaner-burning fuels, auto emissions are declining as well.

Specifically, since 1985, Reactive Organic Gasses, Particulate Matter (PM2.5), Nitrogen Oxides (NOx), and Sulfur Dioxide (SO2) are down across the board, according to a report by the Bay Area Air Quality Management District (BAAQMD).

The report was presented by Henry Hilken, director of the Planning, Rules and Research Division of the BAAQMD during a Stationary Source Committee meeting on October 19, 2009. Contra Costa County Supervisor John Gioia, a member of the BAAQMD, asked that the report be prepared to determine the progress being made in the Bay Area to reduce emissions and clear the air.

"EMISSIONS FROM BAY AREA REFINERIES HAVE DECLINED SIGNIFICANTLY OVER THE PAST 25 YEARS."

Hilken said rules adopted by the board have led to important emission reductions at the refineries. Two major NOx rules adopted in the early 1990s, according to Hilken, have significantly reduced refinery NOx emissions during the past five years.

"Refineries are on a journey of continuous improvement," said Shell Refinery Manager Alicia Izarraraz. "Emissions keep declining and protecting the environment remains a top priority."

Rand Swenson, manager of the ConocoPhillips Refinery, agreed.

"These numbers clearly show we're making great strides," said Swenson. "ConocoPhillips will continue exploring ways to get our emissions as low as possible."

The report, titled "Bay Area Emission Trends," also examined emissions from all sources over the past 30 years. Included are separate breakdowns of stationary sources and power plants and cogeneration. The most impressive statistics, however,

see **EMISSIONS**, page 2

EMISSIONS
CONTINUED FROM PAGE 1

are the ones from refineries when it comes to ROG and NOx reduction.

ROG emissions have dropped from slightly under 70 tpd in 1980, to 10 tpd in 2010. NOx emissions, which were just above 50 tpd in 1980, now sit just above 10 tpd.

“It’s really a testament to the dedication Chevron and the other refineries have shown to help keep the air as clean as possible,” said Mike Coyle, general manager of the Chevron Refinery. “We all have a part to play. We can all make a difference.”

“The commitment we’ve made to provide good-paying jobs, protect our workers and the community, and ensure a healthy environment has never been greater,” added Tesoro Refinery Manager Bill Bodnar. “The emission statistics are wonderful news. But we’re going to keep pushing to make them even better.” ■

Road Home, Briones
Photo by Deane Little, courtesy East Bay Regional Park District

CIS Helps Outfit Volunteer Trail Safety Program

□ Like any volunteer-based program, funding is often an ongoing problem. But thanks to a $106,729 donation from the Committee for Industrial Safety — representing Contra Costa’s Shell, Tesoro, ConocoPhillips and Chevron refineries — the East Bay Regional Park District’s Volunteer Trail Safety Patrol need not worry about money for new equipment any time soon.

The donation has been used to purchase an SUV, equipment trailer, clothing and safety items for use by the volunteers. The new equipment was long overdue, according to Police Captain Mark Ruppenthal of the East Bay Regional Park District.

“I’ve been here for some time and the Volunteer Trail Safety Patrol has constantly been one of those underfunded programs,” he said. “We had people who were wearing the same shirts for years and years. The new trailer, the Chevy Tahoe and the uniforms give them a professional platform and a feeling of being part of the team.”

The Volunteer Trail Safety Patrol includes five separate patrol groups — Mounted Patrol, Bicycle Patrol, Hiking Patrol, Companion Dog Patrol and Marine Safety Unit. Each group helps protect the safety of visitors and park resources, report emergencies and assist as needed at public events.

The donation was a perfect match for CIS, whose members emphasize workplace and community safety on a daily basis.

“I can’t express enough appreciation for the donation to the program,” said Ruppenthal. “The feeling is like being in an old building for years and then moving to a brand new one. Everyone is excited and it helps people take notice.”

To volunteer or learn more, visit www.parkpatrol.org. ■

Artist rendering of the new Trail Safety Patrol truck and trailer made possible by the CIS donation.

VIEWPOINT
THICKET OF REGULATION STRANGLES JOBS

By Jack Stewart, President, California Manufacturers & Technology Association

☐ For all the rosy talk, California's new "green" jobs now account for less than one percent of the state's work force. Certainly we need these jobs and should be doing everything we can to nurture them. But pretending that they alone will pull California out of our current economic bog is naive. Growing thousands of green jobs while driving away hundreds of thousands of manufacturing jobs won't recapture our state's economic glory. We need both to reignite our economy.

California's manufacturing sector provides high-wage jobs for millions of middle-class families while generating billions of dollars in tax revenue for schools, infrastructure and other public services. But these jobs are disappearing. We aren't talking about old "smokestack" industry jobs, but aerospace, high-tech, biotech and other skilled positions that pay on average $20,000 a year more than service-sector jobs. This month, our last auto manufacturing plant is closing.

"BUSINESSES ARE AFRAID TO INVEST IN CALIFORNIA BECAUSE THE RULES KEEP CHANGING"

Manufacturing and other companies are leaving California or failing to expand, in large part, because of the state's notoriously expensive and uncertain regulatory environment. Businesses are afraid to invest here because the rules keep changing while the cost of compliance spirals ever higher.

"It's difficult for most employers to make a solid case for starting up or expanding a business in California," observed Trends Magazine recently. "Government regulations seem perversely aligned to discourage people from doing business there." Last year, one California company told the Legislature it had been inspected by regulators 165 times in 2008, nearly every two days, and that inspections had increased another 26 percent in 2009. Reports like this scare other companies away.

"CALIFORNIA HAS LOST 32% OF ITS MANUFACTURING BASE SINCE 2001 — COSTING US 600,000 JOBS AND $5 BILLION ANNUALLY IN LOST TAX REVENUE"

Since 2001, California has lost nearly a third of its manufacturing base, a 32 percent decline in just eight years.

The impact has been devastating: 600,000 lost jobs, $75 billion a year in lost wages and $5 billion annually in lost tax revenue, money that once helped balance the state's budget.

If we're serious about reversing California's reputation as a lousy place to do business, we need to get serious about regulatory reform. We don't need to dismantle environmental, worker or consumer protections to improve California's regulatory climate.

But we do need to remake the system so it's lean, efficient, predictable and accountable, with common-sense rules that are fairly applied. It's a smart way to begin repairing our image (and our economy) because it can be accomplished quickly and without cost. Moreover, the benefits will be felt almost immediately, as it will send a powerful message to the business world that we genuinely want their jobs and the revenue they provide. Very quickly, we'll once again be competitive with other states.

see **VIEWPOINT**, page 4

THE REFINERIES

BY THE NUMBERS

Contra Costa's Chevron, ConocoPhillips, Shell and Tesoro refineries bring great value to the community. Check it out:

7,000
Number of local jobs provided

$100,000
Average yearly salary and benefits for refinery workers

$62 million
Amount spent by the refineries each year on local contractors

$2 billion
Amount planned for capital improvements over the next few years

$12 billion
Added value to the county's property tax roll

VIEWPOINT

CONTINUED FROM PAGE 3

To achieve this, three things need to happen.

First, the Legislature needs to restore its authority over the state's regulatory bureaucracy. Unelected officials now have sweeping powers to impose new regulations, with no requirement that these regulations be reviewed or approved by the Legislature. This creates an uncertain and unpredictable regulatory climate that can easily be fixed by requiring legislative approval for each new regulation proposed by the bureaucracy.

Second, there needs to be a system that accurately measures the potential impact of proposed regulations on jobs and the state's economy, so informed decisions can be made about whether the benefit of a new regulation is worth the cost.

Requiring the Legislative Analyst's Office to complete an unbiased, independent economic impact report for every major regulation that's proposed will achieve this.

Third, to begin trimming California's regulatory thicket, the Legislature should review every regulation already on the books, and require periodic review for all new regulations adopted in the future. Doing so will ensure that regulations are working as intended, and rid the state of regulations that are outdated, ineffective and redundant.

Clearly, other steps must be taken to fully revive California's economy and stop the exodus of jobs and tax revenue. But regulatory reform is a good place to start because it provides tangible and immediate proof to wary investors and company decision-makers around the world that California is back in business. ■