

FINDINGS FOR THE MARATHON MARTINEZ REFINERY RENEWABLE FUELS PROJECT REIR; TESORO REFINING & MARKETING COMPANY LLC (APPLICANT & OWNER); COUNTY FILE# CDLP20-02046

California Environmental Quality Act (CEQA) Findings

The Marathon Martinez Refinery Renewable Fuels Project proposes to modify the existing Marathon Martinez Refinery to repurpose the Refinery for production of fuels from renewable sources rather than from crude oil. Some existing Refinery equipment would be altered or replaced, and additional new equipment units and tanks would be installed, to facilitate production of fuels from renewable feedstock. Crude oil processing equipment that cannot be repurposed for processing of renewable feedstock would be shut down and removed from the Refinery based on an event-based decommissioning plan. As a result of the project, the facility would no longer refine crude oil into petroleum-based products.

On May 3, 2022, the Board of Supervisors approved the Marathon Martinez Renewable Fuels Project and certified a final environmental impact report ("2022 EIR") under CEQA for the project (State Clearinghouse No. 2021020289). The Board issued a land use permit for the project, allowing the Marathon Martinez refinery to be converted into a renewable fuels production facility enabling the production of diesel from renewable sources, including rendered fats, soybean and corn oil, and other cooking and vegetable oils. In June 2022, a CEQA lawsuit was filed in the Contra Costa County Superior Court challenging the Board of Supervisors' certification of the 2022 EIR and the approval of the Project. (*Communities for a Better Environment, et al., v. County of Contra Costa, et al.*, Contra Costa County Superior Court Case No. N22-1091.) On July 20, 2023, the Superior Court, the Honorable Edward G. Weil presiding, issued a Statement of Decision in which the Superior Court concluded that the 2022 EIR was adequate on all counts, except only in its discussion and deferral of odor mitigation and remanded to the County for reconsideration of the mitigation measures for the Project's odor impacts only (refer to Appendix A). On August 23, 2023, the Superior Court entered judgment and issued a peremptory writ of mandate to the County to partially decertify the 2022 EIR, specifically limited to Chapter 4, Section 3.3 Air Quality, Mitigation Measure AQ-2 of the 2022 EIR, and to conduct further environmental review in compliance with CEQA to remedy the issue identified in the Statement of Decision.

Analyses in the 2022 EIR that were not identified in the Statement of Decision and peremptory writ of mandate as requiring reconsideration have not been revised and were not recirculated in the Draft Revised Environmental Impact Report (Draft REIR). Pursuant to CEQA Guidelines Section 15088.5(f)(2), reviewers were notified that their comments should be limited to the revised chapters or sections of the Draft REIR. Pursuant to CEQA

Guidelines Section 15088.5(f)(2)(ii), written responses have been prepared only to comments received regarding the contents of the REIR. The Final Revised EIR (Final REIR) constitutes the second part of the REIR for the Project and is intended to be a companion to the Draft REIR. The Draft REIR for the Project, which was circulated for public review and comment from August 6, 2024, through September 20, 2024, constitutes the first part of the REIR and is incorporated by reference and bound separately from the Final REIR (refer to <https://www.contracosta.ca.gov/7961/Martinez-Refinery-Renewable-Fuels-Project>). Accordingly, the REIR for the Project comprises the following:

- Draft REIR and Appendices
- Final REIR and Appendices

The Draft REIR and Final REIR, as well as the portions of the 2022 EIR determined by the Superior Court to be in compliance with CEQA, or otherwise unchanged by the REIR comprise the EIR for the project – collectively considered the “2025 EIR”.

Findings Regarding Potential Environmental Impacts

Contra Costa County is the lead agency under the California Environmental Quality Act (CEQA) for preparation, review, and certification of the EIR for the Martinez Refinery Renewable Fuels Project. As the lead agency, the County is also responsible for determining the potential environmental impacts of the proposed action, which of those impacts are significant, and which impacts can be mitigated through imposition of feasible mitigation measures to avoid or minimize such impacts to a level of "less than significant." The 2022 EIR for the project considered the project's impacts, which were summarized in Table ES-1 of the 2022 Draft EIR.

The REIR CEQA review remedies the one issue of odor mitigation measures identified in the Statement of Decision. Consistent with the peremptory writ of mandate issued by the Superior Court, the Revised EIR need only address the one issue specified in the Statement of Decision as necessary to achieve compliance with CEQA. The remainder of the 2022 EIR previously prepared and certified by the County was either not challenged or was found by the Court to be in compliance with CEQA and therefore remains valid. The Final 2022 EIR (State Clearinghouse No. 2021020289), to the extent it does not conflict with the additional information provided in the 2025 REIR, is incorporated herein by reference.

Impact AQ-5 addressing odor emissions is the only impact evaluation that is revised. All other sections including the environmental and regulatory setting, existing conditions, and impacts and mitigation measures unrelated to odor or other impacts are not repeated in the REIR. Those sections, and the information contained therein, were adequately

addressed in the 2022 EIR and are not related to or impacted by the changes responding to the deficiencies identified in the Superior Court decision. Therefore, the findings related to the impacts evaluated in those sections are not affected and are also not discussed here. Additionally, the statement of overriding considerations adopted by the Board for the project is not affected and is also not discussed here.

Pursuant to Public Resources Code Section 21081 and CEQA Guidelines Section 15091, no public agency shall approve and carry out a project where an EIR has been certified, which identifies one or more significant impacts on the environment that would occur if the project is approved, unless the public agency makes one or more findings for each of those significant impacts, accompanied by a brief explanation of the rationale for each finding. The possible findings, which must be supported by substantial evidence in the record, are:

- Changes or alterations have been required in, or incorporated into, the project that mitigate or avoid the significant impact on the environment.
- Changes or alterations are within the responsibility and jurisdiction of another public agency and have been, or can and should be, adopted by that other agency.
- Specific economic, legal, social, technological or other considerations make infeasible the mitigation measures or project alternatives identified in the EIR.

The following impact has been identified in the Revised EIR and mitigated.

“No Impact” or “Less than Significant Impact”

FINDING: Potentially significant impacts were identified, all of which can be mitigated to a less-than-significant level. These impacts affect the environmental topics of:

- Air Quality

Potential new sources of odor associated with the Project are from organic vapors generated by the storage of renewable feedstock, including tallow. The potential for odors cannot be accurately predicted and therefore, the impact is potentially significant. Implementation of Mitigation Measure AQ-5 would reduce this impact to less than significant.

Environmental analysis contained in the REIR determined that measures were available to mitigate these potential adverse impacts to less-than-significant levels. The

recommended mitigation measures are included within the Mitigation Monitoring and Reporting Plan, which describes the timing and responsible agency for monitoring compliance with all mitigation measures. Refer to Final REIR Appendix A, Mitigation Monitoring and Reporting Program, which includes the final MMRP for the Martinez Refinery Renewable Fuels Project EIR.

Certification of EIR

On the basis of the whole record before it, including the Draft and Final EIRs, and Draft and Final Revised EIRs, and in accordance with Section 15090, the Board of Supervisors finds that:

- The EIR has been completed in compliance with CEQA;
- The EIR reflects the County's independent judgement and analysis;
- The EIR was presented to the decision-making body of the Lead Agency and the decision-making body reviewed and considered the information contained in the EIR prior to approving the project.

Pursuant to CEQA Section 15097, a Mitigation Monitoring Program has been prepared, based on the identified impacts and mitigation measures in the EIR. The Mitigation Monitoring Program is intended to ensure that the mitigation measures identified in the EIR are implemented. All mitigation measures are included in the Conditions of Approval for the project.

Differences of Opinion Regarding Environmental Analysis

In making its determination to certify the EIR and to approve the project, the Board recognizes that the project involves controversial environmental issues and that a range of technical and scientific opinion exists with respect to those issues. The Board has acquired an understanding of the range of this technical and scientific opinion by its review of the Draft EIR, Final EIR, Draft REIR, and Final REIR, the comments received on the Draft EIR and Draft REIR and the responses to those comments in the Final EIR and Final REIR, as well as other testimony, letters, and reports submitted for the record. The Board recognizes that some of the comments submitted on the EIR and REIR, and at the hearing, disagree with the conclusions, analysis, methodology and factual bases stated in the EIR. The EIR was prepared by experts, and that some of these comments were from experts, thus creating a disagreement among experts. The Board has reviewed and considered, as a whole, the evidence and analysis presented in the 2025 EIR and in the

record, and has gained a comprehensive and well-rounded understanding of the environmental issues presented by the project. In turn, this understanding has enabled the Board to make its decisions after weighing and considering the various viewpoints on these important issues.

Documents and Records

The various documents and other materials constitute the record upon which the Board bases these findings and the approvals contained herein. These findings cite specific pieces of evidence, but none of the Board's findings are based solely on those pieces of evidence. These findings are adopted based upon the entire record, and the Board has relied upon and considered all of the evidence in the record in rendering each of its findings. The location and custodian of the documents and materials that comprise the record is Contra Costa County, Department of Conservation and Development, 30 Muir Road, Martinez, CA, 94553, telephone (925) 655-2705.