

Court rules Richmond refinery plan is inadequate

Decision halts further refinery work

Katherine Tam, Bay Area News Group, 4-27-10

The environmental analysis of Chevron's plan to retrofit its Richmond refinery, including the core question on whether pollution would increase, is inadequate under state law.

The state Court of Appeal issued a highly anticipated 35-page ruling Monday afternoon that essentially keeps the refinery project at a standstill until holes in the environmental report are fixed.

Chevron is disappointed in the ruling, said refinery representative Brent Tippen.

"We feel both the evidence and the law amply supports the adequacy of the environmental impact report," Tippen said. "We are now reviewing the court's decision and will determine what is next to be done."

The environmentalists that sued Chevron and the city of Richmond say their aim is not to stop the 108-year-old refinery from operating but to ensure it does so without public risks.

"The decision lays out a clear road map for Chevron to expand its refinery in a way that's legal and won't harm the health of people living right across the fence," said Deborah Reames, attorney for the environmentalists.

"The community has been fighting back for decades - this victory is huge," said Henry Clark, executive director of the West County Toxics Coalition.

The ruling caps a five-year battle over Chevron's plan to replace its power plant, hydrogen plant and reformer to refine a wider range of crude with more sulfur and produce more California-grade gasoline.

Opponents have argued the project would allow the processing of heavier crude oil, which could increase pollutants by five to 50 times. Chevron disputed the claim and said it will continue refining light to intermediate crudes.

The city approved the plan after multiple heated hearings, but a lawsuit filed by the West County Toxics Coalition, Communities for a Better Environment and Asian Pacific Environmental Network forced the project into limbo as workers arrived at the refinery. Construction halted under a court order last July when a Contra Costa Superior Court judge sided with the environmental coalition and declared the project's environmental report was too vague. Chevron appealed to state court.

Construction workers have watched the legal wranglings closely, hoping the project's 1,000-plus jobs would get back on track.

Greg Feere, head of the Contra Costa Building Trades, said the Chevron project would have directly or indirectly created thousands of good jobs for local people. The judicial action hits home, he said.

"It's devastating for working people, and for the local economy," Feere said. "A lot of the people who were laid off have not worked since."

Labor's best hope now would be for some reconciliation from the involved parties, Feere added.

"Nobody wins on this one," Feere said. "And if they don't sit down and resolve this, everything will stay as it is."

The environmentalists are open to settlement talks, Reames said. Tippen said Chevron is deciding its next steps.

In its ruling, the state court described the environmental report on Chevron's project as "inconsistent" and "obscure" on the crude question. The city's subsequent attempt to clarify by hiring an outside consultant who relied on confidential data was "too little, and certainly too late."

"Unless the data as to crude slate currently processed at the refinery is divulged, the EIR's conclusion that the future crude slate would be 'similar to that which is currently processed' is meaningless," the court wrote.

The court agreed with the environmentalists in concluding the city improperly deferred developing a plan to deal with greenhouse gases. It sided with Chevron on the issue of whether the environmental report should have taken into account a proposal by Praxair to build a 22-mile underground pipeline to carry hydrogen from the refinery to plants in Martinez and possibly Rodeo.