

## **3.1 California Energy Commission (CEC)**

**Letter from Terrence O'Brien, Deputy Director,  
Systems Assessment and Facilities Siting Division,  
January 18, 2007**

## CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET  
SACRAMENTO, CA 95814-5512  
www.energy.ca.gov



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January 18, 2007

Mr. Will Nelson  
Community Development Department  
Contra Costa County  
651 Pine Street, 4<sup>th</sup> Floor North Wing  
Martinez, CA 94553

RE: ConocoPhillips Rodeo Refinery Clean Fuels Expansion Project Draft Environmental Impact Report, State Clearinghouse Number 2005092028

Dear Mr. Nelson:

Thank you for this opportunity to comment on the draft Environmental Impact Report (EIR) for the ConocoPhillips Rodeo Refinery Clean Fuels Expansion Project. Our comments are brief and focus on the statewide need for petroleum infrastructure. We are pleased that the EIR cites several Energy Commission references that accurately portray the State's energy supply and demand situation.

As the EIR states, the primary objective of the Proposed Project is to increase production of gasoline and diesel by constructing modifications and additional equipment that would convert more of the heavy gas oil (HGO) produced in the Refinery into gasoline and diesel. The EIR also clearly states that the benefits of the Proposed Project include facility improvements to increase production of clean gasoline and diesel fuel and possibly increase production of hydrogen for use as an alternative clean fuel for customers.

Related to the stated objective and benefits, EIR Section 3.2.1 Project Objectives accurately summarizes projected future demand and supply scenarios for gasoline and diesel. Section 4.5.2.3 provides a succinct summary of the Energy Commission's 2005 Integrated Energy Policy Report findings and recommendations for increasing transportation fuels efficiency.

The 2005 Energy Policy Report also calls for improving the infrastructure for petroleum fuels. Gasoline and diesel will continue to be California's primary transportation fuels for the foreseeable future, even as we work to diversify California's fuel supply through increasing use of clean and alternative fuels, decreasing reliance on petroleum products and increasing vehicle efficiency. California cannot meet rising near-term fuel demand without a robust petroleum infrastructure, including facilities such as the ConocoPhillips Refinery. Projects such as this

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expansion project will help to address future supply problems and improve California's ability to process and distribute needed fuel supplies to consumers. ↑  
1 cont.

For any questions or requests for additional information, please contact Eugenia Laychak, Best Permitting Practices Project Manager at 916/654-5189 or [elaychak@energy.state.ca.us](mailto:elaychak@energy.state.ca.us).

Sincerely,



TERRENCE O'BRIEN, Deputy Director  
Systems Assessment and Facilities Siting Division

## 3.1 California Energy Commission (CEC)

### Responses to Letter from Terrence O'Brien, Deputy Director, Systems Assessment and Facilities Siting Division, January 18, 2007

CEC-1 *CEC states it is pleased that the DEIR cites CEC references that accurately portray the State's energy supply and demand situation. CEC states that the DEIR accurately summarizes projected future demand and supply scenarios for gasoline and diesel and that Section 4.5.2.3 provides a succinct summary of the Energy Commission's 2005 Integrated Energy Policy Report findings and recommendations for increasing transportation fuels efficiency.*

*With respect to the Proposed Project, the CEC states that "California cannot meet rising near-term fuel demand without a robust petroleum infrastructure, including facilities such as the ConocoPhillips Refinery. Projects such as this expansion project will help address future supply problems and improve California's ability to process and distribute needed fuel supplies to consumers."*

RESPONSE: CEC confirms the DEIR statements related to supply of and demand for gasoline and diesel fuels, increasing transportation fuels efficiency, and improvement of petroleum infrastructure. CEC did not request any correction or any addition of other information to the EIR.