# BEFORE THE ADMINISTRATOR UNITED STATES ENVIRONMENTAL PROTECTION AGENCY DOCKET # EPA-HQ-OEM-2015-0725

In the Matter of:

Failure of the EPA to Require Plains All American Pipeline (Rancho LPG LLC) To Submit a "Realistic" Worst Case Blast Radius Impact Report, and Failure to Address Other Unsafe and Non-Compliant Issues of Operation by Rancho LPG.

PETITION TO EPA TO RE-EXAMINE THE RISKS ASSOCIATED WITH THE PLAINS/RANCHO LPG FACILITY (LOCATED AT 2110 N. Gaffey Street – San Pedro/Wilmington, CA) AND TO REQUIRE PLAINS ALL AMERICAN PIPELINE (RANCHO LPG LLC) TO RESUBMIT RANCHO LPG LLC'S (SEVERLY MINIMIZED) WORST CASE BLAST RADIUS REPORTING TO THE EPA (UNDER RULE 40 CFR PART 68 .25) USING THE PROPER "TNT" EQUIVELANCY CALCULATION FOR ALL FLAMMABLES

## I. BACKGROUND

SAN PEDRO PENINSULA HOMEOWNERS UNITED, INC. TONGVA ANCESTRAL TERRITORIAL TRIBAL NATION, (jointly "Petitioners") respectfully petition the Environmental Protection Agency ("EPA") to re-examine the safety hazard of the Plains All American Pipeline/Rancho LPG LLC ("Rancho LPG") facility and make the necessary changes under their control that will better identify risks to the general public from this massive 25 million gallon liquefied petroleum gas storage facility.

The natural gas pipeline explosion in San Bruno in 2015 intensified scrutiny over pipeline safety and maintaining sound regulations to protect communities in close proximity to potential hazards. The San Bruno explosion led to eight deaths, sixty injuries and destroyed thirty-eight homes. It took first responders 30 minutes to assess the cause of the explosion as a pipeline explosion.

The Rancho LPG facility located at 2110 N. Gaffey Street, Wilmington, CA poses just as serious danger to the community. The Rancho LPG facility in is the middle of a heavily populated section of Los

1	Angeles, near multiple residences and schools, a just a few feet away from oil refinery and the Port of Los
2	Angeles. In 1997, the California Public Utilities Commission (CPUC) Report on the Rancho LPG facility
3	pointed out that Petrolane, the previous operator. Had multiple deficiencies in its operations, as
4	highlighted:
5	"Design work on the \$9 million dollar Petrolane facility started in April 1972.
6	Construction commenced in the fall of 1972 and the terminal went on stream
7	in May, 1973 without permits from the City of Los Angeles for the storage of
8	25+ million gallons of propane and butane."
9	"The City of Los Angeles Department of Building and Safety determined that
10	Petrolane's low temperature liquefied petroleum gas (LPG) tanks were not exempt
11	from the Los Angeles Municipal Code as originally indicated. Accordingly,
12	April 20, 1977 the department issued an order to comply with Petrolane Inc, which
13	directed the company to file plans and obtain building permits for the two low
14	Temperature LPG storage tanks. The review will include a check to insure their ability
15	to resist seismic loading."
16	"It appears unlikely that the low temperature storage tanks would rupture unless
17	due to an act of war, sabotage, aircraft collision, or other extreme conditions. Due
18	to the proximity, the greatest potential for earthquake damage appears to be from
19	The Palos Verdes fault."
20	"The impoundment basin is capable of containing the liquid contents of only one
21	300,000 Bbl tank. Should both tanks rupture, the impoundment basin is obviously
22	unable to contain the total possible spillage."
23	Despite these onerous warnings, these recommendations of the CPUC were never followed.
24	Currently, the Rancho LPG facility does not comply with the basic API Standard (2510) for LPG
25	storage. Specifically, Rancho LPG fails to meet the setback requirements of 200 ft. from neighboring land
26	use. This specific standard applies to the facility on the south, east and northeast. The facility is literally
27	surrounded by uses on all sides including (as noted) an oil refinery, a soccer field, and businesses.
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Rancho LPG LLC was required to prepare and institute a new Risk Management Plan when it purchased the facility in 2008. Rancho LPG's produced plan was simply a "roll over" plan from the immediately previous owner, Amerigas, which continued a number of deficiencies noted in the CPUC Report.

Rancho LPG also failed to get required permits in a timely fashion from the South Coast Air Quality Management Division (SCAQMD) after it became owner of the facility. These facts illustrate a corporate culture and attitude that is indifferent to laws and to public safety.

Studies and records gathered from the City of Los Angeles Planning Department indicate that the storage tanks within the Rancho LPG facility are located on the active Palos Verdes Fault (magnitude 7.3) and in a recorded Earthquake Rupture Zone (with a convergence of multiple faults) on a United States Geological Survey (USGS) identified Landslide, Liquefaction and Methane Areas. Recent studies have indicated that a catastrophic incident at the Rancho LPG facility with a release of butane could potentially cause in excess of 2,500 deaths, 12,500 injuries and cause major destruction at the Port of Los Angeles. No risk analysis was ever performed for the Rancho LPG facility. Neighborhoods and schools that existed at the time of the 1973 installation of the facility (within 1,000 to 2,000 feet) were ignored by the Environmental Impact Reports prepared in conjunction with the building of this facility.

Under the Restatement 2d of Torts this facility satisfies the elements of an "Ultra Hazardous Activity":

1. Existence of a high degree of risk of some harm to the person, land, or chattel of others;

2. Likelihood that the harm that results will be great;

3. Extent to which the activity is not a matter of common usage;

4. Inability to eliminate the risk by the exercise of reasonable care;

5. Inappropriateness of the activity to the place where it is carried out;

6. Extent to which its value to the community is outweighed by its dangerous attributes.

There is a high degree of risk to thousands in the surrounding community and a likelihood that the result will be catastrophic.

Storing 25 million gallons of butane is not a matter of common usage. Should an explosion occur due to an earthquake, terrorist attack, faulty pressure valve, decaying steel, fire or other methods, the exercise of

reasonable care will be of no value. Plains All America/Rancho LPG facility is close to a residential community, schools and businesses; and its value to the community is far outweighed by its dangerous attributes.

Professor Robert Bea, Center for Catastrophic Risk Management, and University of California at Berkeley, stated in a letter dated April 20, 2015 to Ron Conrow, Rancho LPG Holdings: "I have reviewed a QRA performed by Quest Consultants Inc. I do not think there is sufficient valid and validated information (qualitative and quantitative) to inform the residents of San Pedro and the responsible local, State and Federal government agencies regarding the "public safety" and risks of major accidents associated with the Rancho LPG facilities. I think it is incumbent upon Rancho LPG Holdings LLC to provide the residents of San Pedro and the responsible government agencies the scientifically based information on the "public safety" and risks (likelihoods and consequences) associated with major accidents involving the Rancho LPG facility. My statement is based on the information contained in the series of "risk analysis" documents I cited earlier. My synthesis of that information led to my qualitative assessment of "high risk". That assessment included an assessment of the likelihoods of major accidents due to the multiple categories of hazards (earthquakes, severe storms, ground instability, terrorist activities, and operating and maintenance activities) and the consequences (deaths, severe injuries, property and productivity damages, and direct and indirect monetary costs."

Professor Bea further wrote: "During the past 45 years, I have been involved as an originator, contributor and reviewer of more than 100 QRAs involving 'High Risk systems.' This work has been associated with design, construction, maintenance, and operation of onshore and offshore industrial oil 20 and gas exploration, production, transportation, and refining systems. Several of these QRAs were 21 associated with oil and gas production and transportation facilities located onshore and offshore Southern 22 California near the Rancho LPG facilities. I have written three books, contributed chapters in 4 other 23 books, written several hundred referred technical papers and reports, and taught university undergraduate 24 and graduate courses on system Risk Assessment and Management (SRAM) of engineered systems for 25 26 more than 20 years. This work has been closely associated with my forensic engineering work as a primary investigator on more than 30 major accidents and disasters that have primarily involved oil and 27 28 gas exploration, production, transportation, and refining systems. This work has been involved with more

than 40 national and international joint industry-government sponsored research projects that addressed SRAM of complex engineered systems."

Professor Bea further wrote about deficiencies related to the Rancho LPG facility: "Deficiencies found in previous formal quantitative QRAs and PRAs: 1) omission of important categories of uncertainties, 2) systematic incorpation of optimistic human and organizational 'biases,' 3) assumptions integrated into the risk analysis that were not validated, 4) systematic underestimate in the consequences of major accidents, 5) omission of important interactions between infrastructure components and systems, and 6) application of inappropriate risk 'acceptability' and 'tolerability' criteria. All of these deficiencies are in the existing formal QRAs that have been performed for the Rancho LPG facilities."

Professor Bea further opined why Rancho LPG poses such a danger: "The Equation for Disaster is: A+B = C. 'A' are natural hazards like explosive hydrocarbons, corrosion, metal fatigue, earthquakes, tsunamis, hurricanes, and instability of the ground. 'B' are human hazards including hubris, arrogance, greed, complacency, ignorance, and indolence. 'C' are disasters sooner or later. At this point in my review of the documentation associated with the Rancho LPG facilities, I have detected plentiful evidence of the presence of ALL of the 'B' human hazards in the "Equation for Disaster." In addition, there is ample valid evidence available to characterize the multiplicity of significant natural hazards at and in the vicinity of these facilities. I conclude it is time for Rancho LPG Holdings LLC to take effective actions to avoid the 'C' results associated with the facilities it owns and operates."

In addition to the work of Professor Bea, **Constance Rutter**, environmental consultant, has evaluated the Rancho LPG facility and states the following: "I have tracked the development of the EPA rules on emergency response (40CFR Part68), specifically the sections on LPG storage. The published EPA guidance required that the TNT equivalency method be used for LPG facilities. But the American Petroleum Institute had sued the EPA over the Guidance, apparently arguing that the same calculation method that was used for refrigerated toxic materials, with 'passive mitigation' should be used for flammables like LPG. This method reduced the amount of release in the "worst case analysis" to the first ten minutes at Rancho LPG.

Ms. Rutter continues: "When you realize that the impound basin (their version of passive mitigation) required by API standards (2510) is only a slight delay in terms of the release, not a real protection. Keep

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in mind that butane is stored only three degrees F below its vaporization point of 31 degrees F. Butane will rapidly vaporize. When it vaporizes one gallon of butane liquid becomes 230 gallons of butane vapor. **So, the impound basin, if an entire Rancho butane tank releases its contents, will hold less than 1% of the tank as a vapor.** This is not an opinion – it is part of the physical properties of butane. Butane vapor is heavier than air, so it would roll out of the impound basin, into an adjoining storm drain, and also onto Gaffey Street. If and when it finds a source of ignition, it will ignite explosively, taking out a large part of San Pedro as well as the Port of LA and part of the Port of Long Beach, according to the Guidance method of worst case calculations. This method puts the blast radius at three miles, instead of the half mile used by Rancho, under the misguided and (irresponsible) regulation change made when the EPA 'settled' with API."

Charles Lamoureux, President, ECM GROUP, in a Quantitative Risk Analysis prepared September 11 2010, stated that "The Amerigas Propane Storage Facility Risk Analysis left out the additional impact of 12 the refinery that shares the north east boundary with the American Facility. In all cases the refinery would 13 be impacted and add to the resultant conflagration. It is with certainty that the volatile material within the 14 refinery would ignite and add to the intensity of radiant heat and the possibility of additional explosions 15 that would send a greater amount of hot shrapnel throughout the community. The additional heat and 16 shrapnel would pose a life threatening to a greater area than those described in the analysis report. It is 17 well documented in every past accident that involved butane and other volatile material that a radius of 18 three miles of destruction would occur. There is no known containment structures or other means to 19 prevent further damage and explosions from occurring should a small, less than the lethal, fire or release 20 occur. The location of this facility is a grave danger to the residents that are located in the immediate area 21 surrounding this facility. In addition to the possible loss of life and private property damage, there is an 22 above average chance of devastating damage to the ports facilities on the south east side of the plant." 23

# 24 (Attachment "B")

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In December 2015 the Los Angeles Unified School District Board approved the Resolution "Supporting
the Relocation of the Rancho LPG Facility" (Attachment "D")

ON January 12, 2016 Congresswoman Janice Hahn wrote a letter supporting the Resolution introduced by
 Dr. Richard Vladovic, LAUSD to relocate the Rancho LPG tanks (Attachment "E").

#### II. PETITIONERS

### 1) San Pedro Peninsula Homeowners United Inc.: (Chuck Hart, President SPPHU)

"Our homeowners have been working constantly to eliminate the hazardous threat of Rancho LPG since its inception over 42 years ago. These efforts have been thwarted at every turn by the regulations in place that are obviously written in a way that allows this industry to legally minimize and obfuscate the true risk they represent to our residents. Our association sent a letter on April 9, 2012 to the EPA regarding our concerns with Detonation, Deflagration to Detonation Transition (DDT) with its resultant "over pressure" at Rancho LPG Holdings which falls within the jurisdiction of the EPA. As an aid to the EPA's evaluation we provided a copy: (1) a video covering the risks, (2) the United Kingdom Report – Buncefield, (3) DNV Veritas QRA, (4) Special Report to Governor Brown, (5) submit (RMP) Rancho dated 02/09/2011, (5) Excon-FLACS documentation and (6) supplemental photos and documents.

"In our review of the RMP we had found both errors and omissions and requested the EPA to instruct Rancho to comply with 40CFR68 and related regulations. Listed below is a summary of those errors and omissions as they apply to Process 1 Butane:

	Prevention Program	<b>Submission</b>	Error or Omission
	Hazard Identified - Overpressure	No	Yes - Life and Health Threat
	Hazard Identified - Flood	No	Yes - Tsunami Zone
	Passive Mitigation – Dikes	No	Fails Federal Standard (1)
	Passive Mitigation – Blast Walls	No	Yes - Life and Health Threat
	Passive Mitigation – Enclosures	No	Yes - Life and Health Threat
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"Our letter was never answered by the EPA. SPPHU remains committed to the defense of human and civil rights secured by law. Our years of experience lead us to believe this can only be accomplished by updating the misguided current regulations designed to protect the LPG industry rather than the public and our environment. Our continuing efforts to enlighten public concern and secure a meaningful commitment from our elected officials have been a frustrating endeavor. The well-publicized coverage of the recent oil industry related incidents, with a spotlight on the recent Santa Barbara oil spill whose pipeline was corroded to 1/16<sup>th</sup> of an inch thick, should shake everyone to into the hard reality that EPA "regulatory compliance" is completely insufficient with regard to safety.

"The company which owns the Santa Barbara pipeline, Plains All American Pipeline, is coincidentally is the parent company of the Rancho LPG LLC facility (the source of this complaint) and also responsible for two additional major oil spills in Canada and involved in other recent petroleum accidents nationally. So, these facts combined with the numerous violations (over 200 violations/incidents since 2004) make it painfully apparent that the company itself is not diligent about its maintenance nor its safety. The general public is beginning to understand the void in safety protections and hopefully this will assist in our quest for change. The current policy seems to demonstrate a laissez faire attitude by government that seemingly relies on toothless regulations as an excuse to do nothing and simply gamble that a predictable catastrophe will not happen."

2) Tongva Ancestral Territorial Tribal Nation (John Tommy Rosas, Tribal Administrator)

"The Tongva (/'toŋvə/ tong-və) are those Native Americans who inhabited the Los Angeles Basin and the Southern Channel Islands, an area covering approximately 4,000 square miles (10,000 km2). The Tongva have ancestral lands that fall within the blast radius of the Plains/Rancho LPG facility. The Tongva are also known as the Gabrieleño, Fernandeño, and Nicoleño—Europeanized names that were assigned to the Tongva after Spanish colonization. Gabrieleño and Fernandeño are derived from the names of Spanish missions built on or near the tribes' territory—Mission San Gabriel Arcángel and Mission San Fernando Rey de España, respectively—while Nicoleño is derived from San Nicolas Island. Along with the neighboring Chumash, the Tongva were the most powerful indigenous people to inhabit Southern California. At the time of European contact, they may have numbered 5,000 to 10,000. A hunter-gatherer society, the Tongva traded widely with neighboring peoples.

"Initial Spanish exploration of the Los Angeles area occurred in 1542, but sustained contact with the Tongva came only after Mission San Gabriel Arcángel was constructed in 1771. This marked the beginning of an era of forced relocation and exposure to Old World diseases, leading to the rapid collapse of the Tongva population. At times the Tongva violently resisted Spanish rule, such as the 1785 rebellion led by the female chief Toypurina. In 1821, Mexico gained its independence from Spain and the government sold mission lands to ranchers, forcing the Tongva to culturally assimilate. Three decades

later California was ceded to the United States following the Mexican–American War. The US government signed treaties with the Tongva promising 8.5 million acres (3,400,000 ha) of land for reservations, but these treaties were never ratified. By the turn of the 20th century, the Island Tongva had disappeared and the mainland communities were also nearing extinction.

"The endonym Tongva was recorded by American Ethnographer C. Hart Merriam in 1903 and has been widely adopted by scholars and descendants in 1994, the State of California recognized the Tongva 'as the aboriginal tribe of the Los Angeles Basin,' but no group representing the Tongva has attained recognition by the federal government. In 2008, more than 1,700 people identified as Tongva or claimed partial ancestry."

The ancestral land of the Tongva is at risk should there be a catastrophic event at the Rancho LPG facility.

Members of Petitioners' organizations live, work, raise their families, and recreate in the Los Angeles basin. They are adversely affected by the potential harm from this facility.

III. PROCEDURAL AUTHORITY

Petitioners petition EPA pursuant to the Administrative Procedures Act, 5 U.S.C. Section 551, and et seq. The APA specifically provides that [e]ach agency shall give an interested person the right to petition for the issuance, amendment, or repeal of a rule." 5 U.S.C. Section 553(e). The APA requires EPA to conclude the matter raised in this petition within a reasonable time. 5U.S.C Section 555(b).

IV. ARGUMENT

The Act requires EPA to promulgate national standards for above ground hazardous storage facilities that take into consideration all potential catastrophic disasters. The rule promulgated by the EPA is wrong when it limits the worst case scenario for a release from the Rancho LPG facility to "10 **minutes**" and in its acceptance of the use of an impound basin as a proper measure of safety mitigation for a vaporous and heavy, rapidly expanding gas that cannot be captured in any effective way.

The EPA should remove the May 26, 1999 accommodation for LPG and reject Rancho LPG's claim of compliance. To do otherwise, would endanger the safety of tens of thousands of people who live and work in the Los Angeles Harbor and Palos Verdes Peninsula.

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## V. CONCLUSION

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Based on the information provided herein, Petitioners respectfully request that the EPA eliminate the May 1999 change to the Rule for Hazardous Materials under "worst case analysis" reporting (40 CFR Part 68.25) that was altered as a concession to the American Petroleum Institute. Petitioners request that the EPA correct this regulation to reflect a more "realistic" analysis of risk to the public, and require that ALL Liquefied Petroleum Gas facilities return to the "same" TNT Equivalency formula used prior to this 1999 change in their reporting of worst case blast radius.

Petitioners also request that the Plains All American Pipeline/Rancho LPG's claim of compliance by reporting a severely minimized "½ mile radius of blast impact" be denied and that Rancho LPG be required to resubmit that Worst Case Blast Impact Radius Report under the reinstated EPA regulation using the proper formula. It is imperative that the EPA re-examine regulations that apply to this facility and other such hazardous facilities in order to honor the public agency's mission statement:

"The mission of the EPA is to protect human health and the environment. EPA's

Purpose is to ensure that: all Americans are protected against significant risks to

Human health and the environment where they live, learn and work."

It has become very obvious that the EPA's existing regulations are not adequate in meeting their own mission statement and are responsible for deaths and destruction that could have been easily averted. Petitioners do not want the Plains/Rancho LPG LLC facility to be the next disaster that, yet again, proves this point.

**Attachment "F"** is a copy of the RMP Report submitted by Amerigas August 4,2008.

**Attachment 'G'** is a copy of the RMP Report submitted by Plains All American February 9, 2009.

**HAttachment 'H'** is a copy of the TERMINATION OF AMERIGAS PIPELINE June 6, 2005.

Attachment 'I' Motion by Councilwoman Miscikowski and seconded by Councilman Bernard Parks to Terminate Amerigas Pipeline Permit. July 7,2005.

 Attachment 'J' Harbor Department "Petrolane" "Revocable Permit" Pat Nave DCA 12/03/1974

 Attachment 'K' CEQA Environmental Checklist Deficiencies submitted to LAFD 04/07/2011.

Attachment "L" San Jaunico Disaster November 19, 1984 only 2.91 million gallons-600 deaths and 7000 burned

Plains all American/Rancho stores 26 million gallons of butane

Attachment "M" google photo of a three mile radius destruction zone.

Attachment "N" is a list of over 500 names of community members who signed a petition to shut down this facility.

Respectfully submitted on behalf of the Petitioners,

By: Law Offices of Anthopy G. Patchett SBN#99985 ho

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May 10, 2016

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May 102016

**CHUCK HART, President** 

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San Pedro Peninsula Homeowners United Inc., a CA Corp

OHNTOMMY ROSAS, TRIBAL ADMINISTRATOR

**Tongva Ancestral Territorial Tribal Nation** 



**CONSTANCE RUTTER** 

**Environmental Consultant** 

May **10**2016

**JANET GUNTER** 

Community Activiat May [02016 JAMES J. MORGESTER

JAMES J. MORGESTER

## **RETIRED-CHIEF OF ENFORCEMENT**

CALEPA Cha les Somaucen May 10, 2016

CHARLES LAMOUREUX, PRESIDENT

**ECM GROUP** 

May/2016

JÉSSE MARQUEZ, EXECUTIVE DIRECTOR

**COALITION FOR A SAFE ENVIRONMEN** 

May 2016 JOHN G. MILLER MD FACEP PRESIDENT SAN PEDRO AND PENINSULA **HOMEOWNERS COALITION** Ann Cantral May/2016 **ANN CANTRELL CITIZENS ABOUT RESPONSIBLE PLANNING** ay<u>/C</u>2016 O'NEIA-ROSALES PE May /2016 **EDUARD ROSALES** May<u>((</u>2016 ANLON W H. SCANLON Scanlon May 1/2016 SOFIA E. SCANLON ROUSAN May/02016 RUTH BOYSEN **BILL FOYSEN** May 1016 **NOEL WEISS** 13

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May/2016 MARCIE MILLER **COMMUNITY** ACTIVIST May 016 May 10, 2016 **MIKE KOWAL**