

Tesoro Refining & Marketing Company LLC P. O. Box 700 Anacortes, WA 98221

June 22, 2015

Skagit County Planning & Development Services 1800 Continental Place Mount Vernon, WA 98273

Attn: John Cooper

Subject: Tesoro Clean Products Upgrade Project, Shoreline Substantial Development Permit

Application Submittal

Tesoro Refining & Marketing Company LLC (Tesoro) is proposing the Clean Products Upgrade (CPU) Project to improve the company's capability to deliver cleaner local transportation fuels and global feedstock primarily for polyester, making the Anacortes refinery a stronger, more economically viable member of the communities it serves.

Please find enclosed three (3) copies of the CPU Project Shoreline Substantial Development Permit (SSDP) Application and submittal fee of \$4652.73. A critical areas review has already been initiated with Skagit County, submitted on May 27, 2015.

The application includes the following:

- Shoreline Substantial Development Application
 - SSDP Checklist
 - Fact Sheet
 - Ownership Certification
 - Assessor's Map
 - Site Plan (attached to JARPA)
 - Vicinity Map (attached to JARPA)
 - Narrative Statement
 - Legal Description
 - Pre-addressed/Stamped Envelopes (2 sets) with list of owners and residents
- JARPA Form
 - Figures with Vicinity Map
 - Site Plans (8.5 x 11)
 - Attachment C
- SEPA Checklist Application
- List of Environmental Documents
- No Effects Letter
- Cultural Resources Technical Memorandum
- USACE Jurisdictional Determination

The JARPA submittal is also being submitted to the Washington Department of Fish and Wildlife, the Washington State Department of Ecology, the Washington State Department of Natural Resources, and the U.S Army Corps of Engineers.

Please contact me at (360) 293-1664 to discuss the project further.

Thank you for your time and consideration.

Respectfully,

Rebecca Spurling

Lead Environmental Engineer

Enclosures



PLANNING & DEVELOPMENT SERVICES

1800 Continental Place • Mount Vernon, WA 98273 Inspections 360.336.9306 • Office 360.336.9410 • Fax 360.336.9416

Shoreline Substantial Development/Conditional Use/Variance Application Checklist

Criteria for granting Shoreline Permits, Section 9.02 of the Skagit County Shoreline Master Program:

Upon the effective date of this program, a shoreline substantial development permit or a statement of exemption shall be granted only when a development is consistent with:

- Policies and regulations of the Skagit County Shoreline Management Master Program; and
- Applicable policies enumerated in RCW 90.58.020 in regard to shorelines of the state and shorelines of statewide significance; and

	 Regulations adopted by the Department of Ecology pursuant to the Shoreline Management Act (WAC 173-27).
	Approved prior to shoreline application:
X	□ Lot Certification: (Recorded copy required, no exemptions.) x_Approved Lot Certification, previously recorded; OR, Approved Lot Certification, PDS will submit it for recording.
Sk	□ <u>Critical Area Review:</u> Report due at submittal. (If required) Provide staff letter of approval at submittal Attach copy of OHWM Determination PL_15-0249
¥	□ Pre Application Meeting or Waiver: PL 15-0251
_	If waiver, must have signed waiver form attached.
	Submitted with shoreline application:
X	□ <u>Submittal Fee</u> \$ 4,080.00 <u>Publications</u> \$ 360.00 <u>Public Works</u> \$ 139.73 <u>SEPA</u> \$ 73.00
X	□ Provide 3 copies of the following:
X	□ Fact Sheet. Fully completed.
X	☐ Ownership Certificate. A notarized ownership certificate is required.
Ęį.	□ <u>Assessor's Map</u> This can be printed from the website. Please identify the subject parcel.
V	□ <u>Site Plan.</u> See enclosed instruction for site plan requirements.
X	□ <u>Vicinity Map.</u>
Ţ.	□ <u>Narrative Statement.</u> See enclosed guidance for narrative requirements.
	□ JARPA. Application included
¥.	□ <u>SEPA Checklist.</u> When applicable.
X	Pre-Addressed/Stamped Envelopes for both the owners of record and the physical addresses within 300 feet of property boundary.

Two sets of pre-addressed stamped envelopes for owners of record and

physical addresses within 300 feet of all subject property lines.

Date Received:

Accepted by:
Permit Number
Zoning / Setbacks
Flood Plain / Floodway
Shoreline Designation
Notes:

☑ Shoreline Substantial Development

☐ Shoreline Conditional Use☐ Shoreline Variance Permit

☐ Other				
Brief project description: Tesoro Clean Products Upgr	rade Projct			
Applicant Name: Tesoro Refining & Marketing Company LLC				
Other Related Permits or Approvals: NA				
Parcel ID#: P32990 Assessor Tax #: 350227				
Parcel ID#: P32989 Assessor Tax #: 350227				
Site Address: 10200 West March Point Road, Anaco	ortes, WA			
21, 28, 29 Section Township_35_ Range02	Critical Area/Water within 200 feet?: ☐Yes ☐No			
Name of Associated Shoreline/Waterbody: Fidalgo Bay, Padilla Bay				
Shoreline Designation: Rural				
Lot of Record: □Yes □No Urban Growth Area: ☑Y	Yes □No If yes, City: Anacortes			
Acreage / Lot Dimensions: Combined total of about	199 acres			
Comp Plan/Zoning within 200 feet: Heavy Manufactur	ing (City of Anacortes)			
Flood Zone: C FIRM Map Panel #: 5301510225C Map Date: 1/3/1985				
Road access: Private County - Permit #:	□State - Permit #:			
Water Source: □Drilled Well - Permit #: □Community Well ☑Public □PUD#1 □Anacortes				
Sewage Disposal: ☐Septic - Permit #: ☑Public Sewer:				
Pre-application meeting required: ☑Yes □No	Meeting verification form enclosed: □Yes ☒No			
Legal Description: See attachment for full description	a			

(Attach additional sheet if necessary)				

Applicant

James Tangaro, Tes	soro Refinery & Marketing Cor	npany LLC
Name	,	
10200 West March	Point Road, Anacortes, WA 9	8221
Address		
360-293-9122	360-293-1619	james.d.tangaro@tsocorp.com
Phone	Fax	E-mail Address
Signature	o Tangao	
Owner	V	
Same as Applicant		
Name		
Address		
Phone	Fax	E-mail Address
Contact		
Rebecca Spurling, 7	Tesoro Refinery & Marketing C	Company LLC
Name		
10200 West March	Point Road, Anacortes, WA 98	2221
Address		
360-293-1664 Phone	360-293-1619 Fax	rebecca.a.spurling@tsocorp.com E-mail Address

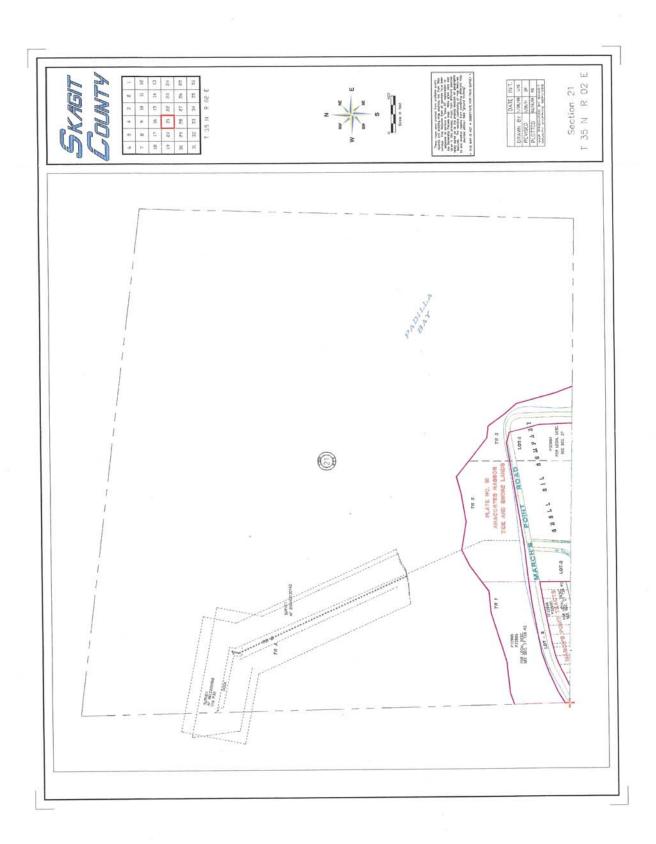
OWNERSHIP CERTIFICATION

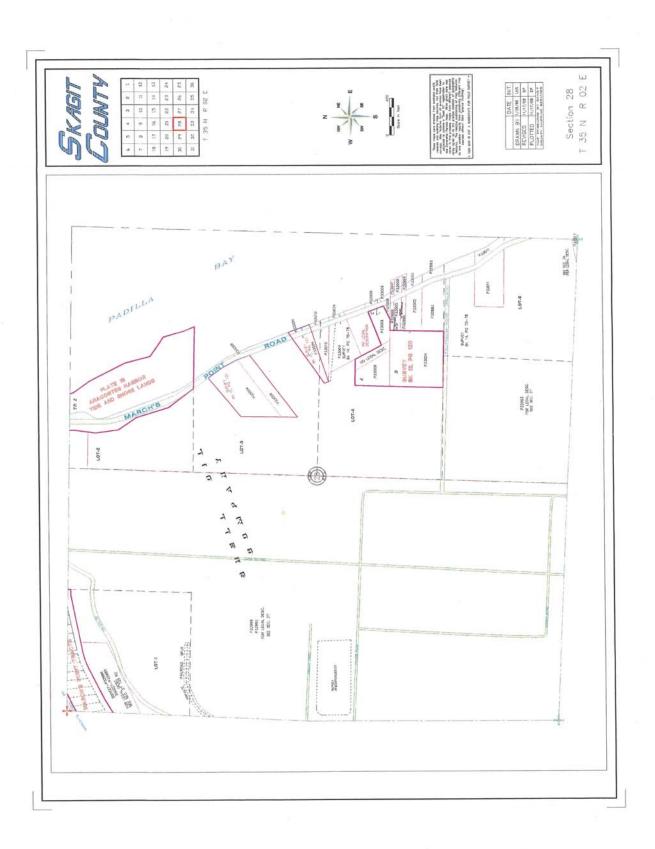
I, <u>James D. Tangaro</u> , hereby certify that I am the major property owner or officer of the corporation owning property described in the attached application, and I have familiarized myself with the rules and regulations of Skagit County with respect to filing this application for a			
Shoreline Substantial Development Permiand that the statements, answers and information submitted present the argument on behalf of this application and are, in all respects, true and correct to the best of my knowledge and belief.			
Street Address:10200 West March Point Road			
City, State, Zip: Anacortes, WA 98221			
Phone: (360) 293-9122			
Signature(s): Januaro VI Agracotts Referency			
for: Tesoro Refining & Marketing Company (corporation or company name, it applicable)			
ACKNOWLEDGMENT STATE OF WASHINGTON			
COUNTY OF SKAGIT			
On this day personally appeared before me			
Notary Public in and for the State of Washington Residing at P.O. Box 700, ANACOCTES, WH 98221 My Commission Expires 09/19/2018 WASHING			

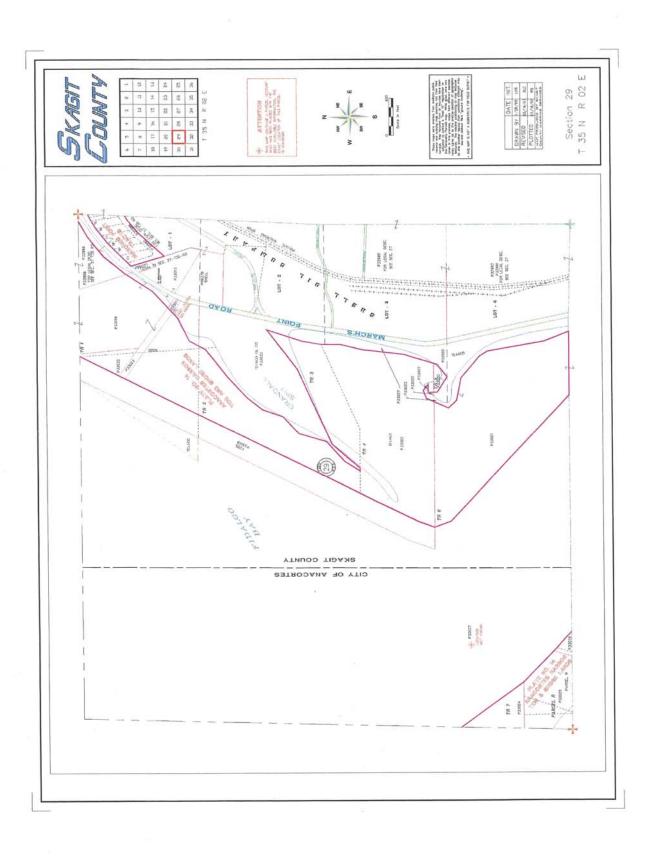
Narrative requirements for \underline{all} Substantial Development, Conditional Use and/or Variance applications:

the activities necessary to accomplish the project.
See attached.
2. Provide a general description of the property as it now exists including its physical characteristics and improvements and structures.
See attached.
2. Despide a served despitation of the visit of the served
3. Provide a general description of the vicinity of the proposed project including identification of the adjacent uses, structures and improvements, intensity of development and physical characteristics.
See attached.

Rev. 9-11-08







Narrative Statement for Shoreline Substantial Development Application

1. Provide a general description of the proposed project that includes the proposed use or uses and the activities necessary to accomplish the project.

Tesoro is proposing the Clean Products Upgrade (CPU) Project to improve the company's capability to deliver cleaner local transportation fuels and global feedstock primarily for polyester, making the Anacortes refinery a stronger, more economically viable member of the communities it serves. Included in the proposed CPU Project are plans to:

- Build an Aromatics Recovery Unit (ARU) capable of producing 15,000 barrels per day of mixed xylenes, a feedstock used to make clothing, film for medical x-rays, plastics, cleaners and many other products we use every day.
- Install a new Marine Vapor Emission Control (MVEC) System that will reduce emissions of volatile organic compounds (VOCs). The MVEC System will control hydrocarbon emissions from marine vessels during loading operations.
- Expand the Naphtha Hydrotreater (NHT) to process 46,000 barrels of naphtha per day. This
 will allow Tesoro to further reduce the sulfur content in gasoline as required by the new
 federal Tier 3 regulations.
- Install a new Isomerization (Isom) Unit to increase the amount of octane available to the refinery. Coupled with the NHT expansion project, this provides more flexibility for production of gasoline.
- 2. Provide a general description of the property as it now exists including its physical characteristics and improvements and structures.

The Refinery is located on March Point, west of the City of Anacortes in Skagit County, Washington.

The majority of the project area is located within previously developed areas of the refinery. Portions of the project (Vapor Combustion Unit [VCU] on shore components of the Marine Vapor Emissions Control [MVEC] system and New Tanks Area) consists of primarily of upland vegetated areas. The New Tanks Area is believed to have been graded during the development of the facility in the 1950s. Two small isolated wetlands (W47 and W48) have been identified within the New Tank Area. In addition, four manmade stormwater drainage ditches (Ditches 2, 3, 4, and 5) have been identified in the New Tank Area. These ditches are also isolated with no connections to existing wetlands or ditches that connect to other surface water. USACE has determined that these wetlands and ditches are not waters of the United States under the Clean Water Act Section 404 jurisdiction.

Two of the project components, the Dock Safety Unit (DSU) and the 3-inch natural gas line are located on the existing Tesoro causeway and wharf. The Tesoro causeway and wharf facilitate marine vessel loading and offloading to and from the refinery. The causeway extends approximately 442 feet north from the end of "F" Street at the north end of the refinery, over March's Point Road, and approximately 0.6 mile north/northwest to the wharf. The wharf extends approximately 990 feet west of the causeway, along with the refinery's existing NPDES discharge outfall piping. The elevation of the causeway deck varies from approximately +19 feet to +32 feet mean lower low water (MLLW) (MLLW = 0 feet). The causeway structure supports a roadway deck and pipeway. East March Point Road crosses underneath the causeway near the shoreline.

With the exception of the VCU, the Dock Safety Unit (DSU) located on the wharf and the 3-inch natural gas line located on the causeway, all CPU Project areas are located on the western side of the refinery property. The topography on this west side slopes gently to the west, northwest towards Fidalgo Bay.

3. Provide a general description of the vicinity of the proposed project including identification of the adjacent uses, structures, and improvements, intensity of development and physical characteristics.

The property surrounding the CPU Project is owned by Tesoro and used for petroleum refining. A portion of the refinery property is leased to a cattle farmer and currently used as grazed and haved pasture land.

Parcels south of the Tesoro property (as generally defined by North Texas Road) is also used as a petroleum refinery owned and operated by a different company.

Adjacent property also includes aquatic lands managed by DNR.

The March Point Road is located around the perimeter of March Point and crosses under the Tesoro causeway.

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XX TAX 1 A TR OF LAND WITHIN SECTIONS 21 28 29 & 33 TWN 35 N RANGE 2 EAST W.M. BEING MORE PARTICULARLY DESC AS FOL BEG AT THE NE COR OF GOV LOT 2 SD SEC 21 TH E'LY & S'LY ALG THE GOV MEANDER LI TO THE INTER OF THE S LI OF THE N 200' OF GOV LOT 2 OF SD SEC 28 TH W ALG THE S LI OF THE N 200' OF SD GOV LOT 2 SEC 28 A DIST OF 435' M/L TO THE N-S C/L OF SD SEC 28 TH S ALG SD N-S C/L OF SEC 28 A DIST OF 5189, 60' TO THE S 1/4 COR OF SD SEC 28 TH S 1 DEG 12'30" W ALG THE N-S C/L OF SD SEC 33 TO THE N LI OF THE TEXACO RD BEING 679.37' N OF THE SE COR OF THE NW1/4 OF SD SEC 33 TH N 88 DEG 43'37" W A DIST OF 20' TH S 1 DEG 12' 30" W A DIST OF 20' TO THE S LI OF THE N 1/2 OF THE SE 1/4 OF NW1/4 OF SD SEC 33 TH N 88 DEG 24'30" W ALG THE N LI OF THE TEXACO RD A DIST OF 1303.23' TO THE W LI OF THE E1/2 OF NW1/4 OF SD SEC 33 TH N 1 DEG 00'45" E A DIST OF 1987,75' TO THE NW COR OF NE1/4 OF NW1/4 OF SD SEC 33 TH N 88 DEG 04' W A DIST OF 1330.2' TO THE NW COR OF SEC 33 TH N 1 DEG 31' E ALG THE E LI OF SD SEC 29 A DIST OF 1330.9' TO THE NE COR OF GOV LOT 4 OF SD SEC 29 TH N 88 DEG 25' W ALG THE N LI OF SD GOV LOT 4 A DIST OF 1305' M/L TO THE E LI OF MARCH'S POINT RD TH N'LY ALG THE E LI OF SD MARCH'S POINT RD A DIST OF 2555' M/L TO THE NW COR OF THAT CERTAIN TR OF LAND TO SHELL OIL CO. BY DEED REC. UNDER AUD FILE NO 605021 RECORDS OF SKAGIT COUNTY, WASH. TH S 77 DEG 25'00" E A DIST OF 610.45' TH N 11 DEG 25'30" E 365.51' TH N 17 DEG 20'00" W 300' TO THE SW COR OF THE PLAT OF MARCH'S POINT TRACTS ACCORDING TO THE RECORDED PLAT THOF IN THE OFFICE OF THE AUDITOR OF SKAGIT COUNTY, WASH. IN VOL 5 OF PLATS PAGE 25 TH N 41 DEG 02'30" E 363.50' TH N 48 DEG 45'30" E 184.10' TH N 56 DEG 35'30" E 60.80' TH S 1 DEG 55'40" W 300' TH N 64 DEG 59'30" E 844.54' TH N 1 DEG 55'30" E 300' TH N 77 DEG 21'30" E 394.93' TH N 79 DEG 56'30" E 115.10' TH E 61.50' TO THE SE COR OF SD PLAT OF MARCH'S POINT EXC FDP PTN GOVT LT 1 SEC29 T35N R2E DAF COM PT WHICH BEARS 17-21-0 E 300.0FT FROM SW COR PLAT MARCH PT TRACTS REC PLATS VOL 5 PG 25 SKAGIT CNTY ALSO BEING MOST NLY COR TRACT LAND CONVYD TO SHELL OIL CO DEED REC AF#496851 TH N 17-21-0 W 667.48FT TO INT WITH S MGN CNTY RD SD PT BEING TPOB TH S 17-21-0 E 200.0FT TH S 36-55-0 W PLW S RD MGN SD CNTY RD 100.0FT TH N 17-21-0 W 200.0FT TO INT WITH S MGN CNTY RD TH N 36-55-0 E ALG SD MGN 100.0FT TO TPOB

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Legal Description Continued from Page 2 of 4, Planning & Development Services Fact Sheet

TAXLOT 1, A TR OF LAND WITHIN SECTIONS 21 28 29 & 33 TWN 35 NORTH RANGE 2 EAST W.M. BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGGINING AT THE NE CORNER OF GOVERNMENT LOT 2, OF SAID SECTION 21:

THENCE EASTERLY & SOUTHLY ALONG THE GOVERNMENT MEANDER LINE TO THE INTERSECTION OF THE SOUTH LINE OF THE NORTH 200' OF GOVERNMENT LOT 2 OF SAIDD SECTION 28:

THENCE WEST ALONGG THE SOUTH LINE OF THE NORTH 200' OF SAID GOVERNMENT LOT 2 SEC 28, A DISTANCE OF 435' MORE OR LESS TO THE N-S CENTERLINE OF SAID SEC 28;

THENCE SOUTH ALONG SAID N-S CENTERLINE OF SEC 28, A DISTANCE OF 5189. 60' TO THE SOUTH QUARTER CORNER OF SAID SECTION 28;

THENCE SOUTH 1 DEGREE 12'30" WEST ALONG THE N-S CENTERLINE OF SAID SECTION 33 TO THE NORTH LINE OF THE TEXACO ROAD BEING 679.37' NORTH OF THE SE CORNER OF THE NW QUARTER OF SAID SECTION 33;

THENCE NORTH 88 DEGREES 43'37" WEST, A DISTANCE OF 20';

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