Refinery Advisory Group

Public Meeting #1

August 6, 2019



Agenda

- 1 Advisory Group Overview
- 2 Refinery History
- 3 Incident Overview and Updates
- The Refinery Site: What We Know and What We Don't
- 5 City's Authority
- 6 Advisory Group Committee Structure

Advisory Group Overview

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Mission

- Collect and share data on how the announced potential closure of the PES facility will impact Philadelphia with respect to the economy, environment, and public health and safety.
- Collect and share input regarding the potential reactivation or reuse of the site, as well as understanding the obstacles, limitations, and role of the City in the process.
- Collect and share ideas regarding uses for the site that are both economically feasible and positive for the City.
- Organize, through a committee structure, feedback from members of different constituencies and the public to better inform City officials and members of the Advisory Group.

Advisory Group Overview



Brian AbernathyManaging Director



Adam Thiel Fire Commissioner/Dir. of Emergency Management

Advisory Group Members

Otis Bullock, Ir. Matt Cabrey Peter DeCarlo Jody Della Barba Harold Epps Anne Fadullon

Tom Farley John Grady

Fd Hazzouri Mark Alan Hughes

Shawn Jalosinski

Christine Knapp Rich Lazer

Diversified Community Services Select Greater Philadelphia **Drexel University** Girard Estates Area Residents Commerce Director Director of Planning and Development Commissioner of Public Health Philadelphia Industrial Development Corp. Hazzouri and Associates

University of Pennsylvania

Sports Complex Special Services

Director of Sustainability

Deputy Mayor for Labor

District

Kleinman Center for Energy Policy,

Anne Nevins

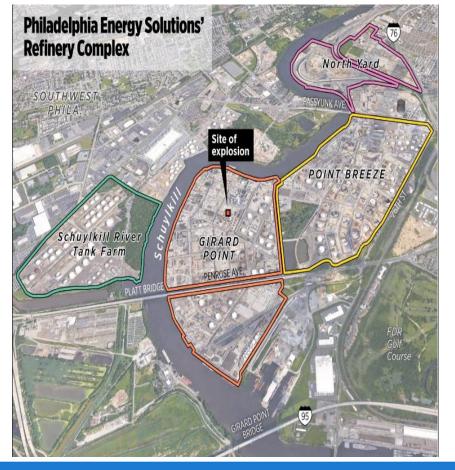
Denis O'Brien Ryan O'Callaghan Pat Patterson

Irene Russell Anna Shipp Christina Simeone Iim Snell Jerry Sweeney Craig White Tony Wigglesworth Philadelphia Industrial Development Corp. Exelon/PECO Steelworkers Local 10-1 PA Department of **Fnvironmental Protection** Friends of Stinger Square Sustainable Business Network Colorado School of Mines/NREL Steamfitters' Local 420 Phila. Regional Port Authority Philadelphia Gas Works Phila. Area Labor Management Committee

Goals and Objectives

- Provide a way to make sure City officials know as much as possible about the PES site, from as many different stakeholders as possible.
- Make sure concerned residents and interests have an organized way to share their thoughts and concerns about the PES site.

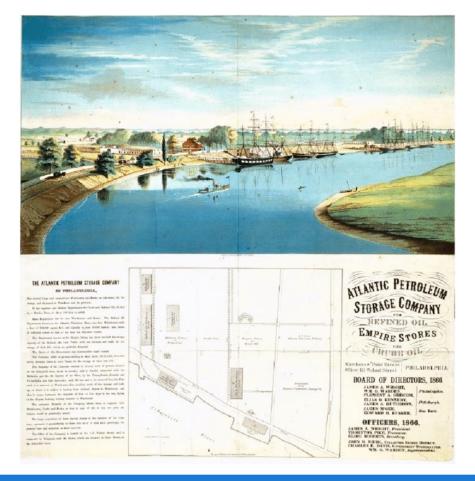




Source: Philadelphia Inquirer, 6-29-2019

1866 – Atlantic Petroleum Company established Point Breeze facility.

- Initially for storage of refined oil products, primarily kerosene for oil lamps.
- Started with 4 warehouses that could store 50,000 barrels (2.1 million gallons).
- Docks and railroad lines connected facility to Western PA oil fields and refineries.





1870 – Petroleum refining units installed.

- Name changed to Atlantic Refining Company and became Philadelphia's largest employer.
- By 1891, 50% of the world's lighting fuel and 35% of all U.S. petroleum exports came from the 360-acre Point Breeze plant.
- Facility burned 350,000 tons of coal each year to refine 40,000 barrels of petroleum daily.
- 1915 Started producing gasoline for cars 1918 aviation fuel.

1920 – Gulf Oil builds terminal at Girard Point.

- By 1928, refined up to 31,000 barrels (1.3 million gallons) per day.
- By World War II, both refineries were processing 69,000 barrels (2.9 million gallons) daily.

1966 – Atlantic Refining Co. and Richfield Oil Co. in California merged to become ARCO.

1982 – Gulf Oil is bought by Chevron, and the Girard Point refinery became the Chevron USA Philadelphia refinery.

Sunoco purchased Point Breeze in 1988, Girard Point in 1994, and merged the two refineries into one complex in 1995 – largest refinery on East Coast.



Source: AP Photo/Matt Rourke

2012 – Sunoco turns refinery over to Philadelphia Energy Solutions (PES). Refinery has a combined processing capacity of 335,000 barrels per day (14 million gallons). Around the same time, Sunoco closed a separate refinery in Marcus Hook.

2012 – Sunoco entered into a Consent Order and Agreement with PA Department of Environmental Protection and PES to do a voluntary cleanup of soil and ground water contamination. (Act 2)

Incident Overview and Updates

Incident Overview

- June 21, 2019 A fire caused an explosion at the Girard Point refinery complex. That same day, Mayor Kenney called for an Advisory Group to look into issues involving the refinery.
- Cause of the fire remains under investigation by ATF,
 OSHA, EPA, CSB, PA DEP, and local agencies (PFD and PPD).
- Ongoing air monitoring performed by EPA, PFD, and Health Department.
- PFD and OEM are assisting with the ongoing response and have had a 24 x 7 presence on site since Jun 21st.



Source: NBC10 Philadelphia

Incident Overview

- June 26, 2019 PES announces it would close the refinery and position it for sale.
- July 21, 2019 PES files Chapter 11 bankruptcy
- August 2019 PES ends crude oil refining in the complex, continues efforts to stabilize area near the incident and wind down operations.

The Refinery Site:

What We Know and What We Don't

Facts - Site Advantages

- The site is massive more than 1,300 acres. KOZ thru 2023
- The site is important to the regional economy. The existing refinery supports thousands of direct and indirect jobs. Highly skilled, well paid work force.
- The site is close to Center City and has excellent highly specialized infrastructure
 tank farm, pipelines, utility connections, road, railroad, and highway access.
- Close to the port and airport with direct waterfront access.
- Existing refinery operations are important to regional petroleum market and supply chain.

Facts - Site Disadvantages

- Extensive soil and ground water pollution from long history of refinery operations.
 Much of the pollution occurred before environmental regulations existed.
- Sunoco maintains responsibility for cleaning up contamination that occurred before 2012.
- Site will likely remain one of the largest fixed sources of air pollution in the City if refinery use continues.
- Vulnerable in the future to sea level rise/flooding due to Climate Change and low elevation along tidal river.
- Encroachment of residential uses nearby.

Future Uncertainties

- Existing pollution will limit the types of future uses that are feasible.
- Sunoco's Act 2 cleanup plans are based on the site remaining a refinery or similar heavy industrial use in the future.
- Broader economic uncertainty exists around the viability of refineries on the East Coast. Can they remain competitive?
- What will PES do? Sell to a new refinery operator? Dismantle the existing refinery?
 Redevelop the site for something else?
- Regardless of the future use, how can the site be made safer and cleaner in the future than it is now?

City's Authority

City's Authority

- The City's authority and control over the future of the site is very limited.
- The site is privately owned and its use pre-dates most zoning restrictions. Its existing zoning allows the most permissive heavy industrial use.
- City regulates for compliance with local Building, Property Maintenance, and Fire Code requirements.
- City has authority to enforce certain federal and state pollution requirements, including the issuance of certain operating permits.
- City has entered an appearance in the PES Chapter 11 Bankruptcy proceedings, but has limited ability to inform or influence the process.

City's Authority

- Although the City has limited control over the PES site, the City is interested in planning for several possible scenarios in the future:
 - What if PES rebuilds and reopens?
 - What if the site is sold to a different refinery and continues as a refinery?
 - What if the site is sold and used for different activities? What types of activities should be encouraged/discouraged? Are those activities feasible?
 - What if no clear path emerges?
- What outcomes matters the most to different stakeholders? Why?
- What is within the City's powers to address?

Advisory Group Committee Structure

Committee Structure

- The Advisory Group's primary goal is to **engage and organize a wide** array of stakeholders to present their views to City officials.
- There are 4 committees community, labor, academic/environmental, and business.
- Each committee will organize at least one public meeting, where stakeholders will present their views. Public comment on agenda topics will be welcomed.
- The work of the Advisory Group will be compiled into a report that will be released publicly and posted online.

Upcoming Meetings

Community: Tuesday, August 20th 5:30pm

Labor: Wednesday, August 21st 5:30pm

Academic/Environmental: Tuesday, August 27th 5:30pm

Business: Monday, September 9th 5:30pm

All meetings will be held at Preparatory Charter School – 25th and McKean St.

Any changes to the schedule will be posted at www.phila.gov/refinery

We Want to Hear From You!

- If you are interested in presenting to the Advisory Committee, we want to hear from you!
- Please email refinery@phila.gov to let us know who you are and what topic you would like to cover.
- To ensure orderly committee meetings, we ask that presenters and testifiers sign up in advance. People who do not sign up in advance will have an opportunity to speak for 3 minutes at the end of the meeting, or to submit written comments to the group.
- Can't attend a meeting in person? Written testimony or comments are also welcomed! Please send your thoughts to **refinery@phila.gov**.

For Updates:

Additional information will be posted at:

www.phila.gov/refinery

Questions? Comments? Email us at:

refinery@phila.gov

Public Comment

- Please line up at a microphone and begin by telling us who you are.
- Please limit comments tonight to the subject of the Refinery Advisory Group's proposed meeting and committee structure.
- Please be respectful of all points of view and of everyone in the audience. Only one person speaks at a time.
- Please limit your remarks to 3 minutes or less so others have a chance to speak.
- Remember this is not your only opportunity to have your voice heard!