"THE MESA REFINERY WATCH GROUP"

NEWSLETTER: June 27, 2016

FACT-CHECKED REASONS TO REJECT THE PHILLIPS 66 RAIL TERMINAL



CRUDE-BY-RAIL:
- Only Phillips 66 Wins
- Citizens Become Collateral Damage

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A. WHAT'S NEW THAT YOU NEED TO KNOW

1. The AFTERMATH Of The Columbia River Gorge Derailment - What Caused It; The Impact On The Community; Citizens' Reactions; And More

a. Reminder - What Happened: On June 3rd in Mosier, Oregon along the Columbia River Gorge, a Union Pacific train moving only 26 - 30 mph, hauling 96 tankers of crude, derailed. Sixteen came off the tracks. The cars landed criss-crossed near homes and a school.



Four tankers (that met current government standards) ruptured, spilled their contents and caught fire. Responders came from two states, more than a hundred miles away. Nearby woods were set afire. Foam couldn't initially be applied to tankers because the fire was too hot. It took 14 hours to extinguish the burning tankers. 42,000 gallons of crude spilled, with a small amount entering the Columbia River.

The local elementary school and nearby residences were evacuated. Businesses and the interstate were closed. The sewage plant was damaged and a water emergency declared. Luckily, no one was injured in this rural, tiny community (population 400+).

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b. The Damaged Tankers - Still On The Scene: Five days after the derailment, tankers had been pushed to the side of the tracks. Removal had begun, but many tankers remained (see photo). Some were burned-out shells. Some were intact, lying on their sides. Unburned crude was being pumped out of tankers. Broken railcar wheels and bent steel rails lay piled on the side. Derricks and big rigs with "Oversize Load" signs worked to remove evidence of the disaster.



c. The Cause - Broken Bolts On UPRR's Tracks:



Union Pacific said the accident was caused by failure of large, newer-generation, "lag" bolts (see photos) -- i.e., fasteners used to attach rails to rail ties on curved sections of tracks. **The bolts had been sheared off 2.5" at the top, prior to the derailment.**

Investigators suspect that heavy crude oil trains are causing the bolts to break. When they break, the rails push further apart, and tankers topple over. Additionally, it's thought that the sloshing oil in the tankers further stresses the rails on curves.

All of this **"allowed one of the cars to come off the rails and then it pulled the other cars with it"**, said the Oregon DOT. They stated that previous tests conducted for track flaws didn't turn up the faulty bolts. (Inspections had been carried out just a few days prior to the accident.)

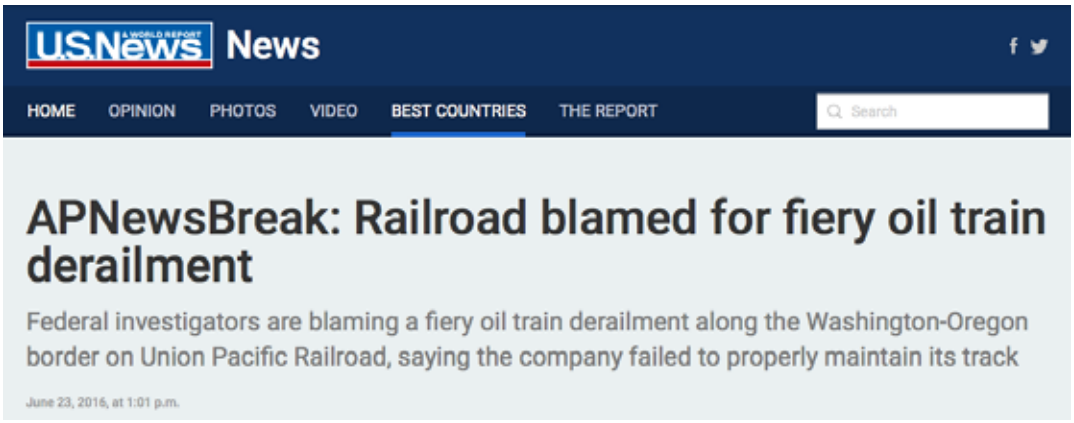
A UPRR engineer said this is a totally new type of derailment, and wasn't due to sabotage. So it adds to the many other causes of derailments already known. UPRR is now checking 32,000 miles of track in the U.S. for similar problems.

Oregon's Governor and its DOT have since asked the federal DOT to halt movement of trains carrying crude oil in the state until "bolt failures" can be prevented.

Oregon's DOT administrator --
"If Union Pacific or ODOT weren't able to determine that these bolts were broken, how do we know there aren't more bolts broken in other places? Where else are these bolts installed ... just waiting to have a derailment?"

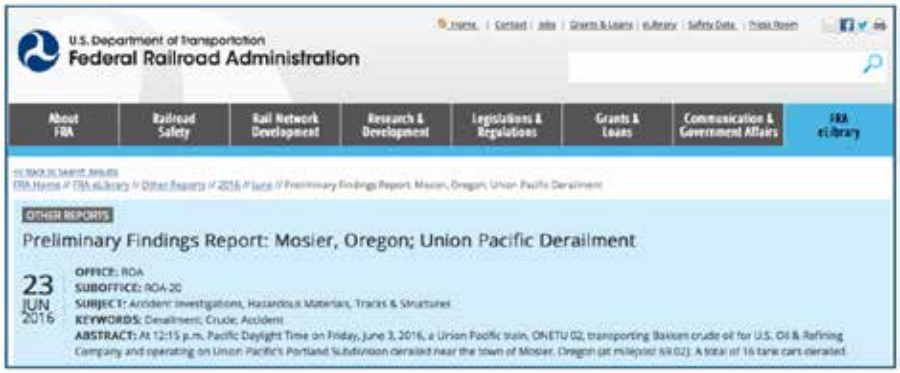


d. BREAKING NEWS - U.S. FEDERAL GOVERNMENT PLACES THE BLAME FOR THE MOSIER DERAILMENT SQUARELY ON THE SHOULDERS OF UNION PACIFIC



This past Thursday, investigators from the Federal Railroad Administration specifically identified Union Pacific as directly responsible for the Columbia River Gorge derailment in Mosier, Oregon (see official report - **http://goo.gl/j18GAN**).

The Associated Press reported: **"(UPRR) failed to properly maintain its track. Findings raise questions about why the company didn't find the broken bolts that triggered the wreck when it inspected the tracks right before the derailment."**



"The government's preliminary report said 'walking' inspections were critical to detect broken bolts and track movement. (FRA Administrator) Feinberg said it was the railroad's responsibility to detect those problems. We feel it could have been prevented with closer inspections, better maintenance."

The group *Friends of the Columbia Gorge* declared ...

> **"This is a stinging indictment from a government agency that doesn't typically call out the railroad companies. Union Pacific's assurances of safety have just been derailed."**

Officials said Union Pacific faces potential penalties for these safety violations (see related story on page 11).

e. Dramatic Impact On The Nearby Elementary School: The Mosier Community School, just around the bend from the accident, was evacuated. The school year ended prematurely. A well-worn soccer ball was left in haste on the playground.

Emergency officials then commandeered the school and grounds as a command post. Five days later, the lawn and playground were still filled with portable toilets and responders' tents. Emergency personnel entered and exited the building. An adjacent road was sealed off by police. Large vehicles lined the streets -- representing marine environmental services, filtration services, sanitation services, mobile shower services, Union Pacific, and others.

A hand-made heart has been pasted on a sign outside the school (see below). The message above it reads - "THANK YOU FIREFIGHTERS."



f. The Reaction From Mosier Residents & Oregon Officials

- **Penny Sherwood:** "I heard the rumble and the horn of a train this morning and I jumped. I'm nervous all the time now that something like this could happen again."

- **Loretta Scheler:** "This is all about money. They're willing to risk us blowing up again for their money to keep coming in. It's just insane."

- **Marietta Holly:** "We're very fortunate. If the wind had been blowing, who knows if our homes would still be here right now."

- **Michael Lang, Conservation Director, Friends of the Columbia Gorge:** The oil train derailment "is not an accident. This is the expected outcome of Union Pacific intentionally bringing more and more oil trains through the Columbia River Gorge."







- **Paul Lumley:** "The accident is a reminder that we should be reducing, not increasing the number of oil trains along the river. We cannot stand idly by to this danger to the river, the salmon and the people and communities who rely on them."

- **Arlene Burns, Mosier Mayor:** "I was wondering if my earthly possessions would exist by the morning. Fortunately (it) didn't wipe out our entire town, our animals and everything that we own." She added - "It's only so long you can go without flushing your toilet."

- **U.S. Senator Ron Wyden:** "More must be done to protect our communities from trains carrying explosive hazardous fuels."

g. Union Pacific's Assessment - "An Inconvenience": Following the derailment, a UPRR media director said - "We apologize for any inconvenience this incident may be causing."

- **Resident Lee Gee responded: "(That) stung a lot of people. It's a little bit more than an inconvenience. It's a community that was hit very hard. Kids heard the explosion and started crying. They saw the smoke. For some people, it was pretty traumatic."**

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h. Union Pacific - Almost An Immediate Restart Of Freight Train Traffic

As per Oregon's Hood River News -- "The community expressed outrage that the railroad restarted the (freight) trains two days before the oil cars were removed from the right of way." (Normal speed through towns is 30 mph, with straight-of-way speeds at 55 - 60 mph.)



- **Mosier's Mayor Arlene Burns:** "It's unsafe for trains of any kind to come through the area when these oil bombs are sitting on our front steps. A spark from the train could catch that on fire again. It is way too soon to be taking trains through."

- **Mosier's Acting Mayor Emily Reed:** "I trusted them ... when they said they would do everything they could for our safety, I was hoping that meant that they would stop train traffic until the fuel was gone."

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i. Union Pacific Ignores The Call For An Oil Train Moratorium; Oil Tankers Now Being Hauled Again

Despite pleas from Oregon's Governor, senators and local officials for a moratorium on shipping crude oil along the Columbia River Gorge (because inspectors might not be able to identify broken bolts on the tracks) -- **less than three weeks after the accident, the railroad announced resumption of crude oil train shipments.**



j. Mosier Fire Chief Speaks Out Forcefully Against Crude-By-Rail



Fire Chief Jim Appleton ...

"I don't want anyone to leave with the impression of a fairy tale ending. **This was a horrible, horrible event that almost destroyed our community. It went end-to-end through our entire town."**

"My horror upon arriving at the scene was not so much the fire but the long line of (96) rail cars that ... could have ignited, a line (of tankers) that extended all the way through town and out of sight. ... that's the moment my heart stopped."

He predicted that had it been windier on the day of the derailment ...
"I have a high degree of confidence that the (elementary) school building would have been at a minimum affected if not completely incinerated."

He added that shipments of crude oil by train should not be allowed through the area. "There are going to be failures in the rail system ... **there are some risks that are unacceptable."**

Sources For Reporting On Columbia River Gorge Derailment:

http://abcnews.go.com/US/wireStory/correction-oregon-train-derailment-story-39957518
http://www.hoodrivernews.com/news/2016/jun/15/sheared-screws-blamed-train-derailment/
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http://www.usnews.com/news/business/articles/2016-06-06/oregon-residents-return-home-following-oil-train-derailment
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http://www.usnews.com/news/business/articles/2016-06-23/apnewsbreak-railroad-blamed-for-fiery-oil-train-derailment
http://www.ktvz.com/news/feds-blame-railroad-for-fiery-oil-train-derailment/40191428

2. Guess Who's #1 In Penalties Recently-Assessed By U.S. Federal Railroad Regulators ($7,000,000+)?



According to OregonLive.com -- "No railroad in the country has paid more in penalties in the last two years than Union Pacific, which federal regulators fined more than $7 million in 2014 - 2015.

▶ "And state inspections conducted just a day before the (Mosier, Oregon) derailment, found repeat safety violations that Oregon's top rail official said were 'absolutely' concerning.

"Inspections show Union Pacific conductors left their locomotives unattended without brakes set at least 11 times in (just) April, May and June at two yards in Portland.

"Though Union Pacific management was notified about each violation, the problem persists. The lapses could have allowed a runaway train."

A retired state railroad inspector said that "at least four times since September 2015, inspectors have found Union Pacific's switches unlocked. That would allow a person walking past to simply pull a lever to route a train onto a side track. 'Someone could throw a switch and derail the whole train. A train would find itself at 40 mph suddenly running out of track or running into a parked train'."

▶ "The Oregon Department of Transportation's rail administrator said the state targeted Union Pacific's yards because 'there had been a history of violations that we thought were concerning in Oregon'."

A Union Pacific spokesman responded - ***"Our safety record is very good."***

The same Union Pacific spokesman also recently said ...

"We plan to be here until Mosier is put back together again."

- Union Pacific

http://abcnews.go.com/US/wireStory/union-pacific-cars-derailed-fined-7m-years-39820832
http://www.oregonlive.com/environment/index.ssf/2016/06/day_before_mosier_inspections.html
http://www.oregonlive.com/pacific-northwest-news/index.ssf/2016/06/after_oil_train_derailment_im.html

3. If You Oppose P66's Crude Oil Trains For SLO County & California, It's Again Time To Attend The "Stop The Oil Trains Rally" -- Saturday, July 9th, Mitchell Park, San Luis Obispo, 12:30 PM

It's critical that we build upon the many steps forward our efforts have achieved. It's again time to show that those opposed to P66's oil trains remain steadfast, are willing to demonstrate our opposition, and **will not go away,** today nor in the future.

Each year's rally expands upon the evidence and commitment we have, reminding officials and citizens that P66's plan is dead wrong for SLO County and California.

Last year's park rally was an outpouring. It sent a strong message to decision makers (see photos.) Let's continue that momentum. This year's logistics are below.



- **Time & Date:** Saturday, July 9th, 12:30 PM.

- **Location:** Mitchell Park, San Luis Obispo; corner of Pismo and Osos Streets (3 blocks east of downtown Higuera St.).

- **Speakers At The Park:** Listen to updated reasons to oppose oil trains in our communities.

- **The March:** At approximately 1:15 PM, a peaceful march will again be held, terminating at SLO's Amtrak station, where additional speakers will address us all.

4. The Journal "Nature" Confirms How The Mining Of Tar Sands Is Damaging Our Air



"Nature" is one of the most respected scientific publications in the world. They recently reported on "secondary organic aerosol formation" (SOAs).

"SOAs belong to a class of air pollution called PM 2.5 -- particulate matter measuring less than 2.5 microns. PM 2.5 -- which includes car exhaust, factory soot, and more -- is the **deadliest** type of air pollution. It's responsible for a variety of human ailments, including lung disease, heart disease, cancer and other maladies."

▶ "We find that the oxidation of organic vapors from the mined oil sands (tar sands) is directly responsible for the majority of the observed SOA mass.

▶ **"**The production of 45 – 84 tons per day make the oil sands one of the largest sources of SOAs in North America. Such production should be considered when assessing the environmental impacts of bitumen (tar sands) oil extraction projects."



Tar sands is the crude that P66 wishes to purchase and ship to SLO County as a diluted, flammable cargo.

Not only does their crude-by-rail plan threaten us from diesel exhaust (which contains PM 2.5), the potential for spills, fires, explosions, etc., but the mining of tar sands itself harms people throughout North America.

http://goo.gl/C69y0c
http://goo.gl/VE3aaC

5. Pismo Beach -- Crude Oil Trains Could Harm Its Reputation Even Further

In late May, the SLO Tribune reported that based on high bacteria levels -- "*Pismo Beach Ranked As 10th Most Polluted Beach In California.*" It described the recreational area as having made "the Beach Bummer list."



▶ With that in mind, and with **tourism as a foundation of SLO County's economy**, P66's plan will very likely make matters even worse.

As P66's tankers move through the County, including Pismo Beach, the trains will add air pollution, noise pollution, visual pollution, traffic congestion, and the potential for derailments, oil spills, fires, explosions and toxic smoke.

Add all of that into the mix, and that makes towns like Pismo Beach far less desirable as a vacation or day-trip destination. As we've stated -- with their proclaimed crude-by-rail "strategy", only P66 wins. The rest of us (both citizens and businesses) become collateral damage.

http://goo.gl/uCf9Eu

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6. Who Has Priority On The Rails Today -- Passenger Or Freight Trains?

It's been contentious for years -- does the right of way on the nation's rails belong to passenger or freight trains? In 2008 the issue became somewhat clearer, when the federal government passed a law intended to ensure that Amtrak passenger trains arrived on time ... most often giving them priority over freight trains.





Of course, the freight rail companies (the Association of American Railroads) were upset and sued. **And the U.S. Court of Appeals just struck down the 2008 law.** Now, it's uncertain whether the U.S. Supreme Court or Congress will decide the issue.

If P66 is allowed to move forward with its rail terminal, they'll add hundreds of mile-long crude oil trains each year, moving back and forth throughout California and SLO County. Then, citizens seeking to use the mass transit alternative offered by Amtrak, will very likely be able to count on even more delays.

http://goo.gl/7TKgnR

7. Here's How One Town Is Trying To Protect Its Children From Crude Oil Train Derailments -- RELOCATE The Elementary School!

In Mt. Vernon, Washington, one of its elementary schools is within the crude oil train half-mile "impact" zone. But local parents and officials aren't closing their eyes to the danger ... they aren't simply allowing their children to be put in harm's way.

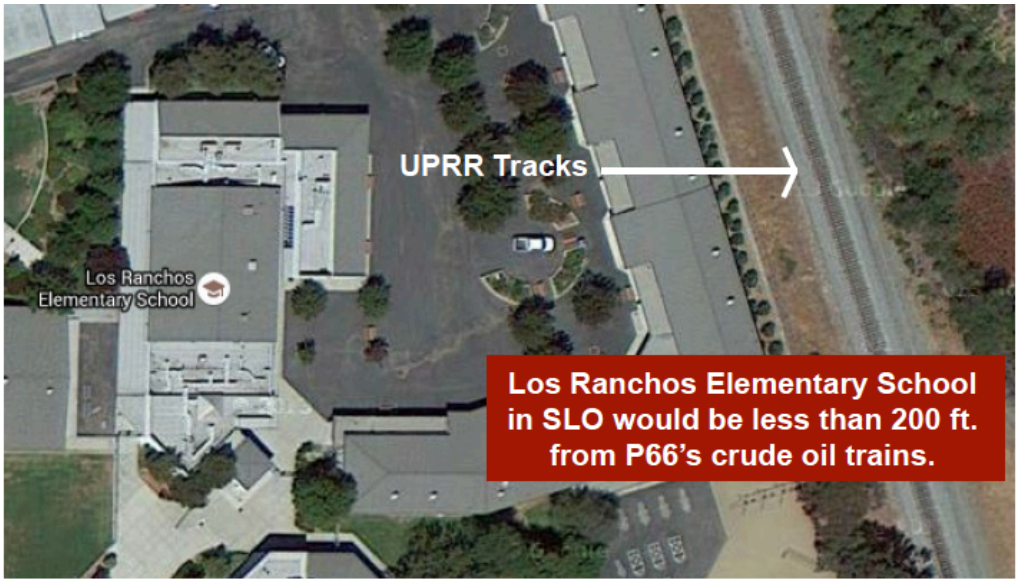
According to the Mt. Vernon School Superintendent - "We presented to voters things that were absolute essentials." And that included **relocating the entire school** ... putting it about a mile outside the blast zone.

As reported in the local news --
"He was thrilled that voters approved a $106 million bond, which included a full tear down and rebuild of (their elementary school)."

A Washington State Representative indicated she was intrigued about moving other schools in other cities ... but then said there aren't many alternative sites or much money to rebuild.

So, what options should SLO County's officials consider to protect its students? Let's start with relocating Cal Poly University, then move on to Lopez High School, Santa Margarita Elementary School, Los Ranchos Elementary School, and (you get the idea).

Or -- let's simply just say "No" to P66's rail project!



http://goo.gl/Uc2YjX

8. Local Resident Uses Irony & Humor, Attempting To Break Through To Our Officials About The Need To Reject The P66 Plan

Matt St. George, a SLO County business executive living in Pismo Beach, recently sought to capture the attention of County decision makers. He used extreme irony to make his point.

- **Oil Rigs & Trains:** "I chose to live on the central coast for one reason: endless job opportunities in the oil industry. I see opportunities to dig, drill, and haul. (But) why aren't there offshore oil rigs in SLO? Santa Barbara in cashing in on that bonanza. Why aren't mile-long trains hauling millions of gallons of black crude in (our) idyllic beach-side location?

  "I live alongside the tracks in Pismo Beach. I'd love to see all manner of trains crossing the Pismo Creek. No amount of beauty is worth a few more jobs and income for our fair cities."



- **The Trees:** "The oak trees that dot Price Canyon: why aren't we looking at logging proposals to cut them down?

  "We already have the Freeport McMoron oil & gas operation, pouring cash and fragrant aromas into our local economy; do you know how many oak-logging jobs we could have as well? Thousands!"

- **Salmon Farms:** "Take Avila Bay. Have you ever seen an industrial salmon farm? What a perfect use for a waterway that is essentially going unused."

- **A Coal Plant:** "When the coal plant closed in Morro, it really broke my heart. It's such a beautiful piece of architecture and does a great job of detracting from what is otherwise a pretty blasé beach town. Can we reopen that?"

- **A Plea To SLO County Commissioners:** "Come on planning commission! We need you more then ever to kick the exploration and exploitation of our natural resources into high gear! This (P66) train is a great start! Sure, there might be a derailment or two. Of course! But my home will be the first to go, and I for one say: burn baby burn!"

http://www.slocounty.ca.gov/planning/environmental/EnvironmentalNotices/Phillips_66_Company_Rail_Spur_Extension_Project/Project_Comment_Letters.htm

9. How Do RESIDENTS/VOTERS IN SLO COUNTY Feel About Introducing P66's Crude Oil Trains Into Our Communities?

Here Are Reactions (May/June, 2016) From Those In Both North & South SLO County



Susan Ross, Grover Beach Resident, in a Letter To SLO County Officials (June, 2016): "The people of SLO county have spoken loudly - we do not want oil trains. Your job is to represent the people of SLO county. I have grave concerns that your representation will not be there for me - a property owner, post-train derailment. I urge you to pony up and responsibly represent your constituents - the residents."

Steve Pax, San Luis Obispo Resident, in a SLO Tribune Letter To The Editor (May, 2016): "Like it or not Planning Commissioners, you find yourselves in a position of tremendous and powerful responsibility. Profits are not the issue. The health and safety of many communities is in (your) hands. It is unseemly to be anything but extremely serious. Your decision is more important than usual. Please treat it that way."

William Abernathy, Pismo Beach Resident, in a Letter to SLO County Officials Regarding the Columbia River Gorge Derailment (June, 2016): "Well it's happened again and will continue to happen. If you approve the oil trains it will increase the odds of it happening here, and it will make a much bigger impact.

"We have such a special place. I don't understand how you can take a chance of changing our way of life and put people at risk. In the future we'll be known for 'that place that had the great train derailment.' I'm not a tree hugger - but on this issue the negatives far, far outweigh the positives. DO THE RIGHT THING FOR A CHANGE!"

Diane Otto, SLO County Resident, in a Letter To SLO County Officials (June, 2016): "Imagine this disaster complicated by the spill reaching the ocean, fouling and burning Hwy 1 and two state parks ... or perhaps the housing and students of Cal Poly. It is inconceivable that you would even consider such a risk."

(continued ...)



Maia Kiley, SLO County Resident, in a Letter To SLO County Officials (June, 2016): "I am a 29 year old concerned SLO citizen. I live within a mile of the train station and hope to raise a family here. However I am extremely concerned given yesterday's derailment and explosion in Mosier, OR. I urge you to PLEASE oppose the oil trains."

Jack Moyer, Nipomo Resident, in a Letter To SLO County Officials (June, 2016): "After listening to hours of testimony from local citizens, regional and state governmental officials and proponents of Phillips' proposal, I was disappointed with the Commission's inexplicable failure to protect the public trust; a trust that is inherent in the duties and responsibilities vested in them by citizens of the community they represent."

Patrick McGibney, SLO County Resident, in a Letter To SLO County Officials (June, 2016): "If what has just happened in Oregon's Columbia River Gorge is acceptable to you and you're willing to allow that or worse to happen in our County, you're not doing your job. No excuses, no beating around the bush. This can not be allowed!"

Elizabeth Demsetz, Cal Poly Senior Lecturer, Physics, in a Letter To SLO County Officials (June, 2016): "Dear Commissioner Irving - Despite the common misconception of land ownership as an unlimited and inalienable right to 'do anything' with the land, ownership is and has always been a social contract between the owner and society. This contract grants the land-owner certain privileges, but demands that he or she **not infringe upon the rights of others**.

"The root issue in the Phillips 66 controversy is that the federal regulatory system, by its very nature, is not capable of adequately protecting people from the danger of trains carrying crude. The social contract must take into account the parameters of the society in which it is operating, including the imperfect regulatory system.

"A decision to deny the proposal is not an infringement of Phillips 66's property rights. (It is) actually an essential step in defining the responsibilities those rights entail within the societal context in which they will be operating."

(continued ...)



Jeffrey Lewis, Templeton Resident, in a Letter To SLO County Officials (June, 2016):
"Phillips 66 claimed oil trains are safe. Have you seen the oil train derailment and explosion in Oregon? Was that train safe? Fortunately, responders contained the fire to just a few rail cars. Could our firefighters do as well with a derailment on the Cuesta Grade? In downtown SLO? In downtown Paso Robles?

"If a similar derailment, or worse, happens in SLO County, will Phillips 66 pay all the costs? How will they reimburse widows and orphans? Will they pay all the firefighting costs? Will they completely clean up the spill? Will they pay for all the property damage? Will they remove at least as much pollution (in) the water and air as a leak and explosion will cause? Or will the Phillips 66 lawyers work to minimize their costs? Do the right thing - vote no!"

Rachael Hazen, Nipomo Resident, in a Letter To SLO County Officials (June, 2016):
"The potential for an inferno in downtown SLO, downtown Paso, or Grover Beach is just as high as in Nipomo. Seriously consider your complicity in any future derailments. Also consider the impact on tourism. No one goes to the wine country or beach to smell or breathe fumes from these trains, or to endanger themselves and their kids.
Be foresighted. Deny this foolish project."

Betty Winholtz, Morro Bay Resident, in a Letter To SLO County Officials (June, 2016):
"How can you not protect us, the public, from well-known disasters, documented risks, in all good conscience, in light of your sworn duty? Do you think it's not going to happen here because we're 'special?' We are not to be weighed against profit, we are not bets to be hedged. We are those to whom you are charged to protect and serve."

Gina Whitaker, Arroyo Grande Resident, in a Letter To SLO County Officials (June, 2016): "Yesterday, a train hauling crude oil derailed and exploded near the Columbia River Gorge. Do you really think this cannot or will not happen in SLO County? Are we somehow exempt in your minds from the possibility—nay, likelihood—of this kind of thing happening (here)? This serves as a powerful reminder of what's at stake in our fight to stop the Phillips 66 oil trains project. Now more than ever, we need to make sure YOU do the right thing."

(continued ...)



Kim Sanders, Atascadero Resident, in a Letter To SLO County Planning Commission (June, 2016): "Please deliver to (Commissioner) Don Campbell. I live in Atascadero, and don't want my community exposed to the danger the trains pose. I also do not want increased rates of cancer in our community. Some of us live in this area so we don't have to be exposed to toxins we might find in a more dense urban area.

"When are decision makers going to get that we cannot keep putting turning a profit before ourselves? If we continue to put profits first, there will be no self."

Mark Schmitt, SLO County Resident, in a Letter To SLO County Officials (June, 2016): "With the overwhelming facts surrounding the dangers of transporting by rail this particular variant of tar sands oil, with its diluents that make it a flammable liquid, why on earth would any commissioner support this project?

"There is no credible evidence supporting (Phillips 66's) claims of job losses, a shortage of existing oil, or an economic advantage to the county. Should this project be approved, and injury, loss of life or environmental disaster result from a derailment, well, that's something each of you will have to live with."

Ron & Terri Chappel, SLO County Residents, in a Letter To SLO County Officials (June, 2016): "How in good conscience, after the disastrous derailment in Mosier, Oregon, can you consider the Nipomo rail spur to be good for San Luis Obispo County and its inhabitants, in any way? There can be no corporate mitigation that would justify approving a project that endangers the health and welfare of so many. Consider carefully what approval of this ill-advised corporate proposal would mean to us all."

Melissa Kelly Blandy, Morro Bay Resident, in a Letter To SLO County Officials (June, 2016): "No project that contains the words 'blast zone' should be considered 'acceptable risk' to our county. The train that derailed and exploded near the Columbia River Gorge, should act as a stark reminder that oil trains carry unacceptable risk. SLO County could be a shining example of a county that puts the lives of citizens above oil for profit."

(continued ...)



Asad Shah, SLO County Resident, in a Letter To SLO County Officials (June, 2016):
"It is with great disappointment I write to you the Planning Commission. I cannot imagine how after the entire community has spoken against this issue, you decided to move forward (in the straw poll) with allowing oil delivery by trains.

"You have no business holding this office if you did not hear the loud and clear voice of your constituents. The three men who voted for this clearly are out of touch with modern thinking. We care about about our children's health and the environment. I hope the Board of Supervisors has more sense than you."

William and Laura Edwards, Atascadero Residents, in a Letter To SLO County Officials (June, 2016): "As Atascadero residents and railway neighbors -- in the name of public safety and water quality protection, we expect you will vote down any opportunity this proposal has of entering SLO County. This is an extreme danger to our diminishing water supply and to the lives this railway travels near.

"I am astounded that with (all) the people in protest - our representatives still voted NOT to exclude the proposal. I cannot imagine who the Planning Commission thinks they are representing, but it is not County residents.

"Clearly, their actions must be checked by the next highest rank. Supervisors - I implore you - do your research and most importantly, listen to your residential constituents. Else wise - this project will become the largest monster encountered since the drought.

"(The) explosion in Mosier, Oregon (proves) that explosions are going to happen. This is not a question of "if" but "when". You all know this to be true."

Lee Perkins, Atascadero Resident, in a Letter To SLO County Officials (June, 2016):
"I thought of the three infamous monkeys represent(ing) hear no evil, see no evil and speak no evil. I (then) thought of the three SLO PC's who voted for the proposal, hearing no testimony, seeing none of the thousands of letters, and not speaking out for the health and safety of their county residents."

(continued ...)



George Williams (Former Government Affairs Executive Of A Fortune 300 Energy Co.), Atascadero Resident, in a Letter To SLO County Officials (June, 2016):
"I am shocked to hear of your consideration of plans that would put at risk close to 100,000 residents of the county, in the interest of supporting an individual corporation's business plan.

"My house is in the area known as "the Lakes" – which has the rail line running along its entire length, where most if not all houses would be in the blast zone. The community is gated and has one evacuation exit, a metal automated gate, directly adjacent to the rail crossing. In the event of a derailment and fire, my neighbors and I would not have an evacuation option.

"Our community is counting on you to do the right thing. Protect our economic and physical well-being from this threat."

Dr. and Mrs. J. Dennis Steen, Nipomo Resident, in a Letter To SLO County Officials (June, 2016): "It would be criminal to risk the health and lives of the citizens here—to say nothing of the magnificent environment, by approving the Rail Spur.

"Do you want a catastrophe such as (the Columbia River Gorge) on your collective consciences? Imagine an accident of this magnitude happening in SLO County near your home, next to the school your children attend, your church or the hospital.

"The railroads can no longer claim a 'safe track record.' Too many disasters have already been documented. The Oregon Governor stated that Mosier wasn't prepared to handle the horrendous impact. Neither is SLO County!"

Stanley Fisher, Nipomo Resident, in a Letter To SLO County Officials (June, 2016):
"I sat in the audience listening to members of our SLO planning commission tell us there was no risk in crude by rail. I wonder what you are now thinking when you read that another crude oil train has wrecked (in the Columbia River Gorge)?

"Planning commission members should put safety of constituents at the highest priority. This does not appear to be the case."

http://goo.gl/T19qzF; http://goo.gl/GEzQui

B. WHY YOU SHOULD CARE ABOUT WHAT PHILLIPS 66 INTENDS FOR SLO COUNTY & ALL OF CALIFORNIA

- **Phillips' Motivation:** Phillips claims they are running out of California crude to process, and therefore jobs at their Nipomo refinery are at risk. This is false. Phillips' corporate executives have stated in writing that they want their entire company to process lower-cost crude oil in order to generate higher profits. That crude would come by rail from out of the country - from Canada.

  They call it *"taking a classic company in a new direction"* ... i.e., it's their self-proclaimed *"crude-by-rail strategy."* The issue is about higher profits by switching to rail delivery, not about protecting jobs.

- **Phillips' Proposal For SLO County:** For 60 years, their refinery has received crude oil by pipeline ... not one drop by rail. Under their proposal, Phillips for the first time would bring in 20,000 rail tankers per year, fully loaded with Canadian "tar sands" crude. Every year, 250 trains, each a mile long, would travel into the county. Then the same 250 trains would depart (500 trains in total).*

  Along with the loaded tankers would come, for the first time, the construction of a rail terminal -- including a "railcar unloading facility", a pumping station, and a new pipeline to move the crude within the refinery. This would be accompanied by trucks and other vehicles to service the facility.

- **The Negative Impacts Of Conducting Business In An Entirely New Way:** This represents an entirely new business model for Phillips - it's a dramatic transformation in the way they operate in SLO County and all of California. This is not a benign "rail spur." The issue is the new intensity of their operations and what they intend to bring in on those rails. The impacts ...

  - Shipments throughout California of highly flammable, diluted "tar sands" (*"one of the world's dirtiest and most environmentally destructive sources of fuel"* - U.S. Sen. Barbara Boxer).
  - *Air pollution* from diesel exhaust, the refining of tar sands and the resulting petroleum coke dust.
  - *Noise pollution* from blaring whistles and track noise throughout SLO County & California.
  - *Light pollution* from 15 to 30-foot-tall light towers surrounding the rail yard.
  - Statewide *visual pollution* of mile-long trains laden with graffiti, each hauling 80 oil tankers.
  - The potential for *derailments and oil spills* anywhere in SLO County & California.
  - The potential for *fires, explosions and toxic smoke* anywhere in SLO County & California.
  - The potential for *severe property damage* anywhere in SLO County & California.
  - The potential for *injuries and deaths* anywhere in SLO County & California.
  - The potential to *damage the reputation* of SLO County as a place to live, work and visit.
  - And the potential to damage the *economic well-being* of our homeowners and businesses.

  Of special note is that SLO County and California officials may be preempted from protecting their citizens about anything related to the mainline railroad and the contents of the tank cars -- Federal law might not allow our local governments to safeguard us. Local governments may be impotent.

- **What SLO County Officials Must Do:** Therefore, given all of the above impacts and the issue of "preemption" -- SLO County's Planning Commissioners and Supervisors must reject Phillips' "rail spur" plan. If the terminal is not built, the trains will not be targeting California and SLO County.

*On Feb. 1, 2016 P66 reduced their proposal to 150 trains arriving per year (300 arriving/departing).

C. REFERENCES - RECENT VIDEOS & NEWS ARTICLES

(Stay current with news, articles and videos in-between newsletters at MesaRefineryWatch.com.)

Selected Items Discussed In Previous Newsletters ...

- **U.S. Senate Recognizes That Responders Are Undertrained For Crude Oil Rail Accidents**
  http://goo.gl/yeFg3j

- **Engineering Professor: Stenner Creek Bridge Accident "Would Kill Many People"**
  http://goo.gl/v7uSJX

- **Railroads Carrying Crude Oil Don't Have Nearly Enough Insurance To Cover Disasters**
  http://goo.gl/5ioQjc

- **The Planning Commission's Public Hearings - May 16, 2016**
  http://goo.gl/edKLr5 • http://goo.gl/7x6xe4 • http://goo.gl/kYqQSj • http://goo.gl/GhcZLq

- **The Dept. Of Commerce -- Impacts From P66's Plan "Could Be Disastrous"**
  http://www.mesarefinerywatch.com/letters.html

- **The DOT System To Safeguard Us From Crude-By-Rail, Is Broken In Multiple Ways**
  https://www.oig.dot.gov/sites/default/files/FRA%20Oversight%20of%20Hazmat%20by%20Rail_Final%20Report%5E2-24-16.pdf
  http://www.post-gazette.com/opinion/editorials/2016/03/01/Trouble-on-the-rails-The-U-S-needs-better-oversight-of-crude-oil-cargo/stories/201603010021

- **A Personal Message To SLO County Officials From A Lac-Mégantic Survivor**
  http://www.fwweekly.com/2015/12/30/danger-in-dilbit/

- **The Planning Commission's Public Hearings - March 11, 2016**
  http://www.ksby.com/story/31452032/phillips-66-oil-by-rail-plan-concludes-public-comment
  http://www.sanluisobispo.com/news/local/article65463482.html

- **The National Academy Of Sciences Spells Out Why Tar Sands Spills Are So Disastrous**
  http://www.fwweekly.com/2015/12/30/danger-in-dilbit/
  http://www.nap.edu/read/21834/chapter/1

- **Scientists Link Cancer To The Petcoke Piles Generated By Tar Sands**
  http://www.nationalobserver.com/2016/02/04/news/scientists-trace-cancer-linked-pollutant-oil-sands-stockpiles
  http://www.nrdc.org/energy/tar-sands-health-effects.asp

- **Benicia's Planning Commission Just Told Big Oil - "Keep Your Trains Out Of Our City!"**
  http://www.sacbee.com/news/local/transportation/article59969201.html

- **The Planning Commission's Public Hearings - Feb. 4 - 5, 2016**

  - **KSBY - Day 1:** http://www.ksby.com/story/31145147/hearing-begins-for-phillips-66-rail-spur-project-proposal

  - **SLO Tribune Day 2:** http://www.sanluisobispo.com/news/local/article58661968.html#

- **Cal Poly Student Government, Representing 20,000 Students, Opposes P66 Plan**
  http://mustangnews.net/students-oppose-oil-train-project/

- **Can Big Oil's Rail Terminals Be Stopped? Citizens Just Did It In Northern California!**
  http://www.contracostatimes.com/breaking-news/ci_29220910/pittsburg-proposed-wespac-oil-by-rail-shipping-terminal

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- **Final Environmental Impact Report (click on "Phillips 66 Rail Spur Extension Project")**
  http://www.slocounty.ca.gov/planning/environmental/EnvironmentalNotices/Phillips_66_Company_Rail_Spur_Extension_Project.htm

- **Washington Allowed Oil Train Terminals; It Now Has Buyer's Remorse**
  http://ecowatch.com/2015/11/05/portland-opposes-oil-trains/
  http://www.thenewstribune.com/news/local/politics-government/article46607600.html
  http://www.kgw.com/story/news/2015/10/13/firefighters-vancouver-oil-train-terminal-would-put-too-many-lives-risk/73889928/

- **Almost Half The Bridges Crossed By Oil Trains Are At Risk Of Failure**
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- **Additional Crude-Via-Pipeline May Be Available For P66's Nipomo Refinery**
  http://lompocrecord.com/news/local/article_da6da571-a37f-5cc7-b90d-db3d9c03edd8.html

- **Which Railroad Has More Accidents Than The Industry Norm? It's Union Pacific!**
  Safety Calculator: http://safetydata.fra.dot.gov/OfficeofSafety/publicsite/Query/rrchart.aspx
  http://www.mesarefinerywatch.com/newsletters-docs2.html

- **U.S. DOT Confirms It -- Towns Have Insufficient Resources To Fight Oil Train Fires**
  https://www.hdiac.org/islandora/object/hdiac%3A312757/datastream/OBJ/view
  http://www.goanacortes.com/news/article_271951c6-2fe1-11e5-b57d-6bb9ca8280ff.html?mode=image&photo=0

- **Oil Trains Crash Because Heavy Tankers Are Affecting The Rails**
  http://www.latimes.com/nation/la-na-crude-train-safety-20151007-story.html

- **New Regulations Make Oil Pipelines Even Safer In California**
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  http://www.santamariasun.com/news/13766/california-governor-signs-series-of-pipeline-safety-and-oil-spill-response-bills/

- **Fire Chief Confirms -- Diluted Tar Sands Is More Flammable Than San Ardo Oil**
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- **Rail Oil Spills & Violent Rail Accidents Are Accelerating, Not Stable Or Declining**
  http://necir.org/2015/05/20/rail-safety-fact-check/

- **The Tribune's Official Position - P66's Crude Oil Trains Are "A Bad Idea"**
  http://www.sanluisobispo.com/2015/09/06/3793783_routing-oil-trains-through-densely.html?rh=1

- **In P66's Future - A New Source Of Crude Via Pipeline**
  http://www.pacbiztimes.com/2015/09/04/oil-company-wants-to-expand-orcutt-drilling-despite-pipe-closures/

- **Union Pacific Tells Us "All Is Safe" -- The Numbers Tell Us Differently**
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- **"EMPTY" Crude Oil Rail Cars -- They're As Explosive As FULL Cars**
  http://fox2now.com/2015/08/23/first-responders-concerned-about-possible-oil-train-derailment-in-st-louis/
  http://eaglefordtexas.com/news/id/150833/oil-trains-put-local-emergency-officials-on-alert/
  http://www.forbes.com/sites/jamesconca/2015/04/06/senators-try-to-stop-the-coming-oil-train-wreck/

- **New Analysis -- Shipping Oil By RAIL Is Far More Dangerous Than Via PIPELINE**
  http://www.theglobeandmail.com/report-on-business/industry-news/energy-and-resources/shipping-oil-through-pipelines-safer-than-by-rail-report-says/article25943221/
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- **Union Pacific - Lagging Well Behind On Adopting Safety Requirements**
  http://abcnews.go.com/Politics/wireStory/railroads-meet-deadline-safety-technology-32945711

- **New Proof Emerges -- Tar Sands Is An Extreme Danger To The Earth & Its Inhabitants**
  http://summitcountyvoice.com/2015/06/28/environment-tar-sands-oil-releases-20-percent-more-greenhouse-gas-pollution-than-conventional-crude-oil/
  http://pubs.acs.org/doi/abs/10.1021/acs.est.5b01255

- **"Viewpoint" Article Explains Why Oil-By-Rail Is Both Unnecessary & Wrong For CA**
  http://www.sanluisobispo.com/2015/08/05/3749645/phillips-66s-oil-rail-project.html

- **P66's Trains Would Travel Over A Crumbling Bridge In Arroyo Grande**
  http://www.slocounty.ca.gov/Assets/PL/Santa+Maria+Refinery+Rail+Project+Comments/Organizations+and+Schools/Coastal+San+Luis+Resource+Conservation+District.pdf
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- **Rejecting The Government's New Rules, Industry Says Profits Trump Safety**
  http://www.wsj.com/articles/rail-executive-blasts-oil-train-rules-1430860808
  http://www.grandforksherald.com/news/crime-and-courts/3743582-oil-industry-challenges-us-train-safety-rules-court

- **"New Rules" From The Fed Allow Lethal Tankers To Keep Rolling**
  http://www.mcclatchydc.com/2014/01/27/215650/railroad-tank-car-safety-woes.html

- **Diluted Tar Sands - New Proof That Shipments Are Extremely Flammable**
  http://www.railwayage.com/index.php/safety/why-bitumen-isnt-necessarily-safer-than-bakken.html

- **Future Crude-By-Rail Disasters - Now Guaranteed By The DOT**
  http://www.dailykos.com/story/2015/02/23/1366308/-Get-used-to-it-Dept-of-Transportation-predicts-10-oil-train-derailments-a-year#

- **A Member Of Congress Warns Of Terrorist Attacks Against Crude Oil Trains:**
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- **A New Record! More Railroad Oil Spills Than Ever:**
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- **What The Rail Terminal Will Sound Like:**
  https://soundcloud.com/katie-lannan/3-51-a-m-11-07-14?in=katie-lannan/sets/linden_oil_trains

- **"New Times" Cover Story Confirms - The P66 Project Is NOT About Protecting Jobs:**
  http://www.newtimesslo.com/cover/11850/a-crude-proposal-the-pros-and-cons-of-a-controversial-phillips-66-oilbyrail-project/

- **Article In "New Times" Reaffirms Air Quality Problems On The Nipomo Mesa:**
  http://www.newtimesslo.com/news/11776/dust-bust-even-as-stakeholders-make-small-advances-air-pollution-is-still-a-problem-on-the-nipomo-mesa/

- **What's 102 Times More Dangerous Than Normal Crude Oil? Tar Sands!:**
  http://beniciaindependent.com/wp-content/uploads/2014/10/2014-10-02-AGO-Valero-CBR-Project-DEIR-Comment-Letter-OCR.pdf

- **How Far Would SLO County Have To Evacuate?:** http://explosive-crude-by-rail.org

- **Video - Listen To A Survivor Of The Lac-Mégantic Oil Train Disaster:**
  http://sanfrancisco.cbslocal.com/2014/03/06/explosion-survivor-warns-of-fracked-oil-trains-newer-safety-regulations-delayed/

- **Video - What Oil Trains Would Look & Sound Like In SLO County:**
  http://www.youtube.com/watch?v=11DTf6CYzHM&index=47&list=PL7A2C41AC7F231BD4

D. STEERING COMMITTEE MEMBERS; LOGISTICS OF THIS NEWSLETTER

1. Mesa Refinery Watch Group Steering Committee: Contact one or more of our members with your comments or to learn about upcoming committee meetings.

- Linda Reynolds (Founder): lreynolds151@gmail.com
- Eunice King (Chief Administrator): MRWCoord@gmail.com
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- Tom Ryan: whitneyhiker888@yahoo.com
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- Laurance Shinderman: lshinderman@sbcglobal.net

2. List Coordinator/Newsletter Distributor: If you would like to add names for receipt of this newsletter, or if you would like to stop receiving it, kindly contact Steve Dubow -- sfdubow@charter.net.