

Resolution addressing the risks posed by the Rancho LPG storage facility to the Harbor Area

Whereas, the recent disaster in Beirut, Lebanon's main port, where 2,750 tons of ammonium nitrate exploded, resulted in great damage to that city and port.

Whereas, 2,750 tons of ammonium nitrate has the energy equivalent of approximately 77,000 gallons of butane.

Whereas, the risk posed by the Rancho LPG storage facility to the LA Harbor Area is much greater where 25 million gallons of liquid butane can be stored, that is, 60,625 tons, in two refrigerated tanks, each with a maximum capacity of 12.5 million gallons.

Whereas, Rancho LPG's risk assessment calculates a blast radius of 0.5 miles in a worst case scenario based on federal regulatory guidance that limits evaporation to 10 minutes before a vapor cloud explosion if an impound basin is present to contain all or some of the released butane.¹

Whereas, San Pedro and Peninsula Homeowners United (SPPHU) questions the efficacy of an impound basin in maintaining butane in a liquid state, and, therefore, uses alternative regulatory guidance which requires that 10 percent of the available energy of all the stored butane be used to calculate the blast radius of a vapor cloud explosion. Accordingly, SPPHU calculates a 3 mile blast radius in a worst case scenario.²

Whereas, SPPHU petitioned the Environmental Protection Agency (EPA) in May, 2016 to eliminate the May 1999 change to the Rule for Hazardous Materials under "worst case analysis" (40 CFR 68.25) to limit the release time to 10 minutes and accept the use of an impound basin as a proper safety mitigation measure for a vaporous, heavy, rapidly expanding butane gas that cannot be captured in any effective way.

Whereas, the butane storage tanks are adjacent to the Palos Verdes geologic fault capable of generating a 7.3 magnitude earthquake, and within the Wilmington

¹ Based on EPA's RMP*Comp assessment tool, the quantity of butane that vaporizes to generate a 0.5 mile blast radius is about 90 tons. Rancho LPG's risk analyst used RMP*Comp to calculate blast radius.

² In its Risk Management Plan, Rancho LPG's analyst used 28,500 tons as a butane tank's administrative capacity which is less than the tank's 30,312 ton maximum capacity. If 28,500 tons is used to calculate a blast radius when an impound basin is not considered as a factor, the RMP*Comp program generates a 3.1 mile blast radius.

Blind Thrust Fault's rupture zone also capable of generating a 6.3 magnitude earthquake. The geologic conditions of the site also include that the storage facility is located in landslide and liquefaction areas.

Whereas, the refrigerated butane storage tanks were not built to withstand earthquakes of such magnitude. In such events, it is likely that both tanks would rupture, spilling their contents, which would vaporize rapidly in warmer ambient air expanding over 230 times their liquid volume generating a vapor cloud pressure wave explosion, then, finding an ignition source, (as simple as a spark) a fiery explosion.³

Whereas, The Rancho LPG facility serves as the off-site storage location for the excess butane produced by two distant refineries. To transfer butane by pipeline, the two refineries use public trust land, permitted by the City of Los Angeles.

Whereas, the Port of Los Angeles (POLA) does not include in its risk management plan an evaluation of the risk posed by the routine rail transport of propane from the Rancho LPG facility over port owned rail lines since it is not required to do so by the California Coastal Commission.⁴

Whereas, the Los Angeles Unified School District (LAUSD) Board unanimously approved a January 12, 2016 resolution that the Rancho LPG storage facility be relocated because of the risk it poses to nearby schools, and invoked the Beirut blast in a recent letter to the L.A. Fire Department, calling for a new assessment of the site's vulnerability during an earthquake.

Whereas, under Education Code Section 17251, the California Department of Education requires preparation of a rail safety study if a school site is within 1,500 feet of a railroad easement transporting hazardous commodities.

Whereas, in a March 3, 2017 decision, the Surface Transportation Board provided guidance on preemption issues that would unreasonably burden or interfere with rail transportation. It also recognized that such preemption is not unlimited: states and localities retained their police powers to protect the public safety and health.

³ Should both storage tanks rupture in an earthquake and releases 57,000 tons of butane, the RMP*Comp program generates a 3.9 mile blast radius if an impound basin is not considered as a factor in the analysis. The EPA's risk management guidance requires the capacity of only one tank be evaluated in a worst case scenario analysis.

⁴ A rail tank car holds 30,000 gallons of butane (72.75 tons) stored under pressure. Where there is no impound basin to contain the liquid butane spilled from a rail car, RMP*Comp generates a 0.4 mile blast radius in a worst case scenario.

Whereas, in a February 20, 2018 letter to the California State Lands Commission, the Attorney General wrote that “if the Commission cannot find a public trust violation, its only recourse is to report the Port’s activities to the Legislature. In that case, the Legislature would be empowered to revoke or amend the 1911 granting status [but that] the Commission would have no present power to take direct action to address the rail spur while the Legislature assesses the appropriate path forward.”⁵

Therefore, the Northwest San Pedro Neighborhood Council requests that the Governor, Mayor, POLA and the LAUSD each take steps to ensure that the various risks posed by the operation of the Rancho LPG storage facility are re-evaluated, and that the Governor and Mayor ensure that such renewed efforts are coordinated with the appropriate California state and local agencies, commissions, the California Legislature, and the relevant federal departments and agencies.

Also, the following items should be considered for immediate action:

1. The conversion of the existing temporary month-to-month Westmont rail-spur operating agreement to a long term lease with all the terms of such an agreement including a new risk assessment.
2. The amendment of the operating agreement and rail spur permit to reflect the transport of hazardous material.
3. The amendment of the operating agreement and rail spur permit to include insurance commensurate with the risk for that use considering its dangerous nature in close proximity to a dense population and the fair market value of property assets subject to harm from an accident.
4. The hiring of a consultant by LAUSD to prepare the required safety studies for the schools near the Rancho LPG facility, including an evacuation plan and reasonable mitigation measures.

Addressees:

Governor Gavin Newsom

Mayor Eric Garcetti

Gene Seroka, Executive Director, POLA

⁵ Rancho LPG operates the rail spur under a permit POLA issued in 2011 as a successor to the one issued to its predecessor, Petrolane, in 1974.

File name: Proposed resolution re Rancho LPG October 2020 v.4n2D

Austin Beutner, Superintendent of LAUSD

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