



**Torrance Refining Company LLC**  
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Torrance, CA 90504  
[www.torrancerefinery.com](http://www.torrancerefinery.com)

January 20, 2021

***VIA E-MAIL AND OVERNIGHT MAIL***

Wayne Nastri  
Executive Officer  
South Coast Air Quality Management District  
21865 Copley Drive  
Diamond Bar, CA 91765

**Subject: *Torrance Refining Company LLC Proffer Letter Commitments Quarterly Update***

Dear Mr. Nastri,

On behalf of Torrance Refining Company LLC ("TORC"), consistent with our November 25, 2019 letter, and as requested by you in your November 15, 2019 letter, below is the fourth quarter 2020 update regarding the voluntary modified hydrogen fluoride ("MHF") alkylation unit safety enhancement commitments and control measures as proffered TORC's August 30, 2019 Proffer Letter accepted and approved on September 6, 2019 by the South Coast Air Quality Management District ("South Coast AQMD") Governing Board pursuant to Board Resolution No. 19-19 (the "Proffer Letter"). Capitalized terms used in this letter and not otherwise defined shall have the meanings ascribed in the Proffer Letter.

Attached as Annex A is a summary of the current status of the design, purchase, installation, testing, and operational start date of the proffered safety enhancements as of the fourth quarter 2020. We provide additional detail regarding the status of the enhancements below.

**Settler Area Protective Steel Structure, Northern Water Mitigation Monitors, and Fluidized Catalytic Cracking Unit (FCCU) Electrostatic Precipitator (ESP) Over Pressure Mitigation**

With respect to the Settler Area Protective Steel Structure, Northern Water Mitigation Monitors, and FCCU ESP Over Pressure Mitigation enhancements, as you are aware, TORC previously approved funding for detailed engineering and procurement and the detailed engineering is in progress. Notwithstanding the impact of the COVID-19 pandemic on the current economic environment, TORC's 2021 planned budget includes the amounts required to be expended with respect to the remaining costs of these enhancements.

The construction work packages for the protective steel structure, the water mitigation monitors, and the FCCU ESP over pressure mitigation enhancements are still in the process of being finalized, but expected to be completed by March 2021. However, we have completed underground verifications for piping and electrical design as well as underground verifications for foundation design related to these enhancements.

We are now in the construction planning phase for these enhancements, with long lead materials including elevated water monitors with water supply on/off valve and control panel assemblies as well as control

valves for area revamp work to accommodate new steel structure having been ordered. These items are generally expected to be delivered to the Refinery in the second or third quarter 2021 unless there are delays due to the pandemic.

The building plans for these enhancements have been submitted to City of Torrance permitting department and we expect feedback or approval by second or third quarter 2021.

At this time, TORC believes these enhancements are on schedule for implementation in 2021.

### **Settler Area Water Mitigation Dome and Curtain**

With respect to the Settler Area Water Mitigation Dome and Curtain enhancements, as you are aware, TORC previously approved funding for detailed engineering and procurement and the detailed engineering is in progress. Notwithstanding the impact of the COVID-19 pandemic on the current economic environment, TORC's 2021 planned budget includes the amounts required to be expended with respect to the remaining costs of these enhancements.

The construction work packages for the water mitigation dome and curtain are still in the process of being finalized, but expected to be completed by March 2021.

We are now in the construction planning phase for these enhancements, with long lead materials including dome water monitors, spray curtain headers with nozzles, and water supply on/off valve and control panel assemblies having been ordered. These items are generally expected to be delivered to the Refinery in the second or third quarter 2021 unless there are delays due to the pandemic.

At this time, TORC believes these enhancements are on schedule for implementation in 2021.

### **Settler Area Enhanced HF/MHF Detection System**

With respect to the Settler Area Enhanced HF/MHF Detection System enhancements, as you are aware, TORC previously approved funding for detailed engineering and procurement and the detailed engineering is in progress. Notwithstanding the impact of the COVID-19 pandemic on the current economic environment, TORC's 2021 planned budget includes the amounts required to be expended with respect to the remaining costs of these enhancements.

The construction work packages for the enhanced HF/MHF detection system is still in the process of being finalized, but expected to be completed by March 2021. However, we have completed underground verifications for piping and electrical design as well as underground verifications for foundation design related to these enhancements.

We are now in the construction planning phase for these enhancements, with long lead materials including HF detection instrumentation and Programmable Logic Controller (PLC) having been ordered. These items are generally expected to be delivered to the Refinery in the second or third quarter 2021 unless there are delays due to the pandemic.

At this time, TORC believes these enhancements are on schedule for implementation in 2021.



As we have previously reported, due to COVID-19 pandemic impacts, the MHF Alkylation Unit turnaround has been moved to 2022, along with the Fluid Catalytic Cracker turnaround, however, as noted above, the safety enhancements are still on schedule to be completed by the end of 2021.

TORC will continue to closely monitor Engineering, Construction, and Materials availability in connection with the COVID-19 pandemic, and will notify South Coast AQMD of any additional impacts that could result in further schedule delays.

If you have any questions or require any additional information regarding this quarterly update of the safety enhancements, please do not hesitate to contact me at (310) 212-4500.

Sincerely,



Steve Steach  
Refinery Manager

cc: Paul Davis, President, Western Region  
Trecia Canty, Senior Vice President & General Counsel  
Darren Stroud, Refinery Attorney  
Jill Whynot, South Coast AQMD  
✓ Philip Fine, South Coast AQMD  
Susan Nakamura, South Coast AQMD  
Barbara Baird, South Coast AQMD  
Daphne Hsu, South Coast AQMD  
Michael Krause, South Coast AQMD

## ANNEX A

<b>Safety Enhancements</b>	<b>Fourth Quarter 2020 Status</b>
<p>Settler Area Protective Steel Structure</p> <p>Northern Water Mitigation Monitors</p> <p>Fluidized Catalytic Cracking Unit (FCCU) Electrostatic Precipitator (ESP) Over Pressure Mitigation</p>	<ul style="list-style-type: none"> <li>• Funding approved for Detailed Engineering and Procurement</li> <li>• Detailed Engineering in progress               <ul style="list-style-type: none"> <li>○ Construction work packages being finalized; last package due March 2021</li> </ul> </li> <li>• Completed underground verifications for piping and electrical design</li> <li>• Completed underground verifications for foundation design</li> <li>• Construction planning in progress</li> <li>• Ordered long lead materials:               <ul style="list-style-type: none"> <li>○ Elevated water monitors with water supply on/off valve and control panel assemblies</li> <li>○ Control valves for area revamp work to accommodate new steel structure</li> </ul> </li> <li>• Materials planned to be delivered onsite by second or third quarter 2021</li> <li>• Submitted building plans to City of Torrance permitting department</li> <li>• Enhancements currently on schedule for implementation in 2021</li> </ul>
<p>Settler Area Water Mitigation Dome and Curtain</p>	<ul style="list-style-type: none"> <li>• Funding approved for Detailed Engineering and Procurement</li> <li>• Detailed Engineering in progress               <ul style="list-style-type: none"> <li>○ Construction work packages being finalized; last package due March 2021</li> </ul> </li> <li>• Construction planning in progress</li> <li>• Ordered long lead materials:               <ul style="list-style-type: none"> <li>○ Dome water monitors, spray curtain headers with nozzles, and water supply on/off valve and control panel assemblies</li> <li>○ Materials planned to be delivered onsite by second or third quarter 2021</li> </ul> </li> <li>• Enhancements currently on schedule for implementation in 2021</li> </ul>

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<b>Safety Enhancements</b>	<b>Fourth Quarter 2020 Status</b>
Settler Area Enhanced HF/MHF Detection System	<ul style="list-style-type: none"><li>• Funding approved for Detailed Engineering and Procurement</li><li>• Detailed Engineering in progress<ul style="list-style-type: none"><li>○ Construction work packages being finalized; last package due March 2021</li></ul></li><li>• Completed underground verifications for piping and electrical design</li><li>• Completed underground verifications for foundation design</li><li>• Construction planning in progress</li><li>• Ordered long lead materials:<ul style="list-style-type: none"><li>○ HF detection instrumentation</li><li>○ Programmable Logic Controller (PLC)</li></ul></li><li>• Materials planned to be delivered onsite by second or third quarter 2021</li><li>• Enhancements currently on schedule for implementation in 2021</li></ul>