STATE OF CALIFORNIA - NATURAL RESOURCES AGENCY GAVIN NEWSOM, GOVERNOR

CALIFORNIA COASTAL COMMISSION
ENERGY, OCEAN RESOURCES AND FEDERAL CONSISTENCY
455 MARKET STREET, SUITE 300
SAN FRANCISCO, CA 94105-2421
VOICE (415) 904-5200
FAX (415) 904-5400

June 2, 2026

National City
Planning Commission
1243 National City Boulevard
National City, CA 91950
Submitted via email to: PlcPubComment@nationalcityca.gov

Re: **Proposed Fuel Transfer Facility, 2023-03 CUP, CDP, IS**

To Planning Commissioners,

Thank you for the opportunity to comment on the San Diego Clean Fuels Terminal, LLC Conditional Use Permit (CUP) and Coastal Development Permit (CDP). As described in the staff report, the proposed project would construct a transloading facility on the existing Burlington Northern Santa Fe (BNSF) Railway tracks between Civic Center Drive and West 19th Street. Our January 29, 2025 and June 30, 2023 letters provided comments on the Initial Study Mitigated Negative Declaration (ISMND) and the Draft Environmental Impact Report (DEIR) and are included as attachments. The purpose of this letter is to request that a decision on the CDP be postponed in order to allow additional time for our staffs to work together to address the project's inconsistencies with the City's Local Coastal Program (LCP) and the Coastal Act, particularly regarding wetland resources, sea level rise, and environmental justice.

The proposed project would consist of the following:

- Construction of railway tracks and turnouts/crossovers to facilitate car movement in/out and within the transload facility.
- Installation of concrete slap pump pads at each transload spot.
- Installation of truck load slabs sloped to drain in the center at each transload spot.
- Installation of pumps and piping to move fuels from rail cars to truck loading spots.
- Containment enclosures for additive totes.
- Concrete-lined containment basin and pipe each load slab drain to the basin.
- Track pans for containment at the rail transloading cars.
- A small office building with control center, restrooms, and driver check-in area.
- All weather paving for the facility and circulation.
- Lighting, as needed.
- Approximate throughput capacity of 13,800 barrels of fuel daily.
- 72 heavy-duty trucks making both an inbound trip and outbound trip daily for a total of 144 daily heavy-duty truck trips and 25 passenger automobile trips associated with the onsite workers.

Jurisdiction and Standard of Review
The project would be located in the coastal zone and development within the coastal zone requires an analysis of conformity with the City's certified Local Coastal Program (LCP). Page 11 of the staff report identifies the City's LCP; however, the staff report does not include any analysis of the project's conformity with all of the relevant policies and provisions of the City's LCP, including the Chapter 3 policies of the Coastal Act which are incorporated into the LCP by reference as Appendix 1 of the Land Use Plan (LUP). Rather, the staff report states that the City's LCP "mostly relies upon the previous Land Use Code (LUC)" except for two required findings specific to CDPs. The staff report does not elaborate on exactly how the LCP relies on the LUC, which portions specifically rely on the LUC and which do not. The findings specific to CDPs as identified in the staff report include a requirement that a CDP will be consistent with all other plans and ordinances of the City of National City and a requirement that granting said CDP will be consistent with and implements the certified LCP. By not thoroughly analyzing the project against each of the relevant policies and provisions of the LCP it is not possible for the City to make a finding that the project is consistent with the LCP. Because, the project must also be found consistent with Chapter 3 of the Coastal Act, the City's findings should also analyze the project against applicable Chapter 3 policies.

Commission staff would also note that there is one identified single-parameter wetland within the project area. Pursuant to Section 30603 of the Coastal Act, local CDP decisions within 100 feet of any wetlands are appealable to the Commission. However, the City's public hearing notice does not address the subject of appealability and therefore, notice has not been provided to the public that the project may be appealed to the Commission as required by Title 14, Division 5.5 California Code of Regulations § 13565. As such, the City should re-notice the project to identify that the project is appealable to the Coastal Commission.

Allowed Use in Wetlands
The project site includes at least one single-parameter wetland. Allowed uses within wetlands within the coastal zone are governed by Section 30233 of the Coastal Act which includes a three-part test. The first test requires that the proposed wetland fill activity fit within one of the enumerated use categories described in Coastal Act Section 30233(a)(1)-(7). The second test requires that no feasible less environmentally damaging alternative exists. The third and final test mandates that feasible mitigation measures are provided to minimize any of the project's adverse environmental effects.

Regarding the first test and the enumerated use categories, the staff report does not include any discussion or analysis of wetlands. The EIR for the project describes the specific project elements that would be located within the wetland area and analyzes how the proposed project is consistent with the enumerated uses of Section 30233.
The EIR also discusses how there is no feasible less environmentally damaging alternative exists pursuant to the second test of Section 30233.

The final test stipulates that filling of wetlands may be permitted if feasible mitigation measures have been provided to minimize any adverse environmental effects. Neither the staff report nor the EIR include any analysis of impacts to the wetland or mitigation. Rather, City staff responded to CCC staff's January 29, 2025, Comment letter with a determination that based on the City's analysis the previously identified wetland is an "isolated puddle" and that based on that analysis the City concluded that there would be less than significant impacts to wetlands.

CCC ecology staff had an opportunity to review the City's most-recent letter and analysis in conjunction with the information in the EIR and concluded that the feature may not be an isolated puddle as described by the City. Because the feature has retained water long enough to produce algal mats it exhibits at least one of the parameters that would identify it as a wetland. Commission staff notes that the City's analysis did not include any formal wetland delineation points at the site and instead the Aquatic Resources Report primarily relied upon aerial photographs, so there is not sufficient information in the record to determine whether the feature potentially exhibits one or both of the other wetland parameters.

Pursuant to the certified LCP, wetlands in private ownership, which may be located in industrial areas, are required to be protected from development through the application of an overlay zone or other, appropriate protective measures, including adequate buffers, regulations regarding the design and siting of structures, and open space easements (Land Use Plan Chapter V, Marsh Preservation, Policy 5). The staff report should include an analysis of any temporary or permanent impacts to the wetland and feasible mitigation measures including potential onsite or offsite wetland mitigation. Coastal Commission precedent is to require mitigation at a ratio of 4:1 for permanent impacts to wetlands and 1:1 for temporary impacts to wetlands. A disturbance would be considered a temporary impact if the impacted wetland were able to recover on its own to its pre-disturbance condition within one year of the impact.

Environmental Justice

Commission staff appreciate the staff report's acknowledgement of the importance of the environmental justice impacts of this development, as well as certain conditions to mitigate some of its impacts on vulnerable communities. Nevertheless, as stated in the report, one of the primary reasons City staff prepared an EIR for the project is due to the potential air quality impacts of this project in an existing overburdened area that has necessitated a Community Emissions Reduction Plan (CERP) and specific plans to reduce emissions. As evidenced in the attached letters, the Coastal Commission has consistently recommended a more thorough analysis of environmental justice impacts and improved outreach for this project, considering its potential impacts.

The City's responses to Commission staff's comments regarding environmental justice concerns have been inadequate. The City uses a nationwide tool (Environmental Protection Agency's EJScreen) to analyze low-income and people of color populations. To get the most accurate data, it is advisable to use local and statewide data to understand disproportionate impacts. For example, the westside of National City falls in the 90th percentile for people living at two times below the federal poverty level, whereas east of National City Boulevard, that percentile drops to 61st percentile, in some areas. The City further stated that the project would "not result in impacts that are predominantly borne by a low-income or minority population" because the number of low-income or minority populations are similar to the demographics of the City as a whole. However, as discussed above, the applicant's analysis and use of tools such as EJScreen is overly broad and does not capture the disproportionate effects to the specific community that would most likely be impacted by the project. Although City staff does use CalEnviroScreen in their report to look at the potentially impacted population, the data is from the 3.0 version, even though the 4.0 version has been available for several years. The CalEnviroScreen 4.0 data shows a significantly high diesel burden, as well as other pollutants coupled with sensitive receptors, such as low-birth weight and linguistic isolation in this community. Moreover, the City did not address the concerns of public participation of these potentially impacted communities outlined in HEJ-1 and HEJ 1.7 in the General Plan.

Although the project has some potential for positive regional and statewide impacts such as reduction of GHG emissions, the potential negative impacts would be mostly located within a community that is already disproportionally overburdened by heavy pollution, as described above. The City staff report identifies policies HEJ-1.2 and 2.6 and states that the City's Climate Action Plan (CAP) and Community Emissions Reduction Plan (CERP) are the primary means by which to evaluate the project's impacts to potential health and air quality impacts. The City is not sure of the project's potential positive impacts, stating that "an estimate of the project's overall contribution to GHG reductions has not been provided." Later, the City states that the project is "in conflict with the overall goals of the CERP plan to reduce air pollution and improve health outcomes". However, despite this finding no mitigation is proposed.

Coastal Hazards

The City's LCP requires the City to review projects to determine if proposed developments may be impacted by sea level rise (LUP Chapter VIII Environmental Hazards, Policies 1-19), consistent with the Commission's most recently adopted sea level guidance; however, it does not appear that City staff's recommendation takes sea level rise considerations into account. Specifically, the project is located in close proximity to San Diego Bay with surface grades that vary from five to 18 feet above mean sea level (MSL). The appropriate time horizon to use to evaluate sea level rise and coastal hazards depends on the expected useful life of development, after which point development is expected to be removed, replaced, or redeveloped. The Commission's Sea Level Rise Policy Guidance for Critical Infrastructure (SLR Guidance)[1] identifies infrastructure, such as the proposed bio-fuel transfer facility, as "critical" infrastructure given its long design life, generally low adaptive capacity, and the high consequences associated with its failure. In such cases, the Commission's 2024 Sea Level Rise Policy Update[2] recommends that applicants understand the risks associated with the high scenario and anticipate the need to plan for those scenarios over the expected life of the structure, which for critical infrastructure like the fuel transfer station is typically considered to be 100 years.

Commission staff previously performed a desktop analysis of the site using the Our Coast Our Future (OCOF) Hazard Map[3] and the area appears to be vulnerable to flooding beginning at 4.1 feet of SLR which is approximately equal to the amount of SLR anticipated by the year 2080 under the High scenario. The vulnerabilities of the project site are only expected to increase when considered under a longer design life, the extreme risk aversion scenario and when coupled with major weather events such as a 100-year storm.

The staff report does not include any analysis of the project with respect to sea level rise and coastal hazards. The City's response to CCC staff's letter states that the California Environmental Quality Act (CEQA) does not require an analysis of the impacts of the

[1] https://documents.coastal.ca.gov/assets/slr/SLR%20Guidance_Critical%20Infrastructure_12.6.2021.pdf
[2] https://documents.coastal.ca.gov/assets/slr/guidance/2024/2024AdoptedSLRPolicyGuidanceUpdate.pdf
[3] https://ourcoastourfuture.org/hazard-map/

environment on a project and states that the applicant has entered into a lease agreement for a period of five years with the option of renewal, so the project lifetime was assumed to be a period of ten years (initial five year lease plus one five year renewal). The City's letter states that any assumption of operation beyond the lease term would be speculative and that pursuant to a ten-year operating period the project appears to be safe from hazards.

Although the City believes any assumption of operation beyond the lease term would be speculative, in its own analysis the City was being speculative when it assumed an additional five years beyond the initial lease term. Second, to assume that the operator would not pursue additional lease renewals and only operate for ten years is also speculative. As such, the staff report should define the anticipated life of the project and identify the appropriate SLR projection(s) to analyze over that anticipated lifetime consistent with the Commission's SLR Guidance for critical infrastructure. A range of sea level rise and storm scenarios should be evaluated in order to identify a safe building envelope that avoids hazards over the anticipated life of the development. The staff report should also analyze and describe the physical impacts from coastal hazards and SLR that may constrain the project site and/or impact the proposed development. Lastly, the staff report should include an assessment of any SLR adaptation measures that may be implemented as part of the design or implemented in the future, such as relocation or removal if and when the development is threatened by coastal hazards.

Wetland Delineation
Commission staff have reviewed the aquatic resources delineation as well as the biological resources assessment and would note that mulefat (*Baccharis salicifolia*) has a wetland indicator status of FAC. Further, the Commission's ecologist noted the presence of at least four other facultative wetland plants (FACW), which appear in wetlands 67-99% of the time, in Attachment B of the Biological Resources Assessment: rabbitsfoot grass (*Polypogon monspeliensis*), alkali weed (*Cressa truxillensis*), arroyo willow (*Salix lasiolepis*), and toad rush (*Juncus bufonius*). Only rabbitsfoot grass is listed as a part of a vegetation community on site. It is unclear where the remainder of these plants, particularly in relation to the identified mulefat community and other FAC plants, reside on the site. Considering this status the final DEIR should include a regional jurisdictional arid-west wetland delineation for this area.

Conclusion
Commission staff appreciates the opportunity to comment on the staff report. Please contact me at Wesley.Horn@coastal.ca.gov if you have any questions or need clarification on any of the points in this letter.

Sincerely,

[redacted]

Wesley Horn
Senior Environmental Scientist
Energy, Ocean Resources and Federal Consistency Division

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CALIFORNIA COASTAL COMMISSION
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455 MARKET STREET, SUITE 300
SAN FRANCISCO, CA 94105-2421
VOICE (415) 904-5200
FAX (415) 904-5400

June 30, 2023

Marin Reeder
Planning Manager
Community Development Dept. – Planning Division
City of National City
1243 National City Blvd., National City, CA 91950

Re: **Draft Initial Study and Mitigated Negative Declaration (ISMND) for the San Diego Clean Fuels Terminal LLC Project**

Dear Mr. Reeder,

Thank you for the opportunity to comment on the San Diego Clean Fuels Terminal, LLC Draft Initial Study and Mitigated Negative Declaration (ISMND). As described in the ISMND, the proposed project would construct a transloading facility on the existing Burlington Northern Santa Fe (BNSF) Railway tracks between Civic Center Drive and West 19th Street.

The proposed project would consist of the following:

- Build nine rail spurs and four fixed truck loading spots to transload bio-diesel fuel, renewable diesel fuel, ethanol and sustainable aviation fuel directly from rail cars into trucks.
- Build tracks and turnouts/crossovers to facilitate car movement in/out and within the transload facility.
- Install concrete slab pump pads at each transload spot.
- Install truck load slabs sloped to a drain in the center at each transload spot.
- Install pumps and piping to move fuels from rail cars to truck loading spots.
- Provide containment enclosures for additive totes.
- Provide a concrete-lined containment basin and pipe each load slab drain to the basin.
- Provide track pans for containment at the rail transloading cars.
- Provide an office trailer with control center, restrooms and driver check-in area.
- Provide all weather paving for the facility and circulation.
- Provide lighting for the site, as needed.

The terminal is expected to receive approximately 115 trucks per day coming in on 18th Street and exiting the facility on W. 19th Street and on to retail client deliveries. Approximately 70-percent of truck trips will occur between 6:00 p.m. and 6:00 a.m. to avoid peak traffic periods.

Jurisdiction and Standard of Review
The project would be located in the coastal zone and development within the coastal zone may not commence until a coastal development permit (CDP) has been issued by either the California Coastal Commission (Commission) or a local government that has a Commission-certified local coastal program (LCP). For the proposed project, National City has a Commission-certified LCP and would therefore need to issue a CDP for the project.

Commission staff would also note that the ISMND identified at least one single-parameter wetland within the project area. Pursuant to Section 30603 of the Coastal Act, local CDP decisions within 100 feet of any wetlands are appealable to the Commission.

Use and Required Permits
The ISMND states that the project is located within a land use designation of Industrial/Salt Production and a Medium Industrial and High Industrial Zone. The ISMND does not specify how the proposed project is consistent with the underlying land uses and zoning. Specifying the use with respect to land uses and zoning under the certified LCP is necessary in order to determine what permits would be required and what standards would apply. As such, the ISMND should also include specific information on the proposed use with respect to the land use, zoning and any required permits or applicable standards.

Allowed Use in Wetlands
The project site includes at least one single-parameter wetland. Allowed uses within wetlands within the coastal zone are governed by Section 30233 of the Coastal Act which includes a three-part test. The first test requires that the proposed wetland fill activity fit within one of the enumerated use categories described in Coastal Act Section 30233(a)(1)-(7). The second test requires that no feasible less environmentally damaging alternative exists. The third and final test mandates that feasible mitigation measures are provided to minimize any of the project’s adverse environmental effects.

Regarding the first test and the enumerated use categories, the ISMND should describe the specific project elements that would be located within the wetland area and analyze how the proposed project is consistent with the enumerated uses of Section 30233.

Second, the project must demonstrate that no feasible less environmentally damaging alternative exists. Please includes in the ISMND an analysis of alternatives. Alternatives to consider could include, but are not limited to: no project alternative, reconfiguration of the project to avoid the wetland area, consolidation with other existing industrial facilities, or other sites located within or outside of the coastal zone.

The final test stipulates that filling of wetlands may be permitted if feasible mitigation measures have been provided to minimize any adverse environmental effects. The ISMND does not include any analysis of impacts to the wetland or mitigation. Rather, the ISMND states “For impacts to CCA areas, the Project would require consistency with the Local Coastal Program (LCP) and concurrence with the City, who presides over the LCP.” Pursuant to the certified LCP, wetlands in private ownership, which may be located in industrial areas, are required to be protected from development through the application of an overlay zone or other, appropriate protective measures, including adequate buffers, regulations regarding the design and siting of structures, and open space easements. The

ISMND should include an analysis of any temporary or permanent impacts to wetlands and feasible mitigation measures.

Environmental Justice

The ISMND does not include an Environmental Justice (EJ) analysis. However, a desktop review of the site and surrounding areas on CalEnviroScreen 4.0[1] shows that the census tracts within the area of the proposed project appear to be subject to EJ concerns including housing burden, low-birth weight, linguistic isolation, exposure to high amounts of diesel particulate matter, threats of contamination to groundwater, and proximity to various industrial facilities including hazardous waste and solid waste. The ISMND should include a comprehensive EJ analysis including EJ screening and consultation consistent with the Commission's accepted methodologies within a broad Area of Potential Effects (APE) to ensure those communities are property notified of the project and included in the process.

Coastal Hazards

In Section 4.10.2 of the ISMND, the findings state that although the project is located in close proximity to San Diego Bay with surface grades that vary from five to 18 feet above mean sea level (MSL), the offshore barrier islands and the configuration of the continental shelf in the San Diego vicinity have historically provided relief from tsunamis. The ISNMND also states that the project area is not located below and confined bodies of water and is not within a flood hazard area.

The appropriate time horizon to use to evaluate sea level rise and coastal hazards depends on the expected useful life of development, after which point development is expected to be removed, replaced, or redeveloped. The Commission's Sea Level Rise Policy Guidance for Critical Infrastructure (SLR Guidance)[2] identifies infrastructure, such as the proposed bio-fuel transfer facility, as "critical" infrastructure given its long design life, generally low adaptive capacity, and the high consequences associated with its failure. In such cases, the Commission SLR Guidance recommends that applicants understand the risks associated with the medium-high risk aversion scenario and extreme (H++) risk aversion scenario and anticipate the need to plan for those scenarios over the expected life of the structure, which for critical infrastructure like the fuel transfer station is typically considered to be 100 years.

Commission staff performed a desktop analysis of the site using the Our Coast Our Future (OCOF) Hazard Map[3] and the area appears to be vulnerable to flooding beginning at 4.1 feet of SLR which is approximately equal to the amount of SLR anticipated by the year 2080 under the Medium-High risk aversion scenario. The vulnerabilities of the project site are only expected to increase when considered under a longer design life, the extreme risk aversion scenario and when coupled with major weather events such as a 100-year storm.

The ISMND should define the anticipated life of the project and identify the appropriate SLR projection(s) to analyze over that anticipated lifetime consistent with the Commission's SLR Guidance for critical infrastructure. A range of sea level rise and storm

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[1] https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40

[2] https://documents.coastal.ca.gov/assets/slr/SLR%20Guidance_Critical%20Infrastructure_12.6.2021.pdf

[3] https://ourcoastourfuture.org/hazard-map/

scenarios should be evaluated in order to identify a safe building envelope that avoids hazards over the anticipated life of the development. The ISMND should also analyze and describe the physical impacts from coastal hazards and SLR that may constrain the project site and/or impact the proposed development. Lastly, the ISMND should include an assessment of any SLR adaptation measures that may be implemented as part of the design or implemented in the future, such as relocation or removal if and when the development is threatened by coastal hazards.

Wetland Delineation

Commission staff have reviewed the aquatic resources delineation as well as the biological resources assessment and would note that mulefat (*Baccharis salicifolia*) has a wetland indicator status of FAC. Considering this status the final ISMND should include a regional jurisdictional arid-west wetland delineation for this area.

Hazardous Materials and Water Quality

Sections 4.9 and 4.10 of the ISMND discuss hazardous materials and hydrology and water quality. Both sections generally describe the history of uses at the site, existing onsite drainage characteristics, and the proposed development. Both sections conclude that with implementation of protective measures including Best Management Practices (BMPs) and development of an Emergency Response Plan (ERP) and a Storm Water Pollution Prevention Plan (SWPPP), the project would have no impact or the impact would be less than significant. The ISMND does not provide any specific information on what would be included in the ERP or the SWPPP, nor does it include any specific information on what BMPs would be included.

Without this information, it is not possible to evaluate whether the proposed project would effectively protect against spills of hazardous materials and provide effective containment and cleanup facilities. Considering the location of the project approximately 500 meters from the waters of Port of San Diego (Port), it is critically important that the project include sufficient measures to prevent any hazardous materials from construction or operation of the project from migrating to the Port waters. The final ISMND should include a robust discussion of hazardous materials and water quality while also identifying and discussing the specific measures that will be taken to ensure water quality protection, effective containment and cleanup facilities are provided.

Commission staff suggest the ISMND include the following:

- All Federal, State, and local oil pollution and safety laws and regulations that apply to the project and demonstrate compliance with those requirements.
- Industry and safety and pollution prevention standards and best practices proposed to be implemented at the proposed facility (both during and after construction).
- Schedules, methods, and procedures for testing, maintaining, and inspecting pipelines/facilities that contain or handle fuels.
- Methods to reduce spills during transfer and storage, including overfill prevention and immediate spill containment provisions.
- Procedures to assure clear communication during fuel transfer operations.

- Information on a worst-case discharge (WCD) spill scenario with respect to the proposed containment system and any feasibility to expand or improve the containment system accommodate a larger spill volume.
- Requirement that any heavy construction equipment use 100% biodiesel fuel and vegetable-oil-based hydraulic fluids. In addition to having lower aquatic toxicity than petroleum products, vegetable-oil based hydraulic fluids and biodiesel fuel are biodegradable and break down more rapidly in the environment than do petroleum products.
- Final plans for construction-phase BMPs, whether in a SWPPP or in a separate document, and post-construction BMPs.
- Prohibit the use of temporary erosion and sediment control products (such as fiber rolls, erosion control blankets, and mulch control netting) that contain plastic netting. Only products that contain loose-weave natural-fiber netting, or that do not contain netting, shall be allowed. Heavy-duty silt fences reinforced by plastic or metal netting shall also be prohibited. All temporary erosion and sediment control products shall be promptly removed when no longer required.
- Runoff control BMPs (such as a concrete wash-out facility or a dewatering tank) shall be installed or implemented to retain, infiltrate, or treat non-stormwater runoff resulting from construction activities.
- BMPs to prevent automotive pollutants from truck load slabs and roadways from being transported by stormwater runoff into coastal waters.
- Cover truck load slabs with a roof to keep stormwater from flowing across the concrete surface and picking up pollutants from spills and vehicular pollutants. Also, all stormwater runoff, including runoff from roof drains and pavements, should be directed away from potentially polluted surfaces (e.g., the truck load slabs) to prevent the transport of pollutants via runoff into coastal waters.
- Details, including sizing calculations, of how the project design will mimic the predevelopment runoff conditions. The amount of impervious surface area that will be added and/or replaced by the proposed project, and the type of surface (e.g., concrete pad, asphalt roadway, or roof-top) should also be specified.
- Details on the function, design, number and sizing of planters being proposed. The project should also specify if the planters are intended to be stormwater treatment BMPs that infiltrate runoff into native soil. If so, calculations should be provided indicating that each planter will be sized and designed to treat the runoff Design Capture Volume from the Drainage Management Area that flows to the planter.

Conclusion
Commission staff appreciates the opportunity to comment on the Draft ISMND and looks forward to continued engagement as we work towards review of any approvals required for the project. Please contact me at Wesley.Horn@coastal.ca.gov if you have any questions or need clarification on any of the points in this letter.

Sincerely,

[redacted]

Wesley Horn
Environmental Scientist
Energy, Ocean Resources and Federal Consistency Division

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ENERGY, OCEAN RESOURCES AND FEDERAL CONSISTENCY
455 MARKET STREET, SUITE 300
SAN FRANCISCO, CA 94105-2421
VOICE (415) 904-5200
FAX (415) 904-5400

January 29, 2025

David Welch
Associate Planner
Planning Department
1243 National City Boulevard
National City, CA 91950

Re: **Draft Environmental Impact Report (DEIR) For a Proposed Fuel Transfer Facility**

Dear Mr. Welch,

Thank you for the opportunity to comment on the San Diego Clean Fuels Terminal, LLC Draft Environmental Impact Report (DEIR). As described in the DEIR, the proposed project would construct a transloading facility on the existing Burlington Northern Santa Fe (BNSF) Railway tracks between Civic Center Drive and West 19th Street. Our June 30, 2023, letter provided comments on the Draft Initial Study and Mitigated Negative Declaration and is included as an attachment.

The proposed project would consist of the following:

- Replace one existing rail turnout.
- Install new receiving and departure track for the facility.
- Install concrete slab pump pads at each transload pump system.
- Install truck load slabs sloped to a drain in the center at each truck transload spot.
- Provide a concrete lined containment basin and connect each truck transload slab drain to the basin.
- Install pumps and piping to move fuels from rail cars to truck loading spots.
- Provide containment enclosures for renewable diesel additive totes.
- Provide track pans below railcars at the transloading rail for conveyance of potential spills to the remote containment basin.
- Provide an office trailer with control center, restrooms, and driver check-out area.
- Provide all weather paving for the facility and circulation as needed to supplement existing yard drives.
- Provide lighting and security for the site as required.
- Provide an on-site A-FFF Floride Free Firefighting platform with additional fire hydrants, as per the National City Fire Department (NCFD) requirements.

In addition, the fleet mix was adjusted to reflect 72 heavy-duty trucks making both an inbound trip and outbound trip daily for a total of 144 daily heavy-duty truck trips and 25 passenger automobile trips associated with the onsite workers.

Jurisdiction and Standard of Review
The project would be located in the coastal zone and development within the coastal zone may not commence until a coastal development permit (CDP) has been issued by either the California Coastal Commission (Commission) or a local government that has a Commission-certified local coastal program (LCP). For the proposed project, National City has a Commission-certified LCP and would therefore need to issue a CDP for the project.

Commission staff would also note that the DEIR identified at least one single-parameter wetland within the project area. Pursuant to Section 30603 of the Coastal Act, local CDP decisions within 100 feet of any wetlands are appealable to the Commission.

Allowed Use in Wetlands
The project site includes at least one single-parameter wetland. Allowed uses within wetlands within the coastal zone are governed by Section 30233 of the Coastal Act which includes a three-part test. The first test requires that the proposed wetland fill activity fit within one of the enumerated use categories described in Coastal Act Section 30233(a)(1)-(7). The second test requires that no feasible less environmentally damaging alternative exists. The third and final test mandates that feasible mitigation measures are provided to minimize any of the project’s adverse environmental effects.

Regarding the first test and the enumerated use categories, the DEIR describes the specific project elements that would be located within the wetland area and analyzes how the proposed project is consistent with the enumerated uses of Section 30233. The DEIS also discusses how there is no feasible less environmentally damaging alternative exists pursuant to the second test of Section 30233.

The final test stipulates that filling of wetlands may be permitted if feasible mitigation measures have been provided to minimize any adverse environmental effects. The DEIR does not include any analysis of impacts to the wetland or mitigation. Rather, the DEIR states “For impacts to CCA areas, the Project would require consistency with the Local Coastal Program (LCP) and concurrence with the City, who presides over the LCP.” Pursuant to the certified LCP, wetlands in private ownership, which may be located in industrial areas, are required to be protected from development through the application of an overlay zone or other, appropriate protective measures, including adequate buffers, regulations regarding the design and siting of structures, and open space easements. The DEIR should include an analysis of any temporary or permanent impacts to wetlands and feasible mitigation measures including potential onsite or offsite wetland mitigation. Coastal Commission precedent is to require mitigation at a ratio of 4:1 for permanent impacts to wetlands and 1:1 for temporary impacts to wetlands. A disturbance would be considered a temporary impact if the impacted wetland were able to recover on its own to its pre-disturbance condition within one year of the impact.

Environmental Justice
The ISMND does not include an Environmental Justice (EJ) analysis. However, the surrounding community, including McKinley Apartments and Kimball Elementary School, are sensitive receptors and considered disadvantaged pursuant to SB 535 a Community

Air Protection Program (CAPP) Community under AB 617. Using CalEnviroScreen 4.0[1], the census tract has an extremely high pollution burden for Diesel, proximity to Cleanup sites, Hazardous Waste Facilities, Solid Waste Facilities. This tract also faces high linguistic isolation, homelessness, low-birth weight, and poverty. The Coastal Act explicitly identifies the need for equity and environmental justice and allows the Commission and local government to consider coastal resource issues and impacts through that lens, even when the LCP itself may be silent on such issues (Sections 30013; 30107.3; 30604(h)). The term "environmental justice" is currently understood to include both substantive and procedural rights, meaning that in addition to the equitable distribution of environmental benefits, underserved communities also deserve equitable access to the process where significant environmental and land use decisions are made (EJ Policy). Moreover, as the ISMND notes, the City has a General Plan element which includes Environmental Justice with several applicable policies to this project specifically, those that deal with procedural rights (Goals HEJ-1; HEJ-1.7) as well as Education and Public Participation Goals E-7/6 and E-7-10. As such, the ISMND should include a comprehensive EJ analysis for impact discussion including EJ screening, a more robust cumulative analysis of air quality (overall analysis rather than site-specific) and proper community consultation consistent with the Commission's EJ Policy and the General Plan Health and Environmental Justice and Education and Public Participation elements within a broad Area of Potential Effects (APE) to ensure those communities are property notified of the project and included in the decision-making process. Currently, the outreach on this project has been inadequate per Commission's EJ policy and the City's General Plan. Finally, the Alternatives should consider the health, and environmental justice impacts when determining viability.

Coastal Hazards

The project is located in close proximity to San Diego Bay with surface grades that vary from five to 18 feet above mean sea level (MSL), the DEIR states that the site is not located within a tsunami or seiche zone. The DEIR also states that the project area is not within a flood hazard area.

The appropriate time horizon to use to evaluate sea level rise and coastal hazards depends on the expected useful life of development, after which point development is expected to be removed, replaced, or redeveloped. The Commission's Sea Level Rise Policy Guidance for Critical Infrastructure (SLR Guidance)[2] identifies infrastructure, such as the proposed bio-fuel transfer facility, as "critical" infrastructure given its long design life, generally low adaptive capacity, and the high consequences associated with its failure. In such cases, the Commission's 2024 Sea Level Rise Policy Update[3] recommends that applicants understand the risks associated with the high scenario and anticipate the need to plan for those scenarios over the expected life of the structure, which for critical infrastructure like the fuel transfer station is typically considered to be 100 years.

Commission staff performed a desktop analysis of the site using the Our Coast Our Future (OCOF) Hazard Map[4] and the area appears to be vulnerable to flooding beginning at 4.1 feet of SLR which is approximately equal to the amount of SLR anticipated by the year

[1] https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40
[2] https://documents.coastal.ca.gov/assets/slr/SLR%20Guidance_Critical%20Infrastructure_12.6.2021.pdf
[3] https://documents.coastal.ca.gov/assets/slr/guidance/2024/2024AdoptedSLRPolicyGuidanceUpdate.pdf
[4] https://ourcoastourfuture.org/hazard-map/

2080 under the High scenario. The vulnerabilities of the project site are only expected to increase when considered under a longer design life, the extreme risk aversion scenario and when coupled with major weather events such as a 100-year storm.

The DEIR should define the anticipated life of the project and identify the appropriate SLR projection(s) to analyze over that anticipated lifetime consistent with the Commission's SLR Guidance for critical infrastructure. A range of sea level rise and storm scenarios should be evaluated in order to identify a safe building envelope that avoids hazards over the anticipated life of the development. The DEIR should also analyze and describe the physical impacts from coastal hazards and SLR that may constrain the project site and/or impact the proposed development. Lastly, the DEIR should include an assessment of any SLR adaptation measures that may be implemented as part of the design or implemented in the future, such as relocation or removal if and when the development is threatened by coastal hazards.

Wetland Delineation
Commission staff have reviewed the aquatic resources delineation as well as the biological resources assessment and would note that mulefat (*Baccharis salicifolia*) has a wetland indicator status of FAC. Considering this status the final DEIR should include a regional jurisdictional arid-west wetland delineation for this area.

Conclusion
Commission staff appreciates the opportunity to comment on the DEIR and looks forward to continued engagement as we work towards review of any approvals required for the project. Please contact me at Wesley.Horn@coastal.ca.gov if you have any questions or need clarification on any of the points in this letter.

Sincerely,

[redacted]

Wesley Horn
Environmental Scientist
Energy, Ocean Resources and Federal Consistency Division

Attachment 1 - June 30, 2023, CCC comment letter on the Draft Initial Study and Mitigated Negative Declaration

STATE OF CALIFORNIA - NATURAL RESOURCES AGENCY GAVIN NEWSOM, *GOVERNOR*

CALIFORNIA COASTAL COMMISSION
ENERGY, OCEAN RESOURCES AND FEDERAL CONSISTENCY
455 MARKET STREET, SUITE 300
SAN FRANCISCO, CA 94105-2421
VOICE (415) 904-5200
FAX (415) 904-5400

June 30, 2023

Marin Reeder
Planning Manager
Community Development Dept. – Planning Division
City of National City
1243 National City Blvd., National City, CA 91950

Re: **Draft Initial Study and Mitigated Negative Declaration (ISMND) for the San Diego Clean Fuels Terminal LLC Project**

Dear Mr. Reeder,

Thank you for the opportunity to comment on the San Diego Clean Fuels Terminal, LLC Draft Initial Study and Mitigated Negative Declaration (ISMND). As described in the ISMND, the proposed project would construct a transloading facility on the existing Burlington Northern Santa Fe (BNSF) Railway tracks between Civic Center Drive and West 19th Street.

The proposed project would consist of the following:

- Build nine rail spurs and four fixed truck loading spots to transload bio-diesel fuel, renewable diesel fuel, ethanol and sustainable aviation fuel directly from rail cars into trucks.
- Build tracks and turnouts/crossovers to facilitate car movement in/out and within the transload facility.
- Install concrete slab pump pads at each transload spot.
- Install truck load slabs sloped to a drain in the center at each transload spot.
- Install pumps and piping to move fuels from rail cars to truck loading spots.
- Provide containment enclosures for additive totes.
- Provide a concrete-lined containment basin and pipe each load slab drain to the basin.
- Provide track pans for containment at the rail transloading cars.
- Provide an office trailer with control center, restrooms and driver check-in area.
- Provide all weather paving for the facility and circulation.
- Provide lighting for the site, as needed.

The terminal is expected to receive approximately 115 trucks per day coming in on 18th Street and exiting the facility on W. 19th Street and on to retail client deliveries. Approximately 70-percent of truck trips will occur between 6:00 p.m. and 6:00 a.m. to avoid peak traffic periods.

Jurisdiction and Standard of Review
The project would be located in the coastal zone and development within the coastal zone may not commence until a coastal development permit (CDP) has been issued by either the California Coastal Commission (Commission) or a local government that has a Commission-certified local coastal program (LCP). For the proposed project, National City has a Commission-certified LCP and would therefore need to issue a CDP for the project.

Commission staff would also note that the ISMND identified at least one single-parameter wetland within the project area. Pursuant to Section 30603 of the Coastal Act, local CDP decisions within 100 feet of any wetlands are appealable to the Commission.

Use and Required Permits
The ISMND states that the project is located within a land use designation of Industrial/Salt Production and a Medium Industrial and High Industrial Zone. The ISMND does not specify how the proposed project is consistent with the underlying land uses and zoning. Specifying the use with respect to land uses and zoning under the certified LCP is necessary in order to determine what permits would be required and what standards would apply. As such, the ISMND should also include specific information on the proposed use with respect to the land use, zoning and any required permits or applicable standards.

Allowed Use in Wetlands
The project site includes at least one single-parameter wetland. Allowed uses within wetlands within the coastal zone are governed by Section 30233 of the Coastal Act which includes a three-part test. The first test requires that the proposed wetland fill activity fit within one of the enumerated use categories described in Coastal Act Section 30233(a)(1)-(7). The second test requires that no feasible less environmentally damaging alternative exists. The third and final test mandates that feasible mitigation measures are provided to minimize any of the project’s adverse environmental effects.

Regarding the first test and the enumerated use categories, the ISMND should describe the specific project elements that would be located within the wetland area and analyze how the proposed project is consistent with the enumerated uses of Section 30233.

Second, the project must demonstrate that no feasible less environmentally damaging alternative exists. Please includes in the ISMND an analysis of alternatives. Alternatives to consider could include, but are not limited to: no project alternative, reconfiguration of the project to avoid the wetland area, consolidation with other existing industrial facilities, or other sites located within or outside of the coastal zone.

The final test stipulates that filling of wetlands may be permitted if feasible mitigation measures have been provided to minimize any adverse environmental effects. The ISMND does not include any analysis of impacts to the wetland or mitigation. Rather, the ISMND states “For impacts to CCA areas, the Project would require consistency with the Local Coastal Program (LCP) and concurrence with the City, who presides over the LCP.” Pursuant to the certified LCP, wetlands in private ownership, which may be located in industrial areas, are required to be protected from development through the application of an overlay zone or other, appropriate protective measures, including adequate buffers, regulations regarding the design and siting of structures, and open space easements. The

ISMND should include an analysis of any temporary or permanent impacts to wetlands and feasible mitigation measures.

Environmental Justice

The ISMND does not include an Environmental Justice (EJ) analysis. However, a desktop review of the site and surrounding areas on CalEnviroScreen 4.0[1] shows that the census tracts within the area of the proposed project appear to be subject to EJ concerns including housing burden, low-birth weight, linguistic isolation, exposure to high amounts of diesel particulate matter, threats of contamination to groundwater, and proximity to various industrial facilities including hazardous waste and solid waste. The ISMND should include a comprehensive EJ analysis including EJ screening and consultation consistent with the Commission's accepted methodologies within a broad Area of Potential Effects (APE) to ensure those communities are property notified of the project and included in the process.

Coastal Hazards

In Section 4.10.2 of the ISMND, the findings state that although the project is located in close proximity to San Diego Bay with surface grades that vary from five to 18 feet above mean sea level (MSL), the offshore barrier islands and the configuration of the continental shelf in the San Diego vicinity have historically provided relief from tsunamis. The ISNMND also states that the project area is not located below and confined bodies of water and is not within a flood hazard area.

The appropriate time horizon to use to evaluate sea level rise and coastal hazards depends on the expected useful life of development, after which point development is expected to be removed, replaced, or redeveloped. The Commission's Sea Level Rise Policy Guidance for Critical Infrastructure (SLR Guidance)[2] identifies infrastructure, such as the proposed bio-fuel transfer facility, as "critical" infrastructure given its long design life, generally low adaptive capacity, and the high consequences associated with its failure. In such cases, the Commission SLR Guidance recommends that applicants understand the risks associated with the medium-high risk aversion scenario and extreme (H++) risk aversion scenario and anticipate the need to plan for those scenarios over the expected life of the structure, which for critical infrastructure like the fuel transfer station is typically considered to be 100 years.

Commission staff performed a desktop analysis of the site using the Our Coast Our Future (OCOF) Hazard Map[3] and the area appears to be vulnerable to flooding beginning at 4.1 feet of SLR which is approximately equal to the amount of SLR anticipated by the year 2080 under the Medium-High risk aversion scenario. The vulnerabilities of the project site are only expected to increase when considered under a longer design life, the extreme risk aversion scenario and when coupled with major weather events such as a 100-year storm.

The ISMND should define the anticipated life of the project and identify the appropriate SLR projection(s) to analyze over that anticipated lifetime consistent with the Commission's SLR Guidance for critical infrastructure. A range of sea level rise and storm

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[1] https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40

[2] https://documents.coastal.ca.gov/assets/slr/SLR%20Guidance_Critical%20Infrastructure_12.6.2021.pdf

[3] https://ourcoastourfuture.org/hazard-map/

scenarios should be evaluated in order to identify a safe building envelope that avoids hazards over the anticipated life of the development. The ISMND should also analyze and describe the physical impacts from coastal hazards and SLR that may constrain the project site and/or impact the proposed development. Lastly, the ISMND should include an assessment of any SLR adaptation measures that may be implemented as part of the design or implemented in the future, such as relocation or removal if and when the development is threatened by coastal hazards.

Wetland Delineation

Commission staff have reviewed the aquatic resources delineation as well as the biological resources assessment and would note that mulefat (*Baccharis salicifolia*) has a wetland indicator status of FAC. Considering this status the final ISMND should include a regional jurisdictional arid-west wetland delineation for this area.

Hazardous Materials and Water Quality

Sections 4.9 and 4.10 of the ISMND discuss hazardous materials and hydrology and water quality. Both sections generally describe the history of uses at the site, existing onsite drainage characteristics, and the proposed development. Both sections conclude that with implementation of protective measures including Best Management Practices (BMPs) and development of an Emergency Response Plan (ERP) and a Storm Water Pollution Prevention Plan (SWPPP), the project would have no impact or the impact would be less than significant. The ISMND does not provide any specific information on what would be included in the ERP or the SWPPP, nor does it include any specific information on what BMPs would be included.

Without this information, it is not possible to evaluate whether the proposed project would effectively protect against spills of hazardous materials and provide effective containment and cleanup facilities. Considering the location of the project approximately 500 meters from the waters of Port of San Diego (Port), it is critically important that the project include sufficient measures to prevent any hazardous materials from construction or operation of the project from migrating to the Port waters. The final ISMND should include a robust discussion of hazardous materials and water quality while also identifying and discussing the specific measures that will be taken to ensure water quality protection, effective containment and cleanup facilities are provided.

Commission staff suggest the ISMND include the following:

- All Federal, State, and local oil pollution and safety laws and regulations that apply to the project and demonstrate compliance with those requirements.
- Industry and safety and pollution prevention standards and best practices proposed to be implemented at the proposed facility (both during and after construction).
- Schedules, methods, and procedures for testing, maintaining, and inspecting pipelines/facilities that contain or handle fuels.
- Methods to reduce spills during transfer and storage, including overfill prevention and immediate spill containment provisions.
- Procedures to assure clear communication during fuel transfer operations.

- Information on a worst-case discharge (WCD) spill scenario with respect to the proposed containment system and any feasibility to expand or improve the containment system accommodate a larger spill volume.
- Requirement that any heavy construction equipment use 100% biodiesel fuel and vegetable-oil-based hydraulic fluids. In addition to having lower aquatic toxicity than petroleum products, vegetable-oil based hydraulic fluids and biodiesel fuel are biodegradable and break down more rapidly in the environment than do petroleum products.
- Final plans for construction-phase BMPs, whether in a SWPPP or in a separate document, and post-construction BMPs.
- Prohibit the use of temporary erosion and sediment control products (such as fiber rolls, erosion control blankets, and mulch control netting) that contain plastic netting. Only products that contain loose-weave natural-fiber netting, or that do not contain netting, shall be allowed. Heavy-duty silt fences reinforced by plastic or metal netting shall also be prohibited. All temporary erosion and sediment control products shall be promptly removed when no longer required.
- Runoff control BMPs (such as a concrete wash-out facility or a dewatering tank) shall be installed or implemented to retain, infiltrate, or treat non-stormwater runoff resulting from construction activities.
- BMPs to prevent automotive pollutants from truck load slabs and roadways from being transported by stormwater runoff into coastal waters.
- Cover truck load slabs with a roof to keep stormwater from flowing across the concrete surface and picking up pollutants from spills and vehicular pollutants. Also, all stormwater runoff, including runoff from roof drains and pavements, should be directed away from potentially polluted surfaces (e.g., the truck load slabs) to prevent the transport of pollutants via runoff into coastal waters.
- Details, including sizing calculations, of how the project design will mimic the predevelopment runoff conditions. The amount of impervious surface area that will be added and/or replaced by the proposed project, and the type of surface (e.g., concrete pad, asphalt roadway, or roof-top) should also be specified.
- Details on the function, design, number and sizing of planters being proposed. The project should also specify if the planters are intended to be stormwater treatment BMPs that infiltrate runoff into native soil. If so, calculations should be provided indicating that each planter will be sized and designed to treat the runoff Design Capture Volume from the Drainage Management Area that flows to the planter.

Conclusion
Commission staff appreciates the opportunity to comment on the Draft ISMND and looks forward to continued engagement as we work towards review of any approvals required for the project. Please contact me at Wesley.Horn@coastal.ca.gov if you have any questions or need clarification on any of the points in this letter.

Sincerely,

[redacted]

Wesley Horn
Environmental Scientist
Energy, Ocean Resources and Federal Consistency Division