

By Dan Weikel, Los Angeles Times October 9, 2011, 7:34 p.m.

Melissa Palma never thought much about the huge gas storage tanks perched on a hillside near the San Pedro home she and her husband settled into 18 years ago. Only recently she learned that the domed, 40-year-old, circular, steel structures contain up to 25 million gallons of highly flammable butane — what some neighbors and public officials say are the makings of a potential catastrophe. “I was very, very shocked,” Palma said. “It’s so bizarre that I never knew about this.” Energized in part by last year’s natural gas pipeline explosion in the Bay Area that killed eight people and leveled a swath of homes, residents of L.A.’s tight-knit port community have revived a long-simmering controversy over the safety of one of the largest and oldest above-ground fuel storage facilities of its kind in the U.S. The emotional debate involves wildly different scenarios of the devastation that could be caused by a fire, explosion or terrorist attack at the 20-acre facility — and something more. Revelations of outdated construction standards and lax government oversight in the San Bruno pipeline tragedy and other recent disasters have shaken residents’ faith in official assurances that the tanks have been inspected, tested and are safe. “We live with the misconception that government and private companies are looking out for public safety. Look at San Bruno, the Deepwater Horizon oil spill and what Hurricane Katrina did to the levees in New Orleans,” said Janet Schaaf-Gunter of San Pedro and Peninsula Homeowners United. “These tanks need to be moved immediately.” State, federal and Los Angeles Fire Department records show the site meets all regulatory requirements, and its firefighting system was recently inspected and recertified. The facility’s owner, Rancho LPG Holdings, a unit of Houston-based Plains All American Pipeline, says the 80-foot-tall tanks are well-maintained and equipped with an array of safety measures, including monitors, sprinkler systems, automatic shut-off valves, and dikes to contain a gas spill. Although hundreds of people have been killed by conflagrations at large liquefied-petroleum-storage facilities in other countries, officials stress there have been no catastrophic failures at similar propane and butane storage sites in the United States. Still, residents, school officials and city officials in nearby Rancho Palos Verdes have pressed local and state agencies — unsuccessfully thus far — to seek a court-supervised assessment of the installation’s safety and the losses that could occur under various disaster scenarios. They note that homes, built before the tanks, are located about 1,000 feet from the site. Also nearby are an office park, a Home Depot, a Target, a complex of playing fields, and several schools. “I am concerned,” said Doreen J. Steinbach, principal of Taper Avenue Elementary School, which overlooks the Rancho site and has

about 700 students. “My priority is safety first for the students here. I don’t like that the tanks are there, but it’s not my job to take a political stance.” The worst risks include fires that heat the storage tanks until they fail and explode, leaking gas that catches fire in the dike system or escaping gas that vaporizes into a giant cloud that can explode. Community activists have gathered a trove of historical and regulatory documents showing, among other things, that the city permitted the original owner to build the tanks under industrial zoning dating to World War II. Other city records and geological maps show the tanks are very close to the active Palos Verdes fault, in an area known for methane gas and unstable ground. Critics cite a 1,242-page federal report issued more than 30 years ago questioning the safety of gas storage sites like the one in San Pedro. It cast doubt on the adequacy of local building codes for such projects and recommended all new facilities be built underground away from populated areas. About the same time, the California Public Utilities Commission questioned the earthquake safety of the site. But a recent company-funded study states that the facility meets state seismic codes and was built to withstand a massive earthquake. The report says a slope failure behind the tanks would not damage the facility and the chance of soil liquefaction due to an earthquake is “nil” because of dense sand deposits and a low water table at the site. Much of the controversy now revolves around recent, dramatically different predictions of the damage that a fire or explosion at the facility could cause. A consulting firm hired by a San Pedro neighborhood association concluded last year that significant damage would extend as far as 6.8 miles from the site in the most catastrophic blast. That would cover most of San Pedro and part of downtown Long Beach. In addition, Carl Southwell, a USC doctoral candidate, completed a study in March, contending that a successful terrorist attack could produce a fireball 1,085 yards across that would kill 2,500 people, injure 12,500, and devastate the Port of Los Angeles. His worst-case scenario, showing a damage radius of almost 3 miles, assumed an attack with rocket-propelled grenades — a model based on a 1999 plot by a militia group that targeted a similar storage facility in Elk Grove, Calif. The suspects in that case were convicted. The owner of the San Pedro tanks disputes the reports by the residents’ consultant and Southwell. Its analysis, by Quest Consultants Inc., concluded that the worst case would damage an area no more than half a mile in all directions. That would encompass some homes and busy shopping areas, but company officials say the distance over which damage would occur is significantly overstated. Rancho’s analysis is supported by an independent review commissioned by the U.S. Environmental Protection Agency, which faulted the residents’ study for using “technically invalid” scenarios and failing to consider the facility’s safety features that would prevent the worst type of explosion. “What’s been lost in all this is

that we have had regular meetings with the community and told them about the risk assessments,” said Roy Lamoreaux, a spokesman for Rancho LPG. “We want to be a strong business and social partner in the community. We are doing everything in our power to reduce the off-site consequences of the facility.” Bob Bea, a professor emeritus at UC Berkeley and an expert in risk analysis, said a high-quality, peer-reviewed risk analysis should be done — the type of analysis used for facilities such as nuclear power plants. Philip Myers of Pleasant Hill, Calif., an engineering consultant with expertise in petroleum storage facilities, agreed, saying that all scenarios should be considered, including highly improbable events, such as an airplane crash into a tank. In general, he said that standards have become more stringent since the San Pedro tanks were built and that older facilities should be monitored closely. So far, the state attorney general and Los Angeles City Atty. Carmen Trutanich have declined the residents’ requests to seek a court hearing to determine if the tanks are hazardous enough to require removal. Trutanich said the tanks have not caused any harm — an important legal requirement — and they have a clean regulatory history. He also cited design features that reduce the risk and the EPA’s study that supports the company’s risk assessment. The state attorney general’s position was similar. The residents’ attorney, Anthony Patchett, took issue with those views, insisting that the risk of a serious calamity is real and that neighbors already have suffered losses in property values because of the storage tanks. “All it would take,” he said, “is a leak unattended for 15 minutes and a slight Santa Ana wind and 750 people could die.” dan.weikel@latimes.com