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CENCO admits refinery is out

Business complex to be built on site

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SANTA FE SPRINGS -- CENCO Refining Co.'s president said Thursday officials plan to name a real estate development firm in the next 90 days then begin plans to turn the closed oil refinery the company owns on Lakeland Road into a business complex.

Members of an environmental group suing CENCO to block the company from reopening the refinery immediately threw their support behind the new plan.

"That's a huge, huge improvement over a heavy polluting refinery," said Scott Kuhn, an attorney for Citizens for a Better Environment.

CENCO President Lowell Morse confirmed the company has dropped its project to renovate and reopen the refinery, formerly owned by Powerine Refining Co., which shut down in 1995. Three years later, in August 1998, Powerine sold the refinery to television evangelist Pat Robertson, who owns CENCO Refining Co.

Morse, who took over as president in October, said he met with Robertson "six to eight weeks ago" and told him of his recommendation to go with an alternate plan for the refinery property.

"When ... Pat Robertson asked me to come in and take over the refinery, I did so with the full intention of starting up the refinery. However, as I dug my way through the volumes of paperwork and documents, it became clear to me that this was going to be a long, long drawn-out process that would be very costly. I simply decided to recommend to Pat that we go in a different direction," Morse said.

At that point, Morse recounted, Robertson told him: "If that's what you think we should do, we'll do it."

He believes Robertson, who invested millions in the proposed refinery project, had simply reached the point "where he said we've got to have a refinery or do something that makes this a reality, whether an alternative use or a refinery."

Jesus Torres of Citizens for a Better Environment said the group's various lawsuits against the project -- including a pending suit that seeks to force the proposed CENCO refinery to undergo a full Environmental Impact Report -- played a role in first delaying and now halting altogether the refinery.

CBE got involved in September 1998, stepping in on behalf of residents at the South Fulton Village mobile home park, who already had written letters to the South Coast Air Quality Management District in opposition to the refinery.

"If it wasn't for the residents, the refinery would be operating today," Torres said.

As for the group's pending lawsuit, Kuhn said organizers will wait to see if CENCO revokes its city and AQMD permits to operate a refinery at the site before CBE drops its legal action.

It was CENCO's ability to inherit the operating permits of the former Powerine plant that touched off CBE's suits. CENCO paid the AQMD more than \$800,000 in penalties owed by Powerine in order to receive Powerine's permits from the agency.

Meanwhile, Santa Fe Springs officials viewed the proposed CENCO refinery as a continuation of a previous use at the site, not as a new refinery, and used those grounds to issue a conditional use permit without a full Environmental Impact Report. (The city later conducted an EIR, but CBE officials contend it was inadequate.)

"Obviously, we're happy that a refinery will not open, but we can't celebrate yet or let our guard down" until CENCO formally gives up its permits, Kuhn said. "We've been down that road before."

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