



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 10**

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OFFICE OF
ENVIRONMENTAL REVIEW
AND ASSESSMENT

June 13, 2016

Sally Toteff, Southwest Regional Office Director
Millennium Bulk Terminals EIS, c/o ICF International
710 Second Avenue, Suite 550
Seattle, Washington 98104

Dear Ms. Toteff:

In response to your invitation, the U.S. Environmental Protection Agency has reviewed the April 2016 State Environmental Policy Act Draft Environmental Impact Statement (State DEIS) for the Millennium Bulk Terminals-Longview project. Thank you for the opportunity to provide comments.

We appreciate the State's decision in the State DEIS to consider impacts outside of the terminal's immediate area. We agree that this broader scope is appropriate for a thorough environmental review. It is also responsive to concerns expressed by many agencies and individuals about impacts to human health and the environment along the transportation routes to the terminal and the potential for effects in the United States from combustion of exported coal. The State's analysis finds that there are serious, projected impacts within that broader scope of analysis, further supporting the importance and significance of including a broader scope as part of a reasonable environmental review.

Air Quality

The State DEIS's air quality modeling for the Proposed Action's related activities at and near the terminal show substantial, predicted increases in pollution concentrations for some criteria air pollutants. For PM10, the State's analysis shows that the amount of degradation from the Proposed Action would exceed an allowable amount under the Clean Air Act's requirements for Prevention of Significant Deterioration (24-hour modeled impact of 85 ug/m³, which exceeds the Class II 24-hour PSD increment of 30 ug/m³). For PM2.5, the Proposed Action would have an impact of 12 ug/m³, which is greater than the Class II 24-hour PSD increment of 9 ug/m³. Consequently, we recommend further evaluation of air quality impacts.

The State DEIS does not take a similar look at air quality impacts outside of the project area. The State DEIS does not include modeling, similar to the modeling that was done near the terminal, for at-risk communities across the state and instead compares locomotive and vessel emissions near the terminal to statewide locomotive and vessel emissions. This information is not sufficient to conclude that the locomotive or vessel emissions from the Proposed Action would not result in meaningful pollution or health risk increases for people and communities outside of the terminal's immediate area. For example, the increased PM2.5 that is projected from locomotives could create significant issues for communities elsewhere in the state that experience high PM2.5 concentrations during winter inversion events, because the additional emissions loads from locomotives could cause or contribute to exceedances of the NAAQS.

To address these concerns, we recommend that the State's Final EIS air quality analysis at and near the terminal include additional information on modeled maximum impact by source sector. Source sector information would help reviewers better understand the relative contribution of trains and vessels both near the terminal and across the state. We also recommend that the State EIS include additional information on potential air pollution impacts to communities that, for example: have potential for new violations of NAAQS; are in an existing maintenance area; have known diesel particulate matter or air toxics problems; or, are home to sensitive receptors such as low income and minority populations. While the State's DEIS did not include impacts outside of the geographical state boundaries, there is potential that analysis of impacts along the entire rail line may identify similar concerns in other states.

Greenhouse Gas Emissions

The State DEIS provides valuable information to decision makers and the public by estimating the Proposed Action's greenhouse gas emissions, including estimates of the greenhouse gas emissions from the combustion of exported coal. According to the State DEIS, under the Proposed Action, 44 million tons of coal would pass through the proposed terminal at full operation, and combustion emissions from that coal would be approximately 90 million tons of CO₂e per year.

The State DEIS also did a credible economic analysis to estimate the amount of GHG emissions attributable to this project, and modeled four economic and policy scenarios. This kind of analysis is appropriate and important for large projects where the impact on GHG emissions is potentially very significant. The scenarios modeled in the State DEIS produced estimates of GHG emissions attributable to this project as high as 31 million metric tons of CO₂e per year.¹ The State DEIS concludes that the more likely of the scenarios would result in estimated average annual emissions attributable to the project of 2.5 million metric tons of CO₂e.²

Given the uncertainties of modeling forecasts and the wide range of outcomes projected from the different scenarios, it is important to provide a full description of methods and to interpret the results within the context of the limitations of the analysis. Given the wide range of results depending on scenarios, we suggest that the State FEIS include further discussion on the factors that underlie this uncertainty, and provide additional information on the specific assumptions and adjustments for each of the scenarios considered in the Coal Market Assessment. Additional information presenting reasons for the specific assumptions and adjustments in each of the scenarios will help to strengthen confidence that the range of results presented in the State EIS encompasses the impacts that are reasonably expected.

The State DEIS suggests that the state would require mitigation of 50% of the average annual greenhouse gas emissions attributable to what the State DEIS concludes is the project's more likely scenario, based on the State's requirements for mitigation of greenhouse gas emissions resulting from electricity generation. As with any mitigation considered in an EIS, the EPA suggests that the State include in the Final EIS what standard the State would use to determine if the mitigation plan is implementable, and how the State expects to ensure that the mitigation is permanent, enforceable, verifiable and additional.

Rail Transportation

The State DEIS indicates that the Proposed Action would contribute to predicted rail capacity exceedances along several rail segments both inside and outside of Washington State. Within Cowlitz

¹ State DEIS, Table 5.8-8

² State DEIS, p. 5.8-22

County, the State DEIS concludes that the trains related to the Proposed Action would lead to a significant adverse impact on the BNSF main line.

The information provided in the State DEIS is helpful. The EPA suggests that additional information would make the analysis more complete, particularly the potential adverse implications of exceeding capacity along rail segments, including impacts on the transportation of passengers and commercial goods, and effects on regional economic activity. In addition, a rail system that is over capacity may need infrastructure improvements that have the potential to cause their own adverse impacts. We suggest that the EIS consider whether likely necessary improvements - for example, adding main track, sidings, expanding yards or grade separation projects - could adversely affect communities or the environment, and what mitigation could be proposed to address any such impacts.

Where the additional information on the implications of rail segment capacity exceedances and necessary infrastructure improvements indicate that there are projected adverse environmental impacts, we suggest that the EIS also evaluate appropriate mitigation. As with all analysis of mitigation, it is useful to include consideration of the likelihood that proposed mitigation would be implemented, and, if implemented, how effective that the mitigation is likely to be in reducing adverse implications for passengers and regional economic activity.

Rail Safety

Due to the increased rail traffic, the State's DEIS predicts that the Proposed Action would lead to a 22% increase in rail accident risk over baseline.³ Rail accidents can be a significant issue, as the Pacific Northwest has recently experienced. The State DEIS highlights the serious concerns that the project could pose for the risk of rail accidents. We note that the potential consequences of catastrophic accidents heighten when the mix of train traffic includes growth trends for oil and passenger trains. The EPA recommends that the Final EIS include additional information on MM RT-2 "Coordinate with BNSF and UP about Operations on Main Line Routes" and provide more information for the public about what strategies would effectively mitigate predicted rail accident increases.

Vehicle Transportation

The State DEIS includes information about potentially substantial vehicle delays that would result from the Proposed Project at several public at-grade crossings along the Reynolds Lead, BNSF Spur, and BNSF main line during peak traffic hours. Such delays cause concern because of adverse effects on accessibility to community resources and public services, including emergency services. Also, such delays may result in increased emissions from idling vehicles, potentially affecting air quality near crossings.

The State DEIS predicts that the Proposed Project will cause substantial adverse impacts on peak hour level of service⁴ and vehicle queue lengths along the Reynolds Lead.⁵ The State DEIS characterizes these impacts as unavoidable, significant and adverse because it is "unknown" when related mitigation (planned track infrastructure upgrades) would be implemented.⁶ The State DEIS also notes that these significant problems would disproportionately affect low income and minority areas. The concern expressed in the State DEIS about the challenges communities often face in funding projects to address

³ State DEIS, p. 5.2-9

⁴ State DEIS, Table 5.3-10

⁵ State DEIS, Table 5.3-12

⁶ State DEIS, p. 5.3-43

freight-related traffic congestion is exacerbated by the fact that the largest impacts would occur in low income communities.

Given the overall concern about vehicle transportation effects in low income and minority areas, and challenges associated with mitigating these effects, we highlight that two of the study crossings with the largest increase in vehicle delay compared to baseline 2028 conditions - Pine Road-SR 27 and Park Road in Spokane County⁷ - are located in a low-income area.⁸ We recommend that the State EIS include additional information on whether vehicle delays at these two crossings and any other statewide at-grade crossing would be disproportionate and adverse for low income and minority populations. The State could consider conducting Level of Service, vehicle queue, emergency services and community access analysis for impacted intersections in low income and minority population areas.

Noise

Noise impacts are a concern because, as the State DEIS usefully summarizes, sound is a fundamental component of daily life and high noise levels interfere with a broad range of human activities such as communication and sleep. For the Proposed Action, the State DEIS states that Project-related train horns would lead to the exposure of 60 residences to severe noise impact and 229 residences to moderate noise impacts,⁹ and concludes that the impacts would be disproportionately high and adverse on minority and low income populations. We recommend that the Final EIS discuss how that conclusion should be considered in light of the State's policies and approach to advancing environmental justice.

To address noise concerns along the Reynolds Lead, we recommend that the State consider additional mitigation, such as adding an indirect rail noise measure similar to the project area direct noise measure MM NV-1 "Monitor and Control Increased Noise...at Closest Residences." Installing sound insulation in buildings may be appropriate for indirect as well as direct rail noise impacts.

For the statewide analysis of noise, the State DEIS calculates the potential noise impact from Proposed Action related train traffic in terms of average noise levels along six long statewide segments. This averaging approach makes it difficult to determine if train horns at public crossings would lead to moderate or severe impacts - such as those identified along the Reynolds lead. To improve the statewide analysis of train noise, we recommend that the State FEIS include more site-specific analysis of potential noise impacts near at-grade crossings, and evaluate if any such impacts disproportionately affect low income and minority populations.

Tribal Resources

Overall, the State DEIS finds that the Proposed-Action would lead to a 17% increase in train traffic along the BNSF main line adjacent to the Columbia River, and, 38% increase in Columbia River vessel traffic. We suggest that the Final EIS consider how those additional trains and vessels could affect tribal fishers' ability to access fishing locations, and how terminal construction and vessel traffic related to the Proposed Action could indirectly effect tribal resources through physical or behavioral responses of fish, or by affecting habitat. To address tribal resource impacts, we strongly encourage the Co-Lead agencies to continue to actively engage and consult with affected tribes.

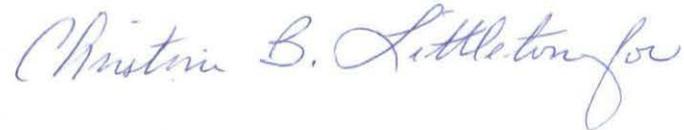
⁷ State DEIS, Table 5.3-39

⁸ As identified using the EPA's tool EJScreen

⁹ State DEIS, p. 5.5-25

Thank you for this opportunity to comment and we would look forward to meeting with the Co-Leads to discuss these comments, answer questions, and assist with next steps. If you have any questions, please contact Christine Littleton at (206) 553-1601 or by electronic mail at Littleton.Christine@epa.gov.

Sincerely,

A handwritten signature in cursive script that reads "Christine B. Littleton for".

R. David Allnutt, Director
Office of Environmental Review and Assessment

cc:
Elaine Placido
Cowlitz County Building and Planning Director