Washington State Legislature

November 18, 2013

Millennium Bulk Terminals-Longview EIS
c/o ICF International
701 Second Avenue, Suite 550
Seattle, WA 98104

RE: Scoping Comments on Millennium Bulk Terminal Longview Proposal

To whom it may concern,

We greatly appreciate the opportunity to participate in the environmental review process for the proposed Millennium Bulk Terminals Longview (MBTL) project. Please consider this letter as part of the public record for the MBTL coal export project proposed at Longview, Cowlitz County, Washington.

The purpose of this letter is to urge the co-lead agencies to thoroughly examine the MBTL project's impact to the natural environment, as well as the project's impacts to Washington's built environment. In light of the expansive ongoing review of the Gateway Pacific coal export project, we feel that a similarly comprehensive review is appropriate for the MBTL project. As with the Gateway Pacific project, we are particularly interested in ensuring that this review process accurately identifies and assesses the full range of potential externalities and impacts, not just in the area immediately surrounding the project site, but statewide in a comprehensive and cumulative fashion.

Due to the gravity of the proposed project and the widespread nature of the potential impacts, we recommend that the agencies broaden the scope of the review process to include the impacts felt by cities and counties across Washington. We also encourage the agencies to consider the cumulative impact of the MBTL project in light of the Gateway Pacific and Coyote Island coal export proposals, as well as other large-capacity fuel export proposals in the Pacific Northwest. This letter summarizes some of the far-reaching effects of the MBTL project that should be, at a minimum, analyzed within the scope of the environmental impact statement.

I. Impacts to the Built Environment

Some of the most significant impacts of the proposed MBTL project may be felt by Washington's built environment. The transportation infrastructure – rail, road, and

marine – will almost certainly be affected by the MBTL project, as will the commercial centers located adjacent to transportation corridors. We urge the agencies to include in their review the following impacts to Washington's built environment.

A. Traffic Congestion at Rail Crossings

The MBTL project will significantly increase rail traffic along Washington rail lines, and the effect of increased traffic on rail crossings warrants examination by the agencies. Independent studies suggest that MBTL rail traffic will cause the closure of rail crossings for up to seven minutes at a time in some instances, and the impacts of these additional crossing closures must be incorporated in the examination of economic externalities.

First, the agencies must look at whether additional crossing closures will impact levels of service, including those relating to emergency response times. If levels of service are affected, the agencies should examine options for mitigation and how they might be employed, as well as who would bear the cost of mitigation.

The agencies should also look at how additional rail traffic might impact non-rail freight mobility and access to local businesses. The MBTL project will increase the number of trains traveling through communities from Spokane to Longview, and the agencies should look at the unique effects of rail crossing delays on the movement of goods and people in each of the affected areas.

B. Impacts to Existing Freight Cargo and Passenger Rail

The transport of coal to the MBTL facility would substantially increase the tonnage of freight being transported by rail in Washington, and the agencies should thoroughly examine the impact this quantitative increase will have on local industries. Specifically, the agencies should evaluate the impact coal train traffic (both from MBTL and from other proposed coal export projects) will have on the cost and ease of transporting goods within the state (agricultural and aerospace products, for example), and the relative difference between the pricing and impacts to short- and long-haul shipments.

In addition to the impacts to local industry, the agencies should examine the impact that added freight rail traffic will have on passenger rail service. The agencies should determine what effect, if any, MBTL-induced rail traffic will have on rates, dependability, and frequency of passenger rail services like Amtrak.

C. Effect on Property Value

The MBTL project is likely to create a number of conditions that may adversely affect property values statewide, with particularly negative implications in certain targeted areas. The environmental review should build on existing local studies to aggregate the impact the MBTL project will have on property values statewide.

In addition to determining what property value changes might occur, the agencies should evaluate the impact these changes will have on tax revenue collected by state and local governments. This evaluation should include a calculation of the net effect the MBTL project will have on tax collections at both local and state levels.

D. Net Employment Changes

The environmental review process should include a thorough analysis of the project's impact on local and regional job growth. In evaluating the jobs that may be created, the analysis should include the wage level, location, and duration of these jobs, as well as whether the existing workforce is adequately equipped to fill the new positions. The analysis should also review the economic expense at which new jobs are created, specifically the impact that the project will have on other economic development projects. The agencies should also look at the employment impacts felt elsewhere in Washington, and determine the net employment impact of the project.

In addition to employment figures, the agencies should examine the impact that employment changes will have on communities around the state (both positive and negative). Changes in tax revenues and consumer spending should be evaluated relative to both construction and operational stages.

E. Public Investment Necessary to Maintain Transportation Infrastructure

Based on existing analyses of Washington's rail infrastructure, we understand from previous WSDOT analyses that the number of trains expected to transport coal to the MBTL site would force many major railways to operate at or above capacity. As a result, according to much of the analysis identified to date, many incremental upgrades are probable as a result of MBTL-induced traffic, and we encourage the agencies to carefully examine where rail infrastructure improvements would be likely to occur, and what sources of funding would be used for such improvements.

Within the review of these potential rail infrastructure improvements, it is vital that the agencies consider the long-term growth in the state's infrastructure needs, and evaluate the MBTL project with projected long-term, multi-industry economic growth in mind. A cumulative analysis in this regard is critical to accurately measuring the true incremental effect of this project.

Apart from potential rail improvements, the agencies should study the increased costs of rail maintenance necessitated by the additional rail traffic and by coal dust and debris. Research has shown coal to be a particularly costly commodity to transport due to the effect of coal dust on rail infrastructure, and the agencies

should consider both the impact of additional rail traffic and the impact of rail traffic moving large quantities of coal. The share of increased marginal costs borne by the public at the local, regional, and state level should be noted in detail so an accurate accounting of transportation externalities can be conducted.

Also relating to public investment, the agencies should examine the cost of mitigation measures, such as additional overpasses, tunnels, crossings, and diversions, which additional rail traffic will likely motivate, especially relative to economic impacts. In particular, we expect the MBTL project to be the primary driver for SR 432 corridor improvements, and impacts from the proposed SR 432 Rail Realignment and Highway Improvement Project, should be reviewed. Additionally, the location of necessary or probable mitigation projects across the state, as well as the portion of the cost contributed by local governments, should be described to enable such entities to conduct financial analyses. Again, the need for mitigation measures should be evaluated in the context of long-term growth models that account for traditional changes in economic conditions, industry growth, and fluctuating population demographics.

F. Impact of Market Volatility on Commerce and Infrastructure

Apart from the immediate impacts of the MBTL project, we urge the agencies to analyze the longterm viability of infrastructure and mitigation investments in light of coal's market volatility and variable demand. Domestic coal consumption has declined recently, due in part to competition from other energy sources, and it seems probable that such trends will occur elsewhere.

Coal's share of energy production in China has fallen in the past year, and reports suggest that coal surpluses are accumulating as coal-burning power plants taper energy production in the face of declining energy demand. Further, the world's two largest coal exporting countries, Australia and Indonesia, lie in close proximity to Asian markets, giving them a substantial advantage in a commodity market largely driven by transportation costs.

On top of $600 million cost of constructing the MBTL facility, significant public investment will be necessary to accommodate the project, and much of Washington's transportation infrastructure will have to be altered and tailored toward the export of coal. It is prudent for the agencies to analyze longterm viability of coal as a significant economic driver within the review process to effectively capture the sustained impact of the MBTL project on the state's built environment.

II. Impacts to the Natural Environment

A. Greenhouse Gases and Emission Targets

Washington has made a public policy commitment to lower greenhouse gas emissions and move away from coal as an energy source. Part of this commitment is the consideration of climate impacts under SEPA. WAC 197-11-444 and WAC 197-11-752 establish that "climate" is one of the many environmental impacts to be reviewed under SEPA, and informal Attorney General's Office opinions clarify that "[t]aken together, the SEPA statute and rules provide that, to the extent that greenhouse gas emissions and global warming/climate change have 'specific adverse environmental impacts' or 'significant adverse impacts,' SEPA grants authority to state and local agencies to condition or deny proposed actions based on those impacts pursuant to formally designated policies."

Given the substantial increase in greenhouse gas emissions likely to result from the MBTL project and the annual export of millions of tons of coal, we urge the lead agencies to analyze the project's impacts on global climate change relative to Washington's interests. Additionally, the EIS should assess the consistency of proposed coal export projects with existing state commitments and targets, as well as reviewing the negative impacts to quality of life, public health, and the environment which are associated with climate change. This includes the impacts of climate change in our community; ocean acidification, increased likelihood of reduced snowpack, flooding, summer droughts, and forest fires risk, and quality of coastal and near-shore habitat.

B. Impacts of Air and Noise Pollution

Current studies have identified a number of concerns relating to air and noise pollution that may be generated by the MBTL project. One of the many sources of pollution is coal dust that escapes from open-top rail cars. The agencies should thoroughly review the potential for coal dust to contaminate the areas along rail corridors where coal will be transported, including a review of the efficacy of various retention methods.

The agencies should also analyze the impact of additional rail traffic on air quality. Diesel particulate matter being expelled from locomotives is linked to a number of health risks, and the agencies should review the potential for increased pulmonary and cardiopulmonary health problems, increasingly severe and frequent asthma attacks, and heightened cancer rates that may occur along rail corridors as a result of pollution from MBTL-induced rail traffic.

In addition to air quality, the agencies should evaluate the impacts of increased noise and vibration caused by the additional coal-hauling freight trains. Physicians' groups have associated noise pollution with cardiovascular disease, cognitive impairment in children, sleep disturbance and resultant fatigue, hypertension, arrhythmia, and increased rate of accidents and injuries, as well as the exacerbation of mental health disorders such as depression, stress and anxiety, and psychosis. The project review should include an assessment of potential impacts of this sort.

C. Impacts to Aquatic Environment

The MBTL project is likely to impact the aquatic environment near Longview in a number of ways, and the agencies should thoroughly review these impacts at each stage of the project. During construction, the agencies should analyze the impacts of sea-floor disturbance and increased turbidity, as well as noise from pile driving and seismic surveys. After construction, the impacts of shading from the pier and wharf, toxics from the terminal's outfall pipes, night lighting, and noise from vessel operations should be evaluated. The agencies should also examine the effects of large capacity coal storage in close proximity to the water, paying special attention to the possibility of coal dust entering the aquatic environment.

The EIS must assess direct, indirect, and cumulative impacts to recreational and commercial fisherman near the terminal and downstream of the terminal, including impacts at the heavily utilized Buoy 10 fishery. The scope of impacts to recreational anglers and other recreationists should also include impacts to recreationists along the rail line (i.e., the impact of increased rail traffic on access to the Columbia River) and on the river (i.e., the aesthetic and other impacts of increased rail traffic to boaters and anglers).

In addition to the impacts caused by construction and operation of the terminal, the agencies should review the potential impacts of the additional transits of giant bulk carriers necessary to serve the MBTL project. The quantity of fuel carried by Panamax and Cape-size vessels, in conjunction with their poor maneuverability and the fact that they are not required to have a tug escort, necessitates the need for a thorough evaluation of vessel travel in the increasingly congested Columbia River. The agencies should also examine safety requirements for vessels transporting coal (especially in comparison to vessels transporting other harmful commodities such as oil), and should review the need for additional emergency response resources necessary to safely accommodate additional vessels of the size proposed.

III. Cumulative and Net Impacts

In addition to the discrete impacts list above, we strongly urge the agencies to analyze the effects of the MBTL project cumulatively, in light of existing coal export proposals and other potential bulk fuel export projects in the Pacific Northwest. These additional projects will almost certainly have similar impacts (in type if not in extent), and the potential aggregate impacts should be analyzed in the environmental review process. The very nature of a comprehensive assessment requires a cumulative assessment that accurately identifies and analyzes the externalities of multi-site proposals. Only through a comprehensive and thorough review process can all affected parties understand and assess the scope of the project.

Thank you for your consideration,

Undersigned

Rep. Reuven Carlyle – 36th District

Sen. Kevin Ranker – 40th District

Rep. Jeff Morris – 40th District

Rep. Joe Fitzgibbon – 34th District

Rep. Jake Fey – 27th District

Rep. Cindy Ryu – 32nd District

Sen. Jeanne Kohl-Welles – 36th District

Rep. Gael Tarleton – 36th District

Sen. David Frockt – 46th District

Sen. Ed Murray – 43rd District

Rep. Kristine Lytton – 40th District

Rep. Ruth Kagi – 32nd District

Rep. Steve Tharinger – 24th District

Sen. Karen Keiser – 33rd District

Rep. John McCoy – 38th District

Sen. Jeannie Darneille – 27th District

Sen. Marilyn Chase – 32nd District

Rep. Jessyn Farrell – 46th District

Rep. Laurie Jinkins – 27th District

Rep. Gerry Pollet – 46th District

Sen. Christine Rolfes – 23rd District

Sen. Adam Kline – 37th District