



Wyoming Infrastructure Authority
200 E 17th St., Unit B
Cheyenne, WY 82001

November 29, 2016

Millennium Bulk Terminals – Longview NEPA EIS
c/o ICF International
710 Second Avenue, Suite 550
Seattle, Washington 98104

SUBMITTED VIA E-MAIL AND VIA U.S. POSTAL SERVICE

Dear members of the U.S. Army Corps of Engineers:

I write on behalf of the Wyoming Infrastructure Authority to express Wyoming's strong support for the Millennium Bulk Terminal project and submit the following comments.

Wyoming is coal country. Wyoming is first in the country for coal production, a position it has held for years. Wyoming is home to more than 1.4 trillion tons of coal resources in seams ranging in thickness from five feet to some in excess of 200 feet in the Powder River Basin (PRB). Recent estimates indicate that Wyoming has more than 165 billion tons of recoverable coal. Wyoming's growth as the center of the nation's coal production has been driven by its low sulfur composition, its lower production costs due to coal's proximity to the surface and its world-class recoverable seams.

Coal mining companies pay taxes and royalties to federal, state and local governments. Coal is an important source of income for Wyoming is the state's second largest source of tax revenue for state and local governments. Coal contributed an estimated \$1.2 billion in taxes to Wyoming in 2015.

In 2015, Wyoming was home to approximately 20 coalmines that employed 6,646 workers. Coal industry jobs are among the best paying jobs in the state. On average, a Wyoming coal miner earns \$85,990 plus benefits – almost twice the statewide average of \$46,299. Estimates indicate that each coal industry position generates three additional jobs in the state.

Despite its abundance and affordability, efforts to decrease the nation's use of coal have impacted the industry and Wyoming's economy substantially.

Wyoming uses coal revenues to fund all aspects of education in Wyoming, including K-12, community colleges and the University of Wyoming, supporting both operational and capital construction. Because of the declining coal market, school districts across Wyoming are forced to make budget cuts. To date, 92 full time education positions have been cut, with more cuts on the horizon that will adversely impact instruction in the classroom. Wyoming recognizes that Washington is facing a similar challenge with funding education amidst a budget shortfall. Last summer, the Washington Supreme Court found the Legislature in contempt of court for failing to fulfill their own definition of the resources necessary to meet the constructional requirement of providing a basic education to all Washington children. Our Legislature faces a similar challenge. MBT is an opportunity for Washington State and Wyoming to support economic activity that will, in turn, support our ability to educate the next generation of leaders.

In addition to our shared challenge of funding education, Washington State and Wyoming have to consider the importance of providing jobs. The Millennium Bulk Terminal project is an opportunity to provide jobs and additional tax revenue to Longview, Cowlitz County and the State of Washington. As you know, the Proposed Action would have a direct economic construction output of about \$232 million supporting about \$70 million in direct wages. For Wyoming, two of the nation's largest coal mine operators, both located in Wyoming's PRB, have laid off hundreds of people because of a decline in domestic consumption of Wyoming coal. Specifically, approximately 700 direct jobs in coal mining have been lost so far this year.

For years, the coal mining industry has directly employed some 6,500 people, providing a \$700 million payroll. For Wyoming, the least populated state in the nation, this is a significant number of jobs. These workers, who earn wages well above the state average, have been a critical economic driver in many Wyoming counties. Each coal mining jobs support an estimated three jobs in the service, supply and support industries around the state. Wyoming sees layoffs in these industries. Railroads, heavy equipment maintenance and machinists and the trucking industry have all suffered job losses. These layoffs not only hurt the coal miners who have lost their jobs, but our state's economy and communities.

Accordingly, Wyoming is encouraged to see that Asian demand for American coal is increasing. The United States holds nearly one-third of the world's total coal reserves. From a global perspective, Wyoming is sensitive to the fact that 1.2 billion people live in extreme poverty, lacking access to clean water and electricity. Access to affordable and, reliable energy provided by coal is key to sustained social and economic development for the world's poorest people.

With all these facts in mind, the Wyoming Infrastructure Authority (WIA) strongly supports the proposed Millennium Bulk Terminal (MBT) project. In 2004, the State of Wyoming created the WIA to boost the value of Wyoming's natural resources through investments in infrastructure. One of the areas of focus is the development of new coal export terminals. Wyoming is pleased to see forward movement on the project and we appreciate the commitment to ensure that the project receives the thorough review and analysis it is due through the issuance of the Draft Environmental Impact Statement (DEIS).

Wyoming is a public land state. The Bureau of Land Management, National Forest Service, National Park Service, and U.S. Fish and Wildlife Service manage nearly fifty percent of land located in Wyoming. As such, Wyoming routinely participates in federal land management processes pursuant to the National Environmental Policy Act. We provided comments during the Washington State Environmental Policy Act process and appreciate the opportunity to comment on the federal DEIS. Thank you in advance for the thoughtful consideration your agency will afford Wyoming's comments.

Wyoming encourages the U.S. Army Corps of Engineers (Corps) to select either the On-Site Alternative or the Off-Site Alternative as the Preferred Alternative in the final environmental impact statement. (ES-3 through ES-7). Under the On-Site Alternative, the applicant would construct and operate an export terminal in Cowlitz County, Washington, along the Columbia River. (ES-3). The terminal would receive coal via rail shipments from the Powder River Basin in Montana and Wyoming, among other locations, which would be stored on site before being loaded and transported by ocean-bound vessels via the Columbia River and Pacific Ocean to overseas markets in Asia. *Id.* Under this alternative, the applicant would develop the terminal on 190 acres primarily within an existing 540-acre site leased by the applicant. As noted, the applicant already operates and would continue to operate an independent bulk product terminal next to the proposed project area.

Under the Off-Site Alternative, the proposed terminal would be built on a 220-acre site adjacent to the Columbia River, but west and down of the project area for the On-Site Alternative. (ES-5). As noted in the DEIS, the terminal would consist of the same elements as the On-Site Alternative, making many of the environmental impacts similar.

Regardless, the DEIS points to several important key findings that support expansion of the export terminal under either the On-Site or Off-Site Alternatives as they relate to: (1) air quality; (2) coal and coal dust; (3) greenhouse gas emissions; (4) water quality; and (5) fish and fishing rights; and (6) rail safety.

First, the DEIS explains that the estimated maximum concentrations for criteria air pollutants would be below the National Ambient Air Quality Standards set by the U.S. Environmental Protection Agency under the Clean Air Act. (ES-19, Sec. 6.6-2, 11). The standards are designed to protect public health, including

sensitive populations such as asthmatics, children and the elderly. Air quality standards will be maintained under project expansion proposals. Further, the DEIS contains numerous examples of potential mitigation measures related to air quality, in both construction and operation. (Sec. 8-16 through 17).

Second, opponents of the proposed plan have cited concerns about coal dust emissions. The DEIS explains that coal and coal dust could enter the Columbia River directly from an accidental spill during loading or indirectly through airborne transfer of coal dust during operations. (Sec. 5.5-18). The Corps modeled and mapped the extent of average annual coal dust deposition and determined that this amount is “well below the nuisance level” and with other measures, “is not anticipated to affect human health or affect marine organism functions.” (Section 5.5 18 through 19). Further, the DEIS contains minimization measures to address coal dust, such as utilizing a spray system to control fugitive dust. (Sec. 8-16)

Third, the DEIS correctly measured the scope of greenhouse gas emissions to include those that would result from activities occurring within the project area and its vicinity. (Sec. 6.8-5). As noted, total emissions associated with the On-Site and Off-Site Alternative would be approximately 930,000 metric tons of CO_{2e}. (Sec. 6.8-14). To meet state-specific targets to reduce carbon dioxide emissions, Washington State’s performance goal is approximately 9.74 million metric tons. Thus, under the proposed On-Site or Off-Site Alternatives, emissions would represent a mere 0.6% for 2028. (Sec. 6.8-14 through 15).

Fourth, the DEIS explains that construction and operation of the MBT would not degrade groundwater or change recharge patterns. (ES-13, Sec. 4.5-16, Sec. 5.4-17 and 20). Impacts on water quality from vessel transport could result in increases in turbidity from vessel propeller wash, but would be temporary, localized and are not expected to be measurable beyond the MBT site. (ES-14, Sec. 5.5-21 through 22). The DEIS contains potential mitigation measures to address concerns as they relate to groundwater, such as testing for contaminants and develop a remediation plan with regulatory agencies. (Sec. 8-4).

Fifth, the DEIS explains that construction of the terminal could affect fish populations. However, project design features would be implemented to reduce disturbance and further, once operational, it is unlikely for fish to be injured as a result of project-related vessel traffic. (ES-14 through 15, Sec. 5.5-15). Additionally, the DEIS found construction and operation of the MBT project is not expected to measurably impact tribal fishing rights. (ES-11, Sec. 4.5-15). The DEIS contains best management practices and design elements to minimize disturbance on fish and wildlife. (Sec. 8-12 through 14).

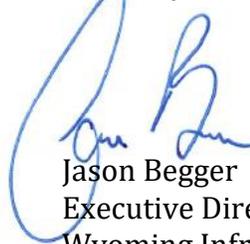
Finally, the DEIS recognizes that railroads provide transportation for a wide range of commercial goods and support regional economic activity. (Sec. 6.2-1). Safety is, no doubt, of great importance. The DEIS states that historically, accident rates do not change dramatically from year to year, but generally trend downward

over time because of improvements with control systems, communications and inspection practices. (Sec. 6.2-3). With proposed track improvements, the predicted number of accidents is 0.50 per year, or one accident every two years for project related trains. (Sec. 6.2-5). Our rail industry has a vested interested in keeping their operations safe. Earlier this year, representatives from the Union Pacific and BNSF testified before a Wyoming legislative interim committee on investments in Wyoming and on economics of the railroad industry. (Summary of Proceedings, Joint Corporations, Elections and Political Subdivisions Committee, May 9-10, 2016, available at <http://legisweb.state.wy.us/interimCommittee/2016/07MIN0509.pdf>). During the hearing, one representative testified that the coal transport business had declined by 34% and that 1,400 of the company's locomotives have been sitting in storage. Wyoming would like to see the rail industry rebound along with our coal industry.

In conclusion, the Corps and other co-lead agencies have done tremendous work in analyzing the Proposed Action, which includes the incorporation of 217,500 comments received during the scoping process. (Sec. 1-5). Of the many areas described above, the vast majority of impacts can be addressed through mitigation and best management practices.

Thank you for the consideration of our comments. Please let me know if I can provide further information.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jason Begger", is written over a large, light blue circular scribble.

Jason Begger
Executive Director
Wyoming Infrastructure Authority