



ALASKA CALIFORNIA FLORIDA MID-PACIFIC NORTHEAST NORTHERN ROCKIES
NORTHWEST ROCKY MOUNTAIN WASHINGTON, D.C. INTERNATIONAL

December 13, 2013

Via Email and Mail
FSD-EIA@portmetrovancover.com

Tim Blair
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Vancouver, B.C. V6C 3T4
Canada

Re: Comments on the Environmental Impact Assessment (“EIA”) Prepared for the
Fraser Surrey Docks Direct Transfer Coal Facility

Dear Mr. Blair:

I am writing on behalf of Climate Solutions, Sierra Club, RE Sources, Oregon Physicians for Social Responsibility, and Columbia Riverkeeper to offer comments on the Environmental Impact Assessment (“EIA”) prepared for the Fraser Surrey Docks Direct Transfer Coal Facility. The undersigned organizations, all based in the United States, have played a key role in promoting greater public dialogue around proposals in Washington State and Oregon to construct coal export terminals. Our experience has shown that when the benefits and costs of these projects are held up to public scrutiny, the projects quickly become unattractive because of their adverse environmental, social, and economic impacts. At the heart of this important public dialogue is an adequate assessment of the benefits and costs—which is why we are offering comments on the Port’s EIA.

As a threshold matter, as U.S.-based organizations, we appreciate the opportunity to comment on the Port of Vancouver’s proposal. The proliferation of coal export proposals on both sides of the U.S.-Canada border is of shared concern to the citizens of both nations—the impacts are widely shared, and one nation’s actions affect the other. Much of the coal that would be shipped from the Surrey Docks facility would originate in the United States, and travel hundreds of miles through communities in Montana, Idaho, and Washington on its way to Vancouver. Similarly, ocean-going cargo vessels carrying coal will travel through U.S. waters, increasing the risk of devastating accidents and increasing environmental stressors to protected

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species like orcas. In short, the citizens of the U.S. and the citizens of Canada share many common interests in promoting an adequate assessment of environmental and health risks and a sufficient public dialogue before blindly approving yet another project that has significant consequences.

Given the significant public debate in both nations around these proposals, we are dismayed by the cursory nature of the Port's EIA. Its shortcomings are particularly surprising when compared to the assessment and review process underway in the U.S., which will involve multiple stages of public comment, in-depth environmental review of both on-site impacts as well as life-cycle impacts from coal mining to coal combustion, and a focused study of human health impacts. The Port of Vancouver is offering no such review for the Surrey Docks project. While it is a common practice for global corporations to move their operations to the nation with the weaker environmental standards and public process, it is dismaying that Canada would fill that role when it comes to facilities exporting U.S. coal that U.S. communities don't want. We offer the following specific comments for your consideration:

1. Inadequate Public Process: For the two U.S. terminals, there are multiple permitting steps that each involve various opportunities for public review and ensure consideration of all adverse environmental impacts. Most notably, the combined federal, state and local entities have recently completed an extensive process to determine the scope of the environmental review of the two projects. The agencies conducted ten hearings across the state which roughly 10,000 people attended, and accepted over 320,000 written comments—the overwhelming majority of them opposed to the projects. All public comments are available online, and the agencies have a legal obligation to respond to comments. Through this process, there is a measure of accountability and responsiveness—the public has some assurance that their concerns are being heard and addressed. The Port's process offers few of these assurances.

2. Lack of Independent Review: In the U.S., an environmental assessment is conducted by an independent third-party expert who works for the agencies—not the proponent. This only makes sense: the assessment is not an advocacy document in support of the project but an unbiased review to inform decisionmakers and assure the public that their concerns are being considered. With the two major ports in the U.S., the agencies have placed strict limits on communications between the proponents and the authors of the EISs, and taken other measures to ensure that the review is conducted at an appropriate “arm's length” from the proponents while still requiring them to pay the costs. Here, in contrast, the Port has evidently accepted a collection of self-serving reviews prepared by the proponent which, not surprisingly, conclude that impacts will be minimal. This cannot provide the basis for an adequate assessment—the Port should conduct its own independent review.

For example, the EIA includes a six-page “analysis” from the proponent's consultant which concludes that there will be no adverse air quality impacts from the project. This

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presumably comes as a surprise to neighbors of the Westshore and Neptune Terminals in B.C., who report constant dust on boats and homes, and of which newspapers have taken pictures of huge clouds of coal dust blowing off of open stockpiles. People living near ports in the eastern United States and Australia report the same phenomena. The Port should conduct its own analysis, not simply accept at face value the proponent's self-serving conclusions.

3. Inadequate Assessment of Impacts Related to Rail Traffic: One of the key concerns for citizens in the U.S. has been the dramatic increase in rail traffic that will accompany proposed rail terminals. Some analyses of the current proposals estimate that street-level crossings will be closed for multiple hours each day to accommodate the staggering increase in rail traffic. The resulting traffic delays mean lost economic opportunity, lower quality of life, decreased air quality, and delays for emergency responders. Others have argued that increases in coal trains will displace other important commodities relying on the rail system, for example, agricultural products or higher value imports coming into Washington's ports. Also of concern is the cumulative air pollution caused by increases in rail traffic, particularly in urban choke points like Spokane. Finally, the analysis should include discussion of losses of coal dust en route and the alleged effectiveness of surfactants to reduce coal dust losses. The recent proposal to construct a facility to respray surfactants partway through the journey to the coast suggest that these chemicals are not as effective as claimed; they are also pollutants in their own right and their effects should be analyzed.

Because coal destined for the Surrey Docks site would come through Washington State or other U.S. states, this project would add to the cumulative effects of trains. Effects of increased rail traffic in both the U.S. and Canada should, at a minimum, be part of the EIA's cumulative impacts assessment and Port's decision making process. The EIA fails to adequately assess even the impacts of rail traffic on B.C. communities, let alone communities in Washington, Idaho and Montana. An adequate analysis must include different potential routes between the mine and terminal site and the impacts of each.

4. Inadequate Assessment of Vessel Impacts and Risks: There is no matter which causes greater concern for the people of Western Washington than the risk of a fuel spill in the Salish Sea. Spills could occur from a coal barge or coal bulk carrier, which carry enormous volumes of bunker fuel, or via an accident with the growing number of oil tankers in the Salish Sea. It is difficult to overstate the effort to which the citizens of this state have gone to in order to better understand the risks of vessel spills, collisions, and spills, and to reduce and mitigate those risks in order to protect Puget Sound. Yet the increase in proposals on both sides of the border for coal, crude-by-rail, and pipeline projects would radically increase the number of cargo vessels and tankers plying the environmentally-fragile waters of the Salish Sea. While the Surrey Docks project is considering barging north to Texada Island, the inevitable result will be an increase in large cargo vessels in shared U.S.-Canada waters. An analysis of risks should be included in the EIA.

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5. Inadequate Scope of Environmental Review: In Washington State, regulators have followed state law to analyze all adverse environmental impacts of proposed terminals, including increased rail and vessel traffic and the impacts of downstream combustion of coal. This is both legally required and reflects common sense—an EIS must consider any impact that is caused by the project under review, even if the causation is indirect and the impact is physically distant from the project itself. Nowhere is this evaluation more critical than in the issue of climate: opening up Powder River Basin thermal coal (which the U.S. is rapidly abandoning as a fuel source for obvious reasons) to the export market will drive down prices in global markets and increase the likelihood of additional long-term investments in coal power infrastructure overseas, which will make the goal of limiting climate change even more difficult to achieve. There is no subject that merits greater attention and public dialogue. But the Surrey Docks EIA refuses to address this and other indirect or offsite harms. Rather, it largely draws a bubble around the project site and considers only those impacts that are immediately onsite, thereby ignoring some of the impacts of greatest concern to the public. If the goal is to inform the Port's decision, and to assure the public that the Port considered all the environmental effects of its decision, then the EIA fails.

6. Inadequate Consideration of Cumulative Effects: Some of the impacts of concern to the public from the Surrey Dock may appear relatively insignificant, but only when examined in isolation from other proposed and pending projects. Currently, there are six pending proposals in Washington, Oregon, and B.C. that seek to export coal from the West Coast. Many of their key impacts—including rail and vessel traffic related impacts, as well as their impact on coal prices and consumption—are shared. In the U.S., consideration of cumulative effects from multiple reasonably foreseeable projects is a strict legal requirement of any environmental review. We are dismayed to see it treated so casually in this document. A competent environmental analysis should evaluate all of the critical concerns identified above both from an individual as well as a cumulative perspective. Only then can the Port make an informed choice as to whether to proceed with this controversial project.

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In closing, as citizens of the United States who will be adversely affected by this project in multiple ways, we share the concerns of Canadians who have asked for an adequate environmental analysis of this proposal. The one that has been made available fails that test in virtually every way. We have taken the liberty of including with the hard copy of this letter a copy of the comments that we submitted regarding the appropriate scope of the Gateway Pacific Terminals EIS, with accompanying exhibits. We respectfully ask that you withdraw the EIA and initiate a new process, starting with adequate public scoping and independent consultants. Thank

Tim Blair

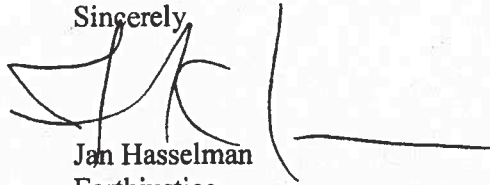
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you for the opportunity to submit these comments; do not hesitate to get in touch if we can provide you with additional information.

Sincerely

A handwritten signature in black ink, appearing to be 'Jan Hasselman', with a long horizontal line extending to the right.

Jan Hasselman

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*On Behalf of Climate Solutions, Sierra Club, RE
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