



RHODE ISLAND
DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF THE DIRECTOR

235 Promenade Street, Room 425
Providence, Rhode Island 02908

May 7, 2021

Emma Rodvien, Coordinator
Energy Facility Siting Board
89 Jefferson Boulevard
Warwick, RI 02888
Re: SB-2021-03

Dear Ms. Rodvien:

I am writing to provide comments from the Rhode Island Department of Environmental Management (DEM) concerning the Petition for Declaratory Ruling filed by SEA 3 Providence LLC. According to the documents filed in support of the petition, Sea 3 Providence LLC proposes to expand their existing facility to an adjacent vacant lot and include transportation of liquid propane gas (LPG) by rail as part of facility operations. The proposal also seeks to install piping and equipment to allow for the offloading of LPG rail shipments into six proposed new 90,000-gallon horizontal storage bullet tanks on the adjacent vacant property. Specifically, SEA 3 Providence LLC has filed a petition seeking a determination that their proposed rail service and other associated expansion of its current LPG terminal and storage operations at 25 Fields Point Drive in Providence do not constitute an alteration of a major energy facility such that a full application to the Energy Facility Siting Board (EFSB or Board) is required.

DEM recommends careful consideration of three specific aspects of the operational changes being proposed as the Board decides on the petition. The issues we wish to highlight include the need for comprehensive emergency preparedness and planning, the need for a cumulative risk analysis on the impacts on air quality associated with the proposed changes, and the impact of the proposed change in operations on the state's ability to meet the greenhouse gas reduction goals mandated by the recently-enacted Act on Climate.

The proposed changes to the facility's operation include the installation of additional infrastructure and storage capacity to accommodate transportation of LPG to the facility by rail. Rail lines servicing that area pass through densely populated neighborhoods in both Providence and Cranston, as well as other industrial facilities in the port area. State authorities in environmental law and regulation provide limited ability to regulate hazardous materials while in the rail transportation system. We are nonetheless concerned from both an environmental protection and public safety perspective about the increased transit of hazardous materials via rail in this area. DEM responds to spills and releases of hazardous materials and supports local first responders on these incidents. In the aftermath of past incidents in the port area, residents in the surrounding communities have expressed deep concerns about the levels of communication with the public during and after the incidents. Furthermore, due to the volatile nature of LPG, strong, tested

protocols and contingency plans are absolutely critical to an effective response if an incident were to occur. DEM recommends that the EFSB consider the need for additional emergency planning and communications in making its decision on the current petition for declaratory ruling. If the Board were to deny the petition and require a full application, DEM recommends that the applicant be required to prepare and present those plans and that they be subject to review and comment by DEM, other appropriate state and municipal agencies, and the residents of the surrounding community before an expansion in this area is permitted. Addressing and incorporating the concerns of those most impacted by the expansion of this facility is critical.

The port area contains several sources of air pollution, including emissions from both stationary sources and mobile sources operating in the area. This Department will evaluate the context of the petitioner's proposed changes under state law and regulation to determine if an air pollution control permit is required for the proposed equipment, but the change in emissions from mobile sources is not directly subject to state permitting authorities. As noted above, the petitioner has proposed changes to the facility operation to accommodate transportation of LPG by rail. While DEM has been working with other agencies and the City of Providence to review truck traffic in this area, the frequency of rail transport has not yet been evaluated. Rail transport is often driven by diesel powered locomotives and the operation and idling of these engines in this area will contribute to air pollution in the community. The impact of this potential increase in air pollution should be evaluated cumulatively in the context of the other emissions in this area and the results of that analysis should be weighed in the ultimate decision on this proposal. DEM recommends that the EFSB consider the potential additions to the cumulative risk from exposure to increased levels of air pollution from the changes proposed by the petitioner in making the decision on the current petition for declaratory ruling. If the Board were to deny the petition, DEM recommends that the applicant be required to prepare and present an analysis of these increased emissions and the cumulative risk to nearby residents as a required component of their application.

Finally, under the recently enacted Act on Climate all state agencies and commissions, including the EFSB, are required to adopt the purposes of the Act into their existing authority and consider climate change impacts as part of their duties and responsibilities. Under that Act, all state agencies are charged with the obligation to consider climate change mitigation, adaptation and resilience in their decision making. This proposed facility expansion seeks to add an additional 540,000 gallons of LPG storage in a coastal area, making these climate change considerations completely relevant to the determination as to whether this proposed change to the facility is in fact significant. DEM recommends that the EFSB consider all factors related to climate change in making the decision on the current petition for declaratory ruling. If the Board were to deny the petition, DEM recommends that the applicant be required to prepare and present an analysis of the climate change implications of the proposal as a required component of their application.

In summary, the petition seeks a determination that the proposed rail service and other associated enhancements to its current LPG terminal and storage operations do not constitute an alteration of a major energy facility such that a full application to the Board is required. The definition of an "alteration" in the statute is "a significant modification to a major energy facility, which, as determined by the board, will result in a significant impact on the environment, or the public health, safety, and welfare." We strongly recommend that the Board consider all the factors outlined in this letter in making its determination regarding what is or is not a significant impact.

If you have any further questions on these recommendations or issues, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Terrence D. Gray". The signature is written in a cursive style with a large, sweeping initial "T".

Terrence D. Gray, P.E.
Deputy Director for Environmental Protection
Rhode Island Department of Environmental Management