

## DOCKETED

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California Energy Commission

Re: 08-AFC-8A            Hydrogen Energy California

### **Environmental Justice and the Proposed Savage Coal Depot Expansion in Wasco**

The expansion of the Savage coal facility in Wasco is part of the proposed HECA project. The California Energy Commission should thoroughly analyze the environmental impacts of this expansion using CEQA guidelines. This document attempts to describe the environmental justice issues currently present in the neighborhoods near this facility. It is hoped that the CEC will not ignore these issues and require the mitigations which justice demands. The biggest issue is the proximity of the farm labor camp to Savage. It is hoped the CEC will agree that the labor camp residents should be relocated before Savage may begin serving the HECA project. Several thousand other residents also live within half a mile of the Savage facility on the west side of the railroad tracks. The impact of this massive expansion of Savage operations on their lives and health must also be analyzed and mitigated.

In the PSA Executive Summary, the following is stated, in part, about the Savage coal facility in Wasco:

*HECA may result in an increased use of the Wasco coal transloading facility which could result in impacts related to air quality, public health, and traffic and transportation, among others....**Socioeconomic Table 2** shows that on April 1, 2010 there was an 86 percent minority population in Wasco. Staff will assess whether there is an environmental justice population in the immediate vicinity of the transloading facility that could be adversely or disproportionately impacted. Staff will provide updated information in the FSA/FEIS.*

The applicant, in TN #200797 titled Wasco Coal Terminal Supplemental Environmental Analysis, has incorrectly concluded there will be no new adverse environmental hazards as a result of the expansion of coal operations at Savage. Unfortunately, there already exists an adversely impacted community nearby. Any increase in pollution from increased operations at Savage will represent new and increased risk added to existing conditions. The applicant's conclusion is therefore wrong. Savage is proposing to expand their operations from a 2012 baseline of 119,000 tons of coal per year to 1.5 million tons of coal annually. This expansion represents a 12 fold increase in NOx, PM10 and PM2.5 levels of emissions from the current baseline. The related increase in hours of operation, noise, and traffic will be proportionately greater as well. It defies common sense to claim

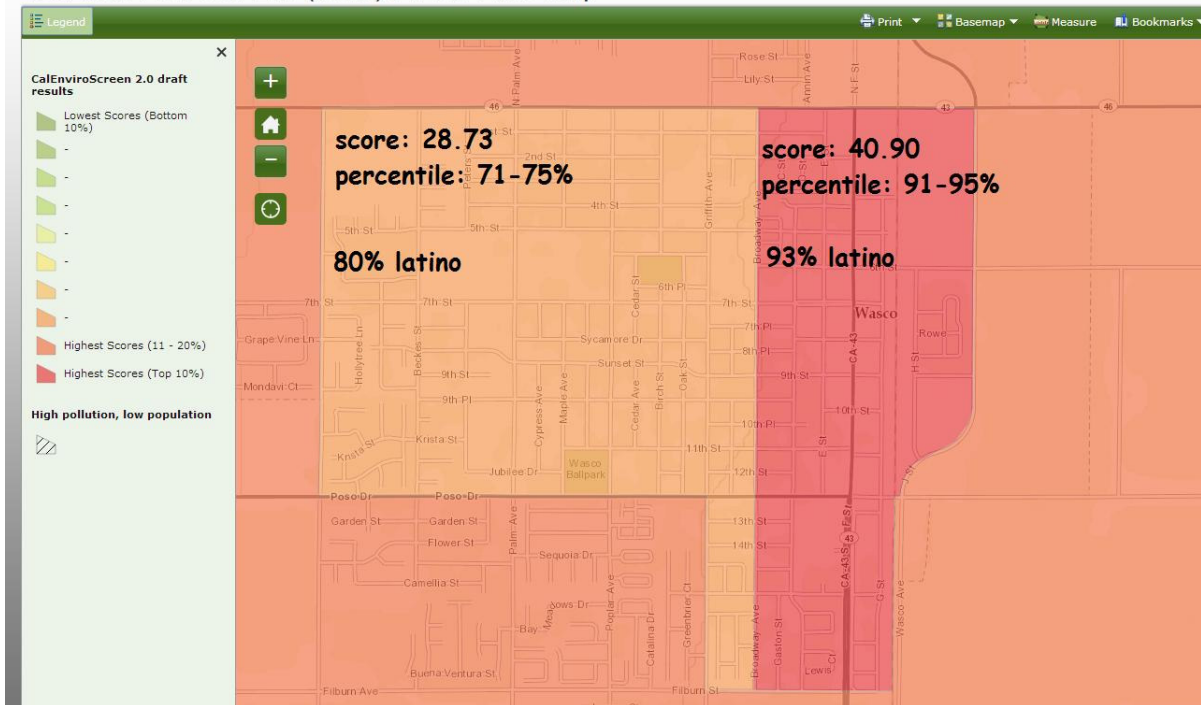
there will be no new adverse environmental hazards. The CEC needs to provide updated information and analysis in the FSA/FEIS concerning the expansion of the Savage facility. The applicant has attempted to whitewash and ignore a serious environmental justice issue contrary to CEQA guidelines.

The California Office of Environmental Health Hazard Assessment (OEHHA), on behalf of the California Environmental Protection Agency (CalEPA) has screened communities across the state to estimate their exposure to negative environmental factors and added in factors such as ethnic background, language, education levels, and income levels. CalEnviroScreen, as it is called, is a screening methodology that can be used to help identify California communities that are disproportionately burdened by multiple sources of pollution. CalEnviroScreen 2.0 shows the census area on the east side of Wasco to be an environmental justice community which is in the top ten percent of all communities in the state for the highest level of negative conditions. (See <http://oehha.ca.gov/ej/ces2.html> for details.)

According to CalEnviroScreen, the population of this part of Wasco is 93% Latino. The detailed results show that this population ranks extremely high in poverty, language isolation, exposure to air pollution, exposure to pesticides, and poor drinking water. This section of Wasco ranks in the 91-95% percentile range of worst communities in the state for the average of all categories screened.

Below is a copy of the CalEnviroScreen map showing the City of Wasco and how it is divided in their assessment of environmental hazards. The west side of Wasco (75% of the town) is significantly less Latino and significantly lower in risk. The east side of Wasco is different. It has a population of around 5,000 people which is around 25% of Wasco's total population. It is clear that this east side of Wasco is a severely impacted environmental justice community.

## CalEnviroScreen 2.0 (draft) All Results Map



The Farm Labor Camp is part of this environmental justice community and is the closest residential area to the Savage coal facility. The camp is located across the street to the north of Savage and runs along the east side of the railroad tracks with less than 300 feet of separation from the rails where coal carrying cars will be shuttled back and forth. Residents of the labor camp will be the most negatively affected from the environmental impacts resulting from expanded operations at the coal facility, however, the entire environmental justice community on this side of town will be exposed to greater risk as a result of this expansion. The CEC must analyze the increased cumulative risk from the proposed expanded operations at Savage on this area of Wasco designated by color on the map as among the highest risk areas in the state (top 10%).

There currently exists a lot of industrial activity which adds to the pollution burden in the area. This activity is on top of the Savage coal operation which currently handles less than 200,000 tons of coal per year and has proposed to increase that to 1.5 million tons per year plus operate close to 24 hours per day and nearly 365 days out of the year. The east side of Wasco, where Savage and the railroad tracks sit, obviously contains more sources of pollution than the west side of town. Highway 43, with significant polluting diesel truck traffic, passes through town on F Street, which is one block west of the railroad tracks. Dozens of trains pass through town daily emitting noise, diesel exhaust, and particulate pollution. The Certis factory, which contains a fermentation plant, sends a putrid smell all over Wasco occasionally and the smell is most profound nearest to the factory, which is located on the east side of F street and north side of 6<sup>th</sup> street. A concrete plant with diesel trucks and gravel operations sits off of Poso St and just east of the railroad tracks, and it is next door to a garbage collection business called

American Refuse with onsite recycling and many diesel garbage trucks constantly on the move. There is also an asphalt facility just north of Poso and east of the railroad tracks, which sends fumes of asphalt drifting over nearby residents. Both east and west of the railroad tracks in Wasco are other recyclers, metal fabricators, and junk yards. .

There is also a threat to air quality and groundwater on the north side of Wasco which CalEnviroScreen has most likely not taken into account. There is an expanding and fairly new oil field operation called the Wasco Rose oil field where deep drilling, fracking, well stimulation, acidizing, crude oil treatment, produced water separation, flaring, and waste water injection is taking place in the middle of orchards and fields. Newly drilled wells have been fracked within half a mile of the northeast section of Wasco within the past 3 months. Flaring of waste gases within a half mile of Wasco is ongoing 24 hours per day. There are at least 50 wells in this oil field that have been drilled and fracked so far. A recent study indicates a strong correlation between congenital birth defects and proximity to fracking operations in Colorado.

<http://www.newrepublic.com/article/116490/colorado-fracking-study-evidence-it-causes-birth-defects-mounting>

Water quality in Wasco should also be noted here since it is part of the CalEnviroScreen comparison protocol. According to the most recent City of Wasco water quality report, <http://www.ci.wasco.ca.us/wp-content/uploads/2014/06/City-of-Wasco-CCR-2013.pdf> there is significant contamination of city water with arsenic, DPCP, and nitrates. Added to that is a cancer causing chemical for which the state is currently calculating a Maximum Contaminant Level (MCL). It is called 1,2,3-TCP. The reported level of this chemical in Wasco wells is well above any likely MCL to be approved in the near future. Kern County has more public water system detections of this chemical than any other county in the state.

<http://cdph.ca.gov/CERTLIC/DRINKINGWATER/Pages/123TCP.aspx>

Water quality should be part of any cumulative analysis of the impacts added to area residents from the potential coal facility expansion.

Clearly, the effect of the expansion of the Savage coal operation on the entire environmental justice community of over 5,000 residents currently living on the east side of Wasco should not be underestimated. The added burden imposed by increased Savage operations must be treated as nothing less than a significant environmental justice issue that must be mitigated according to California state law.

There should be no question that the latest form of BACT equipment be required in every aspect of the expanded Savage operation. A thorough study of their current machinery with a comparison to what new technology exists for noise and emission reductions must be undertaken. The California Air Resources Board strongly suggested that a complete EIR be performed back in 1987 when the Savage operation was first proposed. The current equipment at Savage was installed before the existence of the San Joaquin Valley Air Pollution Control District. Wasco and Savage refused to do an EIR back in 1987 and they got away with it. An EIR (or equivalent) for the Savage expansion must be completed at this time. This expansion demands a full environmental review be performed and all possible mitigations which can reduce pollution and noise be

implemented. For example, the train locomotive owned by Savage and currently being used in Wasco must be replaced with a Tier 4 diesel engine locomotive or perhaps even an electric powered locomotive. There may also be better coal car unloading systems, conveyor belt systems, and truck loading systems that reduce pollution, noise, vibration, energy use, and coal dust emissions. Where nothing better can be found to reduce these environmental impacts then mitigations that reduce the impacts of other pollution in the Wasco area should be provided by Savage.

The environmental review suggested above is mandated when an operation such as Savage wishes to expand so greatly. It is absolutely essential in an environmental justice community in California that ranks so high on the list of most affected areas. There is no excuse not to do this completely and thoroughly when a tool such as CalEnviroScreen so clearly shows the communities, such as this side of Wasco, where injustices are already occurring. To knowingly or unknowingly make this type of injustice worse through negligence and oversight is not a legal or a moral option for the CEC.

A few other environmental issues need to be considered with the Savage proposal. The expansion of Savage operations will mean more coal coming into Wasco in open rail cars. This means more coal will spill along the tracks on the route from the coal mine and more dust will be blown off the tops of these cars. This includes the area just to the south of Wasco where the loaded and empty rail cars will be parked on sidings. There is currently a lot of coal along these tracks. Even though a clean up was done recently, not all of the spilled coal was collected by the vacuum machine used in the process. This coal disintegrates and makes its way into the local environment over time. Also, the operations of Savage of unloading the coal from the rail cars and into the silos and then from the silos into the trucks emits coal dust. The quantities of coal getting into the environment in these ways must be quantified and mitigated. It was already mentioned that newer technology may exist that better controls the escape of both coal and coal dust from both the train cars and the Savage equipment. On top of this Savage should be required to provide an ongoing check of potential contamination of the local environment from the toxic and dangerous heavy metals often found in coal. This can be done through dust swipes of nearby buildings on a regular basis. More importantly, there is a threat that the heavy metals found in coal may find their way into local soils used in farming and eventual leaching into the local groundwater used by Wasco for residents and also by farmers could happen. A baseline check of local soils within 200 yards of the Savage coal silos should be done immediately for current ratios of mercury, arsenic, chromium, chromium hexavalent, etc. and before Savage is allowed to expand. Once the project is under way at the proposed expanded rate, quarterly soil tests should be done to compare contaminant levels with the baseline. Any significant increase in contaminants from this coal should cause an immediate halt in Savage operations until equipment is installed to decrease emissions of coal dust and the spillage of coal even further. There should be zero tolerance for any increase in a toxic substance such as mercury in local farm soils from the Savage (and the HECA) operation and mitigations must be put in place to both measure and prevent this type of contamination.

The proposed truck traffic delivering coal from Savage to HECA will cause increased diesel emissions and increased traffic on local roads. The rail locomotive in Wasco and next to the Labor Camp will also increase its emissions significantly. Wasco residents living near Savage and the rail sidings will most likely experience a large increase in diesel exhaust emissions when compared to the current situation. This increase must be quantified and added cumulatively to all other sources of pollution in the area. Recent research in the Houston area shows how these types of diesel emissions can significantly raise cancer rates. <http://airalliancehouston.org/content/particulate-matter>

Another item of concern to both Wasco residents and all the other residents along the proposed route for the coal trucks is the Tule fog. If visibility is below 200 feet it is not safe for anyone to be on the roads in Kern County at speeds above 10 mph. The night and early morning hours are the worst. Savage must agree that no coal trucks will travel when the visibility at Kimberlina and Hwy 43 or Los Angeles Ave and Hwy 43 or Stockdale Hwy and Hwy 43 is less than 200 feet.

It should be noted that Wasco only chose to notify property owners nearby the Savage facility about the proposal to increase the plant's capacity. There are several hundred homes and a couple thousand residents living within a quarter mile of the Savage facility. They all live in the environmental justice community described above and designated by CalEnviroScreen. Only about 40 letters went out to property owners and the vast majority of these thousands of residents received no notice at all. Any proper analysis of the Savage expansion by the CEC should include a notification of all the nearby residents who live in this environmental justice community. This notification is necessary so these residents have a chance to give input to the environmental review and decision making process as required by CEQA.

The Farm Labor Camp in Wasco needs a special study all by itself. It has already been shown that the entire east side of Wasco (25% of the town) is an environmental justice community with pollution burdens far beyond what most people in California experience. The labor camp is a special case within that larger community with environmental impacts and living conditions more severely impacted in a negative way than anyone else in Wasco.

From all reports, the Wasco labor camp is run by the City of Wasco Housing Authority and partially funded by the federal government. Some people in the camp have rent subsidies and others do not depending on income and other factors. Although exact figures are not known it is estimated that the bigger apartments in the camp rent for around \$700 per month and some people receive approximately \$100 of this amount as a subsidy. The apartments seem to vary in size from 700 to 900 sq ft. The camp sits on approximately 25 acres east of the railroad tracks. There do not seem to be any other Wasco homes on the east side of the railroad tracks. There are approximately 220 apartments in the camp.

The camp has mostly grass in between the buildings. There are just a few shade trees along the sidewalks and next to some of the buildings. Most of the apartments do not

have shade trees. There are a couple playgrounds for very small children and a hard surface basketball court. Parking lots are connected by sidewalks to the apartments. The apartments are single story. They are cooled in the summer by swamp coolers which need a window or two open for them to be effective. Swamp coolers do not work well when the heat and humidity is above a certain level, which happens often in Kern County during the months of August and September. Swamp coolers do not filter the air either, especially fine particulates like dust and diesel soot. There is a lot of dust in the labor camp even without the traffic dust, coal dust, and diesel soot coming from the current Savage operation. There are clotheslines in the camp so residents can save money by hanging their clothes out to dry. Contamination of clean sheets, underwear, and diapers by pesticide laden dust from nearby agriculture, coal dust, traffic dust, diesel soot, and contaminants from other industry in the area is an obvious problem. What all these emissions due to the lungs of babies and the elderly living in the camp is an even greater problem.

There are a lot of stories floating around Wasco about the conditions in the labor camp. I personally taught high school in Wasco for many years and had many students from the camp. I also coached the boys' varsity soccer team and had players who lived in the camp. Through the years I have also spoken with many people who live in the camp in order to learn more about living conditions there.

It is a fact that drug and violence related gang activity sometimes takes place in the camp. I personally know of some former students living in the camp who were part of gangs.

There are certain rules for those living in the camp imposed by the Wasco Housing Authority. The residents must perform some kind of community service for 8 hours every month. This unpaid work seems to involve maintaining the grounds and buildings of the camp. Residents are not allowed to barbecue or cook outside their apartments. They are also not allowed to garden even though there is ample space between many of the buildings and walkways. Potted plants are strictly limited as well.

A few years ago there was a plan or proposal by the Wasco Housing Authority to remove residents from the camp who could not prove they were in the country legally. Some Wasco residents and others came to the defense of these people at several crowded City Council and Housing Authority meetings and asked the city officials if this was really necessary. Apparently the city and Housing Authority backed down with their plan. At this time there were also rumours that residents of the camp were in fear about making complaints to the City about problems they may have living in the camp. They did not complain because they were afraid they would be asked to move out. Some residents of the camp claim this fear of retribution for complaints is still present today.

Recently, there have been plans announced to increase the rent for camp residents by about 40%. The reasons for this increase and the time table are not clear to residents of the camp.



The children of the camp attend school on the other side of the railroad tracks in Wasco. They often cross the tracks illegally in order to walk west on 7<sup>th</sup> street which is the main street of Wasco. They are supposed to cross on 6<sup>th</sup> street which is a rail crossing with signals and automatic crossing arms. Unfortunately for camp residents, there is no sidewalk on the 6<sup>th</sup> street rail crossing and the road is so rough that skipping over pot holes is no different to them than skipping over the rails. Mothers with babies are also often seen crossing the rail road tracks illegally to go shopping. They can even be seen lifting baby carriages over the tracks. The 6<sup>th</sup> street crossing also has no street lights so it is actually safer to cross the tracks illegally at 7<sup>th</sup> street because the Amtrak station has bright lights on the tracks. Unfortunately, the coal cars and other rail cars are parked on sidings in the area and are often in the way of crossing the tracks illegally. I have personally seen kids crawling in between rail cars on their way to school and waiting right next to the tracks when a train speeds through town and then crossing the tracks with ear buds on playing music.

Kids who attend Wasco schools from the Labor Camp are made fun of by other students. On top of being poorer than most kids they also have the stigma of living in a "camp" instead of a house or apartment like everyone else.

The City of Wasco might claim that most of the camp conditions described above are not true or are exaggerations of the facts. We encourage CEC staff to perform their own independent investigation with private interviews of camp residents. Residents who are interviewed must be assured that their comments will remain anonymous.

The overwhelming isolation of camp residents from the rest of the city and the oppressive conditions and current pollution burden they face should be an outrage to all citizens of California. The Farm Labor Camp is not only an environmental justice community in the extreme but it is also an example of a type of racism and segregation that should not exist in California today. It is typical of the farm labor camps which John Steinbeck wrote about and frankly, very little has changed in Wasco since a labor camp of wooden shacks was established on this same site back in the 1930's or 1940's. The proposed expansion of the Savage coal facility next door to this camp is something that should not happen if the State of California is serious about environmental justice. Only if proper mitigations are imposed is there any way for Savage to expand.

The City of Wasco is reportedly making a serious effort to move the camp. Money is the real problem. The federal government seems willing to pay some of the cost but not even half. There is a chance that the high speed rail project, if built, would feel obligated to help move the camp. High speed rail may not take out much land from the camp but it would probably cut off the camps access to the rest of Wasco through a closure of the 6<sup>th</sup> street crossing.

It is imperative, for many reasons including the proposed Savage coal facility expansion, that the Farm Labor Camp be moved and that alternative housing for the current residents be provided which is integrated into the main part of Wasco. There should not be a huge

increase in rental costs in order to do this or many of the residents will be forced to move elsewhere.

In conclusion, Savage should not be allowed to begin delivery of coal to HECA unless the Farm Labor Camp is moved. Savage, with their proposal to increase greatly their already existing impacts on the camp, should help defray a significant part of the cost of moving the camp. This strong mitigation recommendation coming from the CEC would ensure that one of the most severely impacted environmental justice communities in the State of California is not made worse through a CEC decision to approve Savage as the supplier of coal to the HECA project. Other mitigations will also be necessary to remove the negative impacts on the rest of the environmental justice community located on the east side of Wasco.