

GLOBAL COMPANIES TITLE V PERMIT MODIFICATION Public Meeting Speaking Points 2/12/14

Slide 1 - Introduction & Welcome

Good evening. My name is Marc Gerstman and I'm the Executive Deputy Commissioner at the Department of Environmental Conservation.

We are here tonight to get input from the community, share information and address some of your concerns about Global's proposed project and its operations at the Port of Albany.

As the safety of our residents and the protection of our environment remain our primary concern, we are committed to full scale review of issues related to spill prevention, emergency response and the air permit, as well as the state's role in safeguarding us from public safety and environmental disasters. We are absolutely committed to an open, informative process with community participation.

This is why we worked with Global Companies to implement a public outreach plan to more fully engage the community and residents in neighborhoods around Global's Port of Albany facility consistent with our environmental justice policy. One important point we all need to keep in mind is the state's jurisdiction or authority related to the shipment of crude oil through the port of Albany. The federal government has complete authority over the transportation of crude oil by rail through NYS. DEC and other state agencies are limited to making sure port facilities are well prepared to handle emergency situations.

We understand that safety is a primary concern and it is for us, as well. This is a community forum for the people who may be most directly affected by their proximity to the Port in order to become educated about the Global facility and the agencies involved.

Slide 2 – Governor's Executive Order

About two weeks ago, Governor Cuomo issued an Executive Order that directed DEC and other state agencies to examine safety procedures and emergency response preparedness related to the shipment of crude oil transported by rail and by water. We are hard at work to finish this top-to-bottom review with our partner agencies as completely and quickly as possible. Along with that, DEC, the Department of Transportation, the Department of Health and the State Division of Homeland Security and Emergency Services have urged federal agency officials to take action to reduce risks related to crude oil transportation to this and other communities in New York.

Specifically, we want tank cars that are better designed to prevent releases or explosions in case a derailment or accident happens, and we've also asked federal officials for a review of routes for trains carrying petroleum products to make sure these routes are the most appropriate, the safest and the most secure.

We will also continue to work with all those involved – including local, state and federal officials - to make sure our response to any incident is the quickest and more effective it can be to keep all New Yorkers safe. Tonight, we are here to listen to your concerns and provide you with information.

You will also have the chance to make comments after the upcoming presentations. DEC is accepting comments up until April 2nd, and all the comments we receive on the permit application **will** be reviewed. DEC and the other organizations represented at this meeting take community input very seriously.

I want to thank the staff from city and state agencies who are here to discuss issues of concern and answer your questions.

I also want to thank elected officials who have joined us this evening, as well:

Senator Neil Breslin;

Assemblyman John McDonald;

Assemblywoman Patricia Fahy;

Albany County Executive Dan McCoy;

Albany Mayor Kathy Sheehan;

Albany County legislators Lucille McKnight, Bryan Clenahan and Doug Bullock.

Albany Common Council members Leah Golby, Dorsey Applys and Judd Krasher; and

Colonie Supervisor Paula Mahan

I also appreciate all the members of the community for their input and everyone here tonight for taking the time to be here.

We'll be starting with some presentations about the project, but first we will hear from Molly McBride, also from DEC, who will facilitate tonight's meeting.

Slide 3 - Agenda

Welcome everyone and thank you for coming tonight. As Molly said, I'm My Gene Kelly and I'm the DEC regional director for Region 4, which includes Albany County.

Because there are a number of federal, state and local agencies that have specific jurisdiction related to train traffic and operations at the Port, we invited many representatives of these agencies to join us to help answer your questions. Staff from these agencies will be at the tables outside the auditorium throughout the evening to provide information and answer questions.

I will start the meeting with a brief opening presentation. A representative from Global Companies will then provide an overview of the company's permit application and the way the company conducts operations at the Port of Albany. We will then take a short break before then providing you with an opportunity to comment on the draft air permit before DEC and other concerns about Global's facility and the transport of crude oil in general.

We are here to provide information about Global Companies' operations and its air permit application under consideration before the department of environmental conservation. This permit seeks permission to install seven boilers to heat crude oil at the Port of Albany. As you have heard, DEC and other staff are available to answer questions about the Port facility and you will also have an opportunity to provide comments on the draft air permit.

We know that many of you and other community residents have concerns about train traffic and operations at the Port of Albany, as well, which is another important reason why we scheduled this public information meeting.

Slide 4 – Involved Agencies

A number of federal, state and local agencies play a role in making sure that operations at the Port of Albany are safe. For example, at the state level, these agencies include DEC, the state Department of Transportation, the State Department of Health, and the New York State Division of Homeland Security and Emergency Services. At the federal level DEC partners with the U.S. Coast Guard which is responsible for addressing TRANSPORT AND spills in the Hudson River; the Environmental Protection Agency, or EPA, reviews and approves Facility Response and Emergency Response Action Plans for Major Oil Storage Facilities. The Federal Railroad Administration is responsible for national rail safety issues. And, federal rail agencies are the only agencies that regulate rail transportation and rail transport equipment, like cars and tanks.

At the local level, Albany County Emergency Management and the City of Albany Fire Department, both have an active role in planning, preparing for and responding to incidents at the Port. DEC works very closely with these first responders.

Slide 5 - Addressing Community Concerns

The Global facility at the Port of Albany operates under a number of air, water and petroleum storage regulations designed to protect the community's health and the environment. This includes control of air emissions at all truck, rail and marine barge and tanker transfer points, as well as emissions from the storage tanks themselves, which have a mechanism to minimize emissions.

Rest assured that we are conducting a comprehensive review of a range of issues related to Global's operations and the permit application. That is why we are holding the public meeting tonight and taking public comment.

Under state and federal requirements, Global must have a spill containment, control and countermeasures plan, which covers all rail, truck and marine barge/tanker transfer operations and product storage. Storage tanks have to meet standards for tank strength and quality, and scheduled testing for leaks is also required. Another safety requirement includes extra barriers to contain any spill, and the use of best management practices to collect storm water and to treat it, if necessary.

Rail safety is a serious concern. Many of us have seen or read about the derailments of tank cars carrying crude oil. One thing some people may not realize is that federal agencies have exclusive authority to regulate the oil transportation by rail. The State has no direct role in this but we are demanding federal authorities improve rail safety to an even greater extent. Plus, Governor Cuomo's budget for next year provides funding for five more freight rail safety inspectors. That will double the Department of Transportation's current inspection capability on the State's equipment and on the 3,500 miles of track.

Community Questions to Be Answered: *There were a number of questions raised at a recent Albany Common Council meeting so let me address some of them...*

The safety of all New Yorkers is DEC's highest priority and state and local responders train vigorously for all kinds of hazmat-related emergencies, including railcar incidents involving crude oil and ethanol. Global has developed a Facility Response Plan, an Emergency Response Plan and a Spill Prevention, Control and Countermeasure Plan, all of which have been approved by federal agencies.

In the case of a spill or other emergency at this facility, the first Global employee to discover or is notified of the spill will direct personnel in the area to immediately prepare for emergency response activities. He or she must then immediately notify 1) the fire and police departments; 2) a qualified individual or his alternate and advise the nature of the incident; and 3) the Terminal Manager. The Terminal Manager determines which agencies, organizations and individuals are to be notified depending upon the nature of the emergency. At the same time these notifications are being made, Global personnel and the company's primary spill contractor would be called to report to the terminal right away.

The community would be notified of major releases by first responders, if needed, or through local media.

In addition to the other response requirements I just mentioned, state law requires Global to notify DEC within two hours of any petroleum discharge by calling the NYS Oil Spill Hotline at 1-800-457-7362, and DEC has spill responders who would immediately go to the scene of the spill to oversee containment and cleanup operations.

The following are included in the facility's response plan:

- Facility Information
- Emergency Notification Procedure And Phone List
- Spill Response Notification Form
- Emergency Response Personnel
- Equipment List
- Evacuation Plan
- Spill Response Plan
- Facility Diagrams and Maps

These maps and plans will be readily available to you on our website and printed copies will be at the Howe branch of the Albany Public Library right near here on Schuyler Street and at DEC's Central Office on Broadway in Albany.

Slide 6 – Application Details

The current permit application before DEC is called a Clean Air Act Title V permit. Specifically, Global is requesting to change its oil handling capabilities to include heated petroleum products (crude, residual fuel and biofuels). It's important to note that the permit modification does not pertain to the transport of fuel or storage capacity at the terminal. In fact, under the proposed application, the maximum amount of crude oil that would be allowed to pass through the facility will be **REDUCED** by 50 million gallons a year.

Specifically, Global is seeking to install seven new boilers to heat petroleum products to help the fuel flow more easily during transfer. Under state regulation, three of the boilers are exempt from permitting because they do not meet the minimum threshold to need a permit. Four of the boilers do meet the threshold and that's why Global has applied for a permit.

As part of a SEQRA review (State Environmental Quality Review), DEC determined that the installation of the new boilers would not have significant adverse environmental impacts, because there would be no adverse air emission impacts to surrounding areas. Emissions from the petroleum handling process will remain essentially the same, but the operation of the boilers will emit a relatively low level of no more than 28 tons per year of oxides of nitrogen. By comparison, the Besicorp power plant in Rensselaer can emit up to 210 tons/year of NOx.

Community Questions to Be Answered:

DEC requested and Global has agreed to implement an enhanced public outreach plan to engage the community and residents surrounding Global's facility consistent with DEC's environmental justice policy. In its presentation, Global will provide additional information about this outreach plan.

Also in response to public concerns, DEC extended the public comment period until April 2 and we scheduled tonight's public information meeting to help inform all of you and the entire local community about the proposed project.

DEC welcomes feedback on the draft permit, and all comments will be carefully considered before a final determination on the permit modification is made.

DEC has followed the public notice and comment requirements for this type of air permit modification and we will continue to provide you with information throughout this process.

One concern raised is about impacts to local air quality. DEC operates an air quality monitoring network throughout New York. In fact, a monitor is located at the Albany County Department of Health building on Ferry and Green Streets just about 1,000 feet from here. Data from that monitor, as well as data from the other monitors in the Capital Region, shows the entire area meets federal air quality standards set by EPA.

Also in response to a community question, Global's proposed project would not involve any pipelines or changes to power lines.

Slide 7 – Boiler Locations

We also have a site map that identifies the location of the proposed boilers and that is available on DEC's website, as well.

Slide 8 - Thank You

As I previously mentioned, DEC requested and Global has agreed to implement a public outreach plan to engage the environmental justice community and residents surrounding Global's facility.

I also want to remind you that public comments can be submitted until **April 2, 2014** at r4dep@gw.dec.state.ny.us. In addition, you can use GovDelivery, to sign up to be notified when our webpage is updated. And documents related to this issue and Global's emergency response will not only be on our website but also at the Howe Branch of the Albany Public Library on Schuyler St. and at DEC's Central Office at 625 Broadway, Albany.

Again, I thank you for taking the time out of your schedule to attend this meeting. I would now like to introduce Tom Keefe from Global Companies.