

# **CERTIFIED MAIL** RETURN RECEIPT REQUESTED

January 25, 2017

Eric Slifka, President and Chief Executive Officer Global Companies, LLC P.O. Box 9161 800 South Street Waltham, MA 02454-9161

Chuck Furman Albany Terminal Manager Global Companies, LLC 50 Church Street Albany, NY 12202

Registered Agent for Global Companies, LLC Corporation Service Company 80 State Street Albany, NY 12207-2543

> RE: Notice of Intent to Sue Pursuant to the Clean Air Act, 42 U.S.C. § 7604(b): Global Companies, LLC, Albany Terminal, Albany, New York

Dear Messrs. Slifka and Furman:

This letter constitutes notice pursuant to section 304(b) of the Clean Air Act, 42 U.S.C. § 7604(b), that the Ezra Prentice Homes Tenants Association; the County of Albany; Sierra Club; Center for Biological Diversity; Riverkeeper, Inc.; Scenic Hudson; Natural Resources Defense Counsel; and Catskill Mountainkeeper ("Notifying Entities") intend to file suit against Global Companies, LLC ("Global") for violations of the Clean Air Act, 42 U.S.C. § 7401 et seq. ("CAA"), and New York State implementing regulations, 6 N.Y.C.R.R. § 200.1 et seq., at Global's petroleum product transloading facility located at 50 Church Street, Albany, New York ("Albany Terminal") or "Terminal"). Specifically, since September 16, 2016, and continuing to the present, Global has been operating the Albany Terminal without a valid CAA Title V permit in violation of the CAA and the New York State Department of Environmental Conservation ("NYSDEC") implementing regulations.

This letter constitutes notice that unless the violations described in detail below cease within sixty (60) days of your receipt of this letter, the Notifying Entities intend to file a civil action in the United States District Court for the Northern District of New York seeking (i) declaratory judgment that Global has violated and continues to violate the CAA by operating the Albany Terminal without a valid Title V permit; (ii) preliminary and permanent injunctive relief enjoining operations at the Albany Terminal unless and until Global obtains a valid Title V permit; (iii) civil penalties for each day Global has operated the Albany Terminal in violation of the CAA; and (vi) judgment awarding the Notifying Entities the costs of litigation, including reasonable attorneys' and expert witness fees. *See* 42 U.S.C. §§ 7413, 7604(a); 40 C.F.R. §§ 19.2, 19.4.

### I. GLOBAL'S ALBANY TERMINAL

Global's Albany Terminal is located on the Hudson River in the South End of the City of Albany. The Albany Terminal is a bulk petroleum storage and transfer terminal, consisting of storage tanks and rail and marine loading facilities. Petroleum products arrive at the Terminal by rail, are offloaded at loading racks and pumped into storage tanks, and then transferred from storage tanks into barges for transport down the Hudson River.

The Albany Terminal is classified under the CAA as a major stationary source for volatile organic compounds ("VOCs"). *See* NYSDEC, Permit Review Report, Permit ID: 4-0101-00112/0029, Renewal Number: 2, Modification Number: 4, at 4 (Nov. 6, 2012) ("Permit Review Report") (pertinent portions attached hereto as Exhibit 1); *see also* 42 U.S.C. § 7511c(b)(2); 40 C.F.R. § 51.165(a)(1)(iv)(A)(1)(ii); 6 N.Y.C.R.R. § 201-2.1(b)(21). VOCs contribute to the formation of ozone, one of the pollutants regulated under the CAA.

The Terminal is located adjacent to the Ezra Prentice Homes, a public housing development owned and operated by the Albany Housing Authority. Approximately one-half (85) of the Ezra Prentice apartments are located within 20–100 feet of the railroad yard serving the Albany Terminal, and all 176 Ezra Prentice housing units are in close proximity to the Terminal. The Ezra Prentice Homes include a playground where children from the housing development play on a regular basis. The playground is located within twenty feet of the Albany Terminal rail yard. Approximately 430 people reside at Ezra Prentice, including approximately 280 children.

In addition to the Ezra Prentice Homes, numerous other residences, businesses, health care facilities, parks, and institutions in Albany's South End are in close proximity to the Albany Terminal, including the Picotte Center for Disability Services; the Mount Hope residential community and playground; the Albany Community Charter School; Krank Park; the Steamboat Square Apartments and Townhouses (361 residential units); the Giffen Memorial Elementary School; the Albany County Health Department; Centro Civico Hispano Americano; the "2 Together" Children's Tutoring Center; St. Peter's Family Health Center; Island Creek Park; and the College of St. Rose Sports Complex at Hoffman Park. There also are a number of churches, agency offices, and community gathering places in close proximity to the Albany Terminal including the Department of Motor Vehicles, St. Francis Catholic Church, the Evangelical Protestant Church, Mt. Zion Baptist Church, Reigning Life Family Church, the Salvation Army Center for Adult Rehabilitation and Disaster Relief, and the Capital City Rescue Mission.

Many individuals recreate on the Hudson River and in parklands and public spaces in the vicinity and downwind of the Albany Terminal. In addition, thousands of people live, work, and recreate in the airshed affected by emissions of pollutants from the Albany Terminal.

#### II. FACTUAL BACKGROUND

As a major source of VOCs, the Albany Terminal cannot lawfully operate unless it possesses and is in compliance with a Title V permit issued by NYSDEC. *See* 42 U.S.C. § 7661a(a). Global's Title V permit expired on March 2, 2016. *See* NYSDEC, Permit Under the Environmental Conservation Law, Permit ID: 4-0101-00112/00029, at 1 (Nov. 7, 2012) ("Title V Permit") (pertinent portions attached hereto as Exhibit 2).

Upon information and belief, Global applied to NYSDEC to renew the Title V permit for the Albany Terminal. However, by letter dated September 16, 2016, NYSDEC notified Global that it was rejecting the renewal application and was instead requiring Global to submit a new Title V permit application. *See* Letter from Jack Nasca, NYSDEC, to Chuck Furman, Global Co. Albany Terminal at 1 (Sept. 16, 2016) ("NYSDEC Letter") (attached hereto as Exhibit 3). Specifically, the NYSDEC Letter stated:

Pursuant to 6 NYCRR § 621.11(h), the Department is treating the renewal as a new application due to newly discovered material information. See also 6 NYCRR 621.11 (i). Since the issuance of the permit in 2012, and as discussed in more detail below, there have been material changes in environmental conditions and DEC has determined that enhanced public comment is necessary. Additionally, pursuant to 6 NYCRR §621.4, the Department has determined that additional information is required to address the issues identified below before it can commence its review of the permit application. Unless otherwise specified herein or by the Department in writing, this supplemental information must be provided by Global within 90 days of the date of this letter.

*Id.* (emphasis added). The NYSDEC Letter goes on to identify the additional information Global must provide in order to complete its application, including:

- (a) measures to be taken to limit benzene emissions from the Albany Terminal;
- (b) measures to be taken to limit noise impacts to residents of the Ezra Prentice Homes from Albany Terminal operations;
- (c) measures to be taken to limit odor impacts to the Ezra Prentice Homes and other nearby receptors from operations at the Albany Terminal;
- (d) measures to address public safety concerns associated with the handling of volatile Bakken crude oil at the Albany Terminal;

<sup>1</sup> Due to questions concerning the accuracy of Global's VOC emissions calculations, the NYSDEC Letter also required Global to submit a protocol for stack tests within 45 days of the letter and conduct the stack test within 45 days of NYSDEC's approval of the protocol. *See id.* at 2.

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- (e) measures to limit visual impacts to residents of the Ezra Prentice Homes from the storage of rail cars directly adjacent to Ezra Prentice;
- (f) evaluation of the GHG impacts associated with operations at the Albany Terminal, including the impacts associated with the handling of tar sands oil; and
- (g) evaluation of the consistency of Global's operations with community and neighborhood character as set forth in the City of Albany's Waterfront Revitalization Plan and Comprehensive Plan.

See id. at 2–4.

The NYSDEC Letter concluded by stating that "[n]o further action can be taken by the Department until Global submits a new permit application . . . ." *Id.* at 5.

Upon information and belief, Global has not submitted a new Title V permit application and has failed to submit all of the information required by the NYSDEC Letter. Furthermore, upon information and belief, NYSDEC has taken no further action on Global's Title V permit application since September 16, 2016. In any event, it is clear that Global has not been issued a new Title V permit because issuance of a new permit would have been subject to public notice and comment. See 42 U.S.C. § 7661a(b)(3)(C)(iii)(6); 6 N.Y.C.R.R. §§ 201-1.6, 621.7.

#### III. GLOBAL'S VIOLATIONS OF THE CLEAN AIR ACT

The Clean Air Act provides, "it shall be unlawful for any person . . . to operate . . . a major source . . . except in compliance with a permit issued by a permitting authority under [Title V]." 42 U.S.C. § 7661a(a). As noted above, the Albany Terminal is a "major source" for VOCs and therefore cannot lawfully operate without a valid Title V permit. *See* Permit Review Report at 4 (Ex. 1). Since at least September 16, 2016, Global has not had a valid Title V permit for the Albany Terminal because its permit expired on March 2, 2016, *see* Title V Permit at 1 (Ex. 2); its request to renew its permit was denied by NYSDEC on September 16, 2016, *see* NYSDEC Letter at 1 (Ex. 3); upon information and belief, Global has failed to submit a new, completed Title V permit application; and Global has not been issued a new Title V permit by NYSDEC. Thus, Global has been operating the Albany Terminal without a Title V permit in violation of the CAA since September 16, 2016.

Moreover, because its renewal application was rejected by NYSDEC as insufficient and incomplete, Global is precluded from claiming the benefit of an administrative extension of its expired permit. See 42 U.S.C. § 7661b(d) (providing that administrative extension of an expired Title V permit is applicable only "if an applicant has submitted a timely and complete application" for renewal) (emphasis added); 6 N.Y.C.R.R. 201-6.6(a)(5) (providing that "the terms and conditions of a permit shall be automatically continued pending final determination by the department on a request for permit renewal, provided the facility owner or operator has made a timely and complete application and paid the required fees.") (emphasis added).

The NYSDEC Letter makes clear that Global's renewal application was insufficient and incomplete because it lacked critical information. See NYSDEC Letter (Ex. 3). Indeed, the additional information deemed necessary to evaluate Global's continued operation of the Albany Terminal was so extensive that NYSDEC determined that the company needs to submit an entirely new Title V permit application – essentially treating the Albany Terminal as a brand new facility. Id. Thus, under the CAA and the NYSDEC implementing regulations, Global's right to operate the Albany Terminal terminated on September 16, 2016, when NYSDEC rejected Global's request to renew its Title V permit and required Global to apply for a new Title V permit. See 6 NYCRR § 201-6.6(a)(2) ("Permit expiration terminates the major facility's right to operate unless a timely and complete renewal application has been submitted . . . .").

Despite the fact that it has not possessed a valid Title V permit since at least September 16, 2016, Global has continued to operate the Albany Terminal. Because there is no indication that Global will voluntarily cease its illegal operation, this violation is likely to continue.

#### IV. CONCLUSION

The violations identified in this letter are based on the most recent information available to the Notifying Entities and are continuing. The Notifying Entities intend to file suit in the United States District Court for the Northern District of New York regarding the violations described above and to seek the relief described above if the violations identified herein are not cured within sixty (60) days.

Please direct all communications regarding this matter to my attention at the address below. If you would like to discuss the violations identified in this letter or offer a proposal for resolving them, please contact the undersigned at the email specified below or by phone at (212) 845-7390.

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<sup>&</sup>lt;sup>2</sup> The Notifying Entities do not have sufficient information at this time to determine whether Global's renewal application was timely, but have submitted a Freedom of Information Law request to NYSDEC for records necessary to make that determination.

<sup>&</sup>lt;sup>3</sup> The NYSDEC Letter clearly states that NYSDEC cannot take further action on the new permit application until Global submits substantial additional information. *See* NYSDEC Letter at 1 (Ex. 3) ("[T]he Department has determined that additional information is required to address the issues identified below *before it can commence its review of the permit application.*") (emphasis added). Upon information and belief, Global did not submit the additional information requested by NYSDEC within the ninety-day deadline set by the NYSDEC Letter.

Sincerely,

Christopher Amato
Earthjustice
48 Wall Street, 19th Floor

New York, NY 10005 camato@earthjustice.org

Counsel for Ezra Prentice Homes Tenants Association; County of Albany; Sierra Club Atlantic Chapter; Center for Biological Diversity; Riverkeeper, Inc.; Scenic Hudson; Natural Resources Defense Council; and Catskill Mountainkeeper

C: (via Certified Mail):

Catherine McCabe
Acting Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

Walter Mugdan Acting Regional Administrator U.S. Environmental Protection Agency, Region 2 290 Broadway New York, NY 10007-1866

Hon. Andrew M. Cuomo The Capitol Albany, NY 12224

Hon. Basil Seggos, Commissioner New York State Department of Environmental Conservation 625 Broadway Albany, NY 12233-1010





### New York State Department of Environmental Conservation **Permit Review Report**

Permit ID: 4-0101-00112/00029

**Renewal Number: 2** 

Modification Number: 4 11/06/2012

**Facility Identification Data** 

Name: GLOBAL COMPANIES LLC - ALBANY TERMINAL

Address: 50 CHURCH ST - PORT OF ALBANY

ALBANY, NY 12202

Owner/Firm

Name: GLOBAL COMPANIES LLC Address: 800 SOUTH STREET WALTHAM, MA 02453, USA

Owner Classification: Corporation/Partnership

#### **Permit Contacts**

Division of Environmental Permits: Name: ANGELO A MARCUCCIO Address: NYSDEC 1130 N WESTCOTT RD SCHENECTADY, NY 12306-2014

Phone:5183572069

Division of Air Resources: Name: DONALD A WELSTED Address: NYSDEC 1130 N WESTCOTT RD SCHENECTADY, NY 12306 Phone:

Air Permitting Contact: Name: DARRELL BOEHLKE Address: GLOBAL CO ALBANY TERMINAL

50 CHURCH ST ALBANY, NY 12202 Phone:5184366570

#### **Permit Description** Introduction

The Title V operating air permit is intended to be a document containing only enforceable terms and conditions as well as any additional information, such as the identification of emission units, emission points, emission sources and processes, that makes the terms meaningful. 40 CFR Part 70.7(a)(5) requires that each Title V permit have an accompanying "...statement that sets forth the legal and factual basis for the draft permit conditions". The purpose for this permit review report is to satisfy the above requirement by providing pertinent details regarding the permit/application data and permit conditions in a more easily understandable format. This report will also include background narrative and explanations of regulatory decisions made by the reviewer. It should be emphasized that this permit review report, while based on information contained in the permit, is a separate document and is not itself an enforceable term and condition of the permit.

#### **Summary Description of Proposed Project**

This modification includes the marine loading of crude oil in which air emissions will be controlled via a Marine Vapor Combustion Unit.



## New York State Department of Environmental Conservation Permit Review Report

Permit ID: 4-0101-00112/00029

**Renewal Number: 2** 

Modification Number: 4 11/06/2012

Emission unit 1RACK4 - Rail spur for distillate loading.

Emission unit 1RACK4 is associated with the following emission points (EP):

00005

Process: FG4 Emissions associated with HAP/VOC from Rack 4 and associated components.

Process: R4D Emissions associated with distillate loading for additional rail spur.

 $\label{lem:emission} Emission\ unit\ 1RACK2\ -\ Railcar\ loading\ rack\ with\ two\ loading\ positions\ for\ distillate\ and\ gasoline/ethanol.$ 

Emission unit 1RACK2 is associated with the following emission points (EP):

00002

Process: FE2

Process: R2D Emissions associated with loading distillate at Rack 2.

Process: R2E Process: R2G

#### Title V/Major Source Status

GLOBAL COMPANIES LLC - ALBANY TERMINAL is subject to Title V requirements. This determination is based on the following information:

The facility is major for Volitile Organic Compounds (VOC) or Total Organic Compounds (TOC).

#### **Program Applicability**

The following chart summarizes the applicability of GLOBAL COMPANIES LLC - ALBANY TERMINAL with regards to the principal air pollution regulatory programs:

#### **Regulatory Program**

#### **Applicability**

PSD	NO
NSR (non-attainment)	NO
NESHAP (40 CFR Part 61)	YES
NESHAP (MACT - 40 CFR Part 63)	YES
NSPS	YES
TITLE IV	NO
TITLE V	YES
TITLE VI	NO
RACT	YES





# New York State Department of Environmental Conservation Facility DEC ID: 4010100112

# PERMIT Under the Environmental Conservation Law (ECL)

#### **IDENTIFICATION INFORMATION**

Permit Type: Air Title V Facility
Permit ID: 4-0101-00112/00029

Mod 0 Effective Date: 03/03/2011 Expiration Date: 03/02/2016

Mod 1 Effective Date: 08/10/2011 Expiration Date: 03/02/2016

Mod 2 Effective Date: 08/29/2011 Expiration Date: 03/02/2016

Mod 3 Effective Date: 11/02/2011 Expiration Date: 03/02/2016

Mod 4 Effective Date: 11/07/2012 Expiration Date: 03/02/2016

Permit Issued To:GLOBAL COMPANIES LLC

800 SOUTH STREET WALTHAM, MA 02453

Facility: GLOBAL COMPANIES LLC - ALBANY TERMINAL

50 CHURCH ST - PORT OF ALBANY

ALBANY, NY 12202

Contact: DARRELL BOEHLKE

GLOBAL CO ALBANY TERMINAL

50 CHURCH ST ALBANY, NY 12202 (518) 436-6570

### Description:

This modification authorizes the storage of crude oil and loading into barges at the facility's marine loading terminal. A new Vapor Combustion Unit (VCU) will be utilized to control air emissions. The facility increased the overall emissions profile with this modification.



# New York State Department of Environmental Conservation Facility DEC ID: 4010100112

By acceptance of this permit, the permittee agrees that the permit is contingent upon strict compliance with the ECL, all applicable regulations, the General Conditions specified and any Special Conditions included as part of this permit.

Permit Administrator:	ANGELO A MARCUCCIO NYSDEC 1130 N WESTCOTT RD SCHENECTADY, NY 12306-2014			
Authorized Signature:		Date: _	//_	



#### NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION

Division of Environmental Permits & Pollution Prevention 625 Broadway, 4th Floor, Albany, New York 12233-1750 P: (518) 402-9167 | F: (518) 402-9168 | deppermitting@dec.ny.gov www.dec.ny.gov

September 16, 2016

Certified Mail Return Receipt Requested Chuck Furman Global Co. Albany Terminal 50 Church Street Albany, NY 12202

Re: Renewal Application – Global Co. Albany Terminal Title V Permit ID. 4-0101-00112/00029

Dear Mr. Furman:

The New York State Department of Environmental Conservation ("DEC" or "Department") has reviewed the permit renewal application on behalf of Global Co. Albany Terminal ("Global") for a renewal of its Permit ID. No. 4-0101-00112/00029 ("Title V Permit") with an expiration date of March 2, 2016. In addition to the Title V Permit renewal, Global filed an application dated June 12, 2013 to amend its permit to add seven boilers to heat crude oil ("Draft Permit Modification"). On May 21, 2015 the DEC issued a notice of incomplete application and a notice of intent to rescind the State Environmental Quality Review (SEQR) Negative Declaration for the Draft Permit Modification.

Pursuant to 6 NYCRR § 621.11(h), the Department is treating the renewal as a new application due to newly discovered material information. *See also* 6 NYCRR 621.11 (i). Since the issuance of the permit in 2012, and as discussed in more detail below, there have been material changes in environmental conditions and DEC has determined that enhanced public comment is necessary. Additionally, pursuant to 6 NYCRR §621.4, the Department has determined that additional information is required to address the issues identified below before it can commence its review of the permit application. Unless otherwise specified herein or by the Department in writing, this supplemental information must be provided by Global within 90 days of the date of this letter. Should Global continue to pursue the modifications sought in the Draft Permit Modification, such modifications should be included in the permit application.

The DEC recognizes that the 2012 modification to the Title V Permit reduced truck traffic impacts by converting the operation from a rail-to-truck transfer facility to a rail-to-crude storage facility. Although this conversion reduced truck traffic at the site by approximately 25,000 trips annually, newly discovered material information and material changes in environmental conditions and potential impacts that are unique to the crude oil operations must be addressed in Global's application.

The following items are newly discovered material information and/or material changes in environmental conditions that Global must address as part of its permit application:



- Given the higher volatility levels of the Bakken crude oil and questions arising since the issuance of the 2012 permit regarding emissions levels from the facility, as part of the permit application Global shall conduct a new stack test in accordance with the procedures set forth in condition 4-3 of the 2012 permit. You are directed to provide the Department a protocol for the stack test within 45 days of the date of this letter. The stack test must take place within 45 days of the Department's approval of the stack test protocol. Global shall provide notice to the Department at least 5 business days prior to the stack test and shall provide access to Department staff to observe the stack test. To address whether marine loading emissions are accurately characterized by the methodology used in the 2012 permit, you are also directed to perform the required test in a manner representative of normal operations that will verify the accuracy of the emission factors used to calculate marine loading emissions.
- The DEC has monitored higher-than-expected benzene levels in the vicinity of the facility that may be attributable, in part, to the storage and processing of petroleum products at the Global facility. In early 2015, the Department sited a permanent air toxics monitor on South Pearl Street, approximately three-quarters of a mile north of the Global facility. With the benefit of a full year of data from that monitor, it shows annual average benzene levels are higher than similar upstate locations. Although much of the benzene monitored statewide is the product of combustion of gasoline and diesel in motor vehicles, the levels observed in South Albany are materially higher than those recorded at monitors in Buffalo and Rochester that are located adjacent to highways with more vehicle traffic than I-787, which is near the South Pearl Street monitor. The DEC has announced plans for a systematic monitoring effort in 2017 to more fully assess the sources of benzene in the neighborhood of the Ezra Prentice Homes. Global must address what measures it intends to take to limit, to the maximum extent practicable, any benzene emissions attributable to the facility.
- Members of the public who reside in the Ezra Prentice Homes have submitted complaints of substantial noise from Global's operations at all hours, interfering with their sleep and causing distress. The Albany County Department of Health has determined that this noise constitutes a public health nuisance that "appears to be affecting the health of residents" in a letter to the DEC dated December 1, 2014 letter from James Crucetti, MD to DEC. Global must address what measures it intends to take to limit, to the maximum extent practicable, noise impacts caused by the facility, such as limiting train operations during night time hours.
- Members of the public have complained of odors that they attribute to emissions from Global's facility. The Albany County Department of Health has also expressed concern

about the odors and potential impacts on nearby residents. An assessment must be conducted to determine if current operations are contributing to any noxious odors. Moreover, the heating of heavy crude oil, as proposed in the 2013 Draft Permit Modification, raises the potential for increased emissions of hydrogen sulfide (H<sub>2</sub>S), which is associated with noxious sulfurous odors. The Albany County Department of Health and others have cited odors and other problems observed at a crude oil refinery and transfer station in New Brunswick, Canada, that processed thicker crude oils. The Ezra Prentice Homes are located less than one-quarter mile from Tank 33, which would be retrofitted to store heated crude oil under the 2013 modification. Global must address what measures it intends to take to limit, to the maximum extent practicable, any odor issues attributable to the facility, such as restricting H<sub>2</sub>S content of crude oil stored at the facility.

- There have been numerous train fires and explosions related to the rail shipment of Bakken crude oil since the issuance of the 2012 permit, including Mosier, Oregon (June 3, 2016), Heimdal, North Dakota (May 6, 2015), Mt. Carbon, West Virginia (February 16, 2015), Lynchburg, Virginia (April 2015) and in July 6, 2013 in Lac Megantic, Quebec, which destroyed much of the town and resulted in 47 deaths. Most of the crude oil currently processed at the Global facility is Bakken crude. Although North Dakota established limits on the volatility of Bakken crude oil to a vapor pressure of 13.7 psi, this limit is higher than the vapor pressure levels of the trains involved in the Lac Megantic, Canada, Mosier, Oregon and Heimdal, North Dakota accidents and comparable to the pressure levels that resulted in the other cited accidents. The accidents and information gained from the subsequent investigations are all new information since the issuance of the 2012 permit. Global must address what measures it intends to take to limit, to the maximum extent practicable, potential safety concerns, such as implementing leak detection and repair procedures and/or limiting the volatility of crude processed at the facility.
- Residents of the Ezra Prentice Homes are impacted by the visual presence of oil train cars immediately behind the Ezra Prentice homes, after the cars have been emptied. They have described stress associated with seeing the trains at such close proximity, particularly after the Lac Megantic incident and other fires associated with oil train cars. This visual impact was not considered when the 2012 permit was issued; the July 11, 2012 negative declaration concluded that visual impacts "will be minimal to negligible." More specifically, with regard to the environmental justice community located nearby, the negative declaration concluded that "[t]he proposed changes to the rail yard... would not be highly visible from these areas and not impose a significant negative impact." Global must address what measures it intends to take to limit, to the maximum extent practicable, visual impacts from the storage of cars.

- A better understanding of the impacts associated with Greenhouse Gas ("GHG") emissions is required should Global intend to expand operations to include heavy crude from the tar sands formation of Alberta, Canada. For example, tar sands crude is the product of an extremely energy-intensive process that results in 17% higher GHG emissions than processing of conventional crudes. Because the federal government denied the permit to build the Keystone pipeline in November 2015, developers of tar sands crude will have to rely on other modes of transportation, including rail and barge transport to bring their product to refineries. Any modification to the facility which will permit the transporting of tar sands crude could facilitate the transport of tar sands crude and increase GHG emissions associated with the extraction and processing of tar sands crude. Global must address what measures it intends to take to limit, to the maximum extent practicable, any GHG impacts associated with the operation of the facility, such as restricting or eliminating the purchase and processing of crude oil from the tar sands formation.
- Albany Mayor Kathy Sheehan advised DEC on July 31, 2014 that the presence of large numbers of oil trains along the waterfront due to the 2012 permit has a significant effect upon the scenic quality of the City's Waterfront Revitalization Area and that it conflicts with Albany 2030, the City's Comprehensive Plan. Global must address these issues of consistency with the City's plans for the waterfront.
- In November 2015, DEC proposed 6 NYCRR Part 490, Projected Sea-level Rise, in accordance with the Community Risk and Resiliency Act. For the Hudson River, these proposed regulations project that river levels could rise by as much as four and a half feet by the 2080s and six feet by 2100, potentially impacting operations at the facility. Global must address what measures it intends to address projected sea level rise.
- Subsequent to issuance of the 2012 permit and 2013 negative declaration, the DEC became aware of a proposal to build the Pilgrim Pipeline and was designated SEQR colead agency along with the NYS Thruway Authority on December 27, 2015. The proposed Pilgrim Project is designed to transport crude oil from the port of Albany to refineries in New Jersey. Global must address any potentially significant cumulative impacts associated with this recently proposed pipeline.

Taken together, these developments since the issuance of the 2012 permit establish a substantial interest of the public, particularly residents of the nearby environmental justice

<sup>&</sup>lt;sup>1</sup> Subsequent to issuance of the 2012 permit, the State established greenhouse gas emission reduction targets in 2015 of 40% reduction by 2030 and 80% by 2050, targets which are among the most aggressive in the nation.

community, in the renewal of the 2012 permit and the proposed modification of that permit. In accordance with DEC's environmental justice policy, Commissioner's Policy 29 (CP-29), Global should develop an enhanced outreach plan as part of the permit application process which should fully explore the impacts of Global's existing and proposed crude oil operations on the nearby environmental justice community.

No further action can be taken by the Department until Global submits a new permit application including Part 1 of the SEQR Full Environmental Assessment Form. Pursuant to 6 NYCRR § 621.7 and 621.8, after the permit application is deemed complete by the Department, DEC intends to provide for public comment and one or more hearings to allow the public an opportunity to comment on the proposed permit and the materially changed environmental conditions and new material information identified above. Nothing contained herein constitutes a waiver by the Department and/or the State of New York for any rights held pursuant to any applicable state and/or federal law. If you have any questions about this notice please contact me at (518) 402 - 9177.

Sincerely,

Jack Nasca

Cc: Tom Keefe Environmental Manager Global Companies, LLC PO Box 9161

Waltham, MA 02454-9161