



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8**

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FEB 04 2013

Ref: 8EPR-N

Ken Blodgett
Office of Environmental Analysis
Surface Transportation Board
Office of Environmental Analysis 395 E Street, SW
Washington, DC 20423

Re: Scoping Comments for the Tongue River Railroad EIS

Dear Mr. Blodgett:

The U.S. Environmental Protection Agency (EPA) has reviewed the Surface Transportation Board's (STB's) Notice of Intent to prepare an Environmental Impact Statement (EIS) for the proposed Tongue River Railroad Project (TRRR). The EPA's comments are provided pursuant to our authorities under the National Environmental Policy Act (NEPA), Section 309 of the Clean Air Act, and the Clean Water Act.

The TRRR, proposed by the Tongue River Railroad Company, Inc., involves construction of a 42 mile rail line, known as the "Colstrip Alternative." The Colstrip Alternative would generally parallel Greenleaf Road (S-447) and runs from the main Burlington Northern Santa Fe (BNSF) rail line near Colstrip to two ending points, one at the proposed Otter Creek coal mine in the Otter Creek area east of Ashland, Montana, and another near the site of the previously planned Montco mine near Ashland.

In addition to looking at direct impacts in the immediate vicinity of the proposed rail line, e.g., impacts to air quality and aquatic resources, including water quality, stream morphology, groundwater and habitat, CEQ regulations (Section 1502.16) instruct agencies to consider other effects that are reasonably foreseeable. Thus, in addition to considering the impacts occurring at and near the site of the TRRR, we recommend that the EIS evaluate the potential impacts of increased traffic on the existing rail lines and more frequent coal trains on communities in Montana. We also recommend evaluating whether there may be additional impacts to communities beyond Montana along the main rail corridors. The evaluation would appropriately include the potential increases in fugitive coal dust and diesel emissions that would accompany the additional rail traffic, and the potential related human health impacts to communities along the proposed route. These types of impacts are exactly the kind of reasonably foreseeable potential impacts that NEPA was designed to address.

Other reasonably foreseeable impacts that we recommend be evaluated in the EIS include the potential impacts from construction and operation of the TRRR-serviced coal mines and combustion of the coal transported by TRRR. The stated purpose of the TRRR is transporting coal from the proposed Otter Creek coal mine and potentially the previously planned Montco coal mine to coal users. We would recommend using existing models to review the reasonably foreseeable potential for air and water quality impacts in

the United States of the coal combustion. The life cycle greenhouse gas emissions associated with the project are also appropriate to consider in this analysis. The methodologies for conducting that analysis are available and well developed; the STB could draw on the good examples of life cycle greenhouse gas emissions included in NEPA analyses by other federal agencies.

We also note that several Tribes, including the Northern Cheyenne, the Crow, and several bands of the Sioux Nation have expressed interest in the proposed project, and we believe it will be important that the STB engage in meaningful government to government consultations with these Tribes. In particular, we are aware members of the Northern Cheyenne Tribe have raised questions over potential impacts to the Tongue River and Tongue River Valley.

The enclosed detailed comments elaborate on the above points and other recommendations. We appreciate the coordination you have carried out to date. The EPA has expertise and data that may be useful to you in preparing your analysis of potential impacts, and we are prepared to provide technical assistance, including more detailed information on recommended approaches for modeling and predicting impacts and suggestions for potential mitigation measures. If you have any questions, please contact me at (303) 312-6776 or by electronic mail at hestmark.martin@epa.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Martin Hestmark".

Martin Hestmark
Assistant Regional Administrator
Office of Ecosystems Protection and Remediation

Enclosure

The EPA Detailed Scoping Comments on the Surface Transportation Board's Notice of Intent to Prepare an Environmental Impact Statement for the Tongue River Railroad

We recommend that the STB coordinate with the State of Montana during preparation of the EIS, since many of the issues that will likely be addressed in the EIS overlap with work the State is performing. For example, the State is preparing an EIS for the proposed Otter Creek, pursuant to the Montana Environmental Policy Act (MEPA).

1. Air Quality

Emissions Sources – As part of the evaluation of emissions associated with the project, we recommend providing details on projected daily peak and average train traffic. We also suggest including information about the timing and duration of the mining at Otter Creek and Montco, as well as the estimated mine acreage that will be disturbed at any one time.

Blasting – We recommend the EIS discuss practices in use at coal mines in the Powder River Basin for reducing NO_x emissions. The EPA can provide examples of these practices.

Modeling, Air Quality Workgroup and Area wide Air Emission Studies – We recommend that the EIS include far-field air quality modeling because of the proximity to the Northern Cheyenne Class I airshed as well as the TRRR and mines' potential contributions to cumulative impacts on AQRVs, such as visibility. Near-field modeling may be warranted depending on the anticipated emission levels from the coal mines and the TRRR. We can provide recommendations for modeling protocols based on the emission information the STB develops.

The Bureau of Land Management (BLM), the EPA and other agencies have been working on air quality modeling and air quality analysis for energy projects in this geographic area for several decades. We recommend that the STB consult with BLM and other agencies on the scope of the project's air quality analysis, the results of the analysis, and identification of available mitigation measures.

We recommend including an analysis of visibility degradation and PSD increment consumption from the project alone and cumulative emissions because of the proximity of the project to sensitive receptor areas and modeled air quality impacts. Cumulative impact air quality modeling prepared by the BLM for coal mines in the Powder River Basin¹ determined that air quality would be above the PSD increments on the Northern Cheyenne reservation for 24-hour PM₁₀ and SO₂. Depending on the level of development for the coal mines and operation of the TRRR, the Powder River Basin modeling predicted an increase of up to 60 days of visibility impacts in the Northern Cheyenne Class I airshed. In light of this issue, we recommend that in addition to the air quality analysis commitments identified in the STB's Notice of Intent, the EIS analyze impacts of the TRRR and associated coal mines on air quality-related values (AQRVs), including visibility, in Class I areas and sensitive Class II areas.

We anticipate that the State's future permits for the coal mines will include requirements related to design measures and emissions controls. We recommend that the STB integrate into the analysis design measures that are likely to be imposed by the State and identify these measures as permit-related conditions in the baseline emission inventory.

¹ See http://www.blm.gov/wy/st/en/programs/energy/Coal_Resources/PRB_Coal/prbdocs.html

The BLM has also initiated a major air quality study related to Resource Management Plan EISs in Montana and South Dakota. The primary focus of this effort is to assess current air quality, analyze potential air quality impacts and identify mitigation measures for BLM-authorized oil and gas development. The draft EISs, scheduled to be issued in the next several months, will contain air quality information that may be useful for the TRRR analysis.

2. Water Resources

Water Quality – We recommend that the EIS summarize existing water quality conditions and evaluate the potential water quality impacts from the TRRR and the mines. We recommend that this evaluation include information about water quality standards of the State of Montana and the Northern Cheyenne Tribe as well as any impaired waters that may exist in the project area, and those constituents that are likely to be released from the TRRR and the mines.

We recommend the STB consider the EPA's Water Quality Assessment for the Tongue River Watershed. This assessment is located at:

<http://www.epa.gov/region8/water/monitoring/Tongue%20River%20Assessment%20Report%20FINAL%20DRAFT%208-2-07.pdf>

With respect to nonpoint source pollution, the EPA recommends the STB consider our guidance document – *National Management Measures to Control Nonpoint Source Pollution from Hydromodification* (EPA 841-B-07-002, July 2007) at:

<http://www.epa.gov/owow/NPS/hydromod/>. This document describes practices that can be used to reduce impacts from activities associated with channelization, channel modification, and stream bank and shoreline erosion.

Wetland and Riparian Habitat - We recommend evaluating impacts to creeks, springs, coulees, wetlands and riparian habitat that may be affected by the project, including changes in groundwater or surface water flows caused by embankments.

Geomorphology- The EPA also recommends analyzing the impacts to the stream morphology of the Tongue River and Otter Creek. This would include a discussion of existing and proposed artificial bank stabilization structures, agricultural practices adjacent to these water bodies, and constrictions placed on the river channel and floodplain, including bridges and levees. We recommend that the EIS analyze impacts to fluvial geomorphology, bank stability and floodplains such as downcutting and/or channel widening, and bank destabilization.

Water Quantity

We recommend analyzing any impacts to water quantity such as changes in streamflow, additional uses of surface or ground water, ground water depletions, and reductions in ground water recharge.

3. Environmental Justice

We recommend incorporating a discussion of environmental justice into the impact analyses for air, water, socioeconomics, and traffic particularly considering the proximity of the Northern Cheyenne and Crow reservations. Because the direct and indirect impacts of this project could

affect different populations, we recommend that the environmental justice analysis correlate specific resource impacts to specific communities. The EPA notes that the Northern Cheyenne Tribe considers the Tongue River and Tongue River Valley to be places of cultural and spiritual significance.

4. Mitigation and Control Measures

It would be helpful to include a section in the EIS that summarizes all of the mitigation and control measures that will be implemented for the TRRR and are available for the coal mines. We recommend including the following key information:

- Whether or not implementation of the measure is required by the STB or any other governmental entity,
- What entity will be implementing the measure,
- All necessary permits, including coal mining and reclamation permits, water permits, and air permits,
- Any dust control or other mitigation measures required by BNSF for coal trains or railcars.

