UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

JAN 07 2015

Stephanie Perez
Office of Program Delivery
Federal Rail Administration
1200 New Jersey Avenue, SE
West Building, Mail Stop 20
Washington, DC 20590

Subject: EPA Comments on Coast Corridor Improvements Draft Program Environmental Impact Statement (CEQ # 20140325)

Dear Ms. Perez:

The U.S. Environmental Protection Agency (EPA) has reviewed the above-referenced document pursuant to the National Environmental Policy Act (NEPA), Council on Environmental Quality (CEQ) regulations (40 CFR Parts 1500-1508) and Section 309 of the Clean Air Act.

The Draft Program Environmental Impact Statement (PEIS) is a Tier 1 NEPA document that discusses a comprehensive list of potential physical rail improvements in addition to increased passenger rail service along 130 miles of the Coast Corridor between Salinas, CA and San Luis Obispo, CA. We understand that project-level alternatives and impacts for exact physical rail improvements will be evaluated by the Federal Rail Administration (FRA) in future Tier 2 NEPA documents. EPA will provide additional recommendations once future Tier 2 project-level NEPA analyses are available.

EPA recognizes the potential benefits, including reduced vehicle emissions, an alternative transportation choice like an intercity passenger rail can provide in the proposed corridor, so long as environmental impacts are reduced as much as possible. Through this letter, we offer comments and recommendations to address this programmatic NEPA analysis and provide a few considerations for future Tier 2 NEPA documents. Based upon our review of Draft PEIS, we have rated the document as *Lack of Objections (LO)*. Please see the enclosed Summary of EPA Rating Definitions and our detailed comments.

Thank you for the opportunity to comment on the Draft PEIS. When the Final PEIS is published for public review, please send a copy to the address above (mail code: ENF-4-2). Please also submit future Tier 2 project-level NEPA documents to the same address. If you have any questions, please contact Zac Appleton, the lead reviewer for this project (415-972-3321 or appleton.zac@epa.gov).

Sincerely,

For Connell Dunning, Transportation Team Supervisor
Environmental Review Section

Enclosures:

Summary of EPA Rating Definitions
EPA's Detailed Comments

cc: Christina Watson, Transportation Agency of Monterey County
Pete Rodgers, San Luis Obispo Council of Governments
Katerina Galacatos, U.S. Army Corps of Engineers
Veronica Li, U.S. Army Corps of Engineers
Steve Henry, U.S. Fish and Wildlife Service

SUMMARY OF EPA RATING DEFINITIONS*

This rating system was developed as a means to summarize the U.S. Environmental Protection Agency's (EPA) level of concern with a proposed action. The ratings are a combination of alphabetical categories for evaluation of the environmental impacts of the proposal and numerical categories for evaluation of the adequacy of the Environmental Impact Statement (EIS).

ENVIRONMENTAL IMPACT OF THE ACTION

"LO" (Lack of Objections)

The EPA review has not identified any potential environmental impacts requiring substantive changes to the proposal. The review may have disclosed opportunities for application of mitigation measures that could be accomplished with no more than minor changes to the proposal.

"EC" (Environmental Concerns)

The EPA review has identified environmental impacts that should be avoided in order to fully protect the environment. Corrective measures may require changes to the preferred alternative or application of mitigation measures that can reduce the environmental impact. EPA would like to work with the lead agency to reduce these impacts.

"EO" (Environmental Objections)

The EPA review has identified significant environmental impacts that should be avoided in order to provide adequate protection for the environment. Corrective measures may require substantial changes to the preferred alternative or consideration of some other project alternative (including the no action alternative or a new alternative). EPA intends to work with the lead agency to reduce these impacts.

"EU" (Environmentally Unsatisfactory)

The EPA review has identified adverse environmental impacts that are of sufficient magnitude that they are unsatisfactory from the standpoint of public health or welfare or environmental quality. EPA intends to work with the lead agency to reduce these impacts. If the potentially unsatisfactory impacts are not corrected at the final EIS stage, this proposal will be recommended for referral to the Council on Environmental Quality (CEQ).

ADEQUACY OF THE IMPACT STATEMENT

"Category 1" (Adequate)

EPA believes the draft EIS adequately sets forth the environmental impact(s) of the preferred alternative and those of the alternatives reasonably available to the project or action. No further analysis or data collection is necessary, but the reviewer may suggest the addition of clarifying language or information.

"Category 2" (Insufficient Information)

The draft EIS does not contain sufficient information for EPA to fully assess environmental impacts that should be avoided in order to fully protect the environment, or the EPA reviewer has identified new reasonably available alternatives that are within the spectrum of alternatives analysed in the draft EIS, which could reduce the environmental impacts of the action. The identified additional information, data, analyses, or discussion should be included in the final EIS.

"Category 3" (Inadequate)

EPA does not believe that the draft EIS adequately assesses potentially significant environmental impacts of the action, or the EPA reviewer has identified new, reasonably available alternatives that are outside of the spectrum of alternatives analysed in the draft EIS, which should be analysed in order to reduce the potentially significant environmental impacts. EPA believes that the identified additional information, data, analyses, or discussions are of such a magnitude that they should have full public review at a draft stage. EPA does not believe that the draft EIS is adequate for the purposes of the NEPA and/or Section 309 review, and thus should be formally revised and made available for public comment in a supplemental or revised draft EIS. On the basis of the potential significant impacts involved, this proposal could be a candidate for referral to the CEQ.

*From EPA Manual 1640, Policy and Procedures for the Review of Federal Actions Impacting the Environment.

EPA DETAILED COMMENTS ON COAST CORRIDOR IMPROVEMENTS DRAFT PROGRAM ENVIRONMENTAL IMPACT STATEMENT, JANUARY 7, 2015

As FRA discussed with EPA via phone conversation on December 31st, 2014, we understand that this programmatic study is being undertaken to better understand the scope of improvements necessary to increase passenger rail service in the project area. This programmatic analysis will be followed by subsequent project-level, Tier 2 environmental analyses that will include more refined estimates of potential impacts to resources. EPA provides the following general comments to address the programmatic decisions and to guide future project-level analyses. The comments below will be supplemented by additional EPA comments and feedback once project-level Tier 2 NEPA analysis are available for review.

Aquatic Resources

The Draft Program Environmental Impact Statement (PEIS) states that improvements to the 130 miles of rail corridor to allow for increased passenger service are estimated to impact jurisdictional Waters of the United States, including up to 58.35 acres from construction activities and up to another 13.74 acres from operation. We understand that the estimated impacts to aquatic resources may change once the alignment is refined. EPA appreciates FRA's commitment to integrate future Tier 2 project-level NEPA analysis with the Clean Water Action Section 404 permitting process. We look forward to that future coordination with FRA and the Army Corps of Engineers (Corps).

Because only the Least Environmentally Damaging Practicable Alternative (LEDPA) can be permitted pursuant to Section 404 of the Clean Water Act, EPA encourages FRA to continue to refine the alignment corridor to reduce impacts to aquatic resources as much as possible.

Recommendation:

EPA recommends that FRA consider using the existing MOU (*National Environmental Policy Act/Clean Water Act Section 404/408 Integration Process for the California High-Speed Train Program Memorandum of Understanding*) between EPA, Corps, FRA and California High Speed Rail Authority for the California High Speed Rail project as a model for project level coordination in this Corridor.

Once the LEDPA is identified for physical improvements in this rail corridor, FRA will be required to develop a detailed mitigation plan to offset all unavoidable impacts to jurisdictional Waters of the United States. The mitigation plan will need to be consistent with the most current mitigation requirement at that time. Currently, the requirements for mitigation can be found in the Final Regional Compensatory Mitigation and Monitoring Guidelines established by the Corps South Pacific Division (December 31, 2014). We encourage FRA to begin thinking about mitigation requirements now, at this early phase in project planning so that the most options for a mitigation are available for the project.

Recommendations:

To minimize the temporal loss of functions and the uncertainty regarding mitigation success, we recommend that FRA include the draft mitigation plan in the project-level NEPA analysis and require an approved final mitigation plan prior to future records of decision at the project-level phase. The mitigation plan will also need to include sufficient information to document how the

proposed mitigation will effectively replace lost acres and functions and the types of mitigation will need to be specifically identified and quantified.

Air Quality Mitigation

FRA demonstrates a commitment to air quality by listing mitigation measures in the Draft PEIS that will be considered in future project-level environmental analysis for the proposed train service that will travel through counties that are currently in federal attainment for criteria pollutants. Mitigation measures such as diesel engine filters, idling reduction, alternative fuel and others detailed in the Draft PEIS can all contribute to reducing negative impact to health and the environment. EPA recommends that FRA commit to specific emission standards with these mitigation measures.

Recommendation:

EPA recommends that in cases where a diesel combustion engine will be used (new locomotives to retrofitted head-in power sources to auxiliary power units, or other systems), that FRA specifically commit to meeting or exceeding the EPA Tier IV nonroad engine emissions standard[1] for the proposed project.

As described in the project Purpose and Need, there are clear benefits to reducing air pollutant emission from mobile sources. There is growing interest in electrification of diesel-powered passenger and freight transportation. As such, EPA recommends that FRA better describe the feasibility of electrification on this corridor. This discussion is particularly useful at a programmatic level of analysis.

Recommendation:

In the context of reducing diesel emissions-related health effects and reducing contributions to air pollution, EPA recommends that FRA include a discussion in the Final PEIS about the feasibility and challenges of electrifying the proposed project corridor.

Safe Rail Transportation of Hazardous Materials

The Draft PEIS discloses that the existing and forecast Coast Corridor includes freight service for bulk commodities like fertilizer, lumber, aggregate, fuel, and coal. The document further explains that in 2014, San Luis Obispo County is considering a rail spur extension to the Philips 66 Nipomo Mesa oil refinery to receive up to 5 trains of 80 cars a week of crude oil from Utah, North Dakota, and Canada for processing into petroleum products. Each train of 80 full oil-tank cars would be defined as a High-Hazard Flammable Train (HHFT) as proposed by regulation (Docket No. PHMSA-2012-0082 (HM-251), that sets a benchmark of 20 or more carloads of Class 3 flammable liquid.

As public safety concerns have increased after a number of dramatic crude-by-rail accidents in both the US (Pleyna, MT; Aliceville, AL; Casselton, ND; Augusta, MS; Vandergrift, PA; Lynchburg, VA; and La Salle, CO) and Canada (Jansen, SK; Lac-Megantic, QB; Plaster Rock, NB) in the years 2013 and 2014, besides other derailments of other hazardous materials, the environmental document should describe how improvements in both the Build and No Build Alternatives enhance public safety with respect to the transportation of hazardous materials through the Coast Corridor. This is particularly

1 http://www.epa.gov/otaq/nonroad-diesel.htm

important because the Coast Corridor travels through cities, and will share freight and passenger rail service on the same and parallel tracks, and can be expected to see increased volume of HHFTs.

Recommendation:

EPA recommends FRA discuss how the proposed design improvements in both the Build and No Build Alternatives are consistent with FRA's oil-by-rail safety and spill response rules (Docket No. PHMSA-2012-0082 (HM-251)), at whatever stage of their promulgation, in response to NTSB Recommendation Letters R-14-001-003[2] and R-14-004-006.[3]

Station Area Design

The Draft PEIS forecasts 95,000 additional riders per year between the years 2020 and 2040 for both day and evening passenger services in the Coast Corridor, with lowest ridership being an estimated 10,000 per year for proposed new stations. Consequently, the document describes low expectations of worsening vehicular traffic at or near all stations, except for the stations in the City of Soledad and King City, which have proposed mitigation plans. Nevertheless, it is appropriate at this early stage of the project planning to encourage greater local government investment in transit and active transportation connections to these stations to channel future ridership growth with less environmental impact.

Recommendation:

EPA encourages FRA to continue to work with local governments at existing and proposed stations, and we recommend coordinating with EPA and other resource agencies, in order to encourage station area designs that improve multimodal connections and livability.[4]

2 http://www.ntsb.gov/safety/safety-recs/RecLetters/R-14-001-003.pdf
3 http://www.ntsb.gov/safety/safety-recs/RecLetters/R-14-004-006.pdf
4 http://www.epa.gov/smartgrowth/partnership/