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July 7, 2017

Jackson Bostic
Regional Director
Missouri Department of Natural Resources
Southeast Regional Office
2155 N. Westwood Blvd.
Poplar Bluff, MO 63901
Via email: seropublicnoticenpdes@dnr.mo.gov

Re: Coastal Energy Corporation, Permit Number MO-G491369

*******PUBLIC HEARING REQUESTED*******

Dear Mr. Bostic:

Great Rivers Environmental Law Center submits the following comments on behalf of Angel Krutzen, 213 E. 3d Street, Mountain View, MO 65548, and Kazie Perkins, 3000 PR 5450, Willow Springs, MO 65793, regarding Coastal Energy Corporation's ("Coastal") proposed permit for continued operation of their facility in Willow Springs at 1 Coastal Drive. The facility in Howell County is located in the floodplain of the upper Eleven Point River, part of the 35-mile stretch of losing stream that becomes a gravel creek bed during dry periods. The Eleven Point River is designated as an "Outstanding National Resource Water" (ONRW), 10 C.S.R. 20-7.031, Table D, by the MDNR.

Angel Krutzen has spent almost four decades fighting to protect Missouri's natural resources. She has fought to rid the Ozarks of lead pollution and fought against clear-cutting which threatens to pollute the Ozark streams and rivers. She has served as a Water Sentinel for the Sierra Club, acting as a watch-dog over the Ozarks. Her most recent efforts include exposing Coastal Energy Corporation's storage of asphalt and other chemicals in large tanks at the headwaters of the Eleven Point River, a fact that had gone unnoticed until Tom and Angel Krutzen discovered them. Kazie Perkins lives on Noblett Creek, which flows through the Carman Springs Natural

Area. She has participated in various Missouri Stream Teams and is the head of the Eleven Point Water Watchers Stream Team, for which she recently received a 15-year Certificate from the State. Ms. Perkins is very concerned about the quality of Missouri's rivers, particularly the Eleven Point River.

Upon review of the permit application we have serious concerns regarding approval. The permit fails to take into account the full range of factors which make the operation of the Willow Springs facility a threat to a protected watershed. These factors were not accounted for in the siting of Coastal's facility, as it was constructed, and continued to operate, without a permit from 2002 to 2012. This continuous non-compliance eventually led to a consent order between Coastal and the U.S. Environmental Protection Agency ("EPA") in 2015.

As stated above, we request a public hearing on this permit. The following comments are based on issues related to the proposed permit and its potential impacts on water quality:

1. The facility stores potential chemical contaminants in an unsuitable location

The proposed permit identifies the pollutants of concern at the facility as "changes in pH, total suspended sediment, oil and grease, and settleable solids," chiefly as part of stormwater runoff. This fails to take into account the range of materials stored at Coastal's facility or acknowledge the heightened risks caused by the facility's unsuitable location.

There are over thirty upright tanks on site. While many are used to store liquid asphalt, which would be relatively easy to safely contain in event of a spill, other tanks are used to store ethanol, diesel, liquid asphaltic oil, fusel, and polymer. Ethanol is water soluble and could cause serious contamination during its transport underground, but is less persistent than petrochemicals. Diesel fuel and petroleum could enter the water table, and, being insoluble, are more likely to persist. A spill could contaminate water recharge areas, a source of drinking water for many area residents. This impact would be likely to extend over a much wider area, potentially contaminating the state's second largest spring and many miles of the Eleven Point River.

Potential contaminants could be toxic to residents in Willow Springs by exposure through air or water. The EPA has received complaints about odors released by the facility. In the past, EPA regulators have noted the inadequacy of earthen berms and the lack of any secondary containment on the site. Full containment, meeting federal standards, should be required for a facility located so close to a sensitive water resource. Photographs appear to show that there are currently no secondary containment measures between the storage tanks and the Eleven Point River, and any accidental release from the storage tanks could flow directly into the River.

2. The facility has a recent history of serious regulatory violations

In 1995, the property that now hosts Coastal's tank farm was an open, undeveloped field serving as a buffer along the Eleven Point River. Ground clearing began in 2003 to bring in a rail line spur and establish the pad for the aboveground storage tanks. Early development established a road crossing the Eleven Point River, and running alongside it to connect the tank farm with nearby facilities. By 2014, the plant size had quadrupled from 2009, and a more permanent road was established. Coastal did not secure construction or operating permits from MDNR until

2012. In its permit applications to MDNR and EPA, Coastal misrepresented the number of outfalls at the site and the amount of materials stored at the facility.

EPA's two enforcement inspections of the site in 2014, which lead to the aforementioned 2015 consent order, noted serious violations. EPA found that the Coastal facility discharged stormwater into the Eleven Point River, violating the provisions of its no-discharge NPDES permit. EPA also found the facility had inadequate containment barriers, and failed to maintain and implement a Facility Response Plan, in violation of the Clean Water Act.

This year, spring flood waters in the Eleven Point River breached the facility's containment barrier, emptying water into the containment area. This water was eventually removed by pumping, possibly into the Eleven Point River. Photographs of the site appear to suggest that no secondary separation tank or pond was used. This action may have entailed the release of contaminants into the river in contradiction to the present proposed permit.

3. The facility discharges within the watershed of Outstanding National Resource Waters

The draft cover sheet of the Missouri State Operating Permit states the receiving stream is a "tributary to Eleven Point River." Maps show the storage tank field is located within the headwaters of the Eleven Point River valley, along an approximate 35 mile stretch of losing stream. The site is in fact bounded by the Eleven Point River to the north and east, and a small tributary to the south.

The National Wild and Scenic Rivers System was established in 1968 and Missouri's Eleven Point River was among the original group to be so designated. This designation, important to many Missourians, celebrates its 50th anniversary in 2018. Among the purposes of the System is "eliminating or diminishing the pollution of waters of the [designated] river." 12 U.S.C. §1283. The Eleven Point River, from its headwaters to Highway 142, is also classified as an ONRW by MDNR.

Eliminating risk within an area directly linked underground with a nationally important river and recreation area should be the highest priority. A March 2000 report (Eleven Point River, Watershed Inventory and Assessment by S.M. Miller and T.F. Wilkerson) noted that groundwater traces deposited nearby the Coastal property exited at Greer Spring, at river mile 16 within the Congressionally designated Eleven Point National Scenic River. Based on maps of the area and site photographs, the tank storage facility is just several hundred feet from the losing stream channel of the Eleven Point River, a direct underground conduit to specially protected stretches of the river downstream.

The losing stream and other factors indicate this has been an historically active karst area. One sinkhole has been recorded on the property, and MDNR data show there are nine sinkholes within 1.5 miles of the facility. Collapse of surface ground occurred in the 1960s near Pomona (approximately 12 miles away) and in 1978 at the West Plains lagoon (approximately 15 miles away.) The existing sinkhole in the immediate vicinity demonstrates the potential for a collapse underneath the Coastal property, which would be certain to release a portion of the materials continually stored on-site, which include approximately 3 million gallons of liquid asphalt.

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Damages to tanks could also occur from weather incidents such as a tornado, or from human error.

4. Discharges into a sensitive water resource requires monitoring

The proposed permit contains no requirement for monitoring water quality of the Eleven Point River. While the EPA consent order requires Coastal to maintain real-time monitoring, this requirement is limited to a period of five years. Thus, for a substantial portion of the last two years of the proposed permit's period of operation, there will be no active monitoring of potential discharge of pollutants into the Eleven Point River. This presents potential for significant discharges of pollutants into an Outstanding National Resource Water to occur without prompt detection.

The Eleven Point National Scenic River and its watershed are nationally important and of high value for this state. Given the nature of water movement within the region's karst terrain, the location and continued growth of Coastal's facility presents a substantial environmental risk. Coastal's long history of non-compliance with the Clean Water Act, Clean Air Act, and the Emergency Planning and Community Right to Know Act indicates that establishing and improving strong safeguards at the tank farm to protect the water resources of the Eleven Point River, have been an afterthought rather than a priority. Due to the potential for catastrophic damage downstream, the state should condition the approval of this permit on the relocation of Coastal Energy's facility out of the Eleven Point River floodplain within the term of the permit.

Sincerely,

A handwritten signature in cursive script, appearing to read "Ted Howard".

Ted Howard
Legal Extern
Great Rivers Environmental Law Center