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TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

Protecting Texas by Reducing and Preventing Pollution

September 16, 2002

Ms. Sharon Manzella Tirpak
Galveston District
U.S. Army Corps of Engineers
P.O. Box 1229
Galveston, TX 77553-1229

Re: EPA's Detailed Comments on the Draft Environmental Impact Statement for City of Texas City's Proposed Shoal Point Container Terminal

Dear Ms. Tirpak:

At your request, the Texas Commission on Environmental Quality (TCEQ) is responding to comments made by the Environmental Protection Agency (EPA) in its Detailed Comments on the Proposed Shoal Point Container Terminal Draft Environmental Impact Statement (DEIS). The EPA expressed concerns regarding the level of operational emissions that will occur in the future due to the construction of both the Shoal Point and Bayport Container Terminal projects. Specifically, the EPA requires verification that these proposed projects are consistent with the Houston/Galveston Nonattainment Area (HGA) State Implementation Plan (SIP).

The TCEQ confirms that secondary emissions resulting from growth in the region expected to occur as a result of both proposed projects have been accounted for in the HGA SIP. These emissions are inventoried in the vessel emissions inventory, non-road mobile emission inventory, and mobile emissions inventory.

The December 2000 HGA SIP contains a thorough Houston/Galveston area vessel emissions inventory (see http://www.tnrcc.state.tx.us/oprd/rule_lib/hga-appc.zip). This inventory included a 5% per year nitrogen oxide (NO_x) emissions growth from container ships, due to a near-doubling of ship calls from 579 in 1997 to 1,029 in 2007. This 5% growth rate concurs with a study cited in the proponent's DEIS that estimated the rate of growth in demand for container facilities to be on the order of 4-6% per year between 1998 and 2028. The SIP therefore takes into account growth of vessel emissions from increased container traffic to the magnitude that demand can support.

Most of the on-shore emissions at container terminals are inventoried as non-road mobile emissions in the SIP. The December 2000 HGA SIP emissions inventory incorporated the results of a very detailed survey of emissions from construction equipment used at port facilities (such as cranes, forklifts etc). Although growth of these emissions is not accounted for on a project-by-project basis, emissions from total non-road mobile sources, *including port facilities*, were grown to 2007 levels in the SIP.

Ms. Sharon Manzella Tirpak
Page 2
September 16, 2002

Modelers from the Houston-Galveston Area Council (H-GAC) have verified that secondary growth in truck traffic due to the operation of the proposed container facilities at Shoal Point and Bayport was captured in the Travel Demand Forecast Model, produced by the H-GAC. Data from the Travel Demand Forecast Model was then used as an input by the TCEQ to construct the Mobile Emissions Inventory which was incorporated into the December 2000 HGA SIP. The H-GAC continues to update on-road mobile emissions related to these projects, however, recent adjustments are not significant at the regional level.

The TCEQ will continue to monitor the development of both ports to ensure that emissions do not exceed levels already accounted for in the SIP. If construction emissions and dredging emissions for this project significantly exceed the amount represented in the Final Environmental Impact Statement (FEIS), a new conformity determination may be required pursuant to 30 Tex. Admin. Code 101.30(g)(3).

Finally, the EPA expressed the need for the project sponsors to ensure that mitigation measures contemplated under Senate Bill 5 (SB5) will be implemented regardless of the source of funding. The TCEQ concurs with this requirement. In the event that SB5 fails to procure sufficient funding, the TCEQ expects the project sponsors to show equivalent reductions to those incorporated in the DEIS either through NO_x reduction technologies purchased with other funding sources or by other approved means.

We hope these comments provide the necessary clarification for you to move forward in developing your FEIS for Texas City's proposed Shoal Point Container Terminal.

Sincerely,



Randolph Wood, Deputy Director
Office of Environmental Policy, Analysis, and Assessment
Texas Commission on Environmental Quality

cc: Ruben I. Velasquez, P.E., PBS&J