

Environmental Integrity Project

ANNUAL REPORT 2014-2015



Investigate. Inform. Improve.



ENVIRONMENTAL INTEGRITY PROJECT

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EIP Annual Report, 2014-2015

The Environmental Integrity Project (EIP) is a 13-year-old nonpartisan, nonprofit organization dedicated to enforcing environmental laws and holding polluters and governments responsible to protect public health.

Our work is guided by three watchwords: Investigate. Inform. Improve.

We analyze public records and databases to investigate major sources of pollution. Our goal is to identify violations of environmental laws and bring them to the attention of authorities and the public. We publish in-depth reports because we believe that in a democracy, people have a right to be informed about what they are breathing, drinking, and living on top of in their communities. EIP's mission is to improve people's lives by advocating for stronger pollution control policies, explaining solutions to regulatory agencies, and taking legal action against polluters and governments.

From October 1, 2014, to October 1, 2015, EIP won important victories by securing stronger controls on pollution from coal-fired power plants, factory farms, oil refineries and a major metropolitan water treatment plant. We also persuaded the U.S. Environmental Protection Agency to require public disclosure of toxic pollution from natural gas processing plants.

None of these achievements would have been possible without the generous support from the charitable organizations and donors who make our work possible.

Highlights:

Legal Action Leads to Tougher Pollution Controls for Coal-Fired Power Plants

Coal-fired power plants are the nation's largest source of toxic water pollution. Yet the U.S. Environmental Protection Agency (EPA) has been decades behind in issuing regulations to limit the discharge of metals, including arsenic, lead, mercury and selenium, into rivers and other waterways. These toxic pollutants can cause fish kills, as well as cancer and neurological damage in people. Recognizing the potential threat, EIP and allies in 2009 initiated legal action to force EPA to better regulate this wastewater under the Clean Water Act for the first time.

In September 2015, EPA imposed regulations on wastewater from coal-fired power plants that will reduce 1.4 billion pounds of pollutants a year and result in more \$450 million in economic benefit annually.



The result was a real step forward in protecting America's waters. On September 30, 2015, EPA issued regulations that will require coal-fired power plants to reduce by at least 85 percent the toxic metals in their wastewater. EPA estimates that its new rule, called the Steam Electric Effluent Limitation Guidelines, will reduce the discharge of toxic metals and other pollutants into U.S. waters by 1.4 billion pounds annually, also cut the amount of water used by coal plants by 57 billion gallons per year, and result in environmental and public health benefits

worth more than \$450 million a year.

In a separate but related effort to reduce pollution from coal plants, EIP teamed up with Earthjustice and other groups in a successful lawsuit that prompted EPA to issue on Dec. 19, 2014, the nation's first federal regulations for coal ash landfills and waste ponds. The rule will force closure of some leaky ash waste ponds, require power companies to publicly report toxic metals leaching out of their landfills, and clean up contaminated sites. Our exhaustive effort to document groundwater contamination from unlined ash dumps was cited by EPA to justify the standards the agency finally adopted. EPA expects the coal ash rule to create economic benefits of as much as \$8.7 billion, which includes the value of better human health and avoided costs for cleaning up failed ash ponds.

We also continue to fight for reduced air pollution from coal plants. In Texas on May 27, 2015, EIP worked with local citizen groups to petition EPA to overturn the state's decision to exempt large coal-fired power plants from federal limits on particulate air pollution (soot) during startup, shutdown, and maintenance.

Because of legal work by EIP and allies, EPA issued the nation's first federal rules to control pollution from coal ash in December 2015. The agency estimates that its new coal ash regulations could create as much as \$8.7 billion in benefits for human health and the environment.

Cleaning up the Chesapeake Bay



The Environmental Integrity Project's advocacy helped to persuade Maryland Governor Larry Hogan in January 2015 to introduce, and then improve, limits on the over-application of poultry manure to farm fields. Phosphorus runoff from manure spread on these fields is a major contributor to "dead zones" in the Chesapeake Bay. Hogan, a Republican, had promised to kill former Democratic Governor Martin O'Malley's proposed manure management regulations as his "first fight" in office. But then Hogan reversed himself after an EIP report, *Manure Overload on Maryland's Eastern Shore*, received strong media coverage, followed by a coordinated lobbying and public outreach campaign.

EIP staff testified about the need for manure regulations before the Maryland General Assembly. Their testimony was praised by the Maryland Clean Agriculture Coalition as being important in winning the political fight to convince state officials to finally issue the repeatedly-delayed regulations. As a result of a team effort, Maryland has taken a small step forward in addressing a gaping hole in Chesapeake Bay cleanup plans. The rule will lead to cleaner water and healthier fisheries that will be worth about \$100 million per year

Maryland will enjoy about \$100 million per year in benefits from new poultry manure regulations, including a healthier Chesapeake Bay, according to a Salisbury University report.

in Maryland, according to a November 2014 Salisbury University report commissioned by the Maryland Department of Agriculture.

As a follow-up to the new regulations, EIP on September 8, 2015, released a new report, titled *More Phosphorus, Less Monitoring*, that revealed that about 70 new mega-sized poultry houses are permitted for construction in Somerset County, Maryland. The report also revealed that the state cut back water quality monitoring on the lower Eastern Shore – heart of the poultry industry – by 60 percent, eliminating nine of 16 monitoring stations. The cutbacks came at a bad time, when the additional 70 poultry houses would add about 10 million chickens and 20 million pounds of manure a year to a region already overloaded with phosphorus from manure. EIP and two dozen allied organizations held a press conference to call for a temporary moratorium on the construction of additional poultry houses and restoration of funding for water quality monitoring.

A lawsuit led by EIP also resulted in a major victory for reducing pollution in the Potomac River. In February 2014, EIP, the Potomac Riverkeeper and Chesapeake Bay Foundation filed a federal lawsuit against the Washington Suburban Sanitary Commission (WSSC), alleging that its Potomac Water Filtration Plant was illegally releasing millions of pounds of sediment and other pollutants, including aluminum, into the “nation’s river.” The Maryland Department of the Environment (MDE) joined forces with the citizen groups. In a settlement that benefits all parties, WSSC’s board on 21, 2015, voted in favor of a consent decree that should result in a multi-million dollar overhaul or replacement of the plant and eliminate, starting immediately, more than two million pounds of pollutants a year pouring into the river and Chesapeake Bay.



Advocates Win Tighter Limits on Air Pollution from Refineries

More than a decade ago, air monitoring over Houston revealed much higher levels of smog than could be explained by the air pollution

reported by industry. Tests that measured actual emissions proved that flares at oil refineries and chemical plants were spewing several times more volatile organic compounds (VOCs) than they were reporting.

Working with community groups in Texas and Louisiana, EIP sued EPA in 2013 to force the agency to update its inaccurate methods for calculating and reporting these emissions. As a result, EPA on April 20, 2015, revised its methodology after finding that flares released at least four times the VOCs previously estimated by the agency.

Even more significantly, on Sept. 29, 2015, EPA issued new regulations that tighten limits on the toxic air pollution oil refineries are allowed to release. The new regulations will result in an annual reduction of 50,000 tons per year of volatile organic compounds and 5,200 tons per year of toxic air pollutants, according to EPA. The regulations also establish the first-ever national “fenceline” monitoring requirements for refineries. The monitors will measure a cancer-causing pollutant, benzene, to see if it is drifting into nearby neighborhoods. If levels of benzene are too high, the refineries will have to cut back their emissions.

New EPA air pollution regulations for oil refineries advocated by EIP and community groups in Texas will result in 50,000 tons per year less VOC's and 5,200 tons less toxic air pollutants.

EIP has also been successful in pushing for more public disclosure of information about pollution from the oil and gas industry. In response to a petition and lawsuit by EIP and partner organizations, EPA announced on October 22, 2015, that it will propose requiring natural gas processing plants to start reporting the toxic chemicals they release. Most other industries have had to report to the federal Toxic Release Inventory (TRI) for decades. Public reporting of pollution to the TRI allows communities to measure environmental impacts and plan for their future. It also motivates companies to reduce their toxic footprint, and provides insight into how well our environmental laws are working.

EIP Takes Legal Action to Demand Safe Disposal of Fracking Waste

Over the last decade, the oil and gas industry’s hydraulic fracturing boom has produced a vast amount of solid and liquid waste. Each well produces millions of gallons of wastewater and hundreds of tons of drill cuttings, which contain contaminants that pose serious risks to human health. However, the current federal rules that govern oil and gas wastes are too weak because they are the same rules that apply to all “non-hazardous” wastes, including household trash. The result is that the industry disposes of waste in ways that threaten rivers,



After EIP's investigation of a major spill of hydraulic fracturing fluids into a Pennsylvania trout stream, the Commonwealth imposed a \$4.5 million fine on the responsible company, EQT Production.

streams, and drinking water supplies. Drillers often inject wastewater into underground wells with few protections, which may contribute to earthquakes.

On August 26, 2015, EIP and several allied organizations filed a legal notice with EPA demanding that the agency update its regulations and stop oil and gas companies from dumping waste in ways that threaten public health and the environment. EPA recognized back in 1988 that its rules under the federal Resource Conservation and Recovery Act were outdated. But the agency failed to act, triggering EIP's notice of intent to sue over the unreasonable delay.

In Pennsylvania, an EIP investigation produced concrete results. After we shared the evidence with the Pennsylvania Department of Environmental Protection, the state agency on October 8, 2014, imposed a \$4.5 million fine on a drilling company, EQT Production, for a major pollution spill that contaminated a trout stream and groundwater and the Attorney General filed criminal charges against the company.



Fighting for Environmental Justice in Baltimore

In February 2015, Baltimore and other regional governments announced that they were cancelling their energy purchase contracts with the developers of what would have been the largest trash-burning incinerator

in America. That temporary setback for the proposed Energy Answers waste-to-energy plant in Curtis Bay followed a long campaign by neighborhood residents in south Baltimore, working closely with EIP. Local residents have been fighting the proposed incinerator because they worry it will worsen local air pollution. Despite the neighborhood opposition, the developers say they want to move ahead – which means the project warrants continued scrutiny. EIP remains ready to help the community.

Lower-income neighborhoods in Baltimore were also threatened by a proposal to allow rail shipments of volatile crude oil through the city. An increasing amount

After the Environmental Integrity Project raised concerns, Maryland denied a permit to allow rail shipments of crude oil through Baltimore and the Chesapeake Bay.

of Bakken crude, produced by hydraulic fracturing in Montana, North Dakota and Canada, is being shipped by rail, leading to several accidents and explosions. But in Baltimore, the Maryland Department of the Environment on May 26, 2015, denied a permit application by Targa Terminals Inc. to allow crude oil shipments through Baltimore Harbor after EIP filed a detailed objection with the state agency.

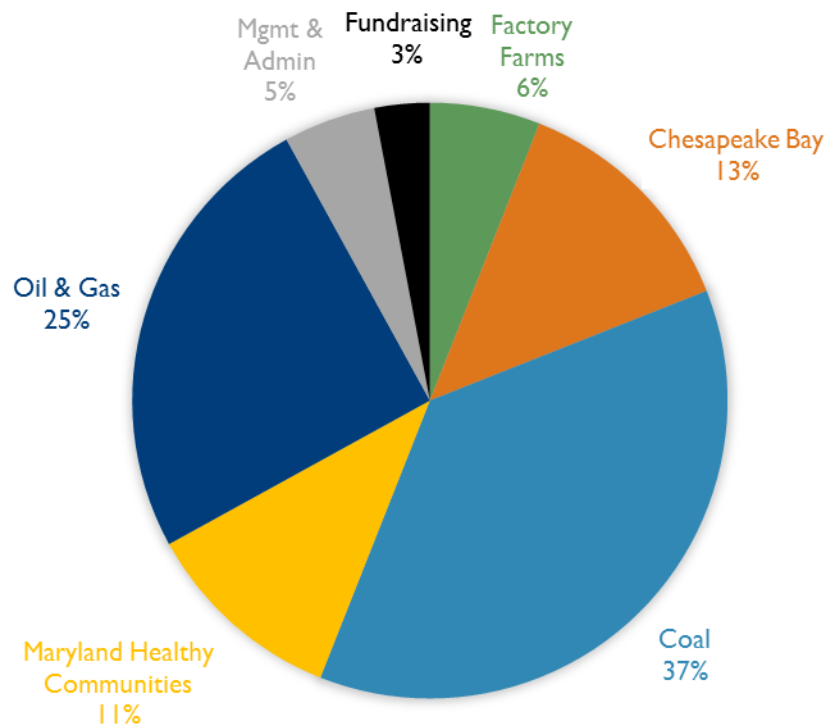
Working to Inform the Public and Lawmakers

The Environmental Integrity Project works hard to expand the public's right to know about air and water pollution, and the disposal of toxic chemicals. EIP continues to expand a digital database of coal-fired power plant ash dumps that are leaking toxic metals into ground water and nearby streams. Community groups, regulators, journalists and others can access detailed information about arsenic, lead, and other toxins leaking from ash landfills by visiting www.ashtracker.org.

We also distribute our in-depth reports to the media, lawmakers, regulators, and via social media and our website. Strong news coverage has accompanied EIP's actions to protect the environment, with 1,369 news stories and blog articles mentioning the organization in the last year. For example, 132 news organizations ran articles about our August 26, 2015, notice of intent to sue initiation of legal action over EPA's failure to regulate fracking and drilling waste. In December 2014, The Wall Street Journal, The New York Times, The Washington Post, the Charlotte Observer, Cleveland Plain Dealer, Wisconsin Gazette, The Hill, Bloomberg News, and The New Republic, among other publications, quoted EIP's analysis of EPA's new coal ash regulations. EIP's January 28, 2014, lawsuit against EPA over factory farm air pollution was featured on the front page of the Des Moines Register, as well as in the Charlotte Observer, USA TODAY, Huffington Post, the Associated Press, Pittsburgh Post-Gazette, Minneapolis Star Tribune, St. Louis Post Dispatch, and other publications.

All this news coverage, combined with the stronger pollution control regulations issued over the last year, demonstrate that our organization is having a real impact on not only the public debate but also on public health. We thank the donors and foundations who make our work possible.

ENVIRONMENTAL INTEGRITY PROJECT BUDGET FOR 2015



Note: EIP had a budget of \$2.8 million in 2015. 93 percent of this money came from grants from charitable organizations, 3 percent from individual contributions, and 4 percent from other income.

For more details, visit www.environmentalintegrity.org

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