

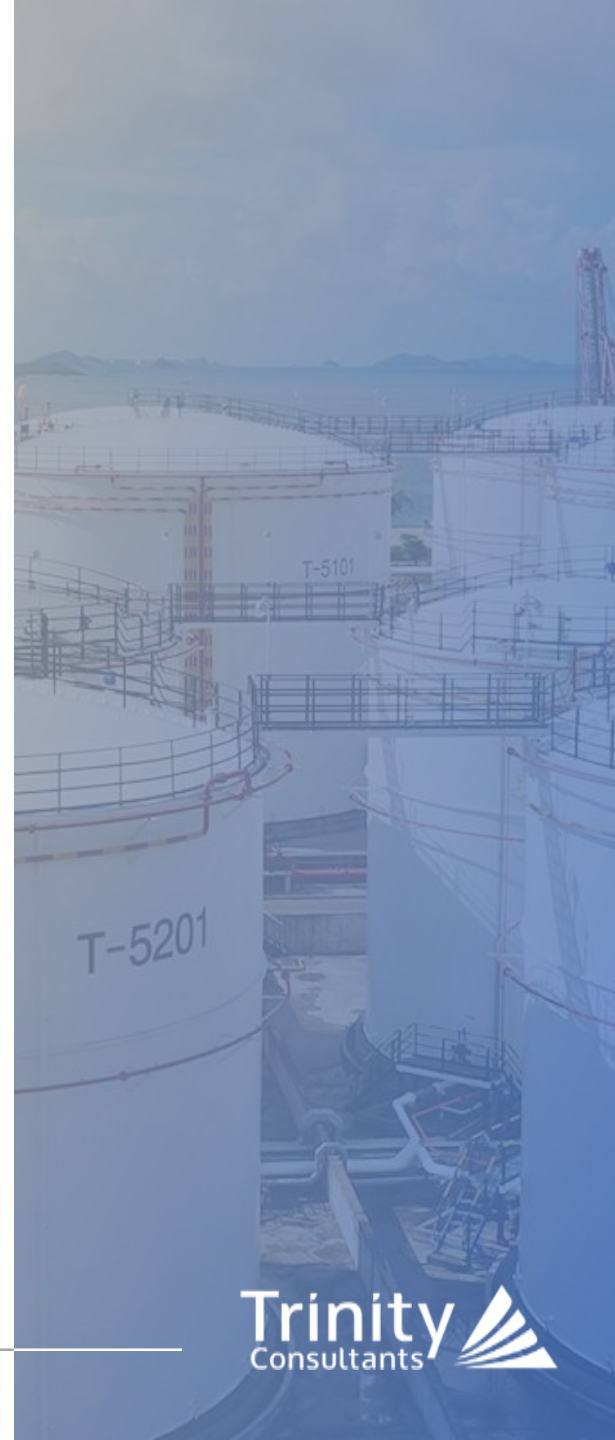


Environmental Justice and the Toxic Release Inventory

MECC

October 27, 2021

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Why the Attention on EJ?

- **HOT TOPIC** - political, legislative, regulatory, legal, and community relations
- **EJ “Tools / Mechanisms”** impacting industry
 - **Permitting**
 - **EPA initiatives**
 - Ambient monitoring near industrial sources
 - EPA direction of **enforcement resources** to most overburdened communities
 - Inspector General “management alerts” in areas of high risk
 - Formal Information Collection Requests (ICRs)
 - Regulation development (e.g., NESHAP, NSPS)
 - **Civil rights / citizen suits**
 - Increased **public engagement and participation** in rule development and permitting process
 - Increased **access to environmental exposure** data, estimates
 - Direction of **public funding** (and funding sources)
- Key **ESG** consideration of investors and stockholders

Things You Might Not Know about TRI

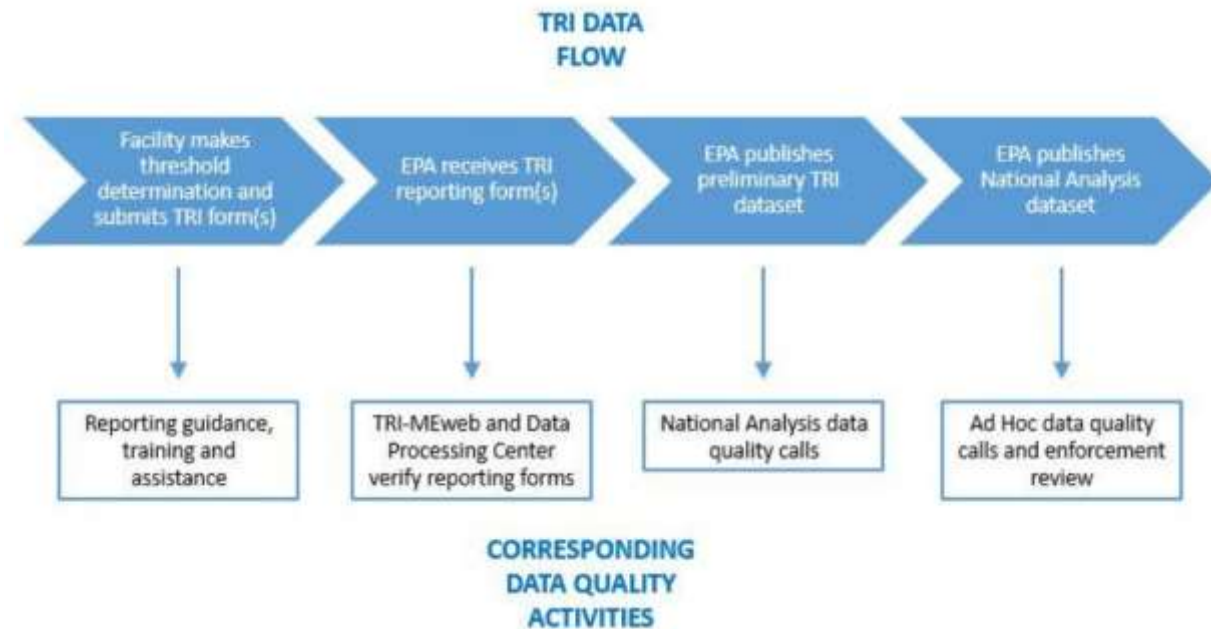
1. EPA has likely modeled impacts from your facility based on previous reports and combined your results with demographic profiles for the surrounding community
2. Has EPA identified your facility as having high Risk Screening Environmental Indicators (RSEI), or not?
3. Do historical TRI reports indicate your facility has released cancer risk or hazard index compounds?
4. What are your TRI releases based upon?
 - Permit allowable (PTE), actual emissions (monitored), or some combination?
 - Are your TRI releases conservatively estimated or have large year over year changes going back to 1991?
5. You can take steps to improve the RSEI & EJ scores (past or future) of your facility and in your community

Administration, Legislative, and Regulatory EJ Actions

- **EPA's Plan to Update TRI to Advance EJ – April 30, 2021**
 - Improve transparency, increase access to environmental information
 - Expand the scope of TRI reporting to include additional chemicals and facilities
 - Natural Gas Processing, Contract Sterilizers
 - Additional PFAS, TSCA Workplan and TSCA HPV chemicals
 - Provide new tools to make TRI data more accessible to the public
 - Pollution Prevention Information
 - Demographic profile info for a facility
- **EPA's announcement "Improved Tools Supporting EJ" – May 5, 2021**
 - "Make it easier for users to learn about chemical releases from industrial and federal facilities ..."
 - New filter options in TRI Search Plus allows users to identify TRI facilities

Effects of your TRI on EJ

- TRI reported data affects EJ Environmental Indicators:
 - National Air Toxics Assessment (NATA) air toxics cancer risk
 - NATA respiratory hazard index
 - Wastewater discharge
- TRI reported quantities drive EPA's Risk Screening Environmental Indicator (RSEI) scores
- RSEI scores are a significant part of the Environmental Indicator portion of EJ scores
- RSEI scores also establish EPA's priorities for further investigation and enforcement



EJ and your TRI – The Reality

- It is not uncommon for TRI reports to have conservative release estimates, reporting errors
- Facilities with the highest risk-screening scores (RSEI) and the largest changes in RSEI scores from the previous year draw EPA attention:
 - RSEI scores that are high in a community or state, high versus competitors, or have large year to year changes
- The Political Economy Research Institute publishes a list of
 - The top 100 air polluters by RSEI score,
 - The top 100 water polluters by RSEI score
 - Offer search ability by toxic chemical release amounts, RSEI scores, and Environmental Justice data for any company
- ▶ TRI reports can be corrected back to 1991
 - Use the EPA Audit Policy and eDisclosure process to correct errors w/o fear of fines

EJ and TRI Recommended Actions

1. Characterize your Environmental Justice Risk
 - How is your facility publicly represented by EPA & NGO's (as well as neighboring facilities):
 - RSEI releases, RSEI hazard rating, and RSEI scores
 - TRI & ECHO
 - Analyze & compare Environmental Indicators and EJ Indexes surrounding your facility
 - Compare results to thresholds for further agency investigation and/or potential permitting prohibitions
2. Audit and improve historical TRI and Annual Air Emission Inventory (EI) release estimates
3. Minimize (improve) modeled impacts of PM2.5 & air toxics
4. Evaluate P2 opportunities to reduce future RSEI/NATA scores
5. Develop materials to improve communications with your community, regulators, management, and shareholders
6. Conduct multimedia compliance audits and improve compliance programs to minimize enforcement risk from increased agency inspections of high EJ score facilities