

# Environmental Integrity Project

ANNUAL REPORT, 2016



*Investigate. Inform. Improve.*



## ENVIRONMENTAL INTEGRITY PROJECT

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### PHOTO CREDIT:

Photos by iStockphoto, Tom Pelton, Karen Kasmauski of iLCP, The San Antonio Express News, The Goldman Environmental Prize, and Oklahoma Municipal Power Agency.

# EIP Annual Report, 2016

This has been a year of profound upheaval, with the November election thrusting a climate change denier into the White House, throwing federal agencies into the hands of oil & gas industry lobbyists and threatening our environmental laws.

The Environmental Integrity Project is needed now more than ever, and will stay nimble and focused as we steer through the political chaos. Our 14-year-old nonpartisan, nonprofit organization is armed with the technical knowledge, legal muscle and media skills to serve as the tip of the spear in the coming battle with the Trump Administration over our environmental future.

We expect to be outspent and outnumbered. But we will fight back with more powerful weapons: the truth and the law. And if we can hold polluters and government agencies accountable for undermining public health standards or gambling with the planet's future, we will prevail in the end.

In the last 12 months alone, EIP has won important victories for clean water and clean air.

As part of our environmental justice campaign, for example, we issued a report that revealed that the public drinking water systems serving 51,000 people in small, mostly Latino communities in Texas had been contaminated with arsenic (a known carcinogen) for at least ten years. Congressman Henry Cuellar, a Democrat from Laredo, read one of the 140 news articles about our report and pushed the government to invest millions of dollars to build a new drinking water treatment plant for Bruni, Texas, which had the state's worst contamination problem. In Baltimore, EIP's legal work helped lower-income communities defeat the proposed construction of what would have become America's biggest trash-burning incinerator. We also stopped a planned crude oil export terminal.



*EIP's investigation into drinking water contamination in Texas inspired funding for a new water filtration plant in the rural Latino community of Bruni, in South Texas.*

To keep pollution out of the Chesapeake Bay, our lawyers took action to halt the discharge of toxic metals into a tributary of the Anacostia River from a 41-acre federal office complex in College Park, Maryland. EIP's investigation into secret and illegal sewage dumping by the

Baltimore City Department of Public Works into the Inner Harbor's main tributary succeeded in pressuring the city to start publicly reporting all of its sewage discharges, as required by law. We are hopeful that a revised sewage consent agreement with EPA will require the city to clean up backups of raw waste into homes in several African-American neighborhoods that resulted from poorly planned repair work on Baltimore's sewer system.

In response to our advocacy, the Obama administration in November released new federal rules to curb methane pollution from the oil and gas industry. And because of an EIP legal action, EPA

agreed to re-examine the accuracy of its estimates of air pollution from flares at natural gas drilling sites.

During the last year, EIP also partnered with the International League of Conservation Photographers to launch a photo narrative project that vividly illustrates the harm that hydraulic fracturing causes to families in western Pennsylvania. And our legal challenges helped overturn weak permits for coal plants in Texas, Tennessee, and Pennsylvania.

Our work benefits from close collaboration with community organizations and partners like Air Alliance Houston, the Chesapeake Climate Action Network, Clean Water Action, Earthjustice, Riverkeepers, the Sierra Club, and Texas Environmental Justice Advocacy Services (Tejas).

None of our efforts would have been possible without the generous support from the foundations and individual donors who support and inspire us. Thank you!

## Environmental Justice:

### *Water Purification Plant Approved*

On March 14, 2016, EIP released an investigative report, “Don’t Drink the Water” that revealed that drinking water systems serving 51,000 people in 34 Texas communities had violated the Safe Drinking Water Act standard for arsenic, a carcinogen, for more than a decade. Despite the chronic violations, state health advisories continued to suggest to local residents that the water was safe to drink. Our report inspired stories by The Dallas Morning News, The Houston Chronicle, The San Antonio Express News, and 137 other newspapers, radio stations and TV outlets.

The media attention motivated U.S. Rep. Henry Cuellar of south Texas to push the federal and local county governments to come up with \$2 million to build a water filtration plant to solve the water contamination problem for the tiny town of Bruni, Texas. The mostly Latino community was highlighted in the EIP report for having the worst arsenic levels in the state, more than eight times the legal limit.

After the new water filtration plant project was announced, one of the residents of Bruni, Oscar Chapa Jr., (pictured at right) emailed us to say: “I would like to thank the Environmental Integrity Project for helping draw the attention needed to this important issue. Over the years, our town had become accustomed to the limited uses for our contaminated water supply. Now, thanks to the new water filtration plant, my grandchildren and our community will have clean water and a healthier quality of life.”

EIP followed up with another report about similar arsenic contamination in California drinking water systems. Based on our extensive research into the



*Oscar Chapa, Jr. (right) and Berta Chapa (left) of Bruni, Texas, for decades have had to drink bottled water trucked in from another town because their tap water was contaminated with arsenic, a carcinogen.*

problem, the Minority Staff of the U.S. House Energy and Commerce Committee included a provision in a bill to reauthorize the Safe Drinking Water Act that would require EPA to review and improve the health warnings issued when public water supplies are contaminated with arsenic and other pollutants.

## *Trash Burning Incinerator Stopped*

On February 10, 2016, residents of South Baltimore joined with EIP to file a notice of intent to sue a New York-based developer over plans to build what would have become the largest trash-burning incinerator in the U.S. A month later, EIP and allies won a major victory over Energy Answers International when the Maryland Department of the Environment concluded that the builders of the waste-to-energy plant allowed the project's permit to expire. This means the developers would have had to re-apply for a permit and be subject to more stringent requirements and expensive pollution control equipment. The company dropped its plans.

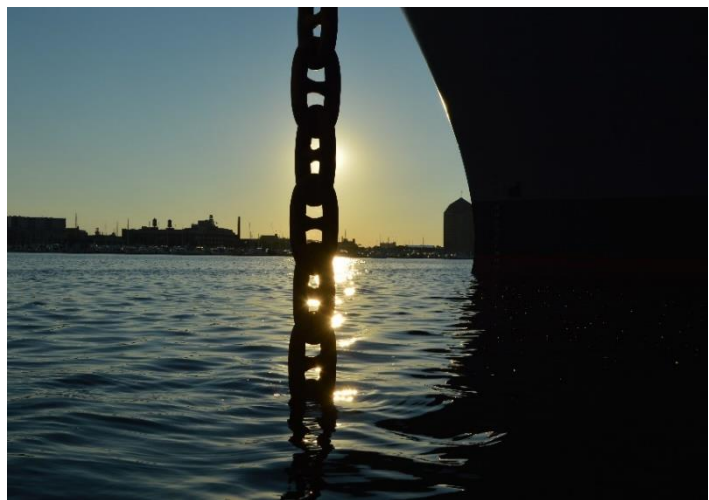


*Destiny Watford won the Goldman Prize for halting the incinerator project*

In April, 2016, the student leader of the student group that worked with EIP to defeat the project, Destiny Watford, received an international environmental award, The Goldman Prize. The honor for Watford, a 20-year-old college student, was good news for a large coalition of community members and environmentalists who worked for years with Watford and EIP Attorney Leah Kelly to challenge the incinerator.

## *“Bakken” Crude Oil Terminal Halted*

On July 11, 2016, EIP was successful in another legal effort in Baltimore when a Houston-based company withdrew its plans for a crude oil terminal in the Fairfield area of South Baltimore. The new terminal proposed by Targa Terminals could have handled over 383 million gallons of crude oil shipped by rail from the Bakken formation in North Dakota and Montana through the Chesapeake Bay watershed and densely populated neighborhoods in Baltimore. “Bakken” crude is volatile and potentially dangerous, especially if oil trains derail. Rail shipments of Bakken crude have been involved in several large explosions



since 2013, including a blast in the Canadian town of Lac-Mégantic that killed 47 people and destroyed the downtown area. EIP investigated the proposed permit in Baltimore and showed that the terminal would have released far more air pollution than Targa disclosed.

# Chesapeake Bay:

## *EIP Wins Pollution Reductions in Patapsco and Anacostia Rivers*

On February 1, 2016, EIP and allies in Baltimore filed a notice of intent to sue a chemical factory for releasing more than twelve times permitted levels of nitrogen pollution into a tributary to the Patapsco River and Chesapeake Bay. More than two months later, our continuing investigation revealed that Erachem Comilog Inc. also had significant pollution reporting and monitoring errors. This prompted us to send a second notice letter. In late June, the Maryland Department of the Environment penalized Erachem \$72,600 and issued an administrative consent order. The end result was that Erachem was forced to accelerate a cleanup effort that it had previously promised the state, but not followed through on. Because of our efforts, nitrogen discharges into the river decreased drastically– by the equivalent of more than 150,000 pounds of nitrogen a year.

In a water pollution enforcement case involving discharges to a tributary of the Anacostia River, EIP on December 17, 2015, provided notice of intent to sue the National Archives and Records Administration for our client, the Anacostia Riverkeeper. The issue was that a 41-acre federal office and warehouse complex in College Park was discharging cooling water with excessive amounts of toxic pollutants to an Anacostia River tributary and ultimately, the Chesapeake Bay. In March 2016, the National Archives informed EIP that it would send all of its wastewater to the Washington Suburban Sanitary Commission to be treated.

## *EIP Forces Baltimore to Publicly Report Sewage Dumping in Baltimore Harbor*

On December 15, 2015, EIP released an in-depth investigation, “Stopping the Flood Beneath Baltimore’s Streets.” The report, funded by the Abell Foundation, revealed that Baltimore continued to intentionally pipe tens of millions of gallons of raw sewage mixed with rain water into the Inner Harbor’s main tributary years after federal authorities ordered the city to stop this pollution.

Our report ignited extensive news coverage: 43 stories in The Washington Post, Baltimore Sun, WBAL-TV and other outlets. This publicity persuaded the city Department of Public Works to start publicly reporting its intentional discharges of sewage into the Jones Falls. The U.S. Department of Justice and EPA are now considering possible modifications to their sewage cleanup consent decree for Baltimore based in part on EIP’s report and discussions with EIP and Blue Water Baltimore.



# Coal:

## *Weak Air Pollution Control Permits Overturned*

On February 4, 2016, EIP and allies convinced EPA to overturn the air permit for the H.W. Pirkey Power plant in Harrison County, Texas, because it allowed illegal and unhealthy levels of particulate pollution (fine soot-like particles). About two years earlier, in 2014, the Texas Commission on Environmental Quality had revised a permit issued to the facility to include exemptions from limits on particulates during startup, shutdown and maintenance. In a response that could have an impact on coal plant permits statewide, EPA Administrator Gina McCarthy objected to the plant's Clean Air Act permit and ordered Texas to revise and re-issue the permit with the stricter limits required by law.

In a similar move, McCarthy on November 29, 2016, signed an order rejecting an air permit issued by Tennessee regulators for the coal-fired Bull Run power plant in Anderson County, Tennessee. McCarthy granted a petition by EIP and allies objecting to a weak Clean Air Act permit issued by the state to the plant's owner, the Tennessee Valley Authority. EIP argued the permit was inadequate because it did not require enough monitoring to assure compliance with state pollution limits.



## *EIP Investigates Wastewater from Coal Plants and Ash Dumps*

After months of analyzing public records, on August 11, 2016, EIP released a report, “Toxic Wastewater from Coal Plants,” that lists the top 10 worst polluters in the U.S. The report also explains how new federal regulations to reduce toxic water pollution from coal-fired power plants could be undermined by a backlog of expired state permits and weak monitoring.

In addition, EIP continued to expand its online digital database of coal-fired power plant ash dumps that are leaking toxic metals into ground water and nearby streams. The Ashtracker database can be found at [www.ashtracker.org](http://www.ashtracker.org). Community groups, regulators, journalists and others can use the site to read detailed information about arsenic, lead, and other toxins leaking from ash landfills and ponds.

# Oil & Gas:

## *After EIP Advocacy, Obama Administration Releases Rules to Curb Methane Pollution*

After countless hours of advocacy by EIP and partner organizations, the Obama Administration on November 15, 2016, released a rule to curb the vast amount of natural gas that oil and gas operators on public lands waste through excessive flaring, venting, and leaks. The long-awaited Methane and Waste Prevention Rule is an important step forward in addressing climate change because methane is 87 times more potent as a greenhouse gas than carbon dioxide.

The federal Bureau of Land Management estimates that between 2009 and 2015, oil and gas operators on federal and Indian lands wasted 462 billion cubic feet of natural gas—or enough to power more than 6 million households for a year. If implemented, the new rule will cut this waste dramatically, reducing flaring by 49 percent and cutting venting and leaks by 35 percent, with an overall reduction of 41 billion cubic feet of natural gas annually.



## *EPA Agrees to Re-Examine the Accuracy of its Estimates for Air Pollution from Flares at Drilling Sites*

In response to a lawsuit that EIP filed on behalf of Air Alliance Houston and other organizations, EPA determined in April 2015 that flares at refineries and chemical plants were releasing about four times more air pollution (volatile organic compounds) than previously estimated. On October 7, 2016, EIP negotiated a new agreement that requires EPA to review and (if needed) revise the factors used to estimate and report emissions from the flares at the roughly one million natural gas drilling and production sites across the U.S. Since its inception, EPA has fought for accurate monitoring and disclosure of air and water pollution, which is the critical first step in determining the impact of such pollution and how much needs to be done to reduce it.

## *EIP Files a Lawsuit Against EPA over Fracking and Drilling Waste*

On May 4, 2016, EIP and a coalition of organizations filed a federal lawsuit against EPA calling for regulations to stop oil and gas companies from disposing of drilling and fracking wastes in ways that threaten public health and the environment. The organizations, including the Natural Resources Defense Council and Earthworks, are pushing EPA to issue rules that address problems including the disposal of fracking wastewater in underground injection wells. These wells accept hundreds of



millions of gallons of oil and gas wastewater and have been linked to numerous earthquakes in Colorado, Kansas, Ohio, Oklahoma, and other states. Updated rules for oil and gas wastes are almost 30 years overdue.

## *Photo Project Illustrates Fracking's Damage to Quality of Life*

On November 16, 2016, EIP and the International League of Conservation Photographers (iLCP) released a photo narrative project called “The Human Cost of Energy Production.” It illustrates the impact of fracking on families in Pennsylvania and Maryland and what ordinary citizens and communities are doing to fight back and to reclaim their rural way of life.

The project was featured on our new EIP website ([www.environmentalintegrity.org](http://www.environmentalintegrity.org)), as well as in articles in the National Geographic and Sierra magazine blogs; at an iLCP “Wildspeak” conference in Washington, D.C.; and on 16 big screen televisions in the lobby of the Johns Hopkins Bloomberg School of Public Health in Baltimore. The photos are also being used by advocacy groups in Maryland that are working to either ban fracking or extend the current fracking moratorium, which expires in October 2017.



## *Working to Inform the Public and Lawmakers*

We work hard to expand the public’s right to know about air and water pollution and the disposal of toxic chemicals. Because of our aggressive media outreach efforts, 675 news reports featured EIP’s reports, lawsuits, and other projects over the last year. Two noteworthy examples were:

- 1) EIP’s February 29, 2016, report, “Greenhouse Gases from a Growing Petrochemical Industry,” produced 173 news articles, including by the Associated Press, The New Orleans Times Picayune, The Baton Rouge Advocate, The International Business Times, The Independent (of London), Greenwire, and Inside EPA.
- 2) Our May 4, 2016, lawsuit with allies against EPA for its failure to regulate fracking and drilling waste produced 150 news articles, including in The Washington Post, Huffington Post, Bloomberg News, Reuters, The Pittsburgh Post-Gazette, Dallas Morning News, Financial Times, The Guardian, The Hill, Greenwire, The Durango Herald, The Charlotte Observer, The Columbus Dispatch, The Daily Oklahoman, Houston Public Media, The Santa Fe New Mexican, and the Associated Press.

News coverage like this helps to shape public debate and is key to holding polluters and government agencies accountable under our environmental laws. We thank all the foundations and donors who make our work possible.

## EIP Income and Expenditures, 2016:

*(Unaudited Projections, as of December 2016)*

<b>Income</b>	
<b>Contributions</b>	158,000
<b>Grant Income</b>	2,830,500
<b>Rent and Other Income</b>	67,325
<b>Total Income</b>	<b>3,055,825</b>
<b>Expenses</b>	
<b>Payroll Expenses</b>	2,251,104
<b>Professional &amp; Legal Fees</b>	110,000
<b>Public Relations</b>	12,900
<b>Subgrants</b>	29,900
<b>Meetings &amp; Transportation</b>	51,380
<b>Other Direct Costs</b>	65,750
<b>Indirect Costs</b>	390,232
<b>Total Expenses</b>	<b>2,911,266</b>

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