



MYSTIC RIVER WATERSHED ASSOCIATION  
20 ACADEMY STREET, SUITE 203  
ARLINGTON, MA 02476

September 7, 2006

Chelsea City Council  
Chelsea City Hall  
500 Broadway  
Chelsea MA 02150

Re: Proposed Energy Management Peak Diesel Power Plant on Chelsea Creek

Dear Councilors:

The Mystic River Watershed Association (MyRWA) is a grassroots organization dedicated to the protection and restoration of the Mystic River, its tributaries, and the related natural resources throughout the watershed's 21 communities. Chelsea Creek is a part of the watershed.

MyRWA opposes approval of the proposed power plant, because it is a poor use of the Chelsea Waterfront, it poses risks to water quality and the health of Chelsea residents, it adds to excessive environmental burdens already borne by Chelsea residents from numerous sources, and because it fails to offer sufficient economic and employment benefits to the Chelsea community to justify its drawbacks.

Chelsea Creek is identified by the MA Department of Environmental Protection as failing to meet water quality standards, due to bacteria pollution, ammonia, organic enrichment/low dissolved oxygen, oil & grease, taste, odor & color, and turbidity. MyRWA's water quality sampling program indicates significant continuing problems with sewage pollution, especially when it rains, due to the degraded state of the municipal sewer system and due to Combined Sewer Overflows. Continuing problems with oil spills into Chelsea Creek are contributing to oil & grease pollution, and the heavy industrial and port use along the Creek are also likely to be the source of toxic pollutant loadings to the Creek.

Despite these historic and continuing problems, the Chelsea Creek waterfront is a major asset to the community, and has the potential for significant improvement. Urban waterfronts are being redeveloped throughout the country and the world in ways that create substantial local and regional economic and environmental benefits – including waterfronts that continue to be actively used as ports. MyRWA is participating in an exciting new initiative -- known as the Eastern Mystic Watershed Alliance -- to bring new attention and resources to the entire Lower Mystic watershed and to explore ways to

revitalize Chelsea Creek and other shoreline land uses.

Appropriate redevelopment of underutilized properties along Chelsea Creek is an important route to improved water quality and to the economic and social health of the community. MyRWA supports such redevelopment. Based on the initial description of the proposed power plant, however, MyRWA does not believe that this project would contribute to a healthier and more vibrant watershed. Nor does it appear that the project would provide substantial economic and employment benefits to the community.

More detailed information on the plant design, operation and maintenance would be needed to address its environmental impacts fully. However, it is likely that the project would have some negative impacts on the local environment:

First, the project would inevitably present risks of additional oil spills into Chelsea Creek, hindering attempts to improve water quality.

Second, the project would add wastewater discharges to a system that is already contributing to Combined Sewer Overflows. Any increased discharges would have to be offset by inflow and infiltration reductions, to ensure that the CSO contributions to bacteria pollution are not increased.

Other parties are better able than MyRWA to comment on the health risks due to airborne pollutants that might result from this project. We simply note the ample evidence of high diesel fume exposures and associated health impacts in Chelsea, which are well-documented by other commenters, and question whether the hoped-for benefits of this project justify any addition – however minor – to those exposures.

Furthermore, the project is clearly not a water-dependent use, despite proponents' claims to the contrary. Only a tortured and inappropriate interpretation of "ancillary use" would suggest that a customer of the adjacent oil terminal facility must be located on the waterfront. Using valuable waterfront simply to reduce costs for what appears to be an economically marginal project (see discussion below) sets a very dangerous precedent for interpreting Designated Port Area requirements.

Presumably, the project proponents are seeking a waterfront location because it reduces the cost of diesel fuel transport and the cost of obtaining cooling water. Many diesel fuel facilities are located at great distances from their fuel suppliers, however, and obtain water for cooling purposes from other sources. Co-location with the fuel supplier is not a requirement. Even if it were a requirement to make this project economic, this would not justify an exception to the DPA requirements. The waterfront should be reserved for critical port functions or for projects that have high value to the community, not for the sole benefit and convenience of a private investor with a non-water dependent project.

The fact that the proponents are seeking favorable tax treatment suggests that this is not a good economic deal for Chelsea. The plant will provide minimal on-going employment benefits, and there is no assurance that the construction jobs created will benefit Chelsea

residents. The forgiveness of tax payments also limits the economic contribution of the project to the local community.

The proponents emphasize that the plant will operate only when needed, and will sit idle during off-peak periods. It is important to note, however, that the proponents are requesting a permit for up to 2000 hours per year of operation. With the economic advantages of low fuel costs, cheap access to water, rising prices of natural gas operations at other plants, and the requested tax break, it could become economic to operate this plant more than the projected 400-500 hours per year. If the plant were to operate at the requested maximum 2000 hours, it would be running the equivalent of a full-time (40-hour) workweek throughout the year. It is important to consider the full potential operation of the plant, when assessing environmental impacts and weighing the economic and environmental pros and cons of this project.

Based on the information currently available on this project, MyRWA urges the Council not to offer tax benefits or otherwise approve or promote this project. Given the high potential value for this property in a revitalized waterfront, it would be shortsighted to accept this proposal. It presents unknown but potentially significant environmental hazards, sets a dangerous precedent for use of Designated Port Area land, and offers limited economic and employment benefits to the Chelsea community, if any.

We look forward to working with the City of Chelsea, directly and through the Eastern Mystic Waterfront Alliance, on making the potential of the Chelsea Creek waterfront a reality. Thank you for considering our comments on this important issue.

Sincerely,

Alison Field-Juma  
Chair, MyRWA Policy Committee

cc Mr. Jay Ash,  
Mr. Jim Gordon, Energy Management