

February 6, 2009

Asarco asks state to void permits and air applications; what's next?

by David Crowder

Asarco today formally advised the Texas Commission on Environmental Quality that it has suspended its efforts to restart its El Paso copper plant. (Download the letter below)

In the letter, Asarco's vice president of environmental affairs, Thomas L. Aldrich, informed the director of TCEQ's Air Permits Division that Asarco wishes to void its two permits to discharge into the air and its two pending applications, one for a renewed air quality permit and the other for a federal operating permit.

"For the immediate future, Asarco will continue to maintain personnel on site to oversee remediation and plant closure activities," Aldrich's letter states. "Asarco has been communicating regularly with TCEQ's Remediation Division about on-site remediation efforts, and the company will continue to do so."

The letter ends the brief speculation about how long it would be before Asarco formally advised the state of its intentions after announcing on Wednesday that it will abandon its five-year effort to restart the plant.

Speculation is still simmering about what might become of the 123-acre Asarco sito when it is cleaned up.

News of Asarco's letter to the state did not soften the position of State Sen. Eliot Shapleigh, D-El Paso, an aggressive opponent of the company and its efforts to revive the plant.

"Given the 100 years of lying to the public by Asarco, when the TCEQ order is signed and past the appeals limit, I will feel stronger about our position," he said. "The letter is the first of several steps necessary to effect a formal legal withdrawal of that 7,000-ton air permit."

As for what may become of the Asarco site and the lands around it that Asarco also owns, Shapleigh said he would like to see a solar tower there that would dump megawatts onto the Western power grid and perhaps power a fleet of trolleys and a light-rail system.

Far fetched maybe, but other Texas cities are already lining up the federal economic stimulus dollars to fund the construction of light-rail systems.

"Our job now is to develop the highest and best use of a truly remarkable site," Shapleigh said. "Asarco sits at the historic Pass of the North. With emerging technologies, that site can be North America's premier solar thermal generation center.

"If we have the leadership to connect solar electricity to our mass transit, that is exactly where the Obama stimulus wants to go."

But first, the site will have to be cleaned up -- a project he said the Environmental Protection Agency has estimated at \$250 million.

The Texas Commission on Environmental Quality, EPA's official arm in Texas, provided NewspaperTree.com with a spread sheet of the on-site costs that came to \$52 million. (Download the TCEQ estimate below.)

Asked about the vast discrepancy between the two figures, Shapleigh said the higher number was given to him several years ago by an EPA administrator and is closer to the cost of remediating Asarco sites in Tacoma, Wa.,

1 of 2 2/10/2009 9:42 AM

and Omaha, Neb.

"I have never seen it in writing," Shapleigh said, referring to a \$250 million estimate for cleaning up Asarco's site in El Paso.

Other retired industrial sites in Texas

What have other Texas cities done with big, retired industrial sites?

A dome and arena to name two things.

Erich Birch, an Austin lawyer who has represented the city of El Paso in its fight to keep Asarco closed since 2004, said the first thing that comes to his mind is what San Antonio did with the century-old, polluted home of Alamo Iron works in the early 1990s.

It built the Alamodome on 57 acres at a cost of \$186 million.

"I was pretty involved in that," Birch said. "The site had lots of vats of oily substances, iron slag and some lead. The project involved a huge amount of excavation."

The pollution, he said, was far worse and went far deeper than anyone thought when construction of the Alamo Dome began.

Dallas built the \$125 million American Airlines Arena, now the home of three professional sports teams, on the site of an obsolete power plant.

The arena's website offers a description that El Pasoans might find familiar: "Ten years ago in this town's tumultuous political history is about three geologic ages ago. But in 1998, the comfortable plaza ringed by restaurants and crowded with happy hockey fans was an urban eyesore.

"The spot where we pitched our lawn chairs and picnic rug used to sit nearly dead center of an industrial wasteland, a defunct power plant atop about 40,000 tons of contaminated dirt.

"It gave a major approach to downtown Dallas a defeated air, a sense that not very much was happening there and perhaps never would."

Asarco's announcement that it had given up on opening the El Paso smelter came the same day the public learned of EPA's letter to TCEQ advising that agency that EPA disagreed with the state and that Asarco would have to replace much of the equipment at the refinery.

The question is, did EPA let Asarco know the letter was coming and was it, in a brutal economy, the punch that knocked out Asarco's ambition's to reopen the plant?

"I think that probably would have happened," Birch said regarding the possibility that EPA told Asarco as a courtesy. "The idea that they would have gotten a letter cold like that would have surprised me.

"I don't know if it's customary, but I know it is common to give industry time to react to something like that, to understand what's coming. ... It wouldn't surprise anyone."

The letters came after a long correspondence and review of reports between the EPA, TCEQ and Asarco, and asserted the EPA's final conclusion of its initial finding that Asarco's plant was not up to modern standards. [link]

2 of 2