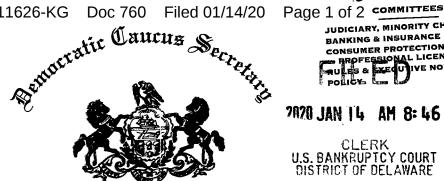
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JUDICIARY, MINORITY CHAIR

REPORTS OF THE PROPERTY OF THE

BANKING & INSURANCE CONSUMER PROTECTION &

CLERK U.S. BANKRUPTCY COURT DISTRICT OF DELAWARE

Senate of Pennsylvania

January 10, 2020

The Honorable Kevin Gross United States Bankruptcy Court District of Delaware 824 N. Market Street, 6th Floor Wilmington, DE 19801

Dear Judge Gross:

As a Pennsylvania State Senator representing residents directly affected by the Philadelphia Energy Solutions (PES) refinery site, I write to express my strong opposition to proposals to purchase the PES site that do not 1) protect the health, safety, and welfare of Philadelphia residents and 2) align with the City of Philadelphia's goals to improve the local environment.

The lack of adequate maintenance at the PES refinery and planning for transitioning workers and providing benefits following the June 21, 2019 fire and explosion is unconscionable. PES abruptly closed its refinery immediately after the explosion, laying off over 1,000 highly-skilled workers, and filing for bankruptcy. On October 16, 2019, the U.S. Chemical Safety and Hazard Investigation Board released a report concluding that a degraded old pipe had thinned to the point of failure, triggering the release of hundreds of thousands of pounds of explosive substances. The investigation also confirmed the release included 5,200 pounds of hydrofluoric acid (HF), an extremely hazardous chemical.

According to the company's remediation investigations, the refinery has heavily contaminated the soil and polluted the surrounding rivers and the underlying aquifer over its century and a half of storing and processing crude oil and petroleum products.

According to U.S. Environmental Protection Agency inventories, the PES refinery was the largest stationary source of toxic air pollution in Philadelphia and the City's single-largest industrial contributor of greenhouse gases. The National Cancer Institute estimates that Philadelphia has the highest cancer rate of any major U.S. city. All neighborhoods surrounding the refinery site are identified as environmental justice areas by the Pennsylvania Department of Environmental Protection because 20 percent or more of the population live in poverty and/or 30 percent or more of the population are people of color. According to the American Community Survey 2013-2017, the population in ZIP code 19145 is 32.3% African-American and the population in ZIP code 19153 is 76.4% African-American. According to a 2017 National Association for the Advancement of Colored People study, residents of low-income neighborhoods and neighborhoods of color are disproportionately impacted by air, water, and soil pollution and suffer a higher amount of ill health effects.

The Honorable Kevin Gross Page 2 January 10, 2020

I recognize and support the sustainability goals that Philadelphia's leadership has recently established and strongly request that the winning project for the property align with these goals. Greenworks, the City of Philadelphia's sustainability plan, updated in November 2016, states that clean air is fundamental to the health of our residents and our city and includes the vision that ambient air meets federal health standards. On June 21, 2017, Mayor Kenney committed to sourcing 100 percent of municipal operations from renewable energy and to work toward a goal of 100 percent clean energy citywide. In July 2017, Mayor Kenney committed to reduce carbon emissions in Philadelphia 80 percent from 2006 levels by 2050. In August 2018, the Office of Sustainability released its long-term clean energy vision called Powering Our Future, which is designed to achieve Mayor Kenney's goal of reducing carbon emissions 80 percent from 2006 levels by 2050 while emphasizing equity and health for all Philadelphians. In September 2019, Philadelphia City Council passed the Ready for 100 resolution (190728), stating that the City of Philadelphia shall take measures to achieve a fair and equitable transition to the use of 100% clean renewable energy for electricity in municipal operations by 2030, for electricity City-wide by 2035, and for all energy (including heat and transportation) city-wide by 2050 or sooner.

This moment presents the greatest opportunity in Philadelphia's history to redefine a future land use for such a large amount of land at one time. It is critical that all stakeholders work together to ensure proper remediation of the site and encourage opportunities for future uses at the site that protect the environment and public health. There is an enormous opportunity for sustainable businesses – those that have little to no negative environmental impacts – and other stakeholders to reimagine future uses of the refinery site that align with the City of Philadelphia's sustainability and climate goals and continue the tradition of providing skilled, unionized, and high-paying jobs.

I support enhanced environmental regulations by state and local agencies that protect the health, safety and welfare of Philadelphia residents and discourage uses that do not accomplish these goals.

I urge the court to reject any proposals to purchase the Philadelphia Energy Solutions (PES) refinery site that do not 1) protect the health, safety, and welfare of Philadelphia residents and 2) align with the City of Philadelphia's goals to improve the local environment.

Thank you for your consideration.

Very truly yours

Lawrence M. Farnese, Jr.

State Senator

1st Senatorial District