## **Rebuttal #3 to Sasol:**

Sasol's latest reply is largely repetitive. Sasol fails to address the serious issues we have raised in this dialogue and instead rehashes industry talking points yet again. That said, we are encouraged that Sasol "remains open to dialogue with [its] neighbors." We very much hope that Sasol will put words into action by meeting with Concerned Citizens of Mossville to discuss a just and equitable relocation for remaining residents.

Sasol claims that it has not heard from any Mossville residents about the buyout program "in more than three years." If true, this might reflect current and former residents' complete lack of faith in a company that encroached on, destroyed, and continues to pollute their community. Sasol still has an opportunity to earn that faith—by engaging with remaining Mossville residents about how to achieve their goals.

Sasol claims that it "participates in regular dialogue with many community members." Concerned Citizens of Mossville is not aware of *any* such dialogue, let alone "regular" dialogue. As we stated in an earlier rebuttal, Sasol's "Community Advisory Panel" is a non-transparent body whose members are not publicly listed anywhere and whose recruitment process and membership selection criteria are unknown. Mossville residents' concerns about Sasol's conduct have been prominently featured in the news in the past year, most notably when EPA Administrator Michael Regan's visit to Mossville received <u>local</u> and <u>national</u> press coverage. We are not aware of any community outreach that Sasol conducted to follow up on these concerns in the wake of Administrator Regan's visit.

Sasol also cites "public briefings to local government bodies such as the Calcasieu Parish Police Jury." Any socially responsible company knows that briefings to government bodies are not a substitute for direct community engagement. Moreover, if Sasol were even remotely engaged with the Mossville community, Sasol would know that Mossville residents do not feel that the Police Jury represents their interests. (To take just one example that is particularly relevant to this dialogue, the Police Jury <u>unanimously voted</u> in 2014 to approve Sasol's request to rezone land—including Mossville properties acquired through the buyout program—to heavy industrial, even after Mossville residents <u>forcefully spoke out</u> against the rezoning.)

As Sasol notes, residents of over two-thirds of former Mossville households <u>interviewed</u> by the University Network for Human Rights reported that they experienced the buyout as forced displacement, received insufficient compensation for relocation to a comparable home, and/or suffered from trauma or other psychological distress as a result of the buyout. As we have already detailed, <u>quantitative evidence</u> from buyout property records strongly indicates that the buyout was racially discriminatory.

Sasol insists that it neither needed nor wanted the Mossville properties acquired through the buyout program, but fails to explain why some of these properties were <u>rezoned to heavy</u> industrial in 2014—at Sasol's request.

Sasol concedes that the company "did not notify Mossville (or any other) residents outside of public officials until after a public announcement [that Sasol would proceed with the massive

expansion project] was made." Nevertheless, Sasol claims—for the very first time, in its third rejoinder—that the company would have been "defy[ing]" SEC regulators by consulting with Mossville residents before publicly announcing plans to build two new toxic facilities in their backyard. Sasol declares that "any individual familiar with SEC guidelines" would know this.

Despite this extremely vague reference, we presume Sasol is referring to <u>Regulation Fair</u> <u>Disclosure (Reg FD)</u>, an SEC rule designed to prevent disclosure of material nonpublic information to a select group of individuals. If this is the case, **Sasol is grossly misapplying the rule to justify its failure to engage in community consultation.** Reg FD is not designed to prevent companies from consulting affected communities or conducting other business operations, and in fact securities law experts report that they have never seen it invoked in this manner. More importantly, in <u>September 2011</u> and <u>November 2011</u>, Sasol *publicly announced* **plans to conduct final feasibility studies for its GTL facility and ethane cracker. There was therefore absolutely no reason—under Reg FD or any other SEC rule—that Sasol could not begin community consultation in September 2011, when feasibility studies still needed to be completed and before the project was a fait accompli.** Ideally, Sasol would have begun community consultation much earlier than September 2011. In that scenario, Sasol's purported concerns about Reg FD would have been easily resolvable by asking community members to sign confidentiality agreements—just as the company did with public officials.

Sasol continues to repeat its misrepresentation that "local residents were made aware of the project before a final decision was made." Sasol apparently expects readers to believe that even though feasibility studies had been completed and Sasol's CEO had publicly declared that the GTL facility and ethane cracker would be built, the company's failure to consult Mossville residents was acceptable because the company had not made a "final investment decision" as yet. **But the fact remains that Sasol** *never* **consulted Mossville residents about its massive expansion project.** As Sasol well knows, no feedback was ever solicited from the community about whether the project should move forward or how residents felt about it. Rather, when Sasol began discussions with community members, the only subject on the table was the fallout from the project. Sasol was expanding its toxic chemical complex, whether Mossville residents liked it or not. The sole remaining question was how residents might respond to, cope with, and manage the project's devastating impacts.

Sasol's invocation of residents' "opportunities to provide formal public comments during the state and federal permitting process" is similarly bogus. To the best of our knowledge, Sasol applied for its first permits in September 2013. At this point, the expansion project had been publicly announced, and it was far too late for Mossville residents to have any meaningful input into the fate of the project. Indeed, Mossville residents <u>forcefully opposed</u> Sasol's wetlands modification permit at a public meeting in December 2013: **as one resident said to Sasol officials at the meeting, "you're having an extremely negative impact on an entire community that is basically destroyed at this point.**" But it was too late. Moreover—and as any socially responsible company knows—government permitting processes are not a substitute for direct corporate engagement with communities.

Sasol defends its emissions of ethylene oxide by arguing that its facility is permitted to emit even larger amounts of this potent carcinogen. **By suggesting that Mossville residents should be** 

grateful because Sasol could legally impose an even higher risk on their community, the company perpetuates the marginalization of Mossville.

Once again, Sasol deploys the standard industry tactic of focusing on the limitations of EPA datasets and describing the NATA as a screening tool. The reality is that all datasets have limitations. A person who gets a positive result from a cancer screening does not simply ignore the result and tell their doctor that screening tools are unreliable. In this case, every EPA screening tool available (RSEI, NATA, and AirToxScreen) indicates that Sasol's emissions impose significant cancer risk on nearby residents.

Sasol is correct that further investigation could help us better understand the risks that Sasol is imposing on the community. The first step of such an investigation would be to conduct community air monitoring in Mossville. In fact, for years, Mossville residents and their advocates (including multiple Louisiana-based groups) have been pushing EPA and LDEQ to conduct comprehensive community air monitoring in Mossville, which would include daily collection of 24-hour air samples to evaluate ethylene oxide concentrations. Mossville residents are still waiting for such monitoring to be implemented. There is nothing preventing Sasol from conducting fenceline air monitoring and making the data publicly available. Residents and their advocates would be willing to advise Sasol on how the company might design and implement a community air monitoring program that would produce reliable data.

While Sasol calls for further investigation, the company fails to acknowledge that EPA *did* follow up on the alarming risk indicated in the 2014 NATA. Specifically, in 2021, EPA conducted a more in-depth <u>Technical Assessment</u> of the cancer risk imposed by Sasol's ethylene oxide emissions. This assessment used Sasol's retroactively changed ethylene oxide emissions from 2018. Even using Sasol's questionably low emissions estimate, EPA found that the resulting risk to residents was up to three times higher than what EPA considers to be the maximum acceptable risk.

While the Technical Assessment portrayed a reduction in Sasol's ethylene oxide emissions, this reduction was on paper only. It was simply due to Sasol's after-the-fact recalculations. (The EPA compared Sasol's originally reported 2014 value to its retroactively changed 2018 value.) **The real-world risk to community members has, in fact, increased substantially since 2014.** *According to Sasol's own estimates*, the Lake Charles chemical complex has more than doubled its ethylene oxide emissions, from 1.11 tons in 2014 to 2.35 tons in 2020.

By Sasol's own (recalculated) estimate, its 2018 ethylene oxide emissions were just over 1 ton, corresponding to a cancer risk three times higher than EPA's acceptable limit. The fact that LDEQ would allow Sasol to emit more than 16 tons of ethylene oxide is a testament to the lack of protection afforded to the Mossville community. Sasol could easily demonstrate its commitment to permanently reducing ethylene oxide emissions by lowering its permit limit.

Sasol took a "quick glance" at EPA's most recent (2018) Air Tox Screen dataset and falsely concluded that Mossville's cancer risk is average. If Sasol were familiar with local geography, the company would know that Mossville is part of a massive, 50,000-acre census tract that extends more than 10 miles west of the heavy industry surrounding Mossville. Thus, the average

cancer risk for this tract underestimates the risk experienced by Mossville residents. A better indication of Mossville's risk is reflected by Tract 26, which encompasses a smaller geographic area adjacent to Sasol and indicates **a cancer risk far above the state average.**