



# Oregon

Kate Brown, Governor

Department of Environmental Quality

Northwest Region

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Mr. Shannon Caldwell  
VP of Health, Safety, Environment and Regulatory  
Zenith Energy Terminals Holdings, LLC  
5501 NW Front Avenue  
Portland, OR 97210

October 19, 2022

BY CERTIFIED MAIL and VIA ELECTRONIC MAIL

Re: Status update on Zenith Energy Terminal Holdings, LLC Air Quality Title V Permit Renewal Application

Dear Mr. Caldwell:

On Oct. 3, 2022, the Oregon Department of Environmental Quality (DEQ) received an amended application from Zenith Energy Terminals Holdings, LLC (Zenith) for renewal of its Oregon Title V Operating Permit for its facility located at 5501 NW Front Avenue, DEQ Permit No. 26-2025-TV-01. On October 14, 2022, Zenith updated that submittal. The amended permit application included a land use compatibility statement issued by the City of Portland on Oct. 3, 2022 (the LUCS). The LUCS includes conditions for Zenith to cease all transloading of crude oil by 2027, lower the Plant Site Emission Limit for volatile organic compounds, cease operation of the asphalt refinery, require removal of thirty storage tanks, and allow new storage tank construction only if related to renewable fuels and non-fuel projects, among other conditions. DEQ has reviewed the LUCS and the amended Title V permit renewal application and concludes that Zenith has now satisfied the requirement to provide a LUCS in order for DEQ to continue processing Zenith's permit renewal application. DEQ has also concluded that the amended permit application is consistent with the LUCS.

As a result of providing the LUCS and amended renewal application consistent with that LUCS, DEQ withdraws its proposed denial of Zenith's Title V permit renewal application, issued on Sept. 1, 2021. DEQ will inform the Office of Administrative Hearings today that it has withdrawn its proposed order and that contested case OAH Case No 2021-ABC-05091 should be closed.

DEQ is also resuming its consideration of Zenith's Title V air quality permit renewal application. DEQ understands that the LUCS requires Zenith to submit an Air Contaminant Discharge Permit application to DEQ by March 31, 2023. After DEQ completes its review of the permit applications, DEQ will develop an appropriate public engagement process, including public notice, opportunity to comment and public hearing(s), to ensure all interested parties will have an opportunity to provide input, prior to DEQ making a final permitting decision.

Please contact me if you have any questions about this matter or would like to discuss it further.

Sincerely,

Nina DeConcini  
NW Region Administrator

Cc: Tom Wood, Steel Rives  
Paul Garrahan, Assistant Attorney General, Oregon Department of Justice