

October 30, 2020

Todd Cornett 550 Capitol St. NE Salem, OR 97301

RE: NEXT Renewable Fuels Oregon EFSC Exemption Request

Mr. Cornett,

Please find attached EFSC Exemption Request for the NEXT Renewable Fuels Oregon, LLC Renewable Diesel Facility in Clatskanie, Oregon.

The facility will produce 50,000 barrels per day of renewable diesel (and other renewable products), derived entirely from biomass. Over 95-percent of feedstock and refined product will be transported via barge and ship, thus reducing the overall carbon footprint of the project as well as stress on the rail and road system.

NEXT is focused on the development and production of second-generation advanced biofuels, to supply contracted off-take agreements for customers in the western United States and Canada. NEXT's fuels reduce life-cycle greenhouse gas emission by up to 80-percent, improving the environment and moving us forward to a greener future.

Contact information for the project is as follows:

# **Project Applicant**

Next Renewable Fuels Oregon LLC Lou Soumas, CEO (206)300-9342

lou@nextrenewables.com

We look forward to working with the State of Oregon to see this important project to fruition. Should you have any questions please do not hesitate to reach out.

Best Regards

Christopher Efird
Executive Chairman

Next Renewable Fuels, Inc

(Sole and Managing Member of NEXT Renewable Fuels Oregon, LLC)

# BEFORE THE ENERGY FACILITY SITING COUNCIL FOR THE STATE OF OREGON

# OREGON FACILITY SITING COUNCIL EXEMPTION FOR

# NEXT RENEWABLE FUELS OREGON, LLC PORT WESTWARD RENEWABLE DIESEL PROJECT

OCTOBER 30<sup>th</sup>, 2020

Prepared for:

NEXT Renewable Fuels Oregon, LLC

## 1.0 INTRODUCTION

NEXT Renewable Fuels Oregon, LLC (NEXT), a Delaware limited liability company, proposes to construct a renewable diesel facility (the "Facility") at the Port Westward Industrial Park in Columbia County, Oregon.

NEXT plans to build a flexible Renewable Diesel Facility utilizing the UOP Ecofining<sup>™</sup> Green Diesel technology. The UOP Ecofining<sup>™</sup> process is a versatile solution for producing renewable diesel from a range of sustainable feedstocks such as used cooking oil, animal fats and tallow, and inedible corn oil. Renewable diesel produced in the Ecofining<sup>™</sup> process is a drop-in fuel that can directly replace up to 100-percent petroleum-based diesels.

NEXT has secured a lease with the Port of Columbia County for a total of 93 acres within the Port's existing Port Westward Industrial Park along the Columbia River (See Figure 1: Location and Vicinity Map and Figure 2: Aerial Photo). The lease option consists of two complete tax lots and a portion of a third tax lot located in T8N R4W Section 22 of the Willamette Meridian, Tax Lots No. 100, 200 and 1100 (See Figure 3: Tax Lot and Ownership Map). In addition, NEXT has entered into purchase agreements for an adjacent 25.5-acre parcel of private land (Tax Lot 300) and a 4.4 acre private parcel (T8N R4W Section 23, Tax Lot 800) for use in rail logistics.

The Facility will be capable of processing up to 50,000 barrels per day (BPD) of renewable biomass feedstocks. The Facility is being permitted for its maximum design and production capacity. This equates to production of renewable fuels capable of being burned to produce the equivalent of 287.6 billion BTUs per day, thus meeting the definition of "Energy facility" under ORS 469.300 (11)(a)(G).

# 1.1 Oregon Energy Facility Siting Council (EFSC)

Pursuant to ORS 469.320(1), "no facility shall be constructed or expanded unless a [EFSC] site certificate has been issued for the site . . . ." A "facility" is defined as "an energy facility together with any related or supporting facilities." ORS 469.300(14).

The definition of "energy facility" includes "[a] plant which converts biomass to a gas, liquid or solid product, or combination of such products, intended to be used as a fuel and if any one of such products is capable of being burned to produce the equivalent of six billion Btu of heat a day." ORS 469.300(11)(a)(G).

There is a statutory exemption (ORS 469.320 (2)(f)) from the EFSC site certification requirement if the facility satisfies the following:

- (A) Exclusively uses biomass, including but not limited to grain, whey, potatoes, oilseeds, waste vegetable oil or cellulosic biomass, as the source of material for conversion to a liquid fuel; (see page 4-5)
- (B) Has received local land use approval under the applicable acknowledged comprehensive plan and land use regulations of the affected local government and the facility complies with any statewide planning goals or rules of the Land

Conservation and Development Commission that are directly applicable to the facility; (see page 12)

- (C) Requires no new electric transmission lines or gas or petroleum product pipelines that would require a site certificate under subsection (1) of this section; (see page 6)
- **(D)** Produces synthetic fuel, at least 90 percent of which is used in an industrial or refueling facility located within one mile of the facility or is transported from the facility by rail or barge; and (see page 13)
- (E) Emits less than 118 pounds of carbon dioxide per million Btu from fossil fuel used for conversion energy. (see page 5)

The following sections describe the Facility, address how the Facility satisfies the ORS 469.320(2)(f) exemption, and provides the information required by OAR 345-015-0360(7).

### 2.0 DESCRIPTION OF PROPOSED FACILITY

The Facility will utilize liquid biomass feedstocks. Feedstocks will arrive via vessel and barge at the existing Port of Columbia County owned dock at Port Westward, Columbia River Mile 53. A terminaling company that is already operating at Port Westward will unload the feedstock and transfer it via pipeline to the new on-site storage tanks. The feedstock will be refined through an Ecofining™ process unit into renewable diesel. Renewable diesel produced in the process can directly replace petroleum-based diesel. Finished products will be stored on-site before being transferred back to the terminaling provider via pipeline to ship via barge and vessel from the Port Westward dock.

The Facility consists of the following major components (See Figure 4, Site Layout):

- Three new product and feedstock pipelines from the Facility to the confluence with the terminaling provider
- Ten larger product and feedstock tanks (125,000 to 225,000 barrels each) and fourteen smaller feedstock and process tanks (10,000 to 50,000 barrels each))
- Rail storage tracks
- Biomass Pre-Treatment Plant
- Hydrogen Facility
- Ecofining<sup>TM</sup> conversion units
- Fresh, storm and process water treatment system
- Office, warehouse and other buildings

The new pipelines and transmission lines will run through the Facility and extend along Port property to the existing connection points (entirely within the Resource Industrial Planned Development zone). None of the new pipelines or transmission lines required for the project meet the definition of "energy facility" in ORS 469.300(11), and therefore do not require a site certification.

#### 2.1 Location

NEXT has entered into a lease option with the Port of Columbia County for 93 acres of land within the Port Westward Industrial Park. The land is zoned Resource Industrial Planned Development ("RIPD") (See Figure 5, Zoning Map). NEXT has also entered into a purchase agreement for 25.5 acres of privately owned land adjacent to the Port parcel. Together these properties will compose "the site" of the Facility. As described above, NEXT will construct pipelines from the site across Port property. NEXT will also acquire a 4.4 acre private parcel, zoned Agricultural, for use in rail logistics. This 4.4 acre parcel will enable transfer of railcars from the main line to the site.

The site is located within a levee system and outside the flood zone. The land is currently used for grazing. Low value wetlands exist on site and will be mitigated as permitted and approved by Oregon Department of State Lands (DSL) and US Army Corps of Engineers (USACE).

#### 2.2 Biomass Feedstock

The design of the Facility will be based on processing up to 50,000 BPD of biomass¹ to include virgin vegetable oils, animal fats and tallows, Used Cooking Oils (UCOs), distillers corn oils, and yellow and white greases. Below is an example of the biomass mix that could be refined. No palm or other non-sustainable oils will be sourced or used in the process.

Raw Oil Feedstock	Oil	Wt%
Soybean and Canola Oils	Veg Oil	30
Distillers Corn Oil	Veg Oil	15
Used Cooking Oil	Veg Oil	15
Beef Tallow	Animal Fat	20
Choice White Grease (Pork Oil)	Animal Fat	10
Yellow Grease (Chicken Fats)	Animal Fat	10

Feedstock will be received by the terminaling provider via barge and ship at the existing Port Westward dock. NEXT will take custody of the product at the pipeline confluence, and the feedstock will be transported by 18"-inch pipeline and stored in six on-site tanks.

\_

<sup>&</sup>lt;sup>1</sup> The majority of the biomass products proposed for use by NEXT are specifically identified in ORS 469.320. Additional biomass intended for use in this process, such as animal tallow and white and yellow greases, are subsumed within the definition of "Biomass" in other parts of Oregon Revised Statue, such as ORS 315,141, which includes "Offal and tallow from animal rendering;" in the definition of biomass.

The biomass feedstock will be fed to the Raw Oil Pretreatment System. The Facility will include up to 4 pre-treatment units. Each unit will be comprised of a multi-stage processing system which includes degumming, polyethylene (PE) removal, filtering and bleaching units. The goal is to remove feed gums, metals, soaps, color and phospholipids with minimal loss of free fatty acids.

As stated above the Facility will exclusively use biomass including oilseeds, waste vegetable oil and waste animal fats as the source of material for conversion to a liquid fuel, thus satisfying the exemption requirement of ORS 469.320(2)(f)(A).

### 2.3 Production

From pre-treatment, the feedstock will move to 1 of 4 Ecofining<sup>TM</sup> Units. These units will process the treated oils from the Raw Oil Pretreat facilities into renewable diesel and other renewable products.

The Ecofining<sup>™</sup> process requires hydrogen. Hydrogen will be supplied by an on-site hydrogen unit. The hydrogen unit will primarily operate using recycled renewable offgases produced in the Ecofining process with supplemental natural gas input to produce the required hydrogen.

The Ecofining<sup>™</sup> Unit equipment will be designed for a range of feedstocks and operating modes. The finished products generated from the UOP Ecofining<sup>™</sup> Process will be:

- Renewable Diesel—46,500 BPD
- Renewable Naphtha—2,700 BPD

Finished product will be stored in 4 large tanks and 3 small tanks. Product will be transported by a 20-inch and a 12-inch pipeline to the pipeline confluence with the terminaling provider. The terminaling provider will transfer the products to barges and ships, which will transport the products to market.

## 2.4 Energy Consumption

## 2.4.1 Natural Gas and Conversion Energy

The Facility will utilize 14.2 million standard cubic feet per day (15,400 MMBtu/day) of natural gas for conversion energy to fire boilers, heaters and other process equipment. The average carbon intensity of the natural gas to be used for conversion energy is 115.9 pounds of carbon dioxide per million Btu consumed. No other fossil fuels will be used for conversion energy at the Facility.

At 115.9 pounds of carbon dioxide per MMBtu of natural gas the Facility will emit less than 118 pounds of carbon dioxide per million Btu from fossil fuel used for conversion energy thus satisfying the exemption requirement of ORS 469.320(2)(f)(E).

Natural gas will be provided via the existing Northwest Natural pipeline, which passes within 3,800 feet of the Facility. An interconnecting 8"-inch pipeline will be constructed below grade between the existing pipeline and the Facility. The interconnecting pipeline will be approximately 3,800-feet long and entirely within the RIPD zone. The new connector line does not meet the definition of "energy facility" under ORS 469.300(11).

#### 2.4.2 Electric Power

The Facility will utilize approximately 40 MW of electrical power per day. Electricity will be supplied by the existing Clatskanie Public Utility District (PUD) transmission lines. The electrical service will require a new 1,100-foot service line connecting an existing power pole to an on-site substation. No new transmission towers or lines are required. The new service line does not meet the definition of "energy facility" under ORS 469.300(11).

As stated in 2.4.1 and 2.4.2 above, the Facility requires no new electric transmission lines or gas or petroleum product pipelines that would require a site certificate under subsection (1) of ORS 469.320, thus satisfying the exemption requirement of ORS 469.320(2)(f)(C).

#### 2.5 Raw Water

Water will be supplied from raw river water drawn from an existing Port owned intake structure under an existing Port water permit. The water intake pipeline from the existing intake structure to the raw water tank at the Facility will be located below grade within the RIPD zone. 1,350 gallons per minute (gpm) of water will be required. The raw water storage tank supplies water for utility water, potable water, fire water, cooling water and boiler feed water systems.

### 2.5.1 Water Discharge

Process and stormwater will be treated on-site at the Facility and discharged through the Port's wastewater discharge system. The wastewater discharge pipeline lateral connecting the Facility to the Port's wastewater discharge system will be located below grade within the RIPD zone. Sanitary sewage will be captured in a storage tank and transported off-site to an approved disposal site.

## 3.0 LAND USE

# 3.1 Zoning

The Facility, feedstock and product pipelines, water intake pipeline, wastewater discharge pipeline, gas connector pipeline, construction staging area, and access road are located entirely within Columbia County's planning jurisdiction. As a result, these facilities will be subject to the provisions of the Columbia County Zoning Ordinance ("CCZO") and Oregon Administrative Rules ("OARs").

### 3.1.1 Resource Industrial Planned Zone (RIPD)

The Port of Columbia County owns the Port Westward Industrial Park (Port Westward), a 905-acre rural industrial exception area with 4,000 feet of deepwater frontage along the Columbia River. In the 1970s, the county adopted an exception to Statewide Planning Goals 3 (Agricultural Lands) for Port Westward and planned and zoned it for rural industrial uses. Port Westward is zoned Rural Industrial Planned Development (RIPD). The entire Facility and Site , including the pipelines and utilities will be located in the RIPD zone.

#### 3.1.2 Use Permitted Under Prescribed Conditions

Within the RIPD zone, the proposed Facility is categorized as "production, processing, assembling, packaging, or treatment of materials; research and development laboratories; and storage and distribution of services and facilities." Pursuant to CCZO § 683, NEXT must demonstrate that the proposed use satisfies the following criteria:

A. The requested use conforms with the goals and policies of the Comprehensive Plan - specifically those policies regarding rural industrial development and exceptions to the rural resource land goals and policies.

RESPONSE: The industrial siting policies of the Comprehensive Plan include the following:

"GOAL: It is a goal of the County to provide for industrial development on rural lands when such development can be shown to support, utilize, or in some manner be dependent upon, the natural resources of the area."

POLICIES: It shall be a policy of the County to:

- 3. Restrict industrial development on land zoned Resource Industrial Planned Development to those uses that:
- A. Are not generally labor intensive;
- B. Are land extensive:
- C. Are located with adequate rail and/or vehicle and/or deep water port and/or airstrip access;
- D. Complement the character and development of the surrounding area;
- E. Are consistent with the rural facilities and existing and/or planned for the area; and,
- F. Will not require facility and/or service improvements at public expense; or,
- G. Are not appropriate for location within Urban Growth Boundaries due to their hazardous nature."

The Facility is consistent with the above policy and its sub-elements for the following reasons:

- The proposed facility will require employees to operate. However, those employees will be primarily engaged in managing mechanical equipment, loading fuel inputs and outputs, managing river and rail transportation in and out of the site, and handling internal operational planning, management, and security. For these reasons, the Commission can find that, while the facility will generate new employment, it is a largely mechanized facility and will not be "labor intensive."
- The Facility is relatively land extensive, requiring approximately 117 acres.
- The Facility requires direct river and rail connections. The deep-water channel is necessary to accommodate the tankers that will receive the end product.
- The Facility is consistent with existing development in the surrounding area, which chiefly consists of a PGE tank farm, generating plant, and existing ethanol plant.
- The Facility is consistent with surrounding rural facilities because it will not add a significant number of new trips onto the vicinity's roadways and will not reduce the availability of other rural services.
- The Facility will be served by existing river and rail transportation facilities and will not impose any public infrastructure costs on the County.
- The Facility is not appropriate for location within an urban growth boundary because there is no comparable location within a UGB that has the required combination of land and river and rail transportation access.

The Facility is also consistent with the County Plan for the reasons stated in Section 3.2, below.

- B. The potential impact upon the area resulting from the proposed use has been addressed and any adverse impact will be able to be mitigated considering the following factors:
  - .1 Physiological characteristics of the site (ie., topography, drainage, etc.) and the suitability of the site for the particular land use and improvements;

RESPONSE: The site is completely flat. Drainage will be to an existing underground drainage system which discharges to the Columbia River.

.2 Existing land uses and both private and public facilities and services in the area;

RESPONSE: Non-rural land uses abutting the site are entirely industrial and particularly geared towards fuels storage, fuels production, and energy production. The site is also served by adequate rail and marine port facilities, including the nearly 1/3 mile long Port Westward dock and new railroad facilities constructed for the Cascade Grain Products ethanol facility.

.3 The demonstrated need for the proposed use is best met at the requested site considering all factors of the rural industrial element of the Comprehensive Plan.

RESPONSE: The goals and policies of the Comprehensive Plan's rural industrial element were addressed above. As explained therein, the Facility is consistent with all of the applicable rural industrial goals and policies.

C. The requested use can be shown to comply with the following standards for available services:

.1 Water shall be provided by an on-site source of sufficient capacity to serve the proposed use, or a public or community water system capable of serving the proposed use.

RESPONSE: Water will be supplied from an existing Port intake structure from the Columbia River under an existing Port water right. The water intake pipeline from the existing intake structure to the raw water tank at the facility will be located below grade within the RIPD zone.

.2 Sewage will be treated by a subsurface sewage system, or a community or public sewer system, approved by the County Sanitarian and/or the State DEQ.

RESPONSE: Sanitary sewage will be stored on-site and be transported to an appropriate/approved disposal facility.

.3 Access will be provided to a public right-of-way constructed to standards capable of supporting the proposed use considering the existing level of service and the impacts caused by the planned development.

RESPONSE: The Facility will be served by driveway connections with Kallunki Road and Hermo Road. As the product will be transported primarily by river, these two roads will be sufficient to provide for employee transportation, incidental truck traffic, and construction access.

.4 The property is within, and is capable of being served by, a rural fire district; or, the proponents will provide on-site fire suppression facilities capable of serving the proposed use. On-site facilities shall be approved by either the State or local Fire Marshall.

RESPONSE: The facility is within the Clatskanie Rural Fire Protection District. There is also an onsite fire suppression system and 20,000 gallon fire water tank.

For the above reasons, the Council can find that it is feasible for the Facility to satisfy all applicable County approval criteria. As discussed in section 3.2, the proposal satisfies the goals of the Comprehensive Plan and achieves the use intended within the Port Westward Exception area.

## 3.1.3 Columbia County PA-80 Zone

As explained above, NEXT intends to construct a rail spur to have ancillary service from manifest rail. Two small properties zoned PA-80 (Primary Agriculture, 80 acre minimum) and totaling 29.4 acres will be used for "rail logistics," which will include construction of a new rail connection (spur) from the existing rail line to serve the facility. As the PA-80 zone is an exclusive farm use zone subject to ORS 215.283, a rail branch (spur) line is permitted according to the requirements of OAR 660-012-0065(3)(j), which section provides that "railroad main lines and branch lines" are permitted in exclusive farm use zones if they can satisfy the criteria set forth in ORS 215.296. In turn, ORS 215.296 allows such uses if they will not:

(a) Force a significant change in accepted farm or forest practices on surrounding lands devoted to farm or forest use; or.

RESPONSE: The proposed rail spur will not force a significant change in accepted farm or forest practices for several reasons. First, its construction will directly affect a limited number of farm parcels, all of which are owned by willing sellers to the Applicant. The proposed rail spur will not create an entirely new rail line which will increase the impacts on farm parcels in the area. Second, the input stocks for renewable diesel and the renewable diesel itself, while flammable, are not volatile (unlike shale gas or gasoline) and do not present an increased fire risk to nearby farm uses. Finally, as farm vehicles do not use rail lines, it will not present a risk of increased traffic that might conflict with farm activities.

(b) Significantly increase the cost of accepted farm or forest practices on surrounding lands devoted to farm or forest use.

RESPONSE: The proposed rail spur will not significantly increase the cost of accepted farm or forest practices on surrounding lands devoted to farm or forest use for several reasons. First, construction of the rail branch (spur) line does not represent a catalytic land use change, such as rural residential development, that might increase the value of farm land in the area. Second, as noted above the rail spur will not create a conflict with farm vehicle traffic. Third, also as noted above, the product being hauled via rail is not as volatile as some types of crude oil, gasoline, or ethanol. Therefore, the proposed spur presents a low risk of fire to farms abutting the existing rail line.

For the above reasons, the Council can find that the facility can meet the criteria in ORS 215.296.

# 3.2 Columbia County Comprehensive Plan

The County's Comprehensive Plan (the "Plan") contains policies that address overall planning goals adopted by the County. Although the policy statements do not contain specific substantive criteria, we discuss the relevant polices below for purposes of completeness.

## 3.2.1 Port Westward Exception

Columbia County Comprehensive Plan page 116-131 details the Port Westward exemption to Goal 3, Agriculture. The exemption allows industrial use outside of the Urban Growth Boundary (UGB).

## 3.2.2 Industrial Development Goals and Policies

Columbia County Comprehensive Plan page 185 details the goals and policies of the County related to industrial development.

The section notes that it is a goal of the county to provide for industrial development.

### 3.3 State Planning Goals

The Facility is located within the Columbia County RIPD zone, which implements the Port Westward Exception Area. The Exception Area was created in 1984 for the existing PGE Beaver generating plant and tank farm. Pursuant to Goal 2 (Land Use Planning), the County took an exception from statewide planning Goals 3 (Agricultural Lands) and 14 (Urbanization) for the following uses: the Beaver generating plant, dock, railroads, tank farm, certain buildings, onsite utilities, and filled areas. It also created the RIPD exception zone which allows, as a conditional use, "production, processing, assembling, packaging or treatment of materials; and storage and distribution of services and facilities."

The County's Plan and Port Westward Goal Exception were acknowledged by the Oregon Land Conservation and Development Commission. ORS 197.175(2)(d) provides that where Comprehensive Plans are deemed acknowledged, land use decisions must be "in compliance with the acknowledged plan and land use regulations." "If the local government's action is merely an action under its acknowledged comprehensive plan, then that action only need comply with the plan." *Foland v. Jackson County*, 311 Or. 167, 180, 807 P.2d 801 (1991). Therefore, the statewide planning goals do not apply directly to this exemption request.

If the Council believes that the goals nonetheless apply to this exemption request, it can find that this exemption request is consistent with applicable goals and policies as follows:

- 1. Goal 1 (Citizen Involvement). Goal 1 calls for "the opportunity for citizens to be involved in all phases of the planning process." It requires each city and county to have a citizen involvement program containing six components specified in the goal. As Goal 1 requires specific action of local governments and not permit applicants, it is not directly applicable to industrial development within the RIPD zone. Even if it applied directly, the Council can conclude that development of the proposed Facility will be consistent with Goal 1. This is because the County's current citizen involvement program requires, for any industrial development within the RIPD zone, that a hearing be held on the conditional use application before the County Planning Commission, which provides an opportunity for public participation in the decision and a right of appeal. CCZO 686.
- 2. Goal 2 (Land Use Planning). Goal 2 essentially requires local governments to prepare comprehensive plans and implementing regulations, and to make land use decisions in compliance with those provisions. For this reason, it is not directly applicable to the Facility. However, even if it were, the Facility will be consistent with Goal 2. As noted above, the County has an acknowledged plan and implementing land use regulations, and a goal exception consistent with Goal 2 has been taken for properties subject to the RIPD zone. For these reasons, the Council can conclude that development of the proposed Facility will be consistent with Goal 2.
- **3.** Goal 3 (Agricultural Lands). Except for the properties proposed to be used for the rail branch (spur) line, the Site is not designated as Goal 3 land. This goal does not apply the RIPD-zoned portions of the Facility. As for the PA-80 zoned properties to be used for the rail spur, the Council can find that the rail spur is consistent with Goal 3 for the reasons stated above in Section 3.1.3.
- **4.** Goal 4 (Forest Lands). The Site is not designated as Goal 4 land. This goal does not apply.
- **5.** Goal 5 (Open Spaces, Scenic and Historic Areas, and Natural Resources). Goal 5 requires local governments to inventory, map, and adopt regulations to protect its Goal 5 resources. There are no Goal 5 resources mapped on the site. This goal does not apply.

- 6. Goal 6 (Air, Water and Land Resource Quality). This goal requires local comprehensive plans and implementing measures to be consistent with state and federal regulations on matters such as air and water pollution. Goal 6 only requires that the local government establish that there is a "reasonable expectation" that the use for which approval is requested will be able to comply with the state and federal environmental quality standards. Hess v. City of Corvallis, 70 Or LUBA 283 (2014). The Council can find that the proposed Facility will be consistent with Goal 6 because the Facility shall be designed to meet applicable state and federal clean air and water standards, will not be operated until required air and water permits are issued, and there is no evidence that the Facility cannot comply with state and federal clean air and water standards.
- 7. Goal 7 (Areas Subject to Natural Disasters and Hazards). Goal 7 requires that local governments apply "appropriate safeguards" (floodplain zoning, for example) when planning for development. The Council can find that Goal 7 does not apply to the Site for two reasons. First, the site is essentially flat, meaning that there are no landslide hazards present. Second, the Federal Emergency Management Agency (FEMA) has designated the Site as an "Area with Reduced Flood Risk Due to Levee." It is not listed as having a 1-percent (100 year) or 0.2-percent (500 year) annual flood risk, and therefore not determined to be subject to a flood hazard. See FIRM 41009C0050D, available at

https://hazards.fema.maps.arcgis.com/apps/webappviewer/index.html?id=8b0 adb51996444d4879338b5529aa9cd.

- **8.** Goal 8 (Recreation Needs). Goal 8 requires communities to evaluate their recreational facilities and develop plans to meet recreational demand. The Site is not designated for and does not support any recreational facilities. For these reasons, Goal 8 does not apply to the proposed Facility.
- 9. Goal 9 (Economy). Goal 9 asks communities to inventory commercial and industrial lands, Facility future needs for such lands, and plan and zone enough land to meet those needs. RIPD zoning implements the County's Goal 9 policies, and is "intended to accommodate rural and natural resource related industries which: (.1) are not generally labor intensive; (.2) are land intensive; (.3) require a rural location in order to take advantage of adequate rail and/or vehicle and/or deep water port and/or airstrip access; (.4) complement the character and development of the surrounding rural area; (.5) are consistent with the rural facilities and services existing and/or planned for the area; and (.6) will not require public facility and or/service improvements at significant public expense.

The Council can conclude that the proposed Facility is consistent with above policies for the reasons stated in Section 3.1.2, above.

- **10.** Goal 10 (Housing). The Site is not designated for housing and housing is not permitted in the RIPD zone as a stand-alone use.
- 11. Goal 11 (Public Facilities). Goal 11 calls for efficient planning of public services such as sewers, water, law enforcement, and fire protection. As this is a local government planning requirement, it does not apply directly to the Facility. However, even if it did, Council can conclude that the Facility is consistent with Goal 11 because the Facility will not require any additional public facilities to be constructed a public expense.
- **12.** Goal 12 (Transportation). Goal 12 requires local governments to prepare and adopt transportation system plans. It also applies to post-acknowledgement plan amendments (zone changes) by requiring that such changes not have a significant affect on the transportation system, or that such affects are mitigated. See, OAR 660-012-0060. The County has an acknowledged Transportation System Plan; therefore, Goal 12 does not directly apply to the RIDP-zoned portions of the Facility.

The proposed rail spur is subject to OAR 660-012-0065, which allows certain transportation improvements on rural lands without a Statewide Planning Goal Exception. This regulation was addressed above in Section 3.1.3. As the proposed rail spur can satisfy OAR 660-012-0065, the Council can find that it is consistent with Goal 12.

- 13. Goal 13 (Energy Conservation). Goal 13 requires comprehensive plans to consider ways to "conserve energy," but does not require that comprehensive plans ensure a net decrease in energy use, or prohibit any plan amendment that would result in a net increase in energy use. Setniker v. ODOT, 66 Or LUBA 54 (2012). It also does not impose any substantive requirements on land use decisions, therefore, the Council can conclude that Goal 13 does not apply to the Facility. However, to the extent that the Council concludes otherwise, it can conclude that the proposed Facility furthers energy conservation by recycling existing waste products into a viable fuel.
- **14.** Goal 14 (Urbanization). Goal 14 requires local governments to adopt urban growth boundaries and to prohibit urban development outside of those boundaries. The Site is located within the Port Westward Exception Area, which was established through an acknowledged exception to Goal 14. Therefore, Goal 14 does not apply to the proposed Facility.
  - An exception to Goal 14 is not required because the proposed rail spur meets the applicable requirements of OAR 660-012-0065.
- **15.** Goal 15 (Willamette Greenway). The Site is not located along the Willamette River; Goal 15 does not apply.

- **16.** Goal 16 (Estuarine Resources). The Site is not adjacent to an estuarine resource; Goal 16 does not apply.
- **17.** Goal 17 (Coastal Shorelands). This goal defines a planning area bounded by the ocean beaches on the west and the coast highway (State Route 101) on the east. The site is not located within the designated Goal 17 area; therefore, Goal 17 does not apply.
- **18.** Goal 18 (Beaches and Dunes). The Site is not located near beaches or dunes; Goal 18 does not apply.
- **19.** Goal 19 (Ocean Resources). Goal 19 applies to the nearshore ocean and continental shelf; Goal 19 does not apply.

For the above reasons, the Council can conclude that the Facility can comply with the statewide planning goals to the extent that they apply.

NEXT is in the process of applying for a "Use Permitted Under Prescribed Conditions" and "Site Design Review." As explained above, ODOE can find that NEXT meets the criteria and it is feasible for NEXT to obtain the required approvals. Recognizing that ORS 469.320(2)(f)(B) requires that the facility "has received local land use approval under the applicable acknowledged comprehensive plan and land use regulations of the affected local government," NEXT hereby requests that ODOE find that the proposed facility is conditionally exempt pursuant to ORS 469.320(2), which exemption shall become effective upon Columbia County's issuance of the above-identified land use permits. (See also ORS 469.378 (authorizing the conditioning of agency action on subsequent county determination.)

### 4.0 SYNTHETIC FUEL PRODUCTION AND TRANSPORT

The Facility will produce 46,500 BPD of renewable diesel and 2,700 BPD of renewable naphtha derived from biomass. While "synthetic fuel" is not explicitly defined in ORS 469.320, its inclusion under ORS 469.320(2)(f) suggests that biomass derived fuels are considered synthetic. The state has affirmed this definition by including ethanol and other biomass derived fuels under this rule.

### 4.1 Feedstock and Product Transportation

Over 95-percent of the biomass feedstock received, and renewable fuels produced, at the Facility will be transported via ship or barge at the existing Port Westward dock. Approximately 5 ships per month or ~60 ships per year will transport finished products primarily to domestic markets. NEXT will utilize an existing third-party logistics provider who has secured priority dock access through a long-term lease and use agreement with the Port.

A small portion of the fuel, less than five-percent, may be transported via rail or truck for local consumption within the Portland/Vancouver market.

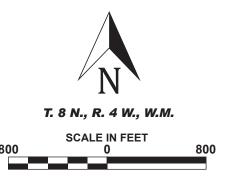
#### 4.2 Rail Use

The NEXT rail system is being designed to handle intermittent cargo (possibly up to 5-percent of the liquid barrels transported per month) and certain supplies. The main use of the rail system is expected to be the import of bleaching earth for the feed pretreat unit. The rail system is being designed to accommodate:

Unloading of feedstock
 Loading of renewable diesel
 Unloading of bleaching earth material
 20 railcars/week

The rail system consists of approximately 15,000 linear feet of track with a 10-bay feed unloading system and a 10-bay diesel loading and bleaching earth unloading system. The majority of the rail track is for storage to minimize the number of rail movements to and from the site and to allow for moving of cars to the loading/unloading bays.

The Facility will produce only synthetic fuel, at least 95 percent of which will be transported from the Facility by rail or barge thus satisfying the exemption requirement of ORS 469.320(2)(f)(D).





NEXT RENEWABLE FUELS OREGON

PORT WESTWARD, OREGON - FACILITY SITE

OREGON ENERGY FACILITY SITING COUNCIL

OREGON ENERGY FACILITY SITING COUNCIL EXEMPTION

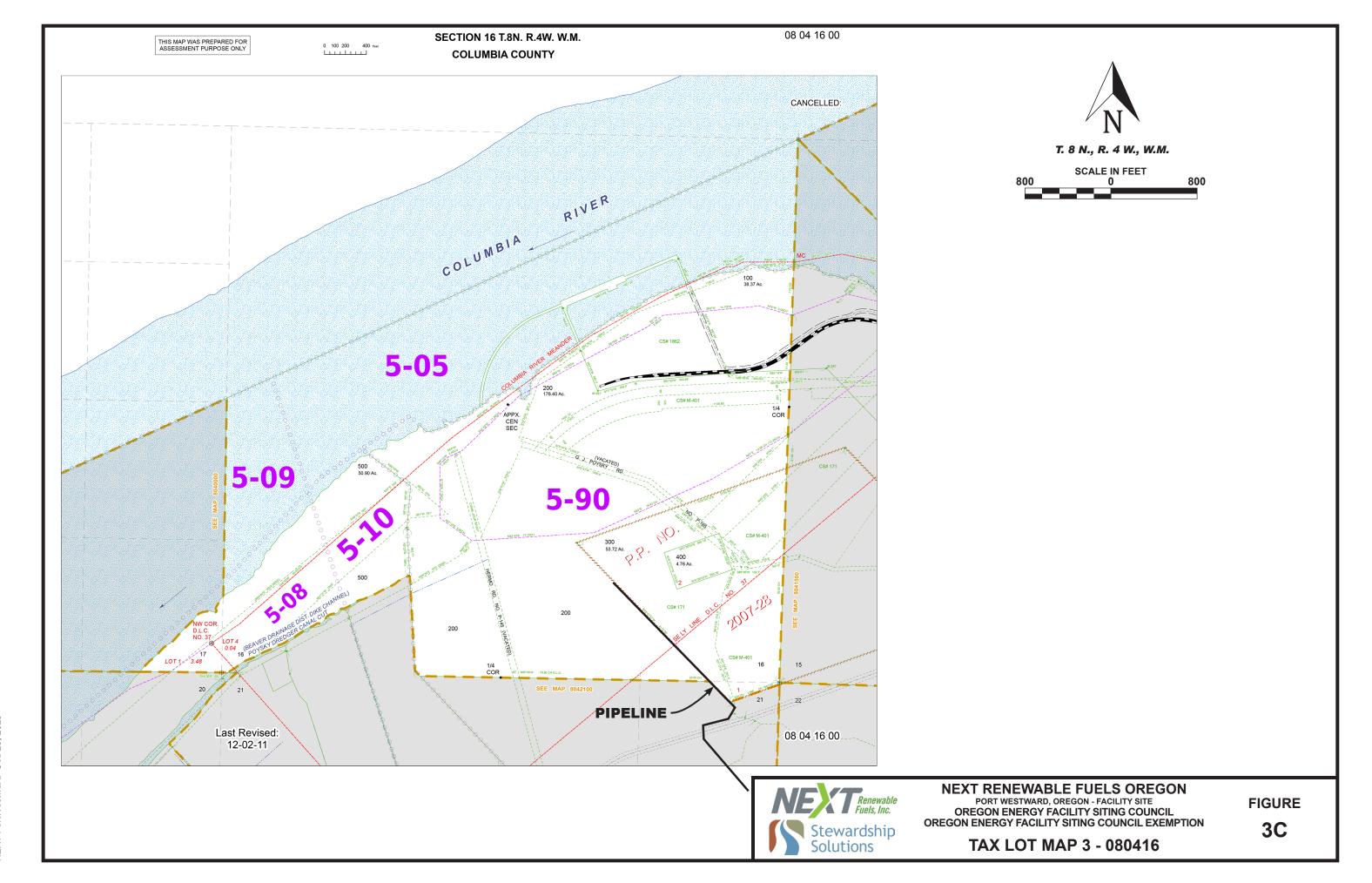
**TAX LOT MAP 1 - 080422** 

**FIGURE** 

**3A** 



**TAX LOT MAP 2 - 080421** 



NEXT-PortWestward Oct. 29, 2020

**TAX LOT MAP 4 - 080415** 

**FIGURE** 

**3D** 

PORT WESTWARD, OREGON - FACILITY SITE
OREGON ENERGY FACILITY SITING COUNCIL
OREGON ENERGY FACILITY SITING COUNCIL EXEMPTION

SITE LAYOUT

4