



DEPARTMENT OF BUILDING AND PLANNING

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September 11, 2019

Perry Lund
Washington Department of Ecology – SW Region
Section Manager, Shorelands and Environmental Assistance Program
PO Box 47775
Olympia, WA 98504-47775

Subject: Cowlitz County Completion of Review - Final Supplemental Environmental Impact Statement for Kalama Manufacturing & Marine Export Facility

Perry-

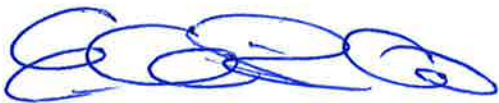
The County's review of the Final Supplemental Environmental Impact Statement (FSEIS) for Kalama Manufacturing & Marine Export Facility (KMMEF or project), issued on August 30th, 2019, has been completed:

- As stated in the Shoreline Hearings Board Order and as later ruled upon by the Cowlitz County Superior Court, the FSEIS analysis of life cycle GHG emissions was completed and issued on August 30th, 2019. That document contained a thorough evaluation of the full life cycle GHG emissions from the proposed facility, from the wellhead through productions of olefins in Asia—including how the project may affect global olefin production markets. The analysis did not rely in any way on the Department of Ecology Greenhouse Gas SEPA Guidance document that was rejected as insufficient by the Shoreline Hearings Board.
- The FSEIS concludes that the proposed project would result in a net reduction of global GHG emissions due to anticipated global methanol market displacement. Therefore, County determined the project does not have any significant unavoidable adverse impacts.
- Additionally, the applicant, NWIW, has voluntarily agreed to mitigate for all in-state GHG emissions attributable to their project through voluntary development of a GHG mitigation program, the framework of which is described in the FSEIS. Development of the Mitigation Program will continue to be the subject of discussions between the applicant, the state and county, to effect this mitigation of GHG emissions. This element of the project exceeds the requirements imposed by condition No. 4 in the Shoreline Conditional Use Permit, which required reduction or offset for a portion of the direct project GHG emissions each year. The framework that NWIW committed to provides an ongoing oversight role for the County.
- NWIW has not requested any change to the project or to their existing shoreline permits that would trigger a shoreline permit modification under the County's Shoreline Master Program.

- The additional SEPA analysis did not identify new shoreline impacts or materially change the County's analysis of the project's impacts under the County's Shoreline Master Program or SEPA.
- Therefore, it was my conclusion that no further County action or decision on the existing shoreline permits was warranted, and this letter advises you as to the same.

This completes the County's review, as initially directed by the Shoreline Hearings Board and as finally determined by the Cowlitz County Superior Court. The shoreline permits remain in place, per order of the Cowlitz County Superior Court, and the shoreline permit transmittal occurred some time ago. The County, through the signatory below, is available to discuss the content of this letter at your convenience.

Regards,



E. Elaine Placido, DPA
Director of Community Services

cc:

Mark Wilson, Port of Kalama
Brian Carrico, WSP
Vee Godley, NWIW