



April 6, 2017

Rep. Judy Clibborn, Chair
House Transportation Committee
JLOB 415
PO Box 40600
Olympia, WA
98504-0600

Sent via email to jclibborn@comcast.net

RE: Reject public funding for the Kalama methanol refinery and export terminal

Dear Transportation Committee Chair Clibborn,

The undersigned organizations respectfully request your leadership in rejecting public funding for the proposed methanol refinery and export terminal in Kalama, Washington. Substitute House Bill 1147, Section 307(10), allocates money to a list of freight projects submitted to the legislature by the Freight Advisory Committee and the Department of Transportation (see attached). That list contains two high-priority dock and road construction projects—totaling nearly \$12 million—required by the Kalama methanol refinery and export terminal. The world's largest proposed methanol refinery and export terminal does not deserve a \$12 million handout; that money would be better spent repairing Washington's roads and bridges. Please amend Section 307(10) of SHB 1147 to forbid public funding for methanol export.

The company behind the proposed methanol refinery, Northwest Innovation Works, is controlled by the Chinese government. Rather than stimulating foreign investment in Washington, Northwest Innovation Works hopes that Washingtonians will help pay for a project designed to exploit the state's cheap water, electricity, and natural gas. Tellingly, the U.S. DOT—under the federal TIGER grant program—repeatedly declined to fund these same dock and road construction projects for the Kalama methanol refinery.

A public handout for this private venture is bad public policy and flies in the face of Washington's greenhouse gas reduction goals. The methanol refinery would emit over a million

tons per year of CO₂e,¹ making it one of the largest single sources of greenhouse gas pollution in the State.² The Legislature set a goal of reducing carbon emissions to 1990 levels by 2020³—requiring an 11% **reduction** from current levels. Northwest Innovation Works’ proposal is a significant and deliberate step away from this goal.⁴ The project’s massive demand for fracked natural gas could drive new natural gas pipeline construction—and the associated taking of private property—in Cowlitz County and throughout Washington.

As organizations representing tens of thousands of members living in Washington, including Kalama residents whose quality of life is threatened by the world’s largest methanol refinery, **we urge you to reject public subsidies for this controversial proposal.**

Sincerely,

Columbia Riverkeeper
Sierra Club
Center for Biological Diversity
Washington Physicians for Social Responsibility

Also sent to:

House Democratic Leadership
Mary Kenfield, House Democratic Caucus Policy Director
Debbie Driver, House Democratic Caucus Transportation Policy Staffer

¹ See Southwest Clean Air Agency, *Preliminary Air Permit for Methanol Production Plant*, p. 3 (November 21, 2016) (This number does not account for vessel emissions or methane leakage during fracking and pipeline transport.).

² See The Daily News, *Northwest Innovation asks for revision in shoreline permit* (March 7, 2017) (online at: http://tdn.com/news/local/northwest-innovation-asks-for-revision-in-shoreline-permit/article_a995e3b1-a5b0-5fd1-be70-1d2276ef015a.html).

³ See RCW 70.235.020.

⁴ Cowlitz County Hearing Examiner, Hearing No. SL 16-0975, *Findings of Fact, Conclusions of Law and Decision*, p. 82 (February 27, 2017) (It is “difficult to reconcile the Project with [Washington’s] Clean Air Rule and the State’s announced goal of reducing statewide GHG emissions by 11% within the next three years.”).