



STATE ENVIRONMENTAL POLICY ACT (SEPA) SCOPING REPORT FOR PACIFIC COAST FERTILIZER PROPOSED AMMONIA PLANT

INTRODUCTION

The City of Longview is the lead agency for overseeing the preparation of an environmental impact statement (EIS) under the State Environmental Policy Act (SEPA) for a project proposed by Pacific Coast Fertilizer, LLC. An EIS provides an impartial discussion of probable significant adverse impacts, reasonable alternatives, and mitigation measures that would avoid or minimize adverse impacts.

The purpose of scoping is to identify the primary issues to be analyzed in the EIS. This report will summarize the issues identified by individuals, organizations and agencies during the scoping comment period.

PROPOSAL OVERVIEW AND CONTEXT

Pacific Coast Fertilizer (PCF) proposes to construct and operate a facility to process natural gas in the manufacture of anhydrous ammonia. The facility would store the product on-site and transfer and load the product for shipping via tanker trucks and via marine vessels. The proposed site is within the existing Mint Farm Industrial park (within the City of Longview) and is approximately 61 acres in size. The project would adapt the marine loading facility at the existing Nippon Dynawave salt dock. The dock is within Cowlitz County jurisdiction.

The project involves extending an existing lateral natural gas supply pipeline approximately 0.4 miles west to the proposed project site. The extension would be approximately 4,000 feet long. The finished product would be transported from the onsite storage tanks to the marine loading facility via a 16-inch diameter, approximately 1.5 mile insulated product line. The marine loading facility would consist of loading lines, a loading arm, a water tank, a hydraulic power unit, and operator cabinet.

The objective of the project is to provide ammonia to the Pacific Northwest and West Coast regions, where it would be sold for use as an agricultural fertilizer, or sold to others for conversion into other ammonia-based fertilizer products. Ammonia produced at the site would also be available for sale to international markets via shipment by marine vessel.

PURPOSE OF THE SCOPING PROCESS

The first step in the development of an EIS is the scoping process. During the scoping process agencies, tribes, local communities, organizations, and the public may comment on factors they believe should be analyzed and considered in the EIS. Specifically, the scoping process is intended to collect input on the following topics:

- Range of reasonable alternatives
- Potentially impacted resources and extent of analysis for those resources
- Potential measures to avoid, minimize, and mitigate impacts of the proposal

While the lead agency is not required under SEPA to respond to individual comments during scoping, this report allows them to review and consider all comments when developing the scope of the EIS.

SCOPING PROCESS

Notification of scoping

Determination of Significance (DS)

On October 16, 2017, the City released a DS. Washington State law mandates a 21-day public comment period for the scoping phase of an EIS. The City decided to extend the standard comment period to 30 days. Upon release of the DS, the City announced a 30-day scoping comment period scheduled to end on November 15, 2017. The notice also included an announcement of a scoping meetings for the public with two, two hour sessions; one in the afternoon and the other in the evening. The scoping meeting allowed interested parties to learn more about the project and to submit written and oral comments.

Public and media notification

The City notified key stakeholders, interested parties, agencies, and the general public of the DS and scoping comment period using a variety of communication tools. Notifications included:

- Announcement of the scoping comment period
- Description of the proposed project and area map
- Identification of the City of Longview as the EIS lead agency
- Description of opportunities to provide scoping comments
- Details about the scoping meeting
- Link to the EIS scoping comment period webpage

The tools used to announce the release of the DS and start of the scoping period included

- Press release to local news outlets

- Mailer to nearby land owners and residences
- Print and online ads placed in local newspaper (The Daily News)
- Announcement on the City’s webpage with information on the project, the scoping process and the ability to submit comments online

Opportunities to provide comments

The City invited comments through a variety of methods as described below. The table below provides a count for the number of comments submitted during the scoping comment period using each option.

| Comment options | Number of comments submitted |
|--|------------------------------|
| Online comments submitted at City website | 64 |
| Email | 36 |
| Written (letters and comment cards) | 77 |
| Verbal comments given to a court reporter at scoping meeting | 3 |
| Mailed or hand delivered | 8 |
| Total | 188 |

Note: Some persons submitted their comments using more than one method (e.g. a letter submitted by email and also mailed). Also, some persons submitted more than one comment (e.g. More than one comment card, email or online comment. All are counted in the above total.

Online information and opportunity to submit comments

During the scoping process the City kept a webpage on the proposed project on its website. A link to the webpage was displayed prominently on the City’s homepage. The webpage contained information of the project, the scoping process, and the ability to leave comments.

Scoping meeting

An open house style scoping meeting was held on November 8, 2017. There were two sessions; one from 2:00 to 4:00 p.m. and the other from 6:00 to 8:00 p.m. It was held at the Cowlitz County Event Center in Longview, WA. There was an introductory looping video near the entrance that gave basic information about the project. There were five stations where persons could learn different aspects of the project and the SEPA review process. At each station, persons representing Pacific Coast Fertilizer and/or City staff were available to answer questions. The estimated

number of persons who attended the event (not including City staff and the applicant's representatives) was 50.

SUMMARY OF SCOPING COMMENTS

The City's determination of significance (dated October 16, 2017) stated that the City expected the applicant to discuss the following in the project's environmental impact statements:

| | |
|-----------------------|--|
| Air: | Emissions |
| Environmental Health: | Potential Releases of Toxic or Hazardous Materials |
| Emergency Response | |

The bulk of the comments received through the scoping period fell under those categories:

Public Comments

Emissions

Under emissions commenters were concerned about specific emissions resulting from the ammonia refining process, greenhouse gases and exhaust emissions from trucks and ships. Commenters wanted an analysis of greenhouse gases generated not just at the plant site but also they want an analysis of off-site emission sources. Commenters were also concerned about potential odors.

Potential Releases of Toxic or Hazardous Materials

The primary concern among commenters appeared to be regarding potential releases of toxic or hazardous material and the effects a release would have on human health and the environment. Persons were concerned about following potential releases:

- at the plant site especially while loading trucks
- trucks traveling to customers
- along the pipeline between the plant and the dock
- while loading ships
- ships traveling down the Columbia River
- associated with the natural gas supply line

The ammonia product would be stored at the plant in two refrigerated 33,000 ton storage tanks prior to loading in trucks or marine vessels. Commenters wanted to know what would happen if the tanks lost refrigeration for an extended period of time.

In regards to the concerns about potential releases involving the loading of ships and the traveling of ships down the Columbia River, commenters were concerned about the impacts of a product spill on wildlife especially salmon.

Emergency response

Emergency response is tied into the concerns about potential releases of toxic or hazardous materials. Commenters are concerned about the community's ability to respond to a catastrophic release such as one caused by an earthquake or flooding. They question whether emergency response would be adequate to protect the nearby residences and businesses. If there are damages, commenters wanted to know who will compensate for the damages. They also wanted to know who would pay for the emergency response.

Other areas of concerns not identified in notification of scoping

Use of natural gas extracted by a fracking process

Commenters are concerned that the natural gas the plant will use will be extracted using the fracking process. Commenters were concerned about the environmental damage the fracking process may cause including the generation of greenhouse gases.

Water supply

Commenters were concerned about the amount of water the plant will use. They want assurance that the plant's use would not interfere with supplying other water users.

Wastewater

Commenters wanted to know if the wastewater system is adequate to meet the proposed plant's needs. They wanted to know what pollutants the wastewater will carry, how much wastewater will be produced and how it will be disposed.

Truck traffic

In addition to the safety concerns of transporting the ammonia product by trucks, commenters were concerned about the additional truck traffic exacerbating existing traffic congestion.

Stack and flare

The proposed ammonia plant would include a 197-foot tall stack that has the ability to generate a flare when needed. Commenters were concerned about human and environmental impacts of the stack.

Natural gas supply

Commenters were concerned whether the natural gas supply and delivery systems were adequate to meet the plant's needs. They wanted to know who the provider will be and whether they are authorized to provide the natural gas.

Location of plant

Commenters wanted to know why the plant should not be located nearer the end user (near farming communities on the east side of the state).

Additional concerns

- noise generated by the plant
- environmental justice – inordinate impact on low income persons
- effect on nearby property values especially residential properties

- long term feasibility of the plant
- product runoff when applied at the farm
- impacts to groundwater movement/quantity/quality
- impacts to surface water movement/quantity/quality
- impacts to historic and cultural preservation
- whether the plant and associated facilities will be adequately maintained
- farming needs to be moving away from the use of chemical fertilizers
- the product will be used for making illicit drugs
- the plant and associated facilities will generate odors
- there are adequate safeguards against terrorism
- effect of project on neighboring industries
- need to look at not building the plant at the proposed site
- that other technologies should be used
- suspicion that the plant will later expand to use rail service
- there will be a clean-up plan when the plant closes

Agency Comments

Washington State Department of Archaeology & Historic Preservation

They requested "... that archaeological and historic resources be clearly identified and addressed in the proposed Environmental Impact Statement."

Washington State Department of Ecology

- Wetland Impacts and Mitigation – The letter discusses the wetland mitigation for the Mint Farm Industrial Park and recommends "... including this information as background information in the scope of the study."
- Air quality – Ecology recommends a quantitative evaluation of potential direct and indirect impacts of air pollutants and greenhouse gases. They suggest that the EIS assessment of greenhouse gases includes a review of recent appeals and court cases.
- Water quality – The letter states that "The scope of the Environmental Impact Statement should thoroughly evaluate potential impacts to water quality. It goes on to state that various permits may be needed regarding stormwater and wastewater."

- Hazardous Material Contamination Discovery – The letter states that “The Mint Farm is not identified as a location that contains contamination.” However, it goes on to say there are several contaminated sites in the area and that “The scope of the environmental review should evaluate the potential of project construction or operations coming into contact with hazardous material or petroleum contamination.”
- Toxic Cleanup – “Ecology recommends that the City create a contingency plan that would address contamination if contamination is discovered or disturbed.”
- Managing Demolition Waste – The letter states that the company should ensure that any potentially dangerous or hazardous materials present are removed prior to demolition.

Washington State Department of Natural Resources (DNR)

The letter states that the applicant “... must obtain authorization from DNR prior to building structures in the water and air space above state-owned aquatic lands. DNR states that “... the project will likely impact state-owned aquatics land.” The letter also states that “Because this would be a new activity at the site, robust environmental analysis is required to identify and mitigate potential, adverse impacts.” The letter provides more information on what potential adverse impacts should be addressed.

RESULTS OF SCOPING PROCESS

The comments received during the scoping process reinforced that the three categories identified as emphasis areas in the Determination of Significance should be emphasized in the EIS. The three categories are; emissions, potential releases of toxic or hazardous materials, and emergency response. The following provides more information on what needs to be emphasized in the EIS.

The analysis shall be consistent with Washington Administrative Code 197-11-440 and describe the existing environment that will be affected by the proposal, analyze significant impacts of alternatives including the proposed action, and discuss reasonable mitigation measures that would significantly mitigate these impacts.

Emissions

The EIS shall include a quantitative evaluation of potential direct and indirect impacts of air pollutants and greenhouse gases.

Air pollutants: The analysis shall include impacts to the local air shed from plant operations, plant construction, and from exhaust emission from trucks and marine vessels.

Green House Gases (GHG): The scope of analysis for GHG emission will build upon previous Ecology guidance regarding GHG emissions disclosure for SEPA review and will be supplemented with information regarding transportation emissions which may be reasonably

foreseen. These will consider delivering product to market within Washington by truck, and to the degree the final destination can be reasonably identified to the Pacific Northwest and Western U.S. These will also include delivery by vessel to international ports. The analysis will include an estimate of emissions resulting from construction of the project (focusing on emissions that occur in the vicinity of the project area and can be reasonably estimated, and including emissions related to stationary or mobile construction equipment and vessels used in dock modification). The analysis will include estimated emissions resulting from operation of the project and from generation of electricity supplied to the project. Emissions ancillary to operations (e.g. onsite vehicles, and vessel docking and loading operations) will also be included. The analysis will disclose emissions from natural gas transportation to the project by transmission pipeline and emissions resulting from current extraction methods in those areas that could be reasonably foreseen to supply gas to the transmission system.

Potential releases of toxic or hazardous materials

The EIS shall contain an analysis regarding potential releases of toxic or hazardous material and the effects a release would have on human health and the environment. At a minimum the analysis shall address the following potential release sites:

- at the plant site especially while loading trucks
- trucks traveling to customers
- along the pipeline between the plant and the dock
- while loading ships
- ships traveling down the Columbia River
- along the natural gas supply line

The ammonia product would be stored at the plant in two refrigerated 33,000 ton storage tanks prior to loading in trucks or marine vessels. The analysis shall address a situation where the tanks lose refrigeration for an extended period of time.

Emergency response

The EIS shall analyze the plant operator's and local jurisdictions' ability to respond to a catastrophic release such as one caused by an earthquake or flooding. At minimum the analysis must address potential adverse impacts of a 500-year flood event or a Cascadia Subduction Zone earthquake event. The earthquake analysis shall be consistent with *International Building Code (IBC) Section 1613 Earthquake Loads*. The analysis needs to answer the question whether emergency response will be adequate to protect the nearby residences and businesses. The analysis also needs to discuss who will compensate if there are damages from an event and who will pay for the emergency response.

Non-emphasis areas of concern

The other concerns expressed in the scoping process are valid concerns but can be addressed in the normal course of writing the EIS and/or in applying for permits or requesting utility services. For instance:

- Water and sewer will not be provided to the project until it can be demonstrated that there is adequate capacity and that the wastewater can be handled by the treatment plant
- The proposed 197-foot stack will require a special property use permit approved by the City Appeal Board of Adjustment. The applicant will need to demonstrate that the stack "...will not be injurious to the neighborhood or otherwise detrimental to the public health, safety, morals and general welfare." [LMC 19.12.050(3)(a)]
- The applicant is already in the process of preparing a traffic study
- The applicant is already in the process of preparing an archaeological and historic resources report

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