DETERMINATION OF SIGNIFICANCE
AND REQUEST FOR COMMENTS ON SCOPE OF EIS

Description of Proposal: Northwest Innovation Works, LLC - Kalama (NWIW) proposes to develop and operate a natural gas-to-methanol production plant and storage facilities on approximately 90 acres in the Port of Kalama (Port). The project objective is the manufacture and shipment of methanol to global markets for use as a feedstock for manufacturing olefins used in the production of plastics and other materials. Two phases are proposed each capable of producing 5,000 metric tons per day. The plant facilities will include two methanol production lines, an administrative and lab building, employee parking, access roadways, a fire station, two air separation units, air storage, water production wells, water storage and treatment facilities, wastewater treatment facilities, cooling towers, a flare system for the disposal of flammable gases and vapors, substations and generators. Natural gas will be delivered to the methanol plant via a proposed new transmission pipeline lateral. Northwest Pipeline GP will be responsible for obtaining permits for and constructing this pipeline, extending from its existing pipeline approximately three miles through unincorporated Cowlitz County and the City of Kalama. Methanol will be stored in non-pressurized storage tanks with a total capacity of approximately 200,000 metric tons surrounded by a containment area. Methanol will be transferred by pipeline across Port property from the storage area to a deep draft marine terminal on the Columbia River including a new dock and new berth created by dredging. The Port will be responsible for obtaining permits for and construction of the dock and dredging activities. The anticipated yearly production at full capacity is approximately 3.6 million metric tons of methanol. The applicant anticipates loading between three and six ships per month dependent upon vessel size. The shipping terminal will be available for other users when not being used to load methanol.

Proponent: Northwest Innovation Works LLC and the Port of Kalama.

Location of the Proposal: The project would be located on land leased from the Port. The site is located on the Columbia River in unincorporated Cowlitz County in Section 36 Township 7N Range 2 West W.M. and Section 31 Township 7N Range 2West W.M. The site consists of tax parcels 63302, 60831, 63304, 63305, and 60822. It is accessible from Tradewinds Road, a private Port road.

State Environmental Policy Act (SEPA) Co-Lead Agencies: The Port of Kalama and Cowlitz County are co-lead agencies. The Port is the nominal lead, responsible for complying with the SEPA lead agency duties for the SEPA review process.
SEPA Environmental Impact Statement (EIS) Required: NWIW has agreed to the issuance of a Determination of Significance and the preparation of an EIS under Revised Code of Washington 43.21C.030(2)(c). The EIS will consider the combined impacts from development and operation of the natural gas pipeline lateral, the methanol production plant and storage facilities and the marine terminal. The lead agencies have identified the following areas for potential discussion in the EIS:

Earth:  Geology & Soils
        Seismic Events

Air:  Emissions

Water:  Water Quantity and Quality

Plants and Animals:  Terrestrial Species
        Aquatic Species

Energy and Natural Resources

Environmental Health:  Noise
        Potential Releases of Toxic or Hazardous Materials
        Emergency Response

Land Use:  Zoning and Comprehensive Plan Consistency
        Parks and Recreation
        Light and Glare
        Aesthetics
        Archaeological Resources

Transportation:  Vehicle Traffic
        Waterborne Traffic

Public Services and Utilities

Scoping: Agencies, affected tribes, and members of the public are invited to comment on the scope of the EIS during the 30-day scoping period, which is November 7 to December 8, 2014. You may comment on alternatives, mitigation measures, probable significant adverse impacts, and licenses or other approvals that may be required. Reasonable accommodations for people with disabilities are available upon request by emailing afarr@portofkalama.com or calling (360) 673-2325.
Scoping comments will be accepted in the following manner

Mail: Ann Farr  
Port of Kalama  
110 West Marine Drive  
Kalama, WA 98625

Email: SEPA@KalamaMfgFacilitySEPA.com

Website: www.KalamaMfgFacilitySEPA.com

Scoping Meeting: A scoping meeting will be held on November 20, 2014 from 4:00 to 7:00 p.m. at the Kalama Community Center, 216 Elm Street, Kalama, WA 98625.

Comments will not be accepted by telephone or personal conversation.

Documents Available: Information regarding the project can be reviewed at the Port of Kalama office located at 110 W. Marine Drive in Kalama, WA, at the Cowlitz County Department of Building & Planning located at 207 4th Avenue North in Kelso, WA or on the project website at KalamaMfgFacilitySEPA.com

Responsible Officials:

Ann Farr  
Port of Kalama

Date: October 31, 2014 Signature: [Signature]

Elaine Placido  
Cowlitz County Director of Building and Planning

Date: 31 Oct 14 Signature: [Signature]
Figure 1.1-1
General Location

Northwest Pipeline LLC
Kalama Lateral Project

Cowlitz County, Washington