



January 19, 2022

**Columbia County Board of Commissioners**  
230 Strand St. Room 238  
St. Helens, OR 97051

(submitted via email to [planning@columbiacountyor.gov](mailto:planning@columbiacountyor.gov))

Re: Public Comment on CU 21-04/DR 21-03/V 21-05 (NEXT Renewable Fuels Oregon at Port Westward)

Thank you for the opportunity to comment on CU 21-04/DR 21-03/V 21-05 (the "Applications"). The following comments are submitted by 1000 Friends of Oregon and Columbia Riverkeeper ("Commenters"). 1000 Friends of Oregon is a nonprofit membership organization that works with Oregonians to support livable urban and rural communities; protect family farms, forests and natural areas; and provide transportation and housing choices. Columbia Riverkeeper works to protect and restore the water quality of the Columbia River and all life connected to it. Both organizations have members in all parts of Oregon, including Columbia County. Commenters request that the County include this letter in the record for the January 19<sup>th</sup> hearing on the Applications.

1000 Friends of Oregon and Columbia Riverkeeper urge the Board of Commissioners ("Board") not to approve the Applications. The Applications raise a variety of community and policy-based concerns, but Commenters also believe that the Applications fail to satisfy the following approval criteria:

- 1) CCZO 1175(A) and (B): Permitted Uses in Riparian Corridors
- 2) CCZO 1184(E): Permitted Uses in Wetlands
- 3) CCZO 306(9): Transportation Improvements Under OAR 660-012-0065 as Conditional Uses
- 4) CCZO 1503(5)(C): Suitability of Site for Proposed Use
- 5) CCZO 681(4): Proposed Use Must Complement Surrounding Area
- 6) CCZO 307(1)(A): Use Must Not Force Changes in Accepted Farm or Forest Practices
- 7) CCZO 1503(5)(E): Use Must Not Limit Use of Surrounding Properties

The following paragraphs provide a detailed discussion of why the Applications fail to satisfy the approval criteria listed above.



***CCZO 1175(A) and (B) and CCZO 1184(E): The Proposed Use is Not Water-Dependent***

CCZO 1175(A) and (B) permit development in riparian corridors only if the proposed use is “water-related and water-dependent.” Similarly, CCZO 1184(E)(2)(e) only permits development in wetland boundaries if the proposed use is water-related and water-dependent. The definitions for Oregon’s Statewide Planning Goals provide the following meaning for water-dependent:

“A use or activity which can be carried out only on, in, or adjacent to water areas because the use requires access to the water body for water-borne transportation, recreation, energy production, or source of water.”<sup>1</sup>

The definitions for the Statewide Planning Goals also provide the following meaning for water-related:

“Uses which are not directly dependent upon access to a water body, but which provide goods or services that are directly associated with water-dependent land or waterway use, and, which, if not located adjacent to water, would result in a public loss of quality in the good or services offered.”<sup>2</sup>

In this case, the CUP application contains no reference to or discussion of the definitions provided above. Instead, it contains conclusory language stating that the proposed use is water-related and water-dependent simply because the applicant desires to use the Port of Columbia County’s dock to transport the finished product via ship. CUP Application Pages 15, 16, and 19. However, a rail line to transport materials does not require access to water and in fact, the applicant concedes that the rail line can be used to transport the finished product in lieu of a ship. CUP Application Page 3. Even if the CUP included the actual renewable diesel production facility, rather than just a rail line, two of the four existing renewable diesel production facilities in the United States are located in the land-locked states of North Dakota and Kansas and have no connection to water.<sup>3</sup> Thus, the proposed use is not water-dependent in the context of Oregon land use law.

The proposed rail line also fails to meet the definition of a “water-related” use. As the previous paragraph demonstrates, the rail line is not directly associated with a water-dependent

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<sup>1</sup> See Oregon Statewide Planning Goals, Page 105, available at [https://www.oregon.gov/lcd/Publications/compilation\\_of\\_statewide\\_planning\\_goals\\_July2019.pdf](https://www.oregon.gov/lcd/Publications/compilation_of_statewide_planning_goals_July2019.pdf).

<sup>2</sup> *Id.*

<sup>3</sup> See Exhibit A.



use because neither a rail line, nor a renewable diesel production facility require access to water. In addition, no loss of quality in the goods or services offered by the rail line would occur if the rail line was not located adjacent to water. The applicant's statement that the rail line will be used to transport some of the finished product suggests that no loss in quality would result from shipping fuel by rail, rather than ship. CUP Application Page 3. Thus, the proposed use is not "water-related" in the context of Oregon land use law.

To summarize the paragraphs above, the CUP application contains no explanation of how the proposed use—a rail line to transport raw materials and finished product—relates to or depends on water. Therefore, the proposed use is not water-dependent or water-related and fails to satisfy CCZO 1175(A) and (B) and 1184(E)(2)(e).

***CCZO 306(9): Transportation Improvements Under OAR 660-012-0065 as Conditional Uses***

CCZO 306(9) authorizes transportation improvements listed under OAR 660-012-0065 as conditional uses in agricultural zones. OAR 660-012-0065(3)(j) includes railroad branchlines and although the CUP application states that the proposed use is a branchline, Commenters believe the proposed use is a railyard, rather than a branchline.

The term "branch line" is not defined in applicable Oregon law, however Merriam-Webster dictionary defines the term as "a secondary line usually of a railroad."<sup>4</sup> A "line" is defined as "the track and roadbed of a railway."<sup>5</sup> A very short branch line may be referred to as a "spur," and is also defined in the singular.<sup>6</sup> In other words, the common definition of a branch line implies a single stretch of track that stems from the main rail line. That is not what NEXT has proposed—Exhibit 3 to the CUP application shows a dozen or more rail lines and multiple rail spots that could support potential storage, maintenance, onloading, and offloading operations. The schematics provided in Exhibit 3 to the CUP application looks more like a full rail yard than a single branch line.<sup>7</sup> However, the CUP application contains extremely minimal information describing the need for such an extensive network of tracks and other improvements, simply concluding that the "branchline will accommodate shipment of raw materials and potentially a small amount of finished product." CUP Application Page 3.

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<sup>4</sup> See <https://www.merriam-webster.com/dictionary/branch%20line>.

<sup>5</sup> See <https://www.merriam-webster.com/dictionary/line>.

<sup>6</sup> See <https://www.merriam-webster.com/dictionary/spur>.

<sup>7</sup> In contrast to a branch line, a rail yard is made up of a network of multiple tracks running parallel to one another where multiple trains can be unloaded and stored at any given time. See e.g., <https://bit.ly/3I8Nvf4>.



Without more complete information describing the need for the improvements depicted in Exhibit 3, the county lacks substantial evidence to conclude that the proposed use qualifies as a “branchline” and that the CUP application satisfies CCZO 306(9). Because the CCZO, OAR 660-012-0065, state statutes, and case law all fail to define “branchline,” the county can make reasonable interpretations of the term. *Siporen v. City of Medford*, 349 Or. 247, 243 P.3d 776 (2010). In this case, substantial evidence in the record—Exhibit 3 of the CUP—indicates that the proposed use is far more expansive than a mere branchline and should be considered a railyard. Thus, Commenters urge the Board to determine that the CUP application does not satisfy CCZO 306(9) because evidence in the record suggests that the proposed use is a railyard, rather than a branchline.

***CCZO 681(4) and 1503(5)(C): The Proposed Use is Not Compatible with the Surrounding Area***

To avoid unnecessary repetition, the following section of this letter analyzes the proposed use against CCZO 681(4) and 1503(5)(C). CCZO 681(4) requires the proposed use to “complement the character and development of the surrounding rural area” and CCZO 686(1) makes that provision a mandatory approval criterion for uses in the RIPD zone. CCZO 1503(5)(C), on the other hand, requires the characteristics of the site to be suitable for the proposed use, considering size, shape, location, topography, existence of improvements, and natural features. Put simply, a renewable diesel production facility does not complement the character of neighboring successful agricultural operations in any way. The applicant does not even attempt to argue that the proposed use “complements” the area and, instead, states that the two can “coexist.” RIPD/SDR Application Page 7. Further, the staff report fails to address CCZO 681(4), which is required under CCZO 686(1), entirely.

In reality, NEXT’s proposed facility will stand out starkly against the surrounding rural uses—most notably as a result of the natural gas flare that will extend above the facility like a massive torch.<sup>8</sup> Furthermore, the production of renewable diesel is an energy intensive and dirty process that can cause dangerous pollution to the surrounding area. In fact, the very same proponents behind the NEXT proposal—including Christopher Efir—abandoned an earlier, similar, biodiesel project in Odessa, Washington, leaving the facility in such a dangerous state that the Environmental Protection Agency (EPA) issued an emergency removal order to clean up

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<sup>8</sup> See NEXT Renewable Fuels, Inc. Application to Columbia County for Use Permitted Under Prescribed Conditions in RIPD Zone, Site Design Review, and Variance for Security Fencing at 3 (Jan. 19, 2021; rev. July 12, 2021), <https://bit.ly/3Dt8pmw>



the site at a cost of over \$400,000.<sup>9</sup> The EPA memo attached as Exhibit C details the contamination at the Odessa site, which included:

- Process chemicals, hazardous materials, and waste that presented a threat of aerial release and potential fire and explosion;
- Leaking storage tanks that could contaminate soils and water; and
- Potential vapor or smoke release that “could threaten the nearby population.”<sup>10</sup>

EPA concluded that the “[a]ctual or threatened releases of hazardous substances and/or pollutants and contaminants from [the] Site, if not addressed by implementing the response selected in this Action Memorandum, may present an imminent and substantial endangerment to public health, or welfare, or the environment.”<sup>11</sup>

Thus, as Exhibits B and C show, locating a renewable diesel production facility—particularly one proposed by these specific applicants—directly adjacent to valuable agricultural land, including land used to produce food for human consumption, not only does not complement the area, but puts the area at significant risk. The threat of environmental contamination to surrounding farms, wetlands, and groundwater, whether from the plant itself or the rail line transporting materials to and from the plant, suggests that the site’s location and natural features are not suitable for the proposed uses. Tellingly, despite the applicant’s prior experience with contamination resulting from biodiesel production, the Applications fail to include any discussion of the potential pollution impacts to surrounding farm operations and ecologically-valuable wetlands. For these reasons, Commenters believe the Applications fail to comply with CCZO 681(4)’s requirement that the use complement the surrounding area and CCZO 1503(5)(C)’s requirement that the site be suitable for the proposed uses.

***CCZO 307(1)(a) and 1503(5)(E): The Proposed Use Will Force Changes in Accepted Farming Practices and Limit Use of Surrounding Properties***

Finally, CCZO 307(1)(a) prohibits the proposed use from forcing a significant change in accepted farm or forest practices on surrounding farm lands. Similarly, CCZO 1503(5)(E) requires that the proposed use will not alter the character of the surrounding area in a manner which substantially limits, impairs, or precludes the use of surrounding properties for the primary uses listed in the underlying district. However, the application and staff report fail to address the possibility that train traffic could prevent or delay crop harvests on agricultural lands

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<sup>9</sup> See Exhibit B.

<sup>10</sup> See Exhibit C.

<sup>11</sup> *Id.* at 5.



surrounding the applicant's rail facilities. The applicant and the county must provide some analysis of how hundreds of slow-moving rail cars utilizing the applicant's proposed railyard will impact farmers' access to their fields, particularly during harvest time. The applicant and the county may not rely on vague, conclusory statements that the farm impacts test is satisfied in lieu of an actual analysis. If the applicant's rail operation prevents farmers from harvesting and transporting crops using standard equipment, harvest practices, and harvest windows, then the proposed use will force changes in accepted farming practices and will alter the character of the area in a way that substantially limits use of surrounding agricultural properties. However, the applicant and county ignore this possibility altogether. For that reason, the application fails to demonstrate compliance with CCZO 307(1)(a) and 1503(5)(E).

Sincerely,

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1000 Friends of Oregon is a 501(c)(3) non-profit organization founded by Governor Tom McCall shortly after the Legislature passed Senate Bill 100, which created the land use planning rules that shape Oregon's communities. Since its founding in 1974, 1000 Friends has served Oregon by defending Oregon's land use system—a system of rules that creates livable communities, protects family farms and forestlands, and conserves the natural resources and scenic areas that make Oregon such an extraordinary place to live. 1000 Friends accomplishes this mission by monitoring local and statewide land use issues, enforcing state land use laws, and working with state agencies and the Legislature to uphold the integrity of the land use system.



Columbia Riverkeeper's mission is to restore and protect the water quality of the Columbia River and all life connected to it, from the headwaters to the Pacific Ocean. Columbia Riverkeeper is a non-profit organization with over 16,000 members who live, work, and recreate throughout the Columbia River Basin.



# EXHIBIT A

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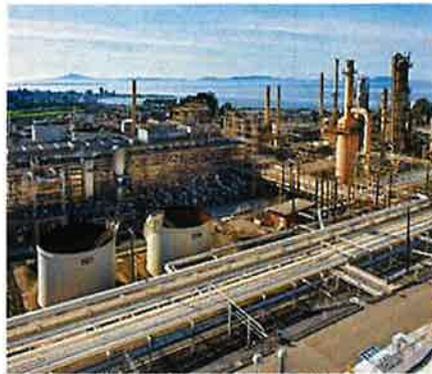
## Renewable Diesel's Rising Tide

An update on U.S. renewable diesel projects—operational, expanding, under construction and proposed—giving new purpose to aging oil refineries. The report represents a transformative volume of nearly 5.5 billion gallons of new or potential capacity.

By Tom Bryan | January 12, 2021

The appeal of stacking the \$1-per-gallon biodiesel tax credit on top of California's Low Carbon Fuel Standard credits, while reducing RIN exposure for those that have it, has encouraged a race for renewable diesel production capacity that will likely transform America's biomass-based-diesel industry over the next few years.

The federal tax credit is guaranteed only through 2022, but that's runway enough for developers to continue transforming half a dozen U.S. oil refineries into renewable diesel plants, even as two existing renewable diesel producers—both in Louisiana—proceed with massive expansions. As 2020 expired, *Biodiesel Magazine* was aware of four operational renewable diesel plants in the United States: the two expanding facilities, capable of producing 90 MMgy and 275



This aging Phillips 66 refinery in Rodeo, California, with access to the San Francisco Bay, is slated to be reconfigured to produce 680 MMgy of renewable diesel, renewable gasoline and sustainable aviation fuel. The project is dubbed Rodeo Renewed. PHOTO: PHILLIPS 66

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MMgy prior to upsizing; a newly commissioned 184 MMgy plant in North Dakota; and a 4 MMgy unit in Kansas.

That existing 553 MMgy of capacity, while impressive by itself, will soon be eclipsed by six more renewable diesel plants under construction, plus the expansions. Altogether, this first big wave of construction represents over 2 billion gallons of biobased-diesel capacity. And what's poised to come next could be even more extraordinary. At least five additional proposed renewable diesel facilities—each of them massive—represent another 3.3 billion gallons of potential capacity. Altogether, the 14 facilities in this overview represent nearly 5.5 billion gallons of new or potential capacity, which is double the U.S. biodiesel industry's current size.

It will take years to know how much renewable diesel capacity is ultimately built out, and what impact it has on North America's current fleet of 100-plus operational biodiesel plants, but it is increasingly clear that the biobased-diesel industry's two segments—sharing markets, incentives and feedstock—are veering toward unification, politically and logistically.

**Bakersfield Renewable Fuels**  
UNDER CONSTRUCTION / 230 MMgy

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**Bakersfield, California**

Bakersfield Renewable Fuels' parent company, Global Clean Energy Holdings Inc., purchased the Bakersfield refinery in June after raising \$365 million to acquire and retrofit the facility to produce renewable diesel, liquid propane and naphtha. The refinery will use a variety of feedstocks including waste fats, used cooking oil, soybean oil and distillers corn oil—as well as GCEH's proprietary camelina oil.

The overhaul of the refinery is being handled by ARB Inc., a Bakersfield-based EPC contractor. The facility is expected to be commissioned in early 2022, with start-up capacity around 230 MMgy. Haldor Topsoe is supplying the plant with its HydroFlex process technology, a package that includes basic engineering, license, proprietary equipment and a process catalyst.

In August, ExxonMobil signed an agreement with GCEH to purchase 105 MMgy of renewable diesel from the facility, for five years, starting in 2022. ExxonMobil plans to distribute the renewable diesel within California and potentially to other domestic and international markets.

*Note: Biodiesel Magazine's 2021 Biodiesel and Renewable Diesel Plant Map listed this facility as Alon Bakersfield Refinery, its name under previous ownership.*

**CVR Energy Inc. - Wynnewood****UNDER CONSTRUCTION / 100 MMgy****Wynnewood, Oklahoma**

In late December, CVR Energy Inc. confirmed that its board of directors had approved a plan to retrofit the company's refinery in Wynnewood, Oklahoma, to produce renewable diesel and naphtha. The project—centered around converting the facility's hydrocracker unit to renewable diesel production—is expected to be complete in mid-2021, allowing the refinery to produce nearly 100 MMgy of renewable fuel.

"Detailed engineering design work for the project is underway," said Dave Lamp, CEO of CVR Energy. "We also have ordered long lead-time equipment and began construction work. ... We continue to expect the unit to be in service by July 1, 2021."

A statement released by CVR Energy characterized the current project as the first of three phases of the company's long-term renewable diesel strategy. During a third-quarter earnings call in November, Lamp said phase one is the conversion of the existing hydrocracker at the Wynnewood refinery; phase two would include the installation of a pretreatment unit at the Wynnewood plant that would allow the renewable diesel unit to process lower-carbon feedstocks such as corn oil, animal fats and used cooking oil; and phase three would pursue a similar renewable diesel project at CVR's Coffeyville, Kansas, refinery.

CVR Energy has been candid about the fact that it is pursuing renewable diesel production as a means of reducing its annual renewable identification number (RIN) exposure under the Renewable Fuel Standard.

*Note: This project was not represented on Biodiesel Magazine's 2021 Biodiesel and Renewable Diesel Plant Map.*

**Diamond Green Diesel - Norco****UNDER EXPANSION / 675 MMgy****Norco, Louisiana**

Having already expanded its Norco, Louisiana, renewable diesel plant from 160 MMgy to 275 MMgy in 2018, Diamond Green Diesel—a joint venture of Darling Ingredients and a subsidiary of Valero Energy Corp.—is now increasing the unit's capacity to 675 MMgy. The project is currently underway and on track to be completed in 2021.

Joseph Gorder, chairman and CEO of Valero, addressed the company's renewable diesel business during the company's third quarter earnings call in October. He said Valero's renewable diesel business has remained resilient during COVID-19, and confirmed that the expansion of the Norco facility was progressing on schedule.

In early November, Honeywell confirmed that it was installing a second Ecofining process unit at the Norco refinery (the first being installed in 2018). Honeywell's Ecofining technology is currently employed in four commercial-scale facilities, including two in the U.S. and two in Europe. According to Honeywell, fuel produced by the Ecofining process has a cetane value of 80, compared with a cetane range of 40 to 60 found in diesel at the pump today. As a result, it makes an excellent blendstock for cheaper low-cetane diesel to meet transportation standards, and it performs well at cold or warm temperatures.

**Diamond Green Diesel - Port Arthur****PROPOSED / 400 MMgy****Port Arthur, Texas**

Diamond Green Diesel announced in October that it had received the necessary air permits to move forward with a second renewable diesel plant in Port, Arthur, Texas. For several months, Darling and Valero have been considering developing the 400 MMgy renewable diesel plant near an existing Valero refinery at that location. At press time, a final investment decision on the project was looming.

"Our timeline to construct an additional 400 million gallons of renewable diesel production in Port Arthur, Texas, is on schedule," said Randall Stuewe, chairman and CEO of Darling Ingredients. "DGD is in the process of finalizing Phase III engineering plans and cost estimates to build another state-of-the-art facility. We anticipate that both joint venture partners' board of directors will be in a position to approve moving forward with the project in early 2021. As

we meet this investment decision timeframe, we believe that [the plant] would be operational in 2024.”

Development of the Port Arthur facility would boost Diamond Green Diesel’s annual renewable diesel production capacity to 1.1 billion gallons per year. The two facilities would also be capable of producing a combined 100 MMgy of renewable naphtha.

**HollyFrontier Corp. - Artesia**  
**UNDER CONSTRUCTION / 110 MMgy**  
**Artesia, New Mexico**

HollyFrontier Corp. announced in early June that its board of directors had approved a plan to construct a pretreatment unit (PTU) at its Artesia, New Mexico, refinery, enabling the facility to produce approximately 110 MMgy of renewable diesel on site, and giving the company a total capacity to produce more than 200 MMgy (see Cheyenne announcement below). The refiner expects to invest \$650 to \$750 million in its renewables business, with an expected aggregate internal rate of return as high as 30 percent.

The PTU, which is being supplied by Alpha Laval, will process more than 80 percent of the feedstock for both of HollyFrontier’s renewable diesel plants—Artesia and Cheyenne. The PTU is expected to provide feedstock flexibility, mitigating single feedstock risk and generating value through the use of lower-carbon intensity inputs.

HollyFrontier estimates the capital cost of the PTU to be between \$175 million and \$225 million, with the plant coming on line in 2022.

**HollyFrontier Corp. - Cheyenne**  
**UNDER CONSTRUCTION / 90 MMgy**  
**Cheyenne, Wyoming**

Along with its New Mexico project, HollyFrontier intends to repurpose its Cheyenne, Wyoming, refinery to produce 90 MMgy of renewable diesel. The company expects the project to be completed in early 2022.

The conversion to renewable diesel production will result in HollyFrontier ceasing petroleum refining altogether at the Cheyenne unit.

“Demand for renewable diesel, as well as other lower-carbon fuels, is growing and taking market share based on both consumer preferences and support from substantial federal and state government incentive programs,” said Mike Jennings, president and CEO of HollyFrontier. “This represents an exciting opportunity to enhance both the profitability and environmental footprint of HollyFrontier through organic investment. [These] announcements lay the groundwork for an integrated renewables business at HollyFrontier, including multiple renewable diesel plants with feedstock flexibility.”

**Grön Fuels LLC**  
**PROPOSED / 900 MMgy**  
**Baton Rouge, Louisiana**

In November, Fidelis Infrastructure co-founders Daniel Shapiro and Bengt Jarlsjo said their portfolio company Grön Fuels LLC was studying the feasibility of a renewable fuel complex at the Port of Greater Baton Rouge. With expansions and associated projects, the complex could involve up to \$9.2 billion of total investment over several phases. A final investment decision is expected in 2021, which will determine the cost of the project’s first phase.

The project would be built in stages over nine years at a site leased from the port on the west bank of the Mississippi River, near Port Allen. The first phase of construction would involve a capital investment of over \$1.25 billion and create 340 new direct jobs by 2024. The base project is expected to produce more than 900 MMgy of renewable diesel, with an option to produce renewable jet fuel utilizing non-fossil feedstocks, including soybean oil, corn oil and animal fats. When all phases of the project are complete—potentially by 2030—the site would be one of the largest renewable fuel complexes in the world.

“This is a transformative new company and investment for the capital region, and we have enjoyed working on this project with company executives over the last year,” said Adam Knapp, president and CEO of the Baton Rouge Area Chamber. “Fidelis brings hundreds of quality, high-paying jobs and huge capital investment during a critical time for both jobs and innovation for this sector. This is a big deal, and puts metro Baton Rouge on the map as home to the largest renewable fuel refinery in the world.”

*Note: This project was not represented on Biodiesel Magazine’s 2021 Biodiesel and Renewable Diesel Plant Map.*

**Marathon Petroleum - Dickinson**  
**OPERATIONAL / 184 MMgy**  
**Dickinson, North Dakota**

In late 2020, Marathon Petroleum said it was in the process of commissioning its renewable diesel facility in Dickinson, North Dakota, while also progressing with plans to convert its Martinez, California, refinery to renewable diesel (see Martinez listing above, right).

Marathon CEO Mike Hennigan discussed both projects during a Q3 earnings call. He said the Dickinson project was coming online and, once fully operational, would produce approximately 184 MMgy of renewable diesel.

The Dickinson refinery, formerly owned by Tesoro, will utilize pretreated feedstock from a biodiesel plant Marathon purchased last year. As previously reported by *Biodiesel Magazine*, Marathon acquired the 50 MMgy Duonix biodiesel plant in Beatrice, Nebraska, which was idled

in 2019 by joint-venture owners Flint Hills Resources and Benefuel. Marathon plans to use the facility to aggregate and pretreat feedstocks such as distillers corn oil, soybean oil and rendered fats before shipping them up to North Dakota as a ready-made renewable diesel input.

The Beatrice plant was originally built in 2008 but was never fully operable. Flint Hills Resources purchased the facility in 2011 and, two years later, the company formed its joint venture with Benefuel, a biodiesel production technology provider. Now under Marathon's ownership as a feedstock pretreatment facility, the Beatrice plant is presumed operational.

#### **Marathon Petroleum - Martinez**

##### **PROPOSED / 736 MMgy**

##### **Martinez, California**

Marathon disclosed late last year that it was seeking permits to convert its Martinez, California, refinery into a renewable diesel plant. The company is reportedly already engaging in discussions with feedstock suppliers and has begun detailed engineering work on the proposed project. If commissioned, the plant would likely begin producing renewable diesel in 2022 and reach full capacity in 2023. At peak capacity, the facility would be capable of producing as much as 736 MMgy, primarily from animal fats, soybean oil and distillers corn oil.

In addition to reducing its RIN liability, Marathon wants to reduce its greenhouse gas emissions intensity by 30% below 2014 levels by 2030. Marathon's conversion of the Martinez facility from a petroleum refinery to a renewable diesel facility is anticipated to reduce the unit's greenhouse gas emissions by 70%.

The Martinez project would join a portfolio of Marathon renewable fuels projects that have been ongoing for years, including the conversion of the Dickinson, North Dakota, refinery to a renewable diesel plant (see below, left); investment in its advanced biofuels subsidiary, Virent; biodiesel production at Marathon's Cincinnati facility; pretreatment in Nebraska; and ethanol production through a Midwest joint venture.

#### **Next Renewable Fuels**

##### **PROPOSED / 575 MMgy**

##### **Port Westward, Oregon**

In and out of the news over the past two years, Next Renewable Fuels is a proposed renewable diesel plant near Clatskanie, Oregon, with a projected \$1 billion price tag. If approved and constructed, the refinery would be capable of producing more than 575 MMgy of advanced biofuels initially, later growing to more than 750 MMgy.

The feedstock-agnostic refinery would utilize white and brown grease, animal tallow, soy oil and a variety of vegetable oils—but expressly not virgin palm oil. Both the feedstock and the outgoing biofuel would be transported to and from the refinery by ship—through the Port of Columbia's Port Westward Industrial Park—minimizing rail traffic.

Last year, the Port of Columbia County Commissioners approved a long-term ground lease with Next Renewable Energy for a 90-acre industrial site. Still in a protracted permitting phase, developers hope to begin commercial operations in early 2022. However, the company's high-profile CEO was terminated in late 2020, putting the current state of the project in question. Representatives of the company, however, told local media that the "project will continue without interruption" and is "moving forward full speed."

About 90% of the plant's output would be renewable diesel. The rest would be renewable propane, which would be recycled back into the refining process.

*Note: This project was not represented on Biodiesel Magazine's 2021 Biodiesel and Renewable Diesel Plant Map.*

#### **Phillips 66 - Rodeo Renewed**

##### **PROPOSED / 680 MMgy**

##### **Rodeo, California**

In mid-2020, Phillips 66 announced its intention to reconfigure a refinery in Rodeo, California (near San Francisco), to produce a variety of renewable fuels. The plant will no longer produce fuels from crude oil, switching entirely to biobased inputs: used cooking oil, fats, greases and soybean oil.

The RodeoRenewed project, still obtaining permitting, would produce 680 MMgy of renewable fuels, including renewable diesel, renewable gasoline and sustainable jet fuel. Combined with other production assets being developed, Phillips 66 could ultimately produce more than 800 MMgy, making it one of the world's largest renewable diesel producers.

The scope of the Rodeo project includes the construction of pretreatment units and the repurposing of existing hydrocracking units to enable renewable fuels production.

If approved by Contra Costa County officials and the Bay Area Air Quality Management District, the plant could begin production by early 2024. California Gov. Gavin Newsom has expressed support for the project, and others like it, and asked area officials to put "less red tape" in the way.

In early 2020, Phillips 66 and Renewable Energy Group Inc. (see right) discontinued their joint effort to construct a large-scale renewable diesel plant in Ferndale, Washington. Permitting delays and other uncertainties made moving forward with the 250 MMgy project challenging.

#### **REG Geismar LLC**

##### **UNDER EXPANSION / 340 MMgy**

##### **Geismar, Louisiana**

Renewable Energy Group Inc. is preparing to begin expanding its biorefinery in Geismar, Louisiana, from 90 MMgy to 340 MMgy. Construction is expected to begin in mid-2021 with mechanical completion expected in late 2023. The expansion project will require approximately \$825 million in capital investment.

The Geismar facility, originally a joint venture between Tyson Foods and Syntroleum Corp., is considered to be the first renewable diesel plant built in the U.S. The facility came online in 2010 with a capacity of 75 MMgy—later, ramping up to 90 MMgy—and was purchased by REG in 2014. Three years later, REG acquired an additional 82 acres of land near the Geismar plant to support the coming expansion.

In its third quarter financial report, REG CEO Cynthia Warner said, "REG is positioned to lead and capitalize on this unique opportunity with strong ongoing production, and our focused downstream strategy to deliver value to our customers while expanding our margins. We are building upon this momentum with the planned Geismar expansion."

In mid-2020, REG announced that it had entered into an agreement with California-based Hunt & Sons Inc. to sell REG's trademarked Ultra Clean fuel—a blend of biodiesel and renewable diesel—at 12 locations in northern California.

#### **Ryze Renewables - Las Vegas UNDER CONSTRUCTION / 100 MMgy Las Vegas, Nevada**

Last year, *Biodiesel Magazine* reported that Ryze Renewables had two projects under development in Nevada, one near Las Vegas and another in Reno. Since then, the company has exited the Reno project—a 50 MMgy facility—and is focusing exclusively on the development of its 100 MMgy refinery in Las Vegas (at the former site of Biodiesel of Las Vegas).

A statement on the company's website says: "This capacity is only a fraction of what is needed—the demand for renewable diesel in California alone is expected to exceed 150,000 barrels per day. Ryze plans to maximize the Las Vegas site to expand capacity there as well as seek additional sites to develop to meet this demand over the next 10 years."

The existing biodiesel processing facility is located on a developed 14-acre property that includes utilities, operation buildings and tanks setup to process fuel products. The facility is in the process of being repurposed with the necessary additional infrastructures and hydro-processing equipment to produce renewable diesel. Engineering, procurement and construction services for the project are being provided by Las Vegas-based MMC Inc.

*Note: At press time, Biodiesel Magazine had not determined the current owner of the Reno facility.*

#### **World Energy - Paramount UNDER CONSTRUCTION / 330 MMgy Paramount, California**

World Energy, which owns five biodiesel plants in the U.S. and two in Canada, acquired the renewable fuels facility in Paramount, California (near Los Angeles) in March 2018.

As part of the acquisition, World Energy announced a \$350 million investment to fully convert the refinery to produce 330 MMgy of renewable fuels including sustainable aviation fuel (SAF), renewable diesel, renewable gasoline and propane from inedible agricultural wastes.

The company bought the 50,000 barrel per day refinery for \$72 million from Delek U.S. Holdings, which, included a pipeline network in California. The Paramount refinery includes a 65-acre complex consisting of the refinery, product storage tanks and truck and rail loading and unloading facilities. The current renewable fuels production at the Paramount facility is 3,500 barrels per day. Following the conversion, the Paramount facility will produce 25,000 barrels per day.

The conversion is scheduled for completion in 2023.

*Note: This project was represented on Biodiesel Magazine's 2021 Biodiesel and Renewable Diesel Plant Map as a 300 MMgy facility. The projected capacity has since been reported as 330 MMgy.*

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News

# EXHIBIT B

Environment Energy

# Businessmen Who Abandoned Toxic Mess Now Want to Build Refinery In Washington

by [Tony Schick](#) [Follow](#) and [Conrad Wilson](#) [Follow](#) OPB/EarthFix/Feb. 2, 2016 12:38 p.m. | Updated: Feb. 8, 2016 9:46 p.m.

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*EarthFix is a public media partnership of Oregon Public Broadcasting, Idaho Public Television, KCTS9 Seattle, KUOW Puget Sound Public Radio, Northwest Public Radio and Television, Jefferson Public Radio, KLCC and the Corporation for Public Broadcasting.*



This photo obtained by the Columbia Riverkeeper through a records request to the U.S. Environmental Protection Agency shows workers inside the TransMessis Columbia Plateau biofuels plant in Odessa, Washington. After being abandoned in 2014, the plant required more than \$400,000 worth of environmental cleanup.

Courtesy of Columbia Riverkeeper

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The state inspector thought his visit to Odessa, Washington, would be routine: a knock on the door, a chat with the operators, a look around the corrugated metal warehouse where they ran a biodiesel plant.

But when Jerry French arrived at the TransMessis Columbia Plateau facility in eastern Washington this past March, the door was locked. It seemed abandoned, but he could see chemical drums inside through the windows.

It just didn't look right, he thought.

After getting the door unlocked, French discovered the mess.

He saw sulfuric acid leaking from crusted valves. He found chemicals stored beside each other in corroded containers that could catch fire or explode if they mixed. Storage tanks holding thousands of gallons of methanol and other dangerous chemicals were left outside unsecured.

French, a longtime inspector with the Washington Department of Ecology, knew these were red flags. The site was a threat to human health and the environment and needed to be cleaned up. He alerted the U.S. Environmental Protection Agency later that day.

He sent an email with 18 different bullet points, each detailing a potentially dangerous situation at the abandoned plant.

“Serious issues with chemical waste management were observed inside the facility,” he wrote.<sup>1</sup>

TransMessis acquired the Odessa plant in late 2013 with plans to crush canola seed and produce an annual

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10 million gallons of biodiesel. It operated for less than a year. After a crash in the biofuels market, TransMensis fired its employees and shut down operations, never telling state regulators. The ensuing cleanup has cost \$400,000 so far, paid for through the EPA's superfund program.<sup>2</sup>

Now, the backers of that failed biofuels project are proposing a \$1.25 billion refinery and propane terminal at the Port of Longview on the Washington side of the lower Columbia River.

Waterside Energy, operated by Lou Soumas, Damon Pistulka and Chris Efird, announced the proposal in May. It calls for a refinery capable of processing 30,000 barrels of oil and 15,000 barrels of biofuel each day. Pistulka served as CEO of TransMensis, which was backed by both Soumas and Efird.<sup>3</sup>

Their initial proposal for Longview has since expanded to include a separate 75,000-barrel-per-day propane and butane terminal. Waterside says the project would generate 700 construction jobs and 180 full-time jobs while [capitalizing on the West Coast demand for cleaner-burning fuels](#).

Details of their biofuels project in Odessa can be found in documents the Columbia Riverkeeper, an opponent of the plan, sent in January to commissioners at the Port of Longview. Along with the \$400,000 environmental cleanup, the records show more than \$1.6 million in unpaid bills and taxes from TransMensis.<sup>4</sup>

Environmental groups are worried about the company's ability to handle a larger, more complex facility with more environmental risk than its

last venture.

“To have the kind of track record that these proponents have of unpaid debts, major cleanup liabilities, public expenditures, certainly creates a lot of reason for doubt,” said Ross Macfarlane, a senior adviser at Climate Solutions, a Seattle-based nonprofit that promotes clean energy.

Macfarlane talked with Waterside about its refinery plans last year at the suggestion of the Washington Department of Commerce. He has since come to oppose the project.

“The overall circumstances of this project raise a lot of red flags,” Macfarlane said.

## Company disputes claims about chemical waste

TransMessimis leaders describe the outcome in Odessa as the consequence of a market crash, not the result of mismanagement.

Soumas, the project owner for the Longview proposal whose company co-owned TransMessimis, said in a phone interview Friday he had not seen the specific documents released by Columbia Riverkeeper.

“During the very brief time the group I was involved with operated that facility, which was about five months, they cleaned up a



This photo obtained by the Columbia Riverkeeper through a records request to the

massive  
amount of  
problems that  
were at the

U.S. Environmental Protection agency shows a  
leak inside the TransMessis Columbia Plateau  
biofuels facility in Odessa, Washington.

Courtesy of the Columbia Riverkeeper.

facility from the seven years prior to our being there  
and left that facility in much better shape than when we  
got there,” Soumas said.

Soumas made clear he and the other refinery  
proponents did not physically operate the TransMessis  
plant but were involved in its parent company.

“Our team was not at that facility after July of 2014,  
and the cleanup was a result of people who were in the  
plant after us, not during our time there,” Soumas said.

Damon Pistulka, the CEO of TransMessis now listed on  
the Waterside Energy proposal, said the chemicals left  
behind were owned by a creditor and could not be  
removed, but were stored without spills. Pistulka said  
TransMessis offered to help sell the chemicals. He said  
TransMessis deserves credit for improving the  
condition of the property.<sup>5</sup>

Their version of events contradicts much of what the  
Department of Ecology and the Odessa plant’s property  
owner have documented.

French, the Department of Ecology inspector, said he  
also observed the plant before TransMessis took it over,  
and that it was unlikely previous operators left a  
significant environmental mess.

Stacey Rasmussen, manager of the Odessa Public  
Development Authority, which owns the property, said  
the plant had no other uses between the time  
TransMessis vacated it and the state inspected it. She

said the chemicals found in the facility were items from when TransMessis was operating. Rasmussen said TransMessis owes more than \$200,000 in back rent, an amount the company disputes.

In October 2014 the Washington Department of Revenue issued a warrant to TransMessis for \$6,544 in unpaid taxes, which TransMessis still has yet to pay.

In April, the Wolfkill Feed & Fertilizer Corporation, based in Monroe, Washington, filed a lawsuit over \$1.6 million the company claims TransMessis owes it for canola seed. Wolfkill also alleged TransMessis submitted a false credit report. Wolfkill did not respond to requests for comment.

Pistulka did not dispute the money owed in the lawsuit. He said TransMessis has made many unsuccessful attempts to reach a settlement agreement with Wolfkill over the balance owed. He did dispute the allegation of a false credit report.

“Wolfkill managers toured the facility prior to startup and were fully aware that the credit report was based on revenue projections for the facility,” Pistulka said.

## Port, state still to weigh proposal

Details of the abrupt plant closure and the ensuing lawsuit, back taxes and environmental cleanup issues did not surface until several months after state and local officials entered preliminary discussions with Waterside in 2014.

Miles Johnson, attorney for the Columbia Riverkeeper, questioned why the economic and environmental fallout from the Waterside Energy backers' previous venture was not disclosed sooner.

“I think a good question is why the people proposing the facility in Longview didn’t bring this up and explain what happened there to the port and to the state of Washington,” he said. “And also, why the staff at the port and within the state of Washington when they were making their initial contacts, why all this information didn’t come out.”

In June, OPB and EarthFix reported Governor Jay Inslee’s administration had been in discussions with Soumas for months before the project was announced.



The Port of Longview, Washington, could become the site of the first oil refinery on the West Coast in 25 years. The project would handle 45,000 barrels per day, two-thirds of which would be petroleum-based products and the rest of which would be biofuels.

Conrad Wilson/OPB

Soumas wrote in emails to the Port of Longview that Inslee’s advisors were “anxious to tie us in with their just issued draft Clean Fuels Standard process.” He also told the port the governor’s staff members asked when the refinery could be announced and that “they hope for a positive update on concrete progress on the project.”

Inslee’s office has characterized top state officials’ dealings with Soumas as “due diligence.”

Under the state’s permitting process, overseen by the Energy Facility Site Evaluation Council, the governor has the final say in whether projects win state approval.

As such, the governor and his administration say they have not taken a position on the proposal.

The project presents a mixed bag for an administration pushing clean energy: Its biofuels component aligns with Insee's environmental and economic policies, yet the project also increases the state's capacity to refine crude petroleum and calls for three more oil trains per week along the Columbia River.

A review of emails released in June from Inslee's office, the state Department of Ecology and the state Department of Commerce concerning top officials' dealings with Soumas and his company found no mention of the environmental cleanup or the many unpaid bills from the Odessa project. Much of the state's documented interactions with Soumas predate the facility's environmental inspection and the lawsuit from Wolfkill Feed & Fertilizer.<sup>6</sup>

Inslee administration spokeswoman Jaime Smith said staff in the administration "were aware of the federal clean up issues but don't recall details."

"No proposal has yet been submitted to the state from the company. If they submit a proposal, I'm sure during the environmental review process – likely led by [the Energy Facility Site Evaluation Council] – the accompanying public discourse will ensure a thorough vetting of the company's record," (sic?) Smith said in an email.

Months after the Odessa plant was abandoned, Soumas described it as an active project in proposals sent to state and local officials.<sup>7</sup>

Approval for the project also depends on

commissioners at the Port of Longview, who recommended in May that port staff work with Waterside to vet the refining project.

A review of emails released in June spanning the port's dealings with Waterside found little discussion of the company backers' previous biofuels project, but notes and research packets compiled by port staff indicate they were aware of the plant's abrupt closure and unsettled debt.<sup>8</sup>

Port commissioner Bob Bagaason said the new documents released by Columbia Riverkeeper were very informative, and that commissioners and port staff were studying them.

"We've received so much information," Bagaason said when asked if he was previously aware of problems caused by the biofuels plant. "Some of it's repetitive, some of it's new. That's where I'm at."

1. The full set of documents released by the Columbia Riverkeeper:

<https://www.documentcloud.org/documents/2698502-2016-1-26-Transmessis-Press-Packet.html#document/p3>

2. Ecology email to EPA describing conditions in the plant: <https://goo.gl/HLTaaF>. Estimated EPA cleanup cost:

<https://goo.gl/HLTaaF>

3. TransMessis Renewable Energy Inc. is **reportedly** a joint venture founded by Evergreen Renewable LLC and Access Global Investments LLC. Both Lou Soumas lists himself as the **CEO of Evergreen Renewables LLC**. Chris Effird is listed as the **Managing Director and CEO of Access Global**. Pitsulka lists himself as the **CEO of TransMessis**.

4. TransMassis currently owes \$1.6 million (\$1.9 including interest) to [Wolfkill Feed & Fertilizer](#), \$200,000 to Odessa Public Development Authority: According to Stacey Rasumussen at the Odessa Public Development Authority, \$8,800 to [Poland and Sons for fire suppression equipment](#) and \$6,500 to the [Washington Department of Revenue for unpaid taxes](#).

5. Damon Pistulka of TransMassis and Waterside Energy answered questions through a spokesman. His full answers can be found here:

<https://goo.gl/Ozy5mV>

6. The request for these records was made by OPB and EarthFix to the Washington governor's office covering "all correspondence, regardless of format, to and from Gov. Jay Inslee, Brian Bonlender, Keith Phillips, Charles Knutson, Kelly Ogilvie, and Louis (Lou) Soumas, CEO of Riverside Energy since the beginning of 2013." An additional request to the Department of Ecology covered "all correspondence, regardless of format, to and from Stuart Clark (ECY), Brian Bonlender (COM), Keith Phillips (GOV), Charles Knutson (GOV), Kelly Ogilvie (GOV), Ross Macfarlane of Climate Solutions, and Lou Soumas, CEO of Riverside Energy since the beginning of 2013.". The request to the Department of Commerce was for "all correspondence, regardless of format, between Brian Bonlender and Louis (Lou) Soumas, CEO of Riverside Energy, since the beginning of 2014 to May 4, 2015." The full set of documents can be accessed here: <http://goo.gl/XMR47e>.

7. In an [overview of the refinery proposal dated September 2014](#), Soumas wrote his company "participates in the management and operation of a virgin oil bio-diesel and feed operation facility in Odessa Washington. Upon completion of the refinery Riverside intends to transfer biodiesel to the Longview refinery for blending with ULSD."

8. The request for records was made by OPB and EarthFix to the Port of Longview and covering all records related to the proposed refinery and Waterside Energy, or other names of the company. The full set of documents can be accessed here: <http://goo.gl/XMR47e>.

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# EXHIBIT C



## UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 10

1200 Sixth Avenue, Suite 900  
Seattle, WA 98101-3140

OFFICE OF  
ENVIRONMENTAL CLEANUP

### MEMORANDUM

**SUBJECT:** Action Memorandum for the Odessa Biodiesel Emergency Response Site, Odessa, Lincoln, Washington

**FROM:** Michael Sibley II, On-Scene Coordinator *MS 5/18/15*

**THRU:** Calvin J. Terada, Manager  
Emergency Response Unit *CT 9/17/15*

**TO:** Chris D. Field, Manager  
Emergency Management Program

### I. PURPOSE

The purpose of this Action Memorandum is to document the decision to initiate the emergency response action described herein for the Odessa Biodiesel Emergency Response Site (the "Site") which is located at 206 W. Railroad Street, Odessa, Lincoln County, Washington.

This action meets the criteria for initiating a removal action under the National Contingency Plan (NCP), 40 C.F.R. § 300.415.

### II. SITE CONDITIONS AND BACKGROUND

EPA ID No. is WAN001001366

SITE ID: 10NV

#### A. Site Description

##### 1. Removal Site Evaluation

Transmessis Columbia Plateau, LLC (Transmessis) ran a biodiesel production facility on the property from November 2013 until June 2014, when it was abruptly shut down and all employees terminated. The property is owned by Odessa Public Development Authority (ODPA) who had also previously leased the facility to Inland Empire Oilseed for biodiesel production.

EPA, START and ERRS assessed the Site on March 12, 2015, following an initial assessment performed by Washington Department of Ecology. (See Section C for more details).

##### 2. Physical Location

The Site is located at 206 W Railroad Street in Odessa, WA. The precise location is 47.33414 North Latitude; 118.69531 West Longitude. The Site encompasses approximately 4 acres and consists of a large facility building and exterior tanks. The Site is in an industrial area, but commercial and residential areas are nearby (<1000ft). Crab Creek, a minor tributary of the Columbia River, is located to the south and west of the site. There are approximately 900 residents in Odessa, and the majority live less than a mile from the Site. Outside of the town the primary land use is agricultural.

### **3. Site Characteristics**

Transmessis ran a biodiesel production facility on the Site from November 2013 until June 2014, when it was abruptly shut down and all employees terminated. The Site is owned by ODPa, who had also previously leased the facility to Inland Empire Oilseed for biodiesel production. Chemicals used in biodiesel production were abandoned on the property are a driving factor in responding at the Site. This is the first removal action to take place at this property.

### **4. Release or threatened release into the environment of a hazardous substance, or pollutant or contaminant**

A variety of known and unknown chemicals from different hazard categories were discovered on site through generator knowledge and hazard categorization. These categories include, but are not limited to, the following: Ignitable (methanol, sodium methoxide); Corrosives (sulfuric acid, sodium hydroxide); and Toxics (Ethanox). These substances are potential hazardous substances, pollutants, or contaminants as defined by Sections 101(14) and 101(33) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601(14) and (33). The presence of large quantities of various process chemicals, hazardous materials and waste that had been abandoned on the Site presented a threat of release to the air, and fire/explosion through reaction of incompatible chemicals and/or improperly stored and leaking totes. Large volume tanks could fail, releasing their contents. An organic vapor release or vapors/smoke from a fire or explosion could threaten the nearby population. Trespassers or ODPa employees and guests could come into direct contact with chemicals in the facility being exposed to organic and/or toxic vapors, corrosives, and ignitable/flammable materials. Exterior chemical containers could contaminate soils and surface water due to corroding and open containers.

The conditions at the facility met the factors as outlined in Section B, which indicate that the Site was a threat to the public health or welfare or the environment, and a removal action was appropriate under § 300.415(b)(2) of the NCP.

### **5. NPL Status**

The site is not listed on the NPL, nor has it been proposed for listing.

### **6. Maps, pictures, and other graphic representations**

Figure 1, depicts the Site location and Figure 2 depicts the main building at the Site.

**B. Other Actions to Date**

**1. Previous Actions**

Upon receiving a notification from the Washington State Department of Ecology regarding the condition of the site, a Removal Site Evaluation was conducted by EPA on March 12, 2015. Representatives of the Washington Department of Ecology, the local police, and fire department personnel were also present during the assessment. The results of the initial preliminary assessment found:

- Leaking tanks and totes;
- Unsecured/open chemical containers;
- Many large process tanks needing further evaluation;
- Tanks and totes unsecured and open outdoors;
- 15,000 gallon methanol tank;
- 7,000 gallon glycerin tank;
- 7 55 gallon drums;
- 50 250 gallon totes.

**2. Current actions**

Given the nature of unsecured chemical containers, totes, and tanks found during the March 12, 2015 Removal Site Evaluation, OSC Sibley and EPA contractors obtained access to the property and mobilized to the Site to analyze, contain, and stabilize hundreds of chemical totes, sacks, carboys, jerri-cans bins, and other containers on the property. Once the unsecured containers were stabilized or chemical bulked, the waste products were then safely packed and transported them for proper treatment or disposal.

**C. State and Local Authorities' Roles**

**1. State and local actions to date**

On March 4, 2015, Mr. Jerry French, of the Washington Department of Ecology Hazardous Waste & Toxics Reduction Program, conducted a visual inspection of the exterior of the property. Mr. French was informed by ODP that Transmessis had removed all chemicals from the Site. During the inspection, many issues were noted that indicated this was not the case. Several 55 gallon drums were discovered in various states of integrity. Some of the drums were open and several had labels indicating hazardous contents. Three large above ground storage tanks (ASTs), approximately 10,000 gallons each, were located in a concrete containment area that contained an apparent mix of chemicals and rainwater. Gauges on the side of the tanks indicated at least one of the tanks had contents. Mr. French was also able to observe, through windows in doors, chemical containers inside the building.

Mr. French obtained access and performed an inspection of the interior of the building on March 10, 2015 with representatives from ODPa. He found many issues regarding improperly stored chemicals and wastes. Several tanks were found to be leaking and in general poor condition. Corrosion and crystals were noted on several tanks. Several leaks were noted under and around the tanks, impacting the concrete. A large number of totes containing contaminated beads were discovered as well as totes containing large quantities of fatty acids. Several classes of chemicals were discovered as well as incompatibles stored adjacent to each other. Several other large process tanks were present in the building and difficult to assess at that time.

## **2. Potential for continued State/local response**

Given the overwhelming number of unsecured containers and improperly stored chemicals, the local fire department, ODPa, and Washington State of Ecology did not have the capabilities or resources to assess, contain, and dispose of the chemicals in a proper manner. The local and State responder's lack of capacity and capability and the immediate risk to human health and the environment from the unsecured chemicals caused EPA to consider this situation to be an emergency, requiring immediate attention by an OSC and EPA contractors.

### **III. THREATS TO PUBLIC HEALTH OR WELFARE OR THE ENVIRONMENT, AND STATUTORY AND REGULATORY AUTHORITIES**

The current conditions at this Site met the following factors which indicate that the Site is a threat to the public health or welfare or the environment, and a removal action is appropriate under Section 300.415(b)(2) of the NCP. Any or all of these factors may be present at a site, and any one of these factors may determine the appropriateness of a removal action.

1. Actual or potential exposure to nearby human populations, animals, or the food chain from hazardous substances or pollutants or contaminants. (300.415(b)(2)(i))
2. Hazardous substances or pollutants or contaminants in drums, barrels, tanks, or other bulk storage containers, that may pose a threat of release. (300.415(b)(2)(iii))
3. Threat of fire or explosion. (300.415(b)(2)(vi))
4. The availability of other appropriate federal or state response mechanisms to respond to the release. (300.415(b)(2)(vii))

The presence of large quantities of various process chemicals, hazardous materials and waste that had been abandoned on the Site presented a threat of release to the air, and fire/explosion through reaction of incompatible chemicals and/or improperly stored and leaking totes. Large volume tanks could fail, releasing their contents. An organic vapor release or vapors/smoke from a fire or explosion could threaten the nearby population. Trespassers or ODPa employees and guests could have come into direct contact with chemicals at the Site and been exposed to organic and/or toxic vapors, corrosives, and ignitable/flammable materials. Exterior chemical containers could contaminate soils and surface water due to corroding and open containers.

The conditions at the Site met the factors as outlined in Section B, which indicate that the Site is a threat to the public health or welfare or the environment, and a removal action was appropriate under §300.415(b)(2) of the NCP.

#### **IV. ENDANGERMENT DETERMINATION**

Actual or threatened releases of hazardous substances and/or pollutants and contaminants from this Site, if not addressed by implementing the response action selected in this Action Memorandum, may present an imminent and substantial endangerment to public health, or welfare, or the environment.

#### **V. PROPOSED ACTIONS AND ESTIMATED COSTS**

##### **A. Proposed Action**

##### **1. Proposed Action Description**

EPA directed the Superfund Technical Assessment and Response Team (START) contractors and the Emergency and Rapid Response Services (ERRS) contractors to complete a chemical inventory and assessment, hazard categorization activities, and segregate and consolidate the chemicals into waste streams. Once the segregation and consolidation was completed, the various waste products were loading into tanker trucks and/or packaged for transport to various chemical waste disposal facilities, as appropriate. EPA did not implement any post-removal site control measures, such as maintenance of fences or signage, because all hazardous wastes and substances will be removed from the Site.

##### **2. Contribution to remedial performance**

The Site is not listed nor proposed for the NPL. The proposed response action is a time-critical action to remove hazardous substances at the Site. The proposed interim action will not impede any future removal or remedial action based upon available information.

##### **3. Description of alternative technologies**

There are no viable alternative technologies that have been identified for the Site. Removal of waste and soil is a standard technology for container sites.

##### **4. Engineering Evaluation/Cost Analysis (EE/CA)**

This proposed action is an emergency and time-critical removal action, and an EE/CA therefore is not required.

##### **5. Applicable or relevant and appropriate requirements (ARARs)**

##### **State Regulations**

Under CERCLA, State of Washington cleanup standards, standards of control, and other substantive environmental protection requirements, criteria, or limitations promulgated by the State of Washington are potential ARARs. Determination of whether these State of Washington standards, requirements, criteria, and limitations become ARARs is conducted using the eligibility

criteria set forth in Section 121 of CERCLA (i.e., the requirements are promulgated, legally enforceable, generally applicable, more stringent than federal requirements, and identified in a timely manner). MTCA sets forth various ways to determine the numeric values for ARARs (i.e., cleanup levels) for surface water, groundwater, and soil. This includes using tables with cleanup standards for individual contaminants [WAC 173-340-704] and methods for addressing multiple contaminants and pathways [WAC 173-340-705, -706, and -708].

### **Potential Chemical-Specific ARARs**

**Washington State Model Toxics Control Act [RCW 70.105D; WAC 173-340].** MTCA, including WAC 173-340-740 (unrestricted land use soil cleanup standards), -745 (industrial cleanup standards), and -7490 through -7494 (terrestrial ecological evaluation), is a potential ARAR under CERCLA, and is likely applicable to soils across the Site under state law.

### **Potential Action-Specific ARARs**

**Resource Conservation and Recovery Act [42 USC § 6901], Subtitle C - Hazardous Waste Management [40 CFR Parts 260 to 279].** Federal hazardous waste regulations specify hazardous waste identification, management, and disposal requirements. For the management of RCRA hazardous wastes that are not Bevill-exempt, applicability of Subtitle C provisions depend on whether the wastes are managed within an Area of Contamination (AOC). 55 FR 8760 (Mar. 8, 1990). ARARs of RCRA Subtitle C (or the state equivalent) may be satisfied by off-site disposal, consistent with the Off-Site Rule, 40 CFR 300.440. RCRA Subtitle C also provides treatment standards for debris contaminated with hazardous waste (“hazardous debris”), 40 CFR 268.45, although the lead agency may determine that such debris is no longer hazardous, consistent with 40 CFR 261.3(f)(2), or equivalent state regulations. Where Washington has an authorized state hazardous waste program (RCW 70.105; Chapter 173-303 WAC), it applies in lieu of the federal program. Subtitle C is potentially applicable at the Site.

**Resource Conservation and Recovery Act [42 USC § 6901], Subtitle D - Managing Municipal and Solid Waste [40 CFR Parts 257 and 258].** Subtitle D of RCRA establishes a framework for controlling the management of non-hazardous solid waste. Subtitle D is potentially applicable to solid waste generation and management at the Site.

**Washington State Hazardous Waste Management Act and Dangerous Waste Regulations [RCW 70.105; Chapter 173-303 WAC].** Washington State Dangerous Waste regulations govern the handling and disposal of dangerous waste, including identification, accumulation, storage, transport, treatment, and disposal. The Dangerous Waste regulations are potentially applicable to generating, handling, and managing dangerous waste at the Site, and could be potentially relevant and appropriate even if dangerous wastes are not managed during remediation.

**Washington State Solid Waste Handling Standards [RCW 70.95; Chapter 173-350 WAC].** Washington State Solid Waste Handling Standards apply to facilities and activities that manage solid waste. The regulations set minimum functional performance standards for proper handling and disposal of solid waste, describe responsibilities of various entities, and stipulate requirements for solid waste handling facility location, design, construction, operation, and closure. This regulation is also potentially applicable or relevant and appropriate for management of excavated soil or debris that will be generated during the Site cleanup.

**Washington Clean Air Act and Implementing Regulations [WAC 173-400-040(8)].** This regulation is potentially relevant and appropriate to response actions at the Site. It requires the owner or operator of a source of fugitive dust to take reasonable precautions to prevent fugitive dust from becoming airborne and to maintain and operate the source to minimize emissions.

**General Regulations for Air Pollution Sources - Washington State [RCW 70.94; Chapter 173-400 WAC].** The purpose of these regulations is to establish technically feasible and reasonably attainable standards, and to establish rules generally applicable to the control and/or prevention of the emission of air contaminants. Depending on the response action selected, these regulations are potentially applicable to the Site (e.g., generation of fugitive dust during soil excavation).

## **6. Project Schedule**

Project began on March 17, 2015, and was completed on March 27, 2015.

### **B. Estimated Costs**

Contractor costs (ERRS/START staff, travel, equipment)	<b>\$338,000</b>
Other Extramural Costs (Strike Team, other Fed Agencies)	<b>\$0</b>
Contingency costs (20% of subtotal)	<b>\$67,600</b>
<b>Total Removal Project Ceiling</b>	<b>\$405,600</b>

## **VI. EXPECTED CHANGE IN THE SITUATION SHOULD ACTION BE DELAYED OR NOT TAKEN**

If the proposed removal action should be delayed or not taken: hazardous substances will remain as potential human health and ecological threats; and hazardous substances will remain a continuing source of solid and dissolved-phase contaminants.

A delay in action or no action at this Site would increase the actual or potential threats to the public health and/or the environment.

**VII. OUTSTANDING POLICY ISSUES**

None.

**VIII. ENFORCEMENT**

See the attached "Confidential Enforcement Addendum" for enforcement details.

**IX. RECOMMENDATION**

This decision document represents the selected removal action for the Odessa Biodiesel Site, 206 West Railroad Street, Odessa, Washington, in Lincoln County, developed in accordance with CERCLA and not inconsistent with the NCP. This decision is based on the administrative record for the Site.

Conditions at the Odessa Biodiesel Site meet the NCP Section 300.415(b)(2) criteria for a removal and I recommend your approval of the proposed removal action. The total project ceiling if approved will be \$405,600. All of this amount will be funded from the Regional Removal Allowance.

**X. APPROVAL / DISAPPROVAL**

APPROVAL:

  
\_\_\_\_\_  
Chris D. Field, Manager  
Emergency Management Unit

9/17/15  
\_\_\_\_\_  
Date

DISAPPROVAL:

\_\_\_\_\_  
Chris D. Field, Manager  
Emergency Management Unit

\_\_\_\_\_  
Date



Leaking process equipment

