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Sent via online message with an attached, PDF letter, as an organizational response

WIRT Comments on Second Supplemental Environmental Impact Statement for Northwest Innovation Works' Kalama Manufacturing and Marine Export Facility

For the official record of the draft, second, supplemental environmental impact statement (SSEIS) for Northwest Innovation Works' (NWIW) proposed Kalama Manufacturing and Marine Export Facility (project), I respectfully offer these written comments and accompanying information on behalf of Wild Idaho Rising Tide (WIRT) and its over 3,200 climate activists, members, friends, supporters, and allies, as citizens and residents of Idaho, Montana, Oregon, Washington, and other U.S. states, who own property, work, and/or reside in or near the surrounding water and air sheds that would be directly impacted by Washington Department of Ecology (Ecology) approval of a Columbia River shoreline conditional use permit for, and infrastructure construction and operation of, this largest in the world, fracked gas-to-methanol production and export terminal. We object to this project's invasion and significant impacts on affected communities, critical ecosystems, public air, water, land, climate, and monetary resources, and private and public water sources within the floodplain, on the banks, and under the Columbia River, as insufficiently identified and analyzed in the September 2, 2020 SSEIS and accompanying public notices and pertinent government documents offering limited public information, via the Washington Department of Ecology website page on the project [1].

We also oppose this NWIW project's significant, direct and indirect, cumulative, adverse impacts on climate change, endangered species, cultural resources, socioeconomic and environmental factors, and reasonable public needs including human and environmental health and safety, drinking and agricultural water, and private property values, rights, uses, enjoyment, and insurability. As further public input and information shared with Ecology, we incorporate by reference into these remarks the written and oral comments and linked articles and documents of

WIRT and all persons and organizations raising oppositional concerns about this project and its applications, documents, and processes relevant to project analyses, presented through all local, state, and federal public processes before, during, and after this extended, Ecology, public comment period on the SSEIS, concluding on October 9, 2020.

WIRT earnestly encourages and requests Ecology to: 1) Include these and all of our written objections and enclosed information in the public record for the SSEIS and related project comment periods, 2) Extend this inappropriately brief, public comment period an extra 30 to 90 days, due to the ongoing COVID-19 pandemic, 3) Hold additional, open, public hearings in the most project-impacted communities, conducted by phone and online, 4) Better assess the regional significance, scope, and precedence of this project, through a revised SSEIS and its public input processes, 5) Perform a more community-preferred, scientifically rigorous, independent, unbiased, full environmental study examining this controversial project, and 6) Reject the Kalama Manufacturing and Marine Export Facility, as an unnecessary and harmful, fossil fuel infrastructure fiasco.

Besides urging public participation in comments and testimony for this project's SSEIS, WIRT offers these formal remarks drawn from our colleagues' and our multiple years of experiences, knowledge, and direct interests in this and previous, related, project orders and reviews considered via state hearings and comment periods. This letter of objection arises from detailed suggestions, testimonies at recent hearings, and multiple remarks expressing concerns, provided by a coalition of conservation groups and project-impacted stakeholders, whose resistance to this proposal we fully support with these comments [2-5]. Together, we have identified these problems with the current SSEIS analyses and the resulting project, which do not properly evaluate oil and gas production and transportation risks.

Methanol Export Refinery Overview

The Northwest Innovation Works (NWIW) proposal to build the world's largest fracked gas-to-methanol refinery at Kalama in southwest Washington could potentially emit millions of tons of greenhouse gas pollution, draw and contaminate millions of gallons of water each day, from an aquifer connected to the Columbia River, degrade air quality with carcinogenic emissions, and impose safety hazards during anticipated earthquakes. The methanol refinery would utilize more fracked gas than all the combined, gas-fired power plants in Washington. And the NWIW facility would induce new fracked gas pipeline and railroad pipeline-on-rails expansions throughout the Northwest region.

The basic review process for this project requires completion first of an environmental impact statement (EIS), then state and local agency consideration of permits, based on the EIS. For this methanol refinery, the original, 2017 EIS omitted several significant impacts. The Sierra Club, Columbia Riverkeeper, and Center for Biological Diversity won a legal appeal forcing the Kalama methanol refinery backers to complete a supplemental environmental impact statement (SEIS) in 2018, which was also inadequate. The Washington Department of Ecology has taken responsibility for the project review process, and is currently conducting a second, draft SEIS analysis specifically studying the upstream and lifecycle climate emissions of the project. This examination aims to assess the pollution emitted before fracked gas reaches the refinery and after

methanol leaves the refinery.

As part of the information considered in its final decision about a shoreline conditional use permit for the Kalama facility, Ecology is accepting public input on the SSEIS, through a comment period extended by one week, until October 9, 2020. Besides supporting the health and safety of Kalama and nearby communities and regional resistance to new and expanded fossil fuels infrastructure, WIRT activists are concerned that construction and operation of the facility would enable rail transportation of natural gas through north Idaho trackside towns. With its draft SSEIS on the climate impacts of the refinery, NWIW attempts to deceive the state agency and public about the purposes and consequences of this dangerous, dirty energy project that increases plastics and fuels manufacturing and debris and counters state climate goals, as potentially one of Washington's biggest greenhouse gas polluters.

Broad Project Comments

1. The proposed NWIW methanol refinery would produce millions of tons of greenhouse gas pollution each year, during 40 years. Ecology's analysis demonstrates that the project would produce 4.6 million tons or more of carbon pollution each year. This level of pollution is profoundly inconsistent with achieving Washington's climate goals, protecting Washington's shorelines, and charting methods for keeping global temperature rise below two degrees Celsius.

2. The SEIS relies on a flawed, speculative analysis to argue that methanol could "displace" dirtier energy. The SSEIS speculates on how methanol may compare with future, unsure, alternate sources of pollution in overseas markets, and makes false and erroneous comparisons with other potential future sources of methanol or olefin production. Rather than engaging in this speculation, Ecology should focus on the known pollution that could come from the facility, rather than on NWIW's dubious "displacement" arguments.

3. Burning methanol as fuel would generate millions of tons of pollution each year. In 2018 and 2019, NWIW informed potential investors that methanol from the planned refinery could be burned as fuel overseas, in sharp contrast to claims NWIW made to local and state regulators that the methanol would only be used to manufacture plastic. Now, Ecology's analysis contemplates 40 percent of the methanol being burned, yielding two million tons of carbon pollution each year. Combustion of the full methanol production capacity of the plant would generate five million tons of pollution each year.

Antithesis of a Low-Carbon Future

1. Ecology's analysis should specifically consider the significant pollution impacts of the proposed refinery, which are profoundly inconsistent with a low-carbon future envisioned by Washington and regional citizens and policy makers. Ecology should not distract itself with the tenuous, speculative, market-based analyses pf the SSEIS, which conclude that NWIW could produce somewhat less pollution than another high-carbon, future scenarios. All of these high-carbon paths are unacceptable and inconsistent with Washington's clean energy and climate goals. NWIW's refinery would produce 4.6 million tons of greenhouse gas pollution during each of 40 years, and thus undermine Washington's greenhouse gas reduction goals.

2. Washington cannot contribute to the goal of keeping global warming "well below two degrees Celsius," by allowing major polluters such as NWIW to move forward with fossil fuels infrastructure. A low-carbon future demands investment in lower-emitting production processes. SSEIS comparisons of the Kalama refinery with pathways to that future based on coal, oil, or gas are inadequate for assessing Northwest needs to steeply reduce global emissions.

3. Ecology should not assume that future energy needs must be met by fossil fuels. Ecology's market analysis presents a false choice among bad options -- oil-based olefins, coal-based methanol and olefins, and gas-based methanol and olefins -- produced on a massive scale for transportation fuels or plastics. All of these fossil fuel pathways would be massive polluters. None of them will solve our climate crisis.

4. Ecology also fails to consider whether cleaner energy technologies may dramatically displace the need for production of methanol for transportation fuels. Conversely, Ecology's analysis fails to consider how dumping high-polluting methanol into the market could negatively impact a transition to cleaner transportation alternatives and vehicle electrification.

5. Ecology is projecting far into the future, when energy technologies may change so drastically that current expectations about the pollution impacts of our energy system may no longer be correct. Despite acknowledging the potential for cleaner options to arise in the future, Ecology argues that it is "not possible" to predict how much cleaner energy production could be. Nonetheless, Ecology speculates on decades of future Chinese energy and methanol consumption throughout the SSEIS.

6. Given these uncertainties, Ecology should base its decision-making on the ensured, extensive pollution from the processes of fracking gas, producing and refining methanol, and burning or using methanol to make plastics, instead of on inappropriate, unverifiable speculation.

Uncertain NWIW Mitigation Plans

1. The SSEIS provides little detail on the actual mitigation that NWIW would accomplish as part of the "voluntary" mitigation framework for the Kalama refinery. The mitigation framework is too vague for Ecology to conclude that the project's impacts can and will be mitigated. The SSEIS states that the impacts "can be mitigated," but offers few details on how NWIW will accomplish its stated goal of "fully mitigating" all of the in-state pollution from the project. NWIW identifies no specific projects or measures that will address the enormous greenhouse gas pollution impacts of the proposed refinery.

2. Ecology should require mitigation of the full, significant impacts of the Kalama refinery. Although some emissions from of NWIW products may occur overseas, the company should not be allowed to avoid mitigating its impacts on the Northwest.

Significant SSEIS Technical Flaws

1. The SSEIS continues to use low estimates of methane leakage, as a percentage of methane

emitted in proportion of gas delivered (SSEIS pages 40, 43). The "medium" scenario assumes that less than one percent of the delivered natural gas will escape. Recent information shows a high rate of wells leaking across British Columbia (B.C.) and Alberta. And new reports demonstrate that methane leaks are likely vastly underreported in both B.C. and Alberta. Furthermore, even the "high" estimate in the SSEIS is only 1.46 percent, far below the potential upper bound of leakage rates possible for under-studied and under-reported methane leaks in Canada. The SSEIS should be revised to include a "medium" scenario of two percent leakage, and a "high" scenario of three percent leakage, to capture a reasonable range of potential impacts from the upstream portion of the Kalama project's emissions.

2. The SSEIS continues to rely on a narrow set of "bottom-up" estimates for its methane leakage estimates. It should instead evaluate methane leakage rates based on "top-down" observations. These more comprehensive and modern estimates of methane losses from the natural gas supply chain are much higher, two percent or higher, and are informed by techniques such as airplanes equipped with sensors that can capture the full range of operating conditions at gas extraction fields. In the absence of rigorous, top-down observations in Canadian gas fields, Ecology should not conclude that methane leakage rates are substantially lower for fracked gas production in B.C. and Alberta, particularly when reports show a high proportion of active and abandoned wells continue to methane leakage.

3. The SSEIS makes unreasonable assumptions about the potential sources of fracked gas and its impacts. NWIW is not limited to obtaining gas from a single supply basin over the lifetime of the facility, and it could receive gas supplies from Rocky Mountain states as well as Canadian sources. NWIW will use up to 320 million cubic feet of gas per day, consequently driving additional fracking and methane leakage across the continent, not just in B.C. Rather than using cherry-picked, low, methane leakage estimates based on under-reported methane emissions from British Columbia, the SSEIS study should assess methane emissions based on regions that have undergone more detailed analyses, and from which Kalama gas could also be sourced, including in the United States and Alberta. Using leakage rates from areas that have been more thoroughly studied through both top-down and bottom-up measurements would likely double the methane leakage estimates in the SSEIS for both medium and high scenarios.

WIRT activists recommend that the Washington Department of Ecology dismiss NWIW's misleading claims in the SSEIS, and require additional impact evaluations and a more rigorous analysis through a revised SSEIS, responsive to citizen and hearing input, which more accurately accounts for the project's upstream and downstream climate pollution. During this decisive, project review phase, we ask that Ecology consider and act in accordance with our and our colleagues' letters of objection that substantively address the deficiencies of NWIW's documents and processes, as we offer the counterbalance of regional insights so crucial to government and community protection of watersheds essential to lives and livelihoods. For the previously stated and other commenters' reasons, please reject the Kalama Manufacturing and Marine Export Facility, and ultimately deny the shoreline conditional use permit for this project. Thank you for accepting our comments, intended both to improve the SSEIS and to advocate for justifiably anticipated, state of Washington rejection of this NWIW scheme to further impose risks on Washington and Northwest citizens, while reaping the benefits of oil and gas exploitation.

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[1] *Northwest Innovation Works -- Kalama Manufacturing and Marine Export Facility,* Washington State Department of Ecology
https://ecology.wa.gov/Regulations-Permits/Permits-certifications/Shoreline-permits-enforcement/Northwest-Innovation-Works-Kalama

[2] *Stand Up for Kalama, Oppose Methanol Refinery,* September 2020 Columbia Riverkeeper
https://www.columbiariverkeeper.org/petition-methanol

[3] *Kalama Methanol,* August 20, 2020 Power Past Fracked Gas
https://powerpastfrackedgas.org/kalama

[4] *Kalama Methanol "Benefits" Assume Catastrophic Climate Failure,* September 23, 2020 Sightline Institute
https://www.sightline.org/2020/09/23/kalama-methanol-benefits-assume-catastrophic-climate-failure

[5] *New Analysis Proves Kalama Methanol Project is a Climate Disaster,* September 3, 2020 Sightline Institute
https://www.sightline.org/2020/09/03/new-analysis-proves-kalama-methanol-project-is-a-climate-disaster