

Permits and Decision Makers for Kalama Methanol Refinery



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Northwest Innovation Works LLC (“NWIW”), a new company owned by the Chinese government, wants to build a large gas-to-methanol refinery at the Port of Kalama, Washington. Methanol from the refinery would be shipped through the Columbia River estuary to China where it would be used to make plastic or burned as fuel. NWIW would exploit North America’s natural gas reserves, cheap power, and abundant fresh water to increase China’s fossil fuel consumption.

What Permits Does NWIW Need, and Who Decides?

- The Port of Kalama and Cowlitz County are co-leading the Environmental Impact Statement (“EIS”) for the refinery. The EIS is a study describing the impacts of NWIW’s proposal, and it must be finished before state and local agencies can make decisions about the refinery. The environmental engineering firm BergerAM was hired to author the EIS. NWIW is responsible for paying for the EIS. The comment period closes April 18, 2016.
- The Port of Kalama decided to lease land to NWIW for the refinery. Port Commissioners may terminate the lease if NWIW does not get all the other required permits by October 9, 2016, or October 9, 2017, if a one year-lease extension is granted.
- Cowlitz County has the main permitting authority over NWIW’s refinery. Cowlitz County will review NWIW’s multiple land use permits and NWIW’s “Substantial Development” permit under the Washington Shorelines Management Act. The County will rely on information in the Final EIS to make its decision. It is likely that permit decisions will be made by Cowlitz County staff members.
- The Southwest Clean Air Agency (“SWCAA”) will decide NWIW’s application for a Clean Air Act permit. SWCCA will hold a public comment period and possible hearing on NWIW’s air permit application.
- The Washington Department of Ecology (“Ecology”) will review NWIW’s Clean Water Act permit application to discharge contaminated wastewater from the refinery into the Columbia River. Ecology will hold a public comment period and possible hearing for NWIW’s wastewater permit. Ecology can also veto federal permits necessary for the refinery if Ecology determines NWIW’s project could violate state water quality standards.

- The Washington Department of Fish and Wildlife will decide whether to authorize the project based on its impacts to hydrology and fish habitat. Fish and Wildlife will consult with stakeholders before making their decision.
- The Federal Energy Regulatory Commission (“FERC”) will decide Northwest Pipeline Co.’s (the gas company that would supply NWIW) application to build the 3.1-mile Kalama Lateral Pipeline. The comment period on the Kalama Lateral pipeline has closed and FERC could announce a decision at any time.
- The U.S. Army Corps of Engineers will decide, under the Clean Water Act and the Rivers and Harbors Act, whether NWIW and the Port will be allowed to build a new dock and dredge the Columbia River Estuary. The Corps has already conducted their comment period will conduct an independent Environmental Assessment (no public comment for Environmental Assessments).
- The National Marine Fisheries Service will decide whether NWIW’s project will jeopardize endangered salmon and other species in the Columbia River. National Marine Fisheries Service will consult with stakeholders before making this decision. A decision by the National Marine Fisheries Service can be appealed.

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