

FREQUENTLY ASKED QUESTIONS ENVIRONMENTAL IMPACT STATEMENT (EIS)

Northwest Innovation Works Tacoma
Tacoma Manufacturing and Marine Export Facility (TMMEF)
City of Tacoma – File No. SEPA2015-40000260025

Background

- Northwest Innovation Works, Tacoma, LLC (NWIW) has proposed to develop and operate a natural gas-to-methanol production plant and export facility on approximately 125 acres in the Port of Tacoma.
- The project objective is the manufacturing and shipment of methanol to global markets for use in the production of plastics and other materials.

Key Facts

- The City is the Lead Agency for the purposes of completing an Environmental Impact Statement (EIS) in accordance with the State Environmental Policy Act (SEPA).
- An EIS is a tool for decision making. It describes the positive and negative environmental effects of a proposed project, and it usually lists alternative actions that may be chosen instead of the action described in the EIS.
- The EIS is not a substitute for permit review. It's a process that develops information that is used to support permit review and development of recommended mitigation measures related to potential impacts to matters such as transportation, fire, health and safety.
- Key permits for this project include the City of Tacoma Shoreline Substantial Development Permit, Department of Ecology Water Quality Certification, the Department of Fish and Wildlife's Hydraulic Project Approval, the U.S. Army Corps of Engineers' Sections 10 and 404 permits, and a Notice of Construction air contaminant permit from Puget Sound Clean Air Agency.
- Federal permits will likely involve a thorough review of waterway operations by the US Coast Guard.

Q: Why is the City Proposing this methanol plant?

A: This is a private proposal by a private company. It is not a city-sponsored project. The City is the Lead Agency for the environmental review and will be one of the primary agencies reviewing any development permit for the site.

Q: Why is the City Lead Agency?

A: Under SEPA (State Environmental Policy Act) law, a "Lead Agency" is the government jurisdiction making the decision on a development application (or "action"). When there is more than one agency that is going to make a decision, the organization with the earliest decision, or where the majority of the project is located, takes lead.

Q: Why isn't the federal or state or government Lead Agency?

A: The federal government does not have SEPA authority – it's a state-level review. For federal permits (which in this case appear to be only minor permits) the federal agency issuing the permit does NEPA

review in consultation with other agencies. As for the state, for this proposal, state-level authority appears to be limited to some approval over work within the waterway and potentially some water-quality permits. The Washington State Department of Ecology could have taken Lead Agency status, but deferred that position to the City of Tacoma in November, after consulting with all other permitting agencies.

Q: When does the City Council take a vote on the project?

A: NWIW has approached the City and stated its intent to apply for building permits and other development permits on the site. The City Council does not have a role in deciding on building permits. The Council's role is much earlier in the process – in setting the broad policies for the city's development, in determining the zoning for an area, and in adopting the applicable building codes.

Q: Why don't you just say no?

A: Property rights law, as well as other laws, don't allow the City to decline building permits without justification when they meet the applicable zoning and building codes. In the state of Washington, the SEPA regulations allow a jurisdiction to approve, condition, or deny a permit based upon the environmental impacts of the proposal.

Q: So who is the decision-maker?

A: That depends on the permit. For the most part, if the methanol plant moves forward, the permits will be City of Tacoma building permits and fire permits. The project will also need a Shoreline Substantial Development Permit. It will likely need permits from Washington Department of Fish & Wildlife as well as from the Puget Sound Clean Air Agency. For City of Tacoma Permits, the authority is with Planning & Development Services (PDS). The Director of PDS is Peter Huffman. Mr. Huffman will use the findings of the EIS, as well as the input of expert reviewers (fire, engineering, building, critical areas, etc.) in determining if and under what conditions to issue any development permits.

Q: Who is paying for all this?

A: Under City Code the applicant pays for all costs associated with preparing the EIS. The preparation and content of the EIS is determined independently of any input from the applicant.

Q: Who pays to defend the FEIS if there's an appeal?

A: State law does not provide any basis for a direct challenge to an EIS, rather an EIS is only challenged on an appeal of a specific permit. Most likely the City would only incur any costs defending an EIS if the City itself (not some other agency) issued or denied a specific permit based on the EIS and the permit action was appealed.

Q: Who will actually do the work on the EIS?

A: The City will select the EIS consultant using our established procurement process. The details of this will await our finalizing the EIS scope of work. The consultant will need to demonstrate expertise in the

EIS process and will need to have the capacity to work with (subcontract with) experts in each subject area so that review is accurate and thorough. Studies related to the project design would be supplied by the applicant, but review and analysis of those studies, assessment of the impacts, and determining mitigation would be conducted independently.

Q: What about Water?

A: Water service at the site would be provided by Tacoma Public Utilities (TPU). TPU has a legal obligation under state law (RCW 80.28.110, 80.04.010, 80.04.380, and 80.04.385) to serve water and power demand in its service territories, and to acquire supplies and develop facilities (if necessary) to do so. Tacoma Water historically has served similar levels of demand in the area, and has sufficient infrastructure, capacity and supply to serve the projected needs of the plant.

Q: What about Power?

A: Tacoma Power does not currently have sufficient power resources in its portfolio to serve a load of the size required by the proposed use. However, sufficient resources are likely available in the region and could be obtained to serve the load without impacting current customers.

Q: What is TPU's position on the plant?

A: Any issues involving water and power supply will be addressed in the SEPA process. Public comments on those issues and their discussion in the Environmental Impact Statement (EIS) will be dealt with in that process. TPU intends to work within that process and therefore necessarily refrain from any public discussions detrimental to that process. TPU has not taken any position on the proposed development.