



Oregon

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To: Energy Facility Siting Council

From: Wally Adams, Operations and Policy Analyst

Date: 5/13/2022

Subject: Agenda Item C (Action Item):
Port Westward Renewable Fuels Request for Exception/Exemption – Proposed Order, for the May 26-27 Council Meeting

Attachments: Attachment 1: Proposed Order
Attachment 2: Public Comments

STAFF RECOMMENDATION

The Oregon Department of Energy (Department) recommends the Energy Facility Siting Council (Council) issue a Final Order approving the Request for Exemption of the Port Westward Renewable Fuels Project (proposed plant), a biomass facility capable of producing 17,613,600 barrels per year (BPY) of renewable fuels, primarily renewable diesel, proposed by NEXT Renewable Fuels Oregon, LLC (NEXT), in accordance with OAR 345-015-0350(5) and ORS 460.320(4).

BACKGROUND

Procedural Timeline

November 9, 2020	NEXT submitted initial Request for Exemption to the Department.
December 7, 2020	The Department sent Request for Additional Information (RAI) to NEXT.
February 26, 2021	NEXT responded to RAI-1.
March 30, 2021	The Department sent an evaluation of the exemption request to NEXT for the purpose of clarifying where information was still required.
March 31, 2022	NEXT submitted an updated Request for Exemption
April 6, 2022	The Department issued a Notice of Filing to NEXT as required by OAR 345-015-0370(1).
April 20, 2022	The Department issued a draft of the Proposed Order and concurrently opened a 21 day written comment period.
May 11, 2022	Close of the 21 day written comment period.

May 13, 2022	The Department issued a Proposed Order and written comment summary for Council’s consideration at the May EFSC meeting.
May 27, 2022	Council will review the Proposed Order and may take action at its May meeting.

Applicable Regulatory Requirements

At its maximum design and production capacity, the NEXT facility could produce renewable fuels that are capable of being burned to produce the equivalent of 287.6 billion British Thermal Units (BTU) per day. This facility meets the definition of an energy facility under ORS 469.300(11)(a)(G)¹ which establishes Council jurisdiction; however, Oregon statute allows Council to review certain fuel producing energy facilities from having to go through the site certificate review process. In Oregon statute these are referred to as exceptions and in Council’s rules they are referred to as exemptions. NEXT has requested an exception/exemption under ORS 469.320(2)(f) which includes the following standards by which the Council must review the request:

“An energy facility as defined in ORS 469.300 (11)(a)(G), if the facility:

- (A) Exclusively uses biomass, including but not limited to grain, whey, potatoes, oilseeds, waste vegetable oil or cellulosic biomass, as the source of material for conversion to a liquid fuel;*
- (B) Has received local land use approval under the applicable acknowledged comprehensive plan and land use regulations of the affected local government and the facility complies with any statewide planning goals or rules of the Land Conservation and Development Commission that are directly applicable to the facility;*
- (C) Requires no new electric transmission lines or gas or petroleum product pipelines that would require a site certificate under subsection (1) of this section;*
- (D) Produces synthetic fuel, at least 90 percent of which is used in an industrial or refueling facility located within one mile of the facility or is transported from the facility by rail or barge; and*
- (E) Emits less than 118 pounds of carbon dioxide per million Btu from fossil fuel used for conversion energy.”*

PROPOSED FACILITY

The proposed plant would be located at the Port Westward Industrial Park in Columbia County, Oregon, and would include a 115.37 acre leased site within Columbia County’s Resource Industrial Planned Development (RIPD) zone. NEXT has purchased an additional 25.5 acres of private land adjacent to the port parcel. These two properties combined compose the manufacturing facility. NEXT has also purchased an additional 4.4 acre parcel in Primary

¹ “A plant which converts biomass to a gas, liquid or solid product, or combination of such products, intended to be used as a fuel and if any one of such products is capable of being burned to produce the equivalent of six billion Btu of heat a day”.

Agriculture (PA-80) zone for use in rail logistics. The total area of the site plus rail areas is 145.27 acres (see Figures 1 and 2 below).

The proposed facility would be capable of processing up to 50,000 barrels per day (BPD) of renewable biomass feedstocks to produce renewable diesel fuel and renewable naphtha and would consist of the following major components:

- Two new product (20 and 12 inch diameter, each) and one feedstock (18 inch diameter) pipelines from the proposed plant to the confluence with the terminaling provider
- Ten larger product and feedstock tanks (125,000 to 225,000 barrels each) and fourteen smaller feedstock and process tanks (10,000 to 50,000 barrels each)
- Rail System (15,000 linear feet of track, 10-bay feed unloading system and 10-bay diesel loading and bleaching earth unloading system)
- Biomass Pre-Treatment Plant
- Hydrogen Facility
- Up to four Ecofining™ conversion units
- Fresh, storm and process water treatment system
- Substation and 1,100-foot service line
- Interconnecting 3800 foot, 8 inch natural gas pipeline
- Office, warehouse and other buildings

NEXT has provided the following summary of the maximum volumes of renewable fuels to be produced:²

Product	Barrels per Day	Barrels per Year
Renewable Diesel	46,500	16,647,000
Renewable Naphtha	2700	966,600
Total	49,200	17,613,600

The proposed facility would utilize liquid biomass feedstocks. Feedstocks would arrive via vessel and barge at the existing Port of Columbia County owned dock at Port Westward, Columbia River Mile 53. A terminaling company that is already operating at Port Westward would unload the feedstock and transfer it via pipeline to the new on-site storage tanks. The feedstock would first be processed in one of four pre-treatment units before conversion in one of four Ecofining™ process units into renewable fuels. Finished products would be stored on-site before being transferred back to the terminaling provider via pipeline to ship via barge and vessel from the Port Westward dock.

CONCLUSION

Staff's evaluation of the request for exemption found that NEXT met each of the five criteria listed at ORS 469.3200 (2)(f). A detailed analysis of each of the above criteria can be found in the Proposed Order.

² From PWBDoc01 Updated Exemption Request 2022-04-18.pdf, page 5

The Department therefore recommends that the Council find that the proposed Renewable Fuels Production facility, as described in the exception/exemption request submitted by NEXT Renewable Fuels Oregon LLC on March 31, 2022, is exempt from its jurisdiction pursuant to ORS 469.320(2)(f).

ATTACHMENTS:

- Attachment 1: Proposed Order on the Exemption Request
- Attachment 2: Summary of Written Public Comments Received