



Association
of Washington
Business

Washington State's Chamber of Commerce

June 13, 2016

Millennium Bulk Terminals EIS
c/o ICF International
710 Second Avenue, Suite 550
Seattle, WA 98104

RE: Millennium Bulk Terminals draft Environmental Impact Statement

Dear Co-Lead Reviewers:

On behalf of the Association of Washington Business (AWB), and the under signed companies and organizations, we are writing to express our support of the proposed Millennium Bulk Terminals (MBT-Longview) project.

AWB is the state's oldest and largest statewide business association, which includes nearly 8,000 employers representing 700,000 employees, including those that have signed this letter with us. AWB serves as both the state's chamber of commerce and the manufacturing and technology association.

We are pleased to see the release of the draft Environmental Impact Statement (DEIS) for the MBT-Longview proposal, and are appreciative of the work put forward by the co-lead agencies, Ecology and Cowlitz County.

As you are aware, Washington is one of the most trade-dependent states in the nation. The MBT-Longview project, as with other projects of statewide significance, represents growth opportunities that will boost and enhance the state's trade capacity. In order for our state to remain competitive in a global economy, we need a fair and timely review of all projects to ensure and protect our competitive opportunities.

The MBT-Longview project will provide family-wage jobs in a part of the state that needs them—more than 2,600 direct and indirect jobs during construction, and 300 permanent direct and indirect jobs – delivering economic stimulus for the region and state. Many of these jobs are blue collar positions, which are unfortunately becoming rarer. The project will also generate additional tax revenue – more than \$37 million to the state and \$5 million to the county during construction, and ongoing operations that generate nearly \$6 million in tax collections for the state, local governments and special purpose districts annually.

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Local communities are already reaping the benefit of the partnership developed by MBT-Longview and former property owners, who are providing oversight on the ongoing clean-up of the former Reynolds Longview site. While the clean-up of the site is a separate project than that considered under the DEIS, it shows the commitment and environmental stewardship one can expect from MBT-Longview.

While we appreciate the rigorous review conducted by the co-lead agencies, and the release of the DEIS, we are concerned with the length of time and costs associated with such a review thus far. At more than four years in length, and nearly double the time of other significant project reviews, it is time to finish this review. The employer community needs the assurance of regulatory certainty. We strongly support a rigorous and thorough review of all projects, as well as compliance with environmental laws. When the review becomes a significant delay, however, the project proponent and beneficiaries of the project are unnecessarily harmed.

Several of the DEIS' major findings show there will be no significant environmental impacts to the proposed site, or state, as a result of this project. In fact, the DEIS debunks many of the serious claims of environmental impact, showing the proposal will have no adverse impacts to the natural environment. These include issues related to coal dust, rail and vehicle traffic, among others.

Despite the lack of environmental impact to the site of the project, a key provision in the DEIS will require MBT-Longview to contemplate and mitigate for greenhouse gas (GHG) emissions that are not only beyond the boundaries of this project and state, but also beyond the scope of your granted legislative authority. An obligation to consider and mitigate GHG emissions on a global scale is a departure from the traditional use of the SEPA tool, which is meant to consider local impacts. We are unaware of any other project proposal that has been tasked with global evaluations, or to undertake such mitigation.

The proposed accounting and mitigation is precedent setting. Precedent for new obligations under our state's Environmental Policy Act should not be established on a project-by-project basis. Doing so will surely cast a dim light on economic prosperity for our state.

Furthermore, current GHG limiting rules, including the state's GHG RACT Rule and the Emission Performance Standards, referenced in the draft-EIS, only require evaluation of project specific impacts, not a global review. In fact, Ecology just released a rule that would put a cap GHG emissions within the state. The authors of that rule are on record regarding limitations the state has in regulating emissions beyond the state's borders.

If the current review of the proposed MBT-Longview project results in new precedent to review global emissions, we are concerned about what this process will mean for other proposed projects of statewide significance. Will they too face lengthy delays and requirements to mitigate for impacts outside their projects proposals? This sends the wrong message to potential opportunities for economic growth.

The DEIS also relies on life-cycle analysis model to determine the scope of emissions that will be counted against the MBT-Longview project. The co-lead agencies appear to have overlooked a preferred life-cycle model that shows environmental benefit resulting if the MBT-Longview moves forward, in favor of a model that is more detrimental. We would encourage the co-lead agencies to reconsider which model they use. Calling for mitigation for emissions not directly associated with the proposed project fails not only to consider current law, but also ignores GHG emission leakage issues. Every GHG emissions program, including the state's recently released carbon cap rule, takes into consideration the consequences of emissions leakage.

Finally, we fervently believe that this project should be reviewed with a policy lens that is commodity neutral. The addition of the MBT-Longview project increases our position to be globally competitive in the delivery of many commodities, not just one. Singling out a commodity, coal, ignores the strategic position of this terminal as a full-service bulk facility. Agricultural products, timber and many other bulk products will seek to take advantage of a strategically located facility. A commodity neutral review would have likely lessened the timeline of review and unnecessary delay.

As Washington state continues to recover from a slowed economy, we deserve and require timely review of all projects. Instead of imposing new and unprecedented regulations on the employer community, our leaders should be encouraging responsible growth. We need a diverse economy in which everyone – in every corner of the state – has the opportunity to prosper.



Kris Johnson
President
Association of Washington Business



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Oil Re-Refining Company, Inc.



Blair Buchanan
Allweather Wood LLC



Paul Noe
American Forest & Paper Association



Bill Perdue
American Home Furnishings Alliance



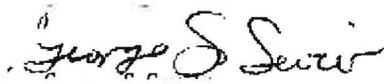
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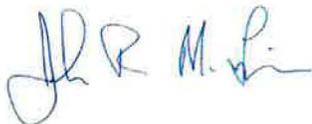
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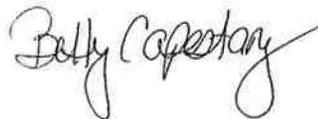
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